

**A COMPARATIVE SOCIO-ECONOMIC IMPACT ANALYSIS
OF THE 2010 COMRADES MARATHON
ON THE
CITIES OF DURBAN AND PIETERMARITZBURG**

ASHOK MAHARAJH

Thesis submitted in fulfillment of the requirements for the degree

Doctor of Philosophy

in the

Faculty of Health Sciences

University of KwaZulu-Natal (Westville Campus)

Supervisor: Professor Johan van Heerden

DECLARATION

I hereby declare that this thesis, unless otherwise indicated in the text, is my own original work. This research has also not been submitted to any other institution for degree purposes.

NAME : Ashok Maharajh

STUDENT NUMBER : 912739

DATE : 20 March 2015

SIGNATURE :

SUMMARY

Sport has always been a significant component of society but is now becoming an increasingly significant component of the economy. Recent years have seen the staging of hallmark and mega-events in sport as increasingly important in the development of a tourist product centered on large cities (Jones, 2001). Studies that assess the impact of hallmark and mega-events often focus on the economic impact of the host economy. Such events are often rationalised as an economic initiative of the host governing authority.

This study aspires to estimate the economic and social impacts of a large one-day international sporting event *viz.* the 2010 Comrades Marathon on the economies of two cities *viz.* Pietermaritzburg and Durban. A secondary objective is to demonstrate the value of such a major sporting event to the regional and provincial governments as well as formal and informal businesses in the said cities. This study also addresses the social impact of the event on the residents and communities in KwaZulu-Natal. According to Matheson (2006) the role of sports in a society such as South Africa in driving the developmental agenda cannot be over-emphasised. He stated that sporting events do not only play an important economic role but are also useful catalysts in forging social cohesion and nation building.

This study also seeks to investigate the socio-economic impact of the 2010 FIFA World Cup that was hosted in South Africa on the Comrades Marathon. Durban was one of the nine cities that hosted games whilst Pietermaritzburg was utilised as a training venue by one of the international teams. It is important to note that

the first World Cup match was played eleven days after the Comrades Marathon was run. The study also seeks to investigate the regional origins of visitors to the event and the relationship between the visitors both national and international and the expenditure generated at the event.

Durban and Pietermaritzburg like other key cities in the world are and will increasingly be confronted by two vital and related challenges. Firstly, there is need to successfully compete in a universal economy characterised by increased competition and globalisation. Secondly, there is need to eliminate poverty and address issues of inequality and marginalisation. Thus, the Comrades Marathon, as a hallmark sporting event, can be seen as a primary driver to create jobs and contribute to competitiveness.

The organisation of major sporting events is a crucial time in the lives of large cities. It provides them with an opportunity to promote themselves, their energy and creativity and, increasingly, their competitiveness. However, it also involves exchanging experiences in this field so as to control the effects, minimise possible risks and guarantee positive results as far as possible.

Measuring the effect of an event on the development of a city is a complex and demanding task. This exercise spreads over a variety of different spheres *viz.* the economy, society, tourism, public finance, organisation capacity, infrastructures, public confidence and international reputation.

Much of the analysis in this study was undertaken using a questionnaire survey to interview the key interest groups at the registration venues in both the cities prior to the event and on race day at the finish venue in Durban. The data collected was then analysed using a specialist statistical software package *viz.* SPSS to calculate the additional expenditure in the host cities. In certain instances, face-to-face interviews were employed to collect the data. The questionnaire requested data on places of residence, the age, gender, occupations, income, spending patterns, features of the cities, unsavoury incidents experienced and the types of activities that the population found attractive. The population comprised of foreign runners and supporters, domestic runners and supporters that reside in other provinces of South Africa, residents of the cities, stall holders at the registration venues, representatives of the sponsors of the event, the organizer of the Bonitas Comrades Experience, vendors, the organisers of the event and representatives of selected shopping malls and hotels in the cities.

A truly great sports event is an event where the impact and spin-offs for all those involved *viz.* the organisers, the community within which the event takes place, the participants and possibly the government, is a positive one when clear benefit is acquired from the event.

The Statistical Package for the Social Sciences (SPSS) was used to analyse the data collected. The Chi-Square Test and the Analysis of Variance were applied in this study. The chi-square test was used to determine whether there is a significant difference between the expected frequencies and the observed frequencies in one or more categories. The ANOVA (Analysis of Variance) was

used to analyse the differences between group means and their associated procedures. It provides a statistical test of whether or not the means of several groups are equal and is useful in comparing/testing three or more means *i.e.* groups or variables for statistical significance.

The p -value of 0.001 that was computed revealed that there was a significant difference in terms of the racial groups amongst the respondents who resided in Durban and Pietermaritzburg. This can be attributed to the substantial increase in the number of participants and their supporters and family members that arrived in the cities because of the aggressive marketing campaign that the CMA had conducted both internationally and nationally and the fact that the 2010 FIFA World Cup was hosted by South Africa. The p -value regarding the income earned by the respondents was calculated to be 0.001 which showed that there was a significant difference in the income of the respondents who visited the registration venues in Durban and Pietermaritzburg. The p -value of 0.8 revealed that there was no significant difference in the age categories of the respondents that resided in both the cities. A p -value of 0.001 confirmed that there was a significant difference in the items the respondents purchased in the cities. The p -value of 0.20 verified that there was no significant difference in the various types of accommodation establishments that the respondents utilized in both cities. The p -value of 0.001 indicated that there was a significant difference in the duration of stay of the respondents who resided in Durban and those who resided in Pietermaritzburg.

The findings of this study revealed that a grand total of R130 978 314 was new income that was generated by the participants, their families and friends. This amount comprised of R110 340 612 that was generated in Durban and R20 637 702 in Pietermaritzburg. A closer examination of the amount generated in Durban showed that R93 397 920 was the average daily expenditure of the participants, their families and friends and that R16 942 692 was the expenditure spent on accommodation.

The findings also revealed that of the total amount spent in Pietermaritzburg the sum of R16 283 266 was the average daily expenditure by the participants, their families and friends and R4 354 436 represented the expenditure spent by the afore-mentioned on accommodation. This bodes well for the event, the organisers and the Cities of Durban and Pietermaritzburg. It must also be noted that the Comrades Marathon also brings additional intangible benefits for the local and South African fraternity. The event is also likely to have significant yet unquantifiable benefits for the local economy by presenting Durban and Pietermaritzburg in a positive light to the South African television audience and to its potential participants and their supporters.

In addition to the quantifiable impacts related to the Comrades Marathon that was previously discussed, the event also engendered significant intangible benefits to the communities of Durban and Pietermaritzburg in terms of lifestyle improvements. Examples of the intangible benefits are:

- significant national and international exposure for the cities as sport fans who enjoyed their visits to the cities may return later thereby raising future tourist revenues
- enhancing community pride, self-image, exposure, reputation and prestige associated with hosting a world-famous event and in this way creating a climate of optimism
- enhancing the national and international image of the cities so that they become world-class cities and travel destinations
- enhancing economic growth and ancillary private sector development spurred on by the operations and activities associated with the Comrades Marathon
- providing assets in the cities *e.g.* the International Convention Centre (ICC) in Durban that can augment their world-class attractions, accommodations and international airport
- increase in tourism
- promoting the cultural diversity of the population in terms of race, ethnicity and religion
- motivate the community to develop active healthy lifestyles and in so doing reduce absenteeism and increase productivity in the work place

Furthermore, there is escalating evidence that the media coverage of the race has improved. Gerretsen (2006) reported that Tourism KZN confirmed that the race was viewed by millions because of the television coverage. It is envisaged that

television viewers might decide to take a trip to the city at some time in the future based on what they see during the broadcast of the event. This is an exceptional way to showcase the province's scenic beauty and the warmth and hospitality of its inhabitants.

The potential of the Comrades Marathon to attract more visitors and for the visitors to stay longer is indicated by the number of visitors who expressed an interest in existing activities and/or attractions which are related to sport and recreation. The Comrades Marathon is an excellent example of a hallmark sporting event that attracts "outsiders" to the region and the cities. These tourists thus generate "new money" into the economies of the cities and the province.

ACKNOWLEDGEMENTS

I express my heartfelt and sincere gratitude to the following persons who contributed to the successful completion of this study:

1. Professor Johan van Heerden, my supervisor for his expertise, guidance and for instilling great values and the work ethic necessary to complete this study.
2. The Comrades Marathon Association for permitting me to undertake this study and for providing me with crucial information to complete the study.
3. Mr Deepak Singh for analyzing the data, providing the results and for his invaluable input that kept me focused.
4. The members of the Sport Management Advisory Board *viz.* Ms Saras Bhanjan and Mr Aleck Skhosana for their persistence, understanding and motivation that provided me with the impetus that was necessary to commence and complete this study.
5. The fieldworkers without whom this study would not have been completed and for their assistance, patience and support in administering the questionnaires.
6. Mr Charles Morton for the English editing of the study and for his invaluable input.
7. The staff of the Comrades Marathon Association *viz.* Gary Boshoff, Delaine Cools, Mbali Madondo, Thami Vilakazi, Bronwyn Freeman and Johan van Staaden for their invaluable information on the event.
8. My wife, Sharla, daughters, Nerisha and Zena and sons-in-law, Dhiren and Matthew for their support, encouragement and understanding during this study.

9. My sister-in-law, Arlene and my niece, Farrah for the administrative assistance, and support they rendered.
10. My very good friends Akash Nundhkumar and Harish Budhoo for their assistance, patience, understanding and their technological expertise.

DEDICATION

This study is dedicated to my grandchildren, Zara and Shay, for the immense and priceless joy and love they have brought to our family.

TABLE OF CONTENTS	PAGE
Declaration	I
Summary	II
Acknowledgements	IX
Dedication	XI
List of figures	XIII
List of tables	XV
Appendices	XVII

LIST OF FIGURES

	PAGE	
2.1	Determining the economic impact of an event	33
2.2	Total impact of an injection into the economy	37
2.3	The multiplier process	47
2.4	South African Sport Tourists Arrivals	60
3.1	The relationship between sample size and accuracy of expenditure estimates	90
3.2	Data collection	101
3.3	Composition of visitors	105
4.1	Number of people that visited the registration venues	114
4.2	Modes of transport utilized	125
4.3	Positional Metro location of the local residents	126
4.4	Primary reason not to participate in the Comrades Marathon	138
4.5	Positive economic impact of the 2010 FIFA World Cup on the Comrades Marathon	139
4.6	Respondents' rating of the event	144
4.7	Increased revenue	148
4.8	Attraction to the cities	149
4.9	2010 FIFA World Cup perceived financial benefits	150
5.1	Perspectives on the roles and impacts of events	161
5.2	Model of Special Events	162
5.3	Event generators and goals	164

5.4	Event Inputs	172
5.5	Event Outcomes	185
5.6	Event Evaluation Framework	189

LIST OF TABLES

	PAGE
4.1 Respondents for the 2010 Comrades Marathon	118
4.2 Entry statistics	120
4.3 International respondents: Country of origin and place of residence whilst in KwaZulu-Natal	122
4.4 Local participants and supporters from other provinces	123
4.5 Race classification	127
4.6 Income classification	128
4.7 Average daily spend	129
4.8 Cost of accommodation (in Rands)	132
4.9 Duration of stay in nights	133
4.10 Size of the group (including respondent)	134
4.11 Composition of group	136
4.12 Primary reason for visiting the cities	137
4.13 Respondents' awareness of other events taking place	140
4.14 Respondents' attendance at other events	141
4.15 Future participation in Comrades Marathon (%)	142
4.16 Respondents' experiences of unsavoury incidents outside the event (%)	145
4.17 Exhibitors' level of satisfaction of the event	151
4.18 Summary of overall expenditure	155
4.19 Summary of <i>p</i> -values	156

5.1	Impact of sport as hallmark events	195
5.2	Economic indicator details	196
5.3	Social indicator details	205
5.4	Recognition of tangible costs and benefits	207
6.1	New income generated by the Comrades Marathon	210
6.2	Attributes of the 2010 Comrades Marathon and the 2010 Virgin London Marathon	217

APPENDICES

	PAGE
1. Ethical Clearance from the University of KwaZulu-Natal	245
2. Letter requesting permission	246
3. Comrades Marathon Association: Letter granting permission to conduct research	247
4. Respondents' Consent Form	248
5. Questionnaire: Participants and supporters	249
6. Questionnaire: Sponsors and official suppliers	255
7. Questionnaire: Durban and Pietermaritzburg - Vendors	257
8. Questionnaire: Durban and Pietermaritzburg - Stallholders	259
9. Questionnaire: Durban residents	262
10. Questionnaire: Pietermaritzburg residents	265
11. Questionnaire: CMA representatives	267

CHAPTER ONE

	PAGE
1.1 Overview	1
1.2 Method	6
1.2.1 Statement of the problem	6
1.2.2 Purpose of the study	8
1.2.3 Critical questions to be answered	9
1.2.4 Hypothesis	10
1.2.5 Delimitations	11
1.2.6 Definition of Terms	12
1.2.7 Abbreviations	15
1.3 Conclusion	16

CHAPTER TWO

REVIEW OF LITERATURE	20
2.1 Introduction	20
2.2 Structure of the Thesis	23
2.3 Special Events Evaluation Concepts and Methods	23
2.3.1 Economics and Tourism	24
2.3.2 Community	24
2.3.3 Art and Culture	25
2.3.4 Sport	25

2.3.5	Business	25
2.3.6	Facilities and Attractions	25
2.3.7	Political	26
2.4	Evaluation	27
2.4.1	Evaluation Theory	28
2.4.1.1	Outcome Evaluations	29
2.5	Corporate Social Responsibility (CSR)	29
2.6	Triple Bottom Line (TBL)	30
2.7	Method	32
2.8	Defining economic impact	33
2.8.1	Direct impacts	34
2.8.1.1	Indirect impact	35
2.8.1.2	Induced impacts	36
2.9	Visitor spending	38
2.10	Multiplier effects	40
2.10.1	Multipliers and sporting events	42
2.10.1.1	The overall size and economic diversity of the region's economy	46
2.10.1.2	The geographic extent of the region and its role within the broader region	46
2.10.1.3	The nature of the economic sectors under consideration	47
2.10.1.4	The period in which the economic impact analysis is undertaken	47
2.11	Types of multipliers	47

2.11.1	The output multiplier	48
2.11.2	The earning multiplier	48
2.11.3	The employment multiplier	48
2.12	Types of economic impact models	49
2.13	Estimating the economic impact	49
2.13.1	Justification of subsidies	50
2.13.2	Size of the contribution of sport to the economy	51
2.13.3	Relative share of the sport in the economy	52
2.14	Duration of the economic impact	52
2.14.1	The short-term economic impact	52
2.14.2	The long-term economic impact	53
2.15	Is the impact of a major sporting event statistically visible?	53
2.16	Significance of economic impact studies	54
2.17	Sport Tourism	56
2.17.1	The Nature of Sport Tourism	57
2.17.2	Definition of Sport Tourism	57
2.17.3	Critical Components of Sport Tourism	58
2.17.4	Sport tourism in South Africa	59
2.17.5	Sport tourism in the Cities of Durban and Pietermaritzburg	60
2.18	Transformation of sport in South Africa	63
2.19	Transformation within the Comrades Marathon Association	65
2.20	The Comrades Marathon Association and Volunteerism	66
2.21	Review of major studies	67
2.21.1	Introduction	67

2.21.2	2003 International Cricket World Cup	68
2.21.3	2003 Cape Argus Pick ‘n Pay Cycle Tour	69
2.21.4	2004 Athens Olympic Games	71
2.21.5	2006 A1 Grand Prix of Nations	72
2.21.6	2008 Beijing Olympic Games	75
2.21.7	2010 FIFA World Cup	77
2.3	Conclusion	81

CHAPTER THREE

	METHODS OF STUDY	84
3.1	Introduction	84
3.2	Method	85
3.2.1	The nature of the study	85
3.2.2	Reliability of the questionnaire	87
3.2.3	Administration of the questionnaire	87
3.2.4	Selection of subjects	89
3.2.5	Selection of samples and sampling methods	90
3.2.5.1	Foreign athletes and foreign supporters	91
3.2.5.2	Domestic athletes and supporters from other provinces in South Africa	92
3.2.5.3	Sponsors	93
3.2.5.4	Tourism KwaZulu-Natal	94
3.2.5.5	Comrades Marathon Association	95

3.2.5.6	Suncoast Casino and Entertainment Centre	96
3.2.5.7	Vendors	96
3.2.5.8	Hotel representatives	96
3.2.5.9	Shopping mall representatives	96
3.2.5.10	Resident participants and resident spectators	97
3.2.5.11	Exhibitors/Stallholders	98
3.2.6	Sampling	98
3.2.7	Fieldworkers	100
3.2.8	Pilot study	100
3.2.9	The Questionnaire	100
3.2.9.1	Foreign athletes and supporters	102
3.2.9.2	Domestic Athletes and Supporters	102
3.2.9.3	Sponsors	103
3.2.9.4	Vendors	103
3.2.10	Interviews	103
3.2.11	Statistical analysis	105
3.2.12	Leverage ratios and Return on Investment (ROI)	109
3.3	Conclusion	110
CHAPTER FOUR		
RESULTS		112
4.1	Introduction	112
4.2	Data collection	114
4.2.1	Number of people that attended the Bonitas Comrades Expo in	

Durban the Pietermaritzburg Registration Venue	114
4.2.2 Respondents of the 2010 Comrades Marathon	116
4.2.3 Entry statistics	119
4.2.3.1 International respondents: General information	120
4.2.3.2 Domestic respondents: General Information	123
4.2.4 Permanent places of residence	124
4.2.5 Mode of transport used to arrive in the cities and at the event	124
4.2.6 Positional Metro location of the residents	125
4.2.7 Race classification	126
4.2.8 Income classification	127
4.2.9 Age classification	129
4.2.10 Economic impact	129
4.2.10.1 Responses on Daily Expenditure	129
4.2.10.2 Durban: Estimated Average Daily Expenditure	129
4.2.10.3 Pietermaritzburg: Estimated Average Daily Expenditure	131
4.2.10.4 Responses on Accommodation Expenditure	131
4.2.10.5 Duration of stay	133
4.2.10.6 Size of the group (including the respondent)	134
4.2.10.7 Durban: Estimated Accommodation Cost	134
4.2.10.8 Pietermaritzburg: Estimated Accommodation Cost	135
4.2.11 Composition of the group	135
4.2.12 Primary reason for visiting the cities	136
4.2.13 Factors influencing the decision to attend and to participate in the Comrades Marathon	137

4.2.14	Primary reason not to participate in the Comrades Marathon	138
4.2.15	Positive impact of the 2010 FIFA World Cup	139
4.2.16	Respondents' awareness of other events taking place in the cities	140
4.2.17	Respondents' attendance at other events taking place	141
4.2.18	Participation in future Comrades Marathon	142
4.2.19	Sponsor identification and perceptions	142
4.2.20	Places visited or maybe visited	143
4.2.21	Respondents' ratings of their experiences of the event	143
4.2.22	Unsavory incidents experienced by the respondents experienced at the event	144
4.2.23	Unsavory incidents experienced outside the event	144
4.2.24	Respondents' suggestions to improve the event	146
4.2.25	Exhibitors'/Stallholders' responses	147
4.2.26	Residents' responses	152
4.2.27	Positive features of the City of Durban	153
4.2.28	Positive features of the City of Pietermaritzburg	153
4.3	Summaries:	154
4.3.1	Summary of overall expenditure	154
4.3.2	Summary of <i>p</i> -values	155
4.4	Conclusion	156

CHAPTER FIVE

MODEL DEVELOPMENT

5.1	Introduction	158
-----	--------------	-----

5.2	Model development	159
5.3	The event and the impacts	163
5.3.1	Event generators	163
5.3.1.1	Local and Provincial Government	165
5.3.1.2	Local community	166
5.3.1.3	The Event Organisation	168
5.3.2	The event inputs	170
5.3.2.1	Local residents	171
5.3.2.2	Local businesses and suppliers	174
5.3.2.3	Built environment	175
5.3.2.4	Natural environment	178
5.3.2.5	Mass media	179
5.3.2.6	Participants, visitors and attendees	181
5.3.2.7	Sport sponsors	181
5.3.3	Legal requirements	183
5.3.4	Event outcomes	184
5.3.4.1	Impacts	184
5.3.4.2	Economic and social indicators	186
5.4	Event evaluation framework	187
5.5	The Evaluation model	190
5.5.1	Option One: Indicators normalized at the indicator level	192
5.5.2	Option Two: Indicators normalized at the dimension level	192
5.6	Selection of indicators	193

5.6.1	Economic indicators	196
5.6.1.1	E1 and E2: Number of businesses hosted at the event and category of business representatives hosted	197
5.6.1.2	E3: Rand value of the media coverage	198
5.6.1.3	E4: Number of visiting journalists from target areas	200
5.6.1.4	E5: Direct inscope expenditure of the event	201
5.6.1.5	E6: Number of full-time jobs created	201
5.6.1.6	E7: Number of people trained as part of the event	202
5.6.1.7	E8: Rand value of new infrastructure and facilities established for the event	202
5.6.2	Social indicators	203
5.7	Conclusion	207

CHAPTER SIX

RESULTS AND DISCUSSIONS	208	
6.1	Introduction	208
6.2	Economic impact analyses	208
6.2.1	Economic impact of the 2010 Comrades Marathon	208
6.2.2	Economic impact of the 2010 Comrades Marathon on the City of Durban	209
6.2.3	Economic impact of the 2010 Comrades Marathon on the City of Pietermaritzburg	211
6.2.4	Overall economic impact of the 2010 Comrades Marathon	212
6.2.5	Economic impact of the 2010 Virgin London Marathon on the City of London	214

6.3	A comparative study of the economic impacts of the 2010 Comrades Marathon and the 2010 Virgin London Marathon	216
6.4	Intangible benefits for the Cities of Durban and Pietermaritzburg	217
6.5	A positive return on investment (ROI)	221
6.6	Conclusion	223
	CONCLUSIONS AND RECOMMENDATIONS	225
7.1	Introduction	225
7.2	Deductions	225
7.3	Recommendations	226
7.4	Suggestions for future research	228
	REFERENCES	230
	INTERVIEWS	243
	APPENDICES	244

CHAPTER ONE

INTRODUCTION TO THE STUDY

Chapter Structure

- Overview
- Method
- Conclusion

1.1 OVERVIEW

Sport events are big investments in every sense of the word (Gratton *et al*, 2006). It therefore stands to reason that ensuring that an event goes well and is successful is very important; otherwise it is not worth the immense effort, time and finances it takes to host it. There has been tremendous growth in the number of special events being staged in sport tourism destinations throughout the world. Events have been used strategically to bring “new money” into regions, promote economic development and to showcase destinations to potential visitors. As a result of these economic imperatives, the evaluation of events has predominantly been undertaken from an economic perspective.

A truly great sports event is an event where the impact and spin-offs for all those involved *viz.* the organisers, the community within which the event takes place, the participants and possibly the government, is a positive one when clear benefit is acquired from the event. Hosting a big sporting event is often seen as the ideal way for a city to put itself on the world map. Major sports events are seen as the perfect method to create or re-create a tourist product centred on large cities or countries. Visseloup (2010) reported that in today’s environment cities compete against each other for talent, business and resources. He maintained that in many ways they have

to act like commercial enterprises by selling themselves to potential customers, such as business investors, visitors and the creative classes, as successful, vibrant, forward-looking brands (Visdeloup, 2010).

The hosting of major sporting events appeals to many sectors of the community. Barney *et al* (2002) declared that the opportunity to advertise products to a global audience, leverage business opportunities in export and new investments, enhance the tourist industry of host countries, and boost citizen morale and pride are factors which motivate both corporate involvement and public support.

Sport, over the years, has become a major industry as well as a key cultural preoccupation in contemporary society. Cities are increasingly using major sporting events and activities to re-image themselves, promote urban development and fund economic growth and regeneration (Gratton, C., Shibili, S. and Coleman, R.), Gratton, C., Dobson, N. and Shibili, S. (2000) reported that up until the 1980's, hosting major sporting events such as the Olympic Games were thought of as a financial and administrative burden to the organizing city and country. In 1976, Montreal confirmed this viewpoint as the city incurred a loss of £692 million. However, in 1984 the City of Los Angeles changed the economics of major sporting events when it made a surplus of £215 million. Nonetheless, especially in the light of tight public budgets, there still is a substantial need for improving major event planning and strategic management in order to enhance production and allocation efficiency.

The proliferation of sporting events has resulted in the need for the performance of these events to be evaluated more stringently. Currently, event directors are requested to prepare all-inclusive post-event evaluations with detailed accounts of the impacts of the event. These sporting events,

like many other types of events, require financial assistance from governments and businesses in order to be staged. Thus, the agencies that fund these events require the post-event evaluations to assess the value of their investments. Evaluations are also required by the event organisers who need to justify their activities to a diverse set of stakeholders which includes sponsors, funding agencies, economic and tourism agencies and the communities at large. Whilst sporting events can result in positive economic impacts, they also have the potential to result in economic losses. A negative impact on the economy can result in a lasting legacy that taxpayers have to bear (Torkildsen, 2011). These events can also create conflict within the host community, and tarnish the reputation of the destination, especially if they do not have strong local support.

The purpose of an economic impact study conducted around a sport event is to quantify and qualify the current and residual economic value the event will pass onto the local, provincial and national surroundings. The economic impact is identified and measured objectively as the change in an economy resulting from hosting an event through the direct, indirect, and induced impact of the operation, acquisition, development, programming and use of facilities and services. An economic impact study provides a snapshot from evidence and information in assessing the projected value of the event which reflect economic activity and value added economic impacts that quantify the general benefits to the economy as well as to various levels of government.

According to Matheson (2006) the role of sports in a society such as South Africa in driving the developmental agenda cannot be over-emphasised. He stated that sporting events do not only play an important economic role but are also useful catalysts in forging social cohesion and nation building. The picture of President Nelson Mandela hosting the Rugby World Cup at the end of the 1995 final with Francois Pienaar, the captain of the South African rugby team will

forever be etched in history and in the memories of the millions of television viewers all over the world as a moment of non-racial triumphalism (Matheson, 2006).

Major fairs, expositions, cultural and sporting events of international status which are held on either a regular or one-off basis can be classed as hallmark tourist events. A primary function of the hallmark event is to provide the community with an opportunity to secure high prominence in the tourism market place for a short, well-defined period of time (Hall, 2004). The Comrades Marathon satisfies the above requirements and therefore qualifies as a hallmark sports event. However, international or regional prominence may be gained with significant social and environmental costs.

The Comrades Marathon has become an annual South African ritual. The race is a veritable South African institution, internationally recognised for the body-sapping challenge it poses, and the camaraderie it fosters among its thousands of participants. The Comrades Marathon is widely regarded as the most prestigious ultra-marathon not only in South Africa but also in the world. It is arguably the most popular ultra-marathon globally and attracts runners from all over the world. The event draws fields of roughly 18 000 runners on an annual basis for the approximately 89 kilometres ultra-marathon that is run over gruelling terrain. Each year the start and finish venues alternate between the Cities of Durban and Pietermaritzburg. The 2010 race was originally scheduled to finish in Pietermaritzburg but the Comrades Marathon Board decided, almost a year prior to the event that the race would finish in Durban. This decision was influenced by several factors such as logistics and infrastructure but more specifically because 2010 was a colossal sporting year for South Africa as it hosted the 2010 FIFA (International Federation of Association Football) World Cup. In addition, it was the first time that the FIFA World Cup was

held on the African continent. Also, Durban hosted six of the World Cup games whilst the City of Pietermaritzburg provided a training ground for one of the international teams. With its rich heritage and steeped in tradition, the Comrades Marathon should continue to gain more and more recognition and popularity around the globe and attract ever-increasing numbers of local, regional and international athletes.

The Comrades Marathon is a singular event that is held at a certain point of time but, in general, its economic benefits unequally occur in the pre-event, present and post-event phase. It is categorised as a hallmark event as it is a regional and tourist attraction and contributes to peoples' awareness of a particular geographical area. The ultra-marathon is organised by the Comrades Marathon Association (CMA).

Sport Tourism is currently the fastest growing aspect of tourism globally (Joseph, 2009). Sport tourism does not only focus on international events, but also includes local, regional and national events. Joseph (2009) affirmed that there is a proliferation of definitions of "Sport Tourism" and that there is no single agreed definition of the concept. He also confirmed that in 2008, sport tourism accounted for \$600 billion (10%) of the international tourism market.

During the twentieth century different factors *viz.* commercialisation and globalisation influenced daily life. These factors contributed to the growth of big sport events. As a result of the growth of global development, sport has become more and more commercialised. Dejonghe (2004) argued that that the reason for this was the internationalisation of economic activity, growing impact of sport culture, the expansion of communication possibilities, rising mobility of people, acceleration of international migration and global regulations.

1.2 METHOD

1.2.1 Statement of the problem

Delpy (1998) and Turco *et al* (2003) have verified that major sporting events play a significant role in the context of destination planning by enhancing and linking tourism and commerce in the cities hosting these events.

Lee (2001) drew attention to the fact that there is a great deal of debate about the validity of economic impact studies (EIS) of sporting events. He stated that economists widely believe that event-sponsored studies exaggerated the economic impact of large sporting events on local communities. These overstatements are a result of the following factors:

- The studies often ignore the substitution effect *i.e.* that attendees at a sporting event spend their money on that event instead of on other activities in the local economy. Thus, the sporting event simply results in a reallocation of expenditures in the economy rather than a real net increase in economic activity.
- Economic impact studies usually ignore the crowding out effect. Many major sporting events are staged in cities that are already popular tourist destinations. Durban is such a city. If hotels and restaurants in the host city normally tend to be at or near capacity throughout the period during which the event takes place, the event may simply supplant rather than supplement the regular tourist economy.
- The economic impact studies usually fail to address whether the money spent at a sporting event stayed in the local economy. A large percentage of the funds spent by the out-of-town visitors go towards hotel rooms, rental cars, and restaurants that are generally

national chains. Thus, profits earned during the event at these businesses do not increase the welfare of the citizens of the local economy but rather accrue to stockholders around the country.

- Non-economic costs such as traffic congestion, vandalism, theft and other criminal acts, environmental degradation, disruption of residents' lifestyle, and so on are rarely reported.
- Economic impact studies are often used by sports organisers to justify public expenditures on sports infrastructure; ultimately, the real question faced by any observer is whether an analysis conducted by agents with a vested interest in the outcome of the study can ever be considered an objective examination of the true economic impact of the event.

Turco *et al* (2003) and Blaikie (2003) claimed that past statistics have proved that the Comrades Marathon played a significant role in the context of destination planning, enhancing and linking tourism and commerce in the City of Durban. The event possesses the ability to also attract visitors and to focus attention on both the Cities of Durban and Pietermaritzburg. It is perceived that the Comrades Marathon will benefit these cities in the future through an increase in revenue generated from accommodation, food, drinks, shopping, transportation and tourist attractions. An economic impact analysis of the relationships between sport and economic development usually commences with a look at the empirical evidence which shows that the less a country is economically developed, the less sport practice, sport performance, sport facilities and sport finance are developed. Conducting an economic impact study is important because it becomes a useful tool to evaluate a community's development economically and socially.

The study falls into the realm of Quantitative Research and has a positivistic framework (Bernard, 2000).

1.2.2 Purpose of the study

This study purports to analyse the socio-economic impact of the 2010 Comrades Marathon on the Cities of Durban and Pietermaritzburg. Special interest is therefore focused on the relationship between the Comrades Marathon and the Cities of Durban and Pietermaritzburg. In addition, there were conflicting perceptions of the financial and social impacts the 2010 FIFA World Cup would have on the race as the event took place approximately two weeks prior to the commencement of the World Cup.

A secondary objective would be to show the value of major sporting events to the formal as well as the informal businesses in these cities. Very few sport events “make money” in the true sense of the word. Yet they can have a large secondary effect on the local economy and on society, especially if it has a significant number of out-of-town visitors, or “sport tourists.” Each one of these visitors spends money on accommodation, food and other services. In addition, funds paid out to suppliers rendering event services stimulate the local economy as well. Larger events may create temporary jobs, or even stimulate the building of sport infrastructure as was seen in South Africa prior to the 2010 FIFA World Cup. The important part is to be able to show that even if an event ran at a loss, it was off-set by the positive economic and social spin-offs of the event.

There have been numerous researchers since the 1980’s that have called for a broader approach to evaluate the impact of special events (Fredline, Raybould, Jago and Deery, 2004; Getz, 2000; Laesser, Stettler and Rutter, 2003). Fredline *et al* (2004) advocated a method that evaluates the impact that takes into consideration the economic, social and environmental impacts of events.

Due to a lack of information regarding the environmental impacts and the fact that the CMA have not implemented an Environmental Policy, the researcher focused on the economic and social impacts of the sporting event in this study in order to develop a model that would be of benefit to sport event organisers.

1.2.3 Critical questions to be answered

Durban and Pietermaritzburg like other major cities in the world are and will increasingly be confronted by two major and related challenges. Firstly, there is the need to successfully compete in a global economy characterized by increased competition and globalization. Secondly, there is need to eliminate poverty and address issues of inequality and marginalization. All local governments are mandated to promote sustainable economic development that will simultaneously reduce poverty and strengthen global competitiveness. Consequently, the Comrades Marathon, as a major sporting event, can be seen as a primary driver to create jobs and contribute to competitiveness. An independent socio-economic impact study has shown that the Pick n Pay Cycle Tour in 2003 was responsible for injecting R260 million into the economy of the City of Cape Town (Next Generation Communication, 2003). This revenue was generated through accommodation, food, drinks, shopping, visits to tourist attractions, sale of bicycle spares and equipment as well as bicycle related services.

The crucial questions that are investigated in this study are:

- To profile and measure the economic impact of the Comrades Marathon on the Cities of Durban and Pietermaritzburg and identify which indicators could be utilised to measure these impacts

- To profile and measure the social impact of the Comrades Marathon on the Cities of Durban and Pietermaritzburg and identify which indicators could be utilised to measure these impacts
- To determine whether the Comrades Marathon generated intangible benefits for the overall communities of the Cities of Durban and Pietermaritzburg
- To identify the indicators that would assist in the development of an event evaluation framework for sporting events
- To determine the status of transformation in the event and within the Comrades Marathon Association and how this has impacted on the event financially.

1.2.4 Hypothesis

To demonstrate how economic benefits serve as indicators of whether there will be a positive return on investment. Economic benefits that are usually examined in cost-benefit studies are an indication of whether there will be a positive return on investment (ROI). An economic impact study is arguably one of the most important indicators of the success of a major sporting event. Dobson *et al* (1997) reported that the “Euro ’96” football championships held in Britain attracted 280 000 overseas visiting supporters who spent approximately £120 million in the eight host cities.

Hence, the hypothesis is: “The Comrades Marathon is an economically viable event in increasing the economy of the Cities of Durban and Pietermaritzburg and the economy of KwaZulu-Natal.”

1.2.5 Delimitations

The sample for this study was selected randomly from all the athletes that participated in the 2010 Comrades Marathon and their supporters that attended the Bonitas Comrades Expo in Durban and at the registration venue in Pietermaritzburg and also were at the finish venue. The respondents in this study came from the following populations:

- Foreign athletes
- Foreign supporters who accompanied the foreign athletes
- Domestic athletes who resided in provinces other than in KwaZulu-Natal in South Africa
- Domestic supporters from other provinces in South Africa who accompanied the domestic athletes
- Vendors outside the registration areas in both cities
- Sponsors of the Comrades Marathon
- Representatives of the Comrades Marathon Association
- A representative from the organisers of the Bonitas Comrades Expo *viz.* Conker Exhibitions
- Local athletes and supporters and residents from Durban and Pietermaritzburg that attended the Bonitas Comrades Expo in Durban and at the registration venue in Pietermaritzburg
- Public Relation Officers/Marketing Managers/store managers at shopping malls and hotel managers/hotel personnel in the cities

Special events of different kinds have played an important role in the economic and social development of communities for many years. Special events are seen to have the ability to

produce a wide range of significant and social benefits for communities and regions, which helps to explain the reason that they have been so eagerly embraced by communities. Special events increase the opportunities for new expenditure within a host region by attracting visitors to the region. They also act to retain the expenditure of locals who, in the absence of local special events, would travel elsewhere in pursuit of leisure activities.

Several important features emerge from an examination of the research of hallmark sporting events such as the Comrades Marathon. First, there is no agreed upon definition of events. Second, major methodological weaknesses emerge in the study of hallmark events. Third, the majority of research is economic in orientation with relatively little attention being paid to the social and environmental impacts of such events.

1.2.6 Definition of Terms

1.2.6.1 Economic Impact

Van Beek (2007) defines economic impact as the total amount of additional expenditure generated that can be directly or indirectly attributed to the staging of a major sporting event. Having determined this figure, the impact of an event can then be calculated by comparing money spent in the economy with money generated and retained. The aim of this process is to assess the net effect of staging the event in the said areas.

1.2.6.2 Economic Benefit

Economic benefit can be expressed numerically as an amount of money that will be saved or generated as a result of an action (www.investorwords.com).

1.2.6.3 Comrades Marathon

The Comrades Marathon is an ultramarathon of approximately 89 km (approximately 56 miles) which is run annually in the KwaZulu-Natal province of South African between the cities of Durban and Pietermaritzburg (en.wikipedia.org/wiki/Comrades_Marathon, 2014)

1.2.6.4 Sport

Sport is defined as an activity involving physical exertion and skill that is governed by a set of rules and often undertaken competitively (www.thefreedictionary.com/sport).

1.2.6.5 Recreation

Recreation is the refreshment of one's mind or body after work that amuses or stimulates (www.thefreedictionary.com/sport).

1.2.6.6 Sport Tourism

Sport Tourism is defined as a specific travel outside of the usual environment for either passive or active involvement in competitive sport where sport is the prime motivational reason for travel and the touristic or leisure element may act to reinforce the overall experience (www.tourism-review.com)

1.2.6.7 Multipliers

The multiplier is a device which converts total additional expenditure into the amount of local income retained with the local economy (Gratton, Dobson and Shibili, 2000).

1.2.6.8 Visitor Spending

Visitor spending is the monies outlaid behind by those persons who came to the cities because of the sporting event (Gratton, Dobson and Shibili, 2000).

1.2.6.9 Direct Effects

Direct effects are the changes in economic activity during the first round of spending. For tourism this involves the impacts on the tourism industries (businesses selling directly to tourists) themselves (Styne, 2000)

1.2.6.10 Indirect Effects

Indirect effects are the changes in sales, income or employment within the region in backward-linked industries supplying goods and services to tourism businesses (Styne, 2000)

1.2.6.11 Induced Effects

Induced effects are the increased sales within the region from household spending of the income earned in tourism and supporting industries (Styne, 2000)

1.2.6.12 Total Effects

Total effects are the sum of direct, indirect and induced effects (Styne, 2000)

1.2.6.13 Sports Participant

Sports participant means a person who is involved in an activity or event (www.merriam-webster.com)

1.2.6.14 Attendee

An attendee is a person who was present at a specific time and place (www.dictionary.conference.com). This person must also have visited the Bonitas Comrades Expo held in Durban or the stands/stalls at Comrades House in Pietermaritzburg and supported the participants

1.2.6.15 Qualitative Research

Qualitative research encompasses a range of philosophies, research designs and specific techniques including in-depth interviews; participant and non-participant observation; focus groups; document analyses and a number of other methods of data collection (Pope *et al*, 2006).

1.2.6.16 Social Benefits

Social benefit is the increase in the welfare of a society that is derived from a particular course of action (www.businessdictionary.com, 2015).

1.2.6.17 Social Impacts

Social impact is the effect of an activity on the social fabric of the community and the well-being of the individuals and families (www.businessdictionary.com).

1.2.6.18 Hallmark Events

Hallmark events, as defined by Getz (2012) are those events that possess such significance, in terms of attractiveness, quality or publicity, that the event promotes the host venue, community or destination with a competitive advantage.

1.2.7 Abbreviations

1.2.7.1 CMA denotes the Comrades Marathon Association

1.2.7.2 EIS denotes economic impact studies

1.2.7.3 GDP is defined as the total market value of all final goods and services produced within the country in a given period of time (usually a calendar year). It is also considered the sum of a value added at every stage of production (the intermediate stages) of all final goods and services produced within a country in

a given period of time, and it is given a money value.

1.2.7.4 **PRO** denotes Public Relation Officers

1.2.7.5 **RIMS II** denotes the Regional Input-Output Model

1.3 CONCLUSION

Economic impact analysis is a useful mathematical tool capable of quantifying the patterns and magnitudes of interdependence among sectors and activities. It is predicated on two fundamental propositions.

First, regardless of the inherent value of primary activities such as recreation or tourism, to the extent that activity involves the use of scarce resources, they generate economic consequences that can be measured and compared. Second, economic impacts are only partially captured by assessing direct expenditures.

Inasmuch as the economy is a complex whole of interdependent and interacting activities, there are some significant indirect and induced impacts associated with direct expenditure. These indirect and induced impacts can often be larger than the direct impacts. Any sport activity that adds to the promotion of additional economic activity that otherwise would not have taken place without the sport activity, creates incremental economic activity. Thus, economic incremental activity is defined in terms of the creation of jobs and household income that otherwise would not have been produced. Consequently, sport events can be classified as visitor recreational/social activity and money spent on such events by visitors is part of the visitors' recreational/social budget.

The positive flow of revenue into a region should not be the only factor considered when determining the apparent success of an event. The negative social impacts of an event can do great harm to the future of an event and its host region and can cause the premature death of an event. Conversely, there are many positive impacts that may counter negative economic impacts. An event that spreads the seasonality of tourism in a region also evenly distributes the flow of money into a region, increasing the opportunities of full-time employment that causes many positive and negative flow-on effects in that region (Janeckzo *et al*, 2002).

The costs and benefits of an event can be tangible and intangible. The tangible effects are those that can be measured in terms of the amount of expenditure incurred or income earned.

However, the intangible effects are those that are more difficult to quantify or measure such as the capability of an event to help define a society's identity or develop local pride and talent.

Intangible costs include social costs such as noise pollution due to staging the event. Intangible benefits include the general excitement and pleasure that the community can gain from the event experience.

In this study, equal emphasis was placed on evaluating the positive and negative impacts of the event across the range of economic and social criteria. This ensured that the negative impacts are identified, and hopefully, remedied and the positive impacts are further developed, thus enabling the continuous development of the event.

Since tourism, by definition, involves the influx of non-residents into a community outside of their normal environment, it follows quite logically that any expenditure made by these persons would represent an injection of funds into a local economy, thus increasing the economic activity

of that community. Tourism then, by definition, lends itself quite naturally to economic impact analyses.

Sport Tourism has received growing attention as a source of generating significant revenue and contributing major economic benefits to host cities, regions and countries. Tassiopoulos (2005) confirmed that major sport events are becoming an integral part of tourism development and marketing strategies. Ritchie and Adair (2002) found a growing recognition of sport tourism as both a popular leisure experience and important economic activity.

Sport Tourism events attract participants, their families, friends and fans that spend money on travel, accommodation, food, drink and retail purchases. There are direct revenues from event-related activities (admissions, sponsorships, concessions and licences). Indirect expenditures on other activities in the community, and the multiplier effect as the money circulates around the local economy.

Many authors *inter alia* Turco et al (2003) and Blaikie (2003) reiterated that there has been an increasing realization of the significant benefits to be earned from hosting major international sports events. Many cities now actively pursue hosting major events as a strategic priority and ensure that they leverage the event to the maximum.

Major events can drive significant numbers of visitors to a city leading to increased business activity and potential inward investment. The Comrades Marathon attracts travelling participants and supporters in huge numbers not only from within South Africa but from throughout the world bringing colour and vibrancy to the event in addition to significant additional expenditure. The popularity of the event has grown to such an extent that it has placed massive demands on the

logistics of the race and on the race organisers. This, in recent years, forced the Comrades Marathon Association to place a ceiling on the number of athletes who could participate in the event.

CHAPTER TWO

REVIEW OF LITERATURE

Chapter Structure

- Introduction
- Structure of the thesis
- Special events evaluation concepts and methods
- Evaluation
- Corporate Social Responsibility (CSR)
- Triple-Bottom Line (TBL)
- Theoretical Framework
- Review of Major Economic Impact Studies
- Conclusion

2.1 INTRODUCTION

Globally, events have been recognized as a strong component of tourism that draws people from different places (Gammon and Robinson, 2003; Zauhar, 2004). Numerous authors (Turco *et al*, 2003; Saayman, 2004; Swart *et al*, 2005) have contributed to the development and understanding of sport tourism and its imperatives in South Africa. Economic impact has become a key subject of discussion and debate in the sport marketing and sport management disciplines. Estimating the economic impact of a sporting event is extremely difficult and frequently subjective. The nature of social science permits researchers to implement their own ideas and procedures for conducting economic impact studies. However, current methods for assessing economic impact have had variable success in estimating tourist numbers and expenditure directly attributable to a sporting event such as the Comrades Marathon.

Factors that may contribute to a successful event could include:

- ◆ Increasing visitor stay in the region/town;
- ◆ Increasing visitor expenditure in the region/town;

- ◆ Improving destination awareness; and
- ◆ Increasing civic pride or community solidarity.

Socio-economic impact assessment is designed to assist communities in making decisions that promote long-term sustainability, including economic prosperity, a healthy community and social well-being. Assessing socio-economic impacts requires both quantitative and qualitative measures of the event. In addition, the perceptions of community members about whether the event is consistent with a commitment to preserving the rural character of the community. The indicators used to measure the potential socio-economic impacts of an event include *inter alia* the following:

- Changes in the aesthetic quality of life of the host community and the local residents
- Changes in employment and income levels
- Demand for public services
- Impact on community pride
- Celebration of community values

In recent decades, an abundance of empirical investigations *inter alia* Fredline (2006), Gursoy, Jurowski and Uysal (2002) have focused on resident and tourist attitudes and perceptions of social, environmental and economic impacts of the sport tourism market segment and have proposed strategies to improve service delivery. However, empirical research on the social impact of sport tourism on local host communities is limited (Fredline, 2006). Chen (2001) declared that the growing importance placed on studying impacts on destination perspective also increases the likelihood for resident support for tourism development and enables policymakers to enhance the quality of life for the community. Conducting a social impact assessment is

important for a variety of reasons. It is used to alert the community, including residents and local officials and the event organisers, of the impact and magnitude of the event on the community's social and economic well-being. The assessment can assist the communities avoid inequities among community groups as well as encourage the positive impacts associated with the event. Andriotis (2005) accentuated that the hospitality of the local community is vital to the tourism industry but the destination should be developed according to host community needs.

Some of the economic impact studies identified the need for additional research on social impacts. For example, a report by Jura Consultants (2006) noted a major research gap in understanding the indirect impacts of major events upon host communities, and point out the intangible or less easily measured outcomes or outputs are "often ignored or poorly dealt with." The authors argued for the use of focus groups "to develop understanding of cultural networks or impacts on industry and the effect on audience, etc." (Jura Consultants, 2006).

Morgan (2012) reported that the Comrades Marathon is a South African institution. He declared that it is the world's greatest ultra-marathon, approximately 89 kilometres long and is internationally recognized for the body-sapping challenge it poses and the camaraderie it fosters among its thousands of participants and supporters. It is run in the province of KwaZulu-Natal in South Africa between the inland City of Pietermaritzburg and the coastal City of Durban and is regarded as the world's oldest ultra-marathon road race. This event, over the decades, has grown in stature and popularity not only in South Africa but throughout the world (Morgan, 2012).

2.2 STRUCTURE OF THE THESIS

The researcher has modified a seven-step indicator development process that was developed by Segnestam *et al* (2000). Segnestam *et al* (2000) stated that the lessons learnt from undertaking a range of indicator development projects have broader implications for other indicator efforts and the benefit of the process was that it provided practical guidance to other indicator developers. The developed model would, therefore, be highly relevant for this study as it was developed specifically for event organisers. The three most relevant aspects of the model developed by Segnestam *et al* (2000) are:

- It recommends supporting the indicator development process with an appropriate conceptual framework
- It advocates consultations with stakeholders
- It employs case studies as a means of testing the indicators

It is important to note that the last aspect *i.e.* the use of case studies was not included in other development frameworks and also in this study. However, the indicator development process corresponds with the general direction of the researcher's study. The researcher modified the seven-step indicator development process and applied this modification to provide suitable direction for the structure of this thesis.

2.3 SPECIAL EVENTS EVALUATION CONCEPTS AND METHODS

There are numerous event evaluation concepts and methods that have been suggested by authors. According to Allen (2000) economic performance of any event can be considered as a primary indicator of its success if analysed from the perspective of the various stakeholders. The

preference to economic performance of the event as the main success measure is also given by Silver (2008) and Tum *et al* (2006).

Getz (2000), a respected scholar in the events industry, addressed the different types of events and proposed the following event evaluation measures:

2.3.1 Economics and Tourism

- 2.3.1.1 Market share of specific event or events sector in a specific region needs to be analysed.
- 2.3.1.2 Economic impact of the event including the level of employment opportunities for the local community
- 2.3.1.3 People sustainability of events: self-supporting aspect of events can be stated to be the foundation of this specific event success measure
- 2.3.1.4 Competitive advantage of events compared to the events in different locations can also be stated as success measure
- 2.3.1.5 Image improvement side of the event, together with the scale and success of publicity that was attracted by the event
- 2.3.1.6 Rate of habitation of the event: this measure includes assisting hotel and transportation business in the region, as well as assistance provided to local residents

2.3.2 Community

- 2.3.2.1 The intensity of political support the event was able to pull off and the level of local attendance
- 2.3.2.2 Willingness of attendants/participants to pay for the event

- 2.3.2.3 The level of volunteer support that the event was able to generate
- 2.3.2.4 The accomplishment of the event in developing the spirit of community and pride in various stakeholders

2.3.3 Art and Culture

- 2.3.3.1 The accomplishment of the event in advertising and developing local talent
- 2.3.3.2 The success the event was able to achieve in providing cultural and/or artistic experiences for the local community
- 2.3.3.3 The accomplishment of the event in fund-raising activities, as well as developing interest and understanding within the local community

2.3.4 Sport

- 2.3.4.1 The advantages that training and preparing for the event would offer the participants and other stakeholders
- 2.3.4.2 The accomplishment of the event in generating interest in sport

2.3.5 Business

- 2.3.5.1 The accomplishment of the event in generating new networks, increasing the level of sales for an involved company, as well as generating new business contacts
- 2.3.5.2 The accomplishment of the event in introducing new products and services to the market place.

2.3.6 Facilities and Attractions

- 2.3.6.1 The amount of revenue an event was able to generate
- 2.3.6.2 The accomplishment of the event in promotion of new or existing facilities.

2.3.7 Political

Political measures refer to the capacity of the event in ensuring the efficiency of propaganda, and communicating a message of a relevant nature. Ensure that the organisation and network is able to adapt to changing conditions and renew itself periodically.

According to Kilkenny (2006) the amount of profit the event was able to generate and the number of people that attended the event remain to be the most effective evaluation measures. This particular viewpoint is supported by many other writers (Matthews, 2008; Parry, 2001) on the topic of special events.

Dwyer *et al* (2000), on the other hand stated that when evaluating the success of the special events of any types, social and economic costs of the event need to be taken into account as well.

The following is a more detailed explanation of this event evaluation principle (Dwyer *et al*, 2000):

[A] Social Costs

- Disruption to resident lifestyles
- Unnecessary noise
- Vandalism
- Crowding
- Crime
- Property damage

[B] Economic Costs

- Disruption to normal businesses trading
- Under-utilised infrastructure

2.4 EVALUATION

The Oxford Dictionary defines evaluation as a systematic determination of the worth, value, quality, character or effectiveness of something. According to Davidson (2005), the “something” can be the entire entity or aspects or components of the entity. Davidson (2005) elaborated by stating that the types of things that can be evaluated are broad and may include projects, programmes or organisations, personnel or performance, policies or strategies and products or services and identifies the reasons why evaluations are undertaken *viz.*:

- To find areas for improvement; and/or
- To produce an assessment of overall quality or value that is generally conducted for reporting or decision-making purposes.

Christiansen (2005) supported Davidson (2004) and confirmed that another reason for conducting evaluations was for accountability and that the purpose is to utilise the evaluation to reinforce support for continued support. Robson (2000) maintained that that there was an array of purposes for conducting an evaluation and that for each purpose there would be a set of likely questions that can be asked. In the case of this study, the most significant purpose would be to evaluate the outcome of the event. Likewise, a possible question that could be asked regarding event evaluation is: “What is the social impact of an event on the host community?” However, a question from a sponsor that provides financial support for the event might be: “Is it worth continuing to support the event?”

Davidson (2004) highlighted the following two steps that are involved in conducting an evaluation:

Step 1: Establish a clear understanding of what is being evaluated and what types of questions need to be answered; and

Step 2: Identify the relevant values, collect appropriate data, and then systematically combine the values with the descriptive data to convey answers to the key evaluation questions that were asked.

Robson (2000) supported the above and maintained that a high-quality evaluation required a well-thought and thorough design phase as well as the collection, analysis and interpretation of data.

2.4.1 Evaluation Theory

Sherwood (2007) confirmed that the Evaluation Theory had progressed through four distinct phases. Robson (2000) stated that the initial focus of evaluation was on experimental or quasi-experimental types of evaluation but the second generation was where evaluations were used in the actual process or decision-making situations. He inferred that this change represented a shift from a knowledge-driven approach to a user-led approach (Robson, 2000). The third-generation, on the other hand, was a period of conflict amongst the evaluation authors. Guba and Lincoln (1989) labelled the fourth generation as the responsive constructivist evaluation and concluded that the outcomes do not represent the way things are and that they are constructs that are formed by multiple actors in order to make sense of the world around them. Thus, evaluation findings are literally created through a process that includes the evaluator and other persons

involved in the evaluation. According to Guba and Lincoln (1989), the outcomes of this process could be regarded as the “realities” of the case.

2.4.1.1 Outcome Evaluations

Robson (2000) confirmed that an evaluation of the outcomes of an entity is a transparent and exploratory style of assessment in comparison to an evaluation of the achievement of pre-specified goals, and is a frequently requested evaluation task and that the task is largely the selection of appropriate outcome measures rather than the use of a particular research method.

Robson (2000) declared that the measures will be specific to the particular entity being evaluated.

Love (2001) argued that the catalyst for change in evaluation was the need for increased accountability, effectiveness and efficiency. This, in turn, sparked a measurement revolution for many organisations. Robson (2000) supported this argument and added that there was an increasing need for accountability and concern for value of money.

As regards this study, it has been confirmed that the event that will be evaluated is the 2010 Comrades Marathon. More significantly, one of the central aims of the study is to develop a set of indicators to evaluate the social outcome of this ultra-marathon in regard to its impact on the host communities.

2.5 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Corporate social responsibility (CSR) has become increasingly significant for a wide range of organisations and for the managers that work within them. This is particularly true in the sport industry, where corporate social responsibility is now an important area of focus for sport organisations, sport events and individual athletes.

Social responsibility is an ethical theory that an entity, be it an organisation or an individual, has an obligation to act to benefit society at large. It is a duty every individual or organisation has to perform to maintain a balance between the economy and the ecosystem. A trade-off always exists between economic development, in the material sense, and the welfare of society and the environment. Social responsibility means sustaining the equilibrium between the two. Presently, sustainable environmental development to the Comrades Marathon Association is largely a green agenda. However, the CMA, like many businesses, realised that they were ignoring the social side of the concept and recognised that working in communities was a privilege. In recent years, there has been a groundswell of support within the CMA to be “good sports” as evidenced by their commitment to their numerous charitable programmes *viz.* the Community Chest, Endangered Wildlife Trust, Wildlands Conservation Trust, The Sports Trust, Starfish, the Pink Drive and World Vision and to the communities close to the route of this iconic road race.

Social variables refer to social dimensions of a community or region and could include measurements of education, equity and access to social resources, health and well-being, quality of life, and social capital. Potential variables can include *inter alia* unemployment rate, relative poverty, female labour force participation rate and violent crimes per capita.

2.6 TRIPLE BOTTOM LINE (TBL)

The phrase “the triple bottom line” (TBL) was first coined in 1994 by John Elkington who argued that companies should be preparing three different (and quite separate) bottom lines. One is the traditional measure for corporate profit *i.e.* the bottom line of the profit and loss account. The second is the bottom line of a company’s “people account” *i.e.* a measure in some shape or form of how socially responsible an organisation has been throughout its operations. The third is the

bottom line of the company's "planet" account *i.e.* a measure of how environmentally responsible it has been. The TBL thus consists of the three Ps *viz.* profit, people and the planet. It aims to measure the financial, social and environmental performance of the corporation and/or non-profit organisation over a period of time. It must be noted that only a company and/or non-profit organisation that produces a TBL is taking account of the full cost involved in doing business.

In most instances the TBL is a particular manifestation of the Balanced Scorecard. Behind it lies the same fundamental principle: what you measure is what you get, because what you measure is what you are likely to pay attention to. Thus, only when companies and non-profit organisations measure their social and environmental impacts will we have socially and environmentally responsible corporations and non-profit organisations.

Many non-profit organisations in America have adopted the TBL and some have partnered with private firms to address broad sustainability issues that affect mutual stakeholders. Companies recognise that aligning with non-profit organisations makes good business, particularly those non-profit organisations with goals of economic prosperity, social well-being and environmental protection. Even though the Comrades Marathon has been staged since 1921, it was only in 2004 and 2005 (Maharajh, 2009) that economic impact studies have been conducted on the event. The principal objectives of the current study addresses the first two measures *viz.* profit (in the form of an economic impact analysis) and the social responsibility of the CMA towards the communities over a period of one year. This study will attempt to integrate the first two Ps in order to view a more complete picture of the event.

2.7 METHOD

This chapter reviewed available literature on the economic and social impacts of sport and recreational events within the province of KwaZulu-Natal and the Cities of Pietermaritzburg and Durban and within South Africa. This chapter also reviewed a sample of major international sporting events. It addressed a number of areas associated with this study *viz.* the definition and significance of economic impact studies, the definition of multiplier effects, the effect of multipliers on sporting events, estimating the economic impact of sporting events, the impact of the event on the community, an overview of sport tourism, sport tourism in South Africa, sport tourism in Durban and Pietermaritzburg, transformation of sport in South Africa, transformation within the Comrades Marathon Association, volunteerism in sport and recreation in South Africa and volunteerism within the Comrades Marathon Association.

A common approach to estimating economic impacts of sports events is to directly survey tourists to estimate their spending. These tourists may have either participated in or were spectators at the event. The direct survey method is more applicable to estimating impacts of particular actions on a local economy for example, an economic impact analysis of the Comrades Marathon on the City of Durban.

Economic impact in sporting events can be defined as the net change in the economy resulting from a sport event. According to Lieber and Alton (1983) the change is caused by activity involving the acquisition, operation and development and use of sport facilities and services. These, in turn, generate visitors' spending, public spending, employment opportunities and tax revenue.

2.8 DEFINING ECONOMIC IMPACT

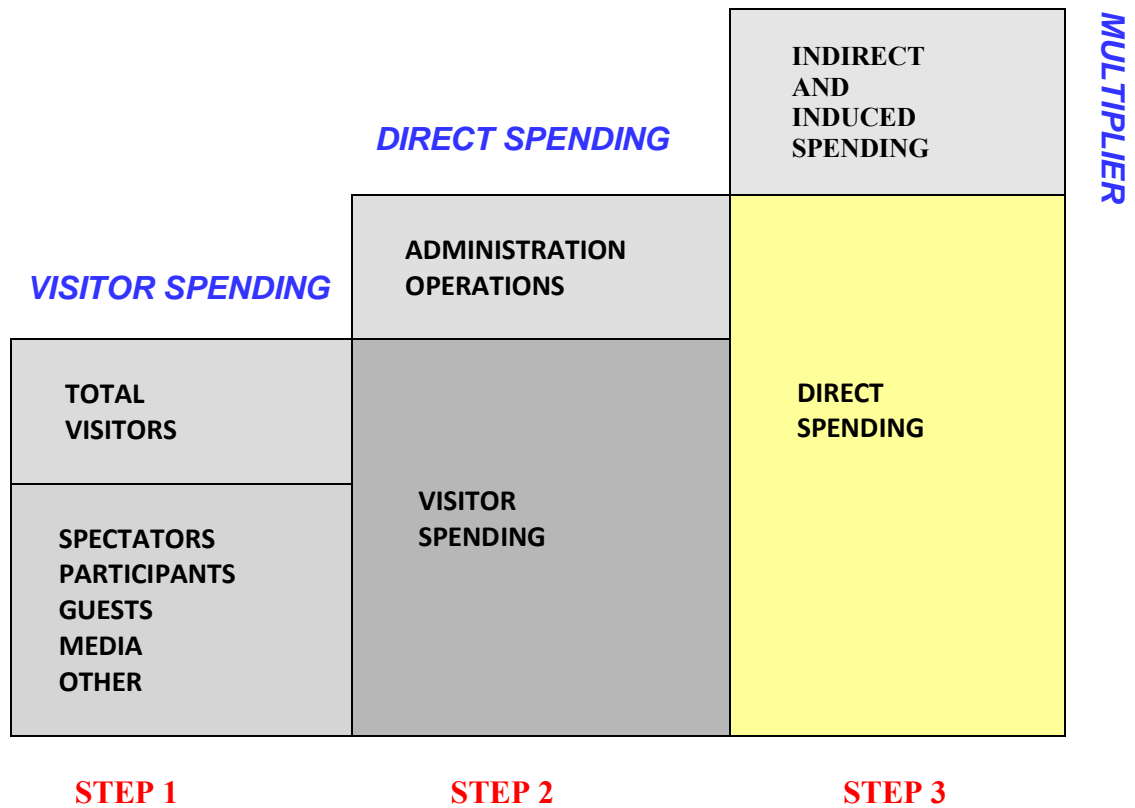


Figure 2.1 Determining the economic impact of an event

The economic impacts/effects of events on the macro-economy of a region are categorised into primary and secondary economic impacts. The primary impact is the direct economic impact of the event measured by surveying the participants or measuring business sales. Secondary impacts are those that result from the introduction of “new money” into the economy and are comprised of indirect impacts and induced impacts. The inclusion of secondary impacts provides a more accurate assessment, as it recognises the interdependence of the different sectors within a region and how reliant a region or town is on importing goods and services. This is measured

through the use of multipliers by calculating the leakage of new expenditure in the area as is shown in Figure 2.1.

The aim of this process is to assess the net effect of staging the event in the area.

Van Beek (2007) defined economic impact, from a sports perspective, as the total amount of additional expenditure generated that can be directly or indirectly attributed to the staging of a major sporting event. Having determined this figure, the impact of an event can then be calculated by comparing money spent in the economy with money generated and retained.

Figure 2.1 clearly illustrates the steps in assessing the total economic impact of a major sporting event and highlights the various elements *viz.* visitor spending, direct spending, indirect spending and induced spending in the process.

An economic impact study focuses on whether or not a community will benefit economically; that is the net change in the economy of the region will be positive, through hosting a sport event or through subsidizing the construction of sports facilities to be used later by professional franchises. It attempts to place a monetary value on a particular event, business, or sector of an economy. The effects of a particular activity, however, are threefold *viz.* direct impacts, indirect impacts and induced impacts. These different approaches are explained below.

2.8.1 Direct impacts

Direct impacts include the direct or actual revenues generated by the activity itself, as well as spending by participants and supporters at locations throughout the community. For example, the direct impact of the Comrades Marathon includes *inter alia* the entry fee for the race, souvenir sales and expenditures at local restaurants, hotels and other accommodation establishments,

transportation and on athletic equipment and clothing (Table 4.6). Consequently, a R100 spent on accommodation will directly increase sales in the hospitality sector. The restaurant will hire employees and pay salaries, creating direct employment and income effects. This is the first-round effect of visitor spending.

2.8.2 Indirect impacts

Indirect impacts include additional input purchases made by local businesses as a result of the event. For instance, because athletes eat at local restaurants, the restaurants will have to place larger orders with their suppliers and they will have to bring in extra employees to cover the additional activity. This is the “ripple effect” of additional rounds of re-circulating the initial visitors’ funds. Thus, indirect impacts examine the spending of the economic benefits felt by local businesses as an indirect result of the sports event.

With reference to the aforesaid example, a hotel buys linen supplies and food from other industries to deliver services to its customers. The linen company, on the other hand, also buys raw materials and equipment such as cotton and machinery from other businesses. The sale of the products of these linked industries and the associated income and jobs generated from these sales come from indirect effects.

Indirect benefits include possible advertising effects that make the host city, region or country more visible as a potential tourist destination or business location in the future and increases in civic pride, local sense of community, and the perceived stature of the host city, region or country relative to other cities, regions or countries.

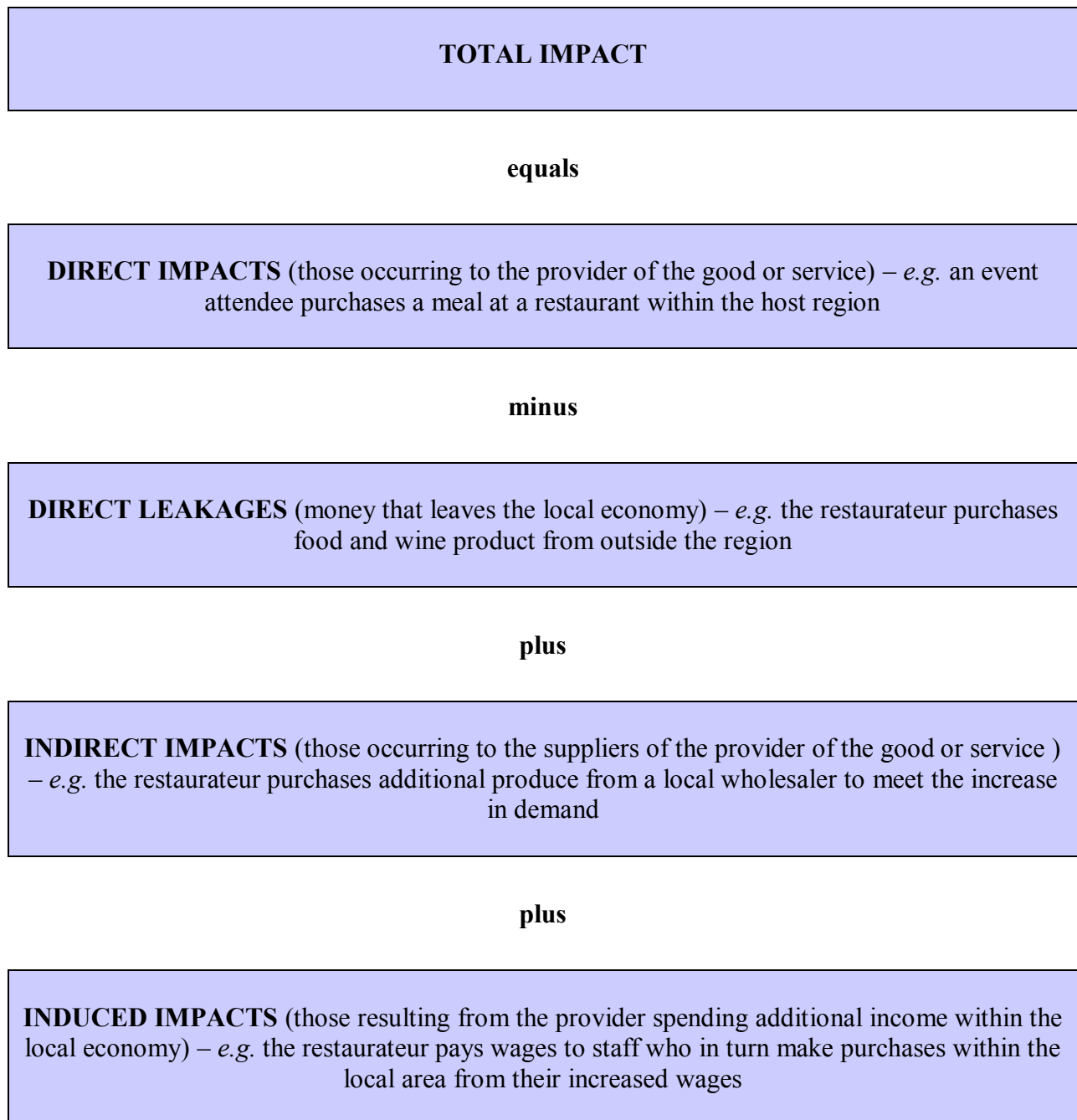
2.8.3 Induced impact

Induced impacts are created when local business-owners, suppliers and employees spend the additional revenue that they earned as a result of the event. Induced impacts are related to sales, income or jobs resulting from household spending as a result of income earned from visitor spending (either direct or indirect). The employees of the hotels and catering companies, for instance, will spend their salaries in the region and hence generate new rounds of sales, income and jobs. According to Howard and Crompton (1995) induced impacts are further ripple effects caused by employees of the impacted business, for example spending some of their salaries and wages in other businesses in the host community.

When the operations of various industries in the economy are closely related or “linked” to each other, an increase of activity in one industry will often increase the level of activity in other industries. These linkages cause changes in one industrial sector to have indirect and induced effects in other industries. The total effect of the change is the sum of direct, indirect and induced effects. Indirect and induced effects are also referred to as multiplier effects. The idea is that a certain fraction of the direct earnings by event organizers and by local businesses is re-spent within the local economy. In addition, recipients of this revenue will re-spend a fraction of it locally. With each round of spending the total amount re-spent diminishes. Thus, the original directs are multiplied throughout the economy.

The effect of the tourist spending on the economy can be estimated using an economic model that identifies and quantifies the linkages between different sectors of the local economy and linkages with other regions. The total impact of an injection into an economy is summarised in Figure 2.2.

Figure 2.2 Total impact of an injection into the economy



2.9 VISITOR SPENDING

A common approach to estimating economic impacts of sport tourism is to directly survey sport tourists to estimate their spending. Every study of the economic impact of an event must focus on visitor spending. Studies of the economic impact of an event must focus on visitor spending. This is the monetary value left behind by those people who came to the cities because of the event. It is important to note that visitor spending does not include spending by residents. Hotels, bed and breakfast establishments, restaurants, entertainment centres, car rental agencies, tourist attractions and shopping attract the lion's share of the money spent. As this money enters the local economy it begins to benefit the entire area through the creation of new jobs and so on. Problems can be encountered when accurate estimates are required. Precise figures can be difficult to obtain. The length of stay for an event can vary from visitor to visitor. Spending patterns can be different. The types of accommodation and the number of people per room can also vary.

The perfect solution would be to compute the number of visitors attending the event, the number of nights they stay, and the average spending of each person. Thus, the formula is:

$$\text{Total Visitor Spending} = \text{Number of Out-of-Town Visitors} \times \text{Average Spending Per Day} \times \text{Number of Days}$$

This formula forms the basis for the bare minimum projection of visitor spending.

In reality, the computation of visitor spending is more complex. The following factors can make estimating more difficult:

- Differences in spending by day visitors versus overnight visitors.

- Spending by local residents. Should local spending be included?
- What is the percentage, if any, of international visitors? Their spending patterns can vary from domestic visitors.
- Was the purpose of the visit to participate or to attend the event, or did the visitor come for another reason?
- Where exactly did the visitors stay? In a hotel or a bed and breakfast establishment or a rental home?
- How much of the event-related spending remained within the region? How much “leaked out?”

It is therefore necessary to carefully describe what has or has not been included in such a study.

Also, careful consideration should be given to the following:

- Local spending is “redirected” spending and as such, should not be included.
- The proportion of direct spending “retained” in the area will not equal to a 100 per cent of direct spending.

A fundamental short-coming of typical economic impact studies is that they tend to include spending of local residents in the economic impact of an event. Crompton (2006) asserts that one of the most common mischievous procedures employed to upwardly bias economic impact estimates is the inclusion of local residents. He argued that it is highly probable that if local residents had not spent this on the sporting event, then they would have spent it on purchasing other goods and services in the host economy. Thus, their contribution offers no additional economic stimulus to the host economy and is excluded as part of the economic impact associated in this study.

2.10 MULTIPLIER EFFECTS

Multipliers are derived from input-output analysis of an economic system. Input-output analysis measures how all of the major variables in an economic system interact. A multiplier effect, in economics, occurs when a change in spending causes a disproportionate change in aggregate demand. Szymanski (2002) stated that the multiplier effect demonstrates the process through which initial spending within the region generates further rounds of re-spending and that the concept of the multiplier is predominately associated with Keynesian economics. The rippling process of subsequent re-spending is the multiplier effect.

Tourism not only creates jobs in the tertiary sector, it also encourages growth in the primary and secondary industries. This is the multiplier effect which in its simplest form is how many times money spent by a tourist circulates through a region's or country's economy.

Money spent in a hotel helps to create jobs directly in the hotel, but it also creates jobs indirectly elsewhere in the economy. The hotel, for example, has to buy food from the local farmers, who may spend some of the money on fertilizer or clothes. The demand for local products increases as tourists often buy souvenirs, which increases secondary employment.

The multiplier effect continues until the money "leaks" or "erodes" from the economy through imports *i.e.* the purchase of goods from other countries. A given stimulus to an economic system does not go on forever as a cumulative chain of spending because of leakage or erosion.

Examples of leakages could include taxes, money spent outside of the local economy, and savings of any type *i.e.* money not recycled.

Industrial sectors in an economy are interdependent for inputs and resources. Thus, any initial round of spending will stir up further rounds of re-spending of this income among industrial sectors within that economy. The initial round of spending in the context of sport generally comes from visitors to a sporting event who spend on accommodation, food, beverages and miscellaneous items (refer Figure 2.1).

The crucial consideration behind the measurement of the impact of sporting events is that it injects a significant increase in the demand for goods and services into the economy. This effect is not merely the direct effect created by investments prior to the event or consumer spending during the event, but is also due to the indirect effects caused by the stimulus to the economic activities of others induced by the direct effects. Thus, if expenditure by the spectators generates R100 of income for a beverage seller, then a fraction of this income, for example 50% will be spent on goods and services supplied elsewhere in the economy and this will generate an economic gain of R50 for those suppliers. If those suppliers also spend 50% of what they receive, then another round of economic stimulus occurs that is R25. This cycle is endless but after a short while the size of the increment will be negligible. In the above example, the sum of the direct and indirect effects is $R100 + R50 + R25 + R12.50$ and so on, with the stimulus in each round equal to half the stimulus from the previous cycle. This can be expressed in another manner that is the total impact is equal to the direct impact multiplied by a sum equal to $1 + 0.5 + (0.5 + 0.5) + (0.5 + 0.5 + 0.5) \dots \textit{ad infinitum}$. In this example the value of the sum equal to 1 divided by 0.5 which is equal to 2. Therefore, the total impact is 2 multiplied by the direct impact *viz.* R100 *i.e.* R200. The multiplier is therefore the sum of the fractions that determine the size of the stimulus because it is the total economic impact of the amount of spending injected and it is expressed as a multiple of that injection.

It is important to note that visitor spending into an area does not stop as soon as the money has been spent. A percentage of the money then re-circulates through the local economy before slowly “leaking” out to pay for the basic purchases and supplies elsewhere. The percentage of the re-spending that stays in the community is the multiplier effect and the percentage that is lost to re-spending elsewhere is termed “leakage.” Thus, a multiplier helps capture the secondary effect of the initial monetary injection. The larger a defined economy is the more inter-industrial purchases among the industrial sectors will be made within the economy, and therefore the larger the multiplier will be. The multiplier is higher in a self-sufficient economy than in a small and specialized economy.

2.10.1 Multipliers and Sporting Events

Szymanski (2002) confirmed that the basic notion behind the measurement of the impact of sporting events is that it injects a substantial increase in the demand for goods and services into an economy. He concluded that this effect is not simply the direct effect created by investments prior to the event or consumer spending during the event but it is also due to the indirect effects caused by the stimulus to the economic activities of others induced by the direct effects.

Multipliers are aptly called estimators of the “ripple effect.” In technical terms, they are the numerical coefficients which relate a change in (a component of aggregate) demand (or employment) to a consequent change in total income (or total employment). The multiplier analysis of Keynes is applicable to expenditures associated with investment in facilities for, and consumption of goods and services at major sporting events as they provide an economic stimulus (Szymanski, 2002).

Multipliers capture the propensity of businesses and households to buy goods and services from within the region as opposed to purchase from outside sources. Imports represent a leakage to the local economy as income is sent outside rather than re-circulating within the region's economy.

Multipliers capture many rounds of re-spending within the region's economy.

The first problem, from the point of view of a sporting event, is to determine the boundaries of the region to be affected. Unlike the macroeconomic demand which is concerned with the operation of the economy as a whole, most sporting impact studies are constructed at a more local level that is within a region or within a country or within a city. This study concentrated on the Cities of Durban and Pietermaritzburg. If the municipal authorities fund the event whether solely or partially, they are only interested in the economic impact within the boundaries of their jurisdiction. Thus, the location of the boundaries has important implications. A small region or city *e.g.* Pietermaritzburg would therefore have a large stimulus because of the greater volume of visitors entering from the outside the region and a greater amount of expenditure will be created by these visitors. Visitors from inside a given region are unlikely to offer much of a stimulus, simply because their spending on the event will be to a large extent diverted from other activities that they would otherwise have undertaken in the region.

In order to understand this concept, consider the following example. Suppose we are interested in the multiplier effect of an individual who wishes to participate in the Comrades Marathon. Let us assume that this individual is a resident from Durban who regularly attends rugby matches in the city and who now wishes to run the Comrades Marathon. Let us further assume that the multiplier for spending on both these activities is the same. Suppose the resident paid the entry fee to run the race from the money he would normally use to purchase his rugby ticket. To

analyse the impact of this spending, we have to ask where the money spend on the entry fee came from. Since the money has come from income that he would have used to attend rugby matches, it can then be concluded that there is no injection and no multiplier or rather the positive impact created by paying the entry fee to run the Comrades Marathon is cancelled out by the negative effect of not going to the rugby matches. In reality there is generally a slight difference and therefore there is a small positive or negative effect.

However, the only circumstance in which there could be a positive injection due to the consumption within the cities would be if that consumption was funded out of savings that is money that was not intended for consumption expenditure. This would mean that the Durban resident would pay his entry fee to participate in the Comrades Marathon from his savings which is highly unlikely.

As this study addressed the economic impact analysis of the 2010 Comrades Marathon on the Cities of Durban and Pietermaritzburg, it considered the consumer demand effects derived from the impact of foreign and domestic visitors. For expenditures to produce multiplier effects, the goods and services purchased must have some local content. Otherwise, any expenditure simply creates demand for products and services to be imported into the region and boost the income of outsiders instead of the locals.

Szymanski (2002) questioned the size of the multiplier. He stated that if a fraction “ c ” of each round of income is used for consumption (where c lies between 0 and 1), then the summation is $1 + c + c^2 + \dots$ is equal to $1 / (1 - c)$. Hence, if $c = 0.5$, the multiplier is 2. If $c = 0.9$, the multiplier is 10. It can be concluded that the larger the fraction of income spent on consumption, the larger the multiplier (Szymanski, 2002).

As illustrated in Figure 2.2, for every rand spent in a defined economy, 40 cents remains in it and 60 cents leaks out of that economy through non-local purchases and income transfers. In the next round of spending, the portion that remained in the economy becomes smaller and smaller until the money has completely left the economy. The change in total economic activity as a result of additional rands to the economy is calculated as:

$$R1 + R0.4 + R0.16 + R0.06 + R0.03 + R0.01 = R1.66$$

The R1.66 is the multiplier. It means that R1.66 of the total economic activity is created in that economy for each rand of external input. Thus, the initial impact was R1 but the total re-spending impact is R1.66.

Industrial sectors in an economy are dependent on each other for inputs and resources. Hence, any initial-round spending stirs up further rounds among industrial sectors within the economy as seen in Figure 2.3 below. The initial-round of spend in the context of sport generally comes from the spending of visitors to a sport event on areas as accommodation, food, beverages and miscellaneous items.

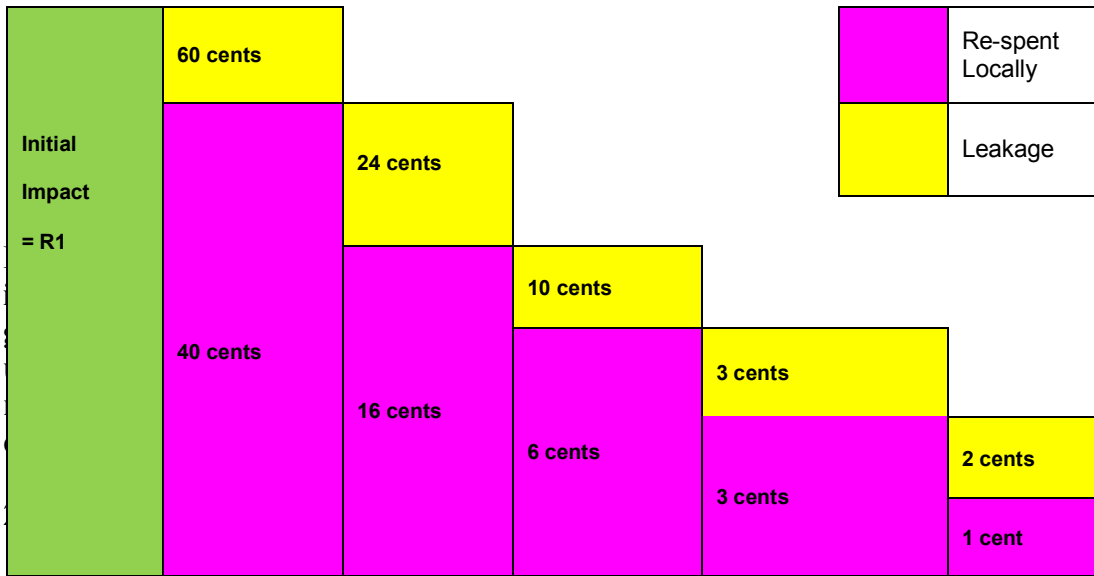


Figure 2.3: The Multiplier Process

The size of the multiplier depends on the following four basic factors:

2.10.1.1 The overall size and economic diversity of the region’s economy

The size of the multiplier will in general be influenced by how the geographical area of the study is defined. The greater the geographical area, the higher the degree of sectorial interdependence will normally be found, leading to higher indirect effects of the initial expenditure. Regions with large, diversified economies producing many higher order goods and services will have high multipliers as households and businesses can find most of the goods and services they need locally.

2.10.1.2 The geographic extent of the region and its role within the broader region

All things being equal, regions of a large geographic extent will have higher multipliers than small areas as transportation costs will tend to inhibit imports. Regions that serve as central places for the surrounding areas will also have higher multipliers than more isolated areas.

2.10.1.3 The nature of the economic sectors under consideration

Multipliers vary across different sectors of the economy based on the mix of labour and other inputs and the propensity of each sector to buy goods and services from within the region. For example, tourism-related businesses tend to be labour-intensive. Thus, these businesses tend to have larger induced impacts than indirect impacts.

2.10.1.4 The period in which the economic impact analysis is undertaken

A multiplier represents the characteristics of the economy at a single point in time. Multipliers for a given region may change over time in response to changes in the economic structure as well as price changes.

It is important to note that spending in an area does not stop as soon as the money has been spent. A percentage of the money then re-circulates through the local economy before slowly leaking out to pay for basic purchases and supplies elsewhere. The percentage of the re-spending elsewhere is termed “leakage.” The multiplier therefore assists to capture the secondary effect of the initial monetary injection. The larger a defined economy is, the more inter-industrial purchases among industrial sectors will be made within the economy, and therefore, the larger the multiplier will be. The multiplier is higher in a self-sufficient economy than in a small and specialized economy.

2.11 TYPES OF MULTIPLIERS

There are three types of multipliers that are used to estimate the scale of economic benefits as a result of money injected from outside a defined economy *viz.* the output multiplier, the earning multiplier and the employment multiplier.

2.11.1 The Output Multiplier

The output multiplier is also referred to as the sales multiplier and measures the increase in the level of economic activity in the region or city as a result of direct tourist expenditure. It estimates the total change in output of all industrial sectors in a defined economy. It focuses on the changes in levels of production, not sales or income left after leakages have been accounted for. The higher the interdependency among the industrial sectors, the higher the multiplier.

2.11.2 The Earning Multiplier

The earning multiplier is also referred to as the income multiplier or the value-added multiplier. It measures the total amount of income left after leakages such as savings, imported goods and services and taxes, have been accounted for. It indicates how much has changed in terms of salaries and wages of households of a defined economy as a result of additional money spent. The size of this type of multiplier depends on the degree of interdependency among industrial sectors in the given economy. This is the most accurate level as it measures the income left in the region after the increase in the economic activity due to tourist expenditure.

The income multiplier is of greater use to researchers because it enables them to relate economic benefits received by residents to the tax resources that residents invested. The income multiplier is more valuable as it shows the tax payers how a sport facility or franchise impacts on their income.

2.11.3 The Employment Multiplier

The employment multiplier is the ratio of the direct and secondary employment created by extra tourist expenditure. The employment multiplier is used to estimate the change in employment that is the number of jobs created in a defined economy due to the addition of new wealth.

Employment multipliers will, in principle, be of interest to the local community but are very often unreliable. The unreliability is due to the assumption that all existing employees are fully utilized. Under this assumption, increased spending will cause increased employment. However, in many cases existing staff is utilized and extra staff is only hired for a few days rendering increases in “full-time equivalent” jobs measured by the employment multiplier less interesting.

2.12 TYPES OF ECONOMIC IMPACT MODELS

Several economic impact models have been used in measuring the size of the economic impact of sports events. These models provide the researcher who is conducting the economic impact study with multipliers to be used to understand the effect on local output, earning, and employment. The most common types include the impact analysis for planning (IMPLAN), the regional input-output system (RIMS II) and the travel economic impact model (TEIM). Many economic impact studies conducted in the sport industry have used the RIMS II model to generate multipliers. Input-Output Analysis is perhaps the most commonly used method for measuring the local economic impacts of an event (Stevik, 2009). An input-output analysis describes the interdependence between the various sectors of the economy and is used to analyse how changes in one sector changes the overall economic activity.

2.13 ESTIMATING THE ECONOMIC IMPACT

The process of estimating the economic impact of a sports event can become controversial as many experts disagree on how to compute the economic impact of a special event. However, the solution lies in the return on investment (ROI). If event organizers make regular reports on the economic impact of events, these reports can help justify the time, effort and money involved and they can assist in fund raising to improve the chance of success.

The current practice in evaluating the economics of sporting events is to assess the impact that the event has on the Gross Domestic Product (GDP) of the region hosting the event. In assessing the economic impact of an event, only expenditure that would not have existed should be included.

Expenditure multipliers are applied to the estimated net increase in direct expenditure that is due to the event and takes into account flow-on *i.e.* funds that are brought into the local economy and are re-spent. Thus, second round impacts from the original expenditure are taken into consideration.

A logical starting point for assessing how the economic impact of any sporting event should be measured is to consider why this information is required. The demand for information on the economic impact of sport in the economy probably relates to one or more of the following issues:

- ◆ Is there evidence to justify a subsidy?
- ◆ What is the size of absolute contribution of sport to the economy?
- ◆ What is the relative share of sport in the economy?

2.13.1 Justification of subsidies

The provision of the state, provincial or local government subsidies to sporting events and organizations is a contentious issue. Both proponents and opponents of these subsidies have a need for information that might justify a subsidy. The case of government support for sporting events depends on the objective of the involvement. If the involvement is planned to improve the efficiency with which resources are used in the economy, the case for government assistance

should rest on the presence of market failures because there are factors impeding the efficient operation of the market.

Major sports events are now regarded by many cities as a significant part of their tourism strategy. However, staging major sports events normally involves the host city making a contribution to the costs. Whether such a contribution is justified depends on the economic benefits generated in the local economy. The results reported in this paper indicate the wide variability in such benefits as well as the difficulty sometimes encountered in predicting what these benefits will be prior to staging the event.

Potential impediments to the socially efficient operation of a sporting event or market failure includes the community's lack of understanding of the event, spill-overs of costs and benefits to other parties, divergences between private and social discount rates and information failures. The impact that a sporting event has on local or national GDP, on foreign exchange earnings, and on the presence of expenditure or income multipliers from sporting activities have nothing to do with the presence of actual or potential market failures. Thus, they do not have anything to do with the case for government intervention on efficiency grounds. However, these measures demonstrate how economic activities throughout the economy are linked.

2.13.2 Size of the absolute contribution of sport to the economy

Hone (2005) stated that the conventional approach to the measurement of the economic impact of a sporting event provides a limited, national accounting perspective on the contribution of sporting events and sporting competitions to the local economy. It measures the size of the sporting event in terms of the level of GDP that can be directly or indirectly attributed to the event.

2.13.3 Relative share of sport in the economy

The comparison of GDP from sport with the national GDP may be useful in measuring the relevant size of the sport industry in the economy. The GDP measures what would be the most appropriate total expenditure on sports and not expenditure by non-residents.

The economic impact of a sports event can be measured and examined in two ways *viz.* the short-term effect and long-term effect. All economic impact studies analyse the short-term effect but only a few of them also consider the long-term benefits.

2.14 DURATION OF THE ECONOMIC IMPACT

2.14.1 The Short-term Economic Impact

The short-term economic impact mainly analyses the expenditures of several groups of people associated with a sports event, which may include the spending of the event organizer or organizers with the spending of the event participants which include athletes, officials, media personnel, spectators and other visitors. The short-term impact is calculated through the determination of the three sub-categories previously discussed *viz.* the direct impact, the indirect impact and the induced impact. The sum of the direct, indirect and induced impacts is the total short-term impact of a sports event. In this study, short-term economic impacts are the net changes in the cities' outputs, earnings, and employment that were due to the new money flowing into the cities from outside the cities.

Conceptually and analytically, the short-term economic impacts fall into four broad categories: direct, indirect, induced and total impacts. Direct impacts are simply the share of the organizer's spending that initially purchased goods and services produced by the industries, in this instance in Durban and Pietermaritzburg, to justify the additional demand. Indirect economic impacts are the

share of visitors' spending that initially purchased goods and services provided by Durban's and Pietermaritzburg's industries to satisfy the additional demand. The induced economic impacts are the multiplier effects of the direct and indirect impacts, created by re-spending the amounts involved in the direct and indirect impacts. The total economic impact of the Comrades Marathon is the sum of the direct and indirect impacts and their respective induced impacts.

2.14.2 The Long-Term Economic Impact

The long-term economic impact refers to the long-term benefits that the host region enjoys after a sports event. Such an effect includes:

- The creation and development of new facilities
- The national and international recognition of the host cities, the province, the country and the nation due to extensive media exposure, and
- The community benefits including local volunteerism, job creation and training, youth education programmes and funding for community economic development projects and cultural programmes.

2.15 IS THE IMPACT OF A MAJOR SPORTING EVENT VISIBLE?

One problem often identified with economic impact studies is that they tend to be upwardly biased as many such studies are commissioned before the event by the organizers. Organizers use the information to claim that investments have been well spent. However, they do not go back after the event to establish whether the claimed benefits actually materialized as it is much more difficult to provide concrete evidence that a benefit materialized than to predict that the benefit will occur in the future.

2.16 SIGNIFICANCE OF ECONOMIC IMPACT STUDIES

The majority of authors *inter alia* Dwyer *et al*, 2000; Jones, 2001; Breen *et al*, 2001; all concurred that economic impact studies in the sport industry are conducted for the following three reasons:

- To examine the cost and benefits of an economic endeavour or financial investment to establish if it is worthwhile
- To use the results of an economic impact study to influence legislators and lobby for more legislative support, and
- To raise public awareness of the importance of the sport industry.

An economic impact study can help the city, country, officials or the local business community to develop an understanding of what the sport industry as a whole can do to and for the region's economy so that the government and the private sector can work together to use the sport industry to its full potential.

It was reported in the Department of Sport and Recreation's National Sports Tourism Strategy First Draft (2012) that the significant contributions of sports tourism extend to support the following three national government priorities *viz.* economic development; social cohesion and development and political stability that are briefly discussed below:

[A] Economic Development

Hosting mega and major events in South Africa has the following benefits:

- It boosts investor confidence.
- Jobs are created and human resources are up-skilled.

- Direct and indirect spend is a catalyst for further economic development.
- Donor and sponsor funding is channelled internally.
- The potential for subsequent legacy funding exists.
- Events hosted successfully provide unparalleled marketing exposure.
- Mega and major events often require substantial infrastructure development. This is broader than just sport facilities and includes transportation and communication networks.

[B] Social cohesion and development

Equally important to economic development are the significant social benefits that emanate from sports tourism. These include:

- National pride
- A healthy nation
- Using sport for development
- Broad community development
- Combating social ills
- Impacting positively on the youth
- The potential for sustainable legacy programmes
- The prospective opportunity to lobby for the staging of events in “non-traditional” areas.

[C] Political stability

It has been argued that sports tourism is the most important sign of political stability and social prosperity for a country resulting in internal continuity of the power within the country and consequently attracting special attention in the world. Developing sport tourism to consolidate

peace, friendship and sport globalization, as well as strengthening and striving for national identity should be considered the ultimate goal of sport tourism development.

2.17 SPORT TOURISM

2.17.1 The Nature of Sport Tourism

Sport and tourism are now very strongly linked. As globalisation progresses, new and exciting possibilities are opening up to enrich tourism experiences through sport, and to enhance sport development through tourism.

Tourism has long been considered a major contributor to the economy of many of the nations of the world. Joseph (2009) reported that there are some countries that have taken the decision that since they lack the vital mineral resources and are unable to make progress with secondary industries emanating from primary agricultural production, to place emphasis on the gifts of nature by establishing a sound tourism industry. Countries such as Barbados, Antigua and Barbuda, the Bahamas, Turks and Caicos all appear to have shifted to tourism as the single most important industry that underpins the national economy.

Sport tourism is currently the fastest-growing aspect of the tourism industry globally. In 2008 sport tourism accounted for \$600 billion (10%) of the international tourism market (Joseph, 2009). The opportunity for a city in South Africa or in any part of the world to either host or be an integral component of the organisation of a major sports event could or would constitute a great economic, social and cultural commitment. It is an opportunity that if properly managed and marketed, can bring a number of positive long-term benefits to the city and the community, the organizers of the event and to the rest of the country.

Joseph (2009) noted that sport tourism has become a stabilizing force within the global tourism industry in times of volatility. While undoubtedly there has been some decline in sporting activities because of the global meltdown it is also true that those organizations and countries that have engaged in systematic planning in the industry and that operate with a strong national sports tourism policy have weathered the storm and experienced growth in the face of economic hardships (Joseph, 2009).

There is no doubt that major sporting events attract tourists who create wealth in the host city by spending their money there and creating jobs (Matheson, 2002). Promotion of sports events can create an image of the host region as an exciting place where there will be people of common interests. In this way sports events can change perceptions and create new images for regions that have not previously been considered holiday destinations.

Whilst the Comrades Marathon lasts approximately five and a half hours for the winner, and twelve hours for the last runner to officially complete the race, the organizers of the race commence with their preparations twelve months prior to the event to ensure the smooth operation of the race. The experiences of cities that have hosted or been part of the organization of major sporting events have demonstrated that these events can generate significant growth over a long period of time (Karlis, 2003).

2.17.2 Definition of Sport Tourism

Research reveals that there is no single agreed definition of sport tourism. According to Gammon and Robinson (1999), sport tourism focuses upon competitive sporting travel, whereas the term “Sport Tourism” is a far broader concept which embraces sport as being both recreational as well as competitive; both institutionalized and transitory. Sofield (2003)

attempted to separate “sport tourists” (for whom sport is the primary purpose of the trip) and “tourism sportists” (for whom tourism is the primary purpose).

Sport tourism constituted 5% to 10% of the total worldwide tourism value estimated to be \$25 billion to \$50 billion (Department of Sport and Recreation, South Africa, 2012). Sport tourists are generally passionate, high-spending, and enjoy new sporting experiences, often stimulating other tourism categories. The direct benefit to a destination is cash; the indirect benefit can be years of return visits as tourists.

2.17.3 Critical components of Sport Tourism

Joseph (2009) identified specific features of sport tourism and affirmed that a country must possess the following to attract tourists:

- International access
- Sports Infrastructure
- Hotels, Guest Houses, Bed and Breakfast establishments
- Sport Competitions
- Television access
- Commercial activities

It must be noted that South Africa, the Province of KwaZulu-Natal and the Cities of Durban and Pietermaritzburg are already in possession of the following distinct competitive advantages:

- Excellent geographic location and amenities
- Well-developed sports infrastructures
- Easy access to international flights and sound airport infrastructure

- Excellent all-year weather/climate
- Diverse offerings in tourism such as entertainment centres, parks and museums
- Warmth and hospitality of its people
- Outstanding athletes
- Well qualified coaches, technical officials and training facilities

2.17.4 Sport Tourism in South Africa

Over the last couple of decades South Africa has experienced a significant increase in sport tourism. This has been accredited to the hosting of a number of mega-sports events *inter alia* the 1995 Rugby World Cup and the 2003 ICC Cricket World Cup. The government launched a sports tourism campaign *viz.* the South Africa Sports Tourism (SAST), in order to maximise South Africa's tourism potential. SAST was conceived to act as an umbrella enterprise under which existing events may receive unified promotional support so that additional sporting events and recreational activities can be developed to the greatest benefit of the tourism sector and the country's extensive recreational resources can be distributed to potential international and domestic tourists.

By 2006 the tourism industry in South Africa was regarded as the second fastest growing sector in the South African economy (Department of Sport and Recreation, S.A., 2012). Foreign tourism arrivals to South Africa have grown exponentially since the country became a democracy in 1994. Foreign arrivals in South Africa have increased by more than 100% from 640 000 in 1994 to 7.4 million in 2005 and 8.4 million in 2006 (SA Tourism 2006, 2007).

The sport and leisure industry has also grown significantly since South Africa's readmission to international sport. At a World Travels Awards function held in Dohar in 2012 South Africa was

singled out as the world’s leading sports tourism destination. In addition, more South African teams participate on the international stage than ever before, naturally enhancing sports tourism and related opportunities. Figure 2.4 reflects tourist arrivals in South Africa over the five-year period leading up to 2003. Sports tourism in South Africa is estimated to contribute more than R6 billion to the South African tourism industry for this period. More than 10% of foreign visitors come to South Africa to watch or participate in sports events, with spectators accounting for 60–80% of these arrivals (SA Tourism, 2006). The long-term outlook for growth in sports tourism in South Africa is expected to be strongly positive and was also identified by SA Tourism as a niche market for potential growth.

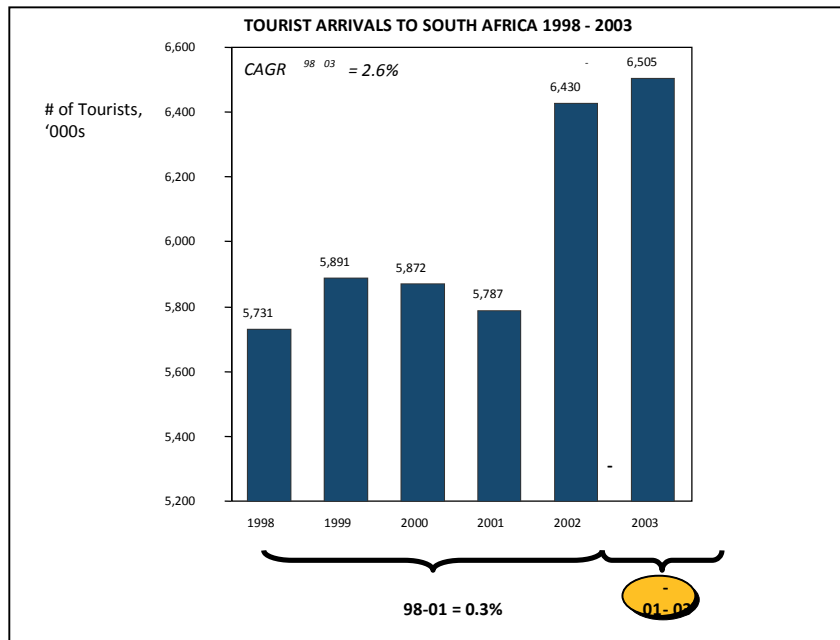


Figure 2.4: South African Sports Tourists Arrivals

2.17.5 Sport Tourism in the Cities of Durban and Pietermaritzburg

The City of Durban launched the Durban Events Corporation (DEC) in order to operationalize the objectives of South African Sports Tourism and to promote event tourism. Cognizance must

be taken of the resources of this region. Durban is South Africa's third largest city and is one of the fastest-growing urban areas in the world and has the busiest port in South Africa. It is the largest city in KwaZulu-Natal and hosts two of the busiest ports in the region. It is known as the "Sun Capital" because of the brilliant weather it experiences throughout the year. Durban possesses an 80km stretch of beaches, natural vegetation, adequate existing infrastructure, prime tourist accommodation and boasts diversity in culture and climate. In addition, it is viewed as the gateway to the "Zulu Kingdom" in the province of KwaZulu-Natal and is just 150km away from the Drakensberg Mountains.

Durban is a sporting paradise and has hosted many major sporting events over the past two decades *inter alia* the 1995 Rugby World Cup, the 2009 FIFA Beach Soccer World Cup, the 2009 Confederations Cup (KwaZulu-Natal Business, 2009), the 2010 FIFA World Cup and the 2011 FINA World Swimming Championships. The sunny climate combined with a wealth of facilities make for a year round sporting extravaganza. Water sports such as swimming, surfing, body boarding, sailing and scuba diving are obvious favourites given Durban's proximity to the warm Indian Ocean. Rugby, soccer and cricket are also very popular with Durban boasting world class stadia for all major sports.

Pietermaritzburg is set amidst forested hills and the rolling countryside of the KwaZulu-Natal Midlands and is one of the best-preserved Victorian cities in the world. It is the capital of the Province of KwaZulu-Natal and the second largest city in the province. It is approximately 80km north of Durban by road. It is referred to as the "City of Choice." Over the last decade Pietermaritzburg played host to numerous national and international sports events that included

the BMX World Downhill Championships, the Comrades Marathon, the Pietermaritzburg to Durban Cycle Race (the Amashovashova) and the Dusi Canoe Marathon.

Turco *et al* (2003) reported that sport and event tourism have gained prominence in the last few years and have begun to play a central role in profiling Durban. The Comrades Marathon is considered to be an important sports tourism event, locally, nationally and internationally.

The primary purpose of undertaking the organization of a major sporting event is to increase the level of tourism in the city. In general, the benefits from organizing such sporting events are:

- The attraction of high-income tourists and the creation of a new generation of tourists who will make several visits to the host city
- The creation of a favourable tourist image for the destination city
- The creation and modernization of the tourism infrastructure
- A unique opportunity of the host city to use the presence of the international media to send out various messages to the rest of the world
- The creation of a skilled work force in the organization, management and funding sectors

KwaZulu-Natal Business (2009) reported that the number of domestic tourist trips in South Africa grew in 2009 to R30.3 million and the value of this market were assessed to be R22.4 billion. KwaZulu-Natal's share of this was 29% of trips and 28% in terms of value. The report further stated that the Department of Economic Development and Tourism confirmed that the total impact of tourism was about R32 billion and this accounted for 33 000 jobs. It concluded that for every R1 million spent by tourists, 11 direct and indirect jobs were created (KwaZulu-Natal Business, 2009).

2.18 TRANSFORMATION OF SPORT IN SOUTH AFRICA

One of the priorities of the democratically elected government of 1994 was to transform South African society in order to improve the quality of life. Hence, Sport and Recreation South Africa (SRSA) was morally compelled to embrace transformation thereby redressing the imbalances of the past to ensure that all South Africans, regardless of their different orientations would benefit equitably from the resources of the country. This section reviews the steps taken by the government to address the transformation in sport and the steps taken by the Comrades Marathon to address transformation and change within their organization.

The former President of South Africa, Nelson Mandela, stated in his speech at the 1997 Presidential Sports Awards that sport has a profound role in nation-building and reconciliation and that sport can uplift and unify the population. He referred to sport as “a force that was binding the nation.” Sport and Recreation South Africa’s White Paper (2002) defined transformation as a conscious, deliberate, planned and goal directed process of fundamentally changing the conditions that have in the past led to the deliberate exclusion of the majority of South Africans from meaningful participation in sport and recreation and from taking their rightful place in the sports movements of the world. It is important to note that transformation is an on-going process and that it does not occur in a vacuum.

The early 1990’s saw the re-entry of South Africa into the international sporting arena. This re-entry together with the total restructuring of all sporting codes in South Africa was confirmed through the fundamental political changes that occurred since 1990. Whereas pre-1990 saw sport play a vital role in the isolation and destruction of the apartheid regime, post-1990 saw sport play a key role in the re-construction and unification of the new non-racial, non-sexist and

democratic South African nation. For sport to play this essential role the basis of its social organization, administration and orientation under the apartheid regime had to be reconfigured, rebuilt and fundamentally transformed. However, Ngalwa (2012) reported in a local newspaper that the ruling party has stated that transformation in sport since 1994 has been largely “unsuccessful.” Thus, the African National Conference (ANC) wants to remove sports quotas in favour of a performance scorecard that will be used to monitor and set transformation targets for sports federations and bodies. The Minister of Sport and Recreation, Fikile Mbalula, has added his voice to the discussion and argued that quotas should be scrapped and that the focus should be on development at school level (Ngalwa, 2012).

Nicholson (2012) reported in a local Durban newspaper that Basson, the then Cricket South Africa’s Acting President, in his transformation charter spelt out past mistakes in attempting to transform the country’s sport. Basson stated that South Africa will strategically commit suicide if it does not address the imbalances in sport and realise that the black population is the future human capital of sport. He stated that the country had been seduced by the high level commercial aspect of sport and that there was not a good balance between grassroots and performance levels. He stressed that the main misunderstanding of transformation was that it meant replacing a white player with a black player and that transformation required a complete change in the way that all sporting organisations operated (Nicholson, 2012).

The transformation process will enable sport in South Africa to re-position and re-invent itself on the principle of empowerment while simultaneously making a substantial contribution to South African society. Transformation, correctly defined and utilised, is a powerful tool not only to

correct injustices of the past but also to establish a sustainable competitive advantage targeted at enhancing overall competitiveness globally.

2.19 TRANSFORMATION WITHIN THE COMRADES MARATHON ASSOCIATION

The CMA was established in 1921 and the first Comrades Marathon was run in this year. From 1921 to 1974 only white males were permitted to participate in the race. In 1975 the race organizers allowed white women and “non-whites” *i.e.* men and women of colour to participate in the race. This was the beginning of transformation within the CMA. However, for over seven decades the CMA had white males at the helm of its leadership but it was only in the year 2000 that two white females were elected as chairpersons of the two central committees of the CMA *viz.* the Board of Trustees and Executive Committee. This was the first time in its long history that the CMA had women at the helm of its leadership. Even though there was a sprinkling of men and women of colour that were co-opted onto these committees for approximately a decade, it was only in 2003 that an African male was elected as Vice-Chairperson on the Executive Committee. Further changes took place in 2004 as an Indian male was elected as the Chairperson of the Board of Trustees and additional men and women from the previously disadvantaged populations were elected or co-opted onto the above-mentioned committees. In 2013 an African man was elected as the Chairman of the recently-established CMA Board. Cognizance must be taken of the fact that men and women of colour sat on the CMA Race Organizing Committee for over a decade prior to the above occurring. These people were appointed as portfolio holders and developed skills in the performance of their duties and in the process their knowledge of the event improved. Their involvement in the administration and organization of the event contributed towards the efficient and effective running of the event.

Saville (2005) highlighted the following areas in which the CMA has been actively involved in the growth of the black economy:

- ◆ CMA has implemented a Procurement Policy in which companies that it transacts business with are rated
- ◆ CMA's contribution to black economic employment is centred around the Amabedibedi Project in which previously unemployed African women are now employed to manufacture beads that are sold to raise funds for charitable organizations that are associated with the race
- ◆ The CMA's Indigent Runners Programme also employs African women to assist with the catering

2.20 COMRADES MARATHON ASSOCIATION (CMA) AND VOLUNTEERISM

The CMA depends to a great extent on the assistance of volunteers. Volunteers have been involved in all aspects of the race from its inception in 1921. Initially the number of volunteers was low but as the race gained popularity not only in South Africa but also throughout the world, its volunteer based increased tremendously. The increase in the number of volunteers was largely due to the increase in the number of participants and the high standards that the CMA has set for the event.

The CMA had indicated that there were times when the ratio of volunteers to participants was 1:2 and that the spirit of volunteering is excellent within the CMA (Winn, 2005). They rendered assistance in the following areas of the race:

- The fifty-plus refreshment tables on the route

- Traffic marshals at strategic traffic points so that the athletes were assured of a safe run
- The numerous medical points on the route and at the finish area
- The doping-control centre
- Officials at the start and finish of the race
- Administrative assistants in the media centre
- Additional security
- Prize-giving
- Registration centres both in Durban and Pietermaritzburg
- The very important persons (VIPs)
- The administration at Comrades Marathon House

Many of these volunteers commenced with their work many weeks prior to the event in order to set up the start and finish areas and assist in the administration at the CMA's offices. All the committees of the CMA *viz.* the Board, the Race Organizing Committee and the numerous sub-committees comprises of volunteers. The CMA also has salaried staff that includes the General Manager, the Race Director and administrative staff. About four months prior to the race additional casual staff are employed to assist with the administration and organization of the race.

2.21 REVIEW OF MAJOR ECONOMIC IMPACT STUDIES

2.21.1 Introduction

Marais (2003) confirmed that from the close of the apartheid era and South Africa's readmission to world sports, the country has taken up the international gauntlet with gusto. South African sports organizers have proved to the world that they can organize complex sporting events and accommodate many thousands of international sports fans with relative ease.

In this section selected national and international events and their impact on the economy of the local city or town, province and the country are discussed. Nevertheless, it must be noted that to date, very little research has been done on African countries' attempts to participate in the global major sporting events enterprise (Bohlmann, 2006). It is also important to note that South Africa participated for the first time since its readmission into international sports in the Barcelona Olympics giving exposure to South African sportsmen and women. The 2003 International Cricket Council (ICC) Cricket World Cup, the 2003 Cape Argus Pick n Pay Cycle Tour, 2004 Athens Olympic Games, 2006 A1 Grand Prix, 2008 Beijing Olympics and the 2010 FIFA World Cup are briefly addressed.

2.21.2 The 2003 ICC World Cup

A study on the impact of the 2003 International Cricket Council (ICC) World Cup that was undertaken by the National Treasury showed that the economic impact in terms of South African economic activity was estimated at R2 billion. It was also estimated that this event generated at least R1.2 billion for the South African economy.

The aforementioned study revealed that South Africa's hosting of the 2003 Cricket World Cup attracted 20 000 foreign fans over 44 days who spent R1.2 billion and generated 3 500 jobs during the hugely successful event. The study reported that the key drivers of the net foreign spending were:

- ◆ Expenditure by individual foreign tourists whilst on their trip to South Africa; and
- ◆ The tournament that is the specific income derived from the share of the ICC revenues that were remitted to the organizing committee of the Cricket World Cup.

The report confirmed that the economic impact of the Cricket World Cup on South Africa in terms of South African economic activity was R2 billion. It was revealed that the total individual spend amounted to R958.3 million. Of this amount R556 million (58%) came from foreign tourists and R402.3 million (42%) came from South Africans and that on the average, the foreigners stayed in the country for sixteen days. On the average the foreigners spent R1 400 per day on accommodation, travel, subsistence, entertainment and add-on holidays and the hotels attracted the largest share of total foreigner bed-nights from this group. The report specified that 630 000 tickets were purchased whilst 220 000 people attended the matches with foreigners accounting for 18 500 (8.4%) of this number and South Africa for the remaining 201 500 (91.2%). The report concluded that a foreign visitor created as much economic benefit as 16 local spectators.

2.21.3 2003 Cape Argus Pick n Pay Cycle Tour

The Cape Argus Pick n Pay Cycle Tour is said to be the largest individually timed cycle race in the world and is one of the largest sporting events hosted in South Africa. It covers a scenic route of 109 kilometres through Cape Town and is a non-profit event with all the proceeds going to charities. The Cycle Tour is the biggest annual revenue for Cape Town but prior to 2012 it did not receive much government support.

The race route enjoyed full closure from the traffic in 2002. This intimated that there was room for substantial growth and that the event would attract more entrants. In 2003 the Cape Argus Pick n Pay Cycle Tour was marketed overseas for the first time even though it had already began to draw considerable foreign interest. There were approximately 16 refreshments and 6 medical stations along the route. A team of approximately 2 500 volunteers from a various organizations

ensured that all operations ran smoothly and efficiently on the day. About half of the entrants were from outside Cape Town which included around 1 000 international cyclists from over 40 countries. Such is the popularity of the Cape Argus Pick n Pay Cycle Tour that entries for the 2003 race, restricted to 35 000, were completed and closed within a single month with 10 000 entries received within the first 75 hours. The Cycle Tour website reported that the 2003 Cape Argus Pick n Pay Cycle Tour generated R260 million cash input into the Cape economy and that the City of Cape Town has been able to achieve a direct benefit of more than R600 million for 2000 to 2003 (www.capearguscycletour.co.za). The report indicated that much of the income generated was due to the increase of international participation and to the expenditure by the participants on accommodation, food, drinks, shopping, tourist attractions and the sale of bicycle spares and bicycle related services. Tourism benefited hugely with the effects felt long after the race. The organizers of the race believe that it has grown rapidly for a variety of reasons *viz.* the ethos of the race, volunteerism, commitment, charity and development within the cycling fraternity (www.capearguscycletour.co.za).

The above report confirmed that the influx of cycling fanatics had a positive economic impact on the bicycle shops in the Western Cape closely rivalling accommodation as the area accounted for the greater percentage of the participants. There was an increase in the sale of bicycle parts and the use of related services that added a further R16.5 million to the funds. This represented an increase of 77% over the 2002 figures (www.capearguscycletour.co.za).

There were additional events that formed part of the Life Cycle Week *viz.* the Mountain Bike Challenge, Giro del Capo, Tricycle and Junior Tours and the Celebrity Carbo-Loading Dinner. These events influenced the cyclists to stay extra nights as a result of which accommodation

expenses increased by a staggering 78% from 2002 to 2003 and accounted for R98.3 million of the total expenditure. This was a 216% increase from 2000 when accommodation only accounted for R31.1 million of the total expenditure in the Western Cape. More than R50.3 million was spent on main meals. Nevertheless, the report acknowledged that even though there was a significant increase in the amount of international participants and supporters, tourist attractions and other entertainment venues suffered a 23% decrease in the funds generated from the Cape Argus. In 2002 the cyclists and supporters spent R28.3 million on these attractions whereas in 2003 they spend R21.9 million (www.capearguscycletour.co.za).

2.21.4 2004 Athens Olympic Games

The Summer Olympic Games, officially known as the Games of the XXVIII Olympiad, was a premier international multi-sport event held in Athens, Greece from 13 to 29 August 2004. The motto for the Games was “*Welcome Home.*” A total of 10 625 athletes competed in the Games and were accompanied by 5 501 team officials from 201 countries. This was also the first-time that the Olympic Games since 1896 *i.e.* the inception of the Games, was held in Greece.

Madden (2002) in researching the 2000 Sydney Olympics identified three distinct phases when modelling the total effects of the Games. This was based on the classification of expenditures that were regarded as immediate consequences of the event. The pre-event phase consisted of all the operation expenditures, construction and upgrading of venues and accommodation, and the necessary upgrading of transport infrastructure in the five years preceding the event. The event-year or second phase was the year of the event during which the major expenditures were on the event and by the visitors to the event. The post-phase or final phase focused mainly on tourism generated by the Olympic Games in the subsequent five or six years.

Tziralis, Tolis and Tatsipoulos (2004) stated that the total expenditure *i.e.* operating and capital costs of hosting the Games, was €8.954 billion (\$11.2 billion). Private funding covered 20.1% of this amount. Of the 160 000 applications from potential volunteers, 60 000 were chosen.

Theodoraki (2009) reported that the Athens Olympic Games Organizing Committee made a modest €7 million whilst €5.10 billion was spent on related infrastructures. A Price Waterhouse Coopers report (2004) asserted that over 80% of the world's population who had access to electricity spent time watching the Olympic Games.

A study undertaken by Veraros *et al* (2004) revealed that there was a significant positive effect on the Athens and Milan Stock Exchanges because of the Games. Greece was the smallest country ever to host the modern event and was proud to have hosted a successful event despite widespread scepticism. The study concluded that the overall legacy of Athens was positive because of the Games (Veraros *et al*, 2004). However, many said that Athens failed to translate this success into lasting momentum for modernization.

In contrast to successful cases of holding the Olympic Games, Athens 2004 failed to motivate its economic growth due to its deficient promotion and an enormous amount of expenditures which was as much as \$12 billion *i.e.* twice the amount that was originally budgeted for (Itano, 2008).

Wang and Chen (2005) stressed that the expenditure for holding the 2004 Athens Olympic Games was more than \$12 billion and subsequently it contributed to the huge debt that the Games left behind.

2.21.5 2006 A1 Grand Prix of Nations

The 2006 A1 Grand Prix of Nations was hosted by the City of Durban and was, at that point in time, only one of two street-based motor races in the world. This was the first time Durban

hosted the South African leg of this series. This event was voted the best round of the 11-race 2005/2006 A1 GP World Cup of Motorsport by the competing nations' team principals. South Africa was one of 23 countries that contested the second series of this unique motor sport competition which pitted nation against nation in identical cars.

Mbanjwa (2006) reported in a local Durban newspaper that the 2006 motor race generated about R312 million in direct and indirect investments in the city. In this report, the then eThekweni Municipal Manager declared that the funds committed by the municipality were an indirect investment as the city received more publicity and the returns were huge. The report confirmed that approximately R219 million of the R312 million was tourist spending (Mbanjwa, 2006). Furthermore, more than R47 million was generated for the economy from direct expenditure. Ms Dana Cooper, the former CEO of A1 Team South Africa, confirmed that the event attracted 105 000 spectators over 3 days. Mbanjwa (2006) verified that a significant number of people who attended the event visited other attractions in the city and R90 million was spent on service providers. The article stated that the event organizers indicated that 90% of this was spent on Durban-based businesses that benefited from the event.

The article also addressed issues that influenced the loss of income to businesses affected by the road closures and noise levels in certain areas of the route over the three-day event (Mbanjwa, 2006) that impacted negatively on a small minority of the residents. It concluded that businesses affected by road closures could have suffered losses of about R24 million. An environmental impact assessment was also conducted by a senior environmental health practitioner and it was discovered that the noise levels constituted a noise disturbance and a noise nuisance (Mbanjwa, 2006). A number of other noise sources that were identified included the blowing of vuvuzelas

(an instrument that resembles a trumpet), the public address system and the crowds. The assessment stated that a senior city official had confirmed that these issues were addressed in the planning of the 2007 event which will also be hosted by Durban.

Preuss (2005) discussed the concept of “Crowding-out” in a study on the economic impact of visitors at major multi-sports events. He defined crowding out as any reduction in private consumption that occurs because of an increased demand based on the staging of an event such as the FIFA World Cup. He also addressed the concept of “Runaways” who he defined as residents who leave their homes because of the high perceived social costs of the event, thereby leaking local income from the economy. Crowding-out is generally associated with mega-events such as the World Cup and not hallmark events such as the Comrades Marathon because of the greater impact it has on a country. On the contrary, residents of the cities and the smaller towns on the route of the Comrades Marathon display immense support for the event in a multitude of ways which includes purchasing merchandise related to the event, supporting the runners from the road side and at the start and finish of the event.

Mbanjwa (2006) reported that Cooper confirmed that the A1 Grand Prix held in Durban was a great success. She emphasised that this was the first attempt by the Organizing Committee to stage an international street race in Durban and they had learnt a great deal. She added that although the committee had only two months in which to organize the 2006 event, the race attracted 105 000 spectators over the three days. She confirmed that the City of Durban and the KwaZulu-Natal government had each contributed R12.5 million for the staging of the event in 2007. She added that A1 Holdings Company will spend approximately R70 million to host the 2007 event. The Mayor of Durban confirmed that the unparalleled success of the 2006 race put

Durban on the map in world motor sport and resulted in a massive boost to the local economy (Mbanjwa, 2006).

2.21.6 2008 Beijing Olympic Games

Beijing was announced as the host city for the 2008 Olympic Games which were officially known as XXIX Olympiad. The announcement was made seven years prior to the event because of all the logistical planning and development involved in hosting a successful sports event of the magnitude of the Olympics. The Beijing Games had its own logo *viz. One World, One Dream*. Owen (2005) concluded that irrespective of the numerous concerns *inter alia* human rights, air pollution, economic effects and how they affected the quality of life of local residents, it was expected that the 2008 Olympic Games would offer monumental economic benefits to Beijing and China as they were perceived as being a goldmine in terms of business opportunities especially since every Olympic Games since 1972 had turned a profit. The Beijing Organizing Committee, prior to the Games, estimated that the 2008 Games would generate \$30 million in profits even though operating costs had been estimated at approximately \$2.4 billion.

Wnorowski (2011) stated Beijing's bid budget for the Games raised the stakes for future hosts. It was concluded that although China is considered a developing nation, its \$43 billion investment on the Olympics is one that few developing nations can match (Wnorowski, 2011).

China Daily (2010) reported that the Beijing Organizing Committee of the Games declared that the Beijing Olympics generated a profit of over 1 billion Yuan *i.e.* \$146 million and that the total expenses were 19.4 billion Yuan. In spite of this, Owen (2008) believed that it was not necessary for Chinese officials and the Olympic organizers to use the overstated findings of an economic impact study as a public relations tool.

Still there are some indications of the scope and objectives of the Beijing Games. Prior to the event, the 2008 Olympics had already assisted in boosting China's GDP by an average of nearly 10% a year from 2005 to 2008; it created more than 1.8 million new jobs and was expected to increase tourism in Beijing (Yang, 2005). Yang (2005) reported that since 2001 tourism in China increased by 7% per year and that whilst the 2004 Athens Olympic Games received \$685 million in sponsorship money, the Beijing Games attracted over \$1 billion from sponsors. In addition, television revenue for these Games exceeded \$1.7 billion and over 200 countries received television coverage of the Games. Weiner (2008) concluded that the Beijing Games has had a vast and deep economic impact on Beijing and China.

It was reported that the total cost of hosting the 2008 Beijing Olympics amounted to \$50 billion and was much higher than the 2004 Athens Olympic Games (\$12 billion) and the 2000 Sydney Olympic Games (\$3 billion) (Paramadina Public Policy Institute, 2011). This report confirmed that spending money on hosting the Olympic Games are weak economic stimuli and that the host country experiences higher economic growth before the event commences. Spending has a very short-term impact and the GDP growth rate decreases. Battan (2008) revealed that the Olympic Games boosted tourism before the Games began. However, the impact the Games placed on the impoverished residents of the City of Beijing and the surrounding areas was enormous in that 1.25 million of them had been displaced in preparation of the Games.

In an article by Conger (2010), the sport economist, Victor Matheson, confirmed that research repeatedly showed that high-profit hopes attached to hosting these events rarely became reality. Matheson declared that the \$146 million profit does not have a theoretical "halo effect" within the surrounding Chinese economy as the retailers suffer from the substitution effect, wherein the

people spend their income on Olympic-related expenses and not on goods and services.

Matheson added that hotels and tourism might receive a momentary jolt but enough non-Olympic tourists specifically avoid visiting cities during the Games and that the net effect is minimal (Conger, 2010).

2.21.7 2010 FIFA World Cup

The President of the Federation Internationale de Football Association (FIFA) announced to the world on 15 May 2004 that South Africa would host the 2010 FIFA World Cup. This announcement did not only serve to punctuate the years of hard work that went into securing the rights to host this most prestigious event, but also presented a unique opportunity to the country to unite behind a singular project. The CEO of the South African 2010 World Cup Bid Committee stated that by awarding the 2010 FIFA World Cup to South Africa, the FIFA President had informed his team that this tournament stood a chance of being more financially viable than the event held in Germany and that this will be the biggest international event ever staged in Africa.

Like all major international sporting events, South Africa's hosting of the 2010 Football World Cup required massive private, public and joint efforts with regard to financial investment, construction, logistics, security planning, and tourism development and in many other areas. It has been stated that the Football World Cup is the world's biggest sporting event after the Olympic Games and that it would have a television audience that will be bigger than that of the Olympic Games.

Initial predictions highlighted the fact that South Africa will attract a larger number of visitors and television viewers than the 2002 and 2006 FIFA World Cups and that the positive spin-offs

will include benefits for tourism, hospitality and manufacturing industries as well as a reduction in unemployment and crime rates in South Africa. Goliger (2005) declared that perhaps the most immeasurable social benefits would be the furthering of a national identity and improved race relations within the country. He affirmed that an estimated €2.7 billion will be generated from the event and that approximately 160 000 direct and indirect jobs will be created through a ripple effect (Goliger, 2005).

Initial economic impact studies undertaken by the consulting firm, Grant Thornton (2003) indicated that the 2010 FIFA World Cup will lead to direct expenditure of R12.7 billion and that it will contribute R21.3 billion to the GDP and that it will also create 159 000 new employment opportunities and R7.2 billion will be paid to the Government in taxes. Consumer spending on accommodation, transport, entertainment, merchandising, food, beverages, and so forth, was estimated to be approximately R9.8 billion. It was estimated that the country's tourism industry will benefit from the estimated three million visitors who will attend the tournament. This did not include the millions of viewers that would watch the matches on television throughout the world. The report concluded that the World Cup would have an overwhelming positive impact on the South African economy.

Enslin (2006) reported that there will be a big direct injection into the economy but that the indirect economy may be more meaningful for a sustainable economic development in subsequent years as it will help change the perceptions that a large number of foreign investors hold of Africa and South Africa. President Thabo Mbeki in his State of the Nation Address (2006) stated that the 2010 FIFA World Cup would make a huge contribution, not only to South Africa's socio-economic growth, but to the development of the continent as a whole.

It was reported that Durban will attract R10 billion in investments ahead of the 2010 FIFA World Cup as the city's transport system would be upgraded and a new stadium, training facilities and hotels built (Enslin, 2006). In addition, the Durban City Manager highlighted the fact that the event can be used to develop regional benefits and that a business model was being developed for the R1.6 billion soccer stadium to ensure the long-term viability of the project.

The hosting of the World Cup was seen by many as an opportunity to link South Africa's development to a national project that will attract significant international attention and investment, while drawing together its citizens, thereby serving the objective of nation-building.

With South Africa having hosted *inter alia* the 1995 Rugby World, the 1996 African Cup of Nations, the 1998 All Africa Games, the 2003 Cricket World Cup and the 2010 FIFA World Cup, mega-sport events are increasingly being pursued by the South African government, not only for their development and financial gains, but also for their more elusive identity building and signalling benefits, and more democracy and human enhancing qualities.

The South African Yearbook (2003/2004) reported that a study on the impact of the 2003 Cricket World Cup showed that the economic impact of the tournament in terms of the South African economic activity was estimated at R2 billion. The net foreign spend was R1.1 billion. However, it has been stated that the 2010 FIFA World Cup will generate many times the profit yielded by the 2003 Cricket World Cup and, therefore, contribute substantially to alleviating the socio-economic challenges such as crime, facing South Africa.

It was reported on the South Africa info website (www.southafrica.info) that Grant Thornton Consultancy conducted a post-recession survey and that the updated projections of this economic

impact of the 2010 World Cup made interesting reading. This survey predicted that there will be an economic impact of R93 billion gross and that 695 000 jobs will be sustained. Also, the net additional economic impact in 2010 of R13 billion will be significant. In addition, 373 000 tourists will come to South Africa. This was a decrease from the original prediction which indicated that 483 000 tourist will arrive in the country. It was predicted that foreign tourism will account for 16% of the gross impact. This is a smaller number than was originally predicted but it is important to note that it was projected that the tourists will stay for a longer period *i.e.* 18 days instead of 14 days. This prediction was based on the fact that the foreign tourists will attend an average of 5 soccer matches per person. This was up from 3.4 matches in the earlier prediction and was compared to the average of 2.6 soccer matches attended by foreigners at the 2006 FIFA World Cup in Germany. The foreign spend prediction was R8.8 billion and the total spend in the South African economy was R55.3 billion. The report concluded that the 2010 FIFA World Cup in South Africa will be a major success from both an organizational and financial perspective.

Harding (2011) in his article questioned whether the event was worth the R40 billion that was spent and was South Africa seeing a significant enough return on investment and did it benefit the rest of the African continent. The response to the first question was that the initial financial reports indicated that the money was well spent and that one of the greatest benefits for South Africa was the upgrading of its infrastructure; infrastructure that probably would not have been upgraded if it were not for the World Cup. The response to the latter two questions was that much of the short-term gains were received before the kick-off of the first game of the 2010 World Cup and that the long-term impact of the World Cup will be felt by businesses on the continent as it was expected that Africa will attract considerable interest from international

investors. Harding (2011) referred to the recent Wal-Mart deal that was finalised on the African continent as an example of such an investment. He concluded that the finalisation of this massive deal was probably motivated by the growth of businesses in Africa than by South Africa's successful hosting of the World Cup. However, it is perceived that some international investors were and will be influenced by the successful hosting of the World Cup (Harding, 2011).

Several reports also highlighted the fact that benefits such as the increased confidence and pride of the population of the host country are not always tangible or cannot be expressed in financial terms. Szymanski (2002) argued that organizing the World Cup will not boost economic growth although the government expenditures do improve the overall well-being of its citizens because of these intangible effects.

2.22 CONCLUSION

The rationale for economic impact studies specifies the purpose of the study is to compare how much money invested in a sports event with how much income received. The term "economic impact analysis" used in this study refers to rigorous surveys, research, and modelling to estimate the direct and indirect economic effects of the sport event on the local, region and country, as measured by employment, tax revenue, income or gross product (overall economic output).

Although there is general acknowledgement of the economic and social benefits emanating from the staging of major events, the challenge is to demonstrate the tangible values to communities and regions, and to the nation in terms of the multiple returns of every monetary unit invested in sport. Maximising the potential social and economic benefits requires the creative and innovative design, implementation and management of sport systems directed by strategic frameworks with targeted outcomes.

The promotion and hosting of the Comrades Marathon is recognized as having a positive economic impact on the Cities of Durban and Pietermaritzburg, simply because large numbers of people come from outside these cities, that is from other regions of South Africa, from the African continent and abroad and spend their money on transportation, accommodation, shopping, entertainment, food and drink and running paraphernalia. The use of the formula, to calculate the daily average spend of the visitors, contained herein will promote comparisons between the two locations for the same event. Their spending provides an economic boost to local businesses in the above-mentioned cities. Such an injection of income into the local economy has the potential to create more jobs and it is possible that a cycle of economic development will occur, driven by the Comrades Marathon and other sectors of the leisure industry as the catalysts and vehicles of local economic impact.

Although most of the relevant literature and economic studies of sports tourism focus on mega sporting events (World Cups or Olympic Games), the significance of the economic and social success of smaller-scale sports events cannot not be overlooked as every year all over the world supporters regularly travel significant distances to participate and or watch their favourite sports. Although these may be at a lower level, they can be of considerable economic and social significance, particularly when grouped together over a planned period. Given that they require little or no additional infrastructure investment they might be considered as offering great benefit to local communities.

The researcher presented a selective survey of previous studies analysing the economic impacts of mega-sporting events. He concentrated on key indicators, data and methods used and also highlighted how these studies have solved the problem of finding out net effects and related

problems. The Comrades Marathon is not of the same status of mega-sporting events such as the Cricket World Cup or FIFA World Cup. However, it can be favourably compared to the Cape Argus Cycle Race as a local comparison of South African events that attract a great number of participants. The Comrades Marathon is run over a single day whilst the Cape Argus is associated with numerous cycling activities that take place over a period of a week. Both events attract enormous interest both locally and internationally. It is important to note that both events have capped the number of entrants that participate in them.

More recently sport has been viewed as a tool to combat social exclusion by increasing participation and widening access to all. There are a number of ways in which social effects of major events can be felt. To a local population, major events are often viewed as an imposition from outside; thus community involvement is important to event planning.

CHAPTER THREE

METHODS OF STUDY

Chapter Structure

- Introduction
- Method
- Conclusion

3.1 INTRODUCTION

This chapter focused on the nature of the study, the collection of data, the selection of the samples and the description, reliability and administration of the questionnaires and the analysis of the data specifically for the Cities of Durban and Pietermaritzburg as the study focused on the economic impact of the 2010 Comrades Marathon on these cities. The study also addressed whether the 2010 FIFA World Cup had a positive economic impact on the Comrades Marathon.

In estimating the economic impact of the Comrades Marathon on its host economies, it is necessary to have a good estimate of the expenditure of visitors and participants who came to the host destinations specifically for the race. These visitors and participants would not have come to the host destinations *viz.* the Cities of Durban and Pietermaritzburg had the race not been staged at these venues. Sample surveys are necessary because of the impracticality and high cost of intercepting every single relevant person to assess their reasons for attending the event or participating in the event and the expenditure that resulted from the attendance and participation. Measuring visitor expenditure through the use of participant surveys has many benefits *e.g.* it is easy to ask a visitor about his/her expenditure spending and behaviour patterns. The survey also gives the opportunity to ask the participants some demographic based questions, thereby assisting in the compilation of a market profile. The ability to tailor the survey specifically to the data

required by the research methodology at hand ensures that the data is gathered in the most suitable, reliable and accurate way. This benefits the researcher by allowing more freedom to break new ground and targeting areas that have been identified as key outcomes of the research.

3.2 METHOD

3.2.1 The nature of the study

According to Willis (2012) research design refers to how a researcher puts a research study together to answer a question or a set of questions. Research design works on a systematic plan outlining the study, the researchers' methods of compilation, details on how the study will arrive at its conclusions and the limitations of the research. Willis (2012) added that research design is not limited to a particular type of research and may incorporate both quantitative and qualitative analysis. Mouton (2001) described research design as a plan or blueprint of how one intends to conduct research. He affirmed that research design focuses on the end-product; it formulates a research problem as a point of departure and focuses on the logic of the research (Mouton).

When conducting participant surveys there are certain important factors that need to be considered at the research design phase *viz.* :

- Are the tourists here specifically for the event?
- Will the data be collected during or after the event?

These are important considerations when designing the survey in order to obtain maximum accuracy of results. This accuracy helps to pinpoint the drawing power of the event as an attraction, as well as its holding power on visitors already in the region. The research method employed in this study included detailed questionnaires and comprehensive interviews. These

methods are used to collect larger amounts of raw data using interviews and samples. Direct observations were also carried out throughout the event in order to capture supporting evidence for the study. The reason for using this method was because of its ability to excavate and expose the underlying areas of the investigation.

Qualitative research was defined by Hair *et al* (2000) as selective types of research methods used in exploratory research designs where the main objective is to gain a variety of preliminary insights to discover and identify problems and opportunities. Quantitative research was defined as data collection methods that emphasize using formalized, standard, structured questioning practices where the response options have been predetermined by the researcher and administered to significantly large number of respondents (Hair *et al*, 2000).

The researcher used both the quantitative and qualitative research methods in this study to ensure that a better final research product was achieved. The utilization of both these research methods would enable the qualitative measures to blend in with the quantitative measures and provide a more thorough understanding of the economic impacts of the Comrades Marathon on Durban and Pietermaritzburg.

The use of the questionnaires has a wide range of advantages *inter alia* they are easily understood by both the respondents and the fieldworkers, they are easily completed at the respondents' own convenience and anonymity can be assured especially where respondents have any doubts about answering contentious questions and they are less costly. The questionnaire study also has inherent limitations such as the respondents may discard and forget about the questionnaire which would contribute to a low response rate. Also, questionnaires can only be used for literate populations unless they are administered personally, as was done in this study.

3.2.2 Reliability of the questionnaire

Thorough testing of the survey instrument before implementation is crucial to developing an accurate response from the survey sample. The reliability of a questionnaire is the extent to which the measurements taken with a particular instrument are repeatable (Hair *et al*, 2000). Reliability indicates the accuracy or precision of the measuring instrument used. The pilot test seeks to answer the question, does the questionnaire consistently measure what it is supposed to measure. In this study, reliability was measured and established by using a pilot test that consisted of a group of 20 runners who were not included in the sample. Data was collected from this group. The same questionnaire was administered twice to the group over a period of two weeks. The responses of both sets of questionnaires were fairly similar leading to the conclusion that the questionnaire used for the purpose of this study was reliable.

3.2.3 Administration of the questionnaire

The researcher trained a group of 30 final-year sport management students from the Durban University of Technology for a period of one month prior to the race. The training focused on the aim of the study, the method that will be used to collect the data, the types of participants required, the responsibilities and rights of the respondents, the type of information that will be collected and what use will be made of this information, how to administer the questionnaires and the difficulties they may experience in administering the questionnaires *e.g.* respondents who could be rude and uncooperative and how to deal with such problematic situations and incomplete submissions. During their training these students were also involved in simulated situations in which they administered the questionnaires to each other and other sport management students who were not in the selected group. This was done under the supervision of the researcher.

The questionnaires were administered from the 27 to 29 May 2010 at the Bonitas Comrades Expo held at the Durban Exhibition Centre in Durban and at the Comrades House in Pietermaritzburg and finally on race day *i.e.* 30 May 2010 at the finish venue *i.e.* Sahara Kingsmead Cricket Stadium in Durban. The Bonitas Comrades Expo is organized annually and is held over a three-day period prior to the day on which the race is run. Participants must register for the race during this period at either of the above-mentioned venues in order to be permitted to participate. The Bonitas Comrades Expo also incorporates numerous stalls that are housed under one roof. These stalls sell a wide range of products associated with road running. Runners and their supporters and the residents of the cities enjoy the ambiance of these stalls as entrance is free. The Expo affords the visitors to the cities and the residents the opportunity to purchase items associated with road-running from these stalls.

Each questionnaire was accompanied by an Information Leaflet that highlighted the aim of the study, the types of participants that would respond to the questionnaires, the types of questions that will be asked, the rights of the respondents, the type of data that would be collected and what use will be made of the data. It also identified the researcher and the supervisor and provided contact details of the said persons. The questionnaire was also accompanied by a Consent Form in which the respondents were assured of confidentiality and anonymity. This form also requested permission from the respondents to present and publish the data they provided and informed them that they had the right to refuse to participate in the survey even after they had completed the questionnaire and signed the Consent Form.

3.2.4 Selection of subjects

Prior to this study being conducted, “Ethical Clearance” was obtained from the Research Administration at the University of KwaZulu-Natal (Appendix 1). Permission to conduct the research at the Bonitas Comrades Expo at Durban and Pietermaritzburg and at the finish venue was obtained from the Comrades Marathon Association (Appendix 2). All subjects were informed of the purpose, the aims and objectives of this study via the Information Leaflet and all signed an informed Consent Form to participate in the study (Appendix 4).

The data was to be collected from foreign athletes and their supporters that is people from other countries (Appendix 5), from domestic athletes and their supporters from the other provinces in South Africa (Appendix 5), from sponsors (Appendix 6), from the CMA representatives (Appendix 11), from vendors (Appendix 7), from the exhibitors/stallholders (Appendix 8) and from the residents (Appendix 9 and 10) in both the cities. In addition, face-to-face interviews were conducted with the representatives of the CMA, the hotel industry in both the cities, Tourism KwaZulu-Natal, the Suncoast Casino and Entertainment Centre in Durban and the Golden Horse Casino in Pietermaritzburg and with representatives of shopping malls in these cities.

Analyses of the data gathered were structured around the following categories:

- ◆ The number of people who attended the race
- ◆ The economic and social impacts of the event
- ◆ The demographic profile of the people who attended the race
- ◆ Advertising and awareness of the race
- ◆ People’s perception of the race and of the aforementioned cities

- ◆ The evaluation of the stakeholder responses

3.2.5 Selection of samples and sampling methods

Research Resolutions and Consulting Ltd. (2007) reported that the basic concept behind sampling is that a portion of the attendees can “represent” themselves and other people. Survey researchers rely on samples because they require less time and money as they do not include everyone in the survey process. The larger the sample size, the greater will be the estimates that are derived because of the following reasons:

- Larger samples have the effect of diluting the impact of an unusual respondent being included in the sample; and
- Larger samples produce greater confidence that the sample reflects the characteristics of the whole population of visitors to an event

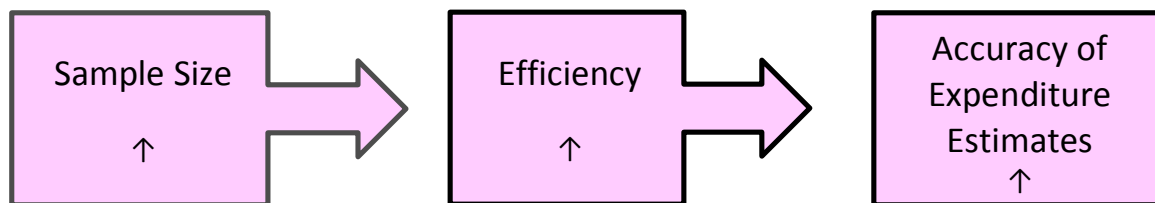


Figure 3.1: The relationship between sample size and accuracy of expenditure estimates

Figure 3.1 shows the relationship between sample size and accuracy of expenditure estimates. As previously stated, the larger the sample size the greater the efficiency and the estimates that are derived. The mean of a sample is particularly sensitive to extreme values. Consequently, the inclusion of an unusually extravagant spender in the sample would tend to raise the mean unless countered by many spenders closer to the “average” level of expenditure. An increase in the

sample size will diminish the effects of the extreme values by decreasing the standard error and a more efficient result will be obtained.

Hair *et al* (2000) defined a target population as the complete group of people or objects that should be investigated in a project. The sample for this study was randomly selected from all the athletes (Appendices 4 and 5) that participated in the 2010 Comrades Marathon, their families and friends who accompanied and supported them, sponsors (Appendix 6), the CMA representatives (Appendix 7), the vendors who were located outside the registration venues in both the cities (Appendix 8), representatives of shopping malls and from the hotel industry representatives and representatives of the organizers (Appendix 9) and the residents from the cities (Appendix 10).

The subjects selected came from the following populations:

3.2.5.1 Foreign athletes and foreign supporters

Foreign athletes are runners who participated in the race in 2010 and who resided in countries outside South Africa. Foreign athletes are referred to, by the CMA, as international runners *i.e.* runners who resided outside Africa and runners from the Rest of Africa *i.e.* runners who resided outside South Africa but on the African continent. Foreign supporters are persons such as family members and friends who accompanied the foreign runners to South Africa and who supported the participants during the race.

There were 951 international runners from outside Africa who registered to participate in the event. This consisted of 206 females and 745 males. There were 218 athletes from the Rest of Africa who registered to participate in the event. This consisted of 57 females and 161 males.

Thus, a total of 1 169 runners who resided outside South Africa and who were collectively referred to as “International Runners” in this study registered to participate in the race.

Questionnaires were administered to every second international athlete and their supporters. If the athlete or supporter did not wish to participate in the survey, the next athlete or supporter was selected.

The information obtained from the respondents included the country of origin, the mode of transport that was utilised to arrive at the venue, the type of accommodation they utilised, the number of nights that accommodation was required for, the cost of the accommodation, the number of people in the party, the primary reason for visiting either one or both of the cities, the average spending on food, drinks and other items, the positive and negative features of the cities they resided in as tourist destinations, and the age, occupation, estimated income and gender of the respondents.

The foreign athletes were chosen because they were participants in the race. The foreign supporters were chosen because they accompanied the foreign runners to the race. Thus collectively, their input was deemed vital in determining the economic viability of the event and their spending patterns.

3.2.5.2 Domestic athletes and supporters from other provinces in South Africa

Domestic athletes were the runners that participated in the race but who resided in provinces outside KwaZulu-Natal. Domestic supporters comprised of family members and friends who accompanied the participants and who supported them during the race. Every fifth domestic athlete and/or supporter was requested to participate in the survey. If the domestic athlete and/or supporter refused to participate in the survey, the very next domestic athlete and/or supporter was

selected. Domestic athletes and supporters provided similar information as the foreign athletes and supporters. They were chosen so that their input could also determine the economic viability of the race and their spending patterns. There were 11 102 participants from provinces outside KwaZulu-Natal who registered to participate in the event. The average age of the female athletes was 40 years and the male athletes 42 years.

3.2.5.3 Sponsors

Sponsors are those business organizations that financially supported the Comrades Marathon.

There were three main official sponsors in 2010 *viz.*:

- ◆ Bonitas Medical Fund
- ◆ Flora
- ◆ Nedbank

The CMA was also associated with an official IT partner *viz.* Mr Price and 26 official service and product provider sponsors. The official business partners that contributed to the staging of the race were the provincial Department of Arts, Culture, Sports and Recreation and Tourism KwaZulu-Natal.

Questionnaires were administered to representatives of the three official 2010 sponsors (Appendix 4). The sponsors were requested to provide information pertaining to the amount of the sponsorship, the marketing objectives they hoped to achieve and whether these objectives were met, the indicators used to achieve these marketing objectives, the way the company promoted itself within the event and whether they would sponsor the race again. The sponsors were chosen because of their financial contribution to the event and to determine whether the race

gave the sponsors the opportunity to promote their organizations or their products and whether they were able to achieve their marketing objectives.

3.2.5.4 Tourism KwaZulu-Natal

Tourism KwaZulu-Natal (TKZN) is the local tourism authority in the province. It is responsible for the development, promotion and marketing of tourism into and within the province. The vision of Tourism KZN is to position the province of KZN as Africa's leading tourism destination, nationally and internationally. Interviews were conducted with representatives of this organization. The representatives responded to questions based on the financial contributions of Tourism KZN and the Cities of Durban and Pietermaritzburg to the race in terms of whether the race generated additional net input in the province and the cities and whether the race promoted KZN and Durban and Pietermaritzburg as sports destinations by bringing them to greater prominence thereby enhancing the image of the cities. Tourism KZN was chosen for two reasons. The initial reason was that it was identified as a business partner of the CMA. The second reason was to establish whether the Comrades Marathon assisted in the promotion of Durban and Pietermaritzburg as sports destinations and whether the race contributed to the generation of additional income to the cities.

TKZN has undertaken numerous economic impact studies on the Comrades Marathon over the years. In 2014 TKZN collected data at the Comrades Experience over the three-day registration period and at the finish venue (www.zulu.org.za) as it had done in the past. However, TKZN's report implied that they did not collect any data in Pietermaritzburg unless it was the finish venue as has been the case in their previous studies. In addition, the sample size for the TKZN's 2014 study was 299 respondents from a field that exceeded 15 000 participants. Thus, the author

concluded that the study focused only on Durban and that the sample size was inadequate. Based on these factors and bearing in mind that this was a comparative study of both the cities, the author did not utilise the data from these studies.

3.2.5.5 Comrades Marathon Association (CMA)

The CMA is the official organizer of the internationally renowned Comrades Marathon. Questionnaires were administered and interviews were conducted with representatives of the CMA. Questions pertaining to the cost of hosting the event, the involvement of the Cities of Durban and Pietermaritzburg, and the involvement of major business organizations as sponsors and product suppliers were addressed by them and the reason for downsizing the number of official sponsors. The objective for choosing to interview representatives of the CMA was to determine, *inter alia*, the economic viability of the race and whether the race contributed positively to the economy of the aforementioned cities.

3.2.5.6 Suncoast Casino and Entertainment Centre and the Golden Horse Casino

The Suncoast Casino and Entertainment Centre is located on the shore line in Durban and is a major recreation centre in the city. The centre comprises shops, restaurants, a casino, a hotel, an entertainment centre for children and a few movie houses and can therefore accommodate the needs of an entire family. The Golden Horse Casino is located in Pietermaritzburg within a race course and is a major recreation centre in the city. It includes a casino, a hotel and a few restaurants and is normally frequented by adults as it does not have entertainment facilities for children under the age of 18 years.

These stakeholders were chosen in order to determine whether the event generated additional income and also to assist in identifying the spending patterns of the visitors to the cities.

3.2.5.7 Vendors

Vendors are informal traders who sell a wide range of merchandise on the road side outside the Durban Exhibition Centre where the Bonitas Comrades Expo is held and the CMA premises in Pietermaritzburg. These are venues where the runners must register for the race. Questionnaires were to be administered to the vendors in both the cities (Appendix 5). Vendors were chosen in order to identify the spending patterns of the visitors to Durban and Pietermaritzburg and whether the race generated additional income for the informal businesses.

3.2.5.8 Hotel representatives

Hotel representatives representing a cross section of the hotels in Pietermaritzburg and Durban were interviewed on issues such as the occupancy rate of the hotels prior, during and after the race and whether the Comrades Marathon had a positive impact on the economy of the cities and the province and the hospitality industries in the cities.

These stakeholders were chosen to assist in identifying the spending patterns of visitors to the cities and whether the race generated additional income to the cities.

3.2.5.9 Shopping mall representatives

Representatives of three large shopping malls in Durban and two large shopping malls in Pietermaritzburg were interviewed. The objective of these interviews was to determine whether the Comrades Marathon had a positive impact on the economy and the spending patterns of the visitors to these cities.

3.2.5.10 Resident participants and resident spectators

These are residents who are inhabitants of the area *i.e.* people who live in and around the Cities of Durban and Pietermaritzburg and who were either participants or spectators at the event and therefore did not require overnight accommodation. They were requested to respond to questions to determine whether the Comrades Marathon was beneficial both socially and economically to the residents of the cities and whether the 2010 FIFA World Cup would have a positive financial impact on the cities. It is important to note that only residents that attended the event were surveyed. Therefore, the likelihood that these residents are positively disposed to the event is high.

The questionnaire was based on the social indicators developed in this study and from additional questions that had been previously used in surveys in event and tourism research by Fredline *et al* (2005). The additional questions were included to ensure that the questionnaire was not too short and also added to the quality of the questionnaire. It also allowed for other social issues such as the level of community involvement to be addressed.

The salient social items that the questionnaire addressed were:

- The awareness of the event being hosted;
- The perceived positive and/or negative impacts of the event;
- Quality of life of the community, personal quality of life, community pride;
- Attendance at the event;
- Type of involvement in the event

With reference to the above items, the researcher only requested answers for the item pertaining to the quality of life of the community, the personal quality of life of the community and their sense of community and their pride in the community as this was directly related to the study. The researcher also utilised the Likert-type scale which ranged from strongly agree to strongly disagree. A covering letter *viz.* the Information Letter that highlighted the significance of the study accompanied the questionnaire.

3.2.5.11 Exhibitors/Stallholders

Questionnaires were administered to 20 randomly selected Exhibitors/Stallholders at the Bonitas Comrades Expo in Durban and at the registration venue in Pietermaritzburg. Exhibitors were companies who hired out stalls at the Expo and the Pietermaritzburg venue to sell their goods to the attendees.

3.2.6 Sampling

Sampling is the selection of a small number of elements from a larger defined target group of elements and it is expected that information gathered from the small group will allow judgments to be made about the larger group (Hair *et al*, 2000). The intended sample consisted of:

- one hundred foreign athletes (n=100)
- one hundred foreign supporters (n=100)
- two hundred and fifty athletes from provinces other than KZN in South Africa (n= 250)
- two hundred and fifty supporters from other provinces in South Africa (n=250)
- twenty vendors *i.e.* ten from each city (n=20)
- one representative from Tourism KwaZulu-Natal (n=1)

- two representatives from the Comrades Marathon Association (n=2)
- two representatives from the casinos *i.e.* one from each city (n=2)
- four representatives from the Hotel Industry *i.e.* two from each city (n=4)
- four representatives from the shopping malls *i.e.* two from each city (n=4)

Statistics provided by the organizers *viz.* the CMA specified that 1 169 foreign athletes representing 42 countries participated in the 2010 Comrades Marathon. In 2005, 484 foreign athletes representing 43 countries participated in the race.

The Bonitas Comrades Expo took place over a three-day period with the majority of the athletes, approximately 70%, arriving on the last day to register for the race. In an interview with the CMA Race Director the researcher was informed that this was the trend over the last few years. Cognisance must be taken of the fact that many of the foreign runners and local runners from outside KZN had arrived in the cities a few days prior to the opening of the Bonitas Comrades Expo and were therefore residing in the cities. Consequently, the majority of the questionnaires were administered on the last day of registration which placed enormous pressure on the researcher and the fieldworkers because of the limited time they had to complete their work as the venues closed two hours earlier than on the first two days. In addition, the massive crowd contributed to the congestion that also hindered the fieldworkers in performing their tasks.

Fieldworkers administered questionnaires at both venues in both the cities to the participants and their supporters. Questionnaires were administered to 100 foreign athletes and 100 foreign supporters that is every second athlete and supporter as stated in the selection process above. Questionnaires were administered to every fifth athlete and supporter who lived in the other provinces of South Africa. The absence of the vendors outside the venues in both the cities was

conspicuous. Thus, the researcher could not administer the questionnaire designed for the vendors. He subsequently discovered that the police in Durban prevented the vendors from selling their wares as they were violating the law selling their goods on the roads outside the Durban Exhibition Centre. Unfortunately, no one could provide reasons for the absence of the vendors outside the registration venue in Pietermaritzburg. However, the researcher was informed that vendors were prevented from conducting business outside this venue.

3.2.7 Fieldworkers

The researcher selected 30 final-year students from the Department of Sport Studies at the Durban University of Technology to administer the questionnaires. This exercise contributed positively as it assisted the students in gaining work experience in the sport industry. The students selected were registered for a sport management qualification. Their training was of a month's duration and focused on how to administer the questionnaires and how to approach potential respondents. The selection, training and supervision of fieldworkers were essential to effective research studies.

3.2.8 Pilot study

The reliability and validity of the questionnaires were tested and re-tested on a group of 20 runners prior to the registration period. This exercise ensured that proper flow existed and that the questions were understandable to ordinary individuals. The pre-testing also provided the opportunity to analyse the items for redundancy.

3.2.9 Questionnaires

The questionnaire was considered an appropriate tool for this study as it was a formalized framework consisting of a set of questions designed to generate primary data by eliciting

responses from respondents on a given topic; in this instance, an economic impact analysis of the 2010 Comrades Marathon on the Cities of Durban and Pietermaritzburg. Both structured and unstructured questions were developed and administered for each of the constituents that were interviewed. Structured questions are closed-ended questions that require the respondent to choose from a predetermined set of responses. Unstructured questions are open-ended questions formatted to allow respondents to reply in their own words. The structured questions are often more popular as it facilitates administration, computation and tabulation and ease of analysis. Numerous alternatives were offered in order to derive a meaningful and comprehensive response.

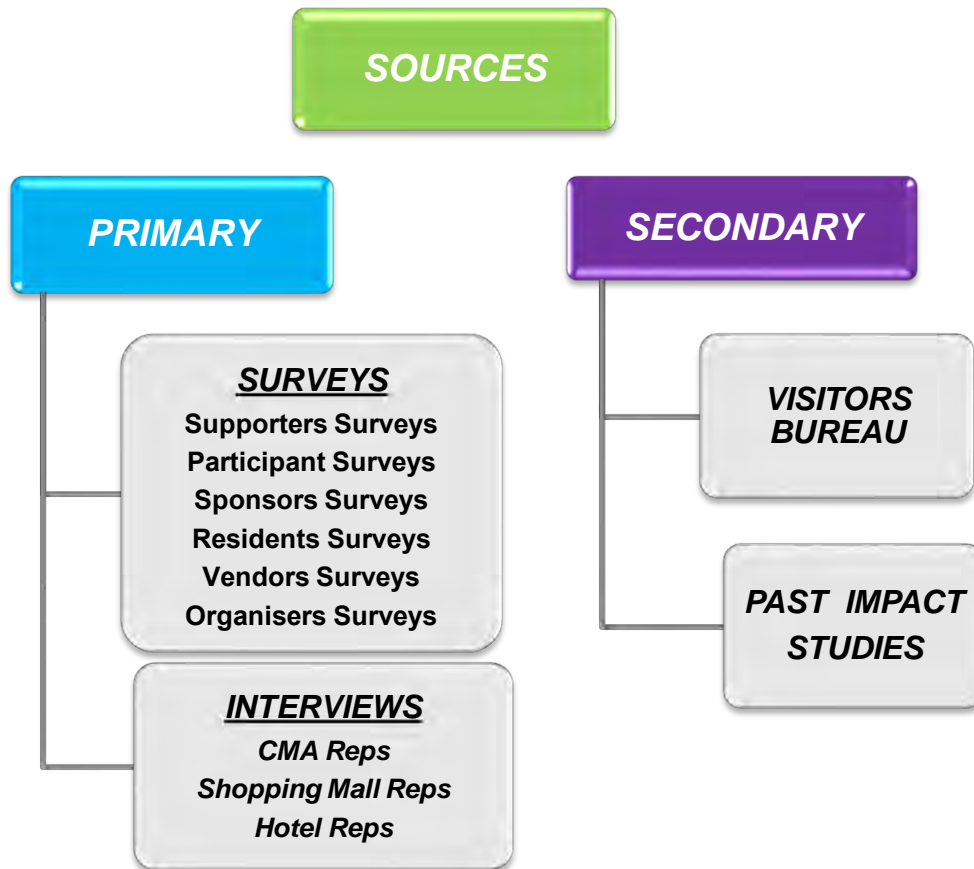


Figure 3.2 Data collection

Figure 3.2 identifies the sources from where the data was collected. The sources were initially categorised as “Primary and Secondary” sources. The “Primary Source” was further categorised into “Surveys” and “Interviews” and the “Secondary Source” into “Visitors Bureau” and “Past Impact Studies”. A total of four questionnaires per city were developed. An additional two questionnaires were developed and administered to the organisers of the event and the sponsors. The questionnaires were administered to the following samples:

3.2.9.1 Foreign athletes and supporters

A questionnaire was developed and administered to the foreign athletes that participated in the event and their supporters (Appendix 1) who accompanied them to Durban or Pietermaritzburg. The questionnaire highlighted the countries that these individuals resided in, the mode of transport they utilized to arrive in South Africa and Durban or Pietermaritzburg, the category of accommodation that they resided in and its cost, the number of people that accompanied the athlete and the estimated expenditure on food, drinks, entertainment and shopping for the duration of the stay in the cities. The questionnaire also included questions about the race and the sponsors of the event.

3.2.9.2 Domestic athletes and supporters from other provinces

A questionnaire was developed and administered to the domestic athletes and their supporters who resided in the other provinces of South Africa (Appendix 2). This questionnaire highlighted the province in which the respondents resided, the mode of transport used to travel to Durban and Pietermaritzburg, the number of nights they spent in the city, the category of accommodation that they resided in and its cost, the number of people that accompanied the athlete and the estimated expenditure on food, drinks, entertainment and shopping for the duration of the stay in the

specified city. The questionnaire also included questions about the race and the sponsors of the event.

3.2.9.3 Sponsors

The sponsors were administered a separate questionnaire (Appendix 3) that highlighted the overall budget allocated to the event, the achievement of the marketing objectives, the ways to promote the company at the event and the sponsors' future commitment to the event.

3.2.9.4 Vendors

A questionnaire was designed especially for the vendors (Appendix 4). This questionnaire highlighted whether there was an increase in their sales because of the event, identification of the products they provided, whether they employed additional staff because of the event, problems that they experienced during the event and whether the event had a positive impact on the local economy.

3.2.10 Interviews

The main problem with interview-based instruments is consistency. The consistency problem arises from the fact that people are different, and they do things in different ways. In order to overcome this problem, the interviewer involved in the implementation of the survey must have a thorough understanding of the research project and research methodologies.

Interviews were conducted by the researcher with the General Manager and the Race Director and members of staff of the CMA and a representative of Conker Exhibitions who was the official organiser of the Bonitas Comrades Expo. The interviews addressed the administration and management of the race, the CMA's transformation process, the composition of the CMA

committees, the implementation of a skills training programme, grants-in-aid that the CMA received and its vision for future events.

Representatives from Tourism KZN, the Suncoast Casino and Entertainment Centre and the Golden Horse Casino and the hotel industry and from four popular shopping centres in both the cities were also interviewed. The interviews addressed *inter alia* the occupancy rate prior, during and after the event, the estimated revenue generated by visitors to these organisations and recommendations on how to maximise the impact of the event for the benefit of the cities.

Figure 3.3 illustrates the compositions of visitors to the event. Initially the visitors were divided into two categories *viz.* out-of-town visitors and residents. As previously stated, spending by local residents that is the inhabitants of Durban and Pietermaritzburg, is “redirected” and, thus will not be included in determining the economic impact. Out-of-town visitors were further divided into domestic that is visitors from other provinces in South Africa and international visitors. A number of factors were considered when determining the economic impact of the race. These included the size of the travel party, the number of days they stayed over, the demographics of the party that is the age of the members of the party, their gender, their country of residence, and their levels of income, and the average spending of the party on food, accommodation, transportation, entertainment and retail items.

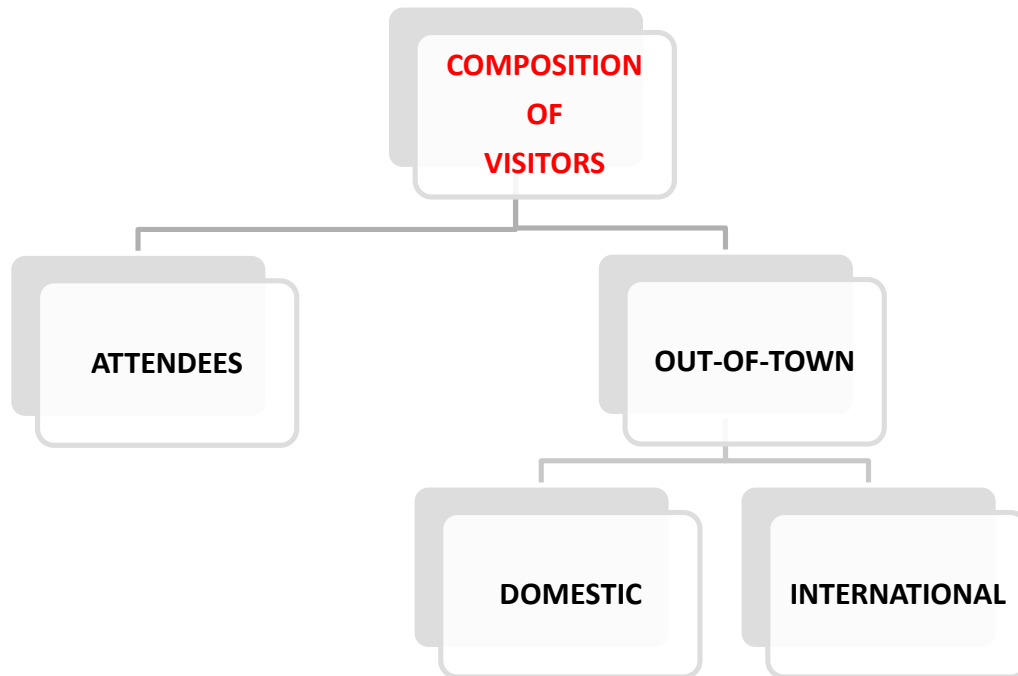


Figure 3.3 Compositions of visitors

3.2.11 Statistical analysis

The type of sampling technique used was stratified random sampling. This involves dividing the group into subgroups or strata. Each stratum is homogeneous with respect to the characteristics being studied (Steyn, Smit, Du Toit, Strasheim, 1994). Descriptive statistics describes the organising and summarising of quantitative data. Univariate and bivariate analysis is most appropriate for descriptive statistics. Univariate analysis is concerned with measures of central tendency and measures of dispersion. The most appropriate measure of central tendency for interval data is the mean and the most appropriate measure of dispersion for interval data is the standard deviation. Lind, Marchal and Mason (2004) asserted that bivariate analysis concerns the measurement of two variables at a time. Descriptive analysis is useful as it summarises results for an experiment, thereby also allowing for more constructive research after more detailed analysis. Descriptive data analysis aims to describe the data by investigating the

distribution of scores on each variable, and by determining whether the scores on different variables are related to each other. Data is presented in the form of tables, cross-tabulations and various types of charts that are appropriate for categorical data. These include pie charts, bar charts and so on.

3.2.12 Statistical tests applied in the study

The Chi-Square Test, the Analysis of Variance and the Independent Samples Test were applied in this study with $p < 0.05$. This therefore means that the finding has a 5% (0.05) chance of not being true, which is the converse of a 95% chance of being true. The chi-square test was used to determine whether there is a significant difference between the expected frequencies and the observed frequencies in one or more categories. The ANOVA (Analysis of Variance) was used to analyse the differences between group means and their associated procedures. It provides a statistical test of whether or not the means of several groups are equal and is useful in comparing/testing three or more means *i.e.* groups or variables for statistical significance. The p -values computed are presented in Table 4.5.

Inferential statistical analysis is concerned with the testing of hypothesis. The independent T-test is the most appropriate parametric test for a comparison of the means. This tests any significant difference between the two variables. Primary data was collated and analysed and comments and concluding discussions are thereafter based on the results obtained (Lind, Marchal and Mason, 2004). Inferential statistical analysis allows the researcher to draw conclusions about populations from sample data. The most important application in the social sciences of the statistical theory around sampling distributions has been significance testing or statistical hypothesis testing.

The traditional approach to reporting a result requires a statement of statistical significance. A p -value is generated from a test statistic. A significant result is indicated with “ $p < 0.05$.” The choice of the value of 0.05 as the level of significance is in fact totally arbitrary, but has become enshrined as a standard in statistics.

A chi-square test is any statistical hypothesis test in which the test statistic has a chi-square distribution when the null hypothesis is true, or any in which the probability distribution of the test statistic (assuming the null hypothesis is true) can be made to approximate a chi-square distribution as closely as desired by making the sample size large enough. Specifically, a chi-square test for independence evaluates statistically significant differences between proportions for two or more groups in a data set.

The completed survey questionnaires were analysed using a professional statistical analysis package *viz.* the Statistical Package for the Social Sciences (SPSS). The SPSS evolved from mere statistical software to a very powerful management tool. The capabilities of the SPSS software package for analysis make it an indispensable part of every decision-making process of a company (Wagner, 2007). It is a data management and analysis programme and is generally regarded as the market leader in this respect. It is an effective tool for profiling the spending patterns of different groups of visitors to a major event such as the Comrades Marathon. It was released in its first version in the 1968, and is amongst the most widely used programmes for analytical analysis in the social sciences. It is also used by market researchers, health researchers, survey companies, government, education researchers and others. It is a comprehensive and flexible statistical analysis and data management system and takes data from almost any type of file and uses them to generate tabulated reports, charts, plots of distribution,

trends and descriptive statistics, and conducts complex statistical analyses (Green *et al*, 1996). Inferential and differential statistical methods were employed in the survey in order to analyse the data gathered. The data were presented using graphs and tables.

Economic impact analysis incorporates specific tools that can be both differential and inferential. Differential techniques of economic impact analysis contribute useful measures of economic activity that provide context for decision-making. These include industry measures such as export-base multipliers. Inferential techniques of economic impact analysis attempt to use available data on past and present economic activity to estimate impacts of change and to forecast future activity. Examples of these techniques include input-output analysis. In the past, input-output models have been the primary means of translating spending effects into income and employment effects. Input-output tables are at the core of input-output models and show a complete set of accounts for an event. The use of the input-output model can expand the usefulness of the tables used to a significant extent.

The first step of an economic assessment for this event is to define the levels of spending brought about by the event. Once these are defined, the use of the input-output model requires two further steps. Firstly, one or more columns of expenditures must be estimated that represent the additional spending generated by the event. This might include a column for visitors to the event and a separate column with several different categories might be considered for visitor spending. Secondly, an input-output model must be used to calculate the GDP and import effects of these expenditure patterns.

Chi-square tests were conducted to determine statistical differences between the two cities. In this way the percentage of responses across the categories was compared between the two cities.

Categories with 0 percentages were omitted. When the p -value is greater than 0.05 that is the significant level, it would imply that the null hypothesis is true. Hence, the null hypothesis is not rejected that is the finding is not statistically significant at the 5% level. At the significant level the results are only 5% likely to be acceptable. When the p -value is less than or equal to the significant level, the null hypothesis is rejected and the finding is statistically significant at the 5% level.

3.2.13 Leverage ratios and return on investment (ROI)

The meaning of the leverage ratio and return on investment (ROI) differs by context but are appropriate when applied in the context of measuring economic impact. Thus, in this context the leverage ratio is defined as the public sector input against private sector response. It will indicate whether the sport event was a success or failure. The leverage ratio is illustrative of the amount of money that was accrued by the private sector with every rand spend by the public sector (Turco *et al*, 2003).

The rationale of conducting an economic impact analysis ultimately comes down to examining return on investment. Return on investment (ROI) is a return ratio that compares the net benefits of a project, versus its total cost. ROI takes the form of money costs, time and effort in organizing and operating an event. The returns are the economic benefits, increased sense of community pride, spirit and well-being that accrue to members of the community in the region.

To maximise the effectiveness of evaluations, a consistent approach is crucial. Regular evaluations will enable a series of important questions to be answered such as:

- Was the event better this year than previous years in respect of economic and social impacts?
- Was additional employment generated in the local community?
- How do participation and attendance numbers compare to other years and other similar events?
- Which areas need to be improved for the next event?
- What types of events should be developed and promoted?
- What types of events should receive government support?

3.3 CONCLUSION

The goals of this study are to demonstrate the importance of economic impact studies, the need for certain kinds of information to increase the reliability of the study and the need to identify the methodology utilized. This chapter discussed the methodology employed to conduct the study *i.e.* it discussed the survey method, the research instruments employed, the selection of subjects and the data analyses methods.

A questionnaire was developed to understand the profile of the participants and their motivation to participate in the Comrades Marathon and how they heard of the event. In addition, the questionnaire instrument contained demographic questions to allow the assessment differences across demographic groups and questions regarding their satisfaction on the organisation of the event, the attraction of the cities and the identification of the sponsors.

A group of 30 students who were pursuing a sport management qualification were selected and trained to administer the questionnaires. Furthermore, a pilot study to test the reliability and

validity of the questionnaires was initially conducted on other sport management students and then conducted on a group of 20 runners who were not included in the sample.

The main problem with participant-based surveys is the lack of interest in filling out forms from potential respondents. Fieldworkers also reported the potential problems with inaccuracies in data obtained from participants, mainly through uncertainty. The timing of the questionnaire *i.e.* when to administer the questionnaire, can have a substantial effect on the response gained from the respondent. The questionnaires in this survey were administered prior to and after the event to the runners who had a very good idea of how much they would be spending during their stay. The questionnaires for the residents were administered over a three-day period prior to the race at the registration venues and at the finish venues whilst the questionnaires for the stallholders were administered over a three-day period prior to the race. The interviews were conducted over the course of the study.

CHAPTER FOUR

RESULTS

Chapter Structure

- Introduction
- Data Collection
- Summaries
- Conclusion

4.1 INTRODUCTION

This chapter presents the results obtained from the questionnaires employed in this study together with the information acquired from the respondents that were interviewed. The methodology adopted to assess the economic impact of the 2010 Comrades Marathon on the Cities of Durban and Pietermaritzburg included the administration of questionnaires with a spatially based random selection of international and local athletes, their family members and supporters that attended the Bonitas Comrades Expo in Durban and the registration venue in Pietermaritzburg from 27 May 2010 to 29 May 2010, stallholders and residents from the cities. The objective was to gather and verify information on issues such as the spending power of the above-mentioned respondents, the diverse respondents' perceptions of the event, information pertaining to the cities and the event and the perceived positive or negative financial impact of the 2010 FIFA World Cup on the event, the cities and the province. Data was also gathered from interviews that were conducted with respondents from selected hotels, shopping malls, casinos, the official organisers of the Bonitas Comrades Expo *viz.* Conker Exhibitions and the organisers of the Comrades Marathon *viz.* the Comrades Marathon Association.

Information provided by the CMA disclosed that there were 23 567 entrants. Registration at both venues opened at 09h00 and closed at 19h00 on the first two days. On the third day, registration

opened at 09h00 and closed at 17h00. It was within these periods that questionnaires were administered to the athletes, their family members and supporters and the residents of the cities. The first day was relatively quiet at both the registration venues as the majority of the athletes arrived on the last day to register. The CMA officials interviewed stated that this was the normal practice of the majority of participants in recent years.

Questionnaires were also administered to the residents of both the cities at the registration venues and at the finish venue *viz.* the Sahara Stadium Kingsmead in Durban on the day of the race *i.e.* Sunday, 30 May 2010 to gather data on issues as to whether it was a good idea for the cities to be involved with the Comrades Marathon, the identification of benefits of the Comrades Marathon to the cities and its residents, the contributions of the citizens in ensuring that the event was a success, the respondents' demographic profiles and whether the 2010 FIFA World Cup would have or not have a positive financial impact on the event, the cities and the province.

It must also be noted that the majority of the athletes *i.e.* approximately 70%, registered for the race on the final day. This scenario created difficulties for the fieldworkers as they had limited time to administer the questionnaires. Also, the heavy congestion caused by the enormous crowds of athletes and their family members and supporters, residents of the cities who visited the registration venues and staff that manned the stands hindered the fieldworkers in performing their tasks. In addition, a few respondents declined to participate in the survey and a few respondents returned incomplete questionnaires (0.1%).

The methodology also included interviewing representatives from the CMA, representatives from selected hotels in Durban and Pietermaritzburg to ascertain the occupancy rate of these establishments, a representative from Conker Exhibitions who were the official organisers of the

Expo and representatives of selected shopping malls, casinos and entertainment centres to ascertain whether the event generated a greater volume of sales.

4.2 DATA COLLECTION

4.2.1: Number of people that attended the Bonitas Comrades Expo in Durban and the Pietermaritzburg Registration Venue

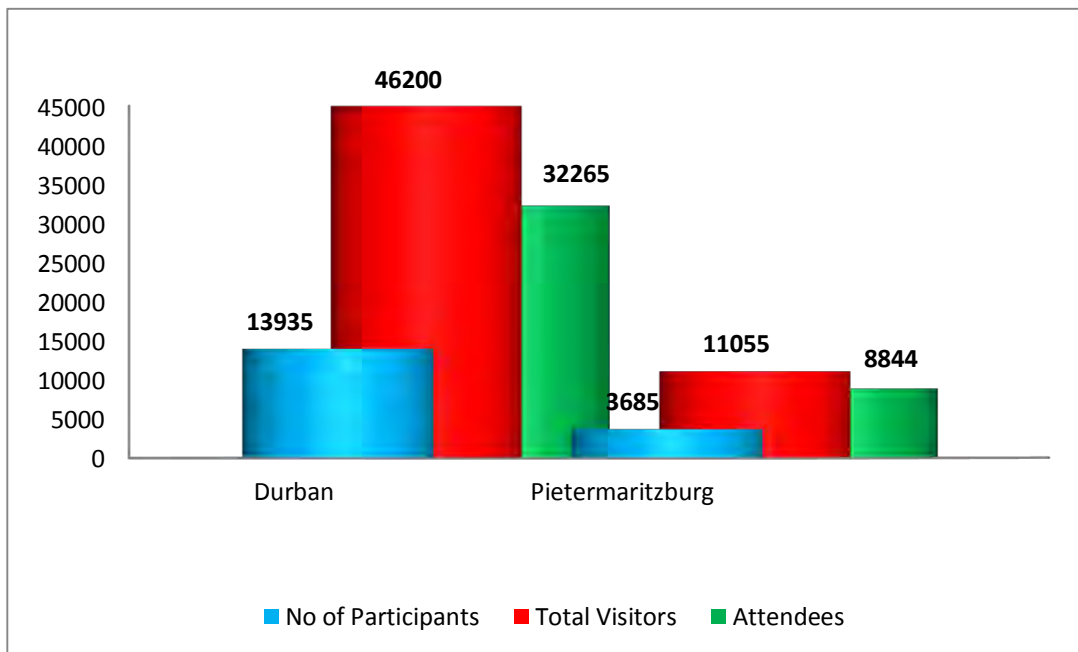


Figure 4.1: Number of people that visited the registration venues

Samples of respondents were taken at various times and were therefore unbiased with regards to space, time and selection. However, it must be noted that the number of respondents shown in the tables and figures that follow varied as respondents were reluctant to provide information pertaining to certain questions *e.g.* age, income earned.

Figure 4.1 revealed information that was provided by the official organisers of the 2010 Bonitas Comrades Expo *viz.* Conker Exhibitions. An analysis of the figures provided showed that 7 000

(15.2%) people visited the Expo on the first day. On the second day 16 400 (35.5%) and on the third day 22 800 (49.3%) people visited the Expo in Durban. Hence, a total of 46 200 people visited the Durban Expo during the three-day registration period. This figure included the participants and their supporters and family members and residents of the city. The CMA confirmed that 13 935 (79%) participants registered for the event over the three-day period in Durban. Table 4.19 revealed that the *p*-value of 0.001 which indicated that the significant majority registered in Durban as opposed to the 21% in Pietermaritzburg. Hence, it can be concluded that a total of 32 265 supporters and family members also visited the Expo. It can therefore be presumed that every runner that registered at the Expo was accompanied by 2.4 supporters and family members. The researcher observed that over 100 stalls were erected at the Expo in Durban whereas there were only 6 stalls erected at the Pietermaritzburg venue. He also noted that the Durban registration venue was far larger and superior in that it offered more products and services to the athletes than the Pietermaritzburg venue.

The CMA confirmed that 3 685 (21%) runners registered for the race in Pietermaritzburg. Unfortunately the CMA was unable to provide an analysis of the number of participants that registered on a daily basis or the number of supporters that accompanied the runners. It was therefore presumed, based on the figures provided by Conker Exhibitions for Durban, that every participant that registered in Pietermaritzburg was accompanied by a minimum of 2.4 family members and supporters. Consequently, 8 844 family members and supporters would have accompanied the runners to the registration venue in Pietermaritzburg. Subsequently, it was also presumed that over the three-day registration period that a total of 12 529 people visited the registration venue in Pietermaritzburg.

Figure 4.1 combined the attendance figures that were provided by Conker Exhibitions. The figure showed the number of participants, their family members and supporters and other people who attended the Bonitas Comrades Expo over the three-day period. The table indicated that the data revealed that a total of 17 620 runners registered for the race in 2010. It also revealed that 46 200 (78.7%) visitors that included the runners attended the Bonitas Comrades Expo in Durban. In addition, it indicated that 12 529 (21.3%) people visited the registration venue in Pietermaritzburg. This included the 3 685 runners that registered at this venue. Hence, it was calculated that 58 729 people visited both the registration venues over the three-day period. Figure 4.1 was also utilised to compute the average number of days that people visited the registration venues. In Durban the average number of days that people visited the Expo was 2.8 days and in Pietermaritzburg it was 1.8 days. Reports from the CMA and Conker Exhibitions confirmed that the majority of the participants and their supporters and family members visited the Expo and the Pietermaritzburg registration venue on the third day (Figure 4.1).

4.2.2 Respondents of the 2010 Comrades Marathon

Table 4.1 revealed that a total of 200 questionnaires were administered to the foreign athletes and their family members and supporters (100 each in both the cities) who attended the Bonitas Comrades Expo in Durban and at the registration venue in Pietermaritzburg. A total of 603 questionnaires were administered to the domestic runners and their family members and supporters. In Durban 401 questionnaires were administered and 202 questionnaires were administered in Pietermaritzburg. The Exhibitors/Stallholders at the Bonitas Comrades Expo in Durban were administered 8 questionnaires and the Exhibitors/Stallholders at the registration venue in Pietermaritzburg were administered 6. Thus, a total of 14 questionnaires were administered to the Exhibitors. A total of 75 questionnaires were administered to the residents of

Durban and 66 questionnaires were administered to the Pietermaritzburg residents. Collectively, a total of 141 questionnaires were administered to the residents of both the cities. It is important to note that questionnaires were not administered to the vendors at both venues as was originally intended as the vendors were not available. The organisers could not provide reasons for the absence of the vendors. Table 4.1 also showed that the sponsor was requested to complete and return the questionnaire. Thus, a total of 964 questionnaires were administered to the different respondents.

Face-to-face interviews were conducted with respondents that represented the organisers, the casinos, selected hotels and major shopping malls in the cities. In addition, data was collected from Liezle Bothma of Conker Exhibitions via the internet and telephonic conversations. These interviews revealed a wealth of information about visitor characteristics, their motivations, types of accommodation that they resided in, visitor spending and an insight into what the cities and the province of KwaZulu-Natal had to offer as tourist attractions.

The Comrades Marathon was scheduled to take place on Sunday, 30 May 2010 whilst the kick-off for the 2010 FIFA World Cup was scheduled for Friday, 11 June 2010. Originally, the race was scheduled to start in Durban and finish in Pietermaritzburg *i.e.* it was an “up-run.” However, approximately a year prior to the race being run, the CMA Board decided that the race will start in Pietermaritzburg and finish in Durban, thus making the race a “down-run.” This decision was based on a number of factors *inter alia* the expected increase in the number of runners and the improved facilities that the finish venue in Durban offered. The direction of the run generally has an influence on the number of participants that the race would attract. The “down-run” normally attracts a larger field as it is perceived by many runners, especially the novices, to be

physically less demanding than the “up-run.” However it is important to note that in 2010 South Africa hosted the FIFA World Cup and that there were conflicting opinions about the financial impact of the World Cup. It was perceived by many that the World Cup would have a positive financial impact on the country and thus on the Comrades Marathon and both the cities whilst others believed that the World Cup would not have a positive financial impact on the Comrades Marathon and the cities.

Table 4.1: Respondents for the 2010 Comrades Marathon

RESPONDENTS	INTENDED SAMPLE		ACTUAL SAMPLE	
	DURBAN	PIETERMARITZ-BURG	DURBAN	PIETERMARITZ-BURG
Foreign Athletes and Supporters	100	100	100	100
Domestic Athletes And Supporters	250	250	401	202
Exhibitors	6	6	8	6
Vendors	10	10	0	0
Residents	50	50	75	66
CMA Reps	-	2	-	6
Sponsors	-	3	-	0
TOTAL	416	421	584	380

Table 4.1 revealed that the respondents were administered questionnaires and interviewed in the Cities of Durban and Pietermaritzburg. The table also showed the intended samples and the

actual samples of the various categories of respondents that were administered questionnaires. The categories included international participants and their supporters and family members that included the respondents from the Rest of Africa, domestic participants, supporters and family members that resided outside the province of KwaZulu-Natal, exhibitors at the registration venues at both the cities, vendors that usually sell their merchandise outside the registration venues, residents of the cities, sponsors and representatives of the Comrades Marathon Association, major shopping centres, selected entertainment centres and hotels in the cities. The total intended sample that was to be administered in Durban was 416 whereas the total intended sample that was to be administered in Pietermaritzburg was 421. The total actual sample that was administered and received in Durban was 584 whereas in Pietermaritzburg it was 380. Table 4.19 showed that the p -value generated was 0.001 which indicated that the significant majority of the respondents that were administered questionnaires were present in Durban as opposed to the respondents in Pietermaritzburg. Collectively, a total of 964 respondents were administered questionnaires.

4.2.3 Entry statistics

The entry statistics were provided by the CMA. Table 4.2 displayed the total number of entrants for the event. The table provides a breakdown of the number of male and female entrants and the number of South African and International entrants. Included in the international category are entrants from the Rest of Africa that represented approximately 1% of the field. Of the total of 23 567 (100%) official entrants only 17 620 (74.8%) participants registered for the race. Subsequently only 16 482 (69.9%) participants officially started the race and 14 338 (60.8%) runners officially finished the event *i.e.* completed the race within the 12 hour cut-off. The reasons provided by a few of the respondents who represented the 7 085 (30%) runners who had

entered and were present at the event but did not participate in the race were that they were ill, recovering from illness or injured.

Table 4.2: Entry statistics

ENTRANTS	SOUTH AFRICA	INTERNATIONAL	TOTAL
Male	17 095 (72.5%)	919 (3.9%)	18 014 (76.4%)
Female	5 282 (22.4%)	271 (1.2%)	5 553 (23.6%)
TOTAL	22 377 (94.9%)	1 190 (5.1%)	23 567 (100%)

The CMA reported an increase in the number of runners from Swaziland, Namibia, Botswana and Zimbabwe. It was also noted that the international runners increased from 606 in 2009 to 965 in 2010. This represented an increase of 59.2%. There were 23 567 entrants which included 6 829 (28.9%) novice runners. The majority of the novice runners were South Africans (89.4%). However, only 4 308 *i.e.* 63% of the novice runners arrived to participate in the race. Table 4.19 disclosed that the *p*-value generated was 0.001 which indicated that the significant majority of runners were males as opposed to females.

4.2.3.1 International respondents: General information

Questionnaires were administered to the international respondents at various times and were therefore unbiased with regards to space, time and selection. Table 4.3 describes the status of the international participants in terms of their countries of origin and the town they used as a base whilst visiting province of KwaZulu-Natal. Questionnaires were administered to 100

international participants that resided in Durban and another 100 international participants that resided in Pietermaritzburg.

It is important to note that athletes from the “Rest of Africa” are included in the “International” category in order to facilitate and expedite the analysis of the data. The international athletes were evenly divided in terms of their choice of base *i.e.* Durban or Pietermaritzburg. Table 4.3 revealed that more than a quarter of the respondents (26.6%) were from the United Kingdom.

Table 4.3: International participants: Country of origin and place of residence in KZN (n=200)

COUNTRY OF ORIGIN	PLACE OF RESIDENCE IN KWAZULU-NATAL		TOTAL
	DURBAN	PIETERMARITZBURG	
Nigeria	1	0	1
UAE	3	0	3
USA	13	23	36
UK	31	22	53
Brazil	2	6	8
Japan	5	0	5
Zambia	3	0	3
Swaziland	3	3	6
Botswana	1	0	1
Holland	3	0	3
Lesotho	3	5	8
Australia	11	16	27
Germany	1	4	5
Zimbabwe	8	2	10
Malawi	1	0	1
Russia	1	2	3
New Zealand	2	1	3
Canada	2	0	2
Sweden	1	0	1
Switzerland	1	6	7
Scotland	1	0	1
Namibia	3	0	3
Lithuania	0	2	2
Slovak Republic	0	2	2
China	0	2	2
Ireland	0	0	5
TOTAL	100	100	200

4.2.3.2 Domestic respondents: General information

The constituent of the local South African visitor contingent is presented below in Table 4.4.

The table displays the provinces the participants resided in and the towns in KZN that they inhabited prior, during and after the event. Table 4.4 revealed that the majority of the local respondents (72.3%) stayed in Durban.

Nearly three quarters (72.4%) of the visiting South African contingent based themselves in Durban, whilst the remaining group *i.e.* 27.6% stayed in Pietermaritzburg. More than half (53.2%) of the domestic South African contingent that resided in provinces outside KZN were from Gauteng.

Table 4.4: Domestic participants and supporters from other provinces: Place of residence whilst in KwaZulu-Natal (n=603)

PROVINCE	LOCATION		TOTAL
	DURBAN	PIETER-MARITZBURG	
Gauteng	173 (36.5%)	79 (16.7%)	252 (53.2%)
Free State	37 (7.8%)	12 (2.5%)	49 (10.3%)
Eastern Cape	35 (7.4%)	12 (2.5%)	47 (9.9%)
Western Cape	51 (10.8%)	8 (1.7%)	59 (12.5%)
Mpumalanga	19 (4%)	9 (1.9%)	28 (5.9%)
Limpopo	23 (4.9%)	8 (1.7%)	31 (6.5%)
Northern Cape	1 (0.2%)	2 (0.4%)	3 (0.6%)
North West Province	4 (0.8%)	1 (0.2%)	5 (1.1%)
TOTAL	343 (72.4%)	131 (27.6%)	474 (100%)

The spend of the respondents for whom the Comrades Marathon was not the primary reason for visiting the cities were included in the analysis as this was considered to be new money.

4.2.4 Permanent places of residence

The official statistics made available by the organisers identified the total number of participants and gave a breakdown of their permanent places of residence. The South African athletes represented the majority (94.9%) followed by the international athletes (5.1%) that included the athletes from the Rest of Africa and who represented 1% of the total entrants. It is clearly evident that the majority of the visitors to the Expo were inhabitants from Durban. The participants and supporters from other South African provinces were the next highest.

4.2.5 Mode of transport used to arrive in the cities and at the event

Figure 4.4 addressed the different modes of transport utilised by the participants and their supporters to arrive in the cities and to travel to the start venue in Pietermaritzburg and also to the finish venue in Durban. The domestic respondents (30.86%) used their own vehicles. A little less than a quarter of the respondents from Durban (24%) used various types of public transport.

Most of the international arrivals into South Africa were by airplane. It must be noted that most of the international respondents were based in Durban; thus, rental vehicles were the most common choice for the international visitors.

The modes of transport utilised by the domestic visitors indicated that they used their own vehicles. The majority of the Pietermaritzburg and Durban respondents also stated that they used their own vehicles to arrive at the start and finish venues.

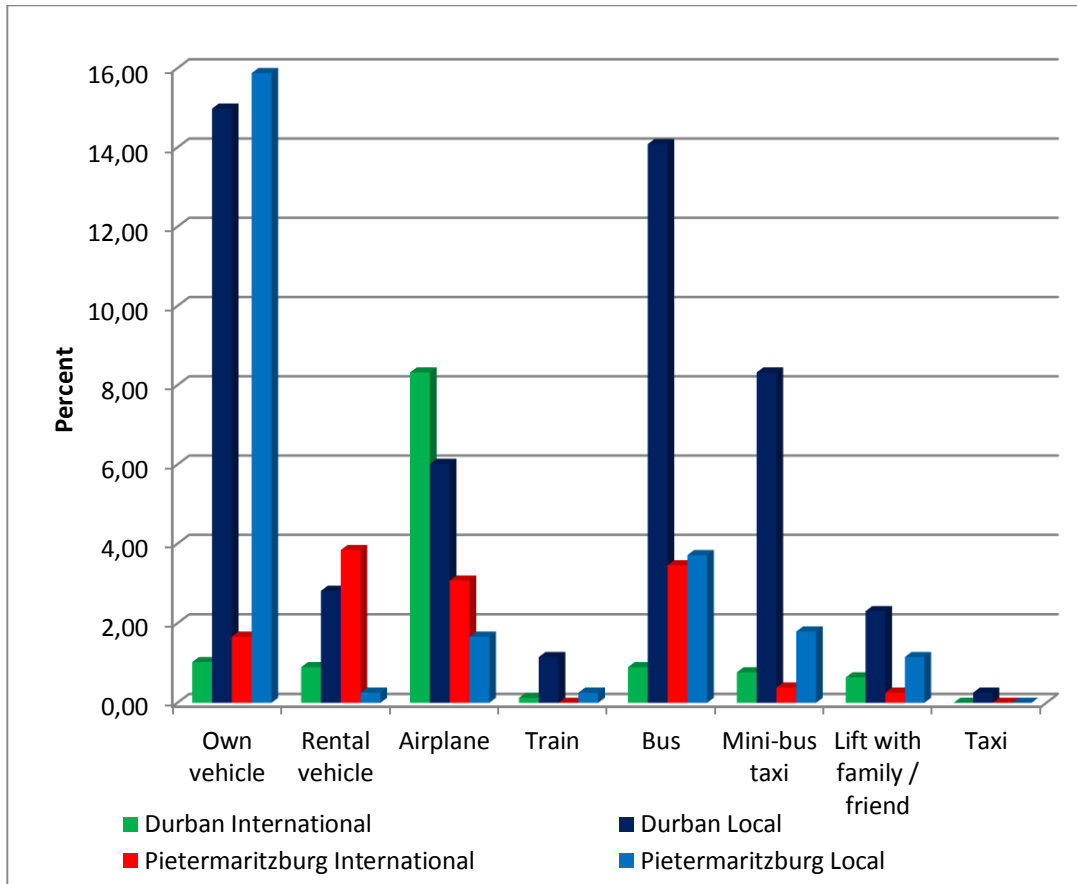


Figure 4.2: Modes of transport utilised (n=768)

4.2.6 Positional Metro location of the residents

Figure 4.3 below displayed the positional metro location of the residents. Similar ratios of respondents indicated that they were from the central regions of both Durban and Pietermaritzburg. The figure also disclosed that the west of both cities were least populated.

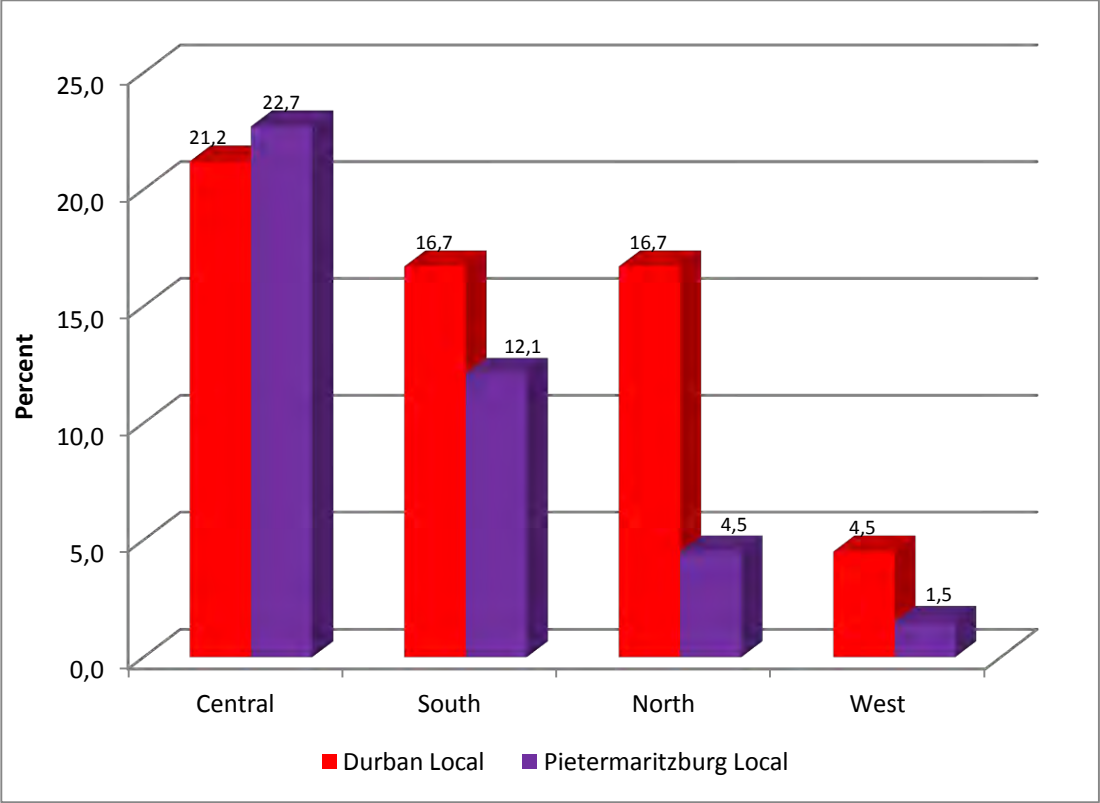


Figure 4.3: Positional Metro location of the local residents (n=768)

4.2.7 Race classification

Table 4.5 below presented a racial analysis of the respondents *i.e.* international participants and their supporters and South African participants and supporters from other provinces that resided in Durban and Pietermaritzburg. The internationals that resided in Durban represented 4.9% of the respondents whilst the runners and supporters from other provinces represented 54.2%. The international runners and their supporters that resided in Pietermaritzburg represented 12.7% of the respondents and the local runners and their supporters that resided outside KwaZulu-Natal represented 25.8% of the respondents.

Nearly half (48.3%) of all the respondents were from the African population. Of these, 4.6% were African athletes that resided outside South Africa. The White population represented 39.8% of the respondents, the Coloureds 9.1% and the Indians 2.8%.

The chi-square test was applied to calculate the *p*-value which was 0.00 (Table 4.19). It can therefore be deduced that there was a significant difference in terms of the race groups of the respondents that resided in both the cities. This can be attributed to the substantial increase in the number of participants and their supporters and family members that arrived in the cities because of the aggressive marketing campaign that the CMA had conducted both internationally and locally and the fact that the 2010 FIFA World Cup was hosted by South Africa.

Table 4.5: Race classification (n=768)

RACE	LOCATION				TOTAL
	DURBAN		PIETERMARITZBURG		
	INTER-NATIONAL	LOCAL	INTER-NATIONAL	LOCAL	
African	26 (3.5%)	276 (37.4%)	10 (1.4%)	66 (9.0%)	378 (51.3%)
White	5 (0.7%)	60 (8.2%)	86 (11.7%)	114 (15.5%)	265 (36%)
Coloured	4 (0.5%)	53 (7.2%)	3 (0.4%)	11 (1.5%)	71 (9.7%)
Indian	1 (0.1%)	10 (1.4%)	0 (0.0%)	11 (1.5%)	22 (3%)
TOTAL	36 (4.8%)	399 (54.2%)	99 (13.5%)	202 (27.5%)	736 (100%)

(Chi-square: $p \leq 0.001$)

4.2.8 Income classification

The income groups of the individuals that visited the Expo and the Pietermaritzburg registration venue and who participated in the survey varied considerably (Table 4.6). Information provided

by the participants and their family members and supporters that were interviewed indicated that their incomes ranged from R5 000 to R30 000 per month for the South African contingent. The incomes, in South African currency, for the foreign contingent ranged from R10 000 to R80 000. It is important to note that all the respondents indicated that they earned an income. However, a small percentage *i.e.* 6% of the respondents did not divulge their income as they considered it to be confidential.

Table 4.6

Income of participants (n= 892)

INCOME	PERCENT	
	DURBAN	PIETERMARITZBURG
Less than R1 000	13.0	1.9
R1 000 – R1 999	5.6	3.6
R2 000 – R2 999	8.1	5.7
R3 000 – R3 999	9.7	5.9
R4 000 – R4 999	7.9	5.1
R5 000 – R5 999	8.5	6.0
R 6 000 – R6 999	7.8	5.3
R7 000 – R7 999	10.4	5.5
R8 000 – R8 999	7.0	4.9
R9 000 – R9 999	8.1	6.7
R10 000 – R10 999	10.6	7.1
R11 000 +	28.6	17.9
Not disclosed	4.0	2.0
	X = R12 653	Y = R9 923

X and Y represent the average income of the respondents who resided in the respective cities.

The *p*-value was computed to be 0.010 (Table 4.19). Hence, there is a significant difference in the income of the respondents that visited the Expo in Durban and the registration venue in Pietermaritzburg.

4.2.9 Age classification

Information provided by the CMA indicated that the average age of the runners that registered in Durban was 41.3 years whilst the average age of the runners that registered in Pietermaritzburg was 39.8 years. The p -value was calculated to be 0.8 (Table 4.19) and showed that there were no significant differences in the age categories of the participants that resided in both the cities.

4.2.10 Economic impact

The direct economic impact of the Comrades Marathon on the Cities of Durban and Pietermaritzburg in relation to the participants and their supporters at the event was measured by the direct expenditure related to daily spending as well as accommodation costs of the visitors attending the event. The following are the responses to questions about the spending patterns of the respondents at the Comrades Expo, at the event and after the event.

4.2.10.1 Responses: Daily expenditure

Table 4.7: Average daily spend

AMOUNT	FOOD AND DRINKS	RUNNING GEAR	RACE MEMORABILIA	ARTS AND CRAFTS
Mean	R221.21	R436.45	R253.36	R291.42
Standard Deviation	R377.42	R523.77	R302.40	R1 445.42

(ANOVA: $p \leq 0.001$)

4.2.10.2 Durban: Estimated average daily expenditure

Table 4.7 represents the combined daily expenditure of the runners and their supporters who resided in both cities. It revealed that the greater percentage of the respondents' funds was

expended on running gear. This was achieved by calculating the percentage of the total spent and a chi-square test was used conducted.

Information provided by the respondents confirmed that all of them spent money in Durban. They also identified a range of items on which the monies was spent *viz.* food and beverages, road-running gear, race memorabilia and arts and crafts (Table 4.7). The *p*-value was calculated as 0.00 (Table 4.19). This confirmed that there was a significant difference in the items on which the respondents expended their funds in the cities.

The respondents also provided data on the range of amounts that they spend at the event. This data was used to compute the average amount spend by the respondents which was R601. The large standard deviation amount of R722 is due to the number of extreme amounts that ranged from zero rand to R5 000 which was an indication that the respondents had an open budget or had not given serious thought as to the amount they would spend purchasing items at the event.

Figure 4.1 revealed that 46 200 people visited the Expo over the three-day registration period. As previously stated, all the respondents indicated that all of them spent money at the event. As stated early, it was computed that the average number of days that the respondents visited the Bonitas Comrades Expo in Durban was 2.8 days. Hence, it was computed that 129 360 person days ($46\,200 \times 2.8$) were generated in Durban.

Table 4.7 revealed that the items purchased by the respondents were similar. The *p*-value was calculated as 0.878 (Table 4.19). This confirmed that there was no significant difference in the money expended in the cities. It can therefore be deduced that in terms of the respondents in Durban, 129 360 persons spent an average of R722. Thus, it was estimated that the total new

income generated into the economy of Durban was R93 397 920 ($R722 \times 129\,360$) in terms of the respondents' average daily expenditure.

4.2.10.3 Pietermaritzburg: Estimated average daily expenditure

Information provided by the respondents confirmed that all of them spent money in Pietermaritzburg. They also identified a range of items on which the monies was spent *viz.* food and beverages, road-running gear, race memorabilia and arts and crafts (Table 4.7).

It was previously established that all the participants and supporters *i.e.* 12 529 spent money at the registration venue in Pietermaritzburg. Figure 4.1 was utilised to determine the average number of days that the respondents visited the Pietermaritzburg venue *i.e.* 1.8 days. Thus, it was projected that 22 553 ($12\,529 \times 1.8$) person days were generated in Pietermaritzburg. Hence, it was estimated that an amount of R16 283 266 ($R722 \times 22\,553$) *i.e.* new income, was generated into the Pietermaritzburg economy in 2010.

4.2.10.4 Responses on accommodation expenditure

Table 4.8 revealed data provided by the participants, their family members and supporters that identified the different types of accommodation establishments that the respondents lived in during their stay in Durban and Pietermaritzburg. The types of accommodation included "Luxury Hotels", "Bed and Breakfast" Establishments, "Self-Catering" Establishments and "Holiday Homes". Information from the respondents also indicated that a few participants and their supporters lived at establishments such as "Backpackers", "Timeshare" facilities and "Hostels". The most popular places of accommodation for the international and local visitors were the four-star luxury hotels (67%). In addition, a small percentage of the respondents stayed with family and friends. The chi-square test was employed to compute the *p*-value which was

0.20 (Table 4.19). This confirmed that there was no significant difference in the various types of accommodation establishments that the respondents lived in the cities.

Table 4.8 also disclosed the cost of accommodation that all the participants and their supporters expended on the different types of establishments in both the cities. The estimated average cost of accommodation per night in Durban was estimated to be R566.74 whilst it was R606.89 in Pietermaritzburg.

Table 4.8: Cost of accommodation (in Rands) (n=604)

TYPE OF ACCOMMODATION	LOCATION			
	DURBAN		PIETERMARITZBURG	
	INTER-NATIONAL	LOCAL	INTER-NATIONAL	LOCAL
Luxury Hotel (4-5)*	1 572	1 469	1 493	1 013
Family Hotel (1-3)*	925	873	1 033	1 069
Bed and Breakfast	385	597	763	686
Holiday Flat	620	609	300	519
Self-Catering	1 130	435	358	462
Holiday Home	267	315	1 000	540
Friends and Family	183	170	207	194
Other	145	234	0	330
	A = R566.74		B = R606.89	

(ANOVA: $p \leq 0.001$)

4.2.10.5 Duration of stay

Table 4.9: Duration of stay in nights (n=604)

TYPE OF ACCOMMODATION	LOCATION			
	DURBAN		PIETERMARITZBURG	
	INTERNATIONAL	LOCAL	INTERNATIONAL	LOCAL
Luxury Hotel (4-5)*	6	4	5	2
Family Hotel (1-3)*	5	3	5	3
Bed and Breakfast	4	3	4	3
Holiday Flat	5	4	6	4
Self-Catering	6	4	11	3
Holiday Home	6	4	3	4
Friends and Family	5	4	13	4
Other	5	4	0	4

C = 4.37 days

D = 4.04 days

(ANOVA: $p \leq 0.001$)

Table 4.9 denoted the average number of the nights that the respondents resided in the various types of accommodation in both the cities. The estimated average number of nights that the respondents resided in these establishments in Durban was 4.37 and it was 4.04 in Pietermaritzburg.

The p -value calculated was 0.00 (Table 4.19). This result indicated that there was a significant difference in the duration of stay between the respondents who resided in Durban and those who resided in Pietermaritzburg.

4.2.10.6 Size of the group (including respondent)

Table 4.10: Size of the group (including respondent) (n=768)

SIZE OF GROUP	DURBAN		PIETERMARITZBURG	
	INTER-NATIONAL	LOCAL	INTER-NATIONAL	LOCAL
1	3.0	4.9	2.7	2.6
2 – 3	6.7	10.4	9.8	8.5
4+	90.3	84.7	87.5	88.9

E = 4.73 persons

F = 4.94 persons

(Chi-square test: $p \leq 0.05$)

The group refers to the international and local participants, their family members and their supporters. Table 4.10 indicated the number of people in the respondent's group. The results disclosed that the frequency of the size of the group in Durban was 4.73 persons and in Pietermaritzburg it was 4.94 persons. Within this specific group, the largest number of the international tourists (90.3) resided in Durban whilst the largest number of the local tourists (88.9) resided in Pietermaritzburg.

The p -value computed was 0.001 (Table 4.19). Hence, there is no significant difference in the number of people in the respondents' immediate group that resided in Durban in comparison to the respondents' group that resided in Pietermaritzburg.

4.2.10.7 Durban: Estimated accommodation cost

Since 70% of the total respondents that visited the Expo confirmed that they lived in paid accommodation (Figure 4.1), it was computed that 32 354 (70% x 46 220) respondents resided in

paid accommodation. The average size of the group of participants and their supporters and family members was estimated as 4.73 persons for Durban (Table 4.10). Hence, it was computed that 6 841 ($32\,354 \div 4.73$) rooms were generated per night. It was calculated that the average stay was 4.37 nights (Table 4.9). Thus, 29 895 ($6\,841 \times 4.37$) rooms were generated. Table 4.8 was utilised to compute the estimated average cost for accommodation which was R566.74 per room. Consequently, it was estimated that R16 942 692 was generated by the Durban accommodation industry.

4.2.10.8 Pietermaritzburg: Estimated accommodation cost

It was also presumed that 70% of the participants and their group that visited the registration venue in Pietermaritzburg lived in paid accommodation (Figure 4.1). Hence, it was computed that 8771 ($70\% \times 12\,529$) respondents resided in paid accommodation. The average size of the group of participants and their supporters and family members was estimated as 4.94 persons (Table 4.9). Hence, it was computed that 1 776 ($8\,771 \div 4.94$) rooms were generated per night. Table 4.8 was used to calculate that the average stay which was 4.04 nights. Thus, 7 175 rooms ($6\,841 \times 4.37$) were generated. Table 4.7 was utilised to compute the estimated average cost per room which was calculated as R606.89. Therefore, it was estimated that R4 354 436 ($R606.89 \times 7175$) was generated by the Pietermaritzburg accommodation industry.

4.2.11 Composition of group

Table 4.11 identified the three largest groupings in the group categories that resided in Durban. These were the “Club Members” (26.8%), “Friends” (16%) and “Family” (14.4%). This included both local and international participants and their supporters and family members. In

Pietermaritzburg the largest groupings in the group categories were represented by “Family” (18.3%), “Friends” (9.6%) and “Club Members” (7.1%).

Table 4.11: Composition of group (%) (n=768)

COMPOSITION OF GROUP	LOCATION				TOTAL
	DURBAN		PIETERMARITZBURG		
	INTER-NATIONAL	LOCAL	INTER-NATIONAL	LOCAL	
Friends	3.6	12.4	3.2	6.4	25.6
Family	5.2	9.2	7.0	11.3	32.7
Alone	1.3	1.9	0.1	4.0	7.3
Club Members	1.8	25.0	0.9	6.2	33.9
Business Associates	0.1	0.3	0.1	0.0	0.5
TOTAL	12.0	48.8	11.3	27.9	100.0

4.2.12 Primary reason for visiting the cities

Table 4.12 disclosed that approximately 87% of the participants and their supporters visited the cities with the specific intention of participating in the Comrades Marathon either as runners or as supporters.

Table 4.12: Primary reason for visiting the cities (%) (n=768)

PRIMARY REASON	LOCATION				TOTAL
	DURBAN		PIETERMARITZBURG		
	INTER-NATIONAL	LOCAL	INTER-NATIONAL	LOCAL	
Run/Visit Comrades Marathon	10.0	45.0	10.5	21.3	86.8
Visit Family and Friends	0.5	1.7	1.3	4.4	7.9
Vacation	1.0	1.7	1.0	0.5	4.2
Business	0.0	0.1	0.1	0.1	0.3
Attending FIFA World Cup	0.4	0.4	0.0	0.0	0.8
TOTAL	11.9	48.9	12.9	26.3	100.0

4.2.13 Factors influencing the decision to attend and to participate in the Comrades Marathon

The majority of the participants that were administered the questionnaires also commented that they were influenced by “Friends” and “Club members” to participate in the 2010 Comrades Marathon and were subsequently influenced to visit either the Bonitas Comrades Expo in Durban or the Pietermaritzburg registration venue at Comrades House or both. The results showed that “Word of Mouth” was the most significant factor (45.4%) that influenced the respondents to participate in the event. The participants also indicated that the TV Advertisements (21.8%) that promoted the race influenced their decision to participate in the event and to visit the Bonitas Comrades Expo or Pietermaritzburg registration venue or both. In an interview with a CMA representative the researcher was informed that many of the participants registered on-line.

A small percentage (0.4) of the international tourists and the local tourists that resided in Durban indicated that they were also influenced by the 2010 FIFA World Cup matches that were to be played in Durban. The tourists who resided in Pietermaritzburg indicated that they would not attend the soccer matches. Thus, it can be concluded that the 2010 FIFA World Cup had very little or no influence on the tourists who arrived to participate in the race or to support the runners.

4.2.14 Comrades Marathon not primary reason to visit the cities

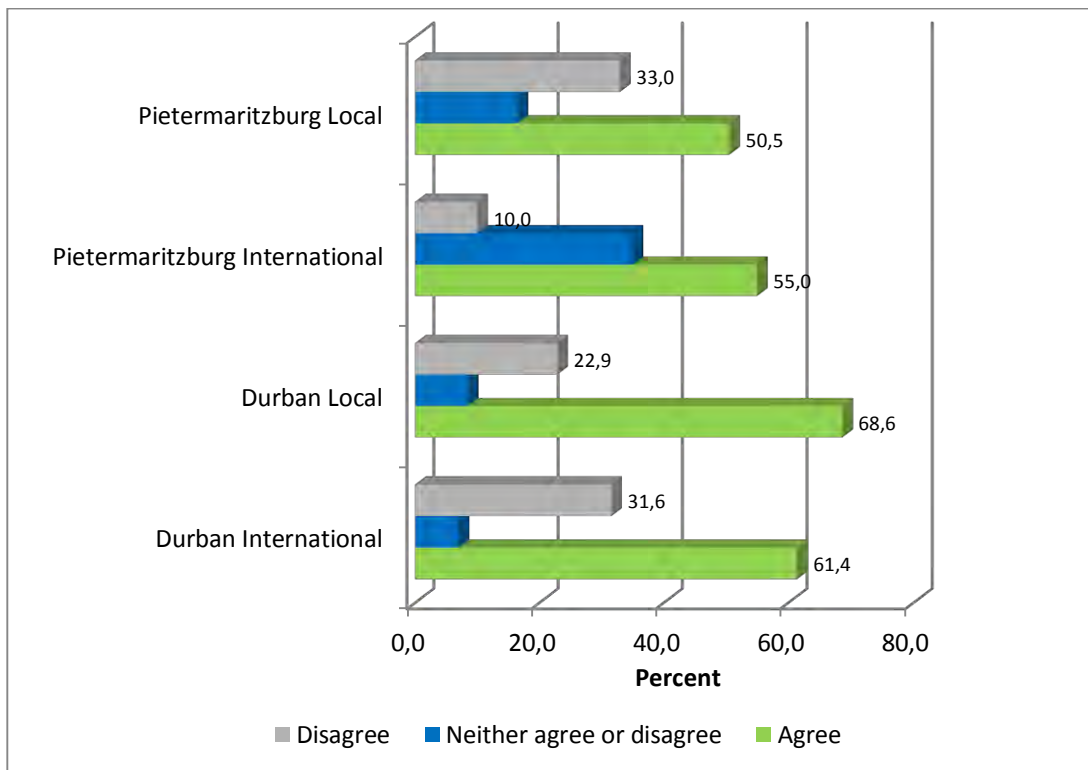


Figure 4.4: Primary reason not to participate in the Comrades Marathon

Figure 4.4 above addressed the scenario that the Comrades Marathon was not the primary reason for the participants to visit the cities. Figure 4.4 also revealed that the responses were reported

separately for each location. It is noted that the levels of agreement are highest for all locations but that the values observed for Durban are greater than for Pietermaritzburg.

4.2.15 Positive impact of 2010 FIFA World Cup

Figure 4.5 addressed the question whether the 2010 FIFA World Cup would have a positive economic impact on the Comrades Marathon and on the Cities of Pietermaritzburg and Durban. The figure revealed that the observed levels of agreement, approximately 80%, are high and are similar for each of the locations. It is important to note that this data was collected prior to the commencement of the World Cup and therefore was the opinion of the 768 respondents. This is in contrast to the earlier finding that the World Cup will have very little financial influence on the South African economy. A chi-square test was conducted and a p -value of 0.114 was generated (Table 4.19).

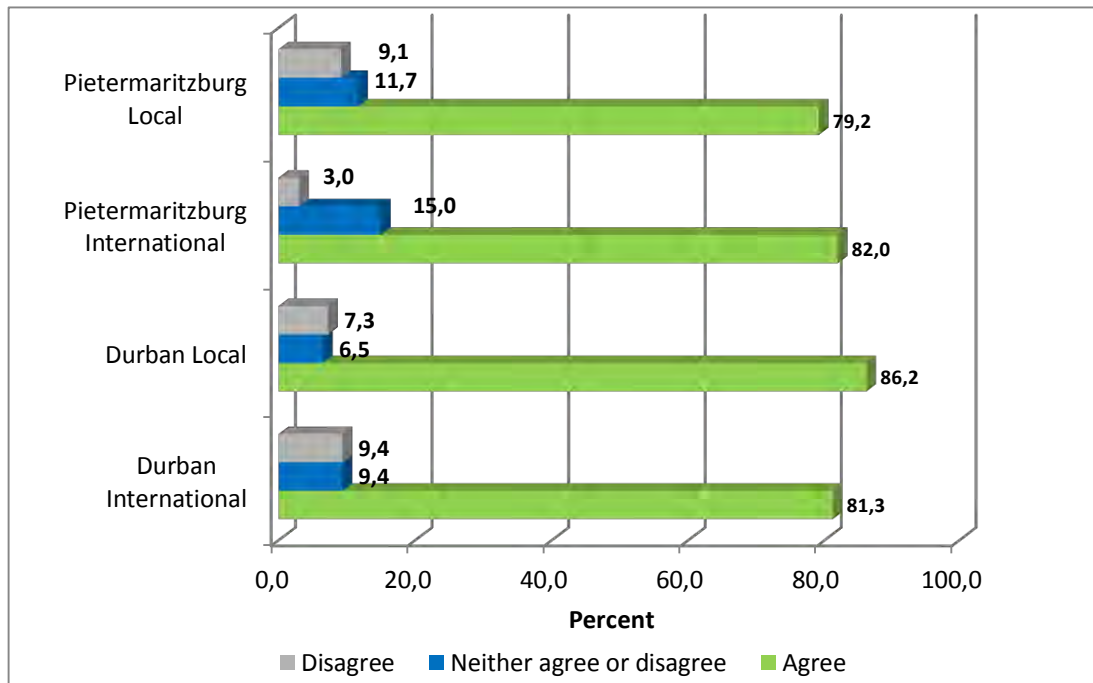


Figure 4.5: Positive economic impact of the 2010 FIFA World Cup on the Comrades Marathon (n=768)

4.2.16 Respondents' awareness of other events taking place in the cities

Table 4.13: Respondents' awareness of other events taking place (n=768)

EVENT	RESPONSE	DURBAN		PIETERMARITZBURG		TOTAL
		INTER-NATIONAL	LOCAL	INTER-NATIONAL	LOCAL	
FIFA World Cup	Yes	98 (16%)	377 (61.7%)	30 (4.9%)	106 (17.6%)	611 (100%)
	No	14 (9.2%)	0 (0%)	52 (34.2%)	86 (56.6%)	152 (100%)
	Do not know	2 (7.1%)	0 (0%)	14 (50%)	912 (42.8%)	28 (100%)
SPAR Ladies 10km Race	Yes	23 (5.8%)	296 (75.7%)	16 (4.1%)	56 (14.4%)	391 (100%)
	No	73 (21.4%)	78 (22.9%)	61 (17.9%)	129 (37.8%)	341 (100%)
	Do not know	4 (5.6%)	6 (8.3%)	18 (25%)	44 (61.1%)	72 (100%)
Indaba 2010	Yes	11 (4.2%)	149 (57.5%)	24 (9.3%)	75 (29%)	259 (100%)
	No	79 (17.8%)	195 (43.9%)	56 (12.6%)	114 (25.7%)	444 (100%)
	Do not know	8 (11.4%)	33 (47.1%)	16 (22.9%)	13 (18.6%)	70 (100%)

Chi-square: $p \leq 0.001$

Table 4.13 affirmed that the respondents were aware of other events that would take place in the cities after the Comrades Marathon. Table 4.13 presents the frequency responses for each of the events that were to take place and affirms the respondents' knowledge or lack of knowledge of these events. The p -value calculated was 0.001 (Table 4.19). This confirmed that there was a significant difference in the awareness of the respondents of other events taking place in the cities as opposed to them not being aware of these events.

4.2.17 Respondents' attendance at other events taking place

Table 4.14: Respondents' attendance at other events (n=768)

EVENT	RESPONSE	LOCATION				TOTAL
		DURBAN		PIETERMARITZ-BURG		
		INTER-NATIONAL	LOCAL	INTER-NATIONAL	LOCAL	
FIFA World Cup	YES	11 (5.8%)	127 (67.1%)	11 (5.8%)	40 (21.3%)	189 (100%)
	NO	77 (15.2%)	228 (45.1%)	60 (11.9%)	140 (27.8%)	505 (100%)
	DON'T KNOW	5 (8.2%)	16 (26.2%)	25 (41%)	15 (24.6%)	61 (100%)
SPAR Ladies 10km Race	YES	2 (2.1%)	75 (77.3%)	3 (3.1%)	17 (17.5%)	97 (100%)
	NO	84 (15%)	255 (45.5%)	63 (11.3%)	158 (28.2%)	560 (100%)
	DON'T KNOW	5 (7.5%)	21 (31.3%)	25 (37.3%)	16 (23.9%)	67 (100%)
Indaba 2010	YES	1 (2%)	31 (60.8%)	3 (5.9%)	16 (31.3)	51 (100%)
	NO	85 (14.1%)	288 (47.8%)	65 (10.8%)	165 (27.3%)	603 (100%)
	DON'T KNOW	5 (6.3%)	37 (46.2%)	26 (32.5%)	12 (15%)	80 (100%)

(Chi-square: $p \leq 0.001$)

Table 4.14 presents the frequency responses for each of the events that were to take place and the responses as to whether the respondents will be attending. The p -value of the “awareness” factor is equal to 0.00 (Table 4.19). Hence, there is a significant difference in the respondents' awareness of other events taking place in the cities and their attendance at these events.

4.2.18 Participation in future Comrades Marathons

Table 4.15 below confirmed that close to 80% of all respondents indicated that they would return to participate in the Comrades Marathon. Over half (67.8%) of the respondents were local participants who resided in other provinces of South Africa and who indicated that they would participate in future Comrades Marathons.

Table 4.15: Future participation in Comrades Marathon (%) (n=768)

RESPONSE	LOCATION			
	DURBAN		PIETERMARITZBURG	
	INTER-NATIONAL	LOCAL	INTER-NATIONAL	LOCAL
Strongly Agree	3.9	35.7	3.2	12.8
Agree	3.5	10.8	1.5	8.5
Neither Agree or Disagree	3.3	1.5	5.8	2.4
Disagree	1.0	1.1	1.8	0.8
Strongly Disagree	0.9	0.6	0.3	0.5

4.2.19 Sponsor identification and perceptions

A significant component of the study was the identification of the sponsors by the respondents. The respondents identified a wide range of business organizations that they considered to be official sponsors of the event even though many of them were not sponsors of the event. A plethora of responses were received which indicated that the respondents had an idea of who the sponsors were. However, the respondents in many cases confused the official suppliers of the event with the official sponsors. Subsequently, approximately 78% of the respondents correctly

identified the sponsors and there was no significant difference between the respondents in the cities in identifying the sponsors of the event. The p -value calculated was 0.90 (Table 4.19).

4.2.20 Places visited or maybe visited

As would be expected in a study of this nature and with a large sample size, there was a wide range of places of interest that the respondents visited or wanted to visit. The respondents indicated that they would visit specific places or attend certain events in the cities and in the province of KwaZulu-Natal and the rest of the country. However, there were a few respondents who were undecided as to whether they would visit places or events during their stay in the cities citing crime as the major reason. Amongst the numerous places that the respondents identified that they would visit were the Moses Mabhida Stadium, uShaka Marine World, the Shopping Malls, the Beaches, the Suncoast Entertainment Centre, parks and gardens, Golden Horse Casino, Game Reserves, the Midlands Meander, the Lions Park, museums and Gateway Shopping Centre and the Midlands Shopping Centre.

4.2.21 Respondents' ratings of their experiences of the event

Figure 4.6 represented the ratings provided by the respondents in terms of their experiences of the event. These responses ranged from excellent to bad. In each of the above categories there were more respondents who were satisfied (excellent and good) than those who related their experiences as bad.

The p -value computed was 0.001 (Table 4.19). This calculation confirmed that there was a significant difference in the ratings of the respondents in the cities.

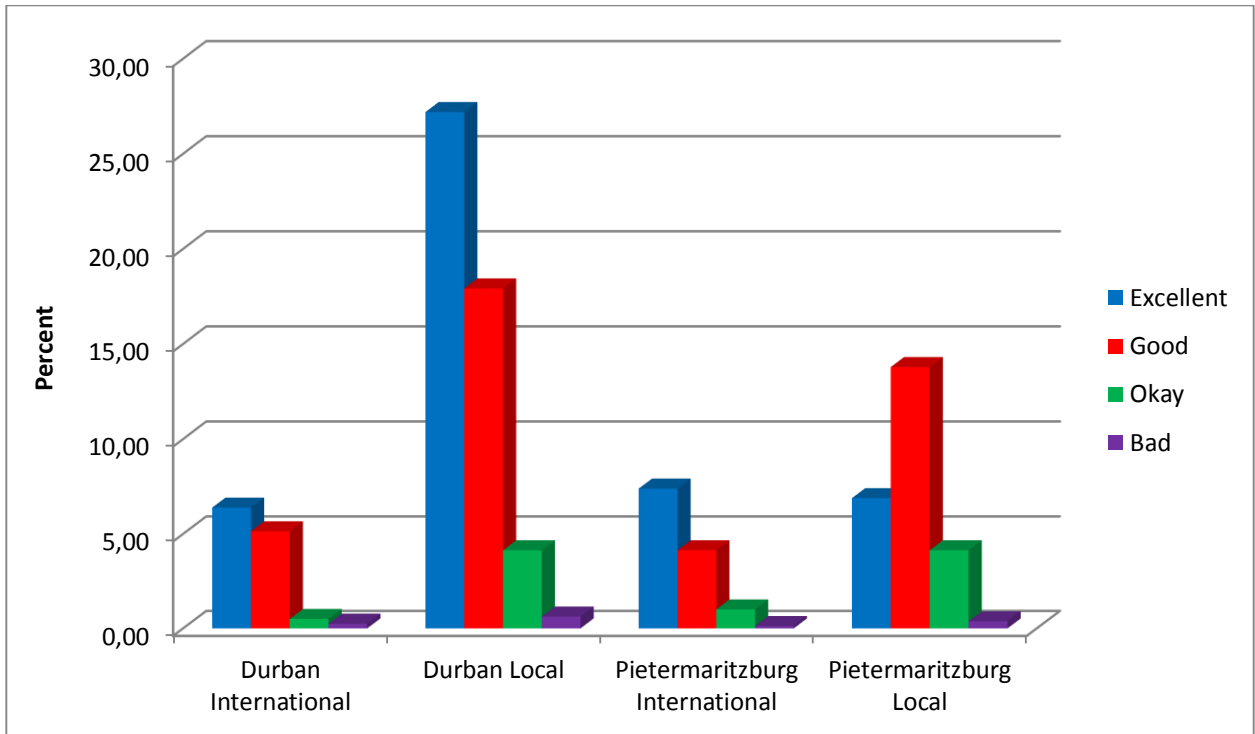


Figure 4.6: Respondents' rating of the event (n = 764)
(Chi-square: $p \leq 0.001$)

4.2.22 Unsavoury incidents experienced by the respondents experienced at the event

Less than 1% of the respondents indicated that they had experienced unsavoury incidents on race day. The majority of these were experienced in Durban by the local participants. The incidents included an altercation with a drunken spectator, a participant who apparently suffered from dehydration and a participant that had a vehicle broken into at the start in Pietermaritzburg. Of the 0.8% that answered positively (n=6), only 4 specified the nature and location of the incident.

4.2.23 Unsavoury incidents experienced outside of the event

Table 4.15 shows that a few of the respondents experienced unsavoury incidents outside the event, both in Durban and Pietermaritzburg. Approximately 3% of the respondents indicated that

they had experienced negative incidents in both the cities. Table 4.16 highlighted the nature of the incidents and the location of the incidents.

Table 4.16 displayed the nature of the unsavoury incidents that were experienced in both the cities as percentages. The thefts included incidents in which goods were stolen at the King Shaka International Airport in Durban and muggings that occurred on the beachfront and in the city centre. A respondent also reported a mugging that occurred in the Pietermaritzburg city centre. A little over 21% of the respondents reported on traffic congestions that they had experienced in the cities especially around the registration venues. A respondent complained of receiving poor service on the KwaZulu-Natal North Coast. Two respondents reported that the signage at the Comrades Expo and in the Durban city centre was poor and inadequate.

Table 4.16: Respondents’ experiences of unsavoury incidents outside the event (%) (n=768)

NATURE OF INCIDENT	LOCATION				TOTAL
	DURBAN		PIETERMARITZBURG		
	INTER-NATIONAL	LOCAL	INTER-NATIONAL	LOCAL	
Theft	18.4	34.1	5.3	5.3	63.1
Traffic	10.5	5.3	0.0	5.3	21.1
Poor Service	0.0	5.3	0.0	0.0	5.3
Poor Signage	0.0	0.0	10.5	0.0	10.5

Sixteen (2.6%) of the respondents admitted to experiencing other problems apart from those identified in Table 4.16 *inter alia* problems with the registration process which they stated was

too long, records of some of the participants were not updated, inadequate and unreliable public transport, road signage in the Durban was confusing, the venue for the Bonitas Comrades Expo venue was too small and created massive congestion both inside and outside the venue.

Respondents also reported that there were inadequate parking facilities. It must be noted that these respondents arrived on the last two days to register for the event. These days were reported as being the busier days of the Expo.

4.2.24 Respondents' suggestions to improve the event

The respondents submitted a hundred suggestions to improve the event. The researcher highlights the more prominent suggestions below.

Less than 1% of the respondents suggested that the entrance fee be increased and the funds be utilised to improve the event. A little over 85% of the respondents were happy with the event and stated that it was an excellent event and therefore did not make any suggestions. Less than 1% suggested that proper marketing should be done at other international marathons not only to attract foreign participants but also to provide potential participants with all the information about the event. Less than 1% of the respondents suggested that there should be an increase in the medical services provided on race day and more first-aid stations on the road. A small number of respondents (0.1%) suggested that security must be increased and that police presence must be more visible at the registration venues and the finish venue as this will act as a deterrent and minimise crime. A few respondents (0.1%) suggested that the race must be rescheduled for June as the weather was much cooler. Approximately 1% of the respondents suggested that there should be greater input from the runners before and after the event and that surveys such as those

used in this study should be conducted not only at the registration venues and at the event but also at national and international road shows.

4.2.25 Exhibitors'/Stallholders' responses

As previously stated exhibitors/stallholders who represented established businesses in both the cities were located at the registration venues in these cities. The Durban Exhibition Centre is adjacent to the Durban International Convention Centre. The Exhibition Centre offers up to 13 200 square metres of usable and flexible space across two halls and is much larger than the space that is utilised for registration in Pietermaritzburg which was estimated to be approximately 600 square metres. Consequently, the Durban venue accommodated a greater number of stalls than the Pietermaritzburg venue. It must also be noted that a little over a quarter of the participants (26.4%) that resided in and around Pietermaritzburg registered in this city.

The responses were fairly similar amongst the Exhibitors in both the cities. The Exhibitors indicated that they were notified in advance that the Bonitas Comrades Expo would take place in Durban. They confirmed that there was ample notification from the CMA and that the CMA had done excellently in marketing the event locally, nationally and internationally. However, they believed that there was room for improvement. They identified the following products and services that were sold or offered at the Expo *viz.* food, wines, sporting apparel, vitamin supplements for sports people, massages and road-running footwear for athletes. The common products and services that were offered at both cities were food and clothing and footwear for athletes. The other products and services were offered at only the Expo in Durban.

The majority of the stallholders (70%) also revealed that they had incurred additional costs in preparation of the event. The additional costs ranged from R2 000 to R5 000 and were evenly

spread amongst the stallholders in the cities. A third of these additional costs were expended to purchase the stands at the venues. All the stallholders disclosed that they had employed additional people. It was confirmed that Pietermaritzburg stallholders (75%) employed more additional staff than the stallholders (25%) in Durban. The majority (85.7%) of the additional labour force was employed in sales and marketing. The majority of the Pietermaritzburg stallholders (75%) declared that their sales increased because of the event whereas 40% of the respondents in Durban declared that there was an increase in their sales because of the event.

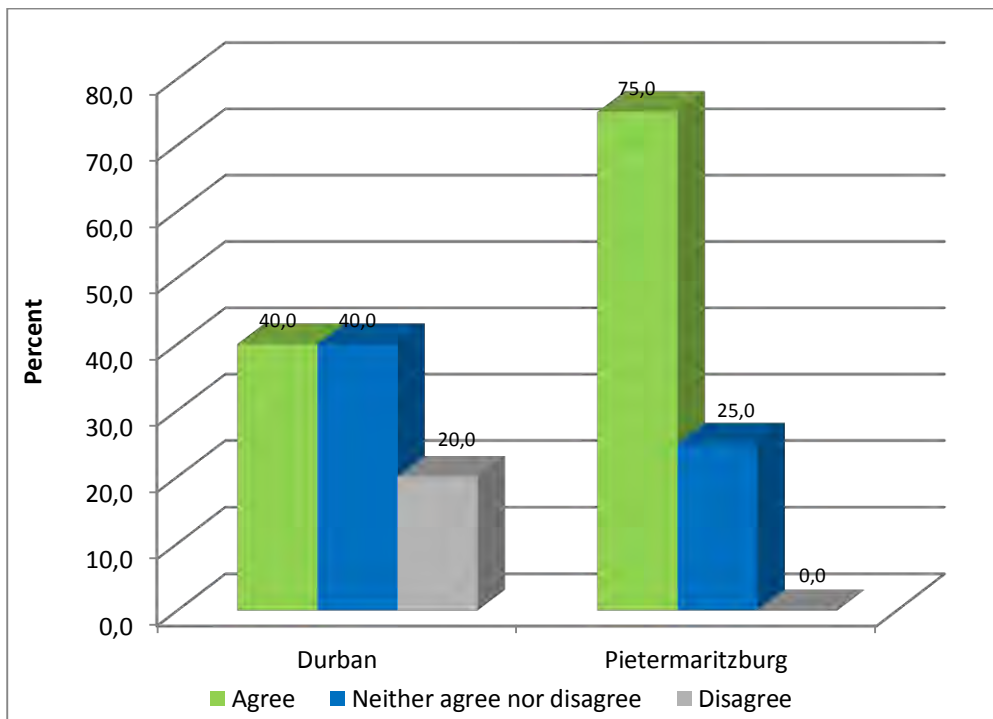


Figure 4.7: New income generated in Durban and Pietermaritzburg (n=14)

Figure 4.7 shows that nearly twice as many stallholders from Pietermaritzburg as compared to Durban attributed increased revenue to the event.

All the respondents (100%) in Pietermaritzburg also declared that more tourists were attracted to the city because of the Comrades Marathon whereas 80% of the respondents in Durban stated that more tourists were attracted to the city because of the event. On average, 90% of the respondents agreed that the event attracts more tourists (Figure 4.8) into the cities and the province. Figure 4.7 also illustrates that respondents representing the businesses in Durban were as twice as optimistic as their Pietermaritzburg counterparts that there would be increased financial benefits because of the race.

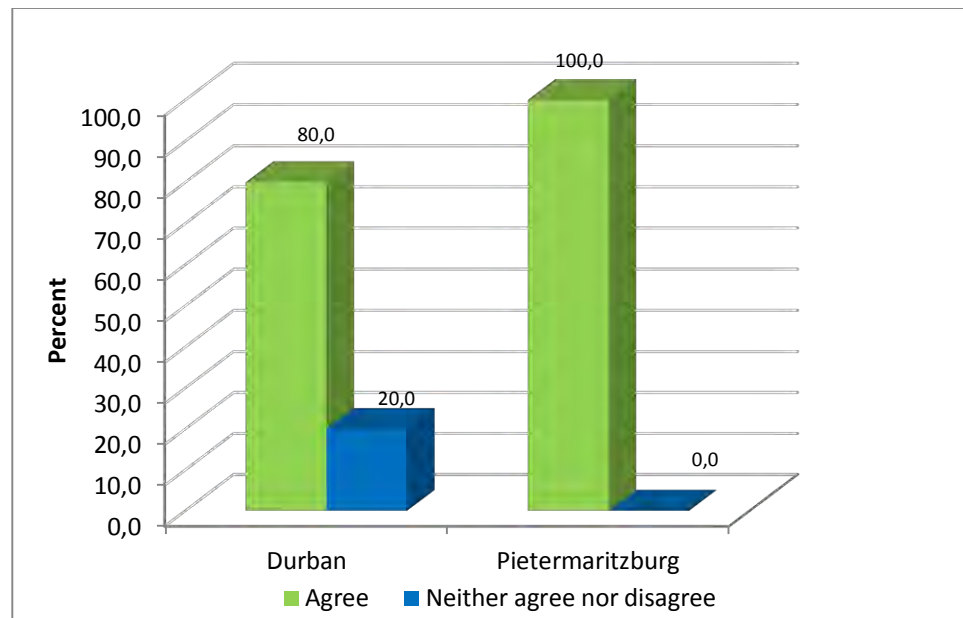


Figure 4.8: Exhibitors' responses to the cities' tourists attractions (n=14)

Figure 4.8 illustrates that the businesses respondents in Durban were as twice as optimistic than their Pietermaritzburg counterparts that the Comrades Marathon would have a positive financial impact on the cities and the province and would also create jobs in the cities. A chi-square was conducted and a *p*-value of 0.2 was generated which indicated that there was no significant difference between the ratings of the two cities.

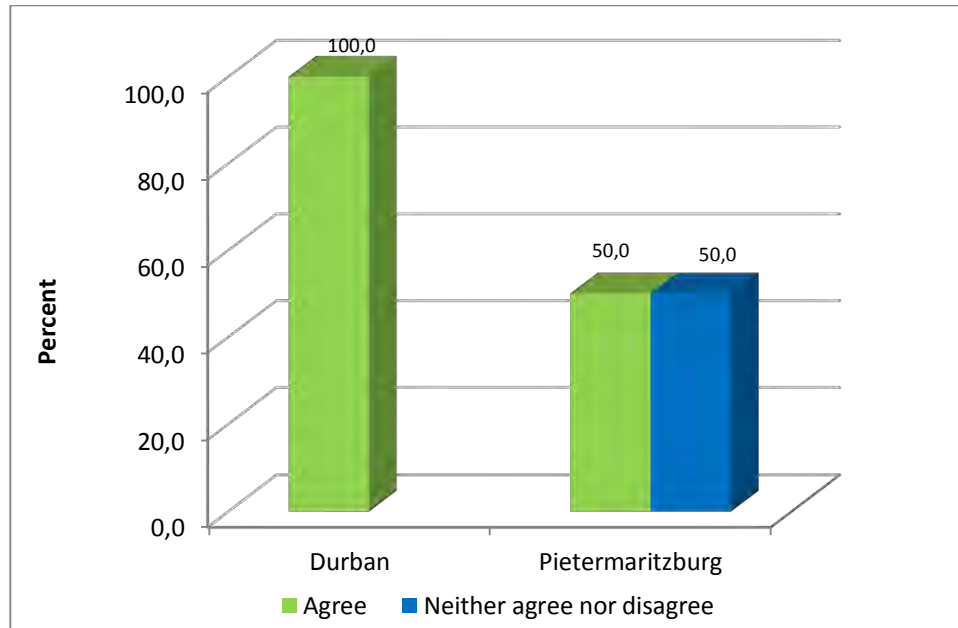


Figure 4.9: 2010 FIFA World Cup perceived financial benefits (n=14)

Table 4.17 below shows that all (100%) of the stallholders interviewed in Durban declared that the 2010 FIFA World Cup would have a positive economic impact on the Comrades Marathon and the city whereas only 50% of the respondents in Pietermaritzburg stated that the World Cup would have a positive impact on the event. Table 4.17 also indicates the level of satisfaction of the stallholders based on the factors listed in the questionnaire.

Table 4.17: Exhibitors' level of satisfaction of the event (%) (n=14)

FACTORS	LOCATION	
	DURBAN (%)	PIETERMARITZBURG (%)
Location of the event	100	100
Organisation of the event	100	100
Attendance at the event	100	100
Security at the event	100	100
Advertising/Publicity of the event	100	100

All of the respondents *i.e.* Exhibitors/Stallholders in both cities, indicated that they were satisfied with each of the factors indicated in the questionnaire. Table 4.17 identified the factors and displayed the Exhibitors' responses as percentages. All the stallholders (100%) in both the cities stated that they were satisfied with the location, organisation and marketing of the event and the attendance and security at the event. The stallholders (50%) in both the cities made the following suggestions to improve the event:

- Emphasise the involvement of the citizens of the country in the marketing campaign in order to encourage the general public to attend the event
- Increase security especially towards the evening
- Increase the number of toilets
- Provide more parking

The remaining 50% stated that the event was perfect and consequently did not require any amendments.

All (100%) the stallholders in both the cities acknowledged that the event would have a positive financial impact on the local economic development of the cities and on their types of businesses as the event gave their businesses a great deal of exposure and supported the businesses they represented. The respondents also stated that the event contributes positively towards job creation and social development.

4.2.26 Residents' responses

All the residents (100%) of Durban that were administered questionnaires either strongly agreed or agreed that it was good for the city to be involved with the Comrades Marathon. However, 6.2% of the Pietermaritzburg respondents neither agreed nor disagreed that it was a good idea for the cities to be involved with the Comrades Marathon. All the respondents (100%) in both the cities identified the following benefits that the cities would derive from the event:

- Brought people together
- Excitement of the race attracted television viewers
- There were economic benefits in that the event created more jobs and increased the profits of local businesses
- It increased tourism
- Created good positive publicity for South Africa

All the residents (100%) in both the cities indicated that they could contribute to the event by:

- Being friendly
- Pay their taxes
- Volunteer to assist at the race

- Watch the race on television
- Participate in the race
- Keep the cities clean

The majority (81%) of the respondents in Durban believed that the World Cup would have a positive economic impact on the City of Durban and the CMA whereas 84.8% of the Pietermaritzburg indicated that the race would benefit the city and CMA economically.

4.2.27 Positive features of the City of Durban

The respondents identified numerous positive features of the City of Durban. The most popular positive features are listed below:

- ◆ Beautiful beaches
- ◆ Friendly and hospitable people
- ◆ Entertainment centres
- ◆ Beautiful shopping malls
- ◆ Museums
- ◆ Lovely parks, gardens and game parks

4.2.28 Positive features of the City of Pietermaritzburg

The respondents identified numerous positive features of the City of Pietermaritzburg. The most popular positive features are listed below:

- ◆ Scenic parks and gardens
- ◆ Impressive Comrades Marathon museum
- ◆ Friendly people

- ◆ Golden Horse Casino
- ◆ Shopping malls
- ◆ Midmar Dam
- ◆ Howick Falls

4.3 Summaries

4.3.1 Summary of overall expenditure

Table 4.18 represented a summary of the overall average daily expenditure and the expenditure on accommodation by the participants and their supporters and family members. Table 4.18 disclosed that a total average daily estimated expenditure of R109 681 186 was collectively injected as new income into the economy of both the cities and the province of KwaZulu-Natal. The average daily expenditure comprised of an estimated R93 397 920 (85.1%) that was spent by the participants and their supporters in Durban and R16 283 266 (14.9%) that was spent by the participants and their supporters in Pietermaritzburg. An estimated total of R21 297 128 was expended by the participants, their supporters and family members in both the cities. Of this amount, R16 942 692 (79.5%) was expended in Durban and R4 354 436 (20.5%) in Pietermaritzburg.

It was concluded that the total estimated amount of R130 978 314 that comprised of average daily expenditure and expenditure on accommodation was injected as new income into the cities and the province (Table 4.18). The table disclosed that a total estimated amount of R110 340 612 (84.2%) was injected into the economy of Durban whilst R20 637 702 (15.8%) was injected into the economy of Pietermaritzburg.

Table 4.18: Summary of overall expenditure

CATEGORY	LOCATION		TOTAL
	DURBN	PIETERMARITZBURG	
DAILY EXPENDITURE			
Participants and Supporters	R 93 397 920 (71%)	R16 283 266 (12.6%)	R109 681 186 (83.7%)
ACCOMMODATION EXPENDITURE			
Participants and Supporters	R 16 942 692 (13%)	R4 354 436 (3.4%)	R21 297 128 (16.3%)
TOTAL	R110 340 612 (84%)	R20 637 702 (16%)	R130 978 314 (100%)

4.3.2 Summary of *p*-values

Table 4.19 below revealed the *p*-values that were computed in the study. The table represents a summary of the costs and data between the cities of Durban and Pietermaritzburg that were evaluated to determine whether the final results were statistically significant or not significant.

Table 4.19: Summary of *p*-values

CLASSIFICATION	<i>p</i> -VALUE	SIGNIFICANT	
		YES	NO
Registration at venues	0.001	√	
Administration of Questionnaires	0.001	√	
Gender difference of participants	0.001	√	
Race Classification	0.001	√	
Age Category	0.080		√
Income Classification	0.010	√	
Items Purchased	0.001	√	
Average daily spend on expenditure items	0.878		√
Types of accommodation utilised	0.200		√
Number of nights stayed	0.001	√	
Accommodation Cost	0.001	√	
Size of group	0.001		√
Awareness of events	0.001	√	
Attendance at events	0.001	√	
Identification of sponsors	0.900		√
Ratings of Comrades	0.001	√	
Financial impact of 2010 FIFA World Cup	0.114		√
Rating of cities	0.200		√

(Chi-square; ANOVA; T-test: $p \leq 0.05$ as a minimum)

4.4 CONCLUSION

This chapter presented a framework for assessing the economic impact of the 2010 Comrades Marathon on the Cities of Durban and Pietermaritzburg and the financial impact of the 2010 FIFA World Cup on the event and on the cities and province. Visitors to the Bonitas Comrades Expo in Durban, the registration venue in Pietermaritzburg and the finish venue in Durban were personally surveyed in order to develop a profile and to measure daily visitor expenditure and their expenditure on accommodation. The personal interviews conducted with the selected representatives mentioned in the earlier chapters enhanced the responses of the respondents who

completed the questionnaires and subsequently contributed to the accuracy and reliability of the results *i.e.* the final estimations. This chapter also examined how the exhibitors viewed the event from a business perspective in order to ascertain whether it was a financially viable event for them to get involved with. It also addressed their suggestions/recommendations with regards to improving the event. In addition, it examined how the residents of the cities viewed the fiscal contribution of the event to the communities of the cities and its impact on job creation and social development.

The findings of this study were presented in broad areas *viz.* attendance at the event, the demographics of the respondents, the economic impact of the event, knowledge of the cities and their surrounding areas, sponsor identification and the perceptions of the participants regarding the identity of the sponsors, unpleasant/criminal incidents experienced in the cities and at the event, the quality of the event and the views of the exhibitors and the residents of the cities. A crucial component of this study was the responses pertaining to the economic impact of the 2010 FIFA World Cup on the event and the cities.

CHAPTER 5

MODEL DEVELOPMENT

Chapter Structure

- Introduction
- Model Development
- Event Evaluation Framework
- The Evaluation Model
- Selection of Indicators
- Conclusion

5.1 Introduction

The first four chapters of this study have established the need for a broader framework to evaluate the economic and social impact study of sports events such as the Comrades Marathon on the host cities, their communities, the province and the country. The Comrades Marathon has been referred to as a hallmark event. Hallmark events, as defined by Getz (2012) are those events that possess such significance, in terms of attractiveness, quality or publicity, that the event promotes the host venue, community or destination with a competitive advantage. Over time the event and destination images become inextricably linked. Thus hallmark events, are by definition permanent “institutions” in their communities or societies.

Sport events apart from being a form of tourism *viz.* sport tourism, have in the past been one of the oldest and most sustaining activities of the human race (Allen *et al*, 2011). Sport events have a very viable potential of attracting tourists and also generate economic impacts to host nations or destinations. Consequently, government event strategies and destination marketing programmes have been earmarked towards it. Allen *et al* (2011) affirmed that apart from benefitting the host government, host destination, event organisers and the community, it also benefits participants

involved in the event and gives entertainment and enjoyment to spectators. Thus, a sport event has the potential to create a win-win scenario for all the stakeholders.

Chapter 2 presented a comprehensive examination of event evaluation literature and national and international economic and social impact assessments on sports events. From these were derived a list of key impacts that were used in event evaluations. Chapter 4 highlighted the responses of the various samples that were utilised to finally compute the estimated amount of “new” money that entered the economies of the cities, the province and the country.

The primary objective of Chapter 5 is to develop a comprehensive event evaluation framework. This chapter, from the outset, constructs a framework that hypothesises the evaluation of the event. This framework incorporates four essential elements *viz.* the event generators, the event inputs, the event outcomes and the event evaluation.

5.2 Model development

Irrespective of the volume of research that has been conducted on the economic impact of sporting events, there has been a dire shortage of studies that have attempted to model event impacts or the event evaluation process. Getz (1997) developed such a model that is represented by Figure 5.1 below. In this model, Getz (1997) refers to key perspectives and important linkages between the various components of an event. The pivotal component would be the event itself. In this study, the pivotal component is represented by the Comrades Marathon. The external elements comprise of the various stakeholders who contribute to the events *i.e.* the organisers, the sponsors, the suppliers, the participants, the supporters and the residents of the cities.

Stakeholders are not all equal and therefore management must firstly prioritise the stakeholders. Thus, initially, there is need to establish a basis for analysis. Once this has been completed management must then focus the stakeholders' efforts accordingly.

Reid and Arcodia (2002) proposed a conceptual model showing how events are linked to primary and secondary stakeholders. Getz (2012) argued that the model showed that events needed to meet diverse and multiple goals and if these goals were achieved there would be a stronger possibility that an event would receive community support, attract grants and sponsorships and also attain sustainability. Even though the model embodies the various components of an event, the emphasis is mainly on the management of an event rather than on its evaluation.



Figure 5.1: Perspectives on the roles and impacts of events (Source Getz, 1997)

Jago (1997) commented on the model developed by Getz (1997) and recommended that the economy and the environment perspectives should be replaced with business and government perspectives as is shown in Figure 5.2. He argued that the difficulties of the interrelationships amongst the perspectives must be considered (Jago, 1997). Consequently, the model developed by Jago (1997) exhibited the relationships regarding the directions of the inter-linkages and proposed that these linkages represented the various elements' needs in terms of assessing the success of the event (Figure 5.2).

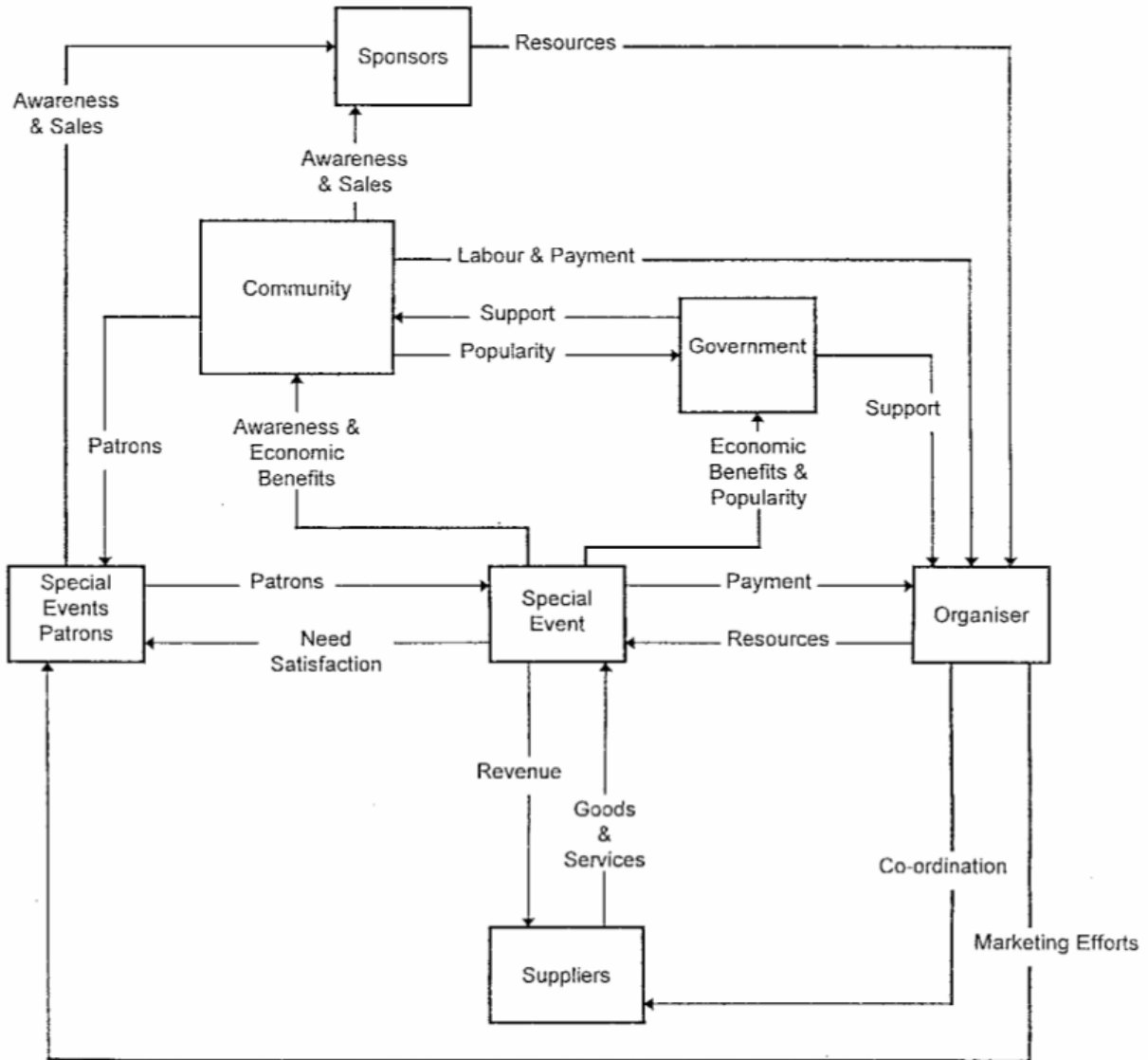


Figure 5.2: Model of special events (Source Jago, 1997)

Jago (1997) also claimed that some of the perspectives were of long-term periods whilst others were of short-term periods and therefore the time factor that had to be considered. It can be concluded that even though the recommendations by Jago (1997) enhanced the model developed by Getz (1997), both the models placed great emphasis on the operation and management of an event. However, in order for an evaluation framework to be developed, a model must consider the impacts of the event in terms of its elements.

Hence, the first phase of the process pertaining to the staging of the event is to develop an event evaluation framework. The next phase is to address the event drivers, then the event inputs and finally the event outputs. The following section focuses on this phase.

5.3 The event and the impacts

5.3.1 Event generators

Currently, different key players are involved in promoting events as measures for economic development, nation-building and destination marketing.

Figure 5.3 identified the event generators and their goals in order to arrive at a decision *i.e.* whether or not to host the event. These generators were based on the models of Getz (1997) and Jago (1997) and from other pertinent literature (Berridge, 2006; Dwyer *et al*, 2005; Getz *et al*, 2010.) Allen *et al* (2010) suggested that there were three clearly-defined types of event generators *viz.* the government, the corporate and the community. These generators were classified by Reid and Arcodia (2002) into primary stakeholders and secondary stakeholders. Reid and Arcodia (2002) defined primary stakeholders as those stakeholders on whom the event is dependent *viz.* employees, volunteers, sponsors, suppliers, spectators, attendees and participants. Secondary stakeholders were defined as those stakeholders that included the host community, government, essential services, the media, tourist organisations and businesses. Thus, these generators play a key role and have direct input into planning the event and deciding whether the event will be staged or re-staged.

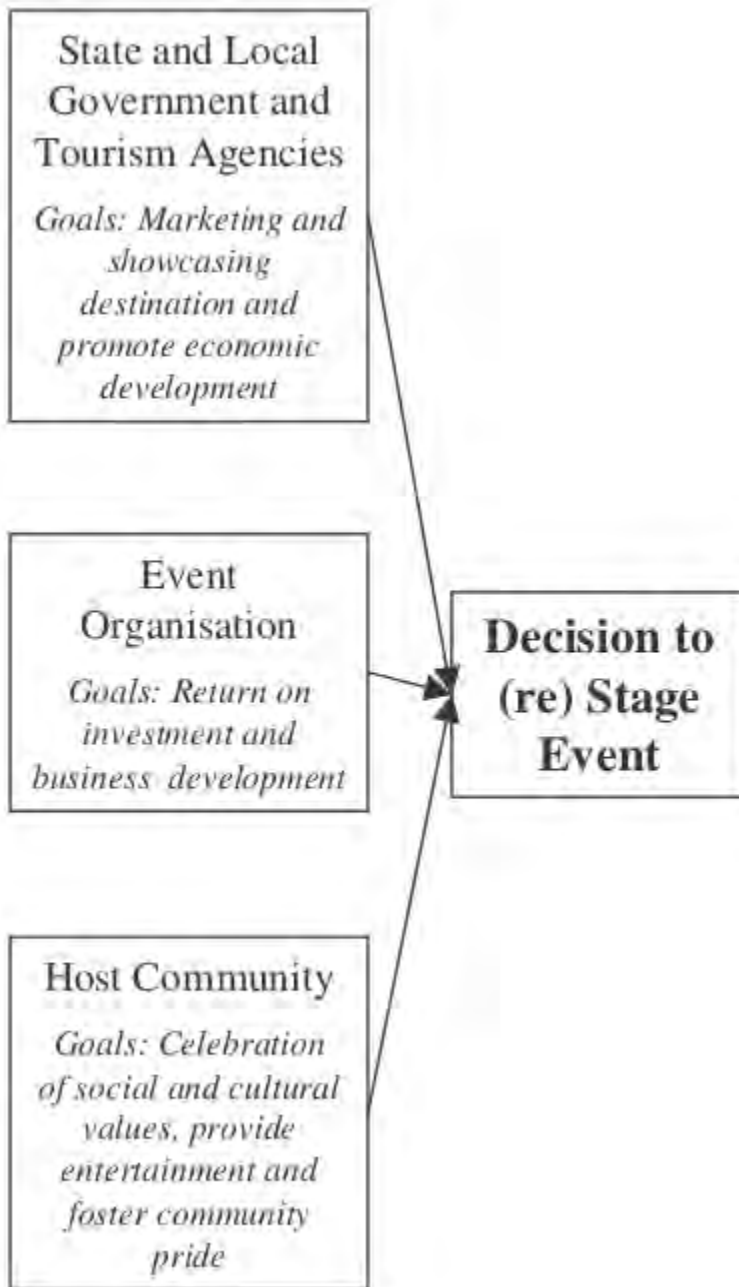


Figure 5.3: Event generators and goals (Source Sherwood, 2007)

5.3.1.1 Local and provincial government

Each year prior to the running of the Comrades Marathon there are high expectations. An assumption of the host cities is that there will be an increase in the number of visitors to the cities and hence, an injection of “new” money into the economy of the cities. The expectation that sport and other events can enhance the economy of the host city, region or country and the lives of the residents has been used to justify the granting of public subsidies for sport events. In more recent times the Cities of Durban and Pietermaritzburg and the KwaZulu-Natal Department of Arts, Culture, Sport and Recreation have invested in the Comrades Marathon in the form of grants with the objective of achieving positive economic and social outcomes. In this manner, the local and provincial governments have contributed not only to the growth and development of the Comrades Marathon but also to the economic development of the cities and the province. Subsequently, they have also assisted in promoting, marketing and showcasing the cities and the province as tourist destinations.

Prior to 1994, tourism marketing in South Africa was a function of national government. However, following the installation of a democratic national government in that year, this responsibility was devolved to the provinces. Provinces are now responsible for both tourism product development and the marketing of their regions both nationally and internationally. In order to achieve these goals, organisations such as Tourism KwaZulu-Natal (TKZN) were established in the provinces. TKZN has contributed immensely not only in marketing and promoting the province of KwaZulu-Natal as a tourist destination but has also assisted in promoting and marketing of the Comrades Marathon.

5.3.1.2 Local community

There are numerous definitions of community. However, for the purpose of this study the researcher clarifies this term. Community infers a geographical closeness of persons and some social commonality that binds people and networks together.

The hosting of sports events appeals to many sectors of the community. The opportunity to advertise products to a global audience, leverage business opportunities in export and new investment, on-sell event management knowledge, enhance the tourist industry of host countries, and boost citizen morale and pride are factors which motivate both corporate involvement and public support.

Many local communities promote sport, recreation and tourism opportunities to make full use of their recreational facilities and to expand and diversify their local economy. Local or host communities or tourism destinations tend to brand themselves by providing some form of tourism core product for which they will be known. Dimanche (2003) declared that communities are increasingly attracted to sporting events to draw significant marketing benefits that will contribute to the success of the destination in the long run. Participants, followers, spectators and business people all converge to and contribute to make sports events some of the most sought after opportunities to showcase a destination.

Misener and Mason (2009) reported that despite growing concerns about the actual economic and other benefits realised by hosting sporting events, the strength of neoliberal discourse of competitiveness and the desirability of hosting sporting events by urban regimes remain strong. It was concluded that it was critical to find ways of addressing the potential of sporting events to have positive impacts upon host communities (Misener and Mason, 2009). Cape Town was

quoted as a city that took the approach of using a large-scale sporting event as a development tool in its bid to host the 2004 Summer Olympic Games (Hall, 2004; Hiller, 2000). Cape Town sought to use the Games to contribute not only to economic transformation, but also to the social transformation of that post-apartheid city (Hiller, 2000).

Numerous studies (Misener and Mason, 2009; Hall, 2004; Hiller, 2000) revealed that proactive communities frequently cited that the goals for staging events were to promote the community, provide a good event and to make money. Thus, it is vital for the hosting of a successful event that community leaders and other key stakeholders are involved in the planning and organisation of the event. This will give the community a feeling of ownership of the event that is vital to the success of the event. Molloy (2002) maintained that the community support can manifest in a number of ways such as involvement in the organisational structure, or in the provision of financial and in-kind support. Derret (2003) argued that an event that emerges from the local community rather than being imposed upon it tends to have a larger degree of community acceptance. Getz (2012) declared that hallmark events give identity and positive image to their host community.

The Comrades Marathon can be defined as a planned event as it occupies and temporarily transforms the venues for the duration of the event. According to De Bres and Davis (2001) attachment to places and place identity can be influenced by planned events. This is the community-building roles of events and is of considerable interest to social policy-makers and politicians in general. Every nation and community needs its celebrations, events that generate pride and a sense of belonging and which build development capacity through volunteering, capital investments and improved marketing. In the long-run, the events and the destinations

become inseparable because of their constant reoccurrence. Etiosa (2012) advised that every community and destination should engage itself in one or more hallmark events so has to acquire a high level of media recognition and exposure and positive imagery for competitive advantages. Therefore, the ever-popular Comrades Marathon is a typical example of a hallmark event in that it has created a strong tradition amongst the communities in the region and has ensured inspirational performances from the participants. According to Getz (1997), hallmark events are those that possess such significance, in terms of tradition, activeness, image or publicity that the event provides the city, community or destination with a competitive advantage. While hallmark events can result in positive economic impacts, they also have the potential to result in economic losses, create conflict within the host community, and tarnish the reputation of a destination, especially if they do not have strong local support. It is often with high expectations of economic and social gains that event organisers, governments and local communities embark on developing these events. However, there is growing realisation that some of these events do not live up to these expectations. As such, there needs to be a thorough evaluation of costs and benefits the events produce in order to justify the funding assistance they receive as well as to assess their overall impact.

5.3.1.3 The event organisation

Event or host organisations are organisations whose tasks it is to stage or host events. They may be event specific *i.e.* a road-race such as the Comrades Marathon. Allen *et al* (2010) submitted that there are four extensive areas within the corporate sector that are involved in the staging of events *viz.* companies and corporations, industry associations, entrepreneurs and the media. They argued that there was an array of diverse drivers which were influenced by the type of organisation involved in hosting the event *e.g.* companies and corporations are involved in

promotions and product launches, industry associations are involved in promotions and trade fairs, entrepreneurs are involved in ticketed sporting events and concerts and the media are involved in hosting events such as promotions and concerts (Allen *et al*, 2010). According to Allen *et al*, (2010), irrespective of the type of organisation, the event organiser is a major stakeholder in the event, and the goals of the event organiser will be exhibited by the type of event being hosted.

Getz (2012) reported that if the event organisation is a business entity then the objective of the event organiser is to develop the event and to make a profit. However, it must be noted that event organisations can have other priorities for staging an event. For example, there are events that are staged for reasons other than to make profits. Hence, there are increasing forms of events that are being organised by for-profit organisations, economic development and tourism agencies, and resort and facility managers. Governmental agencies and voluntary groups mainly organise events such as sport and general leisure events that are service-based and whose goals are cultural, economic and environmental. Crompton (1995) concluded that the main motivation of rural event organisers for hosting events were to increase socialisation, promote and preserve culture, improve the welfare of the community, and to gain recognition and support the community.

Goldblatt (2000) emphasised that a significant responsibility of event organisers who are managing an event is to produce value for the various event stakeholders. Turco, Bob, Swart and Moodley (2003) added that due to the highly competitive nature of sport event production, corporate clients are likely to demand that event organisers demonstrate the value or return on investment resulting from sponsorship of an event. According to Goldblatt (2000), stakeholder

expectations can be achieved through a fully-developed understanding of the array of stakeholder expectations and by attempting to meet these expectations through the successful delivery of the event. Reid and Arcodia (2002) classified stakeholders as either primary or secondary stakeholders and stated that primary stakeholders comprised of employees, volunteers, sponsors, suppliers, spectators, attendees and participants. The authors added that primary stakeholders are influenced by the decisions of the event organisation and contribute directly to the event and thus have a crucial interest in the event (Reid and Arcodia, 2002).

In South Africa and the rest of the world road-races were traditionally organised by volunteers, passionate about road-running with the aim of developing the sport. The athletic club system created the ideal opportunity for the clubs to organise a race per year and thus contribute to developing road-running and giving the athletes the opportunity to participate regularly. In this way, the club system not only supports the running community but also serves as the foundation for other community-based sports such as soccer, rugby, netball and so on. Running increases the quality of life and can improve the quality of physical activity for the residents and can also provide for increased economic impact for the community.

5.3.2 The event inputs

Figure 5.4 below has adapted the models of Getz (1997) and Jago (1997) and reveals an array of stakeholders that are involved in an event (Sherwood, 2007). It also shows the input that is contributed by each stakeholder to the event. Whilst the event drivers are more involved in the planning phase, the individuals and organisations that provide inputs into the events are more involved in the organising phase. These inputs *viz.* the local residents, the local businesses and

suppliers, the built environment, the natural environment, the media, visitors, attendees and competitors and the sponsors are discussed in the ensuing section.

5.3.2.1 Local residents

While much has been written on the economic and social impacts of certain types of major sports tourism events *i.e.* mega-events such as the Olympic Games, the FIFA World Cup and the Rugby World Cup, there has been relatively little assessment of different types of events *e.g.* hallmark events such as the Comrades Marathon. Moreover, most impact studies assess the impact either during or after the event. In recent years, increased attention has been given to social impacts by event researchers, due to the reason that long-term sustainability of such event can only be achieved with the approval, support and participation of residents.

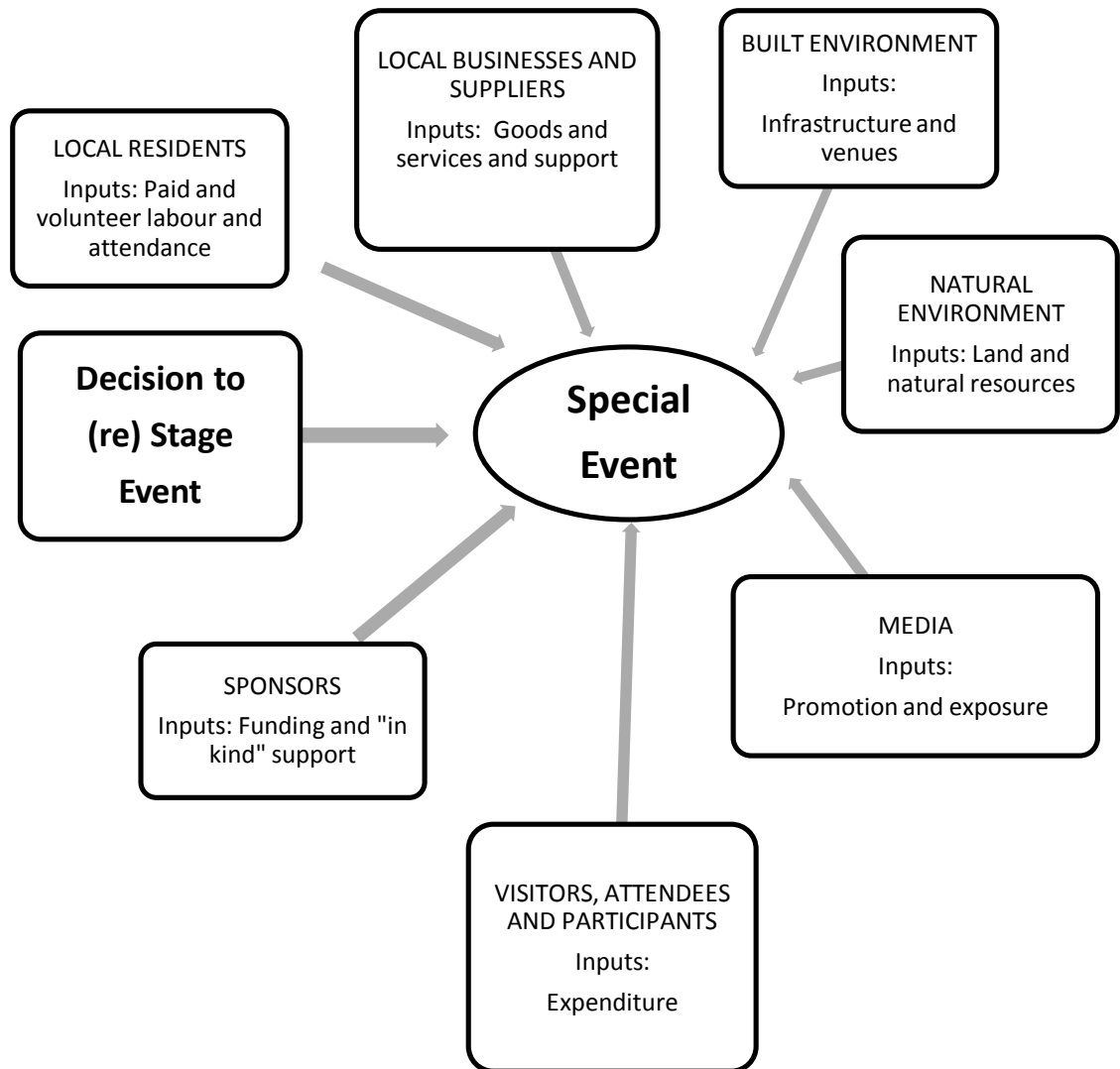


Figure 5.4: Event inputs

This study examines the views and perceptions of the residents of both cities prior, during and after the event rather than looking at impacts per se. A total of 141 residents from both the cities were administered questionnaires and interviewed to assess the extent to which the local population were aware of the Comrades Marathon and whether this event would generate positive economic and social impacts on the cities and also whether the residents would support this iconic ultra-marathon.

The results of the study revealed that the vast majority of the local residents were aware of the event and that many of them were planning to watch the race either on television or at the finish venue or along the route. Also, despite the potential for various negative impacts, there was overwhelming support for the decision to host the race. Residents emphasised positive impacts such as economic benefits, exposure of the cities, community togetherness, community development, the encouragement to participate in sport and leading a healthy lifestyle. They also recognised the negative impacts such as the inconvenience of traffic congestions, congestions at public areas, road closures and the possibility of increased crime and violence.

The study showed that the local residents represented the greater percentage of the labour force in the form of volunteer labour and paid labour for the race. The CMA provided the residents with numerous opportunities to be involved in the event *e.g.* as members of the race organising committee (ROC) and as volunteers providing support services such as first-aid and assisting at refreshment tables. In excess of 6 000 volunteers assisted at the event. The impact of volunteer labour is a good example of added economic value attributable to a local event. Volunteering is increasingly thought of as a policy tool that provides an entry into the employment market by providing relevant skills. Gursoy and Kendall (2006) maintained that along with the perceived costs and benefits of staging an event, community support is affected by a range of variables such as the level of community concern, ecocentric values and the level of community attachment.

The residents stated that community identity and pride can be generated through the hosting of the Comrades Marathon. They also stated that it would also reinforce a positive sense of community pride and that it unifies the community. They believed that sport tourism can

encourage local communities to maintain their traditions and identity and showcase it to national and international tourists.

5.3.2.2 Local businesses and suppliers

Local businesses and suppliers provide an array of goods and services to events. Wicks (1995) suggested that in order to successfully manage an event, event managers should actively engage with local businesses and suppliers as they are in a position to provide a wide range of support to an event. This support includes inputs such as in-kind contributions, assistance with the volunteer programme and general support for the event. Wicks (1995) highlighted regional events and noted that the business sector plays an important role in ensuring the on-going success of an event by providing sponsorships. Harris (2005) maintained that local businesses can also add to the diversity of the experience associated with an event, and in some instances event organisers can give preference to local businesses for the supply of event-related services.

According to Hall (1997), local businesses apart from providing inputs are also recipients of the indirect impacts of events such as those arising from second-round spending of money in the form of local business transactions. Chalip and Leyns (2002) reported that notwithstanding the informed economic impact on the host destination, it seemed that the benefits to local businesses are often unevenly distributed. Subsequently, a concern for local businesses was how they were to maintain the level of local residents during the hosting of an event (Chalip and Leyns, 2002). It was found that the business leaders favour leveraging but prefer that the coordination come from an existing business organisation or association, rather than through government or a new bureaucracy. It was argued that event organisers have the most to gain by fostering and coordinating local business leveraging (Chalips and Leyns, 2002).

Reid and Arcodia (2002) asserted that one of the main stakeholders of an event is the suppliers but that the supply chain for an event is a more complex arrangement than in normal business setting. This discrepancy is twofold. Firstly, because of the short-term nature of a special event, suppliers are only engaged for the duration of an event and the majority of the components of an event are outsourced. However, suppliers to a traditional business normally have longer-term arrangements and the majority of elements of a business are sourced in-house. Secondly, suppliers are required to provide elements such as transport, accommodation, catering, tours, technical support such as security, emergency response, merchandisers, communications, waste and recycling and technicians and related equipment (Getz, 1997).

There must be a sound relationship between suppliers and event organisers in order that the various elements of an event are well-coordinated. Campiranon (2005) stated that it was the responsibility of event managers to establish a strong relationship with their customers, suppliers, employees and the communities. Mackellar (2005) concurred with this statement and added that since suppliers are part of the overall event network, the hosting of an event involves constant interaction with suppliers. Miller and Ritchie (2002) agreed that there was also a need for active engagement on risk issues.

5.3.2.3 Built environment

The term “built environment” refers to the human-made surroundings that provide the setting for human activity, ranging in scale from buildings and parks or green space to neighbourhoods and cities that can often include their supporting structure such as water supply or energy networks. It is the environment that is influenced by humans. As regards the hosting of an event, the built environment consists of the infrastructure that is used to stage the event and consists of existing

buildings, roads and gardens, or temporary structures that are required for the event. Purpose-built stadia *e.g.* the Sahara Stadium Kingsmead in Durban would be categorised as existing buildings whilst stages or marquees would be categorised as temporary structures. The size of the event will determine the type of infrastructure that will be utilised. Normally, small or medium-sized events utilise existing structures such as stadia, roads and gardens. Mega-sized events *e.g.* the FIFA World Cup, on the other hand, generally require the construction of new buildings. After the completion of the event these new buildings remain as legacies that are used by the residents of the host destination. An excellent example of a legacy that remained in Durban after the 2010 FIFA World Cup is the Moses Mabhida Stadium that was constructed in Durban prior to the 2010 FIFA World Cup. This stadium was constructed specifically to accommodate 2010 World Cup matches that were hosted in Durban and thus served as a host stadium for the World Cup. Moreover, the hosting of mega-events such as the World Cup can result in improvements to existing infrastructure such as stadia, or larger urban regeneration projects that result in investment to improve environmental spaces. This was the case with the upgrading of the Durban beach front and the construction of a “Fan Fest” situated at the New Beach approximately 3.5 kilometres from the Moses Mabhida Stadium to accommodate people who did not want to attend or were unable to purchase tickets for the matches. A major revamp of the Durban beachfront and surrounding area saw local residents and domestic tourists streaming back to a beautiful part of Durban that was neglected for too long. Responses from the residents of Durban believed that the 2010 World Cup would uplift the city as the roads were repaired and a new stadium and new airport were constructed. Similar respondents were also elicited from the citizens of Pietermaritzburg who cited improvements in the roads and telecommunications and renovations to a soccer stadium.

An estimated R3-billion was injected into the KwaZulu-Natal provincial economy because of South Africa's successful hosting of the 2010 FIFA World Cup. One of the main reasons for South Africa's bid to host the World Cup was to develop infrastructure. Roads across KwaZulu-Natal had been built and upgraded prior to the event to ensure that a smooth transport network was in place for the World Cup. In addition, over R4-million was spent on developing seven new stadia throughout the province to encourage the growth and development of sport in the province.

FIFA also demonstrated its commitment to improve the built environment in South Africa. It had encouraged and engaged with the Local Organising Committee (LOC) of the World Cup to find sensible ways of addressing environmental issues in order to mitigate the negative environmental impacts linked to FIFA's activities. It invested €400 000 in a carbon offsetting project in South Africa to produce electricity from sewage gas in a township in Gauteng.

The 2010 FIFA World Cup is a remarkable example of investment in infrastructure projects in South Africa. Normally, South Africa measures its progress in the built environment in physical terms such as the number of new houses built. However, the hosting of the 2010 FIFA World Cup gave the country a different view of assessing its progress of the built environment. Billions of Rands were spent on related infrastructure projects *inter alia* the construction of the stadia that cost R8.4 billion; transport that cost R9 billion and Information and Communication Technology (ICT) that cost R2.5 billion. Clearly, the cities and in particular the host cities benefitted from new and refurbished assets *e.g.* through a modern public transport system and the state of the art information and communication technology (ICT). However, most events do not require special facilities or improvements to the infrastructure as the existing structures are more than adequate

for their needs as is the case of the Comrades Marathon. This event has utilised the same venues in both the cities for numerous years. However, temporary structures are erected, prior to the race, at the start and finish venues to facilitate and expedite the procedures that are conducted at these venues. These structures are disassembled after the event has been completed. Investment in infrastructure and the concomitant amendments to urban environments can also have negative consequences *inter alia* the displacement of residents (Hiller, 2000).

5.3.2.4 Natural environment

Biology Online (www.biology-online.org/dictionary/Natural_environment) states that the natural environment encompasses all living and non-living things occurring naturally on Earth or some region thereof. It is an environment that encompasses the interaction of all living species.

A close, and in the case of some disciplines, inseparable link exists between sport and the environment as confirmed, for example by the fact that most winter and water sports can be carried out only if the related natural elements are available. However, an even more tightly knit relationship exists between sport and preservation of the environment. If natural resources are not protected and used attentively, it becomes impossible in the long-term to practise sport but, in the short-term, it would result in a more immediate loss of all positive values universally acknowledged as inherent in sport. Unsustainable sport would be meaningless and deprived of the very reasons for which it exists. Protection of the environment is a commitment that must be undertaken and maintained by all those involved in sports activities (De Battisti et al, 2006).

Not much has been written on the role of the natural environment in the hosting of events. A recent study by Ahmed and Pretorius (2010) focused on environmental impacts and mega-events with emphasis on the 2010 FIFA World Cup that was hosted by South Africa. The findings of

the study indicated that environmental considerations command a significant component in planning and managing mega-events. Moreover, the study demonstrated that intricate threads linked these environmental issues with the social and economic issues, hence the need for integrated and “bigger picture” assessments of mega-events. The study confirmed that the hosting of the World Cup in South Africa had produced both tangible (infrastructure) and intangible (civic cohesion and nation-building) legacies for the country. However, the environmental legacies are simply assumed and not made specific. Thus, the study demonstrated that South Africa’s hosting of the World Cup had translated into sub-optimal development and not sustainable development (Ahmed and Pretorius, 2010).

5.3.2.5 Mass media

Sports and the media rely on each other to prosper and have been deeply ingrained in our daily lives. Several studies have been conducted on the influence of the media on the expenditure of major spectator sports (Bernstein and Blain, 2003; Verveer, 2001).

Sports and the media are without doubt two of the most prevalent elements in contemporary society. Consistent and positive media coverage is one of the prime goals of sports administrators and players because sport and the media are two of the most powerful influences that affect how society works. They are also intertwined in that both affect people to think and shape ideas and emotions. Numerous studies (Bernstein and Blain, 2003; Schultz, 2002, Verveer, 2001) have been conducted on the influence of the media on the expenditure of major spectators’ sports.

The impact of media upon sport is substantial and varied. Media has always had a massive impact on sport, but with the increasing importance of media in all walks of life, its impact on

sport is increasing proportionally. However, it is not a parasitic relationship, sport impacts on media to a similar extent. Cashmore (2000) asserted that the commercial success of each was almost directly attributable to the other.

The media coverage of sports has the following good effects:

- Money: Media companies pay for the rights to show a sporting event. Furthermore, sports shown on television generate more sponsorship.
- Education: People learn the rules of the sport from watching it on television.
- Role models: Seeing good sports people on television and in the newspapers makes them a role model for people to look up to.
- Inspiration: Media brings sport to people who may not normally get to experience it otherwise. This can encourage people to get involved.
- Coaching Aid: Watching professionals on the television can help you see how a technique should be performed which could help your performance.

The media can also have numerous negative effects on sport *viz*:

- Bias: Only the really popular sports get much attention on television and in newspapers and so on. This does not help encourage people into the less popular sports.
- Lack of Attendance: Matches shown on television encourage people not to attend these matches.
- Overload: Currently, television shows many codes of sport.
- Attention: Sports stars generally complain that too much attention is paid to their private lives.

- Demands: The media can put pressure on the organisers of sporting events to make the viewing experiences better for television audiences.

5.3.2.6 Participants, visitors and attendees

As explained in Chapter 2, participants, visitors and attendees bring “new” and additional money into the region in which the event takes place. These funds are referred to as “direct inscope expenditure” or “new expenditure” that is money spent by the participants, visitors, attendees, organisers, sponsors, media and which would not have been spent in the region had the event not been hosted (Jago and Dwyer, 2006). It is important to note that this excludes local expenditure which is classified as money that is already in the region. It must also be noted that different events attract different categories of people *e.g.* art exhibitions would attract attendees whereas sports events such as a soccer match would attract spectators. However, there are special events such as the Comrades Marathon that attract a combination of participants and visitors to the event and also attract attendees to the Bonitas Comrades Expo.

Whilst spectators have been shown to be the main drivers of economic impact, other attendees can also make a significant contribution to the economic impact of an event. This is especially important for events such as the Comrades Marathon that generally have a high number of participants.

5.3.2.7 Sport sponsors

Of all the areas of sponsorship, sports events are the areas which draw the largest contribution. Sport sponsorship is a marketing tool that is frequently used by companies to reach a wide audience on a global basis in order to be placed higher than their competitors and to create awareness as well as to make a higher profit (Orladunni, 2011). Carlsen (2003) cited that

sponsorships play a crucial role in most types of sporting events. Renowned authors in the field of sport marketing have all given different notions to the definition of sponsorship. Mullin, Hardy and Sutton (2007) defined the term sponsorship as “the acquisition of rights to affiliate or directly associate with a product or event for the purpose of deriving benefits related to that affiliation or association. Lagae (2005) defined sponsorship as “a business agreement between two parties. The sponsor provides money, goods, services or know-how. In exchange the sponsored party (individual, event or organisation) offers rights and associations that the sponsor utilises commercially.” Despite the numerous definitions that are provided by the different authors, the majority of them have some similarities and the majority of them lay emphasis on the relationship and advantage between an organisation and the sponsored object that the sponsorship offers.

From the above definitions of sponsorship it can be concluded that it is the material support of an event, activity or organisation by an unrelated partner. The definitions also imply that it is a good way of increasing brand awareness, which helps to generate consumer preference and to foster brand loyalty. However, sponsorship is not an act of charity as it must show some form of positive return on investment. Since sponsorship is a business arrangement, standard evaluative criteria must be used to establish the suitability of a proposed event in relation to the sponsor’s image and products. A sponsor can enjoy a wide range of benefits from a carefully selected sponsorship, which can *inter alia*:

- raise brand awareness and create preferences;
- create positive public relations and raise awareness of the organisation as a whole; and
- act as a corporate hospitality that promotes good relations with clients.

The organisation receiving the sponsorship (sponsee) stands to benefit enormously from both financial support and from other forms of backing from an established partner, provided that both parties have agreed a set of common objectives to underpin the sponsorship. Thus, the relationship between the sponsor and the sponsee must develop into much more of a multi-faceted, mutually beneficial partnership rather than purely that of financial counterparties.

Sponsorship from local sources or from within the country is regarded as transferred expenditure unless there are reasons to believe that an additional injection of funds has resulted because of the event sponsorship (Jago and Dwyer, 2006).

In South Africa the awareness of healthy living and the value of physical activity increased the interest in the sport of road-running as the easiest way of becoming physically active. The growth of participant numbers combined with the high level of socio-economic development of the road-running fraternity caught the attention of business entities seeing the marketing opportunities. Structured sports marketing, sponsorship programmes made more money available to road-running events which grew in stature. The evolution of the Comrades Marathon followed this process.

5.3.3 Legal requirements

All event organisers often require the approval of the city officials. The legal aspects play an important role in hosting an event and are therefore the basis for hosting the event. It is therefore critical that the event organisers familiarise themselves with and conform to these rules and regulations. In this way, the event organisers can ensure a safe environment for all participants, spectators, very important persons (VIPs), media and sponsors. The Safety and Sports and Recreational Events Act, No. 2 of 2010 (Sport and Recreation South Africa) recognises,

promotes and protects the safety of all persons attending an array of diverse events as well as protecting their property. This includes the stadia or other venues and in the event of a race, tour or procession, along the route. It also protects the right of the people attending the event. The Act addresses the responsibilities of the event organisers, the different types of certification required to host the event, prohibition notices, and responsibilities of the inspectors, safety and security planning of events, event safety measures and so on.

Athletic event organisers in South Africa also require the approval of the provincial and national athletic federations and the local police. The Comrades Marathon is run through numerous local municipalities and therefore requires approval from these municipalities as the race will impact on traffic, the residents and the businesses in these municipalities.

5.3.4 Event outcomes

The initial stage of the model (Figure 5.3) showed the three event drivers *viz.* the State, Local Government and Tourism Agencies, the event organisers and the host community. These event drivers are involved in the decision to stage or re-stage the event. The second phase of the model addresses the proposal that the event is hosted with a set of inputs that are provided by a variety of individuals and organisations. Whilst the preceding section of this study focused on the literature, the following section concentrates on the comprehensive analysis of event literature and impact assessment

5.3.4.1 Impacts

The hosting of an event results in the production of a number of outcomes. Robson (2000) cited that one of the purposes of an evaluation is to assess the outcomes of an entity. This was discussed in Chapter 2. Figure 5.5 displays the event outcomes *i.e.* the impacts and the indicators

that measure each of the impacts. The impacts (or influences) were obtained from the analysis of event literature and impacted evaluations that were presented in Chapter 2. These research phases are represented in the indicator development process in Figure 5.5.

Figure 5.5 focused on the destination impacts as the majority of the event impacts take place within the host destination as it embraces all of the economic and social impacts. These impacts were discussed in Chapter 4.

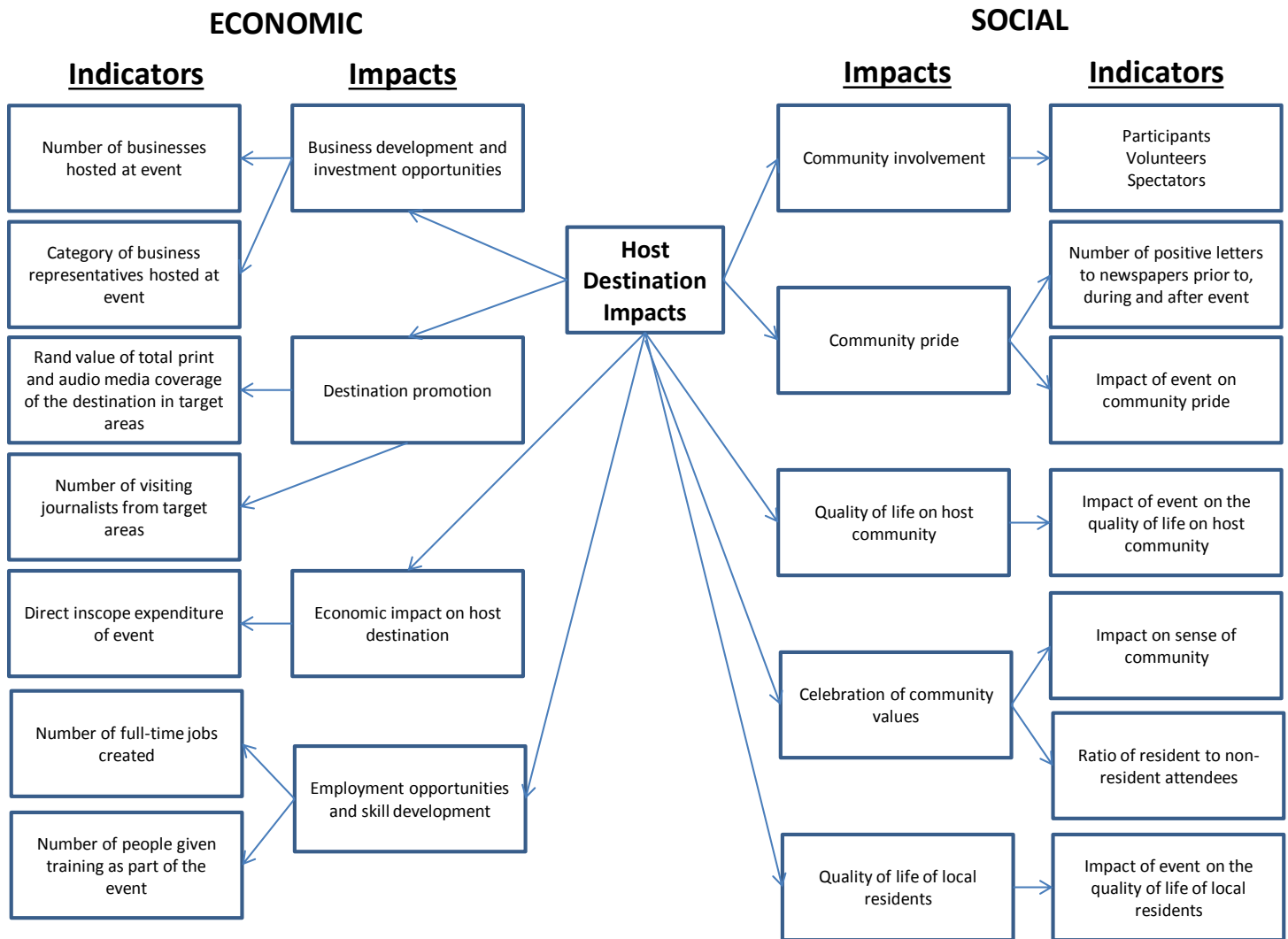


Figure 5.5: Event outcomes

(Adapted from Sherwood, 2007)

5.3.4.2 Economic and social indicators

Figure 5.5 displays the next group of event outcomes *i.e.* the economic and social indicators. The researcher declared in the earlier chapters that the objective of this study is to develop a group of economic and social indicators that would assist in measuring the impact of special events. The purpose of developing indicators is to measure the progress towards sustainable development goals. Numerous authors *viz.* Sebake and Gibberd (2008) and Neirotti, (2010) provide guidance for the development of indicators for sport events.

The indicators for this study were developed with the objective of measuring the economic and social performance of sporting events and were not explicitly to measure the sustainability of events. The rationale behind this is that in contrast to a business organisation that is a continuing establishment, sport events are short-term in duration and in some instances are staged only once at a particular destination. Bramwell (1997) was one of the few researchers who questioned the applicability of events in the pursuit of sustainable tourism development. He claimed that although “sustainable development provided an integrative framework to assess the diverse impacts of sports mega-events”, “their short-term nature certainly may discourage concern for sustainability” (Bramwell, 1997). Atkinson (2000) supported this argument and intimated that, in a broader business framework, there does not appear to be much substance in the concept of a sustainable corporation, beyond a set of indicators to measure the progress towards sustainable development goals. Consequently, this study maintains that the focus should be on managing an event in a more sustainable manner instead of trying to measure the sustainability of an event. Thus, even though the indicators developed by this study do not measure the sustainability of an event, the indicators are still aligned with the general principles of sustainable development in that they embody the economic and social dimensions of a special event.

5.4 Event evaluation framework

As stated in the earlier chapters, to date the majority of event evaluations concentrate on the economic impact of the event. The objective of this study is to develop a broad-based evaluation framework that will address both the economic and social impacts of sport events. The dominance of the economic concept in sport events is revealed in the academic literature (Getz, 2000; 2005, Sherwood, 2007) and also in many event impact assessments (Maharajh, 2005; Harding, 2011).

It is presumed that a more complete evaluation of sport events would provide all stakeholders with a clearer and more comprehensive understanding of sport events especially those events that include the social impacts. The absence of such an approach could create problems such as over-emphasising the narrow economic impacts and under-emphasising the social impacts of the events in the long term.

The proliferation of events has resulted in the need for the performance of events to be evaluated more stringently. Event planners and managers are now required to prepare all-inclusive post-event evaluations with detailed accounts of the impacts of the event. Evaluation is also needed by event organisers to justify their activities to the stakeholders *viz.* sponsors, government and the community. Thus, the full event evaluation framework is displayed in Figure 5.6 and reveals the link between the event drivers, the event inputs and the event outcomes *i.e.* the impacts and the indicators. Figure 5.6 also reveals that a loop has been included which links the evaluation with the evaluation report. This loop provides feedback and is therefore referred to as the feedback loop and is recommended in the form of an evaluation report on the event. The results of the report would be utilised to inform the major stakeholders, or drivers of the event. This

would assist in the decision-making process *i.e.* whether or not to stage or restage the event. It must be noted that this final step would only be relevant for on-going events and not for one-off events.

Up to this point, this chapter has focused on developing an event evaluation framework that contains the various elements that are involved with the staging and evaluation of a sport event. The indicators displayed in Figure 5.6 represent a pool of possible indicators. However, it must be noted that a substantial number of indicators would produce an unmanageable and cumbersome model that would be costly and time-consuming to implement. Accordingly, a set of indicators must be carefully selected in order to develop the model.

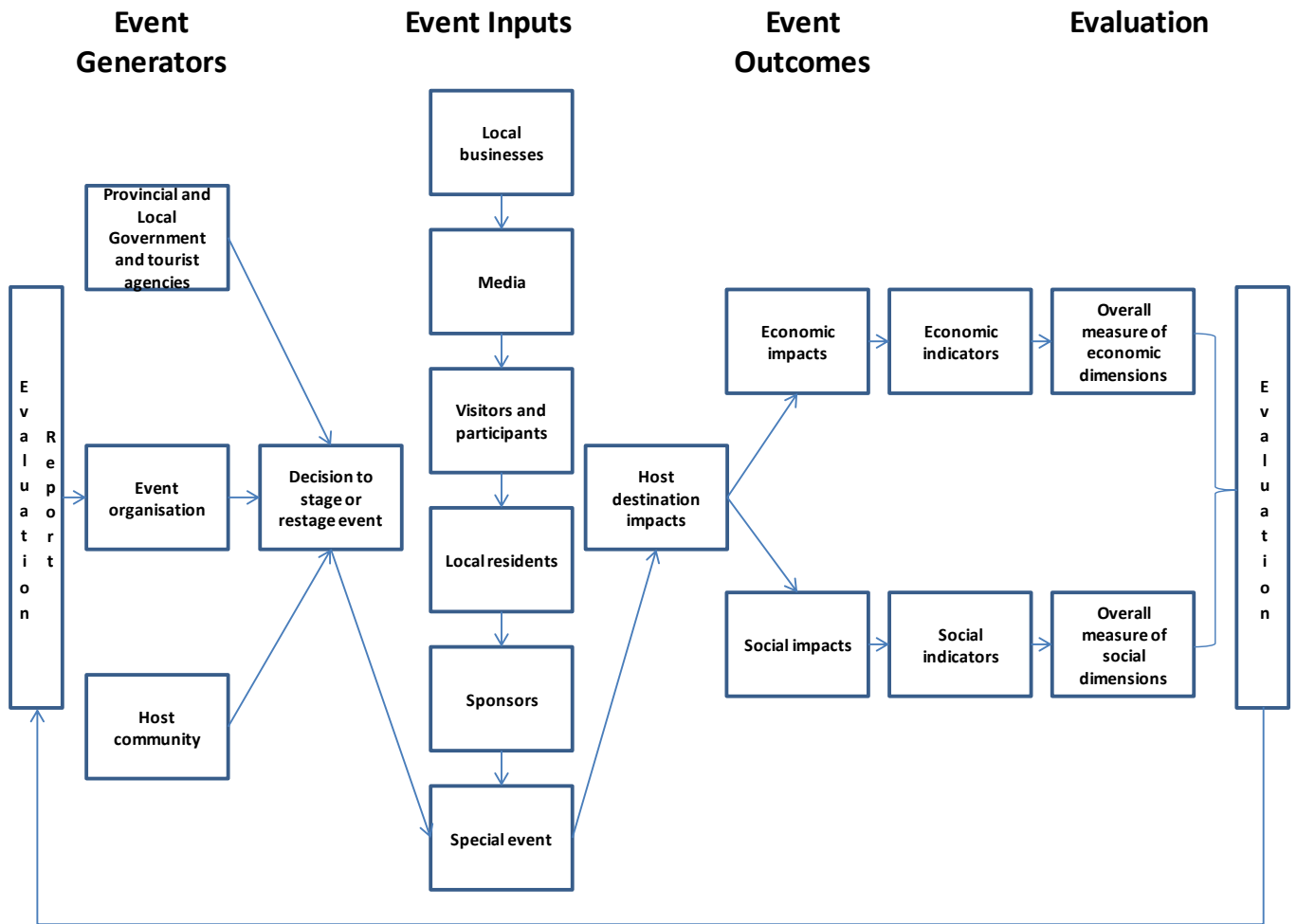


Figure 5.6: Event Evaluation Framework

5.5 The Evaluation Model

As expressed in the previous chapters one of the objectives of this study is the development of indicators. This section addresses the development of a possible model that can be utilised to integrate the indicators and provide an overall assessment of an event. This discussion is necessary as it provides a viewpoint of the overall direction of the study. It is imperative when considering the choice of indicators to take into consideration both the potential for the indicators that are to be implemented and the options as to how the set of indicators can be integrated into a model that provides an overall measure.

A crucial stage in the process of developing an evaluation model to assess a sport event is the development of a mechanism that will combine the indicators in order to provide an overall assessment of the event. This is a difficult stage in the study and involves uniting a range of different indicators for each of the dimensions. This stage implied that part of the indicator development process was to develop tools for analysis and conception that would assist in communicating the results gained through the use of the indicators. Bell and Morse (2003) maintained that there were two approaches to the integration of the indicators *viz.* a visual approach that shows the results in a table or diagram, or a numerical approach that combines the indicators into a single index.

Even though a fully developed, integrated evaluation model is beyond the scope of this study, the aim of this chapter is to understand how this can be achieved. This section has united the interpretation of the framework displayed in Figure 5.6 and the discussion of the approaches to the evaluation model that has been outlined in the previous chapters; thus, suggesting that part of the indicator development process was to develop tools for analysis and visualisation in order to

communicate the results gained through the use of indicators (Sherwood, 2007). According to Meadows (1998), this stage contributes positively to the decision-making process in that it aids and informs the decision-making process.

During the course of this study the researcher encountered a number of challenges *inter alia* the difficulties of merging a variety of indicators into a common measurement. The following is an example of such a difficulty *i.e.* a possible measurement of the economic dimension would be a monetary value; in this instance a type of Rand value. However, this type of measurement would not be appropriate for the social indicators. Nevertheless, there have been attempts made to develop monetary value estimates that represent some of the social impacts that were based on the willingness to pay (Burns and Mules, 1986) but this type of approach would be inappropriate as the indicators used in this study focus on the quality of life. Fredline et al (2005) noted that there were impacts such as the exposure that is acquired through promoting the destination and the leveraging that is possible through business inter-linkages that can be made as a result of the event. As a result, the model to be developed must be flexible enough to handle modifications and robust enough to support a variety of indicators representing the economic and social indicators.

Irrespective of the type or number of indicators selected, the indicators need to be grouped so that they can be operationalised and graphically represented in a model in order that an overall assessment of the event is attained. The aim of the two options that are discussed below is to either normalise each indicator into a common denominator or to group the indicators at the dimension level.

5.5.1 Option One – Indicators normalised at the indicator level

The objective of this option is for each of the indicators to be normalised in a consistent format. Foran *et al* (2005) used a spider diagram in which all the data was normalised at a monetary value. The authors confirmed that the indicators were developed as an intensity *i.e.* each indicator represented a measure of one dollar of final demand or per one dollar spent for consumption in everyday life. Social aspects such as employment can be portrayed as minutes of employment generated per dollar (Foran *et al*, 2006). According to the authors (Foran *et al*, 2005), the objective of the analysis was to answer the calls of society, industry, government and institutions. Hence, a broader set of criteria is created that can assist in the making of informed decisions so that an overall evaluation is achieved.

The current study used an input-output analysis that ensured that the hospitality sector was included. The hospitality sector comprised of hotels, the different types of accommodation facilities *e.g.* guest houses and Bed and Breakfast facilities, restaurants, cafes, fast food outlets, entertainment centres, casinos and shopping malls.

5.5.2 Option Two – Indicators normalised at the dimension level

The second option is to normalise the indicators across each of the two dimensions instead of at the indicator level *e.g.* the economic dimension could be combined into a monetary figure *e.g.* a Rand figure and the social dimensions into a mean rating of an impact scale. Korhonen (2003) supported this approach and claimed that social indicators can be combined with economic indicators but should not be expressed in monetary terms. The main technical challenge that this option encountered was that each dimension had to be scaled in order to be represented on a similar tangent or scale. Fredline *et al* (2005) highlighted the methodological challenges that

practitioners would be faced with when attempting to develop an overall assessment of an event impact.

5.6 Selection of indicators

The selection and formulation of indicators are critical in planning for, implementing and assessing impact. There are a number of concerns that have to be addressed when selecting a subsection of indicators. The concerns include the practical aspects of collecting and analysing the data, ensuring that the data is easily understood by the end-users, taking into consideration the requirements of the stakeholders and the possible use of the indicators as an assessment tool for evaluating the impact of events. The tool that is to measure impact should also be sensitive to the pre-event positioning of stakeholders and/or recipients.

As stated previously, it would be a cumbersome evaluation model if all the indicators shown in Figure 5.6 were included. Thus, it is imperative to keep the model as simple as possible in order not to overwhelm potential end-users. Also, an evaluation that attempted to gather data for all of the indicators would be expensive both from time and cost perspectives when it came to collecting and analysing the data. Sandhu-Rojon (2003) stated that when selecting the indicators, the challenge is to find measures that can capture key changes plus combining what is relevant with what is realistically practical in regard to collecting and managing the data.

A number of authors identified a wide range of characteristics that good indicators should display. For example, the set of indicators should be small and meaningful enough to be easily understood; they should utilise data that are readily available and attainable at a reasonable cost; they should be limited in number and conceptually logical; they should be simple and cover a

diversity of matters *e.g.* economic and social and be measurable and permit trends to be developed over time.

The criteria used to select appropriate indicators in this study were as follows:

- Timely: Short-term focused as the research seeks to measure the short-term impact of events;
- Cost effective: Able to be administered at a relatively low cost; and
- Availability: Require data that was readily available for collection.

Andersson, Rustad and Solbberg (2004) used the prospect theory to request research participants to place a monetary value to sports events so has to distinguish between the people who are willing to pay to host an event and those who are willing to be compensated for giving away an event. This type of quantification is also linked to positive and negative impacts as indicated in Table 5.1 (Burnett, 2008).

The researcher decided to employ a small number of indicators that gather sufficient data that would assist in measuring the economic and social impacts of special events as revealed in Table 5.2 and Table 5.3. As stated earlier in this study, the indicators that would be used must also evaluate short-term impacts of events.

Table 5.1: Impact of sport as hallmark events Source: Burnett (2008)

IMPACT	POSITIVE	NEGATIVE
Economic, Tourism/ Commercial	Increased expenditures Employment opportunities Education and Training Marketing of region as a tourism destination	Price increases during the event Real estate speculation Short-term contract work Limited access of rural poor to employment opportunities
Infrastructure and physical resources	New improved infrastructure and local facilities	Underutilised sports and associated facilities after the event Limited access and redistribution of resources Long-term management and maintenance
Social, Cultural and Political aspects	International recognition of region Propagation of political values and ideology Social integration and nation-building Local, community and national identity and pride Revitalising traditions Increased security at events	Exclusion of minorities Displacement of tenants Divisions due to exclusions e.g. race, gender and class Distortion of nature and "effect" Manipulation of community and disruption of community life Selective representation and inter-group hostility Increased theft, traffic congestion and increased noise and prostitution
Psychological and Health/Quality of life	Local pride/national pride Awareness of outsiders' perceptions Increase of quality of life for higher socio-economic classes due to improved amenities Access to health services and health education	Defensive attitudes regarding host regions Fan delinquency, crowding, noise Loss of control over local environment Misunderstanding and intra-group loyalty leading to host/visitor hostility Reduced quality of life for low-income groups due to inflated goods and services Disrupt local lifestyles
Sport and Recreation	Programmes, services and facilities (refer infrastructures) Education and Training Participation opportunities Increased volunteerism and community group activity (inter-cultural interaction)	Quality programmes and structures to sustain them Access to needs-based accredited training to enhance employability Access, resources and structures for sustained delivery Biased towards elite performance

5.6.1 Economic indicators

From an analysis perspective, the economic impacts emerged as the most varied in terms of breadth and depth of the information. Hence, meticulous attention was given when decisions were made as to which indicators were to be included or excluded. Table 5.2 showed the economic indicators that were not selected and was adapted from the study conducted by Sherwood (2007). The relevant literature (refer Chapter 2) was taken into consideration and reasons were provided for including or excluding the indicators. Greater emphasis was placed on the economic indicators as the greater percentage of the social indicators was retained.

Table 5.2 Economic indicator details

IMPACT	INDICATOR		INCLUDE	
			YES	NO
Business leveraging and investment Opportunities	E1	Number of businesses hosted at event	√	
	E2	Category of business representatives hosted	√	
Destination promotion	E3	Rand value of positive, negative and balanced written media and electronic media coverage of the destination in target areas		√
	E4	Number of visiting journalists from target area		√
Economic impact on the host community	E5	Direct inscope expenditure of the event	√	
Employment opportunities and skills development	E6	Number of full-time equivalent jobs created		√
	E7	Number of people given training as part of the event		√
Legacy of infrastructure and facilities	E8	Rand value of new infrastructure and facilities established for the event		√

5.6.1.1 E1 and E2: Number of businesses hosted at the event and the category of business representatives hosted

E1 and E2 were utilised to compute the business leveraging component of an event. They are also referred to as proxy indicators. BusinessDictionary.com defines a proxy indicator as an indirect measure or sign that approximates or represents a phenomenon in the absence of a direct measure or sign. It is also called an indirect indicator. It is a variable that is used to stand in for one that is difficult to measure directly (EQAVET, 2002). Numerous studies were conducted on business leveraging at sports events. From these studies, Chalip and Leyns (2002) concluded that the potential for leveraging was largely unrealised and that the event organisers had the most to benefit from fostering and managing business leveraging. Chalip and Leyns (2002) affirmed that there were obvious short-term and long-term benefits for both economic and event marketing that impacted positively on event leveraging. Short-term benefits included higher visitor expenditure and long-term benefits included enhancing the atmosphere and overall quality of the event.

The practice of leveraging events of all dimensions for their tourism impact is not new. As a result of his research on the 2002 Sydney Olympic Games, O' Brein (2005) argued that, as a learning community, a paradigm shift had taken place where the stakeholders of mega-sport events should now approach their events from a more holistic, network-driven perspective, with an eye towards longer-term sustainable business outcomes in addition to the traditional short-term, visitation-related impacts. O'Brain (2005) stated that with business-leveraging being a relatively new feature on the sport event landscape, further investigation on future events is warranted. Thornton (2003) maintained that a crucial element of staging the 2010 FIFA World Cup in South Africa was to leverage the event to promote tourism.

The concept “business development”, in this study, has two dimensions. The first dimension was the immediate stimulation of domestic business activity among companies that were directly involved in supplying goods and services to the event which was a vital aspect of the race. The second dimension and main focus of this study was on the longer-term prospective that the Comrades Marathon presented. One of the objectives of this study was to analyse how the Comrades Marathon was strategically leveraged to foster local, provincial and national business relationships and longer-term business and investment in the Durban, Pietermaritzburg and the KwaZulu-Natal economies. These indicators were selected because of the low cost incurred and the effortless manner in which the data was collected.

5.6.1.2 E3: Rand value of the media coverage

Assessing the media impact of events is a notoriously difficult task. It is also extremely vital as much of the justification for funding of events, from both the private and public sectors, is either directly or indirectly linked to the media impact they can achieve. This is usually done with the objective of shifting or enhancing perceptions of the host destination in order to boost tourism and investment to the area.

As emphasised in the previous chapters, E3 is a significant indicator given the role that events play in showcasing and marketing destinations. This is supported by the fact that destination promotion was frequently discussed in numerous studies that were conducted on the evaluation of sport events. Chapter 2 discussed a few of these studies that emphasised the crucial role that destinations and their communities play in attracting tourists and visitors to the cities and countries. According to Dwyer *et al* (2000), one of the major benefits that an event destination and the region can receive from an event is from media coverage of the event. This is generally

calculated in the savings in advertising costs. The collection of data to calculate the rand value of media coverage of an event is an expensive exercise that is normally out-sourced to a media-monitoring organisation.

Irrespective of the high expense factor, other problems are experienced that impact on the operationalising of the E3 indicator. For example, it is often difficult to determine what elements have been important in determining the holistic perception of accumulated beliefs and impressions in the consumers' minds. There is a mix of functional and tangible, as well as psychological and abstract elements that can be influenced by specific destination marketing and other externalities such as political decisions or the behaviour of sports teams.

Whilst many authors recognise the importance of the media impact of events, this area is still under development. In assessing the media impact of an event there are a number of variables which need to be evaluated. These are:

- **Fit with measure**

Before any assessment of the short-term media impact can be undertaken it is essential that the organisation or individual seeking to assess the impact is clear on their objectives and on the message they wish to convey. In evaluating the overall potential media impact of an event therefore, it is essential to look at "fit." In other words, how good is the event likely to be at selling the desired message or messages?

- **Volume and Type**

Volume refers to how much coverage the event can achieve in each target territory.

Type of coverage is linked closely with the audience and can some way to building a profile of the sort of audience the message was exposed to.

- **Tone**

This refers to whether the coverage was positive, neutral or negative.

The following are but a few challenges that event organisers encounter when attempting to measure the awareness of the destination as a result of the event:

- How to address the less than favourable media coverage;
- The labour intensive nature of estimating the outcomes and the high degree of subjectivity involved in the analysis;
- Addressing the measurement limitations such as the extent to which the free advertising associated with a destination can be tracked;
- The further conversion of increased awareness to actual visitation;
- Assessing the value of the message especially as the message can be either positive or negative; and
- The high cost of data collection.

This indicator was excluded because of the above factors.

5.6.1.3 E4: Number of visiting journalists from target areas

Visiting journalists represents a mix of sports and business publications from around the world that are attracted by the event. This indicator was used as an attempt to measure the impact of the event in terms of destination marketing. This indicator could also be regarded as a proxy indicator for rand value media coverage. The aim of this indicator was to focus on the quality

and quantity of the output of the journalists and not on the number of journalists that attend the event. This indicator was included because it was short-term and low cost.

Data was unavailable for this indicator.

5.6.1.4 E5: Direct inscope expenditure of the event

E5 was considered to be the crucial element of any assessment because event assessments normally commence with an estimation of the number of visitors and their expenditures. In addition, many events receive support from local and provincial governments and sponsors. Thus, event organisers are required to produce an economic assessment that will justify the allocation of the financial support. As stated in Chapter Two, a multitude of research (Compton and Lee, 2000; Vogelsong, Graefe and Estes, 2001) has been concluded using a variety of methods and the use of multipliers to assess the impacts that sporting events have on the destinations. Irrespective of these methods used, this indicator is well-established in supporting the economic impact of events. This indicator was therefore included after the above was taken into consideration.

5.6.1.5 E6: Number of full-time jobs created

Normally, employment multipliers have been utilised to estimate the number of full-time jobs created; however this method has been problematic. In its simplest terms, the employment multiplier measures the amount of direct, indirect and induced jobs created or lost in the area. Direct jobs are related to a specific industry, while indirect jobs are those that support the industry. Induced jobs are those that are a result of direct and or indirect employee's spending in the community. Generally, industries with a higher multiplier are more desirable. Unfortunately, multipliers do not always measure indirect economic impacts correctly. This situation is the

result of assumptions about the flow of goods and services that are made when multipliers are developed. Dwyer *et al* (2000) submitted that care should be exercised when employment multipliers are used as they are inclined to exaggerate the amount of employment generated by the event. Crompton (1995) also argued that special events, due to their short-term or one-off nature, are not likely to generate lasting employment effects. Consequently, instead of creating new jobs much of the demand is taken up by existing employees who work the additional hours. After taking the above into consideration, the E6 indicator was excluded.

5.6.1.6 E7: Number of people trained as part of the event

This indicator addressed the manner in which the skills of those people involved in the event would be developed. Even though this is a short-term measurement, it is important to note that there are numerous concerns regarding the availability of data. With reference to an athletic event, an example of such a concern is that much of the training of people involved in the organisation and implementation of the event is done whilst the race is run. This is accomplished by the wide range of varied organisations *inter alia* the business organisations that man the refreshment tables and the marshalls and the medics that are involved in staging the event. Other concerns would include the number of hours of training that must be provided, the type of training that must be conduct, the comparison of this data with data from other similar sporting events and the usage of the data to inform other event organisers. These concerns contributed to this indicator being excluded from this study.

5.6.1.7 E8: Rand value of new infrastructure and facilities established for the event

Factors such as the time frame, the cost of data collection and the availability of data contributed to this indicator being challenging. This indicator created the impression that it was more suited

to an evaluation of larger events *e.g.* mega-events than smaller events as the smaller events do not necessitate the construction of additional infrastructure. In addition, this indicator seemed as if were a long-term indicator and subsequently would not be used to assess short-term event impacts which was the objective of this study. Hence, this indicator was not included in this study.

In conclusion, the economic indicators that were excluded in this study were more complex in nature or represented long-term impacts that were unnecessary for this study.

5.6.2 Social indicators

As previously stated, residents of both the Durban and Pietermaritzburg were administered questionnaires at the registration venues in the cities and at the finish venue. In this section, the researcher delves deeper into the views of the residents as to why they are involved in the event and whether the event is socially and economically beneficial to the cities and the communities. However, a distinction must be drawn to differentiate between the two categories of residents. Firstly, there are residents who offer their services to the CMA as volunteers and secondly, there are residents to whom the race is of secondary consideration and are spectators.

As shown in Table 5.3, the social indicator identified as the “Number of positive letters to editors of local newspapers, prior, during and after the event” was excluded as there were concerns regarding the time frame that would be utilised to gather the information, the definition of what a positive letter was and the reasons for the exclusion of negative and neutral letters. Additional concerns included the cost and time factors and the difficulty in collecting the information from the newspapers. Table 5.3 was also adapted from the study conducted by Sherwood (2007). The remaining four indicators were included as they made reference to the quality of life of the

community. The public's unwillingness to respond to the questions regarding the social welfare of society supported the low response rates.

Burker *et al* (2002) noted that the host community relates to people or residents who are staying at the event location or at close proximity to the event location and are the people who are most likely to understand the event and the impacts better, by virtue of their proximity and hosting of the event. This study researches an event that extends for approximately 89 kilometres and also runs through a number of small towns and consequently impacts on the communities of these towns. In addition, the aggressive marketing campaign undertaken by the CMA months prior to the event ensures that all the afore-mentioned communities fully understand the event and its impacts on the communities.

Table 5.3: Social indicators details

IMPACT	INDICATOR	INCLUDE	
		YES	NO
Celebration of community values	Percentage of community believing event enhances their sense of community	√	
Residents involvement and motivation	Reasons for residents involvement in the event	√	
	Whether event is socially and economically viable to host city	√	
Community pride	Number of positive letters to editors of local newspapers prior, during and after the event		√
	Impact on community pride	√	
Quality of life of the host community	Impact on the quality of life of the host community as a whole	√	
Quality of life of local residents	Impact on the quality of life of individual local residents	√	

The objective of the questionnaires was to understand the different ways in which local residents react to the hosting of the 2010 Comrades Marathon and its impacts and also the reasons for the residents' responses. Fredline and Falkner (2002) defined event impacts as the effects and

implications of how the event impinges on the local residents' quality of life and their reactions thereof. Delaware (2001) stressed that the awareness of the event impacts and of the residents' attitudes towards the event impacts, may enable action that could lead to a reduction of annoying disruption of local community life, thereby encouraging a balance between social and economic development. The CMA had taken into consideration that recognition must be given to the host communities and that the involvement of people in these communities is an integral part of the race as this is vital for the existence, future development and success of the race.

In designing the questionnaire for the residents of the host cities, the researcher took into consideration the tangible costs and benefits of events that Dwyer *et al* (2000) had provided (Table 5.4) and adapted these costs and benefits to align itself to this study.

Collectively, a total of 141 residents completed and returned the questionnaires which is a relatively good response bearing in mind that a great percentage of the runners resided in the two cities. This was to be expected given the nature of the event *viz.* road-running and the popularity of the race that is annually hosted in the province. It is important to note that these respondents were not participants in the race.

The respondents who indicated that it was a good idea for the residents of the cities to get involved with the Comrades Marathon were asked if the event affected them in regard to the four indicators. Some of the responses of the residents varied from strongly agree to strongly disagree whilst other responses addressed the benefits of the Comrades Marathon; the ways in which the cities and the communities can build on the success of the race and the positive features of the cities. The respondents who answered in the affirmative maintained that the impacts were positive.

Table 5.4 Recognition of tangible costs and benefits

Social Benefits	Social Costs
Community development	Disruption in resident lifestyle
Civic pride	Traffic congestion
Event production extension	Noise
	Vandalism
	Congestions because of huge crowds
	Property damage
	Increase in crime
	Road closures
Economic Benefits	Economic Costs
Long-term promotional benefits	Residents' exodus
Induced development and construction expenditure	Interruption of normal business
Additional trade and business development	Under-utilised infrastructure
Increased property values	

Adapted from Dwyer *et al*, 2000

Table 5.4 identified the tangible costs and benefits of the event. It encapsulated the social and economic benefits generated by the event. It also addressed the social and economic costs encountered by the event.

5.7 Conclusion

The initial objective of this chapter was to introduce and explain the conceptual framework for the study. This was achieved in the form of an event evaluation framework. This framework comprised of number of stages *viz.* the event generators, the event inputs and the event outcomes. The event outcomes created a pool of possible indicators. The second objective was to select a subsection of the indicators which would contribute towards the development of a model.

CHAPTER 6

DISCUSSION

Chapter Structure

- Introduction
- The economic impact of the 2010 Comrades Marathon on the Cities of Durban and Pietermaritzburg
- The economic impact of the 2010 Flora London Marathon on the City of London
- A comparative study of the economic impacts of the economic impacts of the Comrades Marathon and the 2010 Virgin London Marathon
- Intangible benefits for the Cities of Durban and Pietermaritzburg
- A positive return of investment
- Transformation of the event and its financial impact
- Conclusion

6.1 INTRODUCTION

The objective of this chapter is to address the findings that resulted from this study based on the empirical research data collected and the interviews that were conducted. In addition, this chapter focuses on a discussion of the research questions that concentrates on the economic and social impacts of the event. As stated in Chapter 2, an economic and social impact is the total costs and benefits that a particular event or situation can have on the overall economy and community. Finally, this chapter concludes with a comparison of the economic impact studies conducted on the 2010 Comrades Marathon and the 2010 Virgin London Marathon.

6.2. ECONOMIC IMPACT ANALYSES

6.2.1 Economic impact of the 2010 Comrades Marathon

The staging of the Comrades Marathon is a complex undertaking involving several organisations and thousands of individuals, the majority of whom are volunteers. As expressed in the earlier chapters, economic impact is the total economic loss or gain after costs have been accounted for. It is vital to understand how the “new money” passes amongst the participants, the visitors, the

organisers, the local businesses and the community. This exercise informs the measurement of expenditure and provides an analysis of its economic impact.

The principal sources of spending that were taken into consideration were:

- participants to the event who generated spending through daily expenditure and accommodation; and
- visitors who attended the event with the participants and generated spending through daily expenditure and accommodation.

Where money passes from one group to the next, it is imperative to avoid double counting. In other words the economic impact of expenditure on food and beverages can be addressed either by estimating visitor spending or by recording caterers' revenues but the two should not be calculated together.

6.2.2 Economic impact of the 2010 Comrades Marathon on the City of Durban

It was estimated that the average daily expenditure generated in Durban by the participants, their family members and friends was R93 397 920 which represented 85% of the total Average Daily Expenditure that was generated in both the cities. The expenditure for accommodation in Durban was R16 942 692 (Chapter 4). This represented approximately 79% of the total expenditure that was expended for accommodation in both cities. Hence, Table 6.1 showed that the estimated total revenue generated by the participants and attendees of the Comrades Marathon to the Durban economy in 2010 was R110 340 612 which represented 85% of the total new money generated in both the cities. This estimation was arrived at by combining the Average Daily

Expenditure and the Accommodation Expenditure for the participants and attendees that resided in Durban (Table 6.1).

The information supplied by the organisers *viz.* the CMA indicated that the eThekweni Municipality (Durban) contributed an amount of R350 000 towards the event. Cognisance must therefore be taken of the leverage ratio that is the ratio of public sector input against private sector response. In this framework, the leverage ratio is defined as the amounts of money accrued to the private sector for every rand spent by the public sector. Consequently, the estimated amount that is contemplated is the total revenue generated by the participants' and attendees' daily expenditure and expenditure on accommodation that is R110 340 612 and the public sector input of R350 000. This is translated into a ratio of 1:315.25. Hence, for every rand spent by the public sector on the event, R315.25 was generated by the private sector. Nonetheless, the other variables which have multiplier effects must also be noted *e.g.* financial transactions, product suppliers and guided tours as these were not included in the analysis of the economic impact on the City of Durban.

Table 6.1 New income generated by the Comrades Marathon

SOURCE	DURBAN	PIETERMARITZBURG	TOTAL
Average daily expenditure	R 93 397 920	R16 283 266	R109 681 186
Accommodation expenditure	R 16 942 692	R 4 354 436	R 21 297 128
TOTAL	R110 340 612	R20 637 702	R130 978 314

Turco *et al* (2003) estimated that the tourist spending for the 2001 Comrades Marathon was R19 638 667 and they verified that the contribution by the Durban Events Corporation was R400 000. This translated into a leverage ratio of 1:42 that is for every rand spend by the public sector on the event, R42 was generated by the private sector. Maharajh (2009) estimated that the tourist spending for the 2005 Comrades Marathon was approximately R99 million and he verified that the financial contribution by the Durban Events Corporation was R222 650. This translated into a leverage ratio of 1:442.48. Subsequently, for every rand spend by the public sector on the event, R442.48 was generated by the private sector. It is clearly evident that the race grew from strength to strength from 2001 to 2005 as the estimated total expenditure of the participants and attendees had increased phenomenally over these years. The organisers also confirmed that there has been a steady increase in the number of participants and visitors to the city and to the province during this period. However, an appraisal of the Leverage Ratios of 2005 and 2010 revealed that there has been a decline in the amount generated by the private sector for Durban *i.e.* R127.23, a decrease from R442.48 to R315.25. This is cause for concern and must be addressed by the organisers.

6.2.3 Economic impact of the 2010 Comrades Marathon on the City of Pietermaritzburg

The total revenue generated by the participants, their family members and friends was estimated to be R20 637 702 (Table 6.1) *i.e.* 15% of the total new money generated in both the cities. This amount comprised of R16 283 266 which represented the total Average Daily Expenditure of the respondents plus R4 354 436 that represented the amount expended on accommodation by the respondents (Table 6.1). The information provided by the CMA indicated that the Msunduzi Municipality (Pietermaritzburg) contributed an amount of R300 025 towards the event. As stated

above, cognisance must be taken of the impact that the leverage ratio will have on the income generated. Thus, the estimated amount that is envisaged is the total revenue generated by the participants' and attendees' daily expenditure and their expenditure on accommodation *i.e.* R20 637 702 and the public sector input of R300 025. This translated into a ratio of 1:68.78. Hence, for every rand spent by the public sector on the event, R68.78 was generated by the private sector. Unfortunately, a comparison could not be made as information on previous races was unavailable. Nevertheless, the other variables that have multiplier effects such as financial transactions, product suppliers and guided tours must also be noted as they were not included in the analysis of the economic impact on the City of Pietermaritzburg.

A comparison of the leverage ratios computed for Durban and Pietermaritzburg *i.e.* 1:315.25 and 1:68.78, is a clear indicator that a greater amount of “new money” (approximately 4.5 times more) was generated in Durban by the participants, their families and supporters.

6.2.4 Overall economic impact of the 2010 Comrades Marathon

Table 6.1 indicates that an amount of R130 978 314 was generated collectively in both the cities prior, during and after the event. Data provided by the CMA informed the researcher that the cities jointly contributed an amount of R600 025. This translated into a ratio of 1:218.29.

Hence, for every rand spent by the public sector on the event, R218.29 was generated by the private sector for the event. This is a clear indication of the extraordinary growth and popularity of the race both nationally and internationally. Also, the data obtained from the respondents *i.e.* participants and supporters, showed that the majority of them will return if the event is held in the future. This bodes well for the event, for the organisers and for Durban and Pietermaritzburg as well as the province. It should be noted that as well as the direct economic impact of staging

the event, the Comrades Marathon brings additional intangible benefits for the local and South African fraternity. The event is also likely to have significant yet unquantifiable benefits for the local economy by presenting Durban and Pietermaritzburg in a positive light to the South African television audience and to its international participants and their supporters.

The Belleville Running Club website (2010) reported that over 27 000 runners participated in the various distances including the fun runs, making the 2010 Two Oceans Marathon the biggest running event in Africa. The flagship race *viz.* the Two Oceans Marathon attracted a field of 9 000 participants, whilst the half-marathon had a field of 11 900 runners which is the largest field for a half-marathon in Africa. In 2010 the Institute for Tourism and Leisure Studies of the North West University in Potchefstroom completed a marketing analysis and economic impact survey which estimated that the Old Mutual Two Oceans Marathon brought a spend of R223 million into the Western Cape. This revenue was generated through accommodation, food, drinks, shopping, tourist attractions and the sale of running attire and equipment. However, cognisance must be taken of the fact that unlike the Two Oceans Marathon, the Comrades Marathon does not include races of varying distances within the main race. In addition, the Comrades Marathon is run over a longer distance than the Two Oceans Marathon. After taking these factors into consideration, one can conclude that the income generated from the Comrades Marathon is comparable to the income generated by the Two Oceans Marathon.

Reuters (2006) reported that the then City Manager of Durban stated that the city's strategy is to use the 2010 FIFA World Cup to develop regional benefits as the city is focused on urban renewal. It is envisaged that the volume of people visiting Durban because of the Comrades Marathon will create opportunities for the development of tourism products and services on a

large scale (Reuters, 2006). Seymour (2005) reported that the total impact of the 2005 Comrades Marathon was approximately R96-million and that about 1 056 jobs were generated; thereby stimulating economic development within the region and confirming that the Comrades Marathon had a positive economic impact on the City of Durban.

6.2.5 Economic impact of the 2010 Virgin London Marathon on the City of London

The London Marathon was first hosted in 1981 and is run over a distance of 42.2 kilometres. Currently, it is a world-class event and also one of the largest mass participation events of its kind in the world. This event is televised in over 100 countries. It is rated as being the single biggest annual fund-raising event in the world in which approximately 76% of the participants run for good causes *viz.* charities.

Sport Industry Research Centre (SIRC) conducted economic impact studies in 2000 and 2010 on the London Marathon. This study presents the findings of the 2010 event and addresses the economic impact of this race on London and on the wider United Kingdom. Mass participation events of this nature have the potential for significant economic impacts on host areas as friends and family want to share in the exceptional human challenge being faced by their loved ones over 42.2 arduous kilometres.

Researchers from the SIRC (2010) reported that the 2010 Virgin London Marathon generated £110.1 million of economic activity in the United Kingdom whilst the spending in the capital by marathon runners, spectators and visitors was worth £31.7 million. The race attracted a field of 36 549 athletes. Of these 35 000 runners completed the race. The research confirmed that apart from being a wonderful sporting spectacle and celebration of the human spirit, the event is also a

commercially successful business venture. £13.2 million was spent on accommodation and catering by the respondents. Runners and spectators spent more than £45 million (SIRC, 2010). This race which is a little less than half the distance of the Comrades Marathon utilised the services of approximately 6 000 volunteers at the event. The volunteers were provided with thorough training dependent on their roles. In addition, there was increased security given the changing world that we now live in. Contingencies were in place to cover any eventualities linked to security risks.

The SIRC (2010) reported that the event generated an additional flow of “new money” into the London economy of £27.1 million. Below is a breakdown of the “new money” that entered the London economy:

- the spectators spend £13.1 million which represented approximately half the additional expenditure
- the runners spend £9.5 million that excluded the entrance fees
- £6.9 million was spend on accommodation
- £6.3 million was injected into the catering industry in London
- the organisers net spend for funds outside London was £1.6 million

This event raised almost £50 million for the charities. It was also calculated that each volunteer worked for a period of approximately 6.5 hours. Thus, the 6 000 volunteers contributed 39 400 working hours on race day.

6.3 COMPARISON: ECONOMIC IMPACTS OF THE 2010 COMRADES MARATHON AND THE 2010 VIRGIN LONDON MARATHON

The Comrades Marathon (CM) is run over an approximate distance of 89 kilometres whereas the Virgin London Marathon (VLM) is run over a distance of approximately 42 kilometres. Hence, the VLM is referred to as a standard marathon and the CM an ultra-marathon. The maximum time limit that a participant is allowed to complete the CM is 12 hours whilst the time limit for the VLM is 24 hours. A total of 23 567 runners registered to run the Comrades Marathon whilst 36 594 registered for the VLM in 2010. Hence, there were 13 027 more runners that participated in the London Marathon.

The processes of estimating the economic impact of the events were identical for both the events. The principal sources of spending that were taken into consideration were identical for both the events as is illustrated in Table 6.2. Consequently, the methods employed to gather the data for both the events were aligned with the methods utilised in other economic impact studies. A comparison of the attributes of both the events is illustrated in Table 6.2. The table shows *inter alia* the distinction between the number of participants and the time they were permitted to complete the races and the fact that both organisations displayed their social responsibility by permitting the runners the opportunity to raise funds for numerous charities.

Table 6.2: Attributes of the 2010 Comrades Marathon and the 2010 Virgin London Marathon

ATTRIBUTES	COMRADES MARATHON	VIRGIN LONDON MARATHON
Distance	Approximately 89 kms	Approximately 42 kms
Number of registered participants	23 567	35 000
Time to complete	12 hours	24 hours
Identification of stakeholders who generated new money into economy	Foreign participants Foreign family members Foreign friends South African participants from provinces outside KZN South African attendees from other provinces Sponsors National and International media	Foreign participants Foreign family members Foreign friends English participants from outside London English attendees from outside London Sponsors National and International Media
Number of volunteers	Approximately 6 000	Approximately 6 000
Involvement of charities	Yes	Yes
Identification of industries	Hotels Accommodation establishments Restaurants Entertainment centres Transportation Shopping Malls	Hotels Accommodation establishments Restaurants Entertainment centres Transportation Shopping Malls

6.4 INTANGIBLE BENEFITS FOR THE CITIES OF DURBAN AND PIETERMARITZBURG

The costs and benefits of an event can be both tangible and intangible. The tangible effects are those that can be measured in terms of the amount of expenditure incurred or income earned.

The intangible effects, however, are those that are harder to quantify or measure such as the capability of an event to help define a society's identity or develop local pride and talent.

Intangible costs include environmental costs, such as the degradation of natural fauna, and social costs such as noise pollution, due to staging the event. Intangible benefits generally include the general excitement and pleasure that the community may gain from the event experience.

Most sport organisers have experienced the potential of the events to have positive impacts on people and the communities that interact with them. Major events have the power to mobilise large numbers of people and create meaningful impacts on their lives in a number of different ways. At a basic level this might simply be the creation of an enjoyable or pleasurable experience for spectators. At an advanced level this might be the creation of an opportunity that positively changes peoples' long-term behaviour. In either case, these impacts have almost always been observed anecdotally but rarely captured through a structured approach to impact measurement. Harris (2013) reported that sporting events are the sort of opportunities that have a major global impact in a very short period of time, and can change the way people perceive a region.

The reason for measuring social impacts can often be linked directly to the objectives of the event funders. It is important to recognise that satisfying the objectives of the stakeholders should not offer the only incentive to measure the social impacts of events. Event organisers must understand how their events impact on the perceptions and behaviour of people either directly or indirectly.

Social impacts are unlikely to happen by chance and must be managed if they are to occur. The starting point in delivering specific social impacts is for an event to have clearly stated objectives that describe the delivery mechanisms by which the planned impacts will occur.

As declared in the earlier chapters sport has become a major industry as well as a major cultural preoccupation in the contemporary world. Cities such as Durban, Pietermaritzburg, Cape Town and Johannesburg are increasingly using major sporting events and activities to re-image themselves, to promote urban development and fund economic growth and regeneration. The 1995 Rugby World Cup represented an opportunity for South Africa to announce its re-emergence as a full member of not only its political community but also the world's community. Obviously, measuring economic and social benefits is fraught with difficulty.

In addition to the quantifiable impacts related to the Comrades Marathon that was previously discussed, the event also engendered significant intangible benefits to the communities of Durban and Pietermaritzburg in terms of lifestyle improvements. Examples of the intangible benefits are:

- significant national and international exposure for the cities as sport fans who enjoyed their visits to the cities may return later thereby raising future tourist revenues
- enhancing community pride, self-image, exposure, reputation and prestige associated with hosting a world-famous event and in this way creating a climate of optimism
- enhancing the national and international image of the cities so that they become world-class cities and travel destinations
- enhancing economic growth and ancillary private sector development spurred on by the operations and activities associated with the Comrades Marathon
- providing assets in the cities *e.g.* the International Convention Centre (ICC) in Durban that can augment their world-class attractions, accommodations and international airport
- increase in tourism

- promoting the cultural diversity of the population in terms of race, ethnicity and religion
- motivate the community to develop active healthy lifestyles and in so doing reduce absenteeism and increase productivity in the work place

Furthermore, there is escalating evidence that the media coverage of the race has improved. Gerretsen (2006) reported that Tourism KZN confirmed that the race was viewed by millions because of the television coverage. It is envisaged that television viewers might decide to take a trip to the city at some time in the future based on what they see during the broadcast of the event. This is an exceptional manner to showcase the province's scenic beauty and the warmth and hospitality of its inhabitants.

The potential of the Comrades Marathon to attract more visitors and for the visitors to stay longer is indicated by the number of visitors who expressed an interest in existing activities and/or attractions which are related to sport and recreation. The 1992 Barcelona Olympic Games made a loss of \$1.4 billion but it gave the city a chance to show its urban and cultural regeneration to the world and in the years after the Games received huge foreign investments (Brunet, 1995). The Olympic Games were seen as a catalyst for development and renewal well beyond that which was required for the Games itself.

Image promotion is one of the most valued benefits of the Comrades Marathon. The reason for this is the strong link between the Comrades Marathon and the image and economic growth of the cities. A positive impact is derived from the added tourists that visit the region prior to the event being staged. The long-term impact can be substantially higher and is due to the fact that the new improved profile of the cities and the extraordinary amount of "free" publicity the cities acquire is likely to attract even more tourists in the future. Increasingly, sporting events are part

of a broader strategy aimed at raising the profile of the cities and success can therefore not be judged simply from profit and loss. Often the attraction of events is linked to a re-imagining process, and in the case of many cities, it is invariably linked to strategies of urban regeneration and tourism development (Loftman and Spirou, 1996).

6.5 A POSITIVE RETURN ON INVESTMENT

Economic benefits, usually examined in cost-benefit studies, are an indication of whether there will be a positive return on investment. Tourism events such as the Comrades Marathon are often recognized for their ability to generate significant economic benefits for the host destination.

Turco et al. (2003) stated that the highly competitive nature of sport event production has led more corporations to demand that event organisers demonstrate the value or return on investment resulting from sponsorship. Durban has acknowledged the importance of the ROI for its funding of sporting events such as the Comrades Marathon and the Spar Ladies 10km Challenge.

Pietermaritzburg has also recognised the significance of the ROI for its funding of sporting events such as the Comrades Marathon, the Maritzburg Marathon and the Midmar Mile.

By 2006 the tourism industry in South Africa was regarded as the second fastest growing sector in the South African economy (DEAT, 2006). Foreign tourism arrivals to South Africa have grown exponentially since the country became a democracy in 1994. Foreign arrivals in South Africa have increased by more than 100% from 640 000 in 1994 to 7.4 million in 2005 and 8.4 million in 2006 (SA Tourism 2006, 2007).

The sport and leisure industry has also grown significantly since South Africa's readmission to international sport. More South African teams participate on the international stage than ever before, naturally enhancing sports tourism and related opportunities. The South African

Yearbook 2010/2011 reported that sports tourism contributed more than R6 billion to the South African tourism industry. More than 10% of foreign tourists come to South Africa to watch or participate in events, with spectators accounting for 60% to 80% of these arrivals.

Hosting the 2010 FIFA World Cup acted as a catalyst for expanding the country's infrastructure base, skills development, employment creation and economic growth. The tournament boosted the country's standing internationally, showcasing its capabilities in delivering world-class infrastructure on time and without imposing a financial burden on the national fiscus (South African Yearbook 2010/2011).

In KwaZulu-Natal tourism constituted about 8% of the provincial GDP and the economic impact of tourism in 2008 was in the order of R22 billion. It was recorded that 144 000 people were employed in KZN (South African Yearbook 2010/2011).

An injection of new income into the economy of Durban and Pietermaritzburg has the potential to create more employment in sport and the economy as a whole. It is possible that a cycle of economic development will occur, driven by sport as the catalyst and vehicle of local economic development. By using economic impact assessment techniques, an authority or organisation monitoring the impact of their event will have more reliable and credible information with which to evaluate the return on their investment. The application of this study can justify the use of local resources to help promote the cities and enhance their external image through sport.

The cost of finding out whether strategies are working is an integral part of investment in the strategies themselves and armed with the appropriate information, local authorities will be in a far more informed position from which to evaluate their policies for economic development through

sport (UK Sport, 2005). The hosting of a successful event by the organisers of the Comrades Marathon sends a message to the world that Durban and Pietermaritzburg are ready and open for business as it attracts participants and visitors from non-traditional areas such as South America and Asia. This gives Durban and Pietermaritzburg the opportunity to inform these people about what attractive places the cities are to visit and what good destinations they are to conduct business.

Major sporting events can have negative as well as positive implications for a local economy. The negative implications can include traffic congestion, crime, prostitution, overcrowding on public transport and a lack of security. This can hurt local businesses during the event. These factors have been highlighted in the study.

In many instances, the economic success or failure of a major sporting event is judged solely on its ability to generate an operating surplus. However, it is frequently more important, especially for local economic regeneration strategies to assess whether or not the investment in the event can be justified by the benefits returned.

6.6 CONCLUSION

Although there is general acknowledgement of the economic and social benefits emanating from the staging of major sporting events, the challenge is to demonstrate the tangible values to communities and regions, and to the nation in terms of the multiple returns of every monetary unit invested in sport. Maximising the social and economic benefits requires the creative and innovative design, implementation and management of sports systems.

This chapter examined the data of the surveys conducted and provided a discussion of the results and the research questions. It addressed the economic impacts of the Comrades Marathon on the Cities of Durban and Pietermaritzburg, the economic impact of the 2010 Virgin London Marathon on the City of London, a comparative study of the economic impacts of the 2010 Comrades Marathon and the 2010 Virgin London Marathon, the intangible benefits of the Comrades Marathon on Durban and Pietermaritzburg, the impact of a positive return on investment and transformation and its impact on the event and within the structures of the CMA. It was subsequently concluded that transformation did not have a positive financial impact on the race. However, the concerns of a percentage of the respondents focused on the perceived slow transformation process within the structures of the CMA. Thus, the researcher is in a position to provide conclusions and recommendations of the study in the next chapter.

CHAPTER 7

CONCLUSIONS AND RECOMMENDATIONS

Chapter Structure

- Introduction
- Deductions
- Recommendations
- Suggestions for future research

7.1 INTRODUCTION

This chapter addresses the foremost deductions extracted from this study based on the empirical research gathered and the interviews that were conducted by the researcher. The researcher utilised this information to provide a research summary and recommendations for future research.

7.2 DEDUCTIONS

From the research the following conclusions based on the critical questions of the study can be drawn:

- The promotion of sporting events is recognised as having a positive impact on towns and cities, simply because large numbers of people coming from outside the locality that is from other regions of the country and abroad spend their money on food, beverages, entertainment, shopping and accommodation thereby providing an economic boost to local business organisations. The Comrades Marathon is an excellent example of a hallmark sporting event that attracts “outsiders” to the region and the cities. These tourists thus generate “new money” into the economies of the cities and the province.

- The leverage ratio indicates that the hosting of the 2010 Comrades Marathon was successful, well-organized and contributed considerably to the economy of Durban and Pietermaritzburg and KwaZulu-Natal and clearly illustrates that the event had a profound and significant fiscal impact on cities and the region. However, there is apprehension regarding the decline of the leverage ratio in 2010 for the City of Durban when compared to the leverage ratio in 2005.
- Businesses in direct receipt of participant and visitor spending expend a portion of this turnover to purchase goods and services from other suppliers and these purchases in turn boost turnover of supplier businesses which support additional indirect employment in those businesses.
- An injection of income into the economy of the cities and the region has the potential to create more jobs and it is possible that a cycle of economic development will occur which will be driven by sport as the catalyst and vehicle of local economic development.
- By using economic impact assessment techniques, the organisers and the cities' authorities can monitor the impact of the event as they will have more reliable and credible information with which to evaluate the return on their investment.

7.3 RECOMMENDATIONS

The following recommendations are proposed regarding the economic and social impacts of the Comrades Marathon on the Cities of Durban and Pietermaritzburg and the province of KwaZulu-Natal:

- The cities must utilise the event as an integral ingredient of their marketing strategy to promote the cities as destinations that tourists would like to visit. In other words, it needs to reinvent and present itself as a coherent, attractive and vibrant product. Hence, the cities must use the event to develop a specific image and brand.
- The organisers of the event must take cognisance of the suggestions and or recommendations of the international participants regarding the provision of additional information about the event at the road-shows hosted by the CMA at other major international marathons *e.g.* the London Marathon. These respondents believe that by educating the foreign runners about the Comrades Marathon more of them would be motivated to participate in the event.
- The concerns of the exhibitors, the residents of the cities, participants and the attendees should be considered and addressed by the organisers in the marketing of the event in order to improve future events and also to increase the number of participants at future events.
- In future studies a sub-set analysis should be made to determine if there is a difference in spending prior, during and after the event.
- The organisers should give serious consideration to the format of the race and the possible inclusion of shorter distances being run within the ultimate race. This would align the race to other major international road-races and generate greater interest in the event from the running fraternity.

- The city authorities should look closely at establishing a much stronger relationship between major sponsors of the event and CMA. This is an excellent opportunity for the cities to attract greater foreign investment that will boost the local, provincial and national economies.
- The cities must utilise the intangible benefits that the event generates to improve their infrastructure and appearance.
- The organisers of the event should consider commissioning an independent economic impact study on a regular basis to ensure that they keep abreast of the influences of the event on the local and national economies. The information obtained may assist the event organizers in their negotiations with current and potential sponsors.
- The organisers should note the need for transformation within the organization and more importantly with their membership. They should address this issue as more African, Coloured and Indian owned businesses and sport administrators need to be involved in the organisation and management of the event.
- Future studies should consider collecting data using personal mobile devices.
- Future research should include the recent publications of J Crompton, R Baade and H Preuss.

7.4 SUGGESTIONS FOR FUTURE RESEARCH

This study has emphasised that even though substantial progress has been made with regards to the economic and social impacts of hallmark events, further research is required. The study

provides a platform for the development of indicators that can be employed in assessing the impacts of hallmark events. However, further research is required to develop the indicators.

Therefore, research is required in the following areas:

- Investigate the economic, social and environmental impacts of the event on the Cities of Durban and Pietermaritzburg.
- A comparison study of the economic, social and environmental impacts of the Comrades Marathon and other major sporting events *e.g.* the Mandela Marathon, the Midmar Mile, the Spar Ladies Challenge, needs to be researched.
- Determine if there are more social indicators needed *e.g.* a measure of community involvement or community support.
- Develop and test business leveraging indicators.

REFERENCES

- Ahmed, F. and Pretorius, L. 2010. *Mega-events and Environmental Impacts*. Available on: alternationukzn.ac.za [Accessed on 30 May 2013].
- Allen, J. 2002. *The Business of Event-planning: Behind the scenes of Successful Special Events*. John Wiley and Sons.
- Allen, J., O'Toole, W., McDonnell, I., & Harris, R. 2010. *Festival and special event management*. 5th Ed. Australia. John Wiley & Sons.
- Anderson, T.D., Rustad, A. and Solberg, H.A. 2004. *Local residents' monetary evaluation of sports events*. *Managing Leisure*. Vol. 9. Pages 145-158.
- Andrew, D.P.S., Pederson, P.M. and McEvoy, C.D. 2011. *Research Methods and Design in Sport Management*. Champaign, IL. Human Kinetics.
- Andriotis, K. 2005. *Community's groups perceptions and preferences for tourism development: Evidence from Crete*. *Journal of Hospitality and Tourism Research*. Vol. 29. Pages 67-90.
- Atkinson, G. 2000. *Measuring corporate sustainability*. *Journal of Environmental Planning and Management*. Vol. 43. No. 2, p. 235-252.
- Barney, R.K., Wenn, S.R. and Martyn, S.G. 2002. *Selling the Five Rings: The International Olympic Committee and the Rise of Commercialisation Commercialism*. Olympia: The International Journal of Olympic Studies. Vol. XI, 2002. Pages 173-176.
- Battan, C. 2008. *The Beijing Olympics by the numbers*. Available on: www.dollarsandsense.org/archives/2008 [Accessed on 26 March 2012].
- Bellville Running Club. 2010. *Two Oceans Enries Open*. North West University. Pothefstroom. Available on: www.bellvilleac.blogspot.com/2010/10/two-oceans-enries-open.html Accessed on 6 October 2013.
- Bernard, H.R. 2000. *Research Methods in Anthropology: Qualitative and Quantative Approaches*. 3rd ed. Walnut Creek. Alta Mira Press.
- Berridge, G. 2006. *Events Design & Experience*. Available on: books.google.co.za/ [Accessed on 7 May 2013].
- Berstein, A. and Blain, N. 2003. *Sport, Media, Culture: Global and Local Dimensions*. London. Frank Cass.
- Biology Online. 2013. Dictionary - *Natural Environment*. Available on: www.biology-online.org/dictionary/Natural_environment Accessed on 12 July 2013.

- Bob, U., Swart, K. and Moodley, V. 2005. *Evaluating Socio-economic Impacts of Sport Tourism Events: Case studies from Durban, South Africa*. Allen, J.
- Bohlmann, H.R. 2006. *Predicting the Economic Impact of the 2010 FIFA World Cup on South Africa*. University of Pretoria.
- Bowdin, G., Allen, J., O'Toole, W., Harris, R., & McDonnell, I. 2010. *Events Management*. 3rd Ed. Event Management Series. Routledge.
- Bramwell, B. 1997. *A sport mega-event as a sustainable tourism development strategy*. Tourism Recreation Research. Vol 22. No. 2, p. 9-13.
- Breen, H., Bull, A. and Walo, M. 2001. *A comparison of survey methods to estimate visitor expenditure at a local event*. Available on: http://www.elsevier.com/wps/product/cws_home/30472 [Accessed on 17 January 2012].
- Brunet, F. 1995. *An economic impact analysis of the Barcelona '92 Olympic Games: Resources, financing and impacts*. Available on: http://plympicstudies.uab.es/pd/wp030_eng.pdf Accessed on 1 October 2013.
- Burker, M., Page, S.J. and Meyer, D. 2002. *Evaluating the impact of the 2002 America's Cup on Auckland, New Zealand*. Event Management. Vol. 7. Pages 72-79.
- Burns, H.J. and Mules, T. 1986. *A framework for the analysis of major special events*. In Burns, H.J. and Mules, T. (Eds) *The Adelaide Grand Prix: The impact of a special event*. The Centre for South Australian Economic Studies, Adelaide. P 5-38.
- Burnett, C. 2008. *Assessing the development of the 2010 soccer World Cup*. Available on: www.uj.za/.../Prof%20Cora%20Burnett%20International%20Congress. [Accessed on 1 October 2013].
- BusinessDictionary.com 2014. *What is social impact? Definition and Meaning*. Available on: www.businessdictionary.com/definition/social-impact.html Accessed on 9 March 2014
- BusinessDictionary.com 2015. *Social benefit*. Available on: www.businessdictionary.com/definition/social-benefit.html Accessed on 9 March 2015.
- Campiranon, K. 2005. *Managing Reputation in Event Planning Companies*. Allen, J. (Ed.). Paper presented to Third International Event Management Research Conference, Sydney.
- Chalip, L. and Leyns, A. 2002. *Local Business Leveraging of a Sport Event: Managing an Event for Economic Benefit*. Journal of Sport Management. Vol. 16, no. 2, p. 132.
- Cashmore, E. 2000. *Making sense of sports*. London. Routledge.

- China Daily. 2009. *Beijing Olympics' exceeds 1 billion Yuan*. Available on: www.chinadaily.com.cn/business/2009 [Accessed on 27 March 2012].
- Christiansen, I. 2004. *Strategic Approaches for Evaluation in Agricultural and National Resource Management Research Programs: A Literature Review*. Australian Cotton Cooperative Research Centre, Narrabri.
- Collins English Dictionary. 2012. *Attendee*. Available on: dictionary.reference.com/browse/attendee Accessed on: 9 March 2015
- Conger, C. 2010. *Are the Olympics Profitable?* Available on: www.newsdiscovery.com/tech/are-the-olympics-profitable.html [Accessed on 27 March 2012].
- Crompton, J. 1995. *Economic impact analysis of sports facilities and events: Eleven sources of misapplication*. Journal of Sport Management, vol. 9, pp. 14-35.
- Crompton, J. 2006. *Economic impact studies: Instruments for political shenanigans?* Journal of Travel Research, 45, 67-82.
- Crompton, J.L. and Lee, S. 2000. *The economic impact of 30 sports tournaments, festivals, and spectator events in seven U.S. states*. Journal of Park and Recreation Administration. Vol. 18, No. 2. Pp. 107-126.
- Davidson, E.J. 2005. *Evaluation methodology basics: the nuts and bolts of sound evaluation*. Sage Publications. Thousand Oaks. California.
- De Battisti, C., Pretato, U. and Revellino, P. 2006. *Guidance document on the implementation of EMAS in sporting events*. Available on: ec.europa.eu/environ [Accessed on: 30 May 2013]
- De Bres, K. and Davis, J. 2001. *Celebrating group and place identity: A case study of a new regional festival*. Tourism Geographies, vol. 3, pp. 3, pp. 326-337.
- Dejonghe, T. 2004. *Sport en Economie – Een noodzaak tot symbiose*. Nieuwegein. Arko Sports Media.
- Delamere, T.A. 2001. Development of a scale to measure residents attitude toward the social impacts of community festivals, part II, verification of the scale. Event Management. Vol. 7. Pages 25-38.
- Delpy, L. 1998. *An overview of Sport Tourism: Building towards a dimensional framework*. Available on: <http://jvm.sagepub.com> [Accessed on 18 January 2012]
- Department of Sport and Recreation. 2012. *National Sports Tourism Strategy – First Draft*. Pretoria: Government Printers.
- Derret, R. 2002. *Making sense of how festivals demonstrate a community's sense of place*.

Jago, L., Deery, M., Harris, R. Hede, A-M., & Allen, J (Eds.), paper presented to Events and Placemaking Conference, Event Research Conference, Sydney.

Dimanche, F. 2003. *The Role of Sports Events in Destination Marketing*. In Keller, P. and Bieger, T. Sport and Tourism (pp. 303-311). Proceedings of the 53rd AIEST Congress, St, Gallen, Switzerland. AIEST.

Dobson, N., Gratton, C. and Holliday, S. 1997. *Football Came Home: The Economic Impact of Euro '96*. Sheffield: Leisure Industries Research Centre.

Dwyer, L., Forsyth, P., Madden, J. and Spurr, R. 2000. *Economic Impacts of Individual Tourism Under Different Assumptions about 1994 Australian FAI Indycar Grand Prix: Final Report*. Ernest and Young, Brisbane.

Dwyer, L., Forsyth, P., Spurr, R. 2005. *Estimating the impact of special events on an economy*. Journal of Travel Research. Vol. 43. Sydney, Australia

Dwyer, L., Mellor, R., Mistilis, N. and Mules, T. 2000. *A framework for evaluating and forecasting the impacts of special events. Proceedings of event evaluation, research and education*. Sydney, July 2000. Pages 31-45. Sydney. Australian Centre for Event Management.

Embok imbizo conference proceedings, Johannesburg, July 2005 (108-12). Event Management Body of Knowledge Global Alignment Summit.

Enslin, S. 2006. *World Cup investments may kick off urban renewal*. Available on: <http://www.busrep.co.za> [Accessed on 23 March 2012].

Etiosa, O. 2012. *The Impacts of Event Tourism on Host Communities*. Available on: publications.theseus.fi [Accessed on 13 May 2013]

European Quality Assurance in Vocational Education and Training. 2002. *Handbook for Monitoring and Evaluating for Results*. Available on: <http://www.undp.org/evaluation/documents/HandBook/ME-Handbook.pdf> [Accessed on 12 September 2013]

Foran, B., Lenzen, M. and Dey, C. 2006. *Using Input-Output Analysis to develop "Triple Bottom Line Accountss" for the Australian Economy*. Available on: www.nicamp.br/fes/ortega/energy/BForan.pdf [Accessed on 31 August 2013].

Fredline, E. and Faulkner, B. 2002. *Residents' reactions to the staging of major motorsport events within their communities: a cluster analysis*. Event Management. Vol. 7. Pages 103-114.

Fredline, E., Raybould, M., Jago, L. and Deery, M. 2004. *Triple bottom-line evaluation: Progress toward a technique to assist in planning and managing an event in a sustainable*

manner. R. Maclennan *et al* (Ed.), paper presented to Tourism: State of the Art II International Scientific Conference, University of Strathclyde, Glasgow.

Fredline, E. 2006. *Host and guest relations and sports tourism*. In H. Gibson (Ed). Sport tourism: Concepts and Theories. New York. Routledge.

Gammon, S. and Robinson, T. 1999. *The development and design of the sport tourism curriculum with particular reference to the BA (Hons) sport tourism degree at the University of Luton*. Available on: <http://www.free-press.com/journal/jst> [Accessed on 12 December 2011].

Gammon, S. and Robinson, T. 2003. *Sport and Tourism: A conceptual framework*. Journal of Sport Tourism, 8(1): 21-26.

Gerretsen, B. 2006. *Business gets good money for its run*. The Mercury. Thursday, 15 June. P. 23. Durban.

Getz, D. 1991. *Assessing the economic impacts of festivals and events: Research issues*. Journal of Applied Recreation Research, vol. 16, no.1, pp. 61 -77.

Getz, D. 1997. *Event Management and Event Tourism*. New York. Cognizant Communication Corp.

Getz, D. 2000. *Developing a research agenda for the event management field*. J. Allen, R. Harris, L.K. Jago and A. Veal (Eds). Paper presented to Events Beyond 2000: Setting the Agenda. Sydney.

Getz, D. 2005. *Event Management and Event Tourism*. 2nd Ed. New York. Cognizant Communication Corp.

Getz, D. 2012. *Event Studies: Theory, Research and Policy or Planned Events*. 2nd Ed. New York. Routledge.

Getz, D., Andersson, T. and Carlsen, J. 2010. *Festival management studies: developing a framework and priorities for comparative and cross-cultural research*. International Journal for Event and Festival Management, 1(1):29-59.

Goldblatt, J. 2000. *A future for event management: the analysis of major trends impacting the emerging profession*.” Allen, J., Harris, R., Jago, L.K. and Veal, A. (Eds.). Paper presented to Events Beyond 2000. Setting the Agenda, Sydney.

Goldblatt, J. 2010. *Special Events: A New Generation and the Next Frontier*. Wiley Events. 6th Edition. Sydney.

Goliger, A.M. 2005. *South African sports stadia – from the perspective of the 2010 FIFA World Cup*. Available on: <http://www.buildnet.co.za/akani/2005/jul> [Accessed on 13 November 2011].

Gratton, C., Dobson, N. and Shibili, S. 2000. *The Economic Importance of Major Sports Events: A Case Study of Six Events*. Sheffield University: Leisure Industries Research.

Gratton, Chris; Shibili, Simon and Coleman, Richard. 2005. *Sport and Economic Regeneration in Cities*. Sheffield University: Leisure Industries Research Centre.

Gratton, Chris, Shibili, Simon and Goleman, Richard. 2006. *The Economic Impact of Major Sports Events: A review of ten events in the UK*. Available on:
<http://www.caledonian.blogs.net/.../gratton-article-the-economic-impact-of-maj...>

Green, S.B., Salkind, N.J. and Jones, T.M. 1996. *Using SPSS for Windows; Analyzing and Understanding Data*. Arizona: Pearson.

Guba, E.G. and Lincoln, Y.S. 1989. *Fourth generation evaluation*. Sage Publications. Newbury Park, California.

Gursoy, D., Jurowski, C. and Uysal, M. 2002. *Resident attitudes: A structural modelling approach*. *Annals of Tourism Research*. Vol. 29. Pages 79-105.

Gursoy, D. and Kendall, K.W. 2006. *Hosting mega-events: Modelling Locals' Support*. *Annals of Tourism Research*, vo. 33, no. 3. Pages 603-623.

Hair, Jr., J.F., Bush, R.P. and Ortinau, D.J. 2000. *Marketing Research: A Practical Approach for the New Millennium*. McGraw-Hill International Editions.

Hall, C.M. 1997. *Hallmark tourist events: impacts, management, and planning*. John Wiley. Chichester.

Hall, C.M. 2004. *Sports tourism and urban regeneration*. In B. Ritchie and D. Adair (Eds.) *Sports tourism. Interrelationships, impacts and issues* (pp. 192-205). Toronto, ON: Channelview Publications.

Harding, C. 2011. *The 2010 World Cup and what it meant for Africa*. Available on:
www.howwemadeitinafrica.com/the-2010-world-cup. [Accessed on 29 March 2012]

Harris, R. 2005. *Approaches to Community Engagement by Public Events*. Allen, J. (Ed.). Paper presented to Third International Event Management Research Conference, Sydney.

Harris, R. 2013. *F1 board member: Races help "tainted" countries*. Available on:
<http://www.boston.com/sports/otherauto-racing/2013/10/10/board-member-races>
Accessed on 10 October 2013

Hendricks, D. 2003. *Cape coffers swell with R260 million Cycle Tour cash contribution*. Available on: www.biz.community.com/Article/196/11/2137.html
[Accessed on 17 March 2012].

Hiller, H.H. 2000. *Mega-events urban boosterism and growth strategies: An analysis of the objectives and legitimations of the Cape Town 2004 Olympic Bid*. International Journal of Urban and Regional Research. Vol. 24. Pp. 439-458.

Hone, P. 2005. *An Analysis of Alternative Approach to Assessing the Contribution of Sport to the Economy*. School Working Paper 2005/11, School of Accounting Economics and Finance, Deakin University, Melbourne.

Howard, D. R. and Crompton, J.L. 1995. *Financing Sport*. Fitness Information Technology: Morgantown.

Itano, N. 2008. *As Olympic glow fades, Athens questions \$15 billion cost*. Available on: www.csmonitor.com/World/2008 [Accessed on 25 January 2012].

InterVISTAS Consulting Inc., 2002. *The Economic Impact of the 2010 Winter Olympic and Paralympic Games: An Update*. Prepared for the Honourable Ted Nebbeling, Minister of State for Community Charter and 2010 Olympic Bid. British Columbia.

InvestorWords. 2015. *Definition of Economic Benefit*. Available on: http://www.investorwords.com/16380/economic_benefit.html [Accessed on 8 March 2015]

Jago, L. K. 1997. *Special events and Tourism Behaviour, a conceptualisation and an empirical analysis from a values perspective*. Victoria University. Melbourne.

Jago, L. and Dwyer, L. 2006. *Economic evaluation of special events: A practitioner's guide*. Common Ground Publishing Pty Ltd. Victoria, Australia.

Janeckzo, B., Mules, T. and Ritchie, B. 2002. *Estimating the Economic impacts of Festivals and Events: A Research Guide*. CRC Sustainable Tourism.

Jones, C. 2001. *Mega-events and host-region impacts: determining the true worth of the 1999 world cup*. International Journal of Tourism Research. Available on: <http://svgnoc.org/blogs/olympism/209/12/30/sports-tourism> [Accessed on 17 February 2010].

Jura Consultants. 2006. *Economic Impact Assessment. The Pillar Events. Final Report*. Edinburgh.

Karlis, G. 2003. *City and Sport Marketing Strategy: The Case of Athens 2004*. Available on: <http://www.thesportsjournal.org/2003Journal/Vol16-No2/athens.asp> [Accessed on 7 November 2010].

Kilkenny, S. 2006. *The Complete Guide to Successful Event Management*. Atlantic Publishing Group, Inc.

Korhonen, J. 2003. *Should we measure corporate social responsibility?* Corporate Social Responsibility and Environmental Management. Vol. 10. No. 1. Pp. 25-39.

KwaZulu-Natal Business. 2009. *Economic Sector: The Guide to Business and Investment in KwaZulu-Natal Province*. Available on: <http://www.kwazulunatalbusiness.co.za> [Accessed on 14 March 2012].

Laesser, C., Stettler, J. and Rutter, H. 2003. *The impact of sports mega-events – The case of Switzerland*. P. Keller and T. Bieger (Eds). Paper presented to AIEST 53rd Congress. St. Gallen.

Lagae, W. 2005. *Sports Sponsorship and Marketing Communication: A European Perspective*. Harlow. F.T. Prentice Hall.

Lee, S. 2001. *A Review of Economic Impact Study on Sport Events*. The Sport Journal. Available on: <http://www.sportjournal.org/2001Journal/spring/economic-sports.htm> [Accessed on 10 May 2011].

Lieber, S.R. and Alton, D.J. 1983. *Visitor expenditure and economic impact of public relation facilities in Illinois*. In Lieber, S.R. and Fesenmeier, D.R. Recreation planning and management. State College, PA. Venture Publishing.

Lind, D.A., Marchal, W.G. and Mason, R.D. 2004. *Statistical Techniques in Business and Economics*. 11th ed. New York. McGraw Hill.

Loftman. P. and Spirou, . 1996. *Tourism and Culture: Towards the 21st Century*. Durham: Conference Centre for Travel and Tourism.

Love, A.J. 2001. *The Future of Evaluation: Catching Rocks with Cauldrons*. American Journal of Evaluation. Vol. 22. No. 3. Page 437.

Mackellar, J. 2005. *Identifying Business Development in Event Networks: A Network Analysis Approach*. Allen, J. (Ed.). Paper presented to Third International Event Management Research Conference, Sydney.

Madden, J.R. 2002. *The Economic Consequence of the Sydney Olympics: The CREA/Arthur Andersen Study*. Available on: www.multilingual-matters.ne/cit/005 [Accessed on 24 November 2011].

Maharajh, A. 2009. *An economic impact analysis of the Comrades Marathon on the City of Durban*. University of KwaZulu-Natal. Durban.

Marais, C. 2003. *Sports Mad South Africa*. Available on: <http://www.southafrica.net> [Accessed on 21 November 2011].

- Matheson, V.A. 2002. *Upon Further Review: An Examination of Sporting Event Economic Impact Studies*. Available on: <http://www.thesportsjournal.org/2002Journal/Vol15No1/studies.htm> [Accessed on 17 January 2011]
- Matheson, V.A. 2006. *Mega-events: The effect of the World's Biggest Sporting Events on Local, Regional and National Economies*. College of The Holy Cross, Faculty of Research Series. Paper No. 06. Page 10.
- Matthews, D. 2008. *Special Event Production: The Process*. Elsevier Ltd.
- Mbanjwa, X. 2006. *Not Everyone Revved Up for AI*. Sunday Tribune News. Sunday, 31 December 2006. Page X4. Durban.
- Mbeki, T. 2006. *State of the Nation Address*. Available on: www.info.gov.za/speeches/2006 [Accessed on 21 November 2011].
- Merriam-Webster. 2015. *Participant*. Available on: www.merriam-webster.com/dictionary/participant Accessed on: 9 March 2015.
- Miller, G. & Ritchie, B. 2002. *When disaster strikes: the effect of relying on events for rural economies*. Jago, L. Deery, M., Harris, R., Hede, A-M and Allen, J. (Eds.) Paper presented to Events and Placemaking Conference. Event Research Conference, Sydney.
- Molloy, J. 2002. *Regional festivals: A look at community support, the isolation factor and funding sources*. Journal of Tourism Studies. Vol. 13, no. 2, pp. 2-16.
- Morgan, B. 2012. *The Comrades Marathon*. South Africa.info: Gateway to the Nation. Available on: www.southafrica.info/about/sport/comrades.html [Accessed on 13 February 2011].
- Mullin, B.J., Hardy, S. and Sutton, W.A. 2007. *Sport Marketing*. 3rd ed. Champaign. Human Kinetics.
- Neirotti, L.D., Brzezinski, K., Clark, K., Falasca, B., Heisler, H., Jourdan, L., McClintock, A. and Watts, C. 2010. *2010 FIFA World Cup South Africa: Corporate Social Responsibility Analysis*. The George Washington University School of Business.
- Next Generation Communication. 2003. *Cape coffers swell with R260 million Cycle Tour cash contribution*. Available on: <http://m.bizcommunity.com/Article/196/18/213./html> [Accessed on 12 January 2011].
- Ngalwa, S. 2012. *Red card for sports quotas*. The Sunday Times. Johannesburg.
- Nicholson, Z. 2012. *Imbalances in sport to go: Cricket SA head*. Daily News. Durban.

- O'Brien, D.J. 2005. *Strategic Business Leveraging of a Mega Sport Event: The Sydney 2000 Olympic Games Experience*. Available on: [www.crctourism.com.au/wms/upload/..](http://www.crctourism.com.au/wms/upload/)
[Accessed on: 13 September 2013]
- Oralunndi, R.A. 2011. *The Significance of Sponsorship as a Marketing Tool in Sports Events*. Available on: www.publications.thesis.fi [Accessed on: 5 June 2013]
- Owen, J.R. 2008. *Estimating the cost and benefit of hosting Olympic Games: What can Beijing expect from its 2008 Games*. *The Industrial Geographer*. Available on: http://findarticles.com/p/articles/mi_qa4127/is_200510/ai_n15705690
[Accessed on 4 August 2011].
- Paramadina Public Policy Institute. 2011. *The economic importance of hosting the Olympic Games – The Beijing Games*. Available on: www.policy.paramadina.ac.id
[Accessed on 26 March 2012]
- Parry, B. 2001. *Successful Event Management*. Oxford. Butterworth-Heinemann.
- Pope, C. and Mays, N. 2006. *Qualitative Research in health Care*. Bristol. Blackwell Publishers/BMJ Books.
- Preuss, H. 2005. *The economic impact of visitors at major multi-sports events*. *European Sport Management Quarterly*, 5, 283-304.
- Price Waterhouse Cooper. 2004. *Olympic Impacts: International Best Practise*. Locum Report. Available on: www.locumconsulting.com/pdf/LDR18-FactsandFigures.pdf
[Accessed on 25 March 2012].
- Research Resolutions and Consulting, Ltd. 2007. *Guidelines: Survey Procedures for Tourism Economic Impact Assessments of Gated Spectator Events*. British Columbia.
- Reid, S. and Arcodia, C. 2002. *Understanding the role of the stakeholder in event management*. In Jago, L., Deery, R., Allen, J., Hede, A. (Eds.), *Events and Place-Making*. Sydney: Australian Centre for Event Management, UTS.
- Reuters, 2006. *SA's Cup runneth over*. *Sunday Times Business Times*. Sunday, 31 July. Page 31. Johannesburg.
- Ritchie, B. and Adair, D. 2002. *The growing recognition of sport tourism*. *Current Issues in Tourism*. 5(1):1-6.
- Robson, C. 2000. *Small-scale evaluation: principles and practice*. Sage. London.
- Saayman, M. 2004. *An introduction to sport tourism and event management (2nd Ed.)*. Potchefstroom: Institute for Tourism Leisure Studies.

- Sandhu-Rojon, R. 2003. *Selecting Indicators for impact evaluation*. Available on: <http://www.minefi.gouv.fr/TRESOR/cicid/atelier/contrib/29.pdf>> Accessed on 30 October 2013.
- Saville, S. 2005. *A warm KZN welcome*. Sawubona Magazine. Cape Town.
- Scott M. Smith. 2013. *Determining Sample Size: How to Ensure You Get the Correct Sample Size*. Available on: www.qualtrics.com/blog/determining-sample-size/
- Sebake, T.N and Gibberd, J.T. 2008. *Assessing the sustainability performance of the 2010 FIFA World Cup stadia using the Sustainable Building Assessment Tool (SBAT) for stadia*. 5th edition. Post Graduate Conference on Construction Industry Development. Bloemfontein, South Africa.
- Schultz, B. 2002. *History: Sports Broadcasting*. Pp. 16 – 20. Woburn, MA. Focal Press.
- Segnestam, L. Winograd, M. and Farrow, A. 2000. *Developing Indicators: Lessons Learned from Central America*, CIAT-World Bank –United Nations Environment Program (UNEP) Project, Washington, DC.
- Sherwood, Peter. 2007. *A Triple Bottom Line Evaluation of the Impact of Special Events: The Development of Indicators*. Centre for Hospitality and Tourism Research. Victoria University, Australia.
- Silvers, J.R. 2008. *Risk Management for Meetings and Events*. Butterworth-Heinemann.
- Sofield, T.H.B. 2003. *Sports Tourism: From Binary Division to Quadripartite Construct*. Journal of Sport Tourism, 8(3), 144-166.
- South Africa. *Yearbook*. 2003/2004. Pretoria: Government Printer.
- South Africa. *Yearbook*. 2010/2011. Pretoria: Government Printer.
- South Africa Info. 2010. *World Cup “still massive.”* Available on: www.southafrica.info/2010 [Accessed on 29 March 2012].
- South African Sports Commission. 2003. *Bidding to host an international sport and recreation event in South Africa: A guide for sport and recreation organisations*. Centurion. Sasc.
- Sport and Recreation South Africa. 2009. *Safety at Sports and Recreational Events Act, No. 2 of 2010*. Available on: www.info.gov.za/view/ [Accessed on: 6 June 2013].
- Sports Tourism. 2014. *Active Sports Tourism Definition*. Available on: <http://www.tourism-review.com> [Accessed on: 6 March 2015]
- Stevik, K. 2009. *Assessing the impacts of sports events: The Birkebeiner-Case*. Available on: <http://www.209.8.229.132/search> [Accessed on 27 March 2012].

Steyn, A.G.W., Smit, C.F., Du Toit, S.M.C. and Strasheim, C. 1994. *Modern Statistics in Practice*. Pretoria. J.L. van Shaik.

Styne, D.J. 2000. *Economic Impacts of Tourism*. Available on: <http://msu.edu/course/prr/840/econimpact/pdf/ecimpvol1.pdf> Accessed on: 9 March 2015

Swart, K., Bob, U. and Heath, E. 2005. *Developing a strategic framework for leveraging community benefits associated with hosting 2010 Soccer World Cup in South Africa*.

Szymanski, S. 2002. *The Economic Impact of the World Cup*. Available on: <http://www.polity.org.za> [Accessed on 7 March 2012].

Tassiopoulos, D. 2005. *Event Management: A professional and development approach*. 2nd Ed. Cape Town: Juta.

The Free Dictionary by Farflex. 2015. *Sport*. Available on: <http://www.thefreedictionary.com/sport> [Accessed on: 8 March 2015]

Theodoraki, E. 2009. *The Modern Olympic Games: Governance and Ownership of Risk*. Available on: www.bl.uk/sportandsociety/exploresocsci/sportsoc [Accessed on 25 March 2012].

Thornton, G. 2003. *SA 2010 Soccer World Cup Bid Executive Summary*. Available on: <http://www.polity.org.za> [Accessed on 13 September 2013].

Torkildsen, George. 2011. *Sport and Leisure Management*. Routledge. New York.

Tourism KwaZulu-Natal. 2014. *Catalogue of KwaZulu-Natal Tourism Authority*. Available on: www.zulu.org.za/Archive. Accessed on: 21 March 2015.

Tum, J., Norton, P. and Wright, J.N. 2006. *Management of Events Operations*. Elsevier.

Turco, D.M., Swart, K., Bob, U. and Moodley, V. 2003. *Socio-economic Impacts of Tourism in the Durban Unicity, South Africa*. Journal of Sport Tourism. Vol. 8, No. 4, Oxfordshire. Routledge.

Tziralis, G., Tolis, A and Tatsipoulos, I. 2006. *Economic aspects and Sustainability Impact of the Athens 2004 Olympic Games*. Available on: www.locateinkent.com [Accessed on 23 March 2012].

UK Sport. 2005. *The Economic Impact of Major Events*. Staging Major Sports Events: The Guide. Available on: <http://www.uk sport.gov.uk/> Accessed on 1 October 2013.

Van Beek, P. 2007. *The economic impact of large sporting events*. Available on: <http://www.landsixpeople.com/news702/ns0704158.html> [Accessed on 13 February 2012].

Veraros, N., Kasimati, E. and Dawson, P. 2004. The 2004 Olympic Games Announcement and its Effect on the Athens and Milan Stock Exchanges. Available on: www.books.google.co.za/books?isbn=0763780782 [Accessed on 25 March 2012].

Verveer, P. 2001. *Telecommunications and the Olympic Games*. IEEE Communications Magazine. July. Pp, 69-70.

Visdeloup, K. 2010. *Cities have to develop into successful brands*. Available on: <http://www.citymayors.com/marketing/city-branding.html> [Accessed on 18 February 2010]

Vogelsoong, H., Graefe, A. and Estes, C. 2001. *Economic Impact Analysis: A look at useful methods*. Journal of Parks and Recreation. Vol. 36. No. 3. Pp. 28-32

Wagner, E.W. 2007. *Using SPSS for social statistics and research methods*. Thousand Oaks, California: Pine Forge Press.

Wang, C. and Chen, C.L. 2005. *The Analysis on Economic Value of Beijing Olympic Games*. Enterprise Economy. China.

Weiner, J. 2008. *Economist: "Beijing will not follow disastrous path."* Available on: <http://www.sportsbusinessdaily.com/beijinggames/entries/2008/olympic-economist-beijing> [Accessed on 12 March 2012].

Wicks, B.E. 1995. *The business sector reaction to a community special event in a small town: a case study of the "Autumn on Parade" Festival*. Festival Management and Event Tourism. Vol. 2, no. 3/4, pp. 177-184.

Wikipedia. 2013. *Natural Environment – Wikipedia, the free encyclopedia*. Available on: http://en.wikipedia.org/wiki/Natural_environment Accessed on: 12 July 2013.

Wikipedia. 2014. *Comrades Marathon*. Available on: en.wikipedia.org/wiki/Comrades_Marathon Accessed on: 9 March 2014

INTERVIEWS

Bronwyn Freeman, Finance Co-ordinator of CMA, was interviewed by A Maharajh on 18 July 2012 at 09h30 at Comrades House in Pietermaritzburg.

Delaine Cools, Media and Communications Co-ordinator of CMA, was interviewed by A Maharajh on 28 June 2012 at 11h00 at Comrades House in Pietermaritzburg.

Gary Boshoff, General Manager of CMA, was interviewed by A Maharajh on 18 July 2012 at 10h15 at Comrades House in Pietermaritzburg.

Johan van Staden, Race Director of the Comrades Marathon, was interviewed by A Maharajh at 09h30 on 28 June 2012 at Comrades House in Pietermaritzburg.

Lielze Bothma, Conker Exhibitions, was interviewed telephonically by A Maharajh on 14 February 2013 at 12h20 in Durban.

Mbali Madondo, Administrator of CMA, was interviewed by A Maharajh on 28 June 2012 at 10h00 Comrades House in Pietermaritzburg.

Thami Vilakazi, Marketing Co-ordinator of CMA, was interviewed by A Maharajh at 10h30 on 28 June 2012 at Comrades House in Pietermaritzburg.

APPENDICES

APPENDIX 1: ETHICAL CLEARANCE

AE



**UNIVERSITY OF
KWAZULU-NATAL**

University of KwaZulu-Natal
Research Office, Govan Mbeki Centre
Westville Campus
Private Bag x54001
DURBAN
4000
Tel No: +27 31 260 3587
Fax No: +27 31 260 4609
sshrec@ukzn.ac.za

19 MAY 2010

MR. ASHOK MAHARAJH (7912739)
PHYSIOTHERAPY, SPORT SCIENCE AND OPTOMETRY

Dear Mr. Maharajh

PROTOCOL REFERENCE NUMBER: HSS/0233/010D
PROJECT TITLE: A comparative Economic Impact Analysis of the 2010 Comrades Marathon on the Cities of Durban and Pietermaritzburg

In response to your application dated 14 May 2010, the Humanities & Social Sciences Ethics Committee has considered the abovementioned application and the protocol has been given **FULL APPROVAL**.

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment /modification prior to its implementation. In case you have further queries, please quote the above reference number.

PLEASE NOTE: Research data should be securely stored in the school/department for a period of 5 years.

I take this opportunity of wishing you everything of the best with your study.

Yours faithfully

.....
Professor Steven Collings (Chair)
HUMANITIES & SOCIAL SCIENCES RESEARCH ETHICS COMMITTEE

cc. Supervisor- Professor Johan van Heerden
cc. Mr. Sugan Reddy

Founding Campuses: ■ Edgewood ■ Howard College ■ Medical School ■ Pietermaritzburg ■ Westville

APPENDIX 2: RESEARCH REQUEST

27 July 2009

Mr Dave Dixon
Chairman: Comrades Marathon Board
Comrades Marathon Association
PIETERMARITZBURG

Dear Dave

PERMISSION TO CONDUCT RESEARCH

At the outset I must once again thank you and the CMA for affording me the opportunity of conducting research on the Comrades Marathon in 2004 and 2005. This research was successfully completed and presented at sport conferences in India and South Africa. It is, now, my intention to investigate the economic impact of the 2010 Comrades Marathon on the Cities of Pietermaritzburg and Durban respectively.

As you are aware these cities are vital components in the race as they serve as the start and finish venues. Thus, both cities are visited and inhabited by runners and their supporters i.e. family and friends for a few days. In the process they expend huge amounts of money on a variety of items inter alia accommodation, food and drink, transport, entertainment; thus having a socio-economic impact on these cities.

I therefore formally request permission from the CMA to conduct my research at the venues allocated for registration and for the registration period. As I have conducted research in the past at the Durban venue and am familiar with registration process, I can assure you that my fieldworkers and I will not in any way be a hindrance to the runners and/or the organizers. Also, our time at the venues will be restricted to approximately four hours per day.

Yours sincerely

Ashok Maharajh
(Bobby)

APPENDIX 3: CMA's APPROVAL

19 August 2009

Mr. Bobby Maharajh
DUT
Durban

Dear Sir

**PERMISSION TO DO RESEARCH AT THE 2010 COMRADES
MARATHON**

Please note that your request for permission to conduct research at the 2010 Comrades Marathon has been granted.

The CMA has approved your request with the understanding that the following conditions are met:

- You submit the full Research Report of the earlier Economic Impact Research you did on the Comrades Marathon
- You submit a detailed outlay of the Research Project and the kind of information your researchers will be soliciting from the Athletes/supporters to the CMA by 1 march 2010 at the latest.
- You give an indication of the timeline, i.e. when the final research report will be completed.
- You clarify the objective with the research, i.e. what is it going to be used for.
- You accept that your fieldworkers will have to comply with CMA regulations, work within the limitations of the event and that they will have to be accredited.
- You agree to submit a copy of the full research report at no cost to the CMA for internal use.

Please confirm receipt of this letter and acceptance of the conditions as listed above.

I trust you find this in good order.

Sincerely

Gary BE Boshoff
Chief Executive Officer
Comrades Marathon Association

APPENDIX 4: CONSENT FORM

**TITLE: AN ECONOMIC IMPACT ANALYSIS OF THE 2010
COMRADES MARATHON ON THE CITIES OF
DURBAN AND PIETERMARITZBURG**

CONSENT FORM FOR PARTICIPANTS

I have read the Information Sheet concerning this project and understand what it is about. All my questions have been answered to my satisfaction. I understand that I am free to request further information at any stage.

I know that:

1. My participation in the project is entirely voluntary;
2. I am free to withdraw from the project at any time without any disadvantage;
3. The data will be destroyed at the conclusion of the project but any raw data on which the results of the project depend will be retained in secure storage for five years, after which it will be destroyed;
4. There are no discomfort or risks to myself;
5. I will not receive any remuneration or compensation for the information that I will provide;
6. The results of the project may be published but my anonymity will be preserved.

I agree to take part in this project.

.....
SIGNATURE OF PARTICIPANT

..... May 2010
DATE

APPENDIX 5: QUESTIONNAIRE: PARTICIPANTS AND SUPPORTERS

**TITLE: AN ECONOMIC IMPACT ANALYSIS OF THE
2010 COMRADES MARATHON ON THE CITIES
OF DURBAN AND PIETERMARITZBURG**

1. GENERAL INFORMATION

- 1.1 Are you a tourist or a local resident? (Insert tick in table below)
1.2 Please state your permanent place of residence. (Write in table below)

Tourist (non- South African)		Country:					
Tourist (South African)			Gauteng	Free State	Eastern Cape	Western Cape	Other (specify)
Resident (Local)		Location in Metro	Central	South	North	West	Other (specify)
		Location in KZN	South Coast	North Coast	Midlands		

2. RACE RELATED INFORMATION

NOTE: HISTORICAL RACIAL CLASSIFICATION FOR SOUTH AFRICANS (Insert tick)			
African	White	Coloured	Indian

3. TOURIST RELATED INFORMATION

- 3.1 Indicate the type of accommodation in which you are residing. (Insert tick in space provided)

3.2 What is the cost per night? (Write cost in space provided preferably in the South African currency)

3.3 How many nights of accommodation? (Write number of nights in space provided)

3.4 How many nights will you be staying in KZN? (Write number of nights in space provided)

ACCOMMODATION TYPE		NUMBER OF NIGHTS OF ACCOMMODATION	NUMBER OF NIGHTS ACCOMMODATION IN KZN.	COST OF ACCOMMOATION PER NIGHT
Luxury Hotel (4-5*)				
Family Hotel (1-3*)				
Bed & Breakfast				
Holiday Flat				
Self-catering				
Holiday Home				
Comrades Accommodation				
Friends & Family				
Other (specify)				

4.

4.1 How many people, including yourself, are in your immediate group, attending this event? (Tourists)

--

4.2 How many people, including yourself, are in your immediate group, attending this event? (All)

--

4.3 How would you describe the composition of your group?

Friends	Family	Friends and Family	Club Members
Business Associates	Other (specify)		

5. What is your primary reason for visiting Durban?

This event	Visit family	Visit friends and family	Vacation
Business	Attend FIFA World Cup Matches		Other (specify)

5.1 If your primary reason was not the Comrades Marathon, do you agree that you scheduled your visit to coincide with the event?

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
----------------	-------	---------------------------	----------	-------------------

5.2 Do you agree that the 2010 FIFA World Cup will have a positive economic impact on the Comrades Marathon and on the Cities of Durban and Pietermaritzburg?

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
----------------	-------	---------------------------	----------	-------------------

6. Which mode of transportation did you use to come to Durban?

Own vehicle	Rental vehicle	Airplane	Train
Bus	Mini-bus taxi	Lift with family/friend vehicle	Other (specify)

6.1 Which mode of transportation did you use to arrive at the event?

Own vehicle	Rental vehicle	Train	Bus
Mini-bus taxi	Lift with family/friend vehicle	Other (specify)	

7. Which of the following was most influential in your decision to attend the event?

TV Advertisements (specify)	Radio Advertisements (specify)	Newspapers (specify)
Word of mouth	Posters/Banners/Fliers	Other (specify)

8. Are you aware of the following events taking place in Durban and will you attend these events?

EVENT	AWARE			ATTENDING		
	YES	NO	DON'T KNOW	YES	NO	DON'T KNOW
FIFA World Cup						
Spar Ladies 10km Challenge						
Indaba 2010						

9. Do you agree that you will attend the Comrades Marathon if it is held next year?

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
----------------	-------	---------------------------	----------	-------------------

10. Can you name the sponsors of the 2010 Comrades Marathon?

Sponsor 1	Sponsor 2
Sponsor 3	Sponsor 4

11. Which other places in Durban, except this event, will you visit before and/or after the Comrades Marathon?

.....

.....

.....

12. Which other places, except this event, will you visit in KwaZulu-Natal before and/or after the Comrades Marathon?

.....

.....

.....

13. How would you rate your experience here today? (Tick one)

Excellent	Good	Okay	Bad
-----------	------	------	-----

14. Were you involved in any unsavoury incidents at the event?

YES (specify type of incident)	NO
--------------------------------	----

14.1 If "YES", where did this take place? (Name place/location of the incident)

.....

15. Were you involved in any unsavoury incidents in Durban?

YES (specify type of incident)	NO
--------------------------------	----

15.1 If "YES", where did this take place? (Name place/location of the incident)

.....

16. Did you experience **ANY OTHER PROBLEMS** at this event?

YES (specify)	NO
---------------	----

17. How can this event be improved?

.....

.....

.....

18. FINANCIAL CONSIDERATIONS

18.1 Did you buy or do you plan to buy anything at the event today? (Including food/refreshments)

YES	NO
-----	----

18.2 How much did you spend or intend spending at this event today? (Preferably in S A currency)

.....

18.3 What was or will be your average daily spend on the expenditure items listed below? (Preferably in S A currency)

ITEM	AMOUNT
Food and refreshments	
Running gear	
Race memorabilia	
Arts and crafts	
Other (specify)	

18.4 How much do you intend spending in Durban whilst you are here? (Preferably in South African currency)

.....

18.5 What will be the average daily spend on the different expenditure items listed below? (Preferably in South African currency)

ITEM	AMOUNT
Restaurants	
Retail shopping	
Entertainment	
Transport	
Other (specify)	

APPENDIX 6: SPONSORS AND OFFICIAL SUPPLIERS

TITLE: AN ECONOMIC IMPACT ANALYSIS OF THE 2010 COMRADES MARATHON ON THE CITIES OF DURBAN AND PIETERMARITZBURG

NAME OF SPONSOR/SUPPLIER:

1. What was the overall budget you allocated in sponsoring this event?

.....

2. Indicate any specific expenditure items and how much you allocated?

EXPENDITURE ITEM	AMOUNT

3. What marketing objectives did you hope to achieve by sponsoring this event?

.....

.....

.....

4. Do you agree that these objectives were met?

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
----------------	-------	---------------------------	----------	-------------------

5. What indicators did you use to measure these marketing objectives (e.g. increase in sales and advertising exposure?)

.....

.....

.....

6. How did you promote your company at the event?

.....
.....

7. Do you agree that you would change your strategies for promotion of this event in the future?

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
-----------------------	--------------	----------------------------------	-----------------	--------------------------

8. If you **“STRONGLY AGREE”** or **“AGREE”**, could you please specify the strategies that you would use in the future.

.....
.....

9. Do you agree that you were satisfied with sponsoring this event?

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
-----------------------	--------------	----------------------------------	-----------------	--------------------------

10. Do you have any suggestions to improve this event in the future? (specify)

.....
.....
.....

11. Do you agree that you would sponsor this event next year?

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
-----------------------	--------------	----------------------------------	-----------------	--------------------------

12. Do you agree that the 2010 FIFA World Cup had a positive economic impact on the Comrades Marathon and the Cities of Durban and Pietermaritzburg?

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
-----------------------	--------------	----------------------------------	-----------------	--------------------------

APPENDIX 7: DURBAN AND PIETERMARITZBURG VENDORS

**TITLE: AN ECONOMIC IMPACT STUDY OF THE 2010
COMRADES MARATHON ON THE CITIES OF
DURBAN AND PIETERMARITZBURG**

1. Were you aware of the “Comrades Expo” taking place in Durban? **(Tick one block)**

YES	NO
-----	----

2. What products/services do you provide? **(Write in space below.)**

.....
.....

3. Do you agree that you incurred additional costs in preparation of this event?

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
----------------	-------	---------------------------	----------	-------------------

4. Did you employ additional people to assist you for this event?

YES	NO
-----	----

- 4.1 If “Yes”:

- 4.1.1 How many people did you employ? **(Write in space below.)**

.....

- 4.1.2 For what type of jobs did you employ them? **(Write in space below.)**

.....

5. Compared to normal patronage, do you agree that your sales increased because of the event?

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
----------------	-------	---------------------------	----------	-------------------

6. Do you agree that more tourists were attracted to Durban because of the event?

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
----------------	-------	---------------------------	----------	-------------------

7. Do you agree that the 2010 FIFA World Cup will have a positive financial impact on the Comrades Marathon and on the Cities of Durban and Pietermaritzburg?

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
----------------	-------	---------------------------	----------	-------------------

8. Are you satisfied with the: **(Tick one block.)**

RESPONSES	YES	NO
Location of the event		
Organisation of the event		
Attendance at the event		
Security at the event		
Advertising/Publicity of the event		

9. If "No", for any of the above responses, state reasons. **(Write in space below.)**

.....

.....

.....

.....

APPENDIX 8: DURBAN AND PIETERMARITZBURG STALLHOLDERS

TITLE: AN ECONOMIC IMPACT ANALYSIS OF THE 2010 COMRADES MARATHON ON THE CITIES OF DURBAN AND PIETERMARITZBURG

1. Were you aware of the “Comrades Expo” taking place here? **(Tick one block)**

2.

YES	NO
-----	----

3. What products/services do you provide? **(Write in space below)**

.....

4. Did you incur additional costs in preparation for this event? **(Tick one block)**

YES	NO
-----	----

5. If “Yes”, approximately how much and for what specific purpose? **(Write in space below)**

.....

6. Did you employ additional people to assist you for this event? **(Tick one block)**

YES	NO
-----	----

7. If “Yes”, how many people did you employ? **(Write in space below)**

.....

8. What type of jobs did you employ them to perform? **(Write in space below)**

.....

.....

.....

9. Compared to normal patronage, do you agree that your sales increased because of the event? **(Tick one below)**

STRONGLY AGREE	AGREE	NEITHER AGREE OR DISAGREE	DISAGREE	STRONGLY DISAGREE
---------------------------	--------------	--------------------------------------	-----------------	------------------------------

10. In your opinion, do you agree that more tourists were attracted to Pietermaritzburg because of the Comrades Marathon? **(Tick one block)**

STRONGLY AGREE	AGREE	NEITHER AGREE OR DISAGREE	DISAGREE	STRONGLY DISAGREE
----------------	-------	---------------------------	----------	-------------------

11. Do you agree that the 2010 FIFA World Cup will have a positive economic impact on the Comrades Marathon and the Cities of Durban and Pietermaritzburg?

Strongly agree	Agree	Neither agree or disagree	Disagree	Disagree
----------------	-------	---------------------------	----------	----------

12. Are you satisfied with the: **(Tick one block)**

	YES	NO
Location of the event		
Organisation of the event		
Attendance at the event		
Security at the event		
Advertising/publicity of the event		

13. If, "No", for any of the above responses, state reasons: **(Write in space below)**

.....

.....

.....

14. What problems, if any, did you experience during the Comrades Expo? **(Write in space below)**

.....

.....

.....

15. Do you have suggestions for improving this type of event? **(Write in space below)**

.....
.....

16. What was your average turnover today? **(Write in space below)**

.....

17. Do you agree that these types of events have a positive impact on local economic development in Durban? **(Tick one block)**

STRONGLY AGREE	AGREE	NEITHER AGREE OR DISAGREE	DISAGREE	STRONGLY DISAGREE
---------------------------	--------------	--------------------------------------	-----------------	------------------------------

18. More significantly, do you agree that these events have a positive impact on your type of business? **(Tick one block AND write reason(s) in space below)**

STRONGLY AGREE	AGREE	NEITHER AGREE OR DISAGREE	DISAGREE	STRONGLY DISAGREE
---------------------------	--------------	--------------------------------------	-----------------	------------------------------

.....
.....
.....

APPENDIX 9: DURBAN RESIDENTS

TITLE: AN ECONOMIC IMPACT ANALYSIS OF THE 2010 COMRADES MARATHON ON THE CITIES OF DURBAN AND PIETERMARITZBURG

PLEASE INSERT A TICK (✓) IN THE APPROPRIATE BOX

1. Do you agree that it is a good idea for Durban to be involved with the Comrades Marathon?

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
-----------------------	--------------	----------------------------------	-----------------	--------------------------

2. What benefits do you think Durban and its citizens will derive from the 2010 Comrades Marathon?

Bring people together	
Excitement of the race	
Economic benefits (more jobs; greater profits)	
Increased tourism	
Other (specify)	

3. What do you think Durban can do to build on the success and benefits of the Comrades Marathon?

Advertise/Promote the city	
Economic benefits (create more jobs and greater profits)	
Increased tourism	
Other (specify)	

4. Please indicate sex

MALE		FEMALE	
-------------	--	---------------	--

5. How do you feel you can contribute to the success of the 2010 Comrades Marathon?

Be friendly/hospitable	
Volunteer to assist at the race	
Watch on Television	
Pay taxes	
Other (specify)	

6. What do you think are the positive features of Durban as a sports destination?

.....

.....

7. Do you agree that the 2010 FIFA World Cup had a positive economic impact on the Comrades Marathon and the Cities of Durban and Pietermaritzburg?

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
----------------	-------	---------------------------	----------	-------------------

8. Please provide your personal information by ticking the appropriate block.

AGE		OCCUPATION		INCOME	
Less than 20		Unemployed		Less than R1 000	
21 – 30		Student/Scholar		R1 000 – R1 999	
31 – 40		Retired		R2 000 – R2 999	
41 – 50		Labourer/Unskilled		R3 000 – R3 999	
51 – 60		Artisan/Technician		R4 000 – R4 999	
61 – 70		Sales/Marketing		R5 000 – R5 999	
71 – 80		Administration/Manager		R6 000 – R6 999	
80+		Professional e.g. Doctor		R7 000 – R7 999	
		Self-employed		R8 000 – R8 999	
		Home Executive		R9 000 – R9 999	
		Other (specify)		R10 000+	

APPENDIX 10: PIETERMARITZBURG RESIDENTS

TITLE: AN ECONOMIC IMPACT ANALYSIS OF THE 2010 COMRADES MARATHON ON THE CITIES OF DURBAN AND PIETERMARITZBURG

PLEASE INSERT A TICK (✓) IN THE APPROPRIATE BOX

9. Do you agree that it is a good idea for Pietermaritzburg to be involved with the Comrades Marathon?

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
-----------------------	--------------	----------------------------------	-----------------	--------------------------

10. What benefits do you think Pietermaritzburg and its citizens will derive from the 2010 Comrades Marathon?

Bring people together	
Excitement of the race	
Economic benefits (more jobs; greater profits)	
Increased tourism	
Other (specify)	

11. What do you think Pietermaritzburg can do to build on the success and benefits of the Comrades Marathon?

Advertise/Promote the city	
Economic benefits (create more jobs and greater profits)	
Increased tourism	
Other (specify)	

12. Please indicate sex.

MALE		FEMALE	
-------------	--	---------------	--

13. How do you feel you can contribute to the success of the 2010 Comrades Marathon?

Be friendly/hospitable	
Volunteer to assist at the race	
Watch on Television	
Pay taxes	
Other (specify)	

14. What do you think are the positive features of Pietermaritzburg as a sports destination?

.....

.....

15. Do you agree that the 2010 FIFA World Cup will have a positive economic impact on the Comrades Marathon and the Cities of Durban and Pietermaritzburg?

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
----------------	-------	---------------------------	----------	-------------------

APPENDIX 11: CMA REPRESENTATIVES

TITLE: AN ECONOMIC IMPACT STUDY OF THE 2010 COMRADES MARATHON ON THE CITIES OF DURBAN AND PIETERMARITZBURG

NAME OF ORGANISATION: Comrades Marathon Association

1. What role/s did you play in the organisation of this event:

.....

2. What was the overall budget allocated for this event?

.....

2.1 What are the specific items and how much did you allocate? (Please attach page if insufficient).

EXPENDITURE ITEM	AMOUNT

3. Which services did you outsource to KZN service providers?

.....

.....

.....

3.1 What percentage of the overall sourcing did this constitute?

.....

.....

- 4. Which services did you specifically outsource to Affirmable Business Enterprises (ABEs) or previously disadvantaged service providers?

.....

.....

.....

- 4.1 What percentage of the overall outsourcing did this make up?

.....

.....

- 5. Could you outline below the media exposure leveraged for the event and estimated value in Rand? (Please be specific and attach a separate page if insufficient).

TYPE OF MEDIA	REGIONAL		NATIONAL		INTERNATIONAL	
	Name	Cost	Name	Cost	Name	Cost
Television						
Radio						
Print						
Posters/banners/ flyers						
Internet						
Other (Specify)						

- 6. Provide a list of main and supporting with amounts sponsored. If in-kind (media exposure, catering, etc.) sponsorship, provide an estimate value in Rand. (Attach page if necessary).

.....

.....

.....

- 7. Did you employ additional workers to assist in preparation of the event?

Yes	No
-----	----

7.1 If **“Yes”**,

7.1.1 What type of jobs did you employ people for?

.....

7.1.2 How many people did you employ?

.....

8. What were your overall expectations for the 2010 Comrades Marathon?

.....

8.1 Were your overall expectations for the 2010 Comrades Marathon met?

YES	NO
-----	----

8.1.1 If **“No”**, give reasons.

.....

9. What was your overall impression of the 2010 Comrades Marathon?

.....

9.1 What do you think were the economic and other impacts of the Comrades Marathon?

.....
.....

10. Do you agree that the 2010 FIFA World Cup will have a positive economic impact on the Comrades Marathon and the Cities of Durban and Pietermaritzburg?

Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
----------------	-------	---------------------------	----------	-------------------