

EUROVISION 2017 - GREAT INVESTMENT WITH LITTLE RETURNS



From May 9 to May 14, Ukraine hosted the 2017 edition of the Eurovision Song Contest. Large numbers of guests were expected in the country's capital Kiev and many arrived. According to preliminary calculations, from May 1 to 14, 60,000 tourists arrived to attend the song contest. 20,000 of these were foreigners, while 40,000 were domestic tourists. Revenues from ticket sales for Eurovision 2017 are expected to reach more than \$35 million.

At first sight these numbers are fantastic. However, when uncovering the broader picture, the less rosy reality is revealed. Ukraine spent a staggering €30 million on the Eurovision 2017 Contest. To put it into perspective, last year Sweden spent €9 million for the organization of the same contest. Before that, Russia and Estonia had both organized the song contest for approximately €12 million. Thus, **with the money spent in Ukraine, other European countries could roughly organize three song contests of such capacity.**

Ukrainians are amazed by the money spent on the event, taking into account that the country is currently in a terrible economic situation and technically at war. For example, Jamala, the winner of Eurovision 2016, received €34,000 for her performance. The same artist received just €25,000 for her New Year's performance. Other than artists, substantial sums of the budget were invested into marketing and the creation of a positive image of Ukraine.

According to experts, Ukrainian hotels and restaurants were left with minimal earnings during the Eurovision 2017 in Kiev. The reason for this are so called "budget guests" in the Ukrainian capital. Foreigners reportedly ate kebabs and baked vegetables in the fan zones, did not drink much, nor use public transport and excursions.

Overall, foreign guests preferred to refresh themselves on the streets rather than in restaurants. Moreover, cafes in the city center registered an outflow of visitors by 20-25% compared to the usual period. The average meal check of those attending the Eurovision in Kiev accounted to a maximum of \$10.

The Association of Small Hotels and Apartments confirmed the numbers, saying that guests attending Eurovision 2017 arrived "with not much money" and settled mainly in hostels in the city center. The occupancy in such facilities increased by 25% in May compared to the previous years. However, the earnings of hoteliers were not in any way jaw-dropping.

Experts also claim that the budget of the Eurovision Song Contest was divided between people close to the authorities.

Thus, despite high figures in terms of guests, Ukraine definitely will not be happy about the outcome of the contest in terms of financial gains. Even more so considering the economic situation of the country and its political instability as well as obscure safety situation.

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