

# Great Western Greenway – Economic Impact Case Study

Final Report

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## Executive Summary

### Background

The Great Western Greenway (Westport-Newport-Mulranny-Achill) is a traffic-free cycling and walking facility that primarily follows the line of the old Great Western Railway, which closed in 1937. The first 18 km of the Greenway, from Newport to Mulranny, opened in 2010, while the two extensions linking south to Westport and east to Achill formally opened in July 2011, lengthening the route to 42 km, mostly off-road.

The development of the Greenway has involved a partnership between Fáilte Ireland, the Department of Transport, Tourism and Sport and Mayo Co. Council, as the major funders of the project, with substantial support also provided by the local community and local landowners. Locally, in particular, its development has only been made possible through agreement with local landowners, who have allowed permissive access to users to pass through their lands.

The project has been widely perceived to be a success, both in terms of usage and community buy-in. Therefore, Fáilte Ireland commissioned a case study style economic impact study of the Greenway, which has sought to quantify the achievements of the project to date. To do this, the study has drawn on information available through user count data, a small survey of Greenway users, consultations with key local businesses and a wider survey of other businesses in the area in order to provide a first assessment of the economic impact of the Greenway and views on its impact on local businesses.

*It should be noted that this is not a full economic impact study. The assessment and estimates in the study should be regarded as indicative only, and thereby treated with a degree of caution. Also, the estimates only relate to the Newport to Mulranny section of the Greenway. Therefore, as usage levels grow on the other sections of the Greenway, it is highly likely that its economic impact will also grow significantly.*

### Users

Usage estimates prepared as part of the study suggest that the Great Western Greenway, on a full year basis, would attract nearly 23,000 persons from outside the local area. This includes (a) 14,800 domestic visitors to the local area, who use the Greenway 29,600 times during their stay and (b) 8,000 overseas visitors to the local area, who use the Greenway 16,000 times during their stay.

In addition, the estimates suggest that the Greenway would be used 34,400 times by local (Co. Mayo) people. This means that the Greenway attracts 80,000 “visits” or “uses” within a calendar year (i.e. 26,600 + 16,000 + 34,400).

## Economic Impact

### *Levels of Economic Impact*

Direct expenditure by users of the Great Western Greenway can be split between local users, domestic visitors and overseas visitors. However, it can also be grouped into different levels of economic impact. These levels include:

- all direct expenditure, i.e. all expenditure that is associated with the Greenway. Expenditure by all user types is included at the first level;
- expenditure with a local economic impact, i.e. all expenditure that introduces new money into the local economy. Expenditure by domestic and overseas visitors is therefore included in this impact;
- expenditure with a national economic impact, i.e. all expenditure that introduces new money into the national economy. Expenditure by overseas visitors only is included in this impact.

### *Total Economic Impact*

Estimates derived from the study suggest that all direct expenditure associated with the Greenway would contribute to a **projected €7.2 mn in spend in the local economy** over a full year in 2011. This expenditure includes:

- nearly €940,000 in expenditure by local residents, made up of 34,400 “visits” to or “uses” of the Greenway at an average spend of €27.31 per visit or use;
- over €3.5 mn in expenditure by domestic visitors, made up of 14,800 domestic visitors spending an average of €49.85 per day with an average length of stay of 4.8 days;
- nearly €2.8 mn in expenditure by overseas visitors, made up of 8,000 overseas visitors spending an average of €50.71 per day with an average length of stay of 6.8 days.

The Greenway, meanwhile, also contributes to a **projected local economic impact of about €6.3 mn**, which consists of nearly €2.8 mn in spend by overseas visitors and over €3.5 mn in spend by domestic visitors. Also, the Greenway contributes to a **projected national economic impact of nearly €2.8 mn**, which consists of the spend by overseas visitors.

### *Additional Economic Impact*

Lastly, it is important to remember that only a portion of the expenditure generated under the various levels of economic impact, as outlined above, can truly be regarded as “additional”. This is because visitors whose journey purpose is to use/visit a particular attraction or activity are the only groups that can truly be regarded as being attracted by that attraction or activity, whereas other visitors, whose journey purpose is for other reasons, may have come to the local area anyway.

In this regard, study estimates suggest that about 70% of domestic visitors and about 45% of overseas visitors considered the Greenway to be an important factor in their decision to visit the local area. On an indicative basis, therefore, these visitors would spend a projected €2.5 mn and €1.3 mn in the local area during their stay, giving a total projected expenditure of €3.8 mn. **All €3.8 mn in expenditure represents additional local impact, while €1.3 mn in expenditure represents additional national impact.**

## Views of Local Businesses

Research carried out for the study, through consultations with key local businesses and the wider survey of other local businesses, also suggests that the Great Western Greenway is having a noticeable impact on businesses in its area. For example, it shows that:

- nearly 47% of businesses surveyed or consulted indicate that the Greenway has led to an increase in business turnover, with only a very small proportion (3%) suggesting that it has had a negative impact on turnover;
- about 31% of businesses surveyed or consulted suggest that the Greenway has led to an increase in their expenditure in the local area, with only 4% suggesting that it has led to a decrease in expenditure;
- the Greenway has helped to create an estimated 38 new full-time equivalent (FTE) jobs, with a further 56 existing FTE jobs being sustained.

Furthermore, over two-thirds of businesses suggest that the prospects for increasing turnover from the Greenway are either “good” or “very good”, while just 12% consider the prospects to be either “poor” or “very poor”. Also, nearly half of businesses suggest that the prospects for increasing employment from the Greenway are either “good” or “very good”, with 15% considering the prospects to be either “poor” or “very poor”.

Looking forward, key issues cited by businesses that could impact on the outlook for the Greenway in future include:

- the need for future maintenance and upkeep of the Greenway, and ensuring long-term resources for this. This includes some concern that these resources may not be guaranteed in future, given the current depressed economic climate and the consequent pressures on public finances, with the result that alternative sources of funding may be needed, e.g. local sponsorship of sections of the Greenway;
- the need to continue to build on the strong marketing and promotion brand that the Greenway has developed in its first couple of years of operation so as to ensure that it continues to keep the local area “on the map”, and counteract any danger of “novelty” value only;
- maximising potential for greater local economic impact through the promotion of local food and local crafts along the Greenway, developing more serviced stops and facilities along the route and creating more incentives to get users to spend in local shops;
- managing any potential conflict between alternative uses. Various interviewees pointed out that, while there might in future be some issues around the different needs of cyclists versus walkers, its role as an amenity for locally resident walkers is important in creating and maintaining local support. This latter point is important to such issues as continued land access and general maintenance.

# 1. Introduction

## 1.1 Background

This report is a case study of the economic impact of the Great Western Greenway in Co. Mayo. It has been prepared by Fitzpatrick Associates, Economic Consultants, for Fáilte Ireland.

The Great Western Greenway (Westport-Newport-Mulranny-Achill) is a traffic-free cycling and walking facility that primarily follows the line of the old Great Western Railway, which closed in 1937. It is a partnership between: Fáilte Ireland; the Department of Transport, Tourism and Sport; Mayo Co. Council; and the local community. To date, Fáilte Ireland has contributed approximately €2.0 mn towards the capital cost of the project.

The first 18 km of the Greenway, from Newport to Mulranny, opened in 2010, while the two extensions linking south to Westport and east to Achill formally opened in July 2011, lengthening the route to 42 km, mostly off-road. Its development has also been made possible through agreement with local landowners who have allowed permissive access to users to pass through their lands.

## 1.2 Objectives

Given the perceived success of the project, both in terms of usage and community buy-in, Fáilte Ireland commissioned a case study style economic impact study of the Greenway. The core objectives of this study are to:

- provide an indicative assessment of the economic impact in Mayo as a result of the Greenway, to include an estimate of the revenue directly generated and employment generated or supported;
- explain how this revenue was generated by categorising it in terms of the individuals or groups making purchases, i.e. locals, domestic day visitors, domestic overnight visitors and overseas visitors;
- assess the impact of the Greenway on tourism and related businesses in the vicinity of the Greenway.

The study was undertaken in September 2011.

In terms of location, the main focus of the study is on the Newport to Mulranny section of the Greenway, given that it has been open since 2010. However, the case study also seeks to take account of the early experience along the rest of the route, which has now been open for several months.

*In addition, it should be noted that this is not a full economic impact study, e.g. such as a study involving specially commissioned or bespoke consumer market research. Rather, it is an attempt to use existing desk based information, other research that has been carried out locally and made available to Fitzpatrick Associates, and consultations with businesses and other key informants to present an assessment of the economic impact of the Greenway and its impact on local businesses. The assessment of economic impact in the study should be regarded as indicative only, however, and thereby treated with some caution.*

## 1.3 Methodology

There have been a number of key techniques, tools and information sources used in the methodology for this economic impact case study. The economic impact assessment, in particular, draws on two key elements:

- analysis of user count data from Mayo Co. Council, gathered between February 2011 and September 2011, which provides information on the level of usage of the Greenway, particularly along the Newport to Mulranny section;
- analysis of about 100 Greenway user surveys carried out by Mayo Co. Council between May 2011 and September 2011, which provide information on user profiles and their usage patterns.

*As the user count data covers only part of the year, it has been necessary to extrapolate full year estimates using assumptions (see Section 3.2). Also, as noted above, the survey of Greenway users is based on about 100 responses, which is a relatively small sample, it was initiated before this study was commissioned and its roll-out was carried out intermittently over the summer period. Therefore, the results of the survey should be treated with a degree of caution and as indicative only. It is hoped that a more rigorous analysis of the impact of the Greenway may be carried out during 2012.*

Other techniques, tools and information sources used in the study, but particularly in assessing the impact of the Greenway on local businesses, include:

- consultations with eight key businesses operating along the Greenway, including cycle hire operators, hotels, pubs and restaurants, which provide information on the Greenway's impact on local businesses;
- a wider survey of over 160 other businesses in the vicinity of the Greenway, which received over 50 responses, to again provide information on its impact on local businesses;
- discussions with other key informants such as Fáilte Ireland and Mayo Co. Council;
- review of other material available from Fáilte Ireland at a regional and national level regarding tourism participation in walking and cycling.

## 1.4 Structure

This introductory section is the first of five main sections in the report. The subsequent sections of the report deal with the following:

- Section 2 provides a review of the context for the Greenway, including a description of the project, the capital investment involved and the management arrangements;
- Section 3 provides an overview of information available on users of the Greenway, including the number of users, the profile of users and their usage patterns;
- Section 4 provides a review of the economic impact of users of the Greenway, including the direct expenditure contributed by local residents, domestic visitors and overseas visitors;
- Section 5 provides a review of the impact of the Greenway on local businesses, including its impact on turnover and jobs as well as other impacts.

## 2. Greenway – Context

### 2.1 Overview

The purpose of this section is to provide a brief overview of the context for the Great Western Greenway. This includes a description of the project itself and its background, an outline of the capital investment involved and an overview of management arrangements.

### 2.2 Description

The genesis of the Great Western Greenway emerged from proposals to convert a disused railway line between Westport and Achill into a world class off-road cycling and walking route. The railway line in question used to form part of the renowned Midland Great Western Railway, being one of the “Balfour” branch lines that was introduced to provide light railway to disadvantaged parts of Ireland in the 1890s. The first extension, from Westport to Newport, was opened in February 1894, with the extension to Mulranny opened in August 1894 and the final extension to Achill opened in May 1895.

Around this time, the individual towns on the line prospered with the introduction of the railways. In particular, the railways were instrumental in developing the towns as tourism destinations, with several hotels (such as the present day Mulranny Park Hotel) opening along the route. However, the era of the railways in this part of Co. Mayo was to last for little more than 40 years, and the railway was closed by Coras Iompair Éireann (CIÉ) in 1937 and its lands passed into private ownership over a period of 70 years.

Development of the Greenway, therefore, has sought to re-use the railway heritage of that time in a way that promotes significant tourism development in the local area, in much the same way that the railways themselves originally promoted tourism in the local towns. However, the facility would also be multifunctional, serving tourist, local recreational, school and work travel needs, and thereby drawing recreational users and visitors, primarily cycling and walking visitors, young families, school pupils and more serious sports cyclists. In addition, the Greenway would link two tourism destinations – Westport and Achill – where cycle hubs already existed, it would form a strategic part of the National Waymarked Way Network and it would complement a comprehensive range of existing recreational trails throughout Co. Mayo.

The development and construction of the Greenway was split into three separate phases, which were as follows:

- Phase 1 involved the construction of the Newport to Mulranny section, which is 18 km in length and was completed and opened in 2010;
- Phase 2 involved the construction of the Westport<sup>1</sup> to Newport section, which is 11 km in length and was completed and opened in 2011;
- Phase 3 involved the construction of the Mulranny to Achill section, which is 13 km in length and was also completed and opened in 2011.

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<sup>1</sup> Within Westport, the section from the town centre to the Quay had already been in use as a local walkway.



## 2.3 Investment

In May 2009, Mayo Co. Council made its initial submission for funding to the National Sustainable Travel Office (in the Department of Transport, Tourism and Sport), Fáilte Ireland and the Department of Community, Rural and Gaeltacht Affairs to convert the disused railway line between Westport and Achill into a world class cycling and walking route.

Total capital investment in the project to date has come to nearly €5.6 mn, with about €1.6 mn spent on Phase 1, another €3.5 mn spent on Phases 2 and 3, and €0.5 mn spent on planning, design, engineering design and project management costs across all phases. Sources of funding for this investment included:

- €5.1 mn in capital grant aid from the Department of Transport, Tourism and Sport, Fáilte Ireland and the Department of Community, Rural and Gaeltacht Affairs;
- nearly €0.5 mn investment from Mayo Co. Council to cover planning, design, engineering design and project management costs.

	Phase 1 (€)	Phases 2-3 (€)	TOTAL (€)	%
Dept of Transport, Tourism and Sport	1,280,000	1,750,000	3,030,000	54.4%
Fáilte Ireland	160,000	1,750,000	1,910,000	34.3%
Dept of Community, Rural and Gaeltacht Affairs	160,000	-	160,000	2.9%
Mayo Co. Council	-	-	468,000	8.4%
<b>TOTAL</b>	<b>1,600,000</b>	<b>3,500,000</b>	<b>5,568,000</b>	<b>100.0%</b>

Note: Phase 1 involved completion of the Newport to Mulranny section. Phases 2 and 3 involved completion of the Westport to Newport and Mulranny to Achill sections respectively. The Mayo Co. Council contribution, shown separately, covered all planning, design, engineering design and project management costs across all phases.

**SOURCE: MAYO CO. COUNCIL**

However, as noted in Section 2.2 above, the lands on which the former railway operated had gradually passed into the ownership of local landowners over a period of 70 years. Permission for access to the lands was therefore needed in order to develop the project.

Beginning in 2009, Mayo Co. Council approached each landowner involved, seeking an agreement that would permit the construction of a gravel path along the railway track and also permit the public to cycle or walk through. The development of the trail was in turn ultimately only made possible through the goodwill of these local landowners, who wished to see the route developed as a local amenity and as a tourist attraction, and permissive access agreements were eventually made 85 different landowners along the route.

## 2.4 Management

The management of the Greenway is overseen by a Management Committee, which includes representatives from Mayo Co. Council and local landowners. This committee primarily ensures the smooth running of the Greenway, addresses any difficulties and provides for the overall promotion of the facility. Mayo Co. Council, meanwhile, looks after the day-to-day maintenance.

In accordance with local landowner agreements, the trail is closed on 20 January each year to prevent a right of way being created. This closure is advertised in local papers and on the Greenway notice boards, website etc.

### 3. User Information and Profile

#### 3.1 Overview

The purpose of this section is to provide a brief overview of the volume and profile of users of the Great Western Greenway. This includes a review of count data available for the Newport to Mulranny section of the route, analysis of responses to the survey of users of the Greenway and a summary of key assumptions drawn from the user profile, which are underlying the economic analysis in Section 4.

#### 3.2 Users – Count Data

Data on the level of usage of the Greenway is collected from solar powered counters, which Mayo Co. Council has placed at certain points on the route. One of these counters, at Bunnahowna, provides reliable data for the Newport to Mulranny section<sup>2</sup>.

In the eight months between February 2011 and September 2011, the Bunnahowna counter logged 108,000 single trips on the Greenway, i.e. movements past the counter. Table 3.1 below assumes that this accounts for 75% of all trips in a typical full year, meaning that 25% of trips occur in the period between October and January. On this basis, it is assumed that another 36,000 trips would be recorded between October and January, giving a full year count total of 144,000 trips.

TABLE 3.1: GREAT WESTERN GREENWAY – TRIP COUNT DATA	
Count statistics – Feb-Sept	108,000
Count estimate – Oct-Jan	36,000
Count estimate – full year	144,000
Note: The estimate assumes that the February-September count accounts for 75% of the full year count, i.e. 25% of use is assumed to occur between October and January. For comparative purposes, approximately 14% of overseas cycling tourists, 19% of overseas walking tourists and 26% of domestic tourists in Ireland travel in the same period (based on 2009 data).	
SOURCE: DERIVED FROM MAYO CO. COUNCIL DATA	

However, it is also important to remember that a single visit to the Greenway can involve more than one trip, so the actual number of visits is less than the number of trips. For example, the survey of users of the Greenway (see Section 3.3 below) found that about 80% of all respondents planned to make trips in both directions on the trail within the same visit. Table 3.2 below, therefore, applies this ratio to the count data to derive a figure for the total number of “visits” to the Greenway, which is estimated at 80,000.

<sup>2</sup> Other counters have so far not provided reliable data because they were located in shaded areas, which affected their operation. These counters are to be moved to more suitable locations.

**TABLE 3.2: GREAT WESTERN GREENWAY – VISIT DATA**

Trips	144,000
Average trips per visit	1.8
Visits	80,000

**SOURCE: FITZPATRICK ASSOCIATES ESTIMATES**

Similarly, the number of individuals/persons using the Greenway is less than the number of visits, as a single person may use the Greenway more than once, e.g. including use the next day or on a future date. We return to this in Section 3.3 and Section 3.4 below.

### 3.3 Users – Survey Findings

Between May 2011 and September 2011, Mayo Co. Council carried out a survey of users of the Greenway to examine the profile of users in terms of their market origin, their choice of activity on the trail, their level of use of the facility, their length of stay in the local area and their level of spending in the local area<sup>3</sup>. In all, nearly 100 users of the Greenway were surveyed.

As noted in Section 1.3 above, survey results should be treated as indicative only, given that the survey sample was less than 100 and it was carried out on an intermittent basis over several months. Also, the survey was carried out during the tourism season, which would influence the nature of the users (e.g. for market origin, length of stay etc). Nonetheless, findings arising from an analysis of the survey responses, carried out by Fitzpatrick Associates, are outlined in Table 3.3 below. These highlight the following key points:

- users came from three key source markets, which are the “local” Co. Mayo market (38%), the “domestic visitor” market<sup>4</sup> (39%) and the “overseas visitor” market (23%)<sup>5</sup>;
- while walking on the Greenway was the main form of activity for Co. Mayo users (56%), cycling was much more popular among the visitor markets, with over 90% of domestic visitors and nearly 80% of overseas visitors participating in cycling as either a sole activity or in combination with walking;

<sup>3</sup> It should be noted that it is unclear if respondents were presented with a definition of “local” for the purposes of the survey, i.e. whether it included only the immediate surrounding area or the wider Co. Mayo area.

<sup>4</sup> The domestic visitor market includes both domestic day visitors (i.e. visitors that do not stay overnight in the local area) and domestic overnight visitors. Domestic day visitors, however, accounted for only a very small proportion of all users (about 1%) and are therefore not examined separately.

<sup>5</sup> Note that the overseas market includes Northern Ireland, as it constitutes out-of-state revenue.

- average daily spend for both domestic and overseas visitors, the key users bringing “new” money into the local economy<sup>6</sup>, was approximately €50 per day. It is assumed that this includes accommodation and that responses were given for individual rather than group spend, while the estimates are also in line with norms observed from other research<sup>7</sup>;
- average length of stay for the domestic and overseas markets was just over five days and just over seven days respectively. Again, this is in line with norms observed for other research;
- for about 70% of domestic visitors, the Greenway was an important factor in their decision to visit the local area, while the equivalent figure for overseas visitors was about 45%<sup>8</sup>;
- as noted in Section 3.2 above, about 80% of users, across all origin markets, were planning to make return trips via the Greenway during a single visit;
- about 75% of domestic visitors and about 90% of overseas visitors had used or planned to use the Greenway more than once while visiting the local area, i.e. on the next day or at a future date.

**TABLE 3.3: KEY FINDINGS FROM SURVEY OF GREENWAY USERS – MAY-SEPTEMBER 2011**

	Local Users (N = 36)	Domestic Visitors (N = 38)	Overseas Visitors (N = 22)	All Users (N = 96)
Market origin	37.5%	39.5%	22.9%	100.0%
Users – walking	55.6%	10.5%	22.7%	30.2%
Users – cycling	38.9%	65.8%	45.5%	51.0%
Users – both walking and cycling	5.6%	23.7%	31.8%	18.8%
	100.0%	100.0%	100.0%	100.0%
Average party size	3.3	3.5	2.8	3.2
Average daily spend in local area	€27.31	€49.85	€50.71	€41.77
Average length of stay in local area (days)	n/a	5.2	7.4	6.0
Greenway important in decision to visit local area	n/a	71.9%	45.5%	61.1%
Greenway not important in decision to visit local area	n/a	28.1%	54.5%	38.9%
	n/a	100.0%	100.0%	100.0%
% using/planning to use Greenway for > 1 day	n/a	73.3%	90.9%	80.8%
% making return journey on Greenway	82.9%	77.8%	85.7%	81.5%
% of cyclists using hire or hotel bikes	40.0%	67.6%	64.7%	62.3%
Average distance travelled on Greenway (km)	17.7	32.8	30.3	26.6
Note: “n/a” = not applicable. It is assumed that average daily spend includes accommodation and applies to individual rather than group spend.				
<b>SOURCE: ANALYSIS OF MAYO CO. COUNCIL SURVEY RETURNS</b>				

<sup>6</sup> See Section 4.4 below.

<sup>7</sup> This includes the Survey of Overseas Travellers (SOT) carried out by Fáilte Ireland and the Household Travel Survey carried out by the Central Statistics Office (CSO). While estimates including accommodation may appear low, this can largely be explained by the influence of visiting friends and relatives (VFRs), who typically bear no accommodation costs, or by failure to account for prepayments, e.g. pre-travel credit card payments.

<sup>8</sup> For overseas visitors, it should be emphasised that this data relates solely to the importance of the Greenway to visitors’ decisions to visit the local area only. It does not, however, imply that the Greenway was important in visitors’ decisions to visit Ireland.

These results have, in turn, been useful in informing the indicative assessment of the economic impact of the Greenway, which is discussed in Section 4 below. However, when interpreting the results, some adjustment is needed to take account of the “high season” nature of the survey (e.g. for market origin, length of stay). Key assumptions underlying the economic analysis, which take account of both the count data and the results of the user survey, are therefore provided in Section 3.4 below.

### 3.4 Economic Analysis – Key Assumptions

Table 3.4 below outlines some key assumptions that have been used to underpin the economic analysis in Section 4. As noted in Section 3.3 above, these assumptions have taken account of the information available from both the count data and the survey of users, while at the same time making reasonable adjustments to allow for analysis on a full year basis for 2011. The main assumptions are that:

- 43% of visits are accounted for by local users, 37% are accounted for by domestic visitors and 20% are accounted for by overseas visitors. This assumes a higher share of local users and a lower share of domestic or overseas visitors than was evident in the survey of users. However, it also acknowledges the fact that local use is likely to be proportionately higher in the off-season period;
- domestic and overseas visitors make an average of two visits to the Greenway while staying in the local area. This takes account of the results evident in the survey of users, which show that about 75% of domestic visitors and about 90% of overseas visitors had used or planned to use the Greenway more than once while visiting the local area;
- average length of stay for domestic and overseas visitors is 4.8 days and 6.8 days respectively. In each case, this is about 8% lower than the average length of stay reported in the survey of users, from May to September. However, it takes account of the fact that length of stay is likely to be lower over the full year;
- average daily spend is equivalent to the findings in the survey of users, i.e. just over €27 for local users and about €50 for both domestic and overseas visitors.

<b>TABLE 3.4: ECONOMIC ANALYSIS – KEY ASSUMPTIONS</b>				
	<b>Local Users</b>	<b>Domestic Visitors</b>	<b>Overseas Visitors</b>	<b>TOTAL</b>
Market origin	43.0%	37.0%	20.0%	-
Share of visits	34,400	29,600	16,000	80,000
Persons (visits ÷ 2.0)	n/a	14,800	8,000	-
Average length of stay in local area (days)	n/a	4.8	6.8	-
Average daily spend in local area	€27.31	€49.85	€50.71	-
Note: “n/a” = not applicable. Average daily spend is assumed to be per person and to include accommodation.				
<b>SOURCE: FITZPATRICK ASSOCIATES</b>				

On the basis of these assumptions, in a full year, 14,800 domestic visitors to the local area would make a total of 29,600 visits to the Greenway during their stay, while 8,000 overseas visitors to the local area would make another 16,000 visits. Local residents, meanwhile, would make an additional 34,400 visits to the Greenway.

The assessment of the economic impact generated by these markets, on a full year basis for 2011, is now presented in Section 4 below.

## 4. Economic Impact Assessment

### 4.1 Overview

The purpose of this section is to provide an economic impact assessment of the Great Western Greenway.

The section begins by showing how direct expenditure is calculated, by identifying the key user types or markets that contribute to direct expenditure and by discussing the different levels of economic impact that this expenditure contributes to. It then provides estimates of the level of expenditure attributable to overseas visitors, domestic visitors and local residents, and it concludes by aggregating the total direct expenditure and its associated local and national economic impact.

It should again be noted that these estimates are provided on an indicative basis only, and they are largely based on assumptions drawn from the count data and user surveys available from Mayo Co. Council. Also, the estimates are projected on a full year basis for 2011, based on information available for the February-September period.

### 4.2 Calculating Direct Expenditure

Estimates of economic impact in this report are based on direct expenditure, i.e. the “first round” of economic impact. How these estimates have been calculated is outlined in the box below.

#### Box 4.1

Number of domestic and overseas visitors/local visits to the Greenway  
  
x Average daily spend per person/visit  
  
x Average length of stay (for domestic and overseas visitors only)  
  
= Direct expenditure

As noted in Section 3 above, the count data and user survey have also provided information (allowing for adjustments) for a number of key variables, which include:

- the estimated number of persons using the Greenway, broken down by user type;
- the average spend per diem, again broken down by user type;
- average length of stay in the area (for domestic and overseas visitors).

This information has in turn been used to derive an estimate for the average spend per visitor or resident while in the local area. This estimate has then been multiplied by the number of relevant visitors/local visits, in each user type, to give an estimate for total direct expenditure.



### 4.3 Key User Types

The calculation of direct expenditure has further been sub-divided into three distinct user types, which means that total direct expenditure can be broken down into these different types. The three types are:

- local (Co. Mayo) residents;
- domestic visitors;
- overseas visitors.

For domestic visitors and overseas visitors, the estimates take account of all expenditure by visitors while visiting the local area. For local residents, meanwhile, the estimates take account of expenditure associated with local visits to/use of the Greenway.

### 4.4 Levels of Economic Impact

In addition to different user types, direct expenditure can also be grouped into different levels of economic impact. These levels include:

- all direct expenditure, i.e. all expenditure that is associated with the Greenway;
- expenditure with a local economic impact, i.e. all expenditure that introduces new money into the local economy;
- expenditure with a national economic impact, i.e. all expenditure that introduces new money into the national economy.

What is included in each of these levels of impact is outlined in the box below. Expenditure by all user types is included at the first level. This is because it represents all spend that is associated with the use of the Greenway. However, local expenditure has to be excluded from the local level impact. This is because it is money that is already in the local economy, and it is reasonable to assume that most of it would be spent in the local economy regardless of whether or not local residents used the Greenway. Similarly, all expenditure by Republic of Ireland residents has to be excluded from calculation of national level impact for similar reasons, meaning that only overseas spend can generate an impact at a national level.

#### Box 4.2

	All Direct Expenditure	Local Economic Impact	National Economic Impact
Local residents	✓		
Domestic visitors	✓	✓	
Overseas visitors	✓	✓	✓

Lastly, it is also important to take account of visitors' journey purpose when considering a true contribution to economic impact. This is because visitors whose journey purpose is to use/visit a particular attraction or activity are the only groups that can truly be regarded as being attracted by that attraction or activity, whereas other visitors (whose journey purpose is for other reasons) may have come to the local area

anyway. Therefore, calculations of local and national economic impact have taken account of this by highlighting the indicative proportion of visitor spend that might be attributable to visitors who considered the Greenway to be an important factor in their decision to visit the local area.

## 4.5 Overseas Spend

Table 4.1 below provides a projected estimate for the level of direct spend by overseas visitors that use the Greenway across a full year. It shows that a projected 8,000 overseas visitors would spend an average of €50.71 per day and stay in the local area for an average of 6.8 days, which gives a projected direct expenditure in the local area of nearly €2.8 mn.

<b>TABLE 4.1: GREAT WESTERN GREENWAY – ESTIMATED DIRECT SPEND BY OVERSEAS VISITORS</b>	
Number of overseas visitors	8,000
Average daily spend	€50.71
Average length of stay	6.8
<b>TOTAL DIRECT SPEND</b>	<b>€2,754,993</b>
<b>SOURCE: FITZPATRICK ASSOCIATES ESTIMATES</b>	

Furthermore, as noted in Section 3.3 above, results from the survey of users show that about 45% of overseas visitors considered the Greenway to be an important factor in their decision to visit the local area. These visitors, therefore, would spend a projected €1.3 mn in the local area during their stay.

## 4.6 Domestic Spend

Table 4.2 below provides a projected estimate for the level of direct spend by domestic visitors that use the Greenway across a full year. It shows that a projected 14,800 domestic visitors would spend an average of €49.85 per day and stay in the local area for an average of 4.8 days, which gives a projected direct expenditure in the local area of over €3.5 mn.

<b>TABLE 4.2: GREAT WESTERN GREENWAY – ESTIMATED DIRECT SPEND BY DOMESTIC VISITORS</b>	
Number of domestic visitors	14,800
Average daily spend	€49.85
Average length of stay	4.8
<b>TOTAL DIRECT SPEND</b>	<b>€3,544,832</b>
<b>SOURCE: FITZPATRICK ASSOCIATES ESTIMATES</b>	

Also, as noted in Section 3.3 above, results from the survey of users show that about 70% of domestic visitors considered the Greenway to be an important factor in their decision to visit the local area. These visitors, therefore, would spend a projected €2.5 mn in the local area during their stay.

## 4.7 Local Spend

Finally, Table 4.3 below provides a projected estimate for the level of direct spend by local residents that use the Greenway across a full year. It shows that local residents would make a projected 34,400 visits to the Greenway, spending an average of €27.31 on each visit. This gives a projected direct expenditure in the local area of nearly €940,000.

TABLE 4.3: GREAT WESTERN GREENWAY – ESTIMATED DIRECT SPEND BY LOCAL RESIDENTS	
Number of local visits	34,400
Average daily spend	€27.31
TOTAL DIRECT SPEND	€939,550

SOURCE: FITZPATRICK ASSOCIATES ESTIMATES

## 4.8 Conclusion

### 4.8.1 All Direct Expenditure

In conclusion, the economic impact assessment suggests that use of the Great Western Greenway would contribute to a projected €7.2 mn in direct expenditure in the local economy over a full year in 2011. This expenditure includes:

- nearly €940,000 in expenditure by local residents;
- over €3.5 mn in expenditure by domestic visitors;
- nearly €2.8 mn in expenditure by overseas visitors.

Meanwhile, a projected €3.8 mn in expenditure, or 52%, is “additional”, or attributable to visitors who considered the Greenway to be an important factor in their decision to visit the local area.

### 4.8.2 Local Economic Impact

The Greenway also contributes to a projected local economic impact of about €6.3 mn, which consists of nearly €2.8 mn in spend by overseas visitors and over €3.5 mn in spend by domestic visitors.

Nearly €3.8 mn of this spend, or 60%, is additional, or attributable to visitors who considered the Greenway to be an important factor in their decision to visit the local area.

### 4.8.3 National Economic Impact

Finally, the Greenway contributes to a projected national economic impact of nearly €2.8 mn, which consists of the spend by overseas visitors.

Nearly €1.3 mn of this spend, or 45%, is additional, or attributable to visitors who considered the Greenway to be an important factor in their decision to visit the local area.

## 5. Views of Local Businesses

### 5.1 Overview

The purpose of this section is to provide a review of perceptions about the impact of the Great Western Greenway on local businesses in Co. Mayo. This includes the impact of the Greenway on turnover, business expenditure, employment and other impacts. Also, the section examines businesses' views on the outlook for the Greenway, e.g. in terms of turnover and jobs.

The information in this section is derived mainly from the consultations with key businesses and the wider survey of businesses in the local area of the Greenway. There were eight businesses, which are tangential to the Greenway route, consulted directly as part of the study, with more than 160 others contacted as part of the wider business survey. The business survey, in turn, has attracted a response rate of more than 100 businesses, or about 33%, with 60 businesses consulted when combining survey and consultations.

### 5.2 Turnover of Businesses

One of the most obvious instances of the Greenway's impact on local businesses would be its impact on turnover. In this regard, feedback from businesses in the local area is generally very positive about its impact, though businesses were less keen to divulge the scale of its impact. Table 5.1 below, for example, summarises local business opinions on the impact of the Greenway, drawn from both respondents to the business survey and a number of key businesses that were consulted directly. It shows that nearly 47% of businesses that responded indicate that the Greenway has led to an increase in business turnover, with only a very small proportion (3%) suggesting that it has had a negative impact on turnover. The most common reasons cited by respondents for an increase in turnover were:

- new customers attracted to businesses;
- increased length of stay among users of accommodation;
- increased spend on food, drink and shopping in the local area.

**TABLE 5.1: GREAT WESTERN GREENWAY – IMPACT ON TURNOVER OF BUSINESSES**

	% (N = 60)
It has increased turnover	46.7%
It has made no change to turnover	50.0%
It has decreased turnover	3.3%
TOTAL	100.0%

**SOURCE: SURVEY OF BUSINESSES AND CONSULTATIONS**

Importantly, the Greenway has also directly led to the creation and expansion of businesses in the local Co. Mayo area, including cycle hire businesses, and some of these businesses are of notable scale. Results of the user survey, for example (see Section 3.3 above), show that more than 60% of all users, and two-thirds of all users who are visitors to the area, hired bicycles in the local area for use on the Greenway.

Furthermore, discussions with Mayo Co. Council also suggest that other businesses have been set up, or are planned, at least partially because of the impact of the Greenway. These businesses include cafes, B&Bs, petrol stations etc. In addition, the Greenway has encouraged some local businesses to diversify and to consider expansion, e.g. by adding cycle hire or accommodation to their existing businesses.

### 5.3 Expenditure by Businesses

A key source of economic impact in any local area also derives from the money that those businesses spend in the area, e.g. through payment of wages and salaries or through purchase of local goods and services. In this regard, the evidence available from surveys and consultations is again reasonably positive, with about 31% of businesses suggesting that the Greenway has led to an increase in their expenditure in the local area, and only 4% suggesting that it has led to a decrease in expenditure.

**TABLE 5.2: GREAT WESTERN GREENWAY – IMPACT ON EXPENDITURE OF BUSINESSES**

	% (N = 48)
It has increased expenditure	31.3%
It has made no change to expenditure	64.6%
It has decreased expenditure	4.1%
TOTAL	100.0%

**SOURCE: SURVEY OF BUSINESSES AND CONSULTATIONS**

Again, there is little information provided on the scale of this impact in terms of the level of additional expenditure generated. Also, the additional economic impact of businesses in this regard is ultimately determined by their net expenditure in the local area, i.e. their expenditure on wages, salaries and purchase of local goods and services less income received from within the local area. Nevertheless, increased business expenditure in the local area still remains a good indicator of positive economic impact within the area.

### 5.4 Employment

Employment is another important economic impact arising from local businesses. Table 5.3 below, therefore, provides indicative estimates for the employment impact of the Greenway, drawn from responses to the survey of businesses, consultations with other businesses and information available from Mayo Co. Council. In total, about 30 businesses have indicated that the Greenway has had some impact in either creating or sustaining employment in their enterprises.

In general, these businesses have indicated that the Greenway has helped to create and sustain a mix of full-time and part-time, year round and seasonal jobs. There has been a fairly balanced mix of full-time and part-time positions, though the bulk of new jobs created have tended to be seasonal rather than year round.

	Full-time	Part-time	FTEs
<b><i>New Jobs Created</i></b>			
Year round	9.0	7.0	12.5
Seasonal	35.0	30.0	25.0
TOTAL	44.0	37.0	37.5
<b><i>Existing Jobs Supported</i></b>			
Year round	26.0	28.0	40.0
Seasonal	23.0	16.0	15.5
TOTAL	49.0	44.0	55.5

Note: FTEs = “full-time equivalents”. Part-time year round and full-time seasonal jobs are assumed to be the same as 0.5 FTEs. Part-time seasonal jobs are assumed to be the same as 0.25 FTEs.

**SOURCE: SURVEY OF BUSINESSES, CONSULTATIONS AND MAYO CO.COUNCIL REPORTS**

When expressed as full-time equivalents (FTEs)<sup>9</sup>, the figures suggest that about 38 new FTE jobs have been created, with a further 56 existing FTE jobs sustained. Therefore, the Greenway appears to be playing a positive economic role in terms of employment, not only by creating new jobs but also, in a challenging economic climate, by protecting existing jobs that otherwise might be lost.

## 5.5 Outlook for Economic Impact

Finally, business opinion would suggest that the outlook for the future economic impact of the Greenway in the local area is very positive. Table 5.4, for example, summarises local business opinions on the outlook for the Greenway’s future impact on turnover, again drawn from both respondents to the business survey and the sample of key businesses that were consulted directly. Over two-thirds of respondents suggest that the prospects for increasing turnover from the Greenway are either “good” or “very good”, while just 12% consider the prospects to be either “poor” or “very poor”.

	% (N = 46)
Very good	26.1%
Good	41.3%
Neutral	21.7%
Poor	4.3%
Very poor	6.5%
TOTAL	100.0%

**SOURCE: SURVEY OF BUSINESSES AND CONSULTATIONS**

<sup>9</sup> Part-time year round and full-time seasonal jobs are assumed to be the same as 0.5 FTEs. Part-time seasonal jobs are assumed to be the same as 0.25 FTEs.

Table 5.5, meanwhile, summarises local business opinions on the outlook for the Greenway’s future impact on employment. In this regard, nearly half of respondents suggest that the prospects for increasing employment from the Greenway are either “good” or “very good”, with 15% considering the prospects to be either “poor” or “very poor”.

<b>TABLE 5.5: GREAT WESTERN GREENWAY – OUTLOOK FOR EMPLOYMENT</b>	
	<b>% (N = 40)</b>
Very good	15.0%
Good	30.0%
Neutral	40.0%
Poor	5.0%
Very poor	10.0%
<b>TOTAL</b>	<b>100.0%</b>

**SOURCE: SURVEY OF BUSINESSES AND CONSULTATIONS**

This optimistic outlook for the Greenway is also evident in the creation of new businesses and expansion and diversification of existing businesses, which has already occurred in the local area. Furthermore, some businesses have indicated that they intend to expand their capacity to attract business from the Greenway in 2012, particularly given the extension of the route for the full distance between Westport and Achill.

Looking forward, key issues cited by businesses that could impact on the outlook for the Greenway in future include:

- the need for future maintenance and upkeep of the Greenway, and ensuring long-term resources for this. This includes some concern that these resources may not be guaranteed in future, given the current depressed economic climate and the consequent pressures on public finances, with the result that alternative sources of funding may be needed, e.g. local sponsorship of sections of the Greenway;
- the need to continue to build on the strong marketing and promotion brand that the Greenway has developed in its first couple of years of operation so as to ensure that it continues to keep the local area “on the map”, and counteract any danger of “novelty” value only;
- maximising potential for greater local economic impact through the promotion of local food and local crafts along the Greenway, developing more serviced stops and facilities along the route and creating more incentives to get users to spend in local shops. In this regard, it should be noted that there are already some strong local food and craft activities in the area, e.g. such as the local “Gourmet Trail” promoting local foods in each the main towns on the route, the “Essence of Mulranny Centre” which promotes local crafts or the “Gourmet Greenway”, which has been specifically developed to link the Greenway product with local food producers in the area;
- managing any potential conflict between alternative uses. Various interviewees pointed out that, while there might in future be some issues around the different needs of cyclists versus walkers, its role as an amenity for locally resident walkers is important in creating and maintaining local support. This latter point is important to such issues as continued land access and general maintenance.

## 5.6 Other Impacts

### 5.6.1 *An Additional Activity*

Businesses in the local area have also cited a number of other positive impacts arising from the Greenway. For example, a number of businesses highlighted the fact that the Greenway has provided something new to do for visitors, which complements other amenities on offer in the local area, i.e. Westport town centre, Westport House, Clew Bay Heritage Centre, Croagh Patrick etc. This may have positive implications for increasing length of stay or encouraging repeat visits to the area. Indeed, some businesses have referred to the Greenway as being a “unique selling point” for the area, which can be further exploited.

### 5.6.2 *A Marketing Tool*

Another key success factor that has been cited is the perceived professionalism of the product and the marketing effort that has developed around it. While there are many potentially attractive walking and cycling options in the area, the Greenway provides a tangible product to sell, i.e. against vaguer reference to the general attractiveness of the area. In terms of marketing, in particular, there appears to be a reasonably strong perception that the Greenway has created an identifiable “brand”, and several businesses noted that it has generated significant marketing and media publicity for the local area, which to some extent has put the area “on the map”. Also, it is notable that proactive efforts are being made to package the Greenway as part of the local tourism product offering. For example, some local hotels (e.g. Mulranny Park Hotel, Clew Bay Hotel, Hotel Newport) have been marketing walking and cycling activities, offering cycle hire or putting together “Greenway packages” to attract customers for overnight stays.

### 5.6.3 *Community Use and Support*

In addition, the Greenway is perceived to have been good for community relations and community involvement, and it provides an example of a tourism product that is good for the local community too. Local use as a walkway has made it a “social corridor” as well as a “tourism corridor” and, from a health perspective, it is getting local people back walking, cycling and interacting along the Greenway, especially the stretches near towns and villages. It is also a relatively safe location for local young people as well as for cyclists.

Furthermore, the involvement of the local residents in the development of the Greenway, and the engagement with local landowners in particular, has been a key success factor. Mayo Co. Council seems to have been very effective in facilitating this, and it provides a “demonstration effect” for other places to show what can be done, i.e. providing good infrastructure and product at reasonable cost, with a positive effect on the area and on the local community. This, in turn, helps to generate and maintain community interest and support.



In this regard, it is notable that the Greenway is the Irish winner of the European Destination of Excellence (EDEN) award for 2011. With a 2011 theme of “Tourism and Regeneration of Physical Sites”, this prize rewards those destinations across the European Union (EU) that have regenerated a physical site of their local heritage and converted it into a tourism attraction to be used as a catalyst for wider local regeneration. In particular, the award seeks to reward destinations that:

- are non-traditional, i.e. with visitor densities rating from “low” to “very low”;
- manage their tourism offer in a way to ensure social, cultural and environmental sustainability;
- are managed by a partnership involving the public authorities and those involved in tourism in and around the area (e.g. tourism operators and providers, local community).