



ANALYSIS OF THE ECONOMIC BENEFIT TO THE CITY OF AUSTIN FROM SOUTH BY SOUTHWEST 2015

MUSIC / FILM / INTERACTIVE / EDU / ECO

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EXECUTIVE SUMMARY

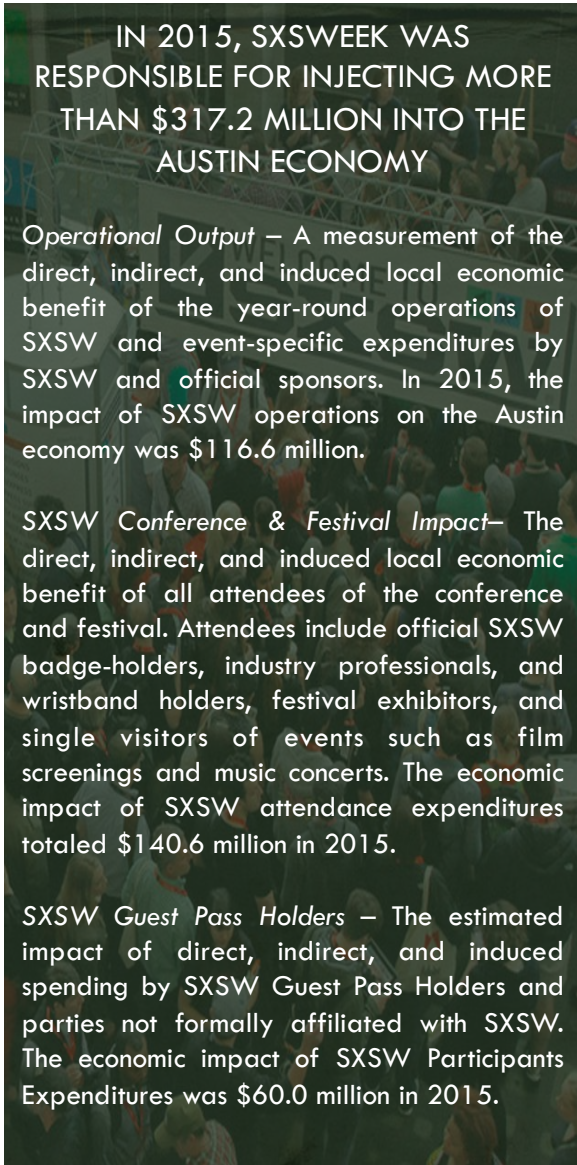
Each March, SXSW attracts the world's leading creative professionals to Austin, Texas for a singular mix of industry conferences, trade shows, and festivals. In addition to its outsized role in sustaining Austin's cultural cachet, SXSW also injects hundreds of millions of dollars into the local economy. **In 2015 alone, SXSW's economic impact on the Austin economy totaled \$317.2 million.**

SXSW's convergence of creative disciplines across a multitude of industries remains its core value proposition. During SXSW, the influx of international talent each year transforms Austin into the global epicenter for creative professionals. 2015 was no exception. In 2015, SXSW's core events attracted nearly 43,000 Registrants. Even as the 30th annual SXSW approaches, the event continues to grow in relevance and provide an unparalleled depth and breadth of opportunities for creative cross-pollination.

Although SXSW is rightly perceived as a single event made of many diverse elements, it engages three distinct types of participants—official Registrants, single admission Ticket Holders and Guest Pass Holders. SXSW Registrants are defined here to include conference and festival badge and wristband holders from five industries: Music, Film, and Interactive as well as Sustainability (Eco) and Education (Edu). Lured by SXSW's unrivaled ability to bring together industry leaders from across the globe, official Registrants are overwhelmingly working professionals from outside Austin.

In recent years, the international prominence of SXSW has attracted larger numbers of outside companies and marketers and those third-party entities now host concurrent activities around the official SXSW events. Unlike official SXSW Registrants, individuals participating in third-party activities and free SXSW events are more recreationally oriented and generally originate from within Texas. Such visitors individually spend less money than their Registrant counterparts, but collectively they represent a significant level of economic activity. In 2015, SXSW distributed 110,000 Guest Passes to SXSW Participants at sites such as the Outdoor Stage at the Shores and the Austin Convention Center.

All SXSW Participants – Registrants, Single Ticket Holders and Guest Passes – introduce and circulate money in the local economy. This 2015 SXSW Economic Impact Analysis is the second year in which most activities that occur during SXSW have been measured.



IN 2015, SXSW WAS RESPONSIBLE FOR INJECTING MORE THAN \$317.2 MILLION INTO THE AUSTIN ECONOMY

Operational Output – A measurement of the direct, indirect, and induced local economic benefit of the year-round operations of SXSW and event-specific expenditures by SXSW and official sponsors. In 2015, the impact of SXSW operations on the Austin economy was \$116.6 million.

SXSW Conference & Festival Impact– The direct, indirect, and induced local economic benefit of all attendees of the conference and festival. Attendees include official SXSW badge-holders, industry professionals, and wristband holders, festival exhibitors, and single visitors of events such as film screenings and music concerts. The economic impact of SXSW attendance expenditures totaled \$140.6 million in 2015.

SXSW Guest Pass Holders – The estimated impact of direct, indirect, and induced spending by SXSW Guest Pass Holders and parties not formally affiliated with SXSW. The economic impact of SXSW Participants Expenditures was \$60.0 million in 2015.

“What makes SXSW work is that so many different people are in the one spot at the same time, and all of them are open to talking, learning, connecting and having fun. Bright, savvy, interesting folk from a huge range of backgrounds and disciplines are here to talk, network and exchange ideas.”

The Irish Times

SXSW BY THE NUMBERS

SXSW continues to be the single most profitable event for the City of Austin's hospitality industry:

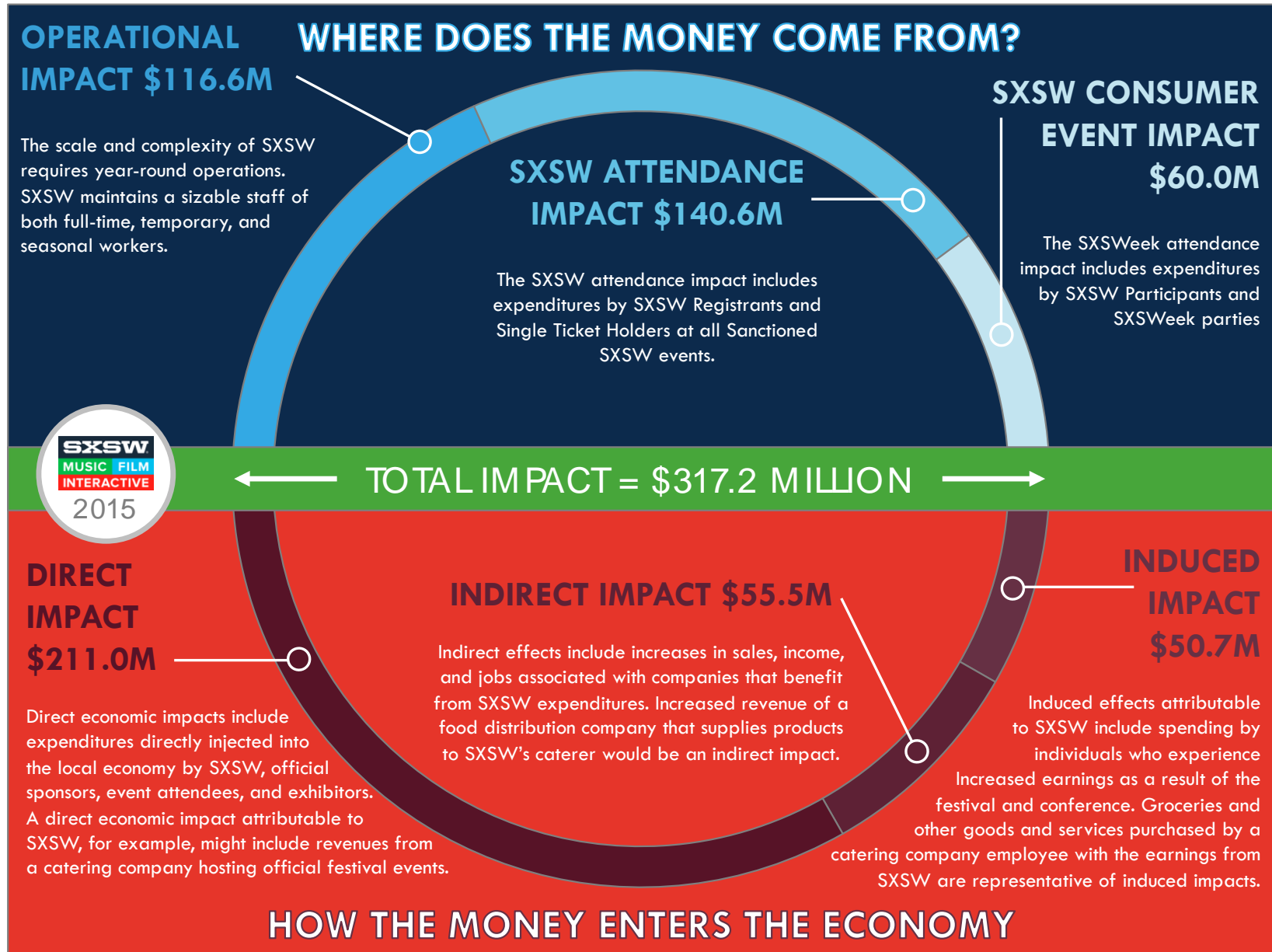
- SXSW 2015 included 13 days of industry conferences, a 4-day trade show, 8 exhibitions, a 6-night music festival featuring more than 2,275 bands, and a 9-day film festival with more than 400 screenings.
- In 2015, SXSW directly booked **13,300 individual hotel reservations totaling 60,254 room nights**. The average length of hotel bookings made directly by SXSW reached 5 nights, an all-time high.
- The opening of the JW Marriott downtown, as well as an increase in Registrants and short-term rental bookings, has expanded Austin's lodging capacity and facilitated longer SXSW visits. **The average length of stay for all SXSW registrant in 2015 reached 4.9 nights**, an increase from 4.6 nights in 2014.
- Despite increased lodging inventory in Austin, demand for accommodations during SXSW continues to outstrip supply by a significant margin—a situation that drove the **average nightly hotel rate for SXSW-booked rooms to an all-time high \$330 in 2015**. Over the past five years the average rates during SXSW have increased 55% (an unsustainable pace frequently criticized by attendees).
- SXSW Conference and Festival participants, defined below to include Registrants and Single Admission Ticket Holders, totaled 139,525.
- SXSW Consumer Event participants defined primarily as Guest Pass Holders attracted an additional 171,200 participants. These popular free-to-the-public events included the 3-night Outdoor Stage concerts at Lady Bird Lake, the 2-day Digital Creative Job Market, 3-day Flatstock poster art show and Music Gear Expo, 1-day Education Expo, the 3-day SXSW Gaming Expo, SX Create, and SX Health & MedTech Expo. In 2015, SXSW distributed 110,000 Guest Passes.

REGISTRANTS*	81,600	SINGLE ADMISSION TICKETS	57,925	SXSW CONSUMER EVENTS	171,200
Music, Film & Interactive Badgeholders	42,900	Paid Music & Film Festival Single		Outdoor Stage at Lady Bird Lake	19,350
EDU and Eco Badgeholders	8,400	Admission Ticket Sales	50,200	Gaming Expo Attendees	56,500
Artists + Crew + Posse	16,700	Carver Museum Theatre	425	Flatstock & Music Gear Expo	61,400
Wristband Holders	7,900	Second Play Stage Attendance	1,600	Job Market	6,500
Film Pass	1,400	Education Expo	5,700	SX Create	22,700
Collateral Attendance	4,300			SX Health & Med Tech Expo	4,750
Paid Single Admission (Music & Film)	50,200				
*Includes all SXSW badges and festival wristbands			*Include attendance from the events below.		

"SXSW has, with long-term effort, made itself the prime United States showcase for international music."

New York Times

SXSW ECONOMIC IMPACT



SELECTED SXSW MEDIA COVERAGE

In 2015 the value of SXSW print, broadcast and online publications coverage totaled more than \$90.6 million. Continued increases in the 2015 SXSW media valuation is the result of on-site, nationally broadcast programs such as Jimmy Kimmel Live. Media coverage not only further cements the city's core identity but also represents an incredible return on the City of Austin's relatively modest investment in SXSW.

Each March, SXSW showcases Austin to the world, generating tremendously valuable media coverage. Austin has become increasingly recognized throughout the world as a forward-thinking place where creativity and commerce are mutually valued and nurtured. SXSW has been integral in establishing this reputation. Thanks to SXSW, global coverage championing Austin's idiosyncratic image reaches millions of creative professionals worldwide. **In 2015 alone, SXSW—and by extension, Austin, Texas—achieved over 80.1 billion broadcast, print, and online impressions.**

Creating an authentic city brand that resonates with both residents and the world at large is notoriously difficult and expensive. Austin is virtually alone among major cities in having acquired an authentic and distinctive identity without significant public resources. Other cities aspiring for global recognition spend millions or billions of dollars to host mega-events like the Olympics or the Super Bowl though many question the benefits to the hosts -- who remembers where the 1988 Olympics were held. Recalling the location of SXSW 1987 through 2015 is far easier—the event has become indelibly linked to Austin. Austin enjoys the unique advantage of receiving a global audience that perpetuates the region's reputation as a creative mecca – year after year after year.

The true worth of SXSW's media coverage easily exceeds published estimates. The media value does include blogs, websites and some more notable radio like NPR and their stations. The resulting calculations, though imprecise, represent the most comprehensive attempt to properly quantify the economic benefits Austin enjoys each year via SXSW's "media buzz" factor.

LOOKING TO 2016 - SXSW 30th EDITION

SXSW continues to look forward and to build upon its successes in cementing Austin's status as a leading cultural destination. 2016 will mark the 30th year of the event's storied history, ushering in another exciting chapter for both SXSW and Austin.



"SXSWEDU offers the best range of programming for entrepreneurs, investors, teachers, professors and administrators."
EdReach

SELECTED SXSW MEDIA COVERAGE

ABC NEWS	ESQUIRE	NEW YORK POST	THE ATLANTIC
ADVERTISING AGE	FAST COMPANY	NEW YORK TIMES	THE DAILY BEAST
ADWEEK	FORT WORTH STAR-TELEGRAM	NEW YORKER	THE HOLLYWOOD REPORTER
ASSOCIATED PRESS	FOX NEWS	NEW ZEALAND HERALD	THE INDEPENDENT
ATLANTA JOURNAL-CONSTITUTION	GUARDIAN	NEWSWEEK	THE ONION/AV CLUB
BBC	HUFFINGTON POST	NME	THE STRANGER
BET	IFC	NPR	THE TORONTO STAR
BILLBOARD	INC.	OREGONIAN	THE VERGE
BOSTON GLOBE	IRISH INDEPENDENT	ORLANDO SENTINEL	TIME
BUZZFEED	IRISH TIMES	PASTE MAGAZINE	TIMES-HEARALD
CALGARY HERALD	JAPAN TIMES	PHILADELPHIA INQUIRER	TRAVEL + LEISURE
CBS NEWS	JEZEBEL	PITCHFORK	TUCSON WEEKLY
CHICAGO TRIBUNE	JIMMY KIMMEL LIVE	PITTSBURGH POST-GAZETTE	TURNER BROADCASTING
CHINA DAILY	KOREAN ECONOMIC DAILY	POLLSTAR	TV GUIDE
CNBC	LA TIMES	RACHAEL RAY SHOW	UNIVISION
CNET NEWS	LAST CALL WITH CARSON DALY	RADIO-CANADA	US NEWS & WORLD REPORT
CNN	LATE NIGHT WITH SETH MEYERS	REUTERS	US WEEKLY
COMPLEX	LATE SHOW W/ DAVID LETTERMAN	ROLLING STONE	USA TODAY
COSMOPOLITAN	LE MONDE	SACRAMENTO BEE	VANITY FAIR
DAILY BEAST	LOS ANGELES TIMES	SAN ANTONIO EXPRESS-NEWS	VARIETY
DAILY MIRROR	MARIE CLAIRE	SAN FRANCISCO CHRONICLE	VERGE
DALLAS MORNING NEWS	MASHABLE	SAN JOSE MERCURY NEWS	VH1
DALLAS OBSERVER	MIAMI HERALD	SEATTLE TIMES	VIBE
DENVER POST	MILWAUKEE JOURNAL-SENTINEL	SPIN	VICE
DETROIT FREE PRESS	MINNEAPOLIS STAR TRIBUNE	ST. LOUIS POST-DISPATCH	VOGUE
E! ENTERTAINMENT	MSNBC	STEREOGUM	WALL STREET JOURNAL
EL MUNDO NEWSPAPER	MTV NEWS	TEXAS MONTHLY	WASHINGTON POST
ENGADGET	NATIONAL GEOGRAPHIC TRAVEL	TEXAS TRIBUNE	WIRED
ENTERTAINMENT WEEKLY	NBC NEWS	TORONTO STAR	YAHOO!

“With its laid-back, party-friendly, homegrown Austin vibe, the SXSW Film Festival charts a distinctive path from other fests throughout the year. For one, it embraces more mainstream, audience-friendly fare from major studios..., and on the opposite end of the spectrum, the film fest also supports truly outré independent movie experiments.... And there’s plenty in between.”

Buzzfeed