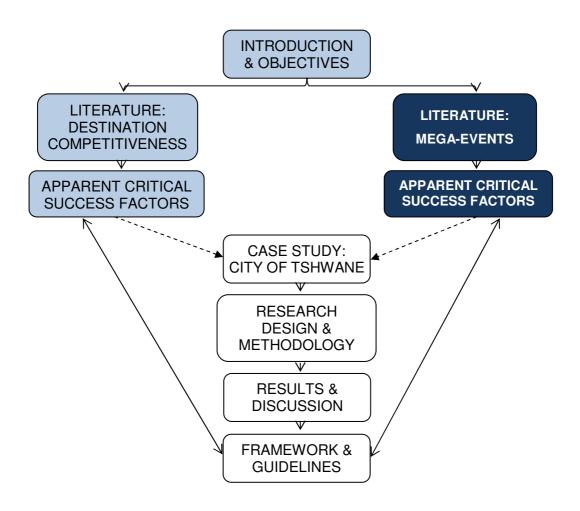


# CHAPTER 3: THE STRATEGIC IMPORTANCE OF MEGA-EVENTS FOR TOURISM DESTINATION COMPETITIVENESS

The aim of this chapter is to build on the tourism destination competitiveness knowledge and the apparent list of CSFs identified in Chapter 2. Events literature will be explored with the aim of adding event-specific knowledge to the broader tourism management themes that have been highlighted. The discussions that follow have all been selected for their relevance to destination marketing and management and overall destination competitiveness. Some of the topics are only briefly introduced in the literature review of the first three sections (3.1 to 3.3), because they are given greater context in the case study section (3.4).





#### 3.1 INTRODUCTION

Getz, one of the leading experts in event management, undertook extensive research to review event tourism as a professional practice and academic field of study (2008:403). In his paper *Event Tourism: definition, evaluation and research,* he provides a thorough description of event-related research and indicates that there are two distinct perspectives, namely an event perspective and a tourism perspective. According to his findings, the greatest part of academic work on the topic of special events, such as mega-events, can be found within the study fields of event management and event studies (event perspective). Within this field, the focus is on the managerial and operational issues associated with events. More specific reference to tourism and event host destinations can be found in the specialisation field, named event tourism (tourism perspective). Studies within this field focus primarily on the aspects of marketing and event impacts (Getz, 2008:409).

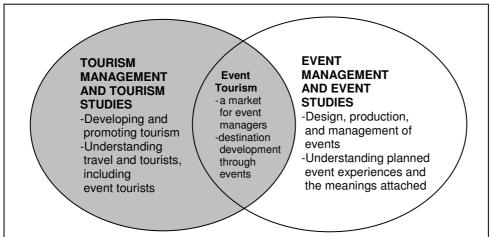
In order to fully understand mega-events as an element of overall destination competitiveness, these two perspectives have to be integrated. As Getz states: "... both tourism and event studies are necessary to understand this kind of experience." (2008:406). For purposes of this study, it was decided to give greatest consideration to the work from an event tourism perspective, and to use work from the event management perspective to add depth to relevant issues that may arise.

#### 3.1.1 The difference between event management and event tourism

In order to add meaningfully to the CSFs of mega-events from a destination perspective, it was decided to view mega-events as part of event tourism, as opposed to sport tourism. Before discussing the role of events within tourism destinations, it is important to understand the difference between event management and event tourism. This difference is clearly illustrated in Figure 9 (pg.87). As can be seen, event tourism is the smaller section where the two large fields of tourism management and event management overlap.



Figure 9: Event tourism at the nexus of tourism and event studies



Source: adapted from Getz (2008:406)

From a pure event management perspective, the focus is on the entire format and execution of events, as well as aspects such as anthropology, geography and economics of events (Getz, 2008:405). Event management is concerned with the design, production and management of all planned events, across the myriad of possible event programs and purposes. This may range from public celebrations and festivals, to smaller private events (Getz, 2008:404). Event-related education appears to be either practical and hands-on (event design), or to be focused on the application of "... management theory and methods to events and event-producing organizations." Getz (2008:405). Event management does however appear to have a vested interest in event tourism. Tourists have become a lucrative potential market for event managers to consider and the tourism industry "has become a vital stakeholder in their success and attractiveness" (Getz, 2008:403).

From a tourism management perspective, the focus is on promotion of the destination through the events market segment. Events (including mega-events) are important motivators of tourist movement and they often feature as prominent components of DMO strategy (Getz, 2008:403). They are valued for their power as attractions, catalysts, animators, place marketers and image-makers (Getz, 2008:406), and are understandably receiving increased attention from DMOs as an area of product development and a key trend in destination marketing strategies (Heath, 2009c:270). In order to optimally include events in destination strategies, knowledge from both the event sector (providing evaluation of specific events) and the DMO (providing broader market research) will be required (Getz, 2008:421).



Despite the ongoing dialogue between the two fields, the main motivation behind events can clearly be identified as tourism; with the main focus being on events as attractions and image-makers for destinations (Getz, 2008:422). According to Brown, Chalip, Jago and Mules (2010:279), events and tourism are intrinsically linked because of the way in which images associated with an event are transferred to the host destination.

Now that the difference between the two fields have been established, it is appropriate to provide a brief overview of the current issues within the event tourism field. By doing so, the relevant important issues can be identified that have to be considered when aiming to leverage mega-events as an element of destination competitiveness.

#### 3.1.2 Contemporary issues in event tourism studies

Event tourism is defined as "the systematic planning, development and marketing of festivals and special events as tourist attractions, catalysts, and image builders" (Getz & Wicks, 1993 in Brown *et al.*, 2010:281). According to Brown *et al.* (2010:281), much of the work on special events is done from a tourism perspective, because of their power to attract visitors. Apart from the aspects of marketing and impacts, which have been indicated as the main topics within the even tourism field, there are a number of emerging sub-areas that are proving of interest to academics and practitioners alike. As stated by Getz (2008:422), "Events have increasingly been produced, bid on and fostered for strategic reasons ... From a tourism and developmental perspective the big questions concern competitiveness (e.g. how to use events more effectively, or win more bids), return on investment ... or sustainability ... and risk ...". This highlights the need for research in terms of policy and planning, as well as business and management (Getz, 2008:410). There is also a significant move toward gaining a greater understanding of the 'legacies' of such events for host destinations (Preuss, 2007:210) and on event leverage as opposed to event impacts (Chalip, 2006:112).

Harris, Jago, Allen and Huyskens (2001:218) identified key areas of interest among three stakeholder groups. These areas indicate a variety of aspects involved in event management and could provide an indication of issues that need to be addressed in the CSF's that are to be developed in the current study. Table 10 depicts their findings.



A stakeholder perspective on areas of importance in event tourism Table 10:

Rank	Practitioners	Government	Academics	
1	Sponsorship decision process	Reasons for event failure	Risk management strategy formulation	
2	Needs/motivations of attendees	Risk management factors	Valuing the event industry	
3	Market segmentation	Research tools and metho- dologies	Reasons for event failure	
4	Valuing sponsorship	Valuing the event industry	Event strategy formulation	
5	Optimizing sponsorship	Optimizing sponsorship	Tools to assess economic impact	
6	Reasons for event failure	Trends/forces in event ma- nagement	Packaging events	
7	Media effectiveness	Event strategy formulation	Internet promotion	
8	Internet promotion	Tools to assess economic impact	Trends associated with dif- ferent events	
9	Management process and events	Event feasibility process	Trends and forces in event management	
10	Promotional strategy effectiveness	Valuing sponsorship	Industry training needs	

Source: Adapted from Harris et al. (2001:218)

The information provided in this section, reinforces the appropriateness of the current study, and supports the notion to identify CSF's within this context. The next section will focus on mega-events as a part of event tourism, and will discuss issues that are unique to these events.

#### 3.2 MEGA-EVENTS AS A KEY COMPONENT OF EVENT TOURISM

According to Getz (2008:411), existing literature on event tourism can be divided into four business events; sport events; festivals and cultural celebrations; and Olympics, world's fairs and other mega-events<sup>14</sup>. Within the last category, the Olympics have tended to receive the greatest attention by researchers and a substantial amount of material is available on the topic 15. It has been stated that this skewed focus on the Olympics, tends to overshadow other significant mega-events such as world fairs and other international sport championships (Getz, 2008:412). Nauright (2004:1326) even goes as far as to state that there appears to be a "21st century sport-media-tourism complex".

<sup>&</sup>lt;sup>14</sup> Specific detail on the FIFA World Cup will be discussed in Chapter 4 as introduction to the case study.

<sup>&</sup>lt;sup>15</sup> Refer to Getz, 2008:409-413 for a description of the evolution and character of event tourism studies.



As previously stated, the current study views mega-events as part of event tourism and not as part of sport tourism. Furthermore, even though the case study of the empirical component relates to a sporting mega-event, the intention is to create knowledge that can be applied to the wider classification of mega-events.

# 3.2.1 The appeal of mega-events

A number of different events take place within destinations on an annual basis but, apart from the roleplayers directly involved, most of these events go largely unnoticed. There are some events however, that stand out because of their national and/or international recognition and promise of grandeur (Smith, 2010:263). These are known in the wider literature as mega-events; events that by their nature yield "extraordinarily high levels of tourism, media coverage, prestige or economic impact for the host destination" (Damster & Tassiopoulos, 2005:12). Furthermore, the participants in these events "are either numerous or important, or both" (Smith, 2010:263).

Mega-events have become sought-after opportunities for destination managers; not only because of the obvious economic benefits, but also for the numerous other benefits and importantly the increased drawing power of the destination resulting from the event exposure (Byeon, Carr & Hall, 2009:66; Getz, 2008:121; Hede, 2005:187). Types of megaevents include international conventions, summits and conferences; international beauty pageants and cultural celebrations; as well as sports World Cups (soccer, rugby, cricket), races, marathons and Olympic Games. Sporting mega-events in particular appear to be especially significant, because of their political and economic importance and frequent controversy surrounding the IOC's of the events (Getz, 2008:412; Swart, 2010:366). Furthermore, they attract participants, spectators, tourists and prominent media attention (Byeon et al., 2009:67); and they also fit in with the global consumption of image and lifestyle (Swart, 2010:366). They are often studied as part of the fast growing niche market known as sport event tourism, which has been expanding at a rapid rate since 2000 (Byeon et al., 2009:67; Getz, 2008:412). They are commonly used by destinations to present themselves as multi-dimensional and vibrant, because they also allow for the inclusion of cultural elements (Garcia, 2004; Garcia & Miah, 2005; Nauright, 2004; Steyn, 2007).



It is necessary to understand how not only sporting mega-events, but also other types of mega-events can contribute to the overall competitiveness of the destination. The discussion that follows therefore apply to the broad scope of mega-events. The concept of event legacy will now be discussed in more detail, as it proves to be a crucial link in terms of sustainable destination competitiveness.

#### 3.2.2 Managing the legacies of mega-events

Increased emphasis is placed on the creation of lasting legacies for the host destination as opposed to only measuring the impacts. It is important to distinguish between event legacy and event impacts. Event legacy is "... all planned and unplanned, positive and negative, tangible and intangible structures created for and by a (sport) event that remain longer than the event itself ..." (Preuss, 2007:211). In simple terms, legacies are the long-term benefits (or losses) to be gained (or suffered) from an event and include elements before, during and after the actual event (Chalip, 2000:3). The underlying idea of legacy creation is that it will represent something of substance that will enhance the wellbeing or lifestyle of the destination's residents, in a way that reflects their values (Ritchie, 2000:156).

Where legacies have to do with the indirect influences as a result of the event (the 'repercussions' so to say), the impacts are the direct, measurable outcomes of an event (as measured for example in Bohlmann & Van Heerden, 2005; Collins, Jones & Munday, 2009; Lee & Taylor, 2005; and Weinberger, 2010). A critique raised against impact studies, is that they tend to focus on especially economic impacts in a 'snapshot' manner, and not as part of a longitudinal process. As indicated in Byeon *et al.* (2009:66), only a few studies focus on pre-/post-event impacts; leading to an unclear understanding of the impacts of mega-events on the long term competitiveness of the host destination.

In terms of mega-event legacies, the Olympic Movement has the most advanced system in place to determine the effects of an event of this nature on a host destination. The Olympic Games Global Impact Project evaluates the costs and legacies (economic, social and environmental) of the Games, from start (conceptualisation) to finish (bidding and hosting). It also evaluates the effectiveness and outcomes of the measurement strategies employed



by the host destinations. In this way, knowledge is transferred from one host to the next (Cornelissen, 2007:248).

It can be argued that from a sustainable destination competitiveness viewpoint, event legacies are of greater concern because they imply the required longitudinal approach. In order to effectively manage the potential legacies of a mega-event, destination managers have to understand how they link to the various components of destination competitiveness, with the aim to develop an effective tourism strategy around such an event. It is stated that an event should not be regarded as an 'intervention', but rather as a "temporary limited set of opportunities to foster and nurture longer-term outcomes" (O'Brien, 2006:258). As stated in Canada's 2008 – 2012 Olympic Games Tourism Strategy: "Full implementation of [an integrated] strategy will ensure that the 2010 Winter Games are not just an event, but a decade of opportunities for Canada's tourism sector" (Canadian Tourism Commission, n.d.:2).

Table 11 presents a summary of the various event legacies that can be accrued from hosting a mega-event. It encompasses a wide range of legacy categories; some of which may not necessarily directly relate to the host country as a tourism destination. However, when considering a destination as a 'place' with an identity which is linked to multiple aspects (as discussed in Chapter 2, section 2.5.2), it is crucial to understand the wider legacies associated with mega-events.

Table 11: Summary of event legacies

	ECONOMIC AND COMMERCIAL LEGACIES				
Positive			Negative		
_ _ _	Increased government expenditure (Bohlmann & Van Heerden, 2005:2). Creation of employment. (Bohlmann & Van Heerden, 2005:10). Utilisation of local supply chains (Smith, 2009:4). Growth in trade and investment (Canadian Sport Tourism Alliance, 2004).		Price inflation (Byeon et al., 2009:67). Real estate speculation. (Ritchie, 1984 in Ritchie & Crouch, 2003:123). Negative reactions from existing enterprises due to the possibility of new competition for local manpower and government assistance (Ritchie, 1984 in Ritchie & Crouch, 2003:123). Tax burdens (Byeon et al., 2009:67). Over-involvement of the private sector whose first priority is their own image and objectives (Smith, 2005:220).		



Table 11: Summary of event legacies (continued)

			•			
MARKETING LEGACIES						
Positive			Negative			
_	Reinforcing and enhancing the destination brand and image (Brown, Chalip, Jago & Mules (2010); Chalip & Costa (2005); Chalip, Green & Hill (2003); Hede (2005:189); Smith (2009); Smith (2010); Xing & Chalip (2006); Yoo (2002:7)). Publicity and exposure through extensive media presence (Getz & Fairley (2004); Miah & Garcia (2006); O'Brien (2006). Wider product packaging throughout the destination (Chalip & McGuirty (2004); Steyn (2007). The opportunity to build new markets (Smith, 2009:4).		A poor international reputation if something goes wrong (Ritchie 1984, in Ritchie & Crouch, 2003:123).  Displacement and/or loss of usual visitor market (Brannas & Nordstrom, 2006:292).			
	SOCIO-CULTU	RΔI	LEGACIES			
	Positive	/ <b>\</b> L	Negative			
- - - -	Increase in permanent level of local interest and participation in type of activity associated with the event (Jones, 2001:243).  Strengthening of regional traditions and values (Ritchie, 1984 in Ritchie & Crouch, 2003:123).  Showcasing the country's cultural diversity (Garcia, 2002).  Long-lasting intercultural understanding (Garcia & Miah, 2005:32).  Reconstructing heritage (Garcia and Miah, 2005:32).  Urban regeneration (Pugh & Wood, 2004:62).  Security legacies (Giulianotti & Klauser, 2010:54).	- -	Commercialization of activities which may be of a personal or private nature (Ritchie, 1984 in Ritchie & Crouch, 2003:123).  Modification of nature of event/activity to accommodate tourism (Ritchie, 1984 in Ritchie & Crouch, 2003:123).  Negative spin-offs due to 'rushed urban planning' (Garcia & Miah, 2005:32).  Crime (Barker, Page & Meyer, 2003, Tichaawa, n.d.).  Displacement and forced evictions (Brannas & Nordstrom, 2006:292; COHRE, 2007).			
	PHYSICAL	LEC	GACIES			
	Positive		Negative			
_	Upgraded infrastructure (Preuss, 2007:208).  New facilities available to the local community after the event (Gratton & Henry, 2001 in Cornelissen, 2007:248).	_ _ _	Overcrowding, noise and traffic congestion (Byeon <i>et al.</i> , 2009:67; Jones, 2001:243). No 'after-use' strategy for facilities (Preuss, 2007:208; Sadd, 2009:32). Pollution (event footprint) (Colins, Jones &			



Table 11: Summary of event legacies (continued)

POLITICAL LEGACIES			
Positive	Negative		
<ul> <li>Facilitates regional development (Whitford, 2009:674).</li> <li>Propagation of political values held by government and/or population (Cornelissen, 2007:246).</li> </ul>	<ul> <li>Economic exploitation of local population to satisfy ambitions of political elite (Ritchie, 1984 in Ritchie &amp; Crouch, 2003:123).</li> <li>Distortion of true nature of event to reflect values of political system of the day (Cornelissen, 2007:248).</li> <li>Mismanagement of public funds (Byeon et al., 2009:67).</li> </ul>		
PSYCHOLOGICAL LEGACIES			
Positive	Negative		
<ul> <li>Local pride and community spirit (Preuss, 2007:218).</li> <li>Tolerance and social cohesiveness (Sparks, Chadwick, Schafmeister, Woratschek, Hurley &amp; Dickson, 2006; Pahad in Steyn, 2007:44)</li> <li>Awareness of non-local perceptions (Ritchie, 1984 in Ritchie &amp; Crouch, 2003:123).</li> </ul>	<ul> <li>Defensive attitude concerning host regions (Ritchie, 1984 in Ritchie &amp; Crouch, 2003:123).</li> <li>Misunderstandings leading to varying degrees of host/visitor hostility (Ritchie, 1984 in Ritchie &amp; Crouch, 2003:123).</li> </ul>		

Source: Adapted from Ritchie (in Ritchie & Crouch, 2003:123)

In order to build upon the CSFs identified in Chapter 2 by adding an event perspective, it was necessary to determine whether there were event legacies that could feed into these CSFs. If there could be a possible relationship between a specific CSF and specific event legacies, then it would be possible to state that the CSF (which has been formulated from a destination competitiveness perspective), can be supported by the outcomes (legacies) of mega-events. In other words, that overall destination competitiveness can be promoted through mega-events. Table 12 (pg.95) indicates possible linkages between the broad CSF categories and some of the most prominent event legacies.

The linkages made in Table 12 confirm previous arguments that mega-events link to a myriad of components within a destination and therefore has the potential to contribute significantly to overall destination competitiveness (refer to sections 2.3.3.2, 2.3.3.3, and 2.4.6.3). From this table, it also becomes evident that the five broad CSF categories do in fact encompass the major legacy issues as identified in the literature. This means that they could provide the overall (critical) guidance for a destination whereby mega-events can be approached, in order to effectively produce sustainable tourism benefits.



Table 12: Linking event legacies to the CSFs

CSFs	Possible specific legacies
Addressed as a strategic	Enhanced recognition of the region and its value
destination priority	Creation of employment
	Growth in trade and investment
	Increased expenditure
Clarifying the stakeholder	Local pride and community spirit
roles and relationships	Tolerance and social cohesiveness
	Increased competition amongst existing enterprises
	Upgraded infrastructure
	Employment
Managing the destination	Showcasing the country's cultural diversity
resources	New facilities
	'After-use' strategy for facilities
Aligned with the overall	Enhanced brand and image
destination marketing stra-	Publicity and exposure
tegy	Wider product packaging
	Price increases during the event
	Commercialization of activities
Concern for environmental	Event footprint
issues	Overcrowding and noise

From this section it is evident that mega-events offer a wealth of opportunities, but also challenges, to a destination. It was also indicated that the associated legacies could in fact be linked to the five CSFs, namely the need to address events as a strategic destination priority; effective stakeholder identification and role clarification; resource management for the event; alignment of the event strategy with the overall destination marketing strategy; and pro-actively addressing environmental issues. The task that now presents itself is to find knowledge from events literature that can add substance to, and define them from an events perspective. This will be the focus of the next section.

#### 3.3 ADDING AN EVENTS PERSPECTIVE TO THE CRITICAL SUCCESS FACTORS

Within the context of the current study, industry success factors will relate to those skills and attributes of a destination that are essential to deliver successful events (including mega-events) in order to ensure sustainable destination competitiveness. The desire to be competitive in the events market is therefore not the ultimate goal, but rather 'a means to an end'. The factors that will now be discussed are thus ways to be competitive in the global events industry; in order to achieve the destination's overall vision, mission and strategies. They could be regarded as the core competences; in other words the



capabilities, skills, processes and resources of the destination that are needed to deliver superior performance in terms of each CSF (Sims & Smith in Jonker, 2003:67). The discussion is intended to build upon the CSFs as they have been identified in Chapter 2. Changes to the order and combination of the various performance areas within each CSF, have been made according to the apparent significance or relatedness of the topics as they arose from the events literature.

## 3.3.1 Addressing events as a strategic destination priority

ADDRESSING EVENTS AS A STRATEGIC DESTINATION PRIORITY

CLARIFYING THE STAKEHOLDERS' ROLES & RELATIONSHIPS

MANAGING THE DESTINATION RESOURCES ALIGNED WITH THE OVERALL DESTINATION MARKETING STRATEGY CONCERN FOR AND PRO-ACTIVELY ADDRESSING ENVIRONMENTAL ISSUES

Visionary leadership An event tourism strategy

Mega-events offer the perfect opportunity for a destination to prove itself, and such events can be transformational for a nation. They can reveal more about the 'place' than the 'destination' and can be "invaluable from the perspective of inward investment, political diplomacy and, probably to a lesser extent, tourism." (UNWTO, 2009:21). According to Smith (2010:265), a mega-event forces a destination to deal with its issues. These issues relate not only to the event itself (smooth execution, visitor experiences and product delivery), but also to community issues (economic development, education and 'suburban sprawl'). Smith highlights the fact that the influences of these issues run both ways. If the event is well-executed, it will strengthen the destination's ability to deal with these issues. At the same time, a more attractive (competitive) destination is more likely to host a successful event. The success of the event and the competitiveness of the destination are thus interlinked.

Despite the complexity and significance of the relationship between events and their host destinations, many destinations still appear to act more opportunistically than strategically when it comes to event initiatives (Chalip, 2005:165; Smith, 2009:4). The level of unpredictability and risk that is inherent to planned events, make them a 'complex and demanding device' to successfully employ at a strategic level (Crowther, 2010:227). It is



therefore important to determine how the staging of a mega-event can strategically be incorporated into a destination's competitive strategy. It can be argued that such strategic leveraging of events can only take place if the destination is guided by visionary leadership, and if events are given a proper place in tourism policy and strategy. Both of these aspects will now be discussed.

# 3.3.1.1 An industry guided by visionary leadership

In order for events to be employed at a strategic level, it has to be recognised by both governmental and private sector leaders. O'Brien (2006:246) identified leadership as one of the key aspects to ensure effect leveraging of mega-events. Clark (2008:46) similarly states that maximum benefits can only be gained from global events if there is the involvement of exceptional individuals and teams. It is stated that "strong backing requires authoritative, consistent, confident championing from leaders, be they political, business, or [prominent public] figures. Leaders must develop, and articulate, a clear vision for the [destination]'s development, explicitly outlining from the outset how a particular event will benefit the city, its region and the country as a whole in an appropriate balance."

Not only the private sector of tourism, but also government should take on a marketing orientation and strategic outlook (Pugh & Wood, 2004:66). Leaders from both these groups should understand the concept of 'competitive identity' as it has been described by Anholt (in UNWTO, 2009:xi). Mega-events should be recognised for the invaluable opportunity that they present to close the gap between the destination's corporate (public sector) or tourism branding message, and what is known through its national image. In order to do so, leadership will have to be strong enough to mobilise the strategies, activities, investments, innovations and communications of destination stakeholders toward the same goal, namely to prove to the world that the destination deserves the image that it wishes to communicate through its marketing and branding efforts (Anholt in UNWTO, 2009b:xi).

It is however not always possible for especially public stakeholders to take on such a strategic outlook. Some of the key challenges for the integration of events into policy, is the fact that they require a forced marriage between different governmental departments at



different levels. This is especially true in case of sporting mega-events, which are often regarded as the ultimate prize (Desai & Vahed, 2010:154). In his study on sport-tourism policy in the UK, Weed found that there are a number of factors that contribute to lack of integration of government policy (2003:259). Firstly, the agencies and structures that exist for developing sport and tourism respectively, have usually been established and developed separately (such as a Department of Sport versus a Department of Tourism). Secondly, there is often greater public sector support, subsidy and/or intervention in the sports sector, while "the tourist sector is largely seen as a private sector concern, and agencies are often limited to a marketing or business support role." Thirdly, responsibility for policy development lies at various different levels (national, regional and/or local). These factors create a situation where sport and tourism liaison has to "take place not only across sectors, but also between levels." It may be stated that such barriers to liaison between government and the private sector, as well as between different sectors of government, may also be prevalent in the case of other mega-events (even though to a different extent).

Despite such constraints, it remains imperative that events should be initiated and supported by top-level decision makers from both public and private sector. If events are given priority at the highest levels of power in a destination, enough may be done to commit resources that will allow for the professional execution of the event. It is important to foster this professional approach towards events, because an event with a reputation for professional management will spill over to promote an image of professionalism for the destination (Brown et al., 2010:290). Ultimately, events have to be viewed as part of a long-term plan for the destination, with pre- and post-event impacts (Byeon et al., 2009:65). Within such a long-term view, it is also necessary for leaders to consider events as instruments toward regional development (as discussed in Desai & Vahed, 2009; Moscardo, 2008; and Whitford, 2009). In the UK, for example, a number of regional event strategies allow for the re-generation of several closely situated towns (O'Toole, 2010:40). It is stated that the presence of tourism leadership and individual tourism champions, is one of the key requirements to ensure positive outcomes from regional tourism development (Moscardo, 2008:26). There is thus a strong link between events, regional tourism development and visionary leadership.



In order for events to be executed through such a strategic approach, there should be clear guidelines and responsibilities set out for the organisers and the proper reporting channels should be established (Sadd, 2009:32). It is necessary that both public and private sector destination roleplayers who take responsibility for the event, understand the event development process and view it from a holistic perspective. In order to do so, it is necessary to give events a proper place within tourism policy and to develop a formal event strategy for the destination (Stokes, 2006:684). The next section will discuss this issue in more detail.

#### 3.3.1.2 Mega-events receiving priority through an event tourism strategy

It is stated that post-staging tourism benefits can only be accrued from an event through effective planning and a legacy strategy (as addressed in Cornelissen, 2007:248; O'Toole, 2010:35; Preuss, 2007; Smith, 2009; Stokes, 2008). The host destination has to focus on what it wants to achieve by hosting the event, thereby giving it purpose and intent (Steyn, 2007:40). This in turn can only be done if the destination has an event-related strategy in place. In similar vein, Clark (2008a:48) states that an event strategy is essential for mandating the bidding process, to secure resources, establish a cost-sharing framework, provide risk management and to ensure that the host destination has a clear, agreed-upon set of priorities and targets to be achieved.

It is stated that it may be more effective for the destination to have a focused event tourism strategy, as opposed to merely having an event strategy through which tourism objectives are also incidentally met (Stokes, 2008:259). According to Getz (in Stokes, 2008:255), few destinations actually have tangible event tourism strategies. It can thereby be argued that, by establishing an event tourism strategy, a significant first step is already taken toward increased destination competitiveness through events. Stokes (2008:257) presents three frameworks for event tourism strategy development (refer to Appendix B, pg.341, for a table summarising the different frameworks). These frameworks present four critical dimensions involved in an event tourism strategy, namely the focus of the strategy; the way in which the strategy implementation will be structured; the processes and people involved in the respective strategies; as well as the basis on which strategic event decisions will be made. Destination managers will have to determine which of these



strategies are most appropriate within the framework of the broader tourism and destination strategies.

Tassiopoulos (2010b:15) states that event tourism strategies will differentiate destinations in terms of the capacity for bidding for events; the ability to attract major events; infrastructural capacity; and institutional arrangements. A key distinguishing factor in different event strategies appears to be the locus of control. O'Toole (2010:40) provides an overview of what he indicates as the leading countries in the development of event strategies. Within this overview the following characteristics of competitive event strategies were identified:

- government initiates an event strategy by committing to support and foster the development of events, based on specific developmental objectives;
- the development of a comprehensive strategy takes place over time;
- event strategies are linked into the national tourism strategy as a key objective;
- eegional and city level event strategies contribute and continuously refer to the national event strategy;
- if there is no event strategy at national level, the governments at regional and city level have to take initiative to develop individual strategies;
- government sets up appropriate event units to guide events development;
- Event strategies are supported by setting industry standards;
- an event-related 'body of knowledge' is needed to support practitioners;
- event strategies have to contain strategies to maximise the legacies of hosting megaevents;
- target markets are clearly identified (for example, business versus public events); and
- events are viewed as tools to diversify the tourism product offering and capacity of the destination (O'Toole, 2010:40).

In addition to the trends highlighted by O'Toole (especially point three), Clark (2008a:48) contends that, in some countries that do not have a long history of hosting global events, but are actively seeking to develop this aspect of their growth, it will be more beneficial to operate from within a national 'events strategy co-operation'. Events that are eligible for bidding, along with the appropriate city (destination), will then be decided at a national level. The chosen city (destination) will then receive the financial and managerial support



from central, national resources in order to contribute to the overall attractiveness of the country as a host destination for events.

Importantly, the chosen event tourism strategy should represent the varying interests and concerns of the stakeholders involved (O'Toole, 2010:35). It should be built around an appropriate time frame that makes provision for long-term planning, because some events in the strategy, such as hallmark and mega-events, are usually planned and managed over a period of six years or more (O'Toole, 2010:35; Swart, 2010:366). There should be clear guidelines and responsibilities set out for the organisers, and the proper reporting channels should be established (Sadd, 2009:32). It is furthermore crucial that the strategy should have a clearly defined set of decision criteria according to which events can be selected. These criteria should ultimately be based on government's objectives, as they will be committing many of the resources. By having such a set of criteria, "the decision to support a particular event becomes defendable and transparent." (O'Toole, 2010:44).

Any event tourism strategy should be built upon strong market research and should also make provision for research during and after the actual event, in order to capture information on key issues of the event. This issue of knowledge management and transfer is increasingly being regarded as a critical legacy of especially mega-events (Cornelissen, 2007:248). This will greatly assist stakeholders (especially government, the DMO and product owners) to improve future event-related practices and to promote the sharing of skills and knowledge (Brown *et al.*, 2010:292).

Three other components of an event tourism strategy will now be discussed separately, because of their apparent importance to destination marketing.

#### Building a healthy portfolio of events

The main aim of destinations that choose to employ events as part of their marketing and development strategy, should be to build up a healthy portfolio of events that includes events of different natures and scale. Most tourist destinations host a mix of events, ranging from those that require a competitive bid, to events that are specifically created for tourism, as well as a variety of community events (Getz, 2008:122; Stokes, 2008:253). The aim of strategically managing an extensive and varied number of



annual events, should be to deliver a logically flowing attendee experience that is consistent with the destination brand (Crowther, 2010:227). Furthermore, it is important to consider that different types of events within a broad category (such as different types of mega-events), present different opportunities, benefits and challenges to the destination (as explained in Bob *et al.*, 2008:56 and Clark, 2008b:123<sup>16</sup>).

It is stated that a healthy portfolio of events can be regarded as an asset to a destination (O'Toole, 2010:35). It allows for certain aspects of the destination brand to be enhanced in certain market segments. (Brown *et al.*, 2010:286). It is important to consider that not all forms of exposure will contribute positively to the destination image (Chalip *et al.*, 2003:229; Shoval, 2002:594). Events may therefore sometimes only be useful to represent a component of the destination's product offering (Brown *et al.*, 2010:287). Through a portfolio of events, the entire destination offering can be presented by a combination of different events. In this regard, Getz (2008:421) warns against an over-emphasis on mega-events. On the other hand, not all events will create significant tourism demand and should subsequently not be included in an events tourism strategy (Stokes, 2006:288).

A portfolio of events will balance the brand power of once-off events with their heightened exposure, with other smaller or annual events that need time to become associated with the destination (Brown *et al.*, 2010:290; Chalip, 2005:165). In addition to balancing the portfolio of events, destination managers have to consider the 'weight' of the portfolio in terms of the number of events. Tassiopoulos (2010b:19) argues that there is always the possibility of market saturation for certain types of events, or for events overall, within a given destination. It also has to be considered that events have life cycles with corresponding market potential, and that development of new events or enhancement of mature events have to be strategically planned. In this regard, programming may offer a way to introduce new events into a destination, while simultaneously giving a 'logical' explanation for not continuing the event the next year. As discussed by Heath (2009c:167), destinations may set up a program of events and activities according to a certain theme. This program theme will usually run for the

<sup>&</sup>lt;sup>16</sup> Clark (2008a) also provides an extensive exposé of international event case studies from an urban development perspective.



duration of a year, or can be built around a mega-event and consequently run for a longer period. It creates a platform from which to launch a number of events.

Another very important function of an events portfolio, is to assist in managing the destination's life cycle. When considering the Tourism Area Life Cycle presented by Butler (2006:5-11), it can be stated that events could serve to fulfil different purposes at different stages (as indicated in Figure 10).

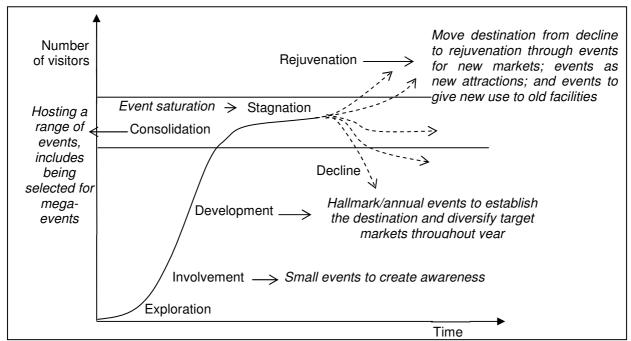


Figure 10: Using events to manage the destination life cycle

Source: Adapted from Butler (2006:5); Heath (2009c:164)

It becomes clear that events serve as powerful tools to enhance or extend the destination life cycle and to offset seasonality. Brown *et al.* (2010:291) states that ongoing tourism benefits will accumulate if an event manages to stimulate visitation to the destination throughout the year. This may be especially relevant to mega-events, as they create interest in a destination before and after the actual event. However, they should not be regarded as the ultimate prize. As stated by Getz (2008:123), the ultimate goal should be to establish a balance between small and large-scale events at various intervals, as this will provide the destination with a continuous flow of visitors over time.



# · Successful bidding for a mega-event

The event strategy has to indicate how events will be attracted into the destination. It can either be a case where the destination bids to be a host; or where event owners and organisers are requested to submit a bid or tender to the destination to host their event in the destination. The bidding process for mega-events and hallmark events has become a critical part of a destination's competitiveness in the events arena (Getz, 2008:422). It requires a destination to commit itself to resources, by providing financial guarantees for infrastructural development and for covering any economic deficits of the LOC (Swart, 2010:371). It can also have a significant impact on the destination, even if the bid is unsuccessful. As Swart and Bob (2004:1313) argues, an unsuccessful bid can provide the destination with an international tourism marketing and image enhancement opportunity; it showcases the existing resources within the destination; it promotes the formation of public-private partnerships within and outside of the destination; and it develops national pride and community participation.

Due to the apparent significance of the bidding process, it was decided to briefly discuss the bidding process. Event owners will initially invite interested destinations to express their interest in bidding, where after a shortlist of destinations will be invited to submit their formal proposals for hosting the event. The right to organise a mega-event usually follows after a successful winning bid by the destination (Berridge & Quick, 2010:88). The very comprehensive bidding document should provide information on political, economic and social structures within the destination, and has to explain how issues such as environmental concerns, legal aspects, customs and immigration formalities, security, health, marketing, venues, transport, accommodation and telecommunication will be handled (Berridge & Quick, 2010:97; Swart, 2010:367).

Bids for mega events involve several public bodies; follow a transparent process; require considerable resources to organise; and carry a high degree of risk for the destination. It will also entail the tasks of procurement, tendering, pitching and lobbying (taken from Berridge & Quick, 2010:89-92; Swart, 2010:367). Importantly, the bidding process gives the destination leaders an opportunity to consult with stakeholders and to determine the event's possible return on investment and impacts (Berridge & Quick, 2010:91). Westerbeek, Turner & Ingerson (2002, 320) undertook research to identify



the CSF's for successful sporting event bids. Their findings are also prominently mentioned by Swart (2010:369). They identified the following eight factors, which can also be applied to other types of event bids:

- ability to organise the event (includes technical skills and a track record of hosting similar events);
- political support (government has to be involved in the bidding process to add credibility to the bid);
- infrastructure (including general infrastructure, as well as tourism superstructure)
- existing facilities (already existing at the time of the bid and successfully used in the hosting of previous events);
- communication and exposure (the destination's existing brand strength; and the necessary ICT systems to provide global coverage of the event);
- accountability (capacity to deliver a high quality service in terms of facilities, as well as in dealing with the event stakeholders);
- bid team composition (a variety of talented individuals is needed to increase the perceived credibility of the bid); and
- relationship marketing (the skills to influence decision makers and to lobby effectively).

Byeon *et al.*'s (2009:86) study on pre-and post-event impacts raises an important issue of the bidding process. If bidding committees over-estimate the advantages of holding an event and the actual event under-delivers, this will greatly affect industry support for future bids. It is therefore important to communicate realistic estimates of possible event outcomes and for industry experience of past events to be included into future event plans. It is also crucial that a DMO should be represented on any national bidding committee in order to give inputs from a destination marketing perspective. Any exposure gained through a bidding process, should effectively be leveraged by the DMO in marketing communication activities.

# The critical tasks of benchmarking, monitoring and evaluation

One of the major trends in event management is the increased focus on events accountability. As Tassiopoulos (2010b:19) states, stakeholders "are increasingly expecting greater accountability and return on investment". There is an increased focus



on determining measurement and performance indicators as early as the conceptualisation stage of especially mega-events. This includes aspects such as appropriate event design; event management systems; marketing strategy; sponsorship strategy; operational management; risk management; and appropriate information technology platforms. Benchmarking against industry best practices will be an important task of the DMO; especially in terms of the marketing strategy of the destination during a mega-event. With regards to other types of events held within the destination, the DMO's event tourism strategy has to clearly indicate how the important aspects of potential events will be monitored, in order to contribute positively to the destination's overall competitiveness.

In terms of the evaluation of events, a wealth of literature is available on the impacts and legacies of events (as indicated in Table 11, pg.92), as well as debates on the most appropriate methodology to do so<sup>17</sup>. As Hede (2007:13) states: "One area of special event research that has burgeoned, particularly in the past two decades, is event evaluation." Several authors support the need to take a 'triple bottom line' approach toward measuring the impacts of events<sup>18</sup>. Getz states that great work needs to be undertaken to overcome the 'economic bias inherent in event tourism' (2008:420). He provides a possible solution to this need for accountability. He suggests that an open-system perspective is taken toward measuring and evaluating events (2008:419). This entails:

- identifying the 'inputs': what it takes to make events happen, including the costs of bidding, facility development and marketing;
- understanding the 'transforming processes': accounting for the impacts left by events as 'agents of change'; and
- measuring the 'outcomes': including the desired and undesired impacts, as well as externalities.

In order for any type of event evaluation to be meaningful, it has to be conducted with the original events tourism strategy objectives in mind. It is clear that numerous monitoring

<sup>&</sup>lt;sup>17</sup> For example Gratton, Shibli and Coleman (2006); Prabha, Rolfe and Sinden (2006); Bohlmann and Van Heerden (2005); and discussed in Jones (2001:244).

<sup>&</sup>lt;sup>18</sup> For example Bob (2010); Hede (2007); Jago *et al.* (2005); and Turco, Swart, Bob and Moodley (2003).



and evaluation techniques are available. However, selection of an appropriate technique should be guided by validity in terms of the destination's specific desired outcomes. It is therefore essential for the destination to identify the desired information along with proposed measurement and evaluation techniques, as a part of the event tourism strategy. In this instance it may be of great importance for the DMO to measure the marketing related activities of the event. Measuring the return on marketing investment (ROMI) can include both quantitative and qualitative indicators, and may require monitoring and tracking of each of the marketing tools that have been employed (Carmouche *et al.*, 2010:268; Getz & Fairley, 2004:129).

For events to be regarded as a strategic destination priority, it will take leadership and initiative from various stakeholders. Furthermore, the successful implementation of an event strategy will require input and commitment from a vast scope of stakeholder groups. As highlighted by several authors, mega-events especially require the input from a number of stakeholders from a diverse set of sectors (Brown *et al.*, 2010; Getz, Andersson & Larson, 2007; Jörgen, 2009; O'Toole, 2010; Tassiopoulos, 2010a). The next CSF will focus on identifying these stakeholders and determining how and where they contribute to optimal leveraging of mega-events (along with other events) in order to improve destination competitiveness.

#### 3.3.2 Clarifying the broader stakeholder roles and relationships



The diverse set of stakeholders directly and indirectly involved in events, necessitates a network approach whereby all the relevant stakeholders can be identified and coordinated. Networking and stakeholder management is especially used by event managers to secure community support and the acquisition of resources (Getz *et al.*, 2007:103). Jörgen (2009:229) emphasises that within such a network, there will be symmetric relationships



(where parties are interdependent and have equal influence), as well as asymmetric relationships (where the stronger party holds the power over a dependent party). Furthermore, all of the individual stakeholders will in turn have their own sets of networks that allow them to perform their tasks, and which will have a direct or indirect influence on the actual event (Jörgen, 2009:228). Brown *et al.* (2010:297) add that the challenge in event partnerships and networking, lays with the fact that creative thinking is needed "in an environment that is subject to many rules and a very focused temporal horizon."

Within this already difficult environment, it is furthermore important to realise that each stakeholder will have its own interests. These interests will greatly influence the stakeholders' individual willingness to mobilise resources and take part in activities associated with the event (Jörgen, 2009:233). It will also influence the type of 'political strategies' that they employ to secure fulfilment of their objectives (Larson, 2002 in Getz *et al.*, 2007:105). Because the structure of the network and the functions of the relationships between the stakeholders will affect the efficiency of the network (Jörgen, 2009:229) and thus the success of the event, it becomes clear why stakeholder identification has been identified as a CSF to leverage mega-events for destination competitiveness.

Within the scope of this study, the details of such networks will not be discussed in detail. However, the role of such networks as it has been described in the literature, highlights the importance of establishing effective linkages between the stakeholders from the two study fields presented in this study. This linking between the two broader sets of stakeholders is supported by Stokes (2006:683) who notes that the widely applied networking models mostly describe "simple relationships such as that between a major event organizer and a tourism authority", and that it does not "capture the wider stakeholder network that may facilitate and depend upon the tourism potential of events."

In Chapter 2, the relevant tourism stakeholders were identified from a destination management perspective. At this point, it is necessary to define the stakeholders that are recognised within the events study field, in order to find the linkages between the two broader 'sets' of stakeholders.



# 3.3.2.1 Identifying the key event stakeholders

An exploration of the literature presented different ways to go about the identification of event stakeholders (as discussed in Getz *et al.*, 2007:105; Jörgen, 2009:228; Parent & Deephouse, 2007:3; Stokes, 2006). It was decided not to discuss the different processes or undertake a specific process, but to rather focus on finding similarities in the outcomes of these processes. The researcher aimed to identify the event stakeholders as indicated through different identification processes presented in the literature. It is also important to consider the fact that all identified stakeholders will in turn have their own stakeholder networks. This proved to make it irrelevant to define exactly where the event stakeholder network will start or end (Jörgen, 2009:228). Instead, the focus was turned to identifying the apparent key event stakeholders from a destination perspective. These stakeholders will briefly be mentioned, before continuing with a more detailed discussion when linking them to the respective destination stakeholders.

Various studies indicated the event organiser as central in the events process (Chalip, 2005:165; Getz et al., 2007:104; Tassiopoulos, 2010a:69; Wanklin, 2010a). In the study on festival stakeholders done by Getz et al. (2007), the event organisers identified their key stakeholders as being the event audience, followed by government agencies, the media and sponsors. In some contrast, Reid and Arcodia (2002, in Getz et al., 2007:106) divide event organiser stakeholders into primary (employees, volunteers, sponsors, suppliers, spectators, attendees, and participants) and secondary (government, host community, emergency services, general business, media, and tourism organisations) stakeholders. Hede (2007:19) splits event stakeholders into two groups, namely individuals (tourist attendees, volunteers, employees, residents and shareholders), and organisations (businesses, media, sponsors, government and community groups). Getz and Fairley (2004:137) identify the key event stakeholder groups as the event organiser, the DMO, corporate sponsors, travel trade, the media, and ally organisations. Tassiopoulos (2010:68) identify stakeholders according to an events triangle; with the event organisation's direct partners indicated as the suppliers, participants and other production role players. The other two points of the triangle are indicated as the sponsors and the event audience. Even though the ranking of the stakeholders vary, these studies produce similar results. These 'results' can thus be regarded as credible stakeholder entities.



Figure 11indicates the key event stakeholders as identified in the literature. Each of these stakeholders will briefly be discussed. For purposes of discussion in this study, the event organiser remains as the key stakeholder, followed by the other stakeholders as they were prominently mentioned in the literature. It was decided however, to start off with a brief discussion on the event owner which is an important 'separate' stakeholder in the case of mega-events.

Government agencies

The audience

The media

Sponsors

ORGANISER
(or LOC)

Buyers & suppliers

Participants & performers

Community groups

Allies & collaborators

Figure 11: Key event stakeholders

Source: Researcher's own construction

#### The prerogative of the event owner

The owners of an event will be the organisation or entity that initiates the event in order to achieve certain goals and outcomes. For many event owners, the ideal is to nurture an event into 'institutional status'. This means that the event is a "permanent, legitimate, and valued part of the society" where it is hosted, and that it will have a "highly visible, positive brand that inspires confidence." (Getz *et al.*, 2007:105). It is stated that this can only be done through supportive networking and by managing the event's legitimacy from the perspective of the various stakeholder (Getz *et al.*, 2007:105). This statement supports stakeholder identification and management as a CSF to ensure effective leveraging of events from a destination management perspective.



Events can either be owned by private, for-profit organisations; non-profit-making or voluntary entities; or governmental and public-private groups. As already explained, these event owners increasingly have to account to various stakeholders for the event's ability to deliver desirable triple-bottom-line impacts (Tassiopoulos, 2010a:69). It may be the case that the event owner will also organise the event, depending on the owner's own capacity and resources. If an event owner decides to manage the event in its own capacity, it will often establish the necessary divisions or organising committees to do so. In other cases, the event owner will outsource the event to an entity that can manage the event on their behalf. When discussing the role of the event organiser, it should be kept in mind that it may also be the event owner itself (or sub-entity thereof); as it has been explained in previous discussions.

# The event organiser as key events roleplayer

As previously stated, a key stakeholder from an events perspective will be the event organiser. The organiser has to ensure successful execution of the event, based on the specific goals of the event owner. Very often they have to compete or bid for events and are bound by a contract to the event owner. In the case of smaller (entrepreneurial) event organisations, they can generate income through "admission charges, merchandising, sponsorship, media revenue and rental of service to participants." (Tassiopoulos, 2010a:70). This organisation has to, among other things, manage activities, organise funding, coordinate staff and voluntary personnel, undertake marketing and public relations, organise security, administer ticketing, coordinate the venues and parking, and oversee event enhancements such as entertainment (Wanklin, 2010a:126). When considering all the stakeholders that will be involved in accruing these relevant resources, it becomes clear that an event can not be produced by a stand-alone organisation. In essence, events are executed through a network of stakeholders that have to be managed by the event organisation (Getz *et al.*, 2007:121).

## Local organising committees as the organisers of mega-events

The local organising committee (LOC) is discussed separately because it can be regarded as a specialist event organising team for a mega-event (Wanklin, 2010b:110). The LOC is an event committee that is established specifically to organise and run a



mega-event within the specific host destination. Membership of the committee is usually voluntary and the committee will cease to exist after the event (Parent & Deephouse, 2007:4). The LOC has to ensure that the event owner's objectives and requirements are met within the host destination. It involves close cooperation with the various destination stakeholders to perform the different tasks set out according to its different divisions (finances, administration, public relations, marketing/sponsorships, international relations, infrastructure, transportation, technology, volunteers, relevant government departmetns) (Parent & Deephouse, 2007:4). In order to assist the official umbrella LOC of the event, it may be required to establish smaller project teams in various regions/cities where event venues are situated (Wanklin, 2010a:131). Such teams will operate on the principles of project management, which will imply integrating and coordinating all the activities and roleplayers. It will also require the LOC team to consult with the local community and other event stakeholders within the destination (Wanklin, 2010c:147). From the perspective of destination marketing, it will be essential for the DMO to collaborate with the LOC (or the appropriate LOC project team) to consolidate on issues affecting destination marketing.

## • Understanding the role of government agencies

Events are often run as public projects because the associated event publicity is regarded as an important "... 'political output' for the politicians that put public money into the projects." (Getz et al., 2007:116). As stated by Pugh & Wood, events provide the ideal means for a local government to promote itself positively to its local residents, businesses, and visitors (2004:64). In exchange for this benefit, the government has to play a key role in coordinating the resources and activities within a destination (as discussed in Pugh & Wood, 2004). Getz et al. (2007:115) categorise government agencies such as city municipalities, federal agencies, provincial tourism authorities and tourism bodies as the regulators and facilitators of events. They are the "non-participating resource providers" that provide grants and "in-kind" support. It is also the responsibility of government at municipal level to enforce the by-laws that have to be passed in accordance with the event owner or organiser's stipulations. These can include stipulations regarding regulated advertising, controlled access to certain areas, public open space creation and beautification, informal trade, accreditation centres, event sites and other hosting sites (Chilwane in Swart, 2010:386). In simple terms,



"supportive policies of local, as well as national government, are clearly of utmost importance to sustainable, quality hosting of events" (Goslin, Grundling & Steynberg, 2004:77).

#### Taking a wider view at the event audience

The event audience will be the individuals who are either physically present at the event venues, who have an 'electronic presence' through various electronic media, or who will be reached through printed media (Tassiopoulos, 2010a:68). From a destination marketing perspective, the event audience will thus be the local residents, local tourists, and international tourists that attend the event, as well as potential visitors that are exposed to the event through various media. More will be said about the events market as target market in section 3.3.4.8.

# • The media as a powerful events partner

The media itself is also regarded as an event audience, as their representatives (journalists, crew etc.) will also be attending the event in order to report to their respective organisations (Getz *et al*, 2007:106). The media is a very important audience of the event and various strategies are employed to effectively deal with their experiences of the event (as will be discussed later).

## A crucial contribution made by event sponsors

Sponsors are companies or entities that invest money, services or other support into the event in order to fulfil their objectives, which usually concern brand exposure or association with a certain cause. Sponsors' main concern is with the event's ability to maintain its audience in order to attain the desired exposure. In exchange for their financial inputs, sponsors receive various forms of promotional packages, licensing rights, event promotion features, VIP treatment and merchandising sales opportunities (Schaaf, 1995 in Tassioupoulos, 2010a:68). From the viewpoint of the event organiser, sponsors provide many of the needed resources, but there is always the inherent threat that they can withdraw from, or exert unwanted influence over the event (Getz *et al.*, 2007:121).



# A wide scope of event buyers and suppliers

Event buyers will be those entities that utilise event-related facilities and services within a destination. They include corporates, associations, government, as well as market sub-groups (Tassiopoulos, 2010a:73). Discussion of these groups falls outside the scope of the current study. They should however be taken into consideration when a DMO formulates an event tourism strategy, because they will form some of the important target markets for the destination's event product offering.

Event suppliers are those businesses that provide the venues and specialist services for events (Tassiopoulos, 2010a:74). There is a myriad of businesses that supply products and services to the event market, even if they do not focus specifically on the event industry. Within the scope of the current study, focus will be on destination product suppliers and not on the vast scope of event agencies and smaller specialist event suppliers. The availability and quality of the venues, attractions, amenities, access and support services that are present throughout the destination, all contribute to the attractiveness of the 'events destination' (Tassiopoulos, 2010a:78). The issue of event supply directly relates to the CSF of resource management, as well as the role of destination industry members (as will be discussed in section 3.3.3).

#### Performers and participants at the core of an event

The nature and number of participants of an event will depend on the type of event. For mega-events, this can range from professional athletes in various disciplines (such as the Olympics, sport championships, marathons etc.), world leaders and academics in certain spheres (for example the Global Summit or world conferences), to performers and artists (in cultural events or as complimentary to sporting, business, religious or social events). One of the challenges posed to the DMO, is to turn these event participants into future destination visitors (as will be discussed in 3.3.4.5). Another challenge is to ensure that members of the host community are utilised as performers and participants during mega-events (as indicated in Steyn, 2007:49-56).

# Community groups influence and are influenced by an event

Apart from the direct and indirect impacts of events on the host community, there are various community groups that can be involved in different aspects of a mega-event.



They can form part of enhancing the event through for example arts and crafts; they can represent certain interest groups who want to benefit from the event, for example welfare or environmental groups; or they can represent the interests of individuals involved in or affected by the event, for example civic organisations and political parties (Wanklin, 2010b:110). Community groups will also include academic institutions such as universities or schools. Many of these interest organisations participate in the event in order to market themselves (Getz et al., 2007:114). Community members also participate as volunteers in various aspects of the event. The event organiser's perspective of the host community is summarised by Getz et al., who states that "the community at large is impacted by the event and might engage in threatening acts, but also constitutes the base for its audience, is the origin of volunteers and members, and can influence political and commercial support for the event." (2007:121). In the case of a mega-event, community groups may also include groups from the international community, such as human rights activists 19 and environmental groups. The industry has seen the rise of international electronic platforms where cultural, political, social and economic aspects of mega-events are raised publicly<sup>20</sup>.

#### Various other allies and collaborators

This stakeholder group classification is made by Getz *et al.* (2007:108) and includes professional associations and organisations relevant to the type of event (for example sport associations); professional advisors; and advisory committees. Getz and Fairley (2004:137) regard participating organisations as long-term allies of the DMO, that have to promote the destination as well as the event

#### 3.3.2.2 Finding the links between destination and event stakeholders

Through previous discussions, it becomes apparent that government at various levels, play a key role in the development and growth of events within a destination. From an events perspective, they play the key coordinating role within a destination. However, in Chapter 2 (section 2.4.2.1 and 2.4.3) it became clear that, from a destination

<sup>19</sup> For example, Herborn (2007) who reports on freedom of speech issues during the Beijing Olympics.

<sup>&</sup>lt;sup>20</sup> For example, playthegame.org, culturalolympics.org.uk and the Centre on Housing Rights and Evictions' reports on the Olympic Games (COHRE, 2006).



competitiveness perspective, the key coordinating roleplayer can be regarded as the DMO. It was therefore decided to establish the links between destination and event stakeholders from the view of the DMO. It has to be kept in mind that most DMOs will be representative of government to an extent, as they are often government departments/divisions, parastatal/quasi governmental institutions or public-private agencies (Bornhorst *et al.*, 2009; Presenza *et al.*, 2005).

In order to meaningfully discuss the DMO's event stakeholders, it is necessary to establish the link between the event stakeholders (identified above) and the destination stakeholders (identified in Chapter 2, section 2.4.3.1). Figure 12 (pg.117) presents a proposed schema and indicates the most important linkage points from the DMO's perspective. A description of the key linkages duly follows.

## • The DMO's relationship with the event organiser

As can be seen from Figure 12, a significant relationship that has to be managed from the DMO's perspective, is the often difficult relationship between the DMO and the event manager or organiser. This relationship poses many overlapping perspectives on aspects such as the motivation for, structuring of and execution of events; and it will ultimately influence the ability of the DMO to optimally leverage mega-events that are hosted within the destination (Getz, 2008:421; Singh & Hu, 2008:931). Chalip & McGuirty (2004:269) provide a powerful summary of the core issue in this relationship: "The unfortunate fact, however, is that destination marketers and event organizers often fail to work together in a manner that enables an event to be cross-leveraged [within a destination]. One core reason for this failure seems to be that destination marketers and event organizers have not explored the means to cross-leverage."

This statement is reinforced when considering the apparent key stakeholders from the perspective of the event organiser (such as an LOC for mega-events). According to a study done by Parent & Deephouse (2007:17), an LOC regards government as its main event stakeholder. To the LOC, government presents key aspects of the event such as legalities, protocol and holding rights, as well as monetary, human and physical resources. Other important stakeholders are identified as being the event organiser's own staff, local community (for human and physical resources), international



governance (for participants), media (for image creation), and international sports federations (for rules of the game). There is, however, a recognised relationship between the DMO and the LOC of a host destination, and it is characterised as "an essential, knowledge-intensive, and exceptionally complicated task." (Singh & Hu, 2008:931).

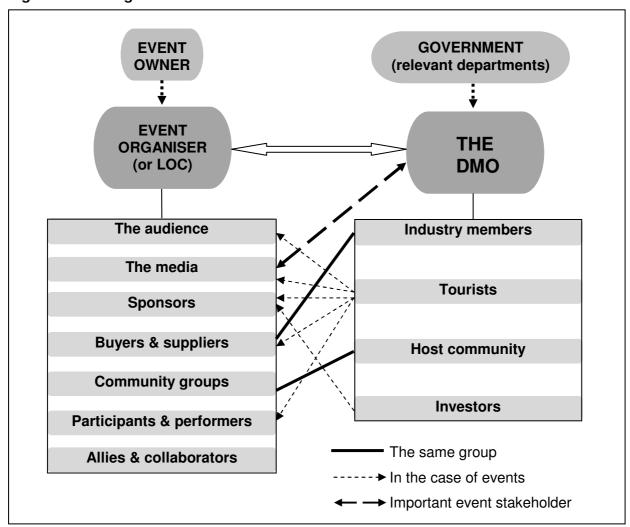


Figure 12: Linking destination stakeholders with event stakeholders

Within this relationship, promotion of the host destination is not the key priority of the event organiser; and in the case of smaller events, the DMO may not even be taken into consideration by the event organisers. Chalip (2005:165) confirms this statement by suggesting that event managers are not concerned with marketing the destination itself. However, it is also true that destination marketers do not devote substantial marketing attention to integrate all events into its marketing strategy, because events usually occur only for a short period of time and are only regarded as small pieces of



the overall destination product offering. Such an inconsistent integration of events does not favourably contribute to the destination brand, and falls short of the fact that the "effective use of events in destination branding requires cooperative planning by event managers and destination marketers" (Chalip, 2005:165). It may therefore be stated that successful development of this relationship for destination marketing purposes, will be the responsibility of the DMO, who is regarded as the custodian of the destination brand. In order to do so effectively, the DMO should be able to offer something of value to event organisers (or an LOC).

In terms of other smaller events, the DMO can act as a crucial connection between the event organiser and the destination's relevant government departments. In this regard, their main task will be to coordinate with the relevant public stakeholders on issues such as permits, controls and regulations that affect events operations (Tassiopoulos, 2010a:78). Another area where the DMO can be regarded as valuable to the event organiser (whether for large or smaller events) is the DMO's task of providing adequate information on the destination's events offering (Tassiopoulos, 2010a:78). In order for the DMO to effectively provide this 'service' to an event organiser, it has to undertake a number of strategic tasks. These include (i) identifying appropriate events product development opportunities throughout the destination; and (ii) establishing a database of the 'events destination amalgam' (attractions, amenities, access and ancillary services) (Tassiopoulos, 2010a:78), and identifying the destination's strengths and weaknesses in this regard.

Importantly, the DMO should aim to maintain its relationship with event organisers after the actual events have taken place (Tassiopoulos, 2010a:81). This will offer the DMO an opportunity to get feedback on the event experience from the organiser's perspective; to get valuable information on the event attendees as potential future target markets; as well as insight into how the destination's offering can be improved for future events.

In order to explain the DMO's approach to a relationship with event organisers, it is necessary to understand events from the DMO's perspective. It is also necessary to understand how the DMO has to relate to other destination stakeholders, in order to



take on the role of events product developer for the destination. These aspects will now be discussed.

# • The DMO's perspective on events

From the perspective of DMOs, events are valued for their power as attractions, catalyst, animators, place marketers and image-makers (Getz, 2008:406). They are increasingly receiving attention from DMOs as an area of product development and as a key component within destination marketing strategies (Heath, 2009c:270; Smith, 2009:4). The role of the DMO can be viewed from four perspectives, namely:

- (i) to attract and support owned events into the destination;
- (ii) to create destination-owned events;
- (iii) to manage the destination's event supply; and
- (iv) to coordinate and manage stakeholder networks and relationships.

The DMO plays a key role in securing events for a destination, and can be regarded as marketing partners or collaborators in hosted events (Getz et al., 2007:108). In order for the DMO to fulfil this role in a professional manner, event tourism has to be given the proper place in the destination's strategy (as discussed in 3.3.1.2). It may also be necessary to considering a separate portfolio within the DMO that focuses on event bidding and hosting. This structure is often provided for by establishing a Convention and Visitor Bureau, or by establishing a dedicated division within a tourism office or tourist board (Celuch & Davidson, 2009:242; Tassiopoulos, 2010:79). These entities will not actually organise the events themselves, but will encourage groups to hold events in the destination. They will also facilitate exploration of other destination products during the time of the event (for example, through guided tours or excursions), and may assist groups to prepare and implement their events in the destination. They may also assist in promoting the event to build attendance; offer events housing facilities; or may assist with event registration and information dissemination (Tassiopoulos, 2010a:80). Key to the successful operation of this bureau or division, will be high calibre human resources. As Celuch and Davidson (2009:241) state, a destination's ability to successfully attract events depends on having competent professionals in key destination marketing positions.



It is important for a DMO to not only bid for and assist in the hosting of owned events within the destination. A key task of the DMO is to proactively develop unique events for, and owned by the destination itself; and not to wait for one of the limited available mega-events to be successfully bid for. The global exposure of a mega-event for example, will be short-lived if there are no contingency plans in place to consolidate the destination's reputation through other events (Ritchie & Crouch, 2003:120). Very importantly, the creation of unique events for the destination, as well as the bidding for owned events, should be done according to the principle of a 'balanced portfolio' (as discussed in section 3.3.1.2).

Lastly, it should be part of the DMO events portfolio/bureau/division's task to drive all networking initiatives between the various destination stakeholders involved in the hosting of an event (for example product owners, suppliers, local community members and public offices). The nature of their relationships with these stakeholders will now be explored.

## The motivation and role of government and political groups

Events have been recognised by governments around the world as significant economic and social activities. Furthermore, the international visibility of mega-events, as well as their significant associated impacts and benefits, has forced governments to become involved to address the interests and concerns of stakeholders (O'Toole, 2010:35). Moreover, the decision to take part in events is almost always politically motivated<sup>21</sup>. The desire of governments to take part in the "increasingly aggressive place wars" (Foley, McPherson & McGillivray, 2009:54) and to be ranked as top global destinations, can override the cultural and economic motivations to bid for or create large scale events (Cornelissen, 2007:253). Events encourage personal experiences of their destination and, as has been stated by Anholt (in UNWTO, 2009b:xii), preference for a destination and its people, politics, culture and products tend to increase after such encounters, even when the holiday experience has not been positive.

<sup>&</sup>lt;sup>21</sup> As discussed in Cornelissen (2007); Desai and Vahed (2010); Hogland and Sundberg (2008); Pugh and Wood (2004); and Van der Merwe (2007).



In terms of marketing, events provide public sector marketers with a variety of "suitable vibrant, colourful and multicultural images which are easily packaged for global circulation". It involves the recreation of a 'cleaner' version of the place's history, that will be approved by the host population and that can be exploited as a tourism resource (Foley *et al.*, 2009:55). Still, the prospect of the additional revenue from visitor spending (Smith, 2010:263; Brown *et al.*, 2010:282), as well as the tax benefits for all levels of government (Turco, 1995 in Getz, 2008:420) remain some of the greatest benefits of event tourism for governments.

Apart from the benefits that can be accrued by government, huge public investments have to be made to enhance the destination's reputation for future campaigns or hosting of events (Smith, 2010:263). Hosting of mega-events require government spending on infrastructure and new facilities, as well as significant spending on the proper promotion of events (O'Toole, 2010:39). Because these spendings are public funds, there is an expectation that they will employ strategies that are well defined and transparent (Stokes, 2008:253). It is suggested that government's approach to events should be guided by the principle of asset management (O'Toole, 2010:36). This will imply a concern for the development of infrastructure requirements, as well as the decision to commit resources to do so. It will enable the life cycle of a single event or an entire portfolio of events, to be managed over time. It will also answer to the required stakeholder accountability and measurement of return on investment.

Due to the complexities involved in balancing the costs and benefits of especially mega-events, there has been a dramatic global increase in the number of event strategies on different government levels (O'Toole, 2010:35). Execution of these event strategies are often left in the hands of the economic development or tourism department. It is important to remember that governments do not always influence the development of events; especially grassroots events and festivals at regional level (Stokes, 2006:685). It is therefore essential for the DMO to develop an appropriate event tourism strategy of which it can take ownership. Importantly, its outcomes have to be in line with government objectives and policy, because the DMO may be expected to manage the impacts and legacies of events (Tassiopoulos, 2010a:78).



Figure 13 indicates where the DMO fits into government's policy process and how a DMO's event tourism strategy can contribute toward achieving policy objectives.

Development objectives

Tourism department objectives

Product development objectives

DMO

Marketing objectives

Event support objectives

Figure 13: The DMO and government's objectives

Source: Adapted from O'Toole (2010:39)

This figure illustrates the importance of establishing a strong relationship between the DMO and the relevant government (tourism) department. As Pugh and Wood (2004:64) states: "Strategic place marketing ... could best be achieved through substantial local government involvement. However, there will also be the need for collaboration between the public and private sectors, in the form of active partnerships". Through this relationship, the DMO can understand how the public resources will be allocated to host events. It will then also be easier to align its own marketing and networking efforts to that of the governmental tourism department's event initiatives. Furthermore, it will save a lot of time and money if the DMO knows what the government's objectives are. In that way they will not waste resources on bidding for or creating events that will not be supported by government. In the end, the destination will be the ultimate benefactor from such cooperation and collective resource mobilisation.



# Industry members as the suppliers to events

The hosting of a mega-event brings many opportunities and challenges to the host destination. One of the challenges is the artificial spike in demand that is created for accommodation, transport and hospitality during the actual event (McManus, 1999 in Hede, 2005:188). Brannas and Nordstrom stated that the economic benefits to the host destination's industry will depend on whether the local producers and product owners are able to meet the extra demand that is directly and indirectly generated by the event. In order to prevent lost business opportunities or the need to make use of outside suppliers, the host area has to be large enough to meet the extra demand, but there also has to be 'spare capacity' (2006:292).

On the other hand, too much 'spare capacity' can be created by the event organisers who are often given stringent control over industry stock, such as accommodation and transport. They usually take control in an effort to avoid damage to the event brand due to insufficient supply. However, in many cases there is an over-estimation of the demand, and product owners are left with unsold stock over which they have very little or no control. It is therefore suggested that product owners have to maintain a moderate measure of autonomous management of their offerings (Byeon *et al.*, 2009:88).

Destination managers and marketers should assist the local tourism and events industry by planning and developing strategies on marketing and stakeholder networking well in advance (Hede, 2005:188). As stated in Chalip (2000:5): "... the challenge is to make it clear to wholesalers, tour operators, and potential visitors that the country is open for tourist business throughout the (Olympic) year, and to include marketing activities specifically to fill the immediate post-Olympic period." By managing the destination's event supply, as previously discussed, it will also be much easier for the DMO to determine its potential success in bidding for certain owned events, as well as its capacity to develop unique destination-owned events.

In section 3.3.3.3 the issue of quality and service delivery through adequate human resource development, will be addressed. This relates to another concern specifically related to mega-events, namely the use of human resources from outside the



destination. Mega-events often require that specialists have to be brought into the area to assist with operations. This can create a feeling of 'loss of control' regarding the way that the event is organised and the way that images about the host community is projected (Brown *et al.*, 2010:291). This concern highlights the import task of the DMO to choose events that are compatible with the destination's resources (including human resources).

The DMO also plays a key role in establishing relationships with local, and sometimes national tourism industry members in order to package the destination offering. It may for example be necessary to approach national product owners, such as the national airline, to act as sponsors for an event. Such sponsorship will generate both domestic and international packages (Getz & Fairley, 2004:134), which will significantly contribute to distribution of the event. Support from the local travel trade is also needed to sponsor events and to incorporate destination imagery into their promotions of their own event-related marketing. In this regard, it may be meaningful for the DMO to have dedicated travel agents who can promote the event and the destination together (Getz & Fairley, 2004:137).

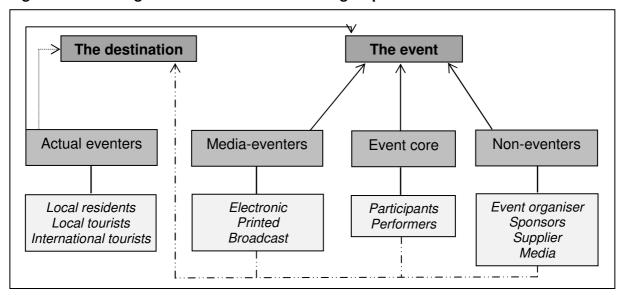
By paying attention to all of these aspects, it is possible for the DMO to increase the attractiveness of the destination as a potential host of events. Such 'supply management' is not only done for the sake of being an attractive host destination. More importantly, it has to be done to strengthen the DMO's ability to support the destination's industry members. More will be said on the DMO's role in terms of a destination's event supply in section 3.3.3.

#### The broader events tourist market

From a DMO perspective, the event tourist market requires a much broader view than only the people attending the event as part of the audience (as is the main focus from an event perspective). To a DMO, events have the potential to boost the visitor numbers to a destination (Green *et al.*, 2003:214); and there are various groups that constitute these numbers. As indicated in Figure 14 (pg.125), there are four groups that can be regarded as the event tourist market and potential visitors of a host destination.



Figure 14: Dividing the events market into four groups



Firstly, there is the group of tourists that attend the actual event as part of the audience (henceforth referred to as the 'actual eventers'). These actual eventers will include local residents, local tourists, and international tourists. They are directly linked to the destination, because they can either be attending the event because it is in a specific destination, or they were already in the destination and decided to attend the event. Secondly, it will include the potential visitors that are exposed to the event through various media (Tassiopoulos, 2010a:68) (henceforth referred to as the 'media eventers'). These media eventers will include local as well as international individuals. Thirdly, the potential future tourists of the destination may also include people who visited the destination during the actual event, but were not attending the event as spectators. They include the event participants and performers, which form the core of the event (henceforth referred to as the 'event core'); as well as individuals who were there as part of the event organiser team, a sponsor, a supplier or the media (henceforth referred to as the 'non-eventers'). The last three groups are not directly linked to the destination, because their main focus is on the event itself. They may not have had exposure to the destination if it wasn't for the event (except for the noneventers who may be situated in the destination itself). In order to effectively leverage an event (including mega-events) to enhance destination competitiveness, it will be necessary to develop appropriate strategies for each of these groups. This matter will be discussed further in section 3.3.4.5.



# • The important role of host communities

Local communities play a significant role in mega-events; not only as part of the planning and execution of the event, but also because these events rely heavily on the patronage of the domestic market for their success (Brown *et al.*, 2010:281). Host communities tend to celebrate events by attending and by decorating streets and buildings. All of this assists in raising awareness in the public eye, especially the media. Local community members should also be used in the production of souvenirs, entertainment and other event-related enhancements to increase the multiplier effect benefits for the host region (Sadd, 2009:32; Steyn, 2007:49).

As already indicated, there is an important link between an event's benefits for the destination brand and the national image. This link can be strengthened by ensuring that image benefits are turned into community benefits and that the entire host destination (not only the private sector) experiences the effects of the positive image (Smith, 2005:220). Local communities have to buy into the event and have positive perceptions of the way in which it is being planned and executed. This can be strengthened if the host residents perceive real time benefits. On the other hand, if residents only perceive excessive public costs and disruptions and inconvenience to their personal lives, public confidence in the event can be undermined (Waitt, 2003:213).

It should also be kept in mind that the event has to fit the self-identity of community members in order to be fully supported (Brown *et al.*, 2010:290). Garcia (2003:9) explains how cultural and arts programming that include "cultural expressions that are truly owned by the locals", can promote a sense that the event benefits not only "private corporations and public investors, but also the host communities at large." A well-planned cultural programme, running parallel to the mega-event, can ensure that the event is regarded as an extension of the values, meanings and identities of communities involved (as discussed in Garcia, 2000; Garcia 2003; Garcia & Miah, 2005; and Steyn, 2007). It can also counter the usually "sanitised historical narrative" which is created by city marketers to allow easy packaging and exploitation of the cultural tourism resources of a destination (Chang & Huang, 2005 as discussed in Foley *et al.*, 2009:55).



One of the temporal issues associated with mega-events is displacement (Brannas & Nordstrom, 2006:292). This not only relates to visitors who stay away, but also to residents that plan other trips during this time to get away from the expected crowds, price inflations and crime (Sadd, 2009:32). It is important that destination managers should have concentrated programmes that provide information to residents on event-related issues such as exclusion zones, transportation and operating hours. By being informed, they may be more willing to stay during this time. They could also be persuaded to stay if they see the event as so unique that they can not afford to miss out (Sadd, 2009:32).

From the perspective of destination marketers and managers, the presence of the host community is a very important aspect because they form an important component of the tourists' event experience (Waitt, 2003:200). They often fulfil the role of event volunteers that have direct contact with the visitors. Sustained support and enthusiasm of the local community can also contribute to a feeling of integrity and safety for visitors. For these reasons it is important to have a well organised volunteer programme and a complimentary public event in place (Smith, 2010:270).

## Investors attracted by an event

Events can be used as powerful tools by those authorities that wish to influence public perceptions and behaviour, because they bring people that have influence over long-term investments, into the destination for a personal experience of the place (Smith, 2010:263). Because mega-events often reveal more about the 'place' than the 'destination', it can be "invaluable from the perspective of inward investment" (UNWTO, 2009:21). Through a dedicated campaign running parallel to the event, the destination needs to portray itself as an attractive place to live, work and to business in (Smith, 2010:275). This type of investment can range from tourism businesses and other commercial activities, to investment into the country's infrastructure and services that support communities (such as clinics, schools and recreational facilities). As indicated in Figure 12 (pg.117), event sponsors can be regarded as potential investors by the DMO. If these sponsors have a positive event experience and if they are sufficiently exposed to various aspects of the destination, they may return as individual tourists and/or as new investors.



In order for the destination decision-makers and leaders to turn their attention to the events market, it is necessary to have a clear understanding of what exactly is required by an event and what resources are available within the destination. The task of identifying the activities and resources involved in a mega-event, are also suggested as first steps in event development and proposed as a prerequisite to stakeholder identification (Jörgen, 2009:230). It was therefore decided to make a change to the order of the CSF's presented in Chapter 2, and subsequently to discuss resource management before stakeholder identification.

# 3.3.3 Managing the resources of the host destination

ADDRESSING EVENTS AS A STRATEGIC DESTINATION PRIORITY

CLARIFYING THE STAKEHOLDERS' ROLES & RELATIONSHIPS

MANAGING THE DESTINATION RESOURCES ALIGNED WITH THE OVERALL DESTINATION MARKETING STRATEGY CONCERN FOR AND PRO-ACTIVELY ADDRESSING ENVIRONMENTAL ISSUES

Comprehensive resource base analysis
Promoting destination attractiveness
The issue of quality and service delivery
Mobilisation through supply chain management

Mega-events offer a once-off opportunity to destinations to present themselves as desirable travel options in the global market. This limited opportunity (Brown *et al.*, 2010:297) places great strain on destination stakeholders to acquire adequate resources and to manage them throughout the visitor experience (Getz *et al.*, 2007:103; Ritchie & Crouch, 2003:208). It also forces destination managers to have a proper destination information and research system in place (Ritchie & Crouch, 2003:209) that can support event-related decisions. At this point, the discussion will turn to the possible main aspects of a destination's resources that should be considered for a mega-event.

#### 3.3.3.1 The importance of a comprehensive resource base analysis

As already stated, the artificial increase in demand as a result of the event, places pressure on the tourism industry. This heightened demand also has an effect on the destination's resources including human, physical, knowledge, capital, infrastructure and tourism superstructure, and historical and cultural resources (Ritchie & Crouch, 2003:20-21). The development of new facilities such as hotel rooms and stadia not only presents



one of the largest cost centres of an event, but there is a "great risk of oversupply with limited use after the event" (Sadd, 2009:32). As a measure to counter the oversupply of facilities that could create criticism and reduce industry support for the event, it is necessary to conduct a thorough analysis of the resources that are available in the destination. A resource base analysis is also important to accurately determine the destination's carrying capacity. Without the information provided by a comprehensive resource base analysis, none of the other resource-related tasks (which will be discussed) can effectively be performed.

In the case of mega-events, it may be especially important to determine the availability of infrastructure and tourism superstructure. By knowing what exactly is available in the destination, it may be possible to identify existing facilities that can be used, instead of only investing in new ones (Sadd, 2009:32). Infrastructure can be divided into general infrastructure (which forms part of the destination's supporting factors), and tourism superstructure (which forms part of the destination's core resources) (Ritchie & Crouch, General 2003). infrastructure will include transportation, safety, electricity. telecommunication, sanitation, mail services, retail and shopping, medical services, financial systems, administrative services and other personal services. The challenge posed in the case of mega-events, is to offer these services and structures to the large numbers of visitors, while also making it available to the host community. Unlike general infrastructure, tourism superstructure primarily serves the interests of tourism and/or hospitality visitors. Table 13 (pg.130) provides a framework of tourism superstructure. The tourism superstructures often provide the facilities in which an event (including a megaevent) will take place. If done effectively, many of these structures can become attractions in themselves, such as the stadiums of a mega sporting event (Ritchie & Crouch, 2003:126).



**Table 13:** Tourism superstructure

Functional elements	Enhanced built elements	Enhanced natural/ normal elements
<ul> <li>Hotels</li> <li>Other accommodation facilities</li> <li>Restaurants/dining</li> <li>Visitor centres</li> <li>Airports</li> <li>Car rental locations</li> <li>Theme parks</li> </ul>	<ul> <li>Museums</li> <li>Zoos</li> <li>Unique office buildings/ towers</li> <li>Olympic legacy sites</li> <li>Sports stadiums</li> <li>Homes of famous people</li> <li>Space centres</li> </ul>	<ul> <li>Churches, cathedrals</li> <li>Natural wonders</li> <li>Historic landmarks</li> <li>Unique industrial sites</li> <li>Unique architecture</li> <li>Evolving natural conditions</li> <li>Universities</li> <li>Disaster areas</li> </ul>
<ul> <li>Convention centres</li> <li>Unique sites and interpretation centres</li> </ul>	<ul> <li>Unique/well-known commercial residential districts</li> </ul>	

Source: Ritchie & Crouch (2003:126)

Apart from the infrastructure and tourism superstructure, the destination is required to have an "unusual set of skills and organisational abilities" (Clark, 2008a:47). This will include large-scale long-term project management; marketing, branding, advocacy and public affairs; public-private partnerships; project financing; and infrastructure financing. Mega-events thus place new and high demands on a destination's resources, including a myriad of skills that have to be present throughout the destination.

## 3.3.3.2 Utilising resources to promote destination attractiveness

In order to understand how an event can add to the attractiveness of the destination and its resources, it is helpful to return to the classification of events as a core attractor (as discussed in Chapter 2, section 2.5.5). Getz (1997, discussed in Ritchie & Crouch, 2003:120) argues that 'specialness' is an essential quality of any event as a core attractor to become a competitive advantage for the destination. He identified certain factors that contribute significantly to the specialness, and therefore the competitiveness of an event (as indicated in Figure 15, pg.131).



Figure 15: Characteristics of event specialness

VALUE AS ATTRACTOR	CHARACTERISTICS	INTANGIBLES
Multiplicity of goals	Uniqueness	Festive spirit
Satisfaction of basic needs	Tangibility	Hospitality
Quality	Convenience	Tradition
Flexibility	Affordability	Authenticity
	_	Symbolism

Source: adapted from Getz (1997, in Ritchie & Crouch, 2003:120)

It can be argued that the group of factors in Column A relate to the overall value of events as an attractor. An event will be a valuable attractor if it can be used to fulfil different goals of different stakeholders; if it serves to satisfy visitors' basic needs; if it has to overall mark of quality; and if it is flexible enough to adapt to changing markets and destination needs. The factors Column B relate to overall characteristics that need to be built into an event. It has to become a must-see for visitors; it has to be made tangible through a central theme; it should encourage spontaneous visitor travel opportunities; and it should offer value for money. The last group of factors (Column C) relate to the intangible aspects of the visitor experience. Visitors should be enthralled in a festive spirit and genuine hospitality; which can be increased by giving consideration to authenticity of all the event products and experiences through purposeful inclusion of tradition and symbolism. In order to attain these elements of specialness, a vast scope of destination resources are required.

Destination managers have to consider how the different resource categories (human, physical, knowledge, capital, infrastructure and tourism superstructure, and historical and cultural resources) can be employed to contribute to the respective factors of event specialness. This match between destination resources and event specialness can become more complex in the case of mega-events, where various restrictions are imposed by the event owners and organisers (Brown *et al*, 2010:297). Most mega-events are unique because of their international importance and magnitude. The challenge to destination managers is to work around the event constraints to add elements of local uniqueness and festive spirit that will distinguish the destination from other (previous or future) host destinations.



# 3.3.3.3 Addressing the issues of quality and service delivery

The characteristics of overall quality, hospitality, satisfaction of basic needs, convenience and uniqueness, are all factors of event specialness that can be addressed through ensuring the use of quality resources and excellent service delivery. In some instances this will be out of the DMO's control; while in other instances it can be ensured through creative thinking and strategic alignment with relevant stakeholders.

A very important component of the destination resources for a mega-event is infrastructure. It is the function of government and the public sector to ensure the quality of the infrastructure needed by the tourism industry. The quality of these offerings will also depend on the attitude of the locals who have to act as the custodians, as well as on the destination's policy makers, planners and managers to anticipate the infrastructure needs of the event (Ritchie & Crouch, 2003:132). Where the host community will be used to the quality of the services, as they use them on a daily basis, the visitors are more likely to focus on issues such as "reliability, efficiency, safety, cleanliness, design, ease of use, availability, cultural and language sensitivities, way-finding, integrity, etc." (Ritchie & Crouch, 2003:133).

It may be stated that general infrastructure is not within the control of the DMO. The challenge posed to the DMO will then be to act as liaison to advocate the needs of the tourism industry, and to appropriately inform event attendees of the facilities that are available within the destination. In terms of tourism superstructure though, the DMO could have an immediate opportunity to enhance the quality of the destination offerings for the longer term. Preparation for a mega-event may encourage destination managers to give attention to some of the natural or normal elements that could be of interest to the event attendees (as indicated in Table 13, pg.130). The task of the DMO could be to identify appropriate opportunities and to exploit them through appropriate packaging (more on this in section 3.3.4.4). In this way, a mega-event can enhance the overall quality of infrastructure in the destination, and thereby leave a legacy of increased comparative advantage for the destination.



Another very important resource which links to quality within the host destination, is that of human resources. The quality of human resources in a destination greatly affects the destination's competitiveness, because it determines the kind of experiences that the visitors will have. In the end, the tourism product is delivered through the actions of the individuals that are employed in the industry (Ritchie & Crouch, 2003:137). As Jörgen (2009:231) states, the destination resources will be of no use without the human skills required to operate them. Celuch and Davidson (2009:241) indicate human resources as a CSF in the events industry. The offering of true hospitality, which has been indicated as a key factor in developing the 'specialness' of an event, mainly falls within the hands of the people that make direct contact with the visitors. Apart from the contact with (hospitable) residents, an event such as a mega-event will require a diverse set of knowledge and skills to be present in the destination in order to deliver this hospitality.

One of the challenges of human resource management for mega-events, is the fact that these events rely greatly on a temporary workforce and volunteers (Swart, 2010:366). This combination of volunteer staff and subcontractors with the permanent professional staff, require significant collaboration from various stakeholder groups. It will require the establishment of an appropriate and effective event structure to govern the event (Swart, 2010:372). Singh and Hu (2008:931) explain how the DMO and event organiser (LOC) can be considered as knowledge-based organisations, and that the 'tacit knowledge' that they gain during an event, should be considered as major knowledge-intensive resources. Bob, Swart and Cornelissen (2008:52) also states that transfer of knowledge should be regarded as a key legacy of a mega-event. It will thus be important to 'capture' this knowledge in some form, and that the event structure of a DMO should make provision therefore.

It is important to remember that the visitor's satisfaction will not only depend on technical aspects of service delivery, but will rather be determined by the broader 'service experience' (Ritchie & Crouch, 2003:206). This topic has received attention by several researchers (for example Poon, 2003), and it can be expected that service training is an essential component of hospitality and tourism training. Within the current study, it will not be discussed in further detail. However, it proves to be a critical performance area within the broader CSF of resource management. It is therefore essential for destination



managers and marketers to initiate service excellence training campaigns throughout the destination in preparation for a mega-event. It may be stated that it will be especially important for non-tourism entities such as public sector services and supporting services that form part of the general infrastructure of the destination. This statement in turn reinforces the need for stakeholder involvement and networking to get all of the 'actors' ready to perform during the actual staging of the event.

## 3.3.3.4 Resource mobilisation through supply chain management

It is stated that the quality and service experience mentioned above, will vary across the tourism industry as the nature and purpose of the respective service providers differ (Ritchie & Crouch, 2003:208). The supply of tourism products and services can be viewed as a value chain that includes the right enabling environment; the airlines, travel trade, accommodation, complimentary offers and direct sales; up until the evaluation of the actual visitor experience (Rodríguez-Díaz & Espino-Rodríguez, 2008:370). Each resource has to be combined with several other elements in order to be productive (Jörgen, 2009:231). It will also depend greatly upon the 'human element' which has been described previously.

The role of the DMO in this regard will be "... to ensure, as far as possible, that all the 'experience links' within [the] destination are all satisfactory and mutually reinforcing." The difficulty faced however, is that the visitor's total travel experience includes elements that are outside of the DMO's control (Ritchie & Crouch, 2003:208). It may be stated that the DMO should play an even stronger leadership role in the value chain management for a mega-event, because of the limited window of opportunity available to leave the visitors with a favourable impression of the destination. Initiatives taken to encourage stakeholder cooperation (such as training and workshops or a central booking system), could have stronger support due to the prominence and benefits associated with the event. Furthermore, the vast financial resources associated with mega-events, also present opportunities to acquire or mobilise the necessary resources (Jörgen, 2009:232). Value chain management will require the DMO to be aware of all the resources available in the destination, and building relationships with the relevant governing bodies to ensure the quality of these individual groups of resources. Very importantly, the DMO also has to build



strong relationships with the travel trade such as inbound tour operators and trade associations, as they are often the starting points of the value chain, or have control over the packaging of different destination experiences (Rodríguez-Díaz & Espino-Rodríguez, 2008:370).

It is clear that an array of resources is required by a mega-event and it can be expected that ownership of these resources will lay with a diverse set of stakeholder groups. It will be of no use to destination managers to know what resources are needed, if these resources can not be accessed and effectively employed. After identifying the key event stakeholders and determining their links to the various destination stakeholders and resources, it becomes apparent that a DMO is presented with a mammoth task to ensure effective event leveraging. The next CSF presents one of the DMO's top priorities when dealing with events, namely the crucial task of integrating an event (or events) into the umbrella brand and marketing strategy of the destination.

# 3.3.4 Ensuring an event marketing strategy that is aligned to the overall destination marketing strategy

ADDRESSING EVENTS AS A STRATEGIC DESTINATION PRIORITY

CLARIFYING THE STAKEHOLDERS' ROLES & RELATIONSHIPS

MANAGING THE DESTINATION RESOURCES

ALIGNED WITH THE OVERALL DESTINATION MARKETING STRATEGY CONCERN FOR AND PRO-ACTIVELY ADDRESSING ENVIRONMENTAL ISSUES

Enhancing the destination brand and image Opportunities and challenges related to ICT Pricing that supports the value-proposition Product bundling during a mega-event Understand the broader events tourist market

An important aspect of mega-events that directly link to destination competitiveness and which has been highlighted by several authors (as can be seen in Table 11, pg.93), is the manner in which these events present positive benefits for, and can be harnessed as tools within the destination's marketing strategy. In fact, it has been proposed that long-term event leveraging is mostly a function of developing images that contribute to place branding and market positioning (Chalip, 2004 in Smith, 2009:4). Where destination marketing is one of the most researched and published topics of all tourism business studies (Li & Petrick, 2008:235), marketing is also the most researched topic (along with



impact studies) within event tourism (Getz, 2008:409). Specific individual event tourism marketing tactics, as tools for competitive advantage, have been studied and include: image-enhancement potential of events; induced demand for the destination; co-branding of events and destinations; and the leveraging of events for additional benefits (Getz, 2008:417).

It has to be remembered that marketing communication and a good destination brand is not enough to manipulate fundamental perceptions about a country (Anholt in UNWTO, 2009b:xi). It is more appropriate for the country to optimally use the existing and potential resources within its communities and to appropriately communicate the 'truth' (Smith, 2010:264). This may add to greater trust in the destination and contribute meaningfully to change undesired 'fundamental perceptions'. These statements enforce the fact that a powerful event marketing campaign alone is not enough to promote destination competitiveness. All the CSFs have to be taken into consideration for a mega-event, in order to empower marketers and managers with truthful positive stories to tell. There has to be a balance between what is being communicated and what is actually happening. As Ritchie (in Ritchie & Crouch, 2003:123) indicated, inadequate facilities or improper practice can lead to the marketing legacy ending up to be a poor reputation. Even more so if the 'fundamental perceptions' have been negative.

Still it remains viable and actually emphasises the need to employ appropriate event-related marketing strategies to optimise this CSF's contribution to overall competitiveness. The following broad guidelines for events marketing were taken from Carmouche, Shukla and Anthonisz (2010:252 – 271). Most of these guidelines will be elaborated on in subsequent discussions.

- Events marketing plans have to cover all aspects of the event, from pre-event research through to measuring the effectiveness of the marketing tools and communication channels that have been employed.
- It is important to determine all the broad event audiences that will have to be addressed.
- Event marketers have to consider the timing of the event, in order to determine its influence on other activities aimed at the same target market; thus enforcing the importance of a balanced events portfolio (as discussed in section 3.3.1.2).



- Different stages of the event will require different types of marketing activities; and should be planned for at the hand of a marketing schedule (2010:257).
- The DMO has to be creative to find ways within the event regulations to promote the destination brand and tourism product offering.
- All the traditional aspects of marketing (the 7 Ps) have to be considered. However, any event's success will largely depend on promotion (2010:261). Event merchandising (including an event logo and mascot, along with the necessary licensing and copyright) is an important part of promotion (2010:267).

As with the other CSF categories, this category will also be discussed according to the key performance areas that were identified in the destination competitiveness literature. Because such a vast amount of literature was found to be available on events and marketing, only recent and prominent articles will be discussed.

As a summary to sections 3.3.4.1 (destination branding) and 3.3.4.2 (use of ICTs), Figure 16 is presented to give an overall perspective of the most prominent issues that form part of these two topics.

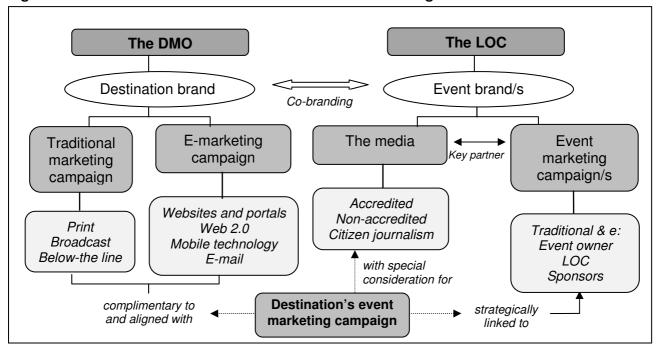


Figure 16: Destination communication channels for a mega-event

Source: Researcher's own construction



Figure 16 presents destination branding through an event as a co-branding exercise (as has been indicated in the literature). It indicates how the destination's marketing strategy (consisting of traditional and e-marketing campaigns) should be used as foundation from which to develop a marketing campaign specifically for an event. Where the media is usually part of a destination marketing campaign through publicity, it should be given special attention by the DMO in the case of a mega-event. A DMO's event marketing campaign should be strategically linked to the marketing efforts of the LOC and sponsors, which in turn is determined by the event owner's desire to strengthen the event brand. Event marketing campaigns of these parties may also include the more traditional forms, as well as modern e-marketing efforts. The following discussions will indicate the literature references on which this illustration has been built.

# 3.3.4.1 Reinforcing and enhancing the destination brand and image

As discussed in section 2.5.2, the destination brand can be regarded as part of the 'competitive identify' of the destination. Because events have enormous potential to anchor or change a destination's image, they are used by numerous destinations to reinforce their brand and thereby improve their competitive identity (UNWTO, 2009:20). This is even more applicable to mega-events, with their large numbers of visitors and media coverage. It has been stated that, from a branding perspective, it could be more appropriate to label them as 'spotlight' events, because of the tremendous opportunities that they present to destination brand managers (Smith, 2010:262). It can be stated that this potential will only materialise if the DMO has an effective co-branding and media strategy in place.

#### Effective co-branding strategy for the event

Events have been recognised for their ability to assists in building brand equity, increasing brand awareness and enhancing and/or changing a brand image. Extensive research on marketing and event promotion has led to the conclusion that events can only by used to promote the destination brand if it is regarded as a co-operative branding activity (co-branding) (Brown *et al.*, 2010:283; Chalip *et al.*, 2003:228; Smith, 2009:4). Most events are brands in their own right and therefore co-branding is needed to align the event brand and destination brand in such a way as to produce mutual



benefits (Smith, 2010:4). For co-branding to be effective, there has to be "some spillover from the event's image onto the destination's image" and consumers have to be able to match "the image of the event to that of the destination" (Brown et al., 2010:284; Chalip & Costa, 2005). It is necessary to understand that brands of most mega-events are not intrinsically linked to the host destination, because these events usually rotate between hosts (Chalip & Costa, 2005:237). In this regard, it is important for destinations to choose events that have a similar 'association set' to the association set of the destination's brand (Brown et al., 2010:284; Chalip, 2005:168; Chalip et al. 2003:228). This is also true for other partners such as event sponsors; where all the brand partners for an event should have "mutually compatible elements". This combination of different brand values will influence the markets that can be targeted and that are most likely to respond favourably to this mix of brand values (Brown et al., 2010:297). This statement links the choice of events with the need to clarify the target segments for the event; which in turn will have a great influence on the event experience (as discussed in section 3.3.2.4). Another aspect of destination branding through events, is the crucial role that the media plays to establish a link between the event and the destination. However, as will be seen from the following discussions, destination brand promotion will only result from specific efforts to leverage publicity and exposure and not by regarding media coverage as a given (Smith, 2009:7).

#### Publicity and exposure through extensive media presence

Ritchie (in Ritchie & Crouch, 2003:123) indicated increased awareness of the destination as the primary marketing legacy, and stated that mega-events can raise a destination from obscurity to international prominence (2003:119). Such events place destinations under the scrutiny of the media and can either lead to great publicity success or dismal failure (Smith, 2010:264). They create induced demand both pre-and post-event, as well as a longer term 'halo effect' due to the exposure (Getz & Fairley, 2004:128). When it comes to media exposure, it seems that consideration has to be given to what is being communicated, when it is being communicated, and how it is being communicated.

It has to be remembered that different media strategies may be employed by the event organiser and the DMO respectively. In the case of a mega-event for example, the



LOC will aim to re-establish and showcase the event brand, while the DMO will aim to draw attention to the wider destination features in order to stimulate investment interests (Miah & Garcia, 2006:5). In similar vein, Chalip (2005:167) states that the coverage of the host destination is not built from a targeted message that is controlled by the DMO. Event marketers "promote attributes and benefits that they expect will bring people to the event; even if those attributes and benefits are not compatible with the destination's desired brand". It would probably be most desirable if the DMO could have an input into the choice of media, but this is not always the case, especially when different sponsors and broadcast right holders are involved. A DMO therefore has to distinguish between, and develop different strategies for the accredited and non-accredited media respectively.

In order to fully capitalise on the media exposure gained through an event, there has to be a clear branding strategy that can define how the destination's brand will be promoted through the variety of media, and be given optimal exposure within the restricted timeframe and regulations of the event (Brown *et al.*, 2010:297). Furthermore, the different forms of media that the DMO has control over, should be evaluated and should be chosen according to their ability to affect different dimensions of the destination's image (Chalip *et al.*, 2003:214).

An effective media strategy will include activities before, during and after the event. Media publicity is not only restricted to the time of the actual event, but holds many opportunities for destinations before and afterwards. Brown *et al.* (2010:287) state that events should be used beyond the time in which they actually take place. Their role in branding doesn't have to be limited to the media and visitor experiences obtained during the actual event, but event visuals and mentions can be utilised in all marketing communications before and after the event to promote the brand image. By using event branding alongside other comparable aspects of the destination, the overall impact on the brand could be enhanced (Brown *et al.*, 2010:288).

Just as much as the media can enhance a destination's image, they tend to highlight the destination's issues (Smith, 1993 in Smith, 2010:264). It should also not be considered as a given that a host destination will be afforded the desired or extensive



coverage. In a study done by Chalip *et al* (2003: 229), it was found that event media could actually "depress a vital dimension of viewers' images of the destination." Images of the host destination will often be deleted in the case of a delayed broadcast, to give greater time to paid advertising (Getz & Fairley, 2004:130). In this regard, it is suggested that host destinations should negotiate for a minimum level of coverage or contractually agree to the visual, commentary and angles that are to be used. Smith (2009:18) states that such control over event media coverage will be very difficult if there is not an official agreement in place.

One way of gaining greater control, is by providing adequate facilities and information for non-accredited media. The accredited media is usually hosted in the Main Press Centre and the International Broadcasting Centre, which exclusively houses the official media right-holders of the event. Their main focus is to provide information and report on the event itself (the competition, proceedings and official ceremonies). On the other hand, non-accredited media centres (NAMCs) are open to any media representatives (Miah & Garcia, 2006:1), including smaller and specialist magazines and community radio stations. These representatives (which can be either local or international) focus more on the destination and its people (Brown *et al.*, 2010:296). They are more interested in human-interest stories, activities of local groups, as well as other programmes that run parallel to the main event (Miah & Garcia, 2006:1). The concept of NAMCs was first introduced in the Barcelona 1992 Olympic Games, but was first substantially provided since the 2000 Sydney Olympics (Miah & Garcia, 2006:2). It is thus no longer a unique thing for a destination to do. What the DMO has to focus on, is to work in partnership with the LOC to:

- provide opportunities to explore the destination (for example guided tours);
- deliver interesting "city-life" stories from within the destination on a daily basis;
- create a comfortable environment within the NAMC;
- offer unique local products of high quality (such as cuisine and entertainment);
- provide a platform for local interest groups (such as tourism companies); and
- provide information related to the event (for example press conferences, locations for interviews) (taken from Miah & Garcia, 2006:4).



It becomes clear that, throughout the media campaign, the destination should effectively manage those aspects over which it has control. It is also important to know what exactly it is that needs to be portrayed to the outside world. The choice of material and nature of media negotiations should ultimately by directed toward enhancing the destination brand. Another aspect of the media campaign is to develop a strategy around the media members as visitors themselves. Section 3.3.4.5 will expand on this statement by discussing the media as one of the event tourist markets of the DMO. Aspects regarding publicity and journalism in the new era of online technology will be discussed in the next section.

# 3.3.4.2 Opportunities and challenges related to Information and Communication Technology (ICT)

Closely linked to the topic of publicity and media exposure, is the need to effectively employ the rapidly expanding range of ICT. In the case of events, this can apply to three dimensions, namely (i) distribution channels for the event, (ii) communication channels to promote the destination, and (iii) technology as part of the event. As a vast amount of information is available on the topic of ICT, these three dimensions will briefly be discussed within the scope of this study.

#### Distribution channels of mega-events

One of the key factors impacting on distribution practices of events, is the rapidly emerging communication tools presented in cyberspace and other global media (Nauright, 2004:1332). Not only have spectating practices of events been relocated from live viewing at the event venues to televised and online consumption, but in especially sporting events, events are being owned by media companies in order to capture global communication markets (as mentioned in the previous section and discussed in Nauright, 2004:1333). A very important aspect of mega-events is that of ticket sales. Purchasing of tickets has to effectively happen on a global scale and the process should be able to combat the illegal selling of tickets at exorbitant prices. Measures also have to be put in place to promote ease of entry for "all nationals across international borders" (Sadd, 2009:32). In the case of mega-evens, ticket sales are dealt with by the LOC, thereby taking distribution out of the DMO's control. Ticketing is



mostly done through ticketing agents (via technology such as landline or mobile phones or the internet), or face-to-face at a box office or retail outlet (Carmouche *et al.*, 2010:259). Even though ticketing of mega-events is mostly out of the DMO's control, the DMO can still provide an important service through information provision to visitors, access or links through the DMO website, or by displaying destination branding material at relevant points where ticketing is done.

One aspect where the DMO could however have an input into distribution, is through so-called 'fan parks'. The FIFA Soccer World Cup™ has managed to make their event more accessible to visiting, as well as local spectators, through the creation of Fan Parks. What began in Korea and Japan in 2002, as public viewing plazas known as 'World Cup Plazas', transformed into massive official public viewing areas during the 2006 World Cup in Germany (Steyn, 2007:56). It is these fan parks that have allowed South Africa, for example, to take one step further in their marketing efforts for the 2010 World Cup. South African Tourism (South Africa's national tourism organisation) has managed to negotiate, with FIFA's assistance, for the establishment of international fan fests in major international cities including London, Paris and Berlin. Through these fan parks, they have been enabled to distribute the physical South African World Cup experience outside of the country's borders (Pillay, 2010).

#### Communication channels to promote the destination

The topic of destination marketing through the various communication channels arising from new electronic platforms, has been explored by several researchers<sup>22</sup>. It also relates directly to the issue of publicity and media exposure discussed in section 3.3.4.1. When focusing specifically on mega-events, the following statement by Miah and Garcia (2006:2) provides an apt introduction: "Indeed, the development of new media and a range of 'Web 2.0' platforms raises new questions about how the notion of control [over events media] should be approached in the era of Internet journalism where, potentially, every spectator might be counted as a journalist of the Games."

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<sup>&</sup>lt;sup>22</sup> For example Buhalis & Law (2008); Herget, Bauer, Hierl & Weinhold (2007); Choi, Lehto and Morrison (2007); Lee, Cai and O'Leary (2006); Middleton, Fyall, Morgan and Ranchhod (2009); Wang and Fesenmaier (2006).



According to Manzenreiter and Horne (2002:218), a great step in online broadcasting and e-marketing of mega-events took place when FIFA signed an official sponsorship contract with Yahoo for the 2002 Korea/Japan World Cup. During the 2006 Torino Winter Games, yet another dimension was added to e-marketing when "low-budget journalistic operations" started operating effectively through the Internet, following the online launch of platforms such as You Tube at the end of 2005 (Miah & Garcia, 2006:5). Publishing through new media is characterised as 'citizen journalism' and require an entirely different approach to media management at mega-events. Miah and Garcia (2006:6) state that event owners' desire to manage media narratives of their owned events, could lead to much stricter contractual stipulation between an LOC and a host destination.

Apart from the new forms of journalism, modern ICT has created a virtual world known as the 'blogosphere', where visitors instantly have access to various global platforms on which they can share their experiences and perceptions of an event and the host destination. This phenomenon gives way to a loss of control by the DMO regarding communication messages, as the new marketing era is being driven by user generated content (Constantinides & Fountain, 2008:233; Schmallegger & Carson, 2008:100). The challenge posed to the DMO will be to effectively employ the vast range of electronic platforms and to encourage events visitors to use these platforms to promote the destination internationally.

It is not only during the event that these platforms can be used as tools to showcase the destination's hosting abilities to the world. As Brown *et al.* (2010:287) stated, destination brand promotion should not be limited to the media and visitor experiences obtained during the actual event, but event visuals and mentions can be utilised in all marketing communications before and after the event to promote the brand image. Furthermore, it is not only members of the media and public (event visitor) that will determine what is being communicated about the destination. The DMO itself has to effectively develop an event e-marketing strategy in conjunction with its 'normal' strategy, and also complimentary to its traditional marketing methods (above and below the line).



Comprehensive discussion of a DMO's marketing strategy falls outside the scope of the current study. It could however be useful to briefly mention some of the latest ICT tools in destination marketing. Figure 17 presents a summary of the key ICT tools that can be used by a DMO, and that should also be incorporated into its event marketing strategy.

Figure 17: Combining old and new ICT for destination and events marketing

&

#### 'Older' Web technology

Websites that offer promotional features such as:

- Banner ads
- Electronic newsletter
- Hyperlinks
- Email
- Visitor feedback

Web management through:

- page views
- content management
- domain name speculation
- taxonomy

# **New Web technology**

Web 2.0 technology features on websites (and accessed through mobile phones):

- Blogs (online journals); combined with podcasts and vodcasts (digital audio/video)
- **Social networks** (WAYN, Twitter©, Facebook™, Yahoo© and MySpace™)
- **Content communities** (video and photo sharing, social bookmarks and wikis)
- Forums and bulleting boards
- **Content aggregators** (RSS feeds)

Web management through:

- search engine optimisation
- tagging (folksonomy)
- pay per click
- syndication

Source: Adapted from Carmouche *et al.* (2010:251), Constantinides and Fountain (2008), Heath (2009c:223-224), Middleton *et al.* (2009:268), Schmalleger and Carson (2008:99-104).

#### Technology as part of the event

The last category relates to technology that is used as part of the actual mega-event. This will include a wide range of computing and other technology which is employed for various aspects. It will range from timing and scoring systems used during sporting competitions (Veglis & Filippopoulos, 2002:2); registration, exhibition and speaker management systems (Thomas, 2010:322); to screen and projection technology used in stadiums (Galvin, 2004:7). The use and management of such technology will be the task of specific event venues, specialist event suppliers and the event organiser. However, utilisation of the latest technology will enhance the visitor experience and will ultimately influence the visitors' perceptions of the host destination. It will therefore be



desirable if the DMO is aware of technologies that will be used, in order to determine how it can be used to enhance the destination brand and image (for example, mentioning it in marketing communication).

The next three sections include discussions on pricing, product bundling and the broader events tourist market of a DMO. They have not been included in Figure 16 (pg.136), but also form an integral part of the destination's event marketing strategy.

# 3.3.4.3 Pricing that enhances the destination's value-proposition

The issue of pricing directly links to the destination image and if not handled correctly, can damage the 'value for money' proposition of a destination. Apart from the issue of tickets being sold on the black market at exorbitant prices, there are many other aspects of pricing within the destination. Price hiking is a well-known practice in the tourism industry during peak seasons. It is however necessary to consider what will be regarded as a 'realistic' increase, especially when the aspect of foreign currency and high yield visitors comes into play. It is also crucial to consider the effect of increased prices on the ability of the host population to support the event (Sadd, 2009:32). Pricing is a difficult aspect to regulate, as the power of pricing is mostly in the hands of the industry and product owners. Their professional attitude and willingness to employ responsible practices will be greatly increased if they have been properly involved in decision-making surrounding the event and understand the destination brand and image process. The role of the DMO or RTO will be to lobby with industry members. It is also important to understand the financial objectives of the event organiser (such as the LOC); which may either be to make money or to suffer a loss in order to gain a greater asset, such as membership development or community goodwill (Shukla & Nuntsu, 2005 in Carmouche et al., 2010:258).

## 3.3.4.4 The importance of product bundling during a mega-event

Events, including mega-events, are often restricted to certain hosting cities or towns. In order to justify the spending of public funds however, governments have to account for the way in which events offer wider developmental benefits. DMOs also have to increasingly promote wider regions (Whitford, 2009), and this mandate may be challenged by the location of an event. Mega-events involve extensive development in certain cities (for



example the Summer and Winter Olympics, international conferences and the World Summit on Sustainable Development), or at best in a few cities throughout a country (such as the various sporting World Cups). Where broader government efforts may primarily be focused on providing the required infrastructure and facilities within these hosting destinations, it is the responsibility of the DMO to foster wider tourism product packaging throughout the destination. As stated by Chalip and McGuirty (2004:268), the challenge in (sport) event tourism "is to incorporate events more strategically into the host destination's overall mix of tourism products and services". Such packaging of destination products can be referred to as 'bundling'; an activity that incorporates value-added tourism activities and experiences into the event offering (Steyn, 2007:62)<sup>23</sup>.

Bundling of other destination offerings as an extension to the event, will diversify the event experience of visitors and may contribute to greater propensity to return to the destination in future. It may also encourage visitors to stay longer by, for example, packaging other destination products as part of pre- and post-event celebrations (Sadd, 2009:32). As stated by Chalip & McGuirty (2004:269), "just as attractions can bring visitors to the destination, the destination can provide attractions that bring visitors to an event and that persuade event visitors to stay beyond the period of the event. In fact, there is evidence that event attendees can be attracted to non-event tourism opportunities available at the host destination." Bundling can also move tourism benefits outside of the host cities. In a study done by Smith (2009:17), it was found that a mega-event can be beneficial to peripheral areas outside of the main stadia. This can be done by linking the main event to a network of other local events. Hallmark events are also often linked to larger cultural and thematic festivals and/or events to enhance destination marketing efforts at a given time (Ahmed, Moodley & Sookrajh, 2008:74). Furthermore, bundling may be effective as a strategic tool to facilitate greater stakeholder cooperation and networking (Chalip & McGuirty, 2004:267). It may create an opportunity for cross-marketing, not only within the tourism industry, but also with non-tourism industries. Such cooperation could ultimately increase the tourism yield generated by the event (Weinberger, 2006:43).

Bundling appears to be more appropriate for certain destination product types. These include arts and culture, sightseeing, recreation, and shopping (Chalip & McGuirty,

<sup>&</sup>lt;sup>23</sup> Refer to Chalip & McGuirty (2004:269) for a detailed discussion on bundling in tourism.



2004:271). A prerequisite to successful bundling is that it has to appeal to the interests and values associated with the specific event, and that it has to address the visitors' specific interests (Chalip & McGuirty, 2004:278). It should "add to the entertainment value of the event, broaden the event's psychographic appeal, [and] serve accompanying markets" (Chalip & McGuirty, 2004:270). From a DMO perspective, it is imperative to make sure that local tour operators are also utilised for such packaged experiences. This may be a challenge in the case of mega-events, where foreign tour operators are often contracted by the event owner to offer all-inclusive tours (Jones, 2001:246).

## 3.3.4.5 Understanding the broader events tourist market

There is an increasing need to 'custom-design' highly targeted, unique event experiences for the event tourist market (Getz, 2008:421). As indicateD in Figure 14 (pg.125), the event tourist market of a DMO will effectively include four groups of eventers, namely the 'actual eventers', 'media eventers', the 'event core' and the 'non-eventers'. Many of these individuals attend the event regardless of the destination in which it is taking place; even some of the 'actual eventers'. The task of the DMO will be to contribute to a positive planned event experience for all four groups, in an effort to encourage future visitation. It is important that any efforts to create such experiences should be based on knowledge of the planned event experience (Getz, 2008:421). It may be stated that the 'media-eventers' will be attended to through the publicity and media strategy, which was discussed in section 3.3.4.1. Focus should thus be on creating planned event experiences for the remaining three groups.

The impact of the visitor experience should never be underestimated (Brown *et al.*, 2010:297; Goslin *et al.*, 2004:67). Event attendees (from all four groups) will return home with a personal experience of the destination and they will inevitably make a connection between the event and the destination brand, which they will share through word-of-mouth. If the event was successful and satisfactory, the destination may be viewed in the same way. The opposite will however also be true. The resultant values that they associate with the destination, will determine their propensity to return as tourists, as well as the type of messages they will spread about the destination.



It can be stated that the event experiences of the 'eventers' will differ greatly from those attending as part of the 'event core' or as 'non-eventers'. Individuals in these groups will be bound by different time and budget constraints. They will also experience very different dimensions of the destination. Where the 'actual eventers' will experience the leisure side and wider product offering, the 'event core' and 'non-eventers' may have a more limited experience around the event venues and facilities. Nonetheless, these groups should also be encouraged through different strategies to experience broader aspects of the destination.

## The characteristics and experience of the 'actual eventers'

When looking at the 'actual eventers', this group will be those individuals that are regarded as the event target market in the traditional sense of the word. It has been stated that special events have become so appealing to the market, because of the fact that they match some of the important changes in the demand for leisure activities. They are short-term, accessible, require a flexible time commitment and offer options across different age groups (Robinson & Noel, 1991 in Brown *et al.*, 2010:281). They also fit demographic and psychographic changes such as increased levels of disposable income; the demand for experiential travel; as well as for authenticity and culture (Brown *et al.*, 2010:281). It has also been stated that individuals who attend events, are 'high-quality tourists' whose sense of social responsibility makes them well-suited for sustainable tourism development. It is therefore necessary to consider smaller numbers of these high-yield visitors, as opposed to the large volume, mass market (Brown *et al.*, 2010:281; Sadd, 2009:32).

Sadd (2009:32) regards tourist facilitation as one of the key priorities to optimise tourism impacts of mega-events. She states that the visitor stay has to be as comfortable as possible. This can be ensured through ease of purchasing tickets, ease of access (visa requirements), provision of information in different languages, and through willing and helpful locals. Another way of increasing access to the event, is through the creation of a complimentary event where the public can view the event if they are not able to enter the event venues or to participate in the actual event. Examples include the 'Fan Parks' created by FIFA for the Soccer World Cups (Steyn, 2007:56), as well as the 'PoliticalFest' held in Philadelphia in 2000 (Smith, 2010:270).



These parks can make a huge contribution to a positive event experience (Steyn: 2007:56). Goslin *et al.* (2004:76) found that attendants at a sporting mega-event actually expect to be offered additional experiences and opportunities within the destination. Such additional dimensions include leisure opportunities, climate, social programmes and the quality and prices of products and services. Furthermore, visitors' event experiences will greatly be influenced by the destination's perceived 'professional capacity' to stage the event. This will include aspects such as the administration of the event, the standard of refereeing (in the case of sporting events), the standard of competition venue, as well as the quality of the opening and closing ceremonies.

It has to be remembered that local residents of the host destination are also part of this market for events, especially for mega-events, where much of the emphasis is placed on international visitors (Sadd, 2009:32). In terms of the domestic event tourist market, there should be a concerted effort to encourage domestic tourists without tickets to participate in the event. This can be done through fan parks ('virtual stadiums), as well as other pre- and post-match activities (SAT, 2006:13). Another important aspect of the domestic market, as well as the traditional tourist markets of the host destination, is the issue of displacement. This effect refers to event tourists that will be replacing tourists that would normally have visited the host destination. Such displacement may take place during an event, but also before and after the event (SAT, 2006:32).

It becomes clear that close cooperation with the event organiser is essential to deliver on a positive event experience for the 'actual eventers'. Furthermore, it is essential for the DMO to determine which of these aspects it would be able to contribute to.

# Experiences of the 'event core' and 'non-eventers'

As stated, these two groups may have a more limited experience around the event venues and facilities. The challenge to the DMO is to develop opportunities for broader destination experiences within these visitors' restricted timeframes. It can be stated that their experience of the destination will strongly depend on the quality and performance of the various facilities and products that they will be using. This will range from accommodation and transport, to training facilities and special event venues (such as 'villages' developed for these groups). The DMO has to use creative ways to reach



them through marketing communication and special service features where possible. Within these groups, it appears that most attention is given to the media members. This is mostly done with the aim of providing them with proper and desired destination images and information that they can use as part of their reporting (as discussed in section 3.3.4.1). However, they should also be viewed as potential future visitors in their personal capacity, and should be introduced to the destination from this viewpoint. An important tool that could effectively add to the visitor experience of these two groups, is product bundling (discussed in section 3.3.4.4). Sightseeing and recreational tours should be developed in such a way that it will address these event attendees' particular interests. It can also be used to provide a broader destination experience to their accompanying family and/or friends (Chalip & McGuirty, 2004:278). A positive experience of accompanying visitors, may in turn contribute to their overall satisfaction with the host destination.

# Safety as an issue that applies to all three event visitor groups

An aspect that is receiving increased attention in the literature, is the issue of visitor safety. This is especially relevant to mega-events, with their high profile attendees and global media exposure, which makes them an ideal opportunity for criminals to operate, but also to send 'messages' to the wider world. Perhaps the most prominent incident took place at the 1972 Munich Games, where terrorists seized Israeli hostages to win publicity for demands against the Israeli government (Bob *et al.*, 2008:52). Visitor safety not only relates to terrorism, but also to other forms of crime and perfonal safety issues (as discussed in Barker *et al.*, 2003; Paraskevas, 2009:280; and Tichaawa, n.d.). The DMO is not responsible to provide the safety and security systems, but should liaise with the relevant public and private agencies such as police and emergency services to ensure adequate provision of these services. The DMO could also include aspects of visitor safety in their marketing communication, in order to inform visitors and thereby enhance the destination image.

From the discussions on the need to align events marketing with the overall marketing strategy of the destination, it becomes clear that this is one of the key linkages between a DMO and an event. It can be regarded as the crucial point where the destination is presented to the public. A plethora of research has been conducted on the topic of event



marketing and the influence of events on the destination brand. The topic can furthermore be complimented and broadened through knowledge that can be found in marketing management or event marketing literature (as supported in Chalip, 2005:172). However, the researcher regards the previous discussion as sufficient to highlight the most prominent performance areas as they could apply to the marketing of events from a DMO perspective. The next section will explore the final CSF that deals with the topical issue of event greening. This section's discussion will again touch on the role of appropriate destination marketing; thereby indicating that there is an intricate linkage among the respective CSFs.

## 3.3.5 Concern for and pro-actively addressing environmental issues

ADDRESSING EVENTS AS A STRATEGIC DESTINATION PRIORITY

CLARIFYING THE STAKEHOLDERS' ROLES & RELATIONSHIPS

MANAGING THE DESTINATION RESOURCES

ALIGNED WITH THE OVERALL DESTINATION MARKETING STRATEGY CONCERN FOR AND PRO-ACTIVELY ADDRESSING ENVIRONMENTAL ISSUES

A wide range of environmental impacts Green practices of the events industry DMO perspective on green accountability of events

The issue of sustainability as part of destination competitiveness was introduced in Chapter 2 (section 2.4.2.5). It was stated that destination competitiveness and sustainability are two inseparable concepts, and that a destination can only be competitive if it has sustainable practices in place. Within this study, these 'sustainable practices' will relate to practices that specifically relate to events. In terms of the broader issue of sustainability in events, it has already been explained in section 3.3.1.2 that event monitoring and evaluation has to take a triple-bottom-line approach. This will include social, economic, as well as environmental issues. To formulate and discuss the last CSF, named 'concern for environmental issues', the focus will turn to environmental (green) issues in particular. In order to understand how a DMO can address the demand for environmental accountability through events (including mega-events), it is necessary to understand the environmental practices currently being implemented within the events industry. It was also necessary to change the wording of this CSF to include 'pro-actively addressing', because it will be of no use if there are concerns without the necessary actions.



In line with the wider tourism industry's awareness regarding environmental issues, there has been a steadily increasing awareness of the need to minimise and manage the negative environmental impacts associated with events (Bob, 2010:208). Green issues in events have in general however received lower levels of interest from academics (Hede, 2007:18), as well as practitioners (Otto & Heath, 2009:188). Too the contrary, lonnides already stated in 1995 that there was an abundance of literature available on the environmental impacts of an event (lonnides, 1995 cited in Bob, 2010:209). For purposes of the current study, it was decided to provide a short overview of the major environmental impacts of events.

# 3.3.5.1 Mega-events present a wide range of environmental impacts

In short, environmental issues of events range from those on a micro-level (such as crowd management), to those on a macro-level (such as communities' concerns for noise, pollution and overcrowding) (Hede, 2007:18). Research undertaken by the United Nations Environment Programme (UNEP, 2003 in Huggins, 2003:12), identified the following environmental impacts of sport events: development of fragile or scarce land types; pollution from liquid spills (fuels, cleaners, solvents etc); noise and light pollution; consumption of non-renewable resources (fuel, metals etc); consumption of natural resources (water, wood, paper, etc); creation of greenhouse gases by consuming electricity and fuel; ozone layer depletion; soil and water pollution from pesticide use; soil erosion and compaction during construction and from spectators; waste sent to landfill, incinerator and sewerage plants (including paper consumed by media and officials, as well as waste generated from signs, food services, banners and temporary booths<sup>24</sup>. The latest global concerns surrounding climate change, has introduced a new level of environmental accountability, and may require extensive measures to assess an event's energy footprint (Otto & Heath, 2009).

<sup>&</sup>lt;sup>24</sup> Refer to Admed *et al.*, (2008:75) for a discussion on other specific impacts of sport tourism events.



# 3.3.5.2 Green practices of the events industry

David Chernushenko is a sustainability advocate who served on the International Olympic Committee's commission on Sport and the Environment. His book on sustainable management practices, *Greening Our Games: Running Sports Events & Facilities that Won't Cost the Earth*, is regarded as a seminal text on the topic of sustainability and sporting events (Ahmed *et al.*, 2008:77; Bob, 2010:216; Chernushenko, 2009). Since the time of this publication, several initiatives have been launched in the events industry to 'green' event management practices. Event organisers are increasingly aware of the need to do timely planning for environmental impacts, and to consider sustainability issues when designing an event (Bob, 2010:209). In many instances, events offer authorities in various fields an opportunity "to demonstrate best practice models in waste management and to change public attitudes and habits" (Admed *et al.*, 2008:76). This is in line with the general increased pressure that is being put on organisations at various levels to manage and improve their environmental performance (Huggins, 2003:8).

Environmental protection, nature conservation and climate protection at large events are usually based on voluntary activities and direct initiatives from participants (Sahler, 2007:12). There is however an increasing number of events (sporting, culture, business and other types) that are being planned and executed in an environmentally compatible way. Some event associations adopt environmental principles in order to influence and guide their members. For example, the Association of Event Organisers has a sustainability centre that provides related resources (AEO, n.d.). In other instances the initiative comes from government agencies such as governmental departments. For example, the Green Champions in Sport and Environment guide that was published by the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety in partnership with the German Olympic Sports Confederation (Sahler, 2007); and the Environmental Guidelines for World Class Events produced by U.K Sport (Huggins, 2003:8). There are also examples of public agencies that have identified the need to include events as an important focus area; organisations such as UNEP (United Nations Environmental Program). They have developed a Green Meeting Guide along with a Greening Meeting Checklist, in partnership with ICLEI (Local Governments for



Sustainability). The checklist provides a detailed set of recommendations for the organisers of small and medium-sized events (ICLEI, 2009b; UNEP, 2009).

Significant efforts have been made by the owners of mega-events to reduce and manage the significant environmental impacts of these events. Once again this is not only the case for mega sporting-events. However, similar to other aspects of event studies, the wider literature again showed that the greatest body of knowledge exists within the study of sporting mega-events. Before turning to sporting events, it was decided to give an example of a leading, non-sporting environmentally sensitive mega-event. The Glastonbury Festival which is held annually in the UK, regards itself as one of the world's leading green events (Glastonbury Festivals, 2009a). The event organiser has gone through extensive measures to uphold this reputation; including extensive waste management, visitor education, 'green police' and even using low carbon tractors to mow the lawns (Glastonbury Festivals, 2009a, 2009b and 2009c).

In terms of sporting mega-events, it appears that the Olympic Games is by far the frontrunner in the field of event greening. The International Olympic Committee (IOC) was founded in 1894, and has been working together with UNEP since 1994 to incorporate environmental issues in Olympic Games. It has established a *Sport and Environment Commission* and has also collaborated with UNEP to develop an *Agenda 21 for Sport and the Environment*. UNEP subsequently assists the LOCs of the various host countries to implement environmental plans and projects, and to carry out the *Olympic Games Impact Programme* which forms part of all host destination agreements (Bob, 2010:217; UNEP, 2010). According to the IOC, the environment and sustainability has to be taken into account throughout the lifecycle of an Olympic Games project (from conceptualisation to evaluation - which can span a period of 11 years) in order to make their *Green Games* concept a reality (IOC, 2009). FIFA addresses the issue of environmental accountability through its *Green Goal* campaign. In comparison to the longer-standing program of the IOC, the 2006 FIFA World Cup was regarded as the first Football World Cup to have a comprehensive environmental and climate protection concept (Sahler 2007:12).

It becomes clear that the events industry is well aware and has made huge strides in addressing the issue of events greening. It is imperative to understand how these



practices affect a mega-event host destination and how it should react to opportunities and challenges in this regard.

# 3.3.5.3 A DMO perspective on environmental accountability of events

Within the scope of this study, the issue of event greening can have an impact on the image of the destination. If an event is considered to be 'environmentally friendly', this image is likely to be transferred to the destination. On the other hand, if the event is perceived to be damaging to the environment, it may not only affect the destination's image, but can also affect visitor numbers and event sponsorship (Hede, 2007:18). There are different ways in which the DMO can influence the 'green image' of the event in order to promote a competitive destination image.

## Collaborating with supporting stakeholders

A DMO does not have control over the environmental practices employed throughout the destination or during an event. As is the case with safety and security issues, the DMO should liaise with the relevant government and private sector agencies to ensure adequate provision of these services. The DMO also has to communicate the wider scope of greening efforts taking place within the destination, in order to enhance the desired 'green' destination image.

#### Educating the events tourist market

Another important DMO stakeholder that has to be considered is the events market. The type of individuals that attend an event, as well as their level of awareness of environmental issues, will contribute to the environmental impact of the event (Ahmed *et al.*, 2008:74). This places the important task of environmental education partially into the hands of the DMO.

#### Encouraging green practices among tourism and events industry members

The DMO should play a leading role in encouraging cooperation from the tourism industry members to employ sustainable practices. This will fit in with the DMO's duty to promote quality and effective 'supply chain management' throughout the destination (discussed in section 3.3.3.3 and 3.3.3.4). One way of doing so may be to support



existing green certification of industry members.<sup>25</sup> It also creates a window of opportunity where the DMO can initiate campaigns to encourage and reward good environmental practices. The DMO also has to take initiative in regulating or guiding event organisers that propose to run an event in the destination. This may be regarded as a crucial task, because the environmental practices of the individual events organisers and suppliers could indirectly influence the 'green' image of the destination. The Glastonbury Festival case study presents an example of misalignment in terms of broader green practice application throughout a destination. Despite the impressive efforts made by the event organiser, no apparent application of such extensive greening principles could be found in the marketing communication of the broader tourism destination named Glastonbury. For example, when a potential event organiser wishes to promote an event through the visitor information website (Glastonbury TIC, 2009), none of the qualifying questions in the event profile sheet include any environmental aspects. It is therefore important that the DMO demands sustainable and transparent practices from event owners and organisers that wish to host their events in the destination.

#### • Ensuring sustainability of its own marketing practices

As the destination leader, the DMO should at all times evaluate the environmental impacts of its own marketing campaigns. Marketing of an event will primarily be the task of the event organiser (or the LOC in the case of mega-events). However, the DMO will also undertake certain marketing initiatives related to the event. In this regard, it is important that the DMO will apply 'sustainable destination marketing and management' principles (Bob, 2010:269). This will include strategies to reduce the environmental impact of the entire campaign, such as recyclable marketing materials (packaging, brochures etc.); recyclable or low-impact promotional items and gifts; and minimal use of intrusive posters and advertising boards (Bob, 2010:270). It will also require of the DMO to give greater consideration to the nature of events that it aims to include as part of its events portfolio (as discussed in section 3.3.1.2). As Bob (2010:270) states, "spending money on large, lavish events can have a negative impact on brand image", especially during periods when attendees and communities are negatively affected by economic conditions. Very importantly, the DMO should use

 $^{\rm 25}$  As discussed in Baca (2004) and Buckley (2002).



'responsible' content in marketing communications and should monitor the content that is used by the media. This means that the DMO (or the media) should not deliberately make false statements about the destination and the event in order to benefit from presenting a 'green' image (Huggins, 2003:11; ICLEI, 2009a).

To conclude on and summarise the CSF on environmental issues, the following tasks (indicated in Figure 18) could stand at the core of a DMO's environmental accountability when it comes to mega-events.

THE DMO AS GREEN **EVENT CHAMPION** Guiding the industry Keeping its own house green Encourage tourism Develop unique 'green' Include 'green' Consider the industry member destination initiatives for aspects into environmental compliance & the event (certification, marketing impacts of the commitment green labels & awards) communication in a different event types in the event portfolio responsible manner Demand environmental accountability from Support sustainable event organisers and marketing and suppliers promotional material Communicating with stakeholders Being aware of the Celebrating best initiatives of public/ practices throughout private agencies the destination Educating the event tourists

Figure 18: A DMO perspective on environmental event practices

Source: Researcher's own construction

It is evident that consideration for environmental issues is of extreme relevance to ensure that events (including mega-events) are sustainably leveraged within the framework of destination competitiveness. The researcher has identified a dearth in academic work on the topic of event greening from a DMO perspective. This topic could therefore require greater exploration in future studies, in order to understand the impact of this CSF (consideration for environmental issues) on the proposed framework that will be developed at the end of this research process.



Sections 3.2 and 3.3 focused on explaining the concept of events tourism and providing information on relevant topics within this study field, as they relate to the objectives of this study. It also added knowledge from the events perspective to each of the CSFs identified in Chapter 2. Even though the researcher aimed to include a DMO perspective in all the discussions, most of the information presented originates from an events perspective. It is therefore important to take a step back and, with the theoretical base now being established, identify some international best practices employed by DMOs to leverage events within their destinations. It is also necessary to not only consider best practices, but also to deliberate on lessons that can be learnt from less than ideal situations.

#### 3.4 KEY LESSONS FROM PREVIOUS MEGA-EVENTS

As stated in the introduction to this chapter, the greatest part of academic work on the topic of mega-events is found within the study field of event management. These studies take a managerial and operational perspective on mega-events. Event tourism studies, on the other hand, provide a tourism and event host destinations focus. Studies within this field primarily deal with aspects of marketing and event impacts (Getz, 2008:409). In an effort to gain insight into international DMO best practices, the researcher decided to provide only a brief summary of key findings from the vast amount of mega-event literature, as it applies to the five CSFs from a DMO perspective.

The following five tables present key findings on international best practices, as well as lessons to be learnt to leverage events from a DMO perspective<sup>26</sup>. The case studies are presented in reversed chronological order, and case study examples were referred to in such a way that the respective key findings and guidelines would only be mentioned once (they thus could be present in other case studies as well).

The sources from which the findings have been taken, are indicated as references for further reading and

explanation.

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Table 14: CSF 1: Addressed as a strategic destination priority

Key findings	Sources				
Athens Olympic Games 2004					
- Recognise the hosting of major events as an <b>opportunity to address</b> and change 'outdated' tourism (and DMO) strategies.	Singh and Hu (2008:934).				
Australia recognises the importance of special events	s				
<ul> <li>Charge the national DMO (through tourism policy) with the responsibility to manage a division focusing on the business and major events sectors.</li> <li>From a national level, encourage and support regional tourism strategies to include special events and to establish dedicated special event divisions.</li> <li>Gain local government support for events by proving their ability to foster tourism growth.</li> <li>Ensure a continuous link between legislative (public sector) authorities for tourism marketing; various related government departments; private sector event development agencies; as well as community links.</li> </ul>	Stokes (2008); Brown <i>et al.</i> , (2010)				
Sydney Olympic Games 2000					
<ul> <li>Select events for the events portfolio that will reflect cultural expressions that are truly owned by the local community of the destination.</li> </ul>	Steyn (2007:74)				
South Africa Rugby World Cup 1995					
- Consider how an event can <b>contribute to the destination's competitive identity</b> by showing a new dimension of itself to the world.	Steyn (2007:74)				

Table 15: CSF 2: Clarifying the destination stakeholder roles and relationships

	Key findings Sources						
	Beijing Olympic Games 2008						
-	Establish an <b>extensive volunteer programme</b> through collaboration with various public and private entity stakeholders.	Steyn (2007:78)					
	West Indies Cricket World Cup 2007						
-	Collaborate with private sector stakeholders to provide <b>unique event viewing facilities</b> .	Steyn (2007:77)					
	Germany FIFA World Cup 2006						
-	Establish a strong partnership between the DMO, the event owner and the event organiser in order to <b>coordinate all initiatives</b> .	Steyn (2007:77)					
	Athens Olympic Games 2004						
-	Establish proper communication and collaboration between the LOC and the DMO.  Addressing negative publicity should be done in time, and should	Singh and Hu (2008:934)					
-	be a collaborative effort between the LOC and the DMO. Create a mechanism to promote and capture knowledge transfer and tacit knowledge from both the DMO and LOC.						



Table 15: CSF 2: Clarifying the destination stakeholder roles and relationships (cont.)

Key findings Sources					
World Tug-of-War Championships, South Africa 2002					
<ul> <li>Work in close cooperation with the event organiser to determine ways in which to enhance the visitor experience.</li> </ul>	Goslin <i>et al.</i> (2004:76)				
Sydney Olympic Games 2000					
- Institutionalise the linkages between the relevant public and private sector entities, in order to ensure longer-term leveraging.	O'Brien (2006:243)				
- Ensure that <b>inclusion of the local community</b> into the event (through a cultural programme, volunteer programme, as performers etc.) has a large outreach and that it is <b>non-elitist</b> , <b>accessible to all and diverse</b> .	Steyn (2007:74)				
Republican Convention, Philadelphia 2000					
<ul> <li>Use public-private partnerships to implement 'streetscape improvement programs' to upgrade the host destination.</li> <li>Communicate the benefits of the event (such as public facility upgrading) to all stakeholders.</li> <li>Recruit volunteers from existing tourism entities (bureaux, attractions, sites), thereby using relevant local knowledge and skills.</li> </ul>	Smith (2010).				
Barcelona Olympics 1992					
<ul> <li>Facilitate collaboration between local communities and key cultural entities to create a powerful cultural campaign running parallel to the main event.</li> </ul>	Steyn (2007:73)				

Table 16: CSF 3: Managing the destination resources

Key findings	Sources			
West Indies Cricket World Cup 2007				
<ul> <li>Use community tourism products to enhance the visitor experience; thereby using the event as a platform to develop destination resources throughout the wider region and as part of a long-term strategy.</li> </ul>	Steyn (2007:77)			
Salt Lake City Winter Olympics 2002				
<ul> <li>Ensure that the variety of destination resources that will be exposed and included in an event, are unique and represent the distinctive identity of the destination.</li> </ul>	Steyn (2007:75)			
Wales Rugby World Cup 1999				
<ul> <li>Support the local tourism value chain for an event, by utilising local industry members and providing them with exposure platforms (for example, tour operators).</li> </ul>	Jones (2001:246)			
Barcelona Olympics 1992				
<ul> <li>Consider how development within the destination may affect the future profile of the destination and its tourism offering.</li> </ul>	Steyn (2007:73)			



Table 17: CSF 4: Aligned with the overall destination marketing strategy

	Key findings Sources							
	South Africa FIFA World Cup 2010							
_	Have a dedicated campaign to turn normal citizens into brand	Steyn (2007:78)						
	ambassadors.	Gloy11 (2007:70)						
_	Do product bundling and packaging that will appeal to a wide							
	segment of event visitors.							
	Germany FIFA World Cup 2006							
-	Create a powerful, dedicated event marketing campaign to	Du Plessis and						
	promote the destination; that is supported by all stakeholders.	Maennig (n.d.:5)						
-	Promote accessibility (distribution) of the event through <b>Fan Parks</b> .							
-	Use prominent <b>public figures to support the event</b> and enhance communication campaigns.							
	Athens Olympic Games 2004							
	Successfully coordinate with local industry associations to address the	Singh and Hu						
	issue of inflated pricing, and address public concerns through	(2008:935)						
	appropriate media campaigns.	(2000.000)						
	Korea/Japan FIFA World Cup 2002							
_	Understand the event tourist market and package destination	Steyn (2007:76)						
	products appropriately (for example, long-haul event attendees are	, (,						
	more prone to compliment their visit with non-event activities).							
-	Create a marketing campaign (and sub-campaigns where necessary)							
	that will promote an event as a 'festival for all' (from local residents,							
	industry and government; to foreign visitors and event audiences).							
	The Sydney Olympics and Brand Australia							
-	The brand strategy should oversee all marketing strategies related	Brown et al.,						
	to a mega-event, and the relationship between the brand and the event	(2010); Miah and						
l _	has to be acknowledged and defined.  Ensure that images used in media coverage, fit with the	Garcia (2006)						
	destination's branding campaign objectives.							
_	Establish partnerships to bring together the destination brand, the							
	event brand, as well as the event sponsors' and partners' brands; in							
	order to generate additional exposure.							
-	Partner with international broadcasters and encourage features and							
	documentaries; especially during the period of heightened interest							
	before the event.							
-	Ensure that images projected by the <b>media are consistent with the</b> core values of the brand.							
_	Strategically direct media interest to various locations throughout the							
	destination (for example, by providing location guides and story ideas).							
_	The DMO should play an active role in the <b>design of the main press</b>							
	centres in order to incorporate appropriate images.							
-	Provide adequate facilities and a variety of information to the non-							
	accredited media. Invest in a dedicated hosting program for this group							
	at a high-tech NAMC.							
-	Use the knowledge gained during an event, to inform the strategy of							
	future events.							
-	Use the reference of benefits previously received, to rekindle successful							
	marketing partnerships for future events (such as with media or sponsors).							
	σροποσισή.							



Table 17: CSF 4: Aligned with the overall destination marketing strategy (cont.)

Key findings	Sources
Brand Philadelphia and the 2000 Republican conventio	n
<ul> <li>Have a dedicated entity to market the destination to the media and to coordinate all communication (avoid competition among different promotion agencies).</li> <li>Establish themes to guide messages and activities that are in line with the 'story' that the destination wants to promote – making sure that the media coverage reflects the chosen branding themes.</li> <li>Use at least one theme to focus on non-tourists. This includes business opportunities within the destination, and presenting the destination as a possibility to live and work.</li> <li>Host a variety of media tours and events to not only showcase the destination, but also the wider region. Make us of regional tourism boards to manage these tours and events; while remaining under the themes developed by the main organising entity.</li> <li>Use specific campaigns to involve local communities in the event. These include volunteer recruiting and a public festival that runs parallel to the event.</li> <li>Use the storylines created for the event as basis for other future campaigns.</li> </ul>	Smith (2010)
Atlanta Olympic Games 1996	
<ul> <li>Develop a strong, focused community marketing campaign for the event; not only to get them involved, but also to manage their perceptions of the event.</li> </ul>	Steyn (2007:74)
South Africa Rugby World Cup 1995	
- Understand, consider and address the influence that the <b>media's primary non-event focus</b> may have on what will be communicated about the destination during the event (for example, a specific political issue).	Steyn (2007:74)
Barcelona Olympics 1992	
- Establish a <b>cultural programme that starts before the actual event</b> , to generate additional exposure for the destination.	Steyn (2007:73)

Table 18: CSF 5: Concern for and pro-actively addressing environmental issues

Key findings	Sources			
London addressing key themes in the London 2012 Sustainability Plan				
<ul> <li>Address key themes and trends in any green event efforts (for example, London's focus on climate change, waste, biodiversity, inclusion and healthy living).</li> <li>Find a link between these themes and other aspects of the destination that can be promoted.</li> </ul>				



Table 18: CSF 5: Concern for and pro-actively addressing environmental issues (cont.)

	Vancouver 2010 – 'Greenest Games ever'					
-	Make use of <b>powerful statements</b> made about the destination, by <b>including it in marketing communication</b> (for example, the IOC stating that Vancouver is the greenest Games ever).  Ensure that <b>claims are backed up by facts and solid actions</b> (for example, the <i>Sustainable Sport and Event Toolkit</i> that was created jointly by the AISTS and Vancouver's Organising Committee (VANOC)). Encourage <b>public reporting of sustainability aspects</b> ; either by assisting an LOC, or by expecting it from event organisers/suppliers.	IOC (2010a); IOC (2010b); UNEP (2010)				
	An Environmental Management System for the Beijing Olympics 2008					
-	Establish a 'Green Office' in collaboration with the event organiser (LOC). Assist the LOC in aspects such as event route and venue planning, selection of partners and suppliers, and event communication.	UNEP (2010)				
	Germany compensates for negative impacts of the 2006 FIFA V	Vorld Cup				
-	Take the lead to create <b>appropriate partnerships</b> with industry members or public agencies/authorities, that can serve as vehicles to <b>compensate for possible negative environmental impacts</b> (for example, greenhouse gases brought about by the World Cup will be compensated for through climate protection projects in developing countries).	Sahler (2007:12)				
	Sydney 2000 - 'The Green Games'					
-	Incorporate environmental considerations into all planning aspects of an event that the DMO contributes to, or that forms part of its own initiatives surrounding the event.  Be pro-active by creatively developing greening initiatives that have not been used before. In this way aim to establish the destination as a leader in event greening.	Huggins (2003)				

As can be seen from the tables, there are valuable lessons to be learnt from international case studies. Different case studies provided different perspectives, but there were also many points that were repeatedly found in a range of case studies. None of the case studies presented findings that were completely unrelated to the five CSFs as identified in Chapter 2. This may further add to the validity and relevance of these five factors. It may therefore be stated that the CSFs, as they have been modified and elaborated upon in this chapter, can now meaningfully be integrated into an adapted set of apparent CSFs along with the underpinning core competences.



# 3.5 AN ADAPTED SET OF CRITICAL SUCCESS FACTORS TO LEVERAGE MEGA EVENTS FOR DESTINATION COMPETITIVENESS – COMBINING THE TOURISM AND EVENTS PERSPECTIVES

In order to have a well-developed set of CSFs that can be empirically tested in an individual case study, it was necessary to include perspectives from both tourism studies and events studies. Literature in Chapter 2 provided the basic set of CSF. This set was then discussed and added to from an event perspective in this chapter. The resulting adapted set of CSFs that will now be presented (Table 19) shows the apparent core competences needed to deliver superior performance in terms of each CSF.

Table 19: Apparent CSFs to leverage mega-events for destination competitiveness - combining the tourism and events perspectives

#### ADDRESSING EVENTS AS A STRATEGIC DESTINATION PRIORITY

- Visionary leadership that has a long-term focus on event legacy and the destination's competitive identity and positioning.
- An integrated event tourism strategy, which is based on national tourism policy, and aims to build a balanced events portfolio for the destination as a whole.

#### CLARIFYING THE BROADER STAKEHOLDER ROLES AND RELATIONSHIPS

- Identify the key event stakeholders and their roles in the delivery of an event (the DMO; event organiser; government and political groups; industry members; events tourist market; host community; investors; allies and collaborators).
- Define the DMO's role in coordinating the event-destination stakeholder linkages.
- Follow a networking approach.
- Understand and give consideration to stakeholder interests.

#### MANAGING THE RESOURCES OF THE HOST DESTINATION

- Establish a comprehensive resource database to avoid oversupply and to inform the marketing strategy.
- Identify the resources needed to ensure event specialness.
- Ensure quality of infrastructure and event-related resources.
- Promote service delivery through human resource development that considers existing and temporary human knowledge.
- Manage the event supply value chain to ensure satisfactory experience links.



Table 19: Apparent CSFs to leverage mega-events for destination competitiveness - combining the tourism and events perspectives (cont.)

### ENSURING AN EVENT MARKETING STRATEGY THAT IS ALIGNED WITH THE OVERALL DESTINATION MARKETING STRATEGY

- Establish a single entity responsible for all destination communication.
- Effectively co-brand with the event brand and sponsor brands; aligned with the umbrella destination brand.
- Creatively manage event-related restrictions related to marketing and set necessary cooperative agreements in place.
- Develop appropriate pre-, during- and post-event marketing and communication campaigns.
- Develop separate, but aligned campaigns for the different event tourist markets, based on knowledge of the event experience.
- Put measures in place to counter or address possible displacement of the regular tourist market.
- Develop separate but aligned campaigns for the different stakeholder groups (including locals; industry members; the accredited and non-accredited media; as well as non-tourists).
- Make use of the latest ICT for distribution and communication.
- Communicate event-related developments that can enhance the destination image (including aspects related to event technology and safety).
- Manage pricing to enhance the destination's value proposition.
- Product bundling throughout the wider destination in cooperation with tourism and non-tourism industry stakeholders.

#### CONCERN FOR AND PRO-ACTIVELY ADDRESSING ENVIRONMENTAL ISSUES

- Guide the industry and encourage green practices through various methods.
- Collaborate with the relevant supporting stakeholders (government departments, public agencies).
- Educate the events tourists market.
- Ensure sustainability of the DMO's own marketing practices.

Source: Researcher's own construction

The core competences presented in Table 19 were primarily formulated from the events literature, and were also confirmed by many of the case studies previously discussed. It was decided that further detailed discussion of the core competences would be more appropriate once the empirical case study has been completed (Chapter 6), and that it would serve the objectives of the study to meaningfully include it into later discussions on the framework and guidelines (Chapter 7).

#### 3.6 CONCLUSION

It may be stated that this chapter fulfils its intended purpose of providing the essential knowledge from events studies to broaden the set of CSFs. This chapter highlighted



several of the issues in event tourism studies and it became clear that events are increasingly being developed and bid for by destinations at a strategic level. Most of the event-related initiatives of destinations focus on events as attractions and image-makers. This is confirmed by the large amount of literature available on aspects of event marketing and communication. Other priority areas were also confirmed as being event competitiveness, stakeholder involvement and sustainability.

It became clear that, from a sustainable destination competitiveness viewpoint, event legacies are of greater concern than short-term event impacts. Very importantly, it was found that a destination can not effectively leverage a mega-event for competitiveness, if it is not done from within a formal event tourism strategy. It is argued that, by establishing an event tourism strategy, a great first step is already taken toward increased destination competitiveness through events.

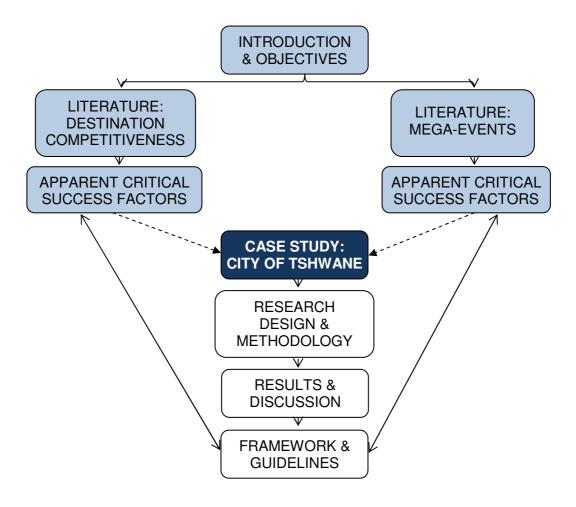
The five CSFs were explored in order to define them from an events perspective. Changes were made to their order and formulation as knowledge from the event literature provided new perspectives. The researcher often found it difficult to work through a vast amount of existing literature in order to get to the core issues. However, it is believed that the adapted set of CSFs that were presented at the end of the Chapter may be regarded as inclusive of the core issues from a DMO perspective.

Before commencing with the proposed empirical component of the study to test the adapted set of CSFs, it was decided to provide an overview of to the case study that was to be investigated. The next chapter will therefore introduce the case study destination from a tourism host destination perspective.



## CHAPTER 4: THE CITY OF TSHWANE AS MEGA-EVENT HOST DESTINATION WITHIN A SOUTH AFRICAN CONTEXT

The aim of this chapter is to introduce the case study of the empirical component. In order to do so, an overview of the national context will be provided, with specific reference to events within the national tourism strategy and initiatives surrounding the 2010 FIFA World Cup<sup>TM</sup>. This will be followed by an introduction to the City of Tshwane as a tourism destination, as well as its own local initiatives surrounding the World Cup.





#### 4.1 INTRODUCTION

In the previous chapters, certain issues were identified as apparent CSFs for a destination to leverage mega-events as tools to enhance overall destination competitiveness. It became evident that both tourism and event management knowledge contributed to this topic, and that both of these fields would have to work in close collaboration to achieve the desired long-term legacies for the destination. The importance of stakeholder networking was highlighted from both fields; thereby making it essential to obtain stakeholder inputs into the apparent set of CSFs.

In the light of the upcoming 2010 FIFA World Cup™, the ideal opportunity was created to explore the role of events in destination competitiveness. It was decided to focus on the City of Tshwane, situated in the Gauteng province of South Africa. Not only was the City one of the host cities of the 2010 World Cup, but it is also a destination where the researcher have previously been involved in projects, and has therefore had the opportunity to become acquainted with various aspects of the destination. This chapter will firstly provide a national perspective of the host destination South Africa, where after the City will be explored as a destination in its own right. Both of these perspectives will commence with a discussion on the competitiveness of the destination, followed by eventrelated initiatives and specific preparations in the terms of the 2010 FIFA World Cup™. It is important to note that many of the documents that will be mentioned in this chapter, form part of the secondary data of the empirical component (as will be explained in Chapter 5). It is furthermore necessary to refer back to the delimitations of the study (as discussed in Chapter 1); where it was stated that the study would be focused on providing information in terms of readiness and expectations, and would exclude information on performance during and post-evaluation of the actual event.

#### 4.2 SOUTH AFRICA AS A MEGA-EVENT HOST DESTINATION

Emerging destinations such as countries in Asia and South America are increasingly turning to the hosting of mega-events; with countries that are chosen out of this group usually being relatively established economies in the global environment (Bob *et al.*, 2008:52). During 2010, the FIFA Soccer World Cup™ was set to be hosted for the first



time on African soil. Public statements were made that this would be an African event, and event slogans including 'Ke Nako' (meaning 'It's Time'), 'Africa's World Cup' and 'Celebrate Africa's Humanity' also alluded to a promise that Africa's time for benefits and recognition has come (discussed in Cornelissen, 2007:243; Desai & Vahed, 2010:155; and Ndlovu, 2010:146). Neighbouring countries Angola, Mozambique and Namibia would, for example, be considered as base camps during the event (Weinberger, 2006:24). With this expectation being created among especially neighbouring countries, South Africa furthermore had to deliver the event amidst international fears of personal safety (Tichaawa, n.d.) and concerns about price hiking (Mabanga & Planting, 2010; Van Schalkwyk, 2010). Furthermore, a number of domestic issues created concerns among locals, as well as international audiences about the country's ability to deliver the event successfully (Cornelissen, 2007:242; Grundling & Steynberg, 2008:22), and to deal appropriately with internal crises in the wake of the event (including xenophobic attacks, municipal strikes and local community protests against event-related development) (Desai & Vahed, 2010:157, 161). On a higher political level, there were much debate about who would truly benefit from the event, how sustainable the promised job opportunities would be, and also on the massive amount of public funds that should have been spent on more urgent matters (Desai & Vahed, 2010:157). Despite all of this negativity, there appeared to be exuberance and high expectations among local communities, public authorities and the tourism industry; typical to the potential 'feel good' factor associated with such events (Du Plessis & Maennig, n.d.:13).

#### 4.2.1 South Africa as a globally competitive tourism destination

Much of the anticipation and excitement that surrounded the 2010 FIFA World Cup™ can be accredited to South Africa's rising profile in the international arena. After the democratic elections in 1994, the country experienced a boom in tourism (Kachkova, 2008:23). National government regards the industry as of strategic importance, especially in terms of diversification of the economy, stimulation of entrepreneurship, investment and sustainable job creation (Weinberger, 2006:21). Despite internal challenges, the country performs relatively well and is recognised in the most prominent competitiveness indexes. For example, it was ranked in 35<sup>th</sup> place (out of 50 countries) on the nation branding index, with a 5<sup>th</sup> position specifically in terms of 'people brand ranking' (Nation Branding, 2008).



The World Economic Forum's (2009)' Travel and Tourism Competitiveness Index placed it in 61<sup>st</sup> position (out of 133 countries) in 2009, which was one position down from 60<sup>th</sup> position (out of 130 countries) in 2008.

South Africa can be regarded as a global tourist destination with the main tourist facilities and infrastructure being high quality accommodation; a wide range of tourism products and experiences; and cultural and social diversity. The country has a rapidly growing domestic market (DEAT, dti & SAT, 2005:24), but is also well-integrated into international tourist networks and agencies (Bob *et al.*, 2008:55). Destination South Africa is considered to be in the growth phase of its lifecycle (DEAT *et al.*, 2005:24), and it shows good growth in tourism receipts from international visitors (DEAT *et al.*, 2005:19). The following characteristics of a growth phase are prevalent within the destination:

- rapid entry of new players and excess supply;
- consolidating forces to control pricing and capacity;
- more competition that cooperation (weak industry relationships); and
- lack of industry-specific/institutionalised information.

The next section will indicate how South Africa has aimed to enhance its competitive strategy throughout recent years, and will describe how events have been incorporated into this process.

#### 4.2.2 Events as part of South Africa's competitive strategy

In order to explain the process of national tourism strategy development that has taken place over the last decade within South Africa, there are a number of key projects that need to be mentioned. It was decided not to discuss all of these initiatives in detail, but rather to understand the extent to which South Africa is focusing on global competitiveness and how events are fitting into this picture. Figure 19 (pg.173) indicates some of the recent important developments in the tourism industry at a strategic level. It also indicates when and how events have been addressed in these developments. The inclusion of some of these projects has been referred to as an overall winning strategy in tourism (Weinberger, 2006:53).



It is indicated in the Tourism Growth Strategy (DEAT, 2008:5) that by selling South Africa as a destination for events, a direct effort is being made to implement the country's national tourism policy (as set out in the Tourism White Paper of 1996). Events are also included in the 'best kinds of tourism for South Africa' category, because it can reduce the seasonality of the sector (DEAT, 2008:25). For this purpose, 'bidding for and securing major international events' is indicated as one of the means to achieve Goal 12 of the Growth Strategy, which is focused on the tourism sector's responsibility to increase demand during valley periods (DEAT, 2008:42).

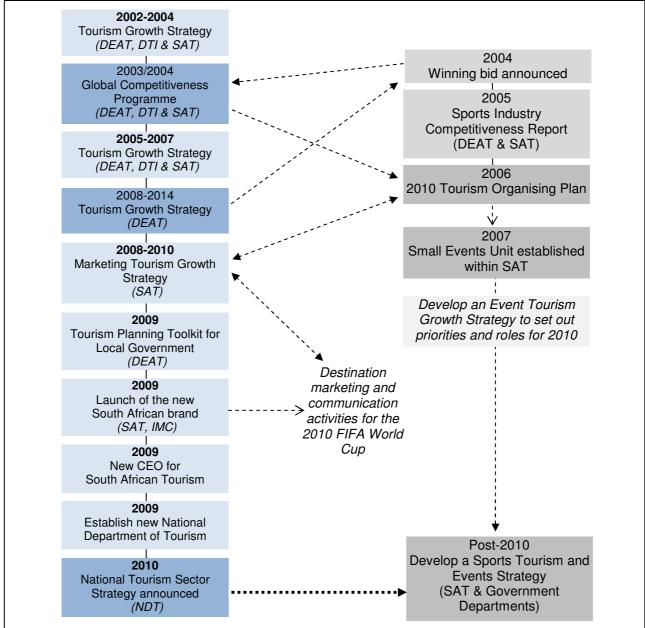
In the new National Tourism Sector Strategy that was announced in May 2010, business tourism and events are grouped together and form 'Strategic Thrust nr 10' (out of 16) through which the strategy objectives are to be met (NDT, 2010:26). This thrust in turn is included into 'Cluster nr 2' (out of 4), which is focused on tourism growth and development (NDT, 2010:28). Within this cluster, business tourism and events are specifically approached from the 'demand' perspective (marketing and demand). Key proposed actions to develop this strategic thrust include the following (NDT, 2010:57):

- To establish a national convention and events bureau responsible for business tourism and events marketing and development, co-ordination and support for bids and develop and role out a significant business tourism and events strategy.
- Identify at least one event in each province as a flagship event that represents the provincial experience and grow the importance of this event.
- To investigate and implement the establishment of a bidding fund that may be used to support bids for events of national importance.
- To accredit service providers, professionalise the industry and ensure quality.

It is evident that the latest national strategy recognises events and an appropriate event strategy as a strategic priority toward its long-term competitiveness. Despite the absence of an official national events agency/entity, South Africa has been host to a number of high profile events and is also home to a substantial number of established annual events.



Figure 19: Strategic tourism industry developments



Source: Researcher's own construction, with reference to DEAT *et al.* (2005), DEAT and SAT (2005a), DEAT and SAT (2005b), DEAT (2008), DEAT (2009), NDT (2010), Pillay (2010b) and SAT (2008).

#### 4.2.3 South Africa's unofficial events portfolio

In line with the new, but also older strategies, and also appropriate in terms of global trends, South Africa has increasingly bid for and hosted a number of international megaevents since 1994. There are a number of key reasons why South Africa chose to participate in this arena, including (as identified in Kachkova, 2008:24-25):

- to re-enter into the international community:



- to contribute to nation-building, unity and human rights promotion;
- to enhance its political and economic standing globally;
- for identity and image promotion (from "rainbow nationalism to Africanism") (2008:24);
- for infrastructural development, economic growth and urban regeneration; and
- the broader tourism strategy's focus on bidding for mega-events and expansion of its MICE industry.

Major conference and convention centres have been built in most of the country's major cities and most of them have had a high degree of utilisation (Mboweni, 2007:1). Table 20 (pg.175) provides a summary of the key events that have been hosted by South Africa. In the South African context, opportunities surrounding these events relate to infrastructure development; hospitality requirements; event management; secondary tourism attractions; SMME (small, micro and medium enterprises) development; legacy programmes; training and skills development; research and knowledge management (Bob *et al.*, 2008:50).

The table clearly indicates that South Africa has fully embraced the hosting of a diverse portfolio of events at various levels. There have however, as with any other destination, been a number of issues holding the country back from optimal event leveraging. There are, for example, a number of factors that could have accounted for Cape Town's unsuccessful bid for the 2004 Olympic Games (mentioned in the table). These include the city's extreme location; underdeveloped infrastructure; socio-economic problems; political instability and crime in the country; a lack of a long-term vision for the city's tourism industry; ignoring tacit knowledge of a formed bidding committee; lack of transparency concerning costs and job opportunities; and non-support of the other African IOC members (De Lange in Bob *et al.*, 2008:54). Since the time of this bid however, a lot has changed in the country.



Table 20: South Africa's unofficial events portfolio

Year Event						
	Sporting events					
2010 FIFA World Cup™						
	Indian Premier League					
0000	ICC Champions Trophy					
2009	International Karate Champ	pionships				
	FIFA Confederations Cup <sup>40</sup>					
2007	World Twenty20 Cricket Ch					
2006	A1 Grand Prix	·				
2004	U/19 Rugby World Cup					
2003	ICC Cricket World Cup					
2002 - 2004	Engen International Athletic	cs Series				
2002	U/21 Rugby World Cup					
2002	Tug-of-War World Champic	onships				
1999 - 2001	International Super Bike Gr	and Prix				
1999	All Africa Games					
1998	International Association of	Athletics Federation World Cup				
1996	African Soccer Cup of Natio	ons				
1995	Rugby World Cup					
	Political a	nd Institutional events				
2010	International Summit on To	urism, Sport & Mega Events				
2007	G-20 meeting of Ministers of	of Finance and Central Bank Governors				
2005	World Petroleum Conference	ce				
2002	UN Conference on Sustaina	able Growth				
2001	UN Conference on Racism					
2001	International Telecommunic	cations Union Africa				
		successful bids				
	FIFA World Cup					
For the 2004	Olympic Games (Cape Town	,				
		najor annual events				
Aardklop Kun		Potchefstroom				
	Pick 'n Pay Cycle Tour	Cape Town				
Cape Epic Ul		Cape Town region				
Comrades Ma		Durban, Pietermaritzburg				
Durban July I		Durban				
Dusi Canoe Marathon		Durban, Pietermaritzburg				
Giro del Capo		Western Cape region				
Grahamstown National Arts Festival		Grahamstown				
Klein Karoo Arts Festival		Oudtshoorn				
Meetings Africa		Johannesburg				
Nedbank Golf Challenge		Sun City				
		Cape Town				
		Northam				
Tourism Inda		Durban				
Old Multual T	wo Oceans Marathon	Cape Town				

 $<sup>^{\</sup>rm 40}$  South Africa got an 8 out of 10 ranking from FIFA for the event (SAT, 2010)



Table 20: South Africa's unofficial events portfolio (continued)

#### Other localised events

Apart from these major annual events, there is a myriad of events hosted throughout the various provinces.<sup>41</sup> These events are also actively being promoted by the respective DMOs of the host cities, towns or regions.

Source: Adapted from City of Tshwane (2010b), NDT (2009), GCIS (2010), Goslin *et al.* (2004:69), Mboweni (2007:2), SAT (2010).

The successful bid to host the 2010 FIFA World Cup™ brought renewed initiative, investment and development into the country on a national level (Bob *et al.*, 2008:55; Mboweni, 2007:3). The next section explains how winning the bid to host this event, has ignited the previously mentioned strategic thinking in terms of event-related initiatives.

#### 4.2.4 Hosting of the 2010 FIFA World Cup™

On 15 May 2004, after an 18-month waiting period, South Africa was announced as the host for the 2010 FIFA World Cup. This decision was met with great enthusiasm, especially considering the country's previous dramatic loss against Germany to host the 2006 event (Weinberger, 2006:23). This section will briefly mention some of the most important facts around the event, and will focus on how the event was approached by the tourism industry.

#### 4.2.4.1 Basic information about the event

At the end of 2004, the Local Organising Committee (LOC) was established to oversee preparations for the event and to ensure that South Africa will be a successful host. A Technical Coordinating Committee was also established to coordinate the efforts of several national government departments, including the National Treasury, Sport and Recreation South Africa, Department of Trade and Industry (dti), Department of Transport, Department of Safety and Security, Department of Foreign Affairs, Department of Environmental Affairs and Tourism (DEAT) and South African Tourism (SAT) (DEAT et al., 2005a:4).

<sup>41</sup>As promoted by SAT (2010), as well as on various other platforms including sa-venues.com, eventsnow.co.za and south-africa-tours.com



The event is set to host 32 teams over 43 days in 10 different locations across nine host cities (Bloemfontein, Cape Town, Durban, Johannesburg, Nelspruit, Polokwane, Port Elizabeth, Rustenburg and Tshwane). Around 2.7 to 3 million local spectators and 400 000 visitors are expected to attend the matches, along with some 4 billion international viewers. The direct expenditure is estimated at around R12.7 billion, with a contribution of R21.3 billion to Gross Domestic Product and the creation of 159 000 jobs (Grundling & Steynberg, 2008:20, Weinberger, 2006:24). Five stadiums have been built and the remaining five are upgraded versions of existing stadiums (Campbell, n.d.:5; Weinberger, 2006:25)<sup>42</sup>.

True to the nature of the FIFA owned event, there are many restrictions and regulations, and the event is also expected to also affect the wider destination on a political as well as commercial level (Cornelissen, 2007:248). For example, only the multinational company sponsors and accredited agencies will be allowed to advertise along with the event brand and there are strict rules in place to prevent ambush marketing. FIFA will also have monopoly of television rights, advertising and stadium space (Desai & Vahed, 2010:157-158; Du Plessis & Maennig, n.d.). There would be many restrictions on local entrepreneurs through exclusive zones, and contractual agreements on the provision of tourism hospitality products (Desai & Vahed, 2010:158).

#### 4.2.4.2 The tourism industry's perspective of the event

The 2010 FIFA World Cup™ was viewed by many as a 'critical milestone' for the South African tourism industry on its journey toward global competitiveness. The Minister of Environmental Affairs & Tourism, Marthinus van Schalkwyk, even stated that it was South Africa's "single greatest tourism opportunity ever". He indicated that event-related developments around product investment, upgrading of infrastructure, tourist safety and skills development would contribute to build a positive image, attract new tourism markets and convince tourists to return repeatedly (DEAT, 2004 in Weinberger, 2006:40). The event took place during South Africa's traditional low season, and the country had the advantage of being on a similar time zone than the football supporting countries in Europe

<sup>&</sup>lt;sup>42</sup> Also refer to Campbell (n.d.:4), Desai and Vahed (2008:156), Grundling and Steynberg (2008:21), Kachkova (2008:26) and Cornelissen (2007:251) for more detail on event-related developments.



(Weinberger, 2006:24). It can be argued that, apart from all the measurable and direct benefits to the industry, the greatest legacy for the destination can be regarded as the emerging new strategic approach that has been adopted toward events.

#### 4.2.4.3 Leaving a legacy of greater strategic thinking in terms of events

The Global Competitiveness Programme (referred to in Figure 19, pg.173), was started before South Africa was given the right to host the 2010 FIFA World Cup. This announcement only contributed to the importance and relevance of the programme, as the South African tourism industry had to define its role and contribution toward the event. The relevance of the programme and contribution thereof to the event is captured by the following statement: "The issues identified and addressed in this programme are in fact the core issues that sit at the heart of what the tourism industry needs to do to deliver a successful World Cup". As a result, the 2010 Tourism Organising Plan was developed in alignment with the Global Competitiveness Programme. The 2010 Tourism Organising Plan was developed as the framework within which industry, provinces and host cities would begin preparing for 2010. Its focus would be to optimally leverage 2010 to create positive attendee experiences, but also to grow tourism value, ensure return on investment in the form of substantial positive legacies, and to enhance the competitiveness platforms for tourism in South Africa. Thus, the 2010 World Cup would be regarded as the key lever through which to deliver on the Global Competitiveness Programme created seven years before the actual event (DEAT et al, 2005:79).

In line with this need for strategic thinking, the Marketing Tourism Growth Strategy (SAT, 2008) also explicitly addressed events. Opportunistic marketing through once-off events was identified as a key new growth opportunity (2008:45). According to the Strategy, such once-off events are to be complimented with business tourism events (specifically association meetings) to ensure equitable spread of events, as well as to manage seasonal distribution (2008:78). In essence, the combination of events being focused on, was set to contribute to Tourism's six key objectives (2008:88). The Marketing Tourism Growth Strategy also links directly to the 2010 Tourism Organising Plan, and indicates the mandate for Tourism as sustainable GDP growth; sustainable job creation; and redistribution and transformation. The role of SAT in the 2010 World Cup was defined



(2008:92) as maximising value during the event (a successful event; tourism value form the event; spreading the benefits to other African countries), and maximising value after the event (opportunity to brand South Africa as a destination; advancing the tourism competitiveness agenda). A distinction was also made between SAT's core interventions (an event strategy; info management; marketing branding) and its non-core interventions (accommodation grading; improving transport and security; skills and service levels) (2008:93). These six interventions were regarded as the key tourism challenges to deliver the event experience and to capitalise on 2010 arrivals and exposure (2008:96). Other challenges included limited institutional capacity, managing expectations, managing demand, and displacement of general tourists around the event (2008:97).

Hosting of the 2010 FIFA World Cup™ also brought about a change in stakeholder relationships and networking within the destination. For example, the 2010 National Communication Partnership (NCP) was established to align the marketing and communication efforts of several key stakeholders⁴³. It consisted of three clusters namely Tourism, Marketing and Advertising, and Media and Communications. It drove several key initiatives such as a domestic mobilization campaign; a 2010 brand for Southern Africa; the Tourism Service Excellence Drive; a Host City Events Framework; grading initiatives; SMME development; and Greening 2010 (DEAT & NCP, 2008). The outcomes of three major conferences of the NCP also focused on these issues, along with addressing other key areas. These include the perspective of the event as an African World Cup; marketing opportunities for corporates within the FIFA regulations; benchmarking against Germany 2006 and EUFA 2008; event readiness; strategic questions; as well as key considerations and possible actions for the respective clusters (Heath, 2006; Heath, 2007, Heath, 2008a).

From the discussion it is evident that Destination South Africa has progressed significantly in terms of events as a strategic priority. The 2010 FIFA World Cup™ catapulted related initiatives into a new direction; thereby transforming South Africa into a globally competitive event host destination. With this national perspective established, it is now

<sup>&</sup>lt;sup>43</sup> Including Department of Government Communication and Information Systems (GCIS), the International Marketing Council (IMC), the LOC, FIFA, MATCH, DEAT, SAT, the Tourism Grading Council of South Africa (TGCSA), Department of Safety and Security, as well as the respective sponsors.



possible to meaningfully introduce the case study destination of the current study, namely the City of Tshwane (hereafter referred to as CoT or the City).

#### 4.3 THE CITY OF TSHWANE AS A MEGA-EVENT HOST DESTINATION

South Africa's tourism activities are highly concentrated in certain regions; particularly within a number of key destinations including Cape Town, Johannesburg and Durban (Weinberger, 2006:19). This fact presents one of the key challenges to the CoT, which is often under-valued as a tourism destination by especially international visitors. The fact that the City was chosen as a host city for the 2010 FIFA World Cup™, brought renewed energy to the City's efforts to become a recognised destination within the national tourism portfolio. This section will provide a background to the City as a tourism destination, with reference to some of its strategic issues. It will also describe the City as a 2010 World Cup host city, with particular reference to its event-related strategy and initiatives.

#### 4.3.1 Background information to the City of Tshwane

Tshwane is a metropolis within the province of Gauteng, South Africa. It was established on 5 December 2000 and consists of 13 combined municipalities<sup>44</sup>. CoT comprises 2198 km² and is home to 2.4 million inhabitants. It is regarded as one of South Africa's leading economic cities (Weinberg, 2006:28). Within its diverse economy, it has a dominant service sector, but also a well-established manufacturing sector that largely comprises of the automotive industry. Tourism and creative industries form part of the seven priority sectors of the City (Ramokgopa, 2010). The City is often referred to as the 'Jacaranda City' because of the nearly 70 000 Jacaranda trees that line its streets, giving the City a purple colour when they blossom in October. Its most famous feature is the Union Buildings where South Africa's international icon, Nelson Mandela, was inaugurated as the first democratically elected president of the country in 1994 (Tshwane Tourism, n.d.).

<sup>&</sup>lt;sup>44</sup> Including Pretoria, Centurion, Akasia, Soshanguve, Mabopane, Atteridgeville, Ga-Rankuwa, Winterveld, Hammanskraal, Temba, Pienaarsrivier, Crocodile River and Mamelodi (GCIS, 2010).



#### 4.3.1.1 The size of the City's tourism industry

By 2008, the City represented almost 9% of total tourist trips in South Africa, and more than 40% of all trips to Gauteng province (Kekana, 2008). Tourism is the sixth largest contributor to CoT's economy, after community services (government), finance, transport, manufacturing and trade. The City receives about five million visitors annually, of which 623 000 are foreign, 1.14 million are domestic overnight tourists, and 3.3 million are domestic day visitors (Kekana, 2008). Priority markets within these categories include domestic visitors to friends and family living in the City and foreign leisure visitors (Grant Thornton, 2005:70). One of the key tourism objectives for the City was set at 6.9 million annual visitors by 2010 (Grant Thornton, 2005:28). Almost half the City's tourists visit at least once a year, mostly during March and December. Tshwane attracts visitors from far and wide, including from all provinces in South Africa, as well as countries such as China, Japan Brazil, India, the UK and the USA (Heath & Kruger, 2009).

The annual total direct visitor spend amounts to R1,38 billion, which results in a R2,3 billion contribution to GDP (Kekana, 2008). More than 26 600 annual employment opportunities are created by the industry, of which 7 200 are direct employment (Kekana, 2008). In 2005, it was stated that hosting of the 2010 FIFA World Cup™ could contribute significantly to increased figures, if the opportunities related to the event were optimally leveraged, and if visitors were encouraged to spend more and stay longer (Grant Thornton, 2005:27).

#### 4.3.1.2 Tourism offerings of the City

CoT is the administrative capital of South Africa; it is the home of Government, which is housed in the well-known Union Buildings; and it is also the head office of the public sector (City of Tshwane, 2003). CoT is also the diplomatic capital of the country and it has the second largest number of embassies in the world after Washington D.C. (GCIS, 2010). The CoT's strategic focus encompasses a number of elements such as its capital city status, its people, achieving remarkable change and the concept of it being a 'meeting place'. The capital city status provides the CoT with various opportunities related to national government and the diplomatic community presence in the City. It furthermore



aims to strengthen the City's intellectual/educational image, as well as to portray the City as a leisure destination (Grant Thornton, 2005:21). The City's intellectual image arises from the fact that there are a number of top quality academic institutions and various technologically advanced companies and research facilities in the City. Tshwane also qualifies as a leisure destination based on, among others, a variety of natural attractions, its arts and its excellent shopping centres (Heath & Kruger, 2009). Figure 20 indicates the priority tourism products offered by the City.

Events are regarded as an important product of the City (see Figure 20). In its Tourism Master Plan (Grant Thornton, 2005:93), a programme for leisure events was indicated as a strategic market for the City. It was also stated that it was essential for the City to develop a number of flagship events.

Capital City Features Anglo-Boer-War Science and Technology Education **TSHWANE** Conferences **PRIORITY VFR** and events **TOURISM** Nature and General Scenery Leisure Struggle history Sport Arts

Figure 20: Priority products for the City of Tshwane

Source: Adapted from Saunders (2006)

From a strategic perspective, the City is ideally located as it is only 48 km away from Africa's largest international gateway, the OR Tambo International Airport. It can also easily be accessed via three other airports (Wonderboom, Lanseria and Waterkloof), as well as several private landing strips. The City has well-developed infrastructure, with the highway between Tshwane and Johannesburg being the busiest in the Southern Hemisphere. The development of a high speed train linkage, affectionately known as the Gautrain, was also scheduled to be completed in 2010 as the first of its kind in Africa



(Jacobs, 2008). The City has been host to several international events, including the 1995 Rugby World Cup, 1996 African Cup of Nations, 1999 All Africa Games, 2003 Cricket World Cup, 2002 World Tug of War championships, World Junior Chess championships, and the 2009 International Karate championships (GCIS, 2010).

#### 4.3.1.3 Dealing with the name change from Pretoria to Tshwane

Whereas Pretoria, which was established more than 150 years ago, was named after a Boer settler and Afrikaner hero, Andries Pretorius, Tshwane is the name of a pre-colonial local chief and means "we are the same". Supporters of the change say the switch will accentuate South Africa's break with Apartheid in 1994 (Heath & Kruger, 2009). However, when the National Geographical Names Council announced the name change of Pretoria to Tshwane in 2005, there was considerable confusion and concerns among tourism stakeholders in Tshwane as is apparent from the comment of the chairman of the Tshwane Tourism Association (TTA) at the time, Mr Franco Jordaan, namely: "The TTA fully supports the name Tshwane as far as the Metro is concerned, but changing the name of the Capital, Pretoria to Tshwane, will have wider implications. Not only will tourists be confused about what and where Tshwane is, but the trade will need to spend a lot of money and marketing effort repositioning Tshwane in the minds of international visitors" (Sandras, 2005 in Heath & Kruger, 2009).

Although it was officially announced that the name of the City would be the City of Tshwane, and many South African governmental organisations and some members of the media have referred to Tshwane as the South Africa capital, various members of the media, businesses and institutions, both in South Africa and internationally still use Pretoria as the City's name (Grant Thornton 2005:75). From a tourism branding and positioning perspective this remains a key challenge that needs to be addressed as a strategic priority (Heath & Kruger, 2009).

To avoid confusion among stakeholders and tourists, FIFA and South Africa agreed to use a dual-name system (Pretoria/Tshwane) for Tshwane. This would allow visitors to experience the transformations that are taking place in the country, while also enjoying the branding benefits of the familiar name Pretoria (Steyn, 2007:107). However, in South



Africa the City would only be known as Tshwane (Heath & Kruger, 2009). The fact that Pretoria/Tshwane was set to be utilised during the 2010 FIFA World Cup™, provided the ideal platform from which to strategically facilitate the brand migration. It was stated that, once a satisfactory level of brand recognition had been achieved for the name Tshwane, the name Pretoria could be dropped from marketing messages (Heath & Kruger, 2009).

#### 4.3.1.4 Status as host city to the 2010 FIFA World Cup™

The City of Tshwane was one of the first host cities in the country to start with preparations for the event (Steyn, 2007:104). Seemingly great effort was made by the City to prepare itself for hosting of the event; especially in terms of adhering to the host city requirements of FIFA. Several government departments were involved and the tourism industry also played its part to improve its offering. CoT spent "a huge budget and much effort to upgrade its infrastructure in preparation for the 2010 FIFA World Cup"; especially in terms of upgrading roads throughout the City .The local airport, Wonderboom, was improved; municipal bus and metro train fleets were expanded; and general signage in the City was addressed. In three townships, stadiums were readied as training venues for visiting teams (Ramokgopa, 2010). The main stadium of the City, Loftus Versfeld, is owned by the Blue Bulls Rugby Union and has a 2010 match capacity of 42 858. Six matches were played in the stadium, including the match between South Africa and Uruguay (FIFA, 2010:48).

This section provided an introduction to the CoT as a tourism destination and also a host city of the 2010 FIFA World Cup™. Detailed information on the City's initiatives related to the event will be included in the discussions of Chapter 6, where many of the data sources will serve as secondary data for the case study. The next section in this chapter will focus on providing insight into the strategic issues that the City has been faced with in terms of tourism development. It will also outline some of the most important initiatives and actions undertaken in the process of developing a competitive strategy for tourism in the City.



#### 4.3.2 Strategic issues of the tourism industry in the City of Tshwane

In order to summarise the key strategic issues of the City as a tourism destination, it was decided to refer to two previous studies; one carried out in 2005 and the other in 2007. Table 21 presents the findings from these two studies. Corresponding findings have been highlighted, and the table served as a valuable introduction to key themes that were to be explored during the empirical phase of the current study.

Table 21: Strengths and weaknesses of the tourism industry in the City of Tshwane

ıaı	Table 21: Strengths and weaknesses of the tourism industry in the City of Tshwane						
20	2005 – Grant Thornton study STRENGTHS 2007 - Steyn study						
-	Capital city status	-	Great diversity in cultures				
- Natural attractions			Strong historical element in the city				
-	Strong cultural and historical product	-	The city has a lot to offer to visitors				
	elements		(including soccer visitors during 2010)				
-	Broad base of diverse tourism	-	Capital city status				
	attractions	-	Well-established and famous attractions				
-	Strong willingness from visitors to return to	-	Right infrastructure to cater for big events				
	the city and recommend it to others	-	Status as education hub and intellectual city				
-	Friendliness and hospitable local residents	-	Good location in relation to some of the				
-	Cosmopolitan and multi-cultural city		other provinces				
-	Strong arts and crafts industry	-	A good stadium (Loftus) and sporting teams				
	,		hosted in the city				
	2005 WEAKI	NES					
-	Attractions not 'geared' for tourism	-	Attractions and experiences not				
-	Township attractions not integrated		representative of all cultures				
-	Fragmented tourism industry	-	Insufficient and underdeveloped product				
-	Poor signage		development (over a long period of time)				
-	No major annual flagship event/festival	-	Discrepancy between quality of different				
- Insufficient professional guidance and			products in different areas				
interpretation at attractions			Safety concerns				
-	Insufficient community involvement,	-	Attractions not accessible				
	awareness and pride	-	- Lack of signage				
-	Insufficient nightlife activities	-	- Inadequate marketing and promotional				
-	Perception of Tshwane as an apartheid city		efforts (branding, positioning and packaging				
-	Lack of understanding between public	-	Inadequate implementation of existing				
	and private sector about roles and		good plans and strategies				
	responsibilities	-	No RTO in place				
-	Availability of funding	-	Inadequate tourism information offices				
-	Townships still have separate identity,	-	Sensitivities around the name change				
	thus perpetuation division	-	Lack of innovation and story-telling in				
-	Focus on policy formulation and not on		tourism experiences				
	implementation	-	Fragmentation and lack of cooperation				
-	<b>Definition of culture confined to African</b>		(too many separate associations)				
	culture when it comes to the promotion	-	Little buy-in from local communities				
	of culture	-	Lack of leadership				
		-	Lack of training in the industry and among				
			local entrepreneurs				

Source: Taken from Grant Thornton (2005:13) and Steyn (2007:125-142)



It is evident that the City had been facing a number of issues, but also managed to establish for itself a basis from which to build a globally competitive tourism profile. The next section offers an outline of the tourism strategy development process and also indicates how and where events have been addressed at a strategic level.

#### 4.3.3 The City of Tshwane's tourism strategy development process

Before explaining the strategy development process that had taken place in the City, it was decided to present it at the hand of a timeframe (Table 22). This would allow a clearer perspective on the City's tourism strategy, and how the 2010 FIFA World Cup™ influenced this process.

Table 22: Tourism strategy development process and the 2010 FIFA World Cup™

2004	South Africa's successful bid					
2005	Tshwane Tourism Steering Committee established			4.3.3.1		
	Tourism Master Plan		✓	4.3.3.2		
2006	Feb	Host City agreement concluded				
	May	Tshwane Business Week	✓	4.3.3.3		
2007	April					
	May	TITIIC 2008	✓	4.3.3.4		
	June	Tourism Division focus areas for 2008/09	✓	4.3.3.5		
	June	Formation of the 2010 FIFA World Cup Programme Office	✓	4.3.3.6		
2008	October	Tshwane Tourism Fair	✓	4.3.3.7		
		Tshwane Tourism Action Team formed	✓	4.3.3.8		
	November					
	December	r Stakeholder Workshop		4.3.3.9		
	January Strategic Worksession of the Tshwane Tourism Division		✓	4.3.3.10		
	March	Worksession with CoT Divisions involved in Tourism	✓	4.5.5.10		
2009	Maich	Launch of the new Tshwane brand				
2009	June	2009 Confederations Cup				
	September	New Strategic Framework approved by Council	✓	4.3.3.11		
	October	TTAT: The Tshwane Tourism Ten-Point Plan	✓	4.3.3.8		
	April	Tshwane Tourism Lekgotla		4.3.3.12		
2010	May	May TITIIC 2010		4.3.3.13		
	Jun-Jul	2010 FIFA World Cup				

Source: Researcher's own construction

<sup>&</sup>lt;sup>45</sup> Refer to City of Tshwane (2008a).



Table 22 indicates the most important publicly-driven activities with regard to tourism and the 2010 FIFA World Cup™ event. Some of these activities (indicated in the right-hand column of the table), will now briefly be discussed to give a context to the position of tourism within the City's strategic framework.

#### 4.3.3.1 The Tshwane Tourism Steering Committee

During 2005, a Tshwane Tourism Steering Committee<sup>46</sup> was established to manage the development of a tourism plan for the Metro. Several workshops were held to discuss the importance of the 2010 FIFA World Cup, and to determine a structure that would allow the most effective planning and preparation (Steyn, 2007:104). During one of the meetings, a 2010 shared tourism vision for the City was formulated. The vision stated that once the event has come and gone, the desired legacy of the City should be that:

- the City has been an outstanding host of a 'festival for all';
- the City would now be regarded as the sports mecca and the undisputed capital of Africa:
- the event has been a true example of sustainable development; and
- the City can be regarded as a role model of responsible event leverage (Steyn, 2007:105).

It would be worthwhile to note the extent to which this vision had been adopted among stakeholders and successive 2010-related strategic decisions.

#### 4.3.3.2 City of Tshwane Tourism Master Plan

The City of Tshwane Tourism Division appointed the services of a consortium to develop a Strategic Tourism Development Plan for the City. As a result, the Tourism Master Plan was developed for the City in consultation with key stakeholders (Grant Thornton, 2005:1). It encompassed a tourism vision, strategic direction, objectives and CSFs to develop tourism in the City and was based on the City's comparative and competitive advantages at the time. It included a development plan, a marketing plan, an infrastructure strategy, an HR and SMME development plan, an investment development plan and an

<sup>&</sup>lt;sup>46</sup> Refer to Appendix C (pg.343) for a profile of the representatives.



implementation framework (Heath & Kruger, 2009). Both the product development, as well as the marketing and promotion plan took into consideration CoT's 2010 Soccer World Cup strategy (which was not yet finalised by that time) (Grant Thornton, 2005:8). Four principles were identified as fundamental to the Plan, including Transformation, Black Economic Empowerment (BEE), Responsible Tourism, and Partnerships (Grant Thornton, 2005:18). A key outcome of the Master Plan was the recommendation to establish a Regional Tourism Organisation (RTO). At that stage the date was set for mid-2006. However, as can be seen from the timeline, the process to explore the establishment of an RTO was only approved by the City Council in April 2007 (Koekemoer, n.d.).

#### 4.3.3.3 Tshwane Business Week – priority given to Tourism and the World Cup

At the Tshwane Business Week which was held under the slogan "Progressing City Development through Smart Partnerships", the Tourism Master Plan was identified as part of the strategic framework for the City. In terms of the 2010 FIFA World Cup™, it was indicated that the Tourism Master Plan as well as the City's Infrastructural Development Plan would have to be aligned to the World Cup Tourism Strategy. The Municipality also made a resolution to support the Hosting Strategy by providing support services in terms of safety and security, public transport, and community participation. It also indicated that it would set up a soccer portal on its corporate website, and would focus efforts on the economic potential for 2010 (Anon, 2006). These public resolutions clearly identified their priority areas, as well as the way in which they had decided to align themselves to the tourism strategy for 2010. It can be seen that promotion of the destination would fall within the hands of the designated 2010 office, once it had been established.

#### 4.3.3.4 Tshwane International Trade and Infrastructure Investment Conference 2008

The Tshwane International Trade and Infrastructure Investment Conference (TITIIC) is similar to the Tshwane Business Week held in 2006. At the 2008 conference, six strategic priorities for tourism were identified, including (i) establishing an umbrella tourism body (RTO) for the City; (ii) establishing a unique and distinctive tourism brand image and identity; (iii) launching a targeted internal marketing drive; (iv) facilitating a focused human resource and capacity development drive; (v) ensure an environment that is conducive to



attract and sustain tourism investment, including beyond 2010; and (vi) emphasising environmentally responsible tourism (City of Tshwane, 2008b:39). As will be seen in further discussions, some of these priority areas were again stated as focus areas for the Tourism Division, and also for the broader City stakeholders.

#### 4.3.3.5 Tourism Division focus areas for 2008/2009

In June of 2008, the focus areas for the Tshwane Tourism Division was set as (i) development of a tourism business plan for the City; (ii) a local exhibitions and events strategy; (iii) an international exhibitions and events strategy; (iv) a tourism information provision strategy; (v) SMME development (process facilitation) strategy; (vi) a 2010 FIFA World Cup tourism strategy; and (vii) RTO implementation (Koekemoer, 2008). As part of the World Cup tourism strategy, projects included an SMME development strategy (including training of tour guides and bus drivers); grading of accommodation facilities; events in targeted areas; creation of tourism packages; and tourism information provision (a tourism route map, information kiosks). It can be seen that the Tourism Division was faced with the task of dealing with two significant challenges simultaneously, namely a World Cup Tourism Strategy, as well as the establishment of an RTO. With only two years left before the event, it may be stated that tourism efforts would greatly be influenced by the absence of an RTO at that time. Consider, for example, the fact that the City of Cape Town had a World Cup marketing campaign that came into life in the form of a precampaign phase, immediately after it had signed the Host City agreement in 2006. Their campaign consisted of five phases that were aligned to major FIFA events and milestones in the build-up to 2010. Each of these phases was comprehensively packaged according to strategic objectives, the main campaign concept, specific communication tactics and supporting events (Anon, 2009).

#### 4.3.3.6 The 2010 FIFA World Cup Programme Office (2010 Unit)

In 2009, the Municipality established a dedicated office tasked with ensuring the readiness of Tshwane for both the 2009 Confederations Cup and the 2010 World Cup. The office was headed by a CEO and a steering committee was established to advise the 2010 Unit. The committee reported directly to the Executive Mayor, and was completed by five



members of the Mayoral Committee, the Municipal Manager, the 2010 Unit CEO, a representative of Blue Bulls Company (the local rugby team), a representative of the South African Football Association (Tshwane), a representative of Mamelodi Sundowns (the local soccer club) and a representative of SuperSport United. The committee was supported by five working groups including Promotion of Football; Safety, Security, Health and Environmental Affairs; Hospitality (Tourism and Entrepreneurship); Marketing, Communication and Community Involvement; and Infrastructure and Public Transport (Nkwane, n.d.). Data collected on the work of the 2010 Unit will be discussed in Chapter 6 as secondary sources.

#### 4.3.3.7 The Tshwane Tourism Fair – a key event for tourism in the City

During October 2008, as part of the strategic tourism planning journey for the City, and in the light of changes in the macro, competitive and market environments, the strategic planning process was re-visited at a stakeholder conference entitled "The New Face of Tourism in Tshwane" (Heath & Kruger, 2009). The shared tourism vision that was agreed upon by stakeholders, was for Tshwane to be globally recognized as the 21<sup>st</sup> century 'must experience' visitor capital in Africa, embracing vibrancy and progressiveness, yet retaining its special identity, authenticity and hospitality, to the benefit of all. This vision was stated to be underpinned by key guiding values and principle, including continuous communication, co-ordination and collaboration between stakeholders at all levels; ensuring consumer-driven quality products, services and visitor experiences; respect for and embracing of the rich cultural diversity and heritage of Tshwane and its people, as unique selling proposition (USP) for the City; as well as remaining uniquely Tshwane and seeking to differentiate the Tshwane tourism experience at every 'touch-point' in the City (Heath, 2008b).

As an outcome of the conference, a three-year rolling strategic framework was set to be compiled by mid-December 2008. This framework would build upon the Tourism Master Plan (2005), the provincial and national tourism strategy, international best practice guidelines, as well as the inputs of stakeholders made during the conference (City of Tshwane, 2008b:40). Stakeholders agreed that certain strategic priorities pertaining to branding and positioning had to be addressed as part of the strategic framework, but also



as part of the build-up to the 2010 FIFA World Cup™. A key priority identified was the urgent matter of establishing and implementing a unique and distinctive Tshwane tourism brand image and identity (aligned with the provincial and national branding framework), and a powerful competitive positioning and marketing strategy for Tshwane, both in the local and international marketplace (Heath & Kruger, 2009). More will be said about this three-year framework in Section 4.3.3.9.

#### 4.3.3.8 Establishment of the Tshwane Tourism Action Team

A key outcome of the Tshwane Tourism Fare was the formation of the Tshwane Tourism Action Team (TTAT). The team, consisting of private sector tourism industry roleplayers and officials of the Tourism Division, "works pro-bono to enhance the city's tourism potential to the benefit of all citizens" (Anon, 2010b). The main focus areas of this Action Team were formulated to include, among others: facilitation of the establishment of an RTO by July 2009; facilitation of the implementation of the branding and positioning strategy for Tshwane, within the national branding framework which was launched in April 2009; facilitation of an internal marketing drive to create awareness and involvement of local stakeholders and communities and motivate them to become brand ambassadors for the City of Tshwane; as well as leveraging tourism marketing opportunities related to the hosting of major events such as the Confederations Cup in 2009 and the 2010 FIFA World Cup (Heath & Kruger, 2009). More will be said about the Action Team's specific activities (including the Tshwane Tourism Ten-Point Plan) in Chapter 6, where related documents will be selected and used as secondary data sources.

#### 4.3.3.9 Stakeholder workshop as a follow-up to the Tourism Fair

In December 2008, a workshop was held with the theme "Our tourism journey to date and the road ahead". The aim of this workshop was to form a base for the three-year strategic tourism framework that had been envisaged at the Fair. The goals of the workshop included getting consensus on the actions needed to leverage opportunities presented by the Confederations Cup and the 2010 World Cup. It also included deliberations on the actions that were needed to leverage conferences, meetings and events within the City as a long-term destination offering (Heath, 2008b:3). Many of the proposed actions include



and build upon proposals from the Tourism Fair, as well as strategies that were discussed at the TTAT meetings (that started in October after the Fair). The concluding workshop report (Heath, 2008b) significantly reiterates the most prominent themes that had been emerging from the Tourism Master Plan process in 2005. This document will serve as one of the secondary data sources and will be discussed in Chapter 6.

#### 4.3.3.10 Two strategic stakeholder worksessions

In January 2009 a very important worksession was held for the staff of the Tourism Division. During this session, internal issues and concerns of staff members were discussed (Heath, 2009a). It became apparent that the wellbeing of the employees of the DMO (or in this case the public office responsible for destination promotion, in the absence of an RTO), is of crucial importance in the effectiveness of the entity. Their skills, capabilities and attitudes also have a direct impact on the successful execution of the tourism strategy, and ultimately the competitiveness of the destination from a strategic viewpoint.

In March 2009 another worksession took place; this time between all of the CoT Divisions involved in tourism. It included the Tourism Division of the City of Tshwane, the City of Tshwane Metro Police, the Sport, Recreation, Arts and Culture Division (SRAC), and the 2010 Unit for the City of Tshwane (Heath, 2009b). With specific reference to the collaboration between the Tourism Division and the 2010 Unit, it was stated that close coordination were already taking place. The 2010 Unit was also represented on the (TTAT). In the outcomes of the worksession, it was stated that a key challenge was to ensure that all stakeholders understood the workings of a FIFA-managed event, and to align current approaches to event management in the City with the FIFA approach. In order to leverage tourism opportunities during and after the upcoming events, it was essential for stakeholder groups (the respective divisions) to communicate and coordinate their plans and strategies.

From the worksession it was stated that the ideal would be to establish a permanent Tshwane Metro Tourism Forum that could be representative of all key divisions and departments involved in and/or impacting on tourism development and promotion in the City. There was a great need for relevant, accessible and timely information in the City in



general. With specific reference to the upcoming Confederations Cup, there was an urgent need to coordinate efforts around public viewing facilities and possible entrepreneurial opportunities (Heath, 2009b). Of concern to members, was the fact that the Communications and Marketing Division, which is regarded as a critical component, was not represented at the meeting to address issues of common interest.

#### 4.3.3.11 New Strategic Tourism Framework approved by Council

During 2009, a new five-year strategy was approved by the CoT to take tourism in the City beyond the 2010 FIFA World Cup™. A strategic decision was made to change the approach from the suggested three-year rolling plan (as discussed in 4.3.3.9), to a more detailed five-year strategy that could take the City up to 2014. It was built on the foundations provided by all the previous strategic documents and workshop outcomes mentioned above. It also considered key trends in the macro, competitive and market environments and lessons to be learnt from key 'best-practice' destinations (Heath, 2009d:1). One of the key marketing performance areas (out of only 5 areas) in this document, was indicated as 'Promoting Tshwane as an events destination'. It includes establishing a Tshwane Convention and Events Bureau, as well as developing and executing a strategic Tshwane events plan. The document will serve as a secondary data source, and will subsequently be discussed in Chapter 6.

#### 4.3.3.12 Tshwane Tourism Lekgotla

The Lekgotla was held in the wake of the World Cup under the slogan "Tourism opportunities and challenges in 2010 and beyond". A very important topic was addressed at this conference, namely the way in which Tshwane can link into and benefit from the destination marketing and events strategies of the NTO, South African Tourism. The conference was followed by a tourism stakeholder workshop. The report on the outcomes of this workshop, as well as a 'state of readiness' presentation made by the 2010 Unit, will serve as secondary data sources and will be discussed in Chapter 6.



#### 4.3.3.13 TITIIC Conference 2010

Similar to TITIIC 2008, tourism was presented as a key priority of the CoT's strategy for local economic development. The key tourism offerings of the City that was promoted include the City's location; heritage; economic activities; well-established markets (business, leisure and health); abundance and variety of conference facilities (400 facilities); a broad accommodation resource base (7 000 rooms); variety and number of attractions; shopping opportunities (including some of the largest shopping malls in the southern hemisphere); private health infrastructure; hosting of national and international sporting events; and a variety of major sporting facilities (City of Tshwane, 2010b). The event was branded under the composite logo of the City of Tshwane FIFA World Cup host city (a FIFA trademark).

#### 4.4 CONCLUSION

This chapter provided an introduction to the City of Tshwane, which was the case study for the empirical component of this research project. It indicated that the City has latent potential, with a great variety of resources and the imposing status as Capital City of South Africa. Detail was provided on the strengths and weaknesses of the City, as they were identified by two previous studies. These served to highlight some of the strategic challenges within the City. It became clear that the City has experienced specific challenges pertaining to stakeholder cooperation, the establishment of an RTO, the absence of a brand identity (linked to the name change issue), as well as carrying marketing strategies through to the operational level.

Significant work has been done within the City by a number of key individuals who have committed themselves to development of the City as a competitive destination. The major milestones for the City's tourism strategy development, appears to be the first Tourism Fair in 2008 and the subsequent establishment of the TTAT. These actions have catapulted stakeholder cooperation and political will into a new direction; and have fast-tracked strategic worksessions, documents and action plans. In the light of the two mega-events held within the City (2009 and 2010), these developments have taken place at a critical time.



The chapter also highlighted a number of major workshops and events that took place at top level during the five years preceding the event. These instances have to be taken into consideration when determining the possible influence that a mega-event could have on destination leadership. Furthermore, five key documents were identified that can be considered as prominent secondary data sources for the case study. They have been indicated in the discussions, and will again be mentioned as part of the data analysis and findings.

The next chapter will discuss the research design, including a description of the inquiry strategy and specific research methods. It aims to explain why the described methodological decisions have been made and how they will serve in answering to the research objectives.