

# **Developing a Scalable Framework for Evaluating the Economic Impacts of the European Capital of Culture in Small and Medium-Sized Towns: The Case of Trencin 2026**

**Pouria Motalebi**  
Liverpool business School  
[P.motalebi@ljmu.ac.uk](mailto:P.motalebi@ljmu.ac.uk)

## **1. Introduction and Research Problem**

The European Capital of Culture programme serves as a recognised driver for economic growth, cultural development and urban renewal throughout Europe (Garcia, 2004; Garcia & Cox, 2013). While evaluation evidence through the lens of economic impact exists widely for the programme in large metropolitan areas such as Liverpool 2008 or Glasgow 1990, most economic impact models have been based on large cities which experience high levels of tourism demand and already possess diversified economies with established supply chains.

Recent and upcoming European Capitals of Culture are being hosted by small and medium-sized towns (SMSTs), which have economic profiles that differ from metropolitan areas (Cardoso et al., 2016). SMSTs experience higher economic leakage while their multiplier effects remain low and their local supply chains weaker combined with more vulnerable visitor economies. Decision-makers and funders cannot rely on findings that emerge from applying large city evaluation models to small and medium-sized towns since these models exaggerate economic impacts.

Despite this structural mismatch, current EU evaluation guidelines and many ECoC economic impact reports continue to rely on gross spending figures and standard multiplier assumptions that are poorly suited to small-city conditions. This creates a clear methodological gap in the evaluation of cultural mega-events in SMSTs.

This PhD addresses this gap by developing a scalable, transparent, and small-city-adjusted economic impact evaluation framework, using Trencin 2026 (Slovakia) as a live case study.

## **2. Research Aim and Questions**

This study aims to create and validate an economic impact assessment model that can be scaled to European Capital of Culture host cities which consist of small and medium-sized municipalities.

Using Trencin 2026 as a pilot case, the study seeks to answer the following research questions:

RQ1:

How can the anticipated and immediate economic impacts of the European Capital of Culture be measured more accurately in small and medium-sized towns?

RQ2:

Which economic factors such as visitor structure, organiser expenditure, leakage, displacement, and deadweight, most strongly influence economic outcomes in SMST ECoC contexts?

RQ3:

How can evidence from Trencin 2026 be used to develop a reusable and policy-relevant economic impact framework for future small-city ECoC hosts?

### **3. Significance of the Study**

The research expands the European Capital of Culture (ECoC) and cultural economics literature by shifting evaluation focus from metropolitan cities to explore economic needs specific to small and medium-sized towns (SMSTs). Previous research widely illustrates how ECoC programmes can induce change but there is a lack of strong and adaptable tools to measure the economic impact where cities have low economic capacity and fragile tourism sectors. By developing a small-city-adjusted evaluation framework, this study provides a more realistic assessment of economic impacts, increases transparency in assumptions and calculations, and improves comparability across different ECoC host contexts.

### **4. Research Design and Methodology**

The study adopts a quantitative, model-based economic impact assessment approach, complemented by a small Social Return on Investment (SROI) component to capture selected social outcomes (Boardman et al., 2018; Coventry UK City of Culture, 2021).

At the core of the methodology is an Excel-based economic impact model adapted from established UK evaluation frameworks (Coventry UK City of Culture 2021) but systematically adjusted for small and medium-sized town conditions. The model converts DATA26 survey data and organiser budget information into estimates of net economic impact, explicitly accounting for deadweight, leakage, and displacement.

The model is already fully operational using benchmark data and is designed to automatically generate SMST-adjusted economic results once Trencin 2026 data collection is completed. Outputs include net visitor and organiser spending, Gross Value Added (GVA), employment effects, and value-for-money indicators. A small SROI layer is incorporated to monetise selected wellbeing and volunteering outcomes, ensuring that economic and social value can be interpreted on a common scale.

### **5. Expected Outcomes**

This research is expected to deliver the first small city specific economic impact results for a European Capital of Culture host city, using a transparent and assumption sensitive evaluation model tailored to small and medium-sized town contexts. The study will produce a scalable framework that can be reused and adapted by future ECoC host cities. For Trencin, the research will provide a defensible and policy-ready economic narrative that reflects local economic realities rather than inflated headline figures. At a broader level, the framework offers a practical tool for improving the evaluation of cultural mega-events in small cities across Europe.

## 6. References

Boardman, A. E., Greenberg, D. H., Vining, A. R., & Weimer, D. L. (2018). *Cost–Benefit Analysis: Concepts and Practice* (5th ed.). Cambridge: Cambridge University Press.

Garcia, B., & Cox, T. (2013). European Capitals of Culture: Success strategies and long-term effects. European Capitals of Culture Policy Group Report. Liverpool: University of Liverpool.

Garcia, B. (2004). Cultural policy and urban regeneration in Western European cities: Lessons from experience, prospects for the future. *Local Economy*, 19(4), 312–326.

Langen, F., & Garcia, B. (2009). Measuring the impacts of large-scale cultural events: A literature review. Liverpool Impacts 08. Liverpool: University of Liverpool.

Liu, Y. D. (2014). Cultural events and cultural tourism development: Lessons from the European Capitals of Culture. *European Planning Studies*, 22(3), 498–514.  
<https://doi.org/10.1080/09654313.2012.752442>

O'Brien, D. (2010). Measuring the value of culture: A report to the Department for Culture, Media and Sport. London: DCMS.

Slovak Ministry of Culture. (2021). Trenčín 2026: European Capital of Culture Bid Book. Bratislava: Ministry of Culture of the Slovak Republic.

UK City of Culture Coventry 2021. (2022). Coventry UK City of Culture 2021: Economic Impact Assessment Report. Coventry: Coventry City Council.

European Commission. (2020). European Capitals of Culture: Monitoring and Evaluation Guidelines. Brussels: European Commission