



Western Cape
Government

BETTER TOGETHER.

DEVELOPMENT OF A STANDARDISED METHODOLOGY TO CONDUCT EVENT IMPACT ASSESSMENTS

WCG Events Incubation Conference 2017

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Project Objectives (1/2)

Background

- Western Cape Government (WCG) developed an [Integrated Events Strategy for Cape Town and the Western Cape](#) (IES) (2011)
- Strategy provides a guide to [decision-making](#) for supporting events
 - aids all spheres of government and their agencies to work together to maximise the brand-building potential and
 - Contributes to meeting triple bottom-line benefits
- **Aim of strategy** – to develop and manage a [portfolio of events](#) and facilities
 - to achieve growth, development and inclusivity for people of WC
- IES also aligned to WCG's [strategic goals](#)
 - “to create opportunities for growth and job creation”
 - “to embed good governance and integrated service delivery through partnerships and spatial alignment”

Project Objectives (2/2)

Challenges

- Growing events industry in the Western Cape
- Assessing impacts of events become increasingly complex
- Lack of a standardised methodology to measure economic, social and environmental impacts
- Importance of good governance objectives as a fourth dimension

Brief

- Develop a standardised set of indicators and methodological approach **in collaboration with Event Owners (EOs)**

by which impact of five annual events supported by WCG can be measured

- Cape Town Cycle Tour (CTCT)
- Old Mutual Two Oceans Marathon (OMTOM) (2016 - attendee survey)
- Cape Town International Jazz Festival (CTIJF) (2016 - attendee survey)
- ABSA Cape Epic (CE)
- Klein Karoo Nasionale Kunstefees (KKNK)
- Knysna Oyster Festival (KOF) (added 2016 – attendee survey))
- Develop a standardised methodology and survey instruments that can be administered to:
Event owner (EO), stallholder / exhibitor, service provider, attendees and sponsor

Research Team

- Appointed via [Cape Higher Education Consortium \(CHEC\)](#) Agreement with WCG
- Collaboration between
 - Cape Peninsula University of Technology (Profs Kamilla Swart and Urmilla Bob)
 - University of Cape Town (Dr David Maralack)
 - Stellenbosch University (Dr Johan Fourie)

Methodology (1/4)

To develop standardised methodological approach, following research activities were undertaken over two phases in 2015 and 2016:

PHASE 1: 2015

1. Reviewed current set of triple bottom-line indicators and developed a set of good governance indicators
2. Conducted an indicator scoping exercise with each EO to:
 - Refine current set of triple bottom-line indicators
 - Review good governance indicators
 - Identify additional unique indicators beneficial to EO
 - Gain an understanding what information exists and/or is collected in relation to existing indicators and in relation to proposed governance indicators

Methodology (2/4)

3. Developing a standard methodological approach to conduct event impact assessments

Specific research activities were undertaken:

1. Finalise draft indicator list
2. Develop survey instruments
3. Develop sampling frameworks
4. Pilot instruments:
5. Phase 1
 - EO survey
 - Stallholders/ exhibitors survey
 - Service provider survey
6. Provide recommendations for implementation
7. Finalised indicators and methodological approach, including guidelines for survey implementation

PHASE 2 - 2016

1. Pilot sponsor survey at all events
2. Pilot attendees survey at two events (viz. OMTOM and CTIJF)
 - CTIJF shifted to KOF
3. Develop and pilot economic impact assessment methodology
4. Provide recommendations for implementation
5. Finalised indicators and methodological approach, including guidelines for survey implementation

Methodology (4/4) : Sampling Framework

Service Providers						Sponsors					
Population		Sample		Response Rate		Population		Sample		Response Rate	
2015	2016	2015	2016	2015	2016	2016					
136	213	25	19	19%	9%	9		4	44%		
Stallholders						Attendees					
2015	2016	2015	2016	2015	2016	2016 (n=310)					
96	93	3	52	3%	56%	Participants		75%	Spectators		25%
Event Organiser											
2015	EO Survey		Media Report								
2016	EO Survey		Media Report								

Findings OMTOM EVENT IMPACT STUDY: (1/10)

Attendee Survey: Visitor profile

Visitor Type	n=310 (in %)
Overnight visitor	69
Day-tripper	1
Local residents	30

- **60.3% of attendees were from rest of South Africa**
- **Largest number from Gauteng (28.7%), KZN (8.4%) and Free State (6.5%)**
- **International attendees (9.7%)**
- **Ave. group size 5.9**
- **Ave. no. of days 2.5**
- **Majority returning attendees (73%), on ave. 5 times**
- **Primary reason for visiting area (95%)**
- **Attend again (98%)**

Findings (2/10): Attendee Survey

Event satisfaction

- High: organisation (96%), information (92%), marketing (90%), signage (90%), environmental practices (86%), refreshments (85%), facilities and amenities (84%) and entry fees (79%)
- Dissatisfaction: parking (20.6%) and programme of activities (13.9% and 39% neutral)

Sponsor recall

Sponsor	n=310 (in %)
Old Mutual	86.8
Adidas	28.4
Nedbank	.3
No response	2.6

Findings (3/10): Service Provider Survey

- High levels of local procurement (95%)
- 58% rated BBBEE Level 4 or higher
- 100% satisfaction with event

Benefits from participating

Main Benefits	n=19 (in %)
Increasing sales/ business opportunities	42
Market exposure	42
Networking	32
Providing a service/ information to public	26
Skills development	21
Opportunities for local business	21

Findings (4/10): Stallholder Survey

- Local procurement lower (54%)
- 54% returning exhibitors
- 79% return in future
- Objectives met: Increased market exposure (75%), increased sales and business opportunities (71%), networking (71%) and providing information to the public (67%)
- Objectives not met: fundraising (21.2%)

Greening initiatives activated

Initiative	n=52 (in %)
Recycling	35
Proper disposal of waste	33
Conservation of water	21
Conservation of electricity	15
Use of green products	2
Promoting green behavioural change	2
Registered with 100% Green Campaign	8

Findings (5/10): Sponsor Survey

Sponsor Objectives

Main marketing objectives to be achieved	n=4 (in %)
Create brand awareness	75
Capture database/ generate leads	75
Stimulate sales/ acquisition/ trial/ usage	50
Drive retail/ dealer/ organisation traffic	50

- **Objectives met: 75%**
- **100% satisfaction with event**
- **100% will sponsor in future**

Findings (6/10): Economic Impact Analyses

- 28000 participants ave. group size of 2.6 (1.6 additional people)
- Group size determined by survey question -accompanying persons to event
- All groups above 5 were limited to 6 to guard against over-estimation of spend).
- 70% came from outside the region of analysis and therefore be included analysis

Attendee type and total number

Type	n=310	
Overnight visitor	69%	50952
Day visitor	1%	721
Local resident	30%	20111
Total		73785

Findings (7/10): Economic Impact Analyses

Calculation of economic impact: Visitor expenditure

Type		Expenditure per visitors	Number of visitors	Local share	Local impact
Overnight/ tourists	Food	R 1 047.09	50952	0.8	R 42 681 063.74
	Merchandise	R 1 018.80	50952	0.8	R 41 527 918.08
	Shopping	R 2 036.36	50952	0.8	R 83 005 291.78
	Transport	R 4 458.03	50952	0.2	R 45 429 108.91
	Accommodation	R 4 628.16	50952	0.8	R 188 651 206.66
	Other	R 1 306.25	50952	0.8	R 53 244 840.00
Day-trippers	Food				
	Merchandise	R 100	721	0.8	R 57 680.00
	Shopping	R 150	721	0.8	R 86 520.00
	Transport	R 0	721	0.8	R 0.00
	Accommodation	R 0	721	0.2	R 0.00

- **Registration excluded (EO survey)**
- **Combined with expenditure items (EO survey)**

Findings (8/10): Economic Impact Analyses

Calculation of economic impact: EO expenditure

Type	Expenditure	Local share	Local impact
Capital expenditure	R 3 221 225	1	R 3 221 225
Venue hire	R 1 821 109	1	R 1 821 109
Salaries and wages	R 3 675 790	1	R 3 675 790
Advertising and marketing	R 1 438 004	1	R 1 438 004
Travelling and accommodation	R 194 386	0.5	R 97 193
Other	R 15 249 486	1	R 15 249 486

Findings (9/10): Economic Impact Analyses

Calculation of total economic impact: lower and upper-bound

Total direct impact	R 480 186 436.17
Indirect impact (low)	R 48 018 643.62
Total impact (low)	R 528 205 079.78
Indirect impact (high)	R 192 074 574.47
Total impact (high)	R 672 261 010.64

- **Lower bound (conservative) multiplier: 1.1**
- **Upper bound (somewhat conservative) multiplier: 1.4**
- **Economic impact high: R528 million – R627 million**
- **Income from public purse (cash – R450 000 and in-kind – R600 000)**
- **Public multiplier large: R640. For every Rand spent by the public, R640 created in the economy, a very high return**
- **Excludes significant marketing and media value leveraged**

Findings (10/10): Economic Impact Analyses

Average number of jobs created

	Average number of permanent workers employed because of event	Average number of temporary workers employed for a day	Average number of temporary workers employed for a week	Average number of temporary workers employed for a month	Average number of temporary workers employed for more than a month
Service providers	383	7615	6305	64	852
Stallholders	298	316	688		
Event organiser	4	30	250	20	4
Total	685	7961	7243	84	856

- **Direct job impact of event calculated by multiplying ave. number of jobs created by each service provider and stallholder by number of service providers (213) and stallholders (93)**
- **Due to small sample size, total number of jobs created by region cannot be interpolated**
- **However suggests that most jobs created were at local level**

Limitations

1. Legitimate research and defensible results depends on **reliable input from all stakeholders**
1. Cannot make confident claims about Event Impacts if **data received is not complete**
1. PFMA – real **risks to WCG** and the Premier's Office
 - Fruitless and wasteful expenditure
2. Compromises future of the WCG processes and **future expenditure for events** and this project

Recommendations (1/2)

1. WCG to engage with EOs to address **confidentiality** concerns as well as **contractual** obligations to provide information required
1. **Timing** of the research needs to be addressed with EOs to ensure that maximum value is extracted out of the research process. **Media and marketing** evaluations need particular attention to enable EOs to report the full value of the media exposure of the events, and using a **more standardised** approach. This is a critical component of the overall impact analysis.

Recommendations (2/2)

3. WCG could consider helping EOs to structure **common empowerment and training programme** that would meet needs of events in Western Cape and to develop a database of trained staff and volunteers for short-term positions.
3. WCG to consider assisting EOs with coherent interventions into **environmental protection and enhancement**. EOs proposed that a broader and collective strategy with environmental stakeholders be developed.

Thank you