

Vodacom Durban July 2009 Impact Assessment: Top Line Summary Report

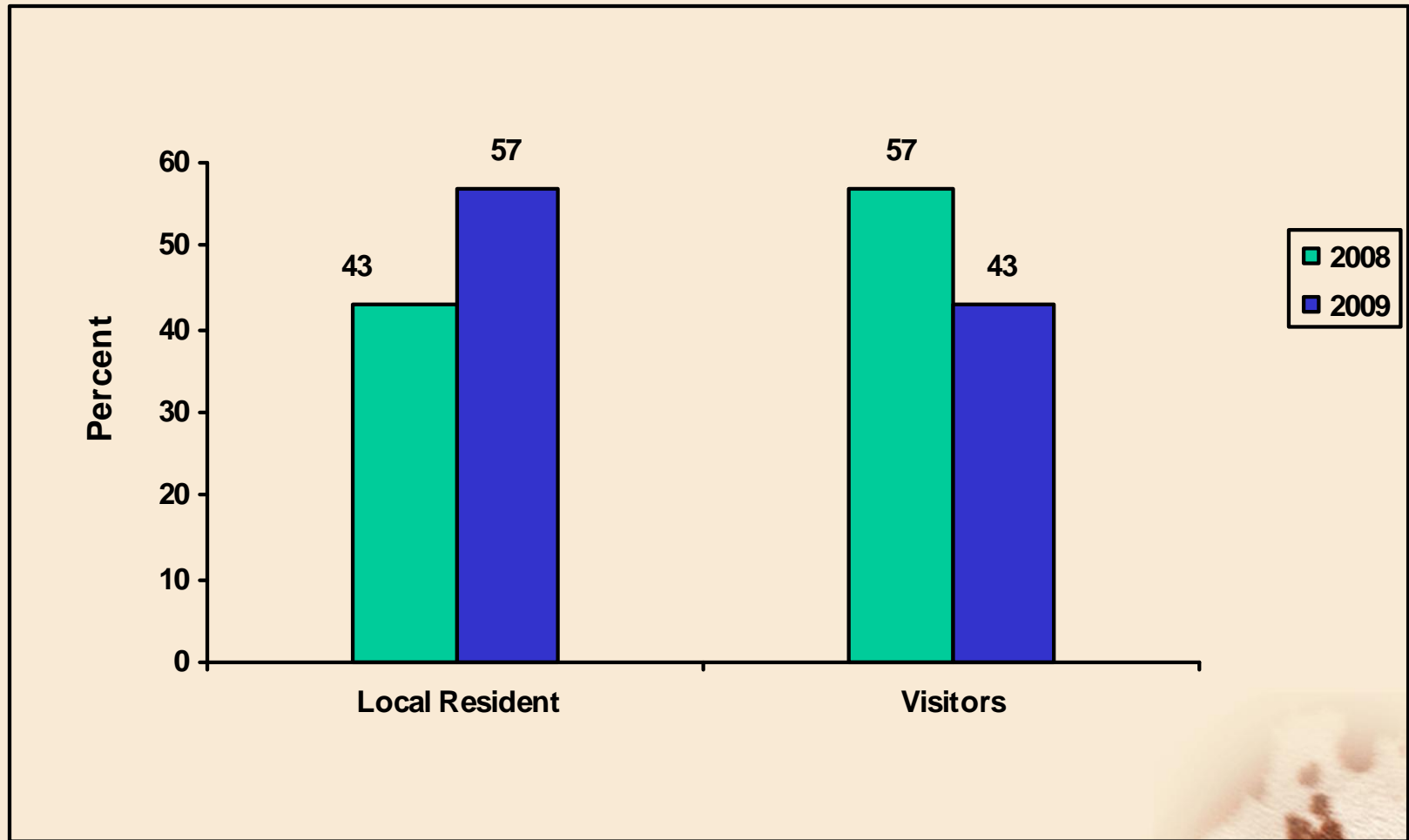
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Methodology

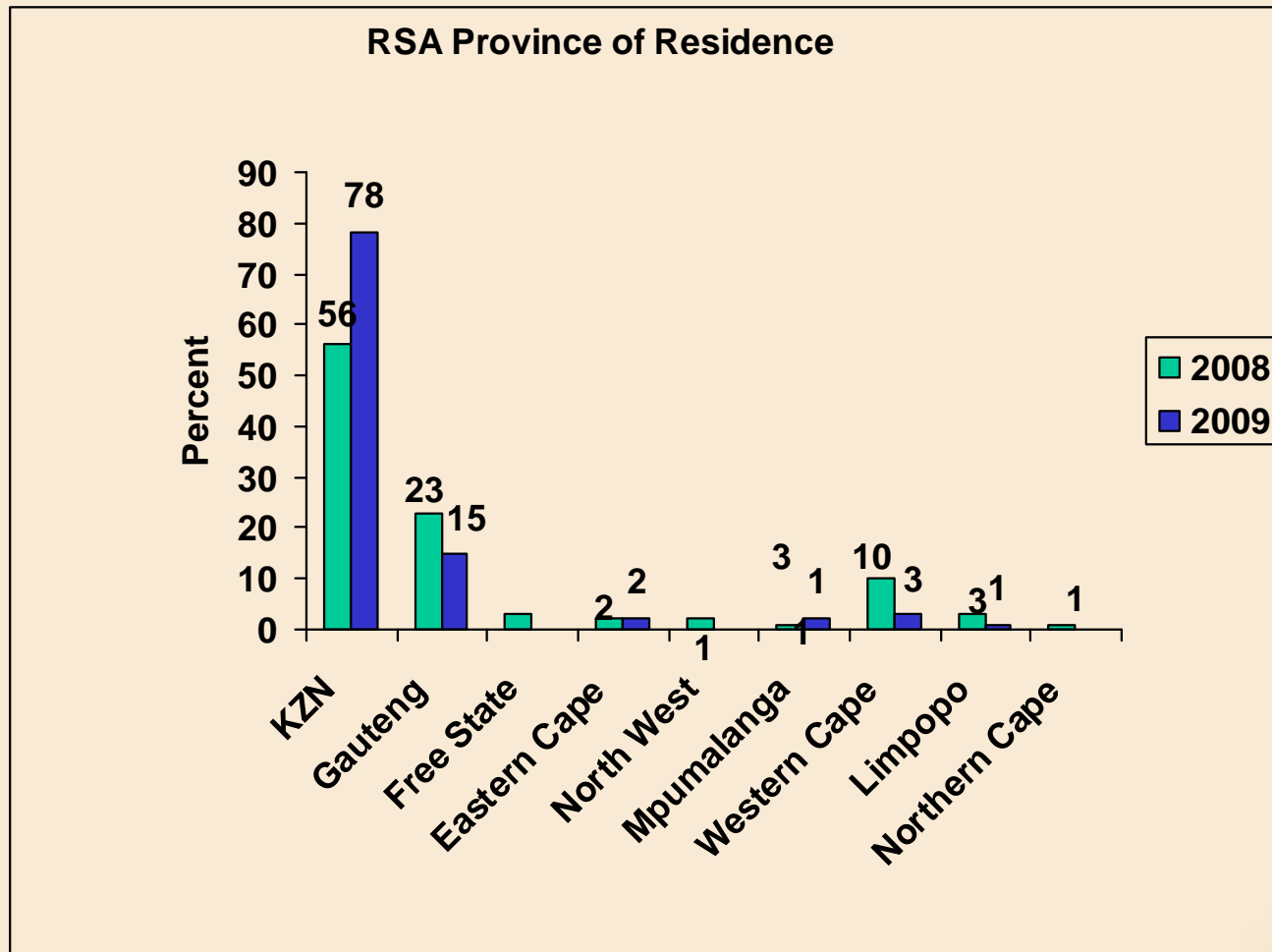
- Face to face survey with a probability sample of 220 respondents. A StatPac 2009 margin of sample error calculation for a finite population of 54 000, the estimated number of spectators at the Durban July 2009 using the confidence level 95% that the sample will contain the true population mean or proportion being measured, and using the highest level of population variability, a proportion of 50%, revealed that the typical margin of error that could be associated with a sample of this size would be $\pm 6.6\%$.
- Respondents systematically selected throughout the day of the event.
- Secondary data: Gold Circle.
- Limitations
 - Fieldworkers did not have access into the marquees where bets can be placed. Marquees account for a significant number of attendees.

Nature of Vodacom Durban July Spectators



A Z-test of two independent sample proportions ($p < 0.39$) shows a statistically significant increase in local residents between 2008 and 2009. There was also a significant overall decline in visitors to the event between 2008 and 2009.

Nature of Vodacom Durban July Spectators (cont'd)



A z-test of two independent sample proportions ($p < 0.000$) indicated a significant increase in the percentage of spectators from KwaZulu-Natal between 2008 and 2009. There was also a significant decline ($p < 3.51$) in the percentage of visitors from Gauteng.

Spectator Estimate

	2008	2009
Spectator Estimate	55 000	54 000*

*provided by the organisers



Estimated Economic Impact

Spectators Only

Visitors:

- Estimated N = 23 220
- Mean total spend: R2 838.86
- Std Deviation: R3 302.10
- Count: 92
- Std Error at 95% level of confidence spend between R2 155.02 and R3 522.70
- Estimated direct impact of spend of at least R44,479,542.62 and as much as R72,708,544.51

Residents:

- Estimated N = 30 780
- Mean total spend: R1188.54
- Count : 120
- Std Deviation : R2 139.30
- Std Error: Std Error at 95% level of confidence spend between R801.85 and R1 575.24
- Estimated direct impact spend of at least R21,938,550.34 and as much as R43,089,451.49

Estimated Economic Impact

	2008	2009
Direct Impact	At least – R205 636 168.82 As much as – R378 359 661.19	At least – R74 720 354.58 As much as - R 130 282 830.00
Indirect Impact	At least – R292 003 359.72 As much as – R537 270 718.88	At least – R106 102 903.50 As much as – R185 001 676.10

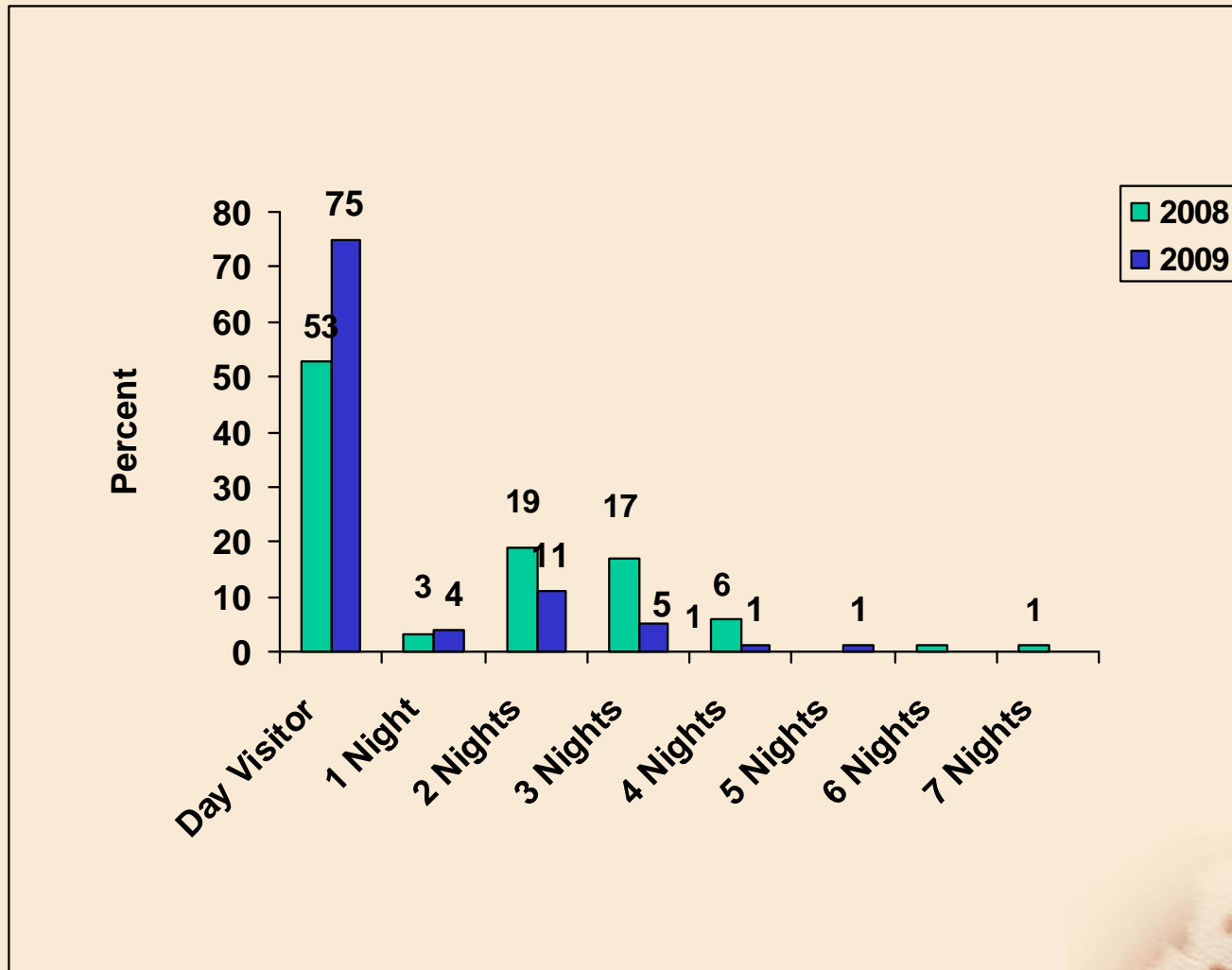
The dramatic drop of the economic impact could be ascribed to the fact that the profile of the 2009 spectators of the Durban July was predominantly a KwaZulu-Natal profile and this may have been a result of the current economic recession.

Spend breakdown

Item	2008	2009
Accommodation	R4 118	R1 881
Transport	R1 125	R511
Food & Beverage	R530	R372
Entertainment/Bets	R1 798	R952
Souvenirs	R300	R231

An ANNOVA test of 2 independent sample means of all the above variables show a statistically significant decrease in spend for all the variables between 2008 and 2009.

Length of stay – All Respondents

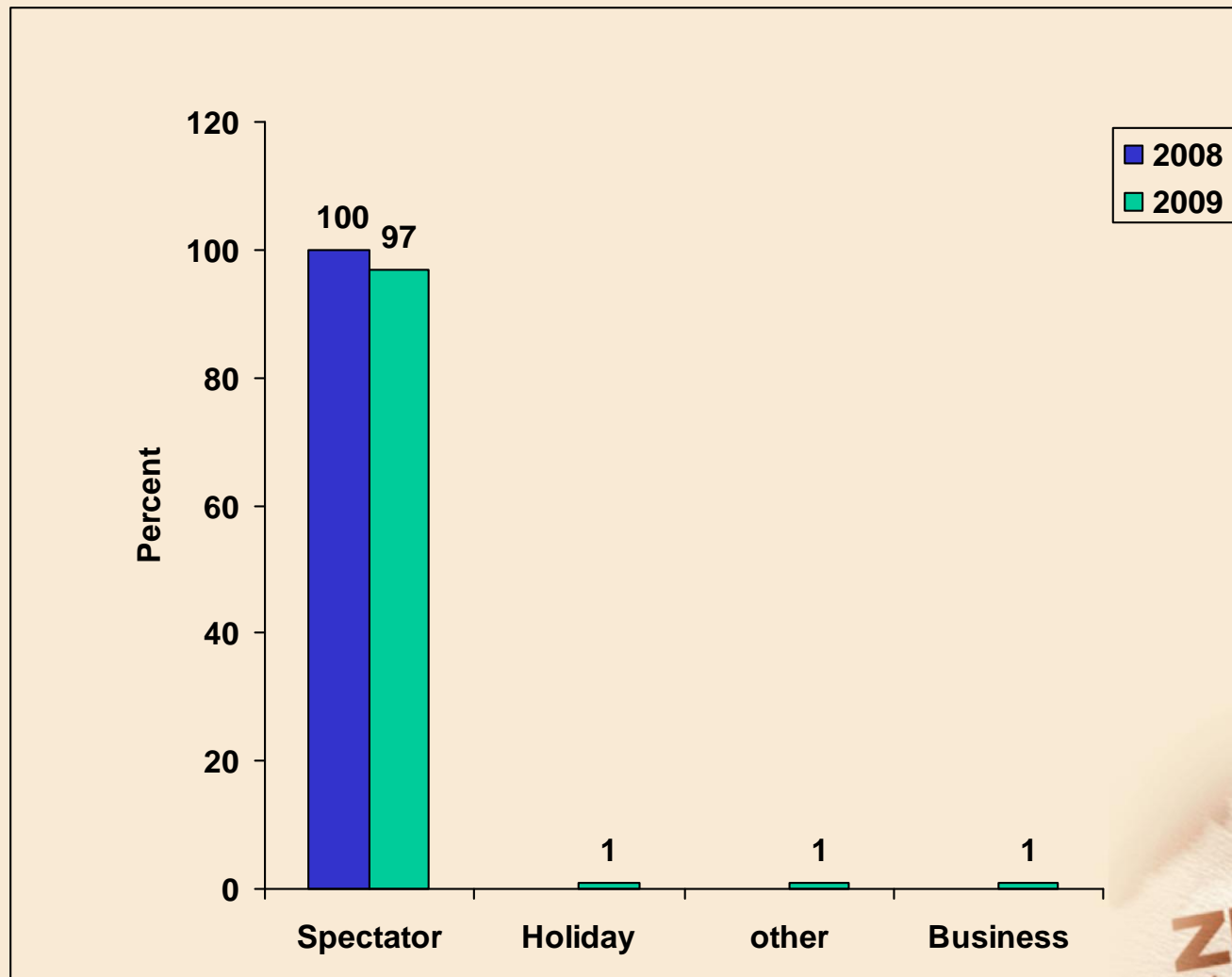


A Z-test of two independent sample proportions ($p < 0.000$) suggests a statistically significant increase in the level of day visitors from 2008 to 2009.

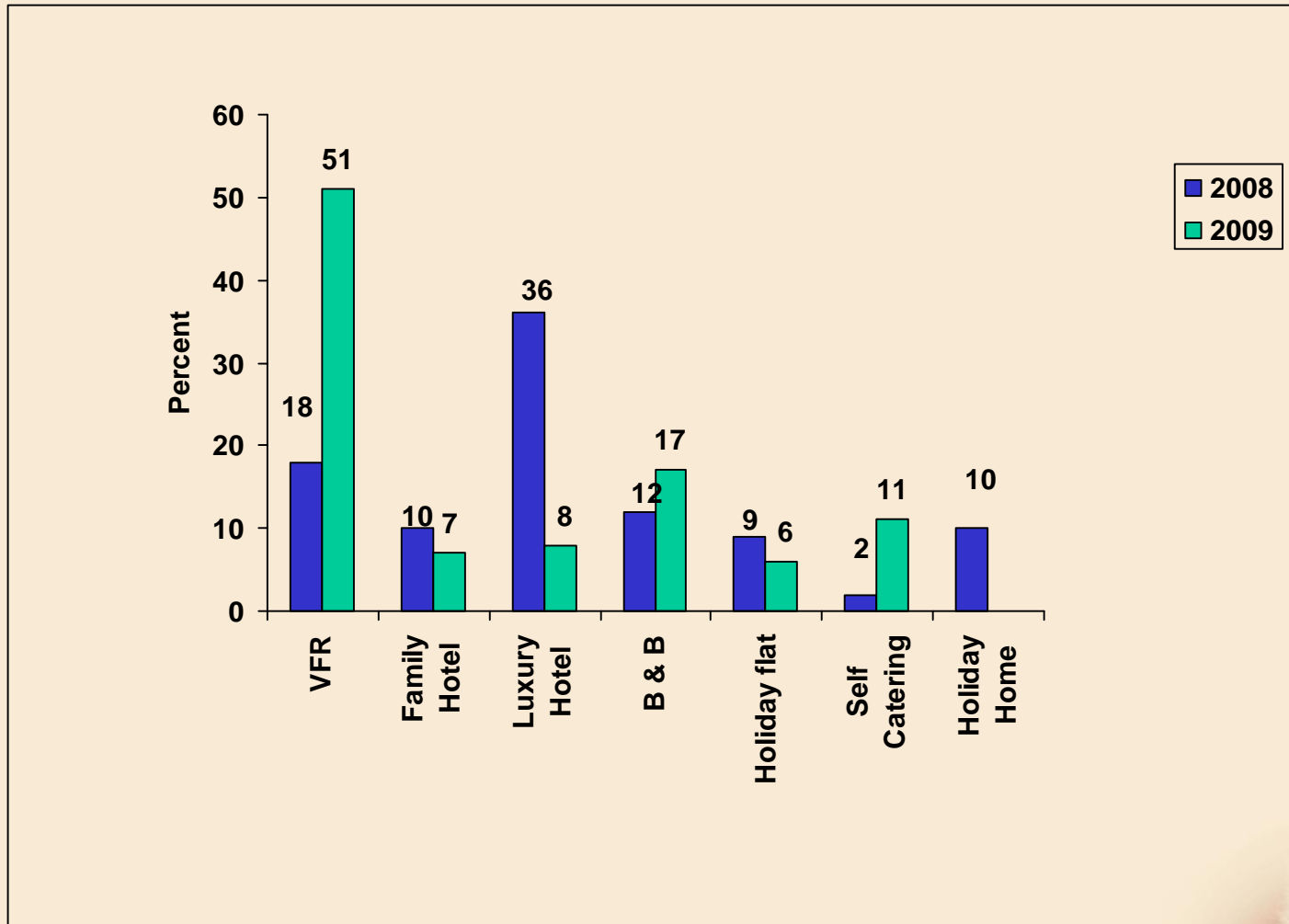
Z-tests of two independent sample proportions indicates that there was a statistically significant decrease in the proportion of respondents who stayed 2 ($p < 2.1$), 3 ($p < 0.01$) and 4 ($p < 0.46$) nights in Durban, between 2008 and 2009.

Primary reason for visiting area where event is taking place?

Between 2008 and 2009, a Z-test of two independent sample proportions indicated a statistically significant decrease in the number of visitors whose primary reason for visiting the area was the event.

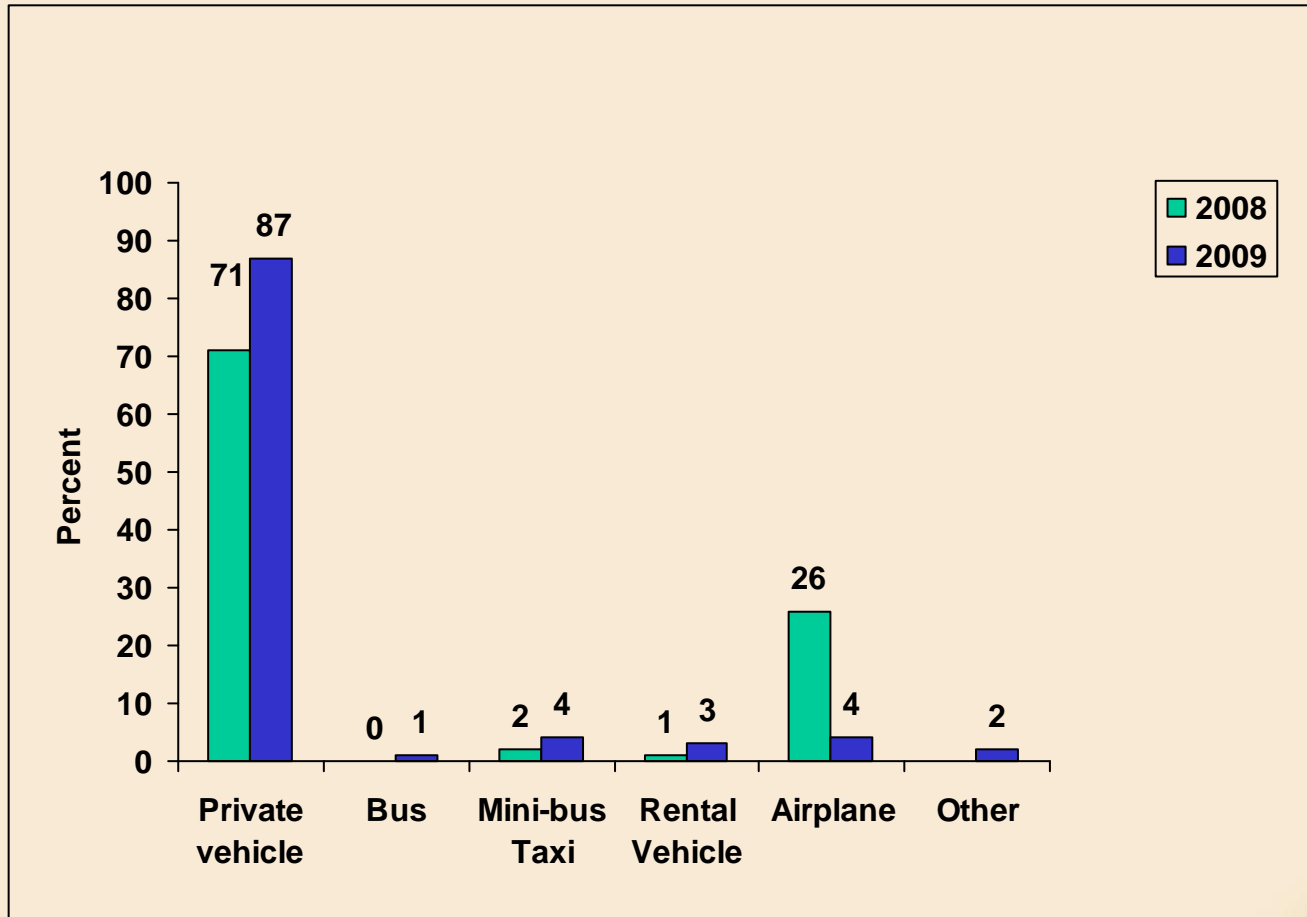


Accommodation



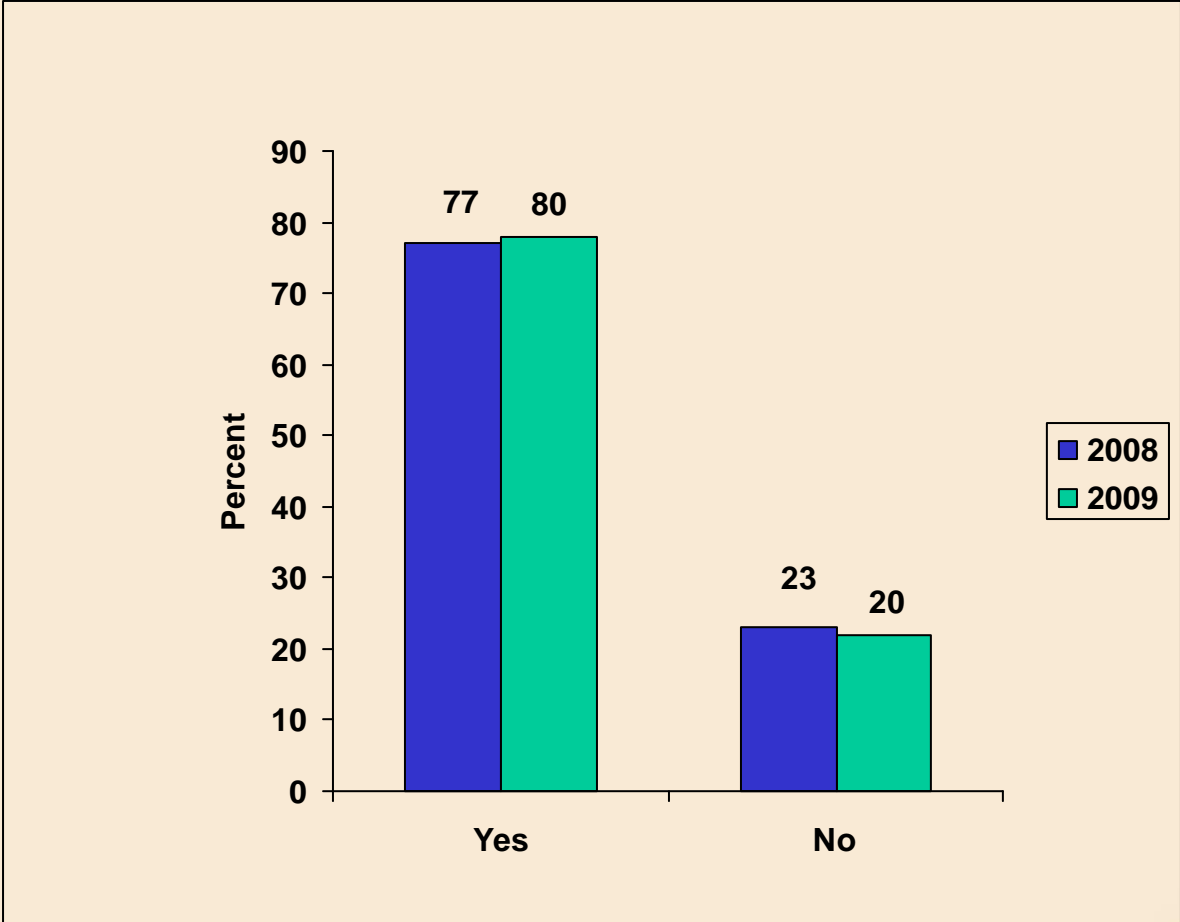
A Z-test of two independent sample proportions indicated a statistically significant increase in the number of respondents who stayed with friends and relatives and self catering accommodation between 2008 and 2009. There was also a statistically significant decrease in the number of respondents who stayed in luxury hotel accommodation.

Transport to Event: All



A Z-test of two independent sample proportions indicated a statistically significant increase in the use of private vehicles between 2008 and 2009. There is also a statistically significant decrease in the use of airplane travel to the event in the same.

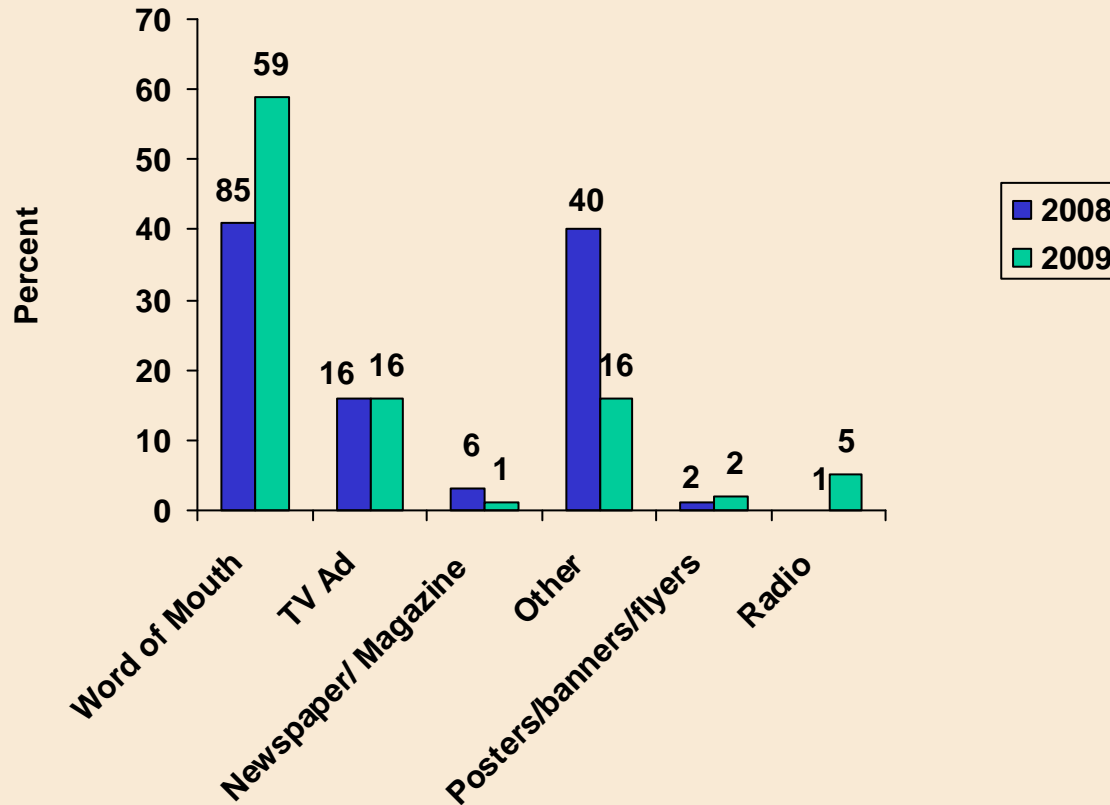
Attend in previous years?



There is no statistically significant difference in the attendance of the event in previous years.

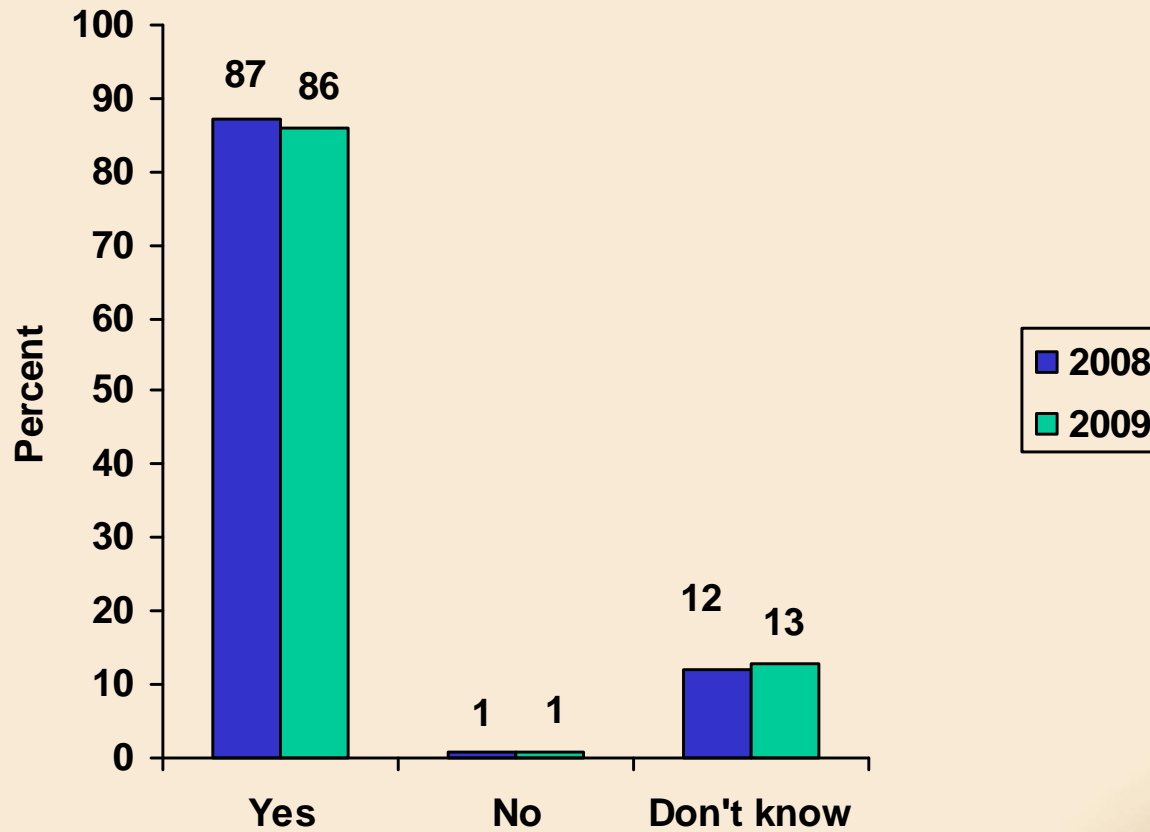


Influenced to attend?

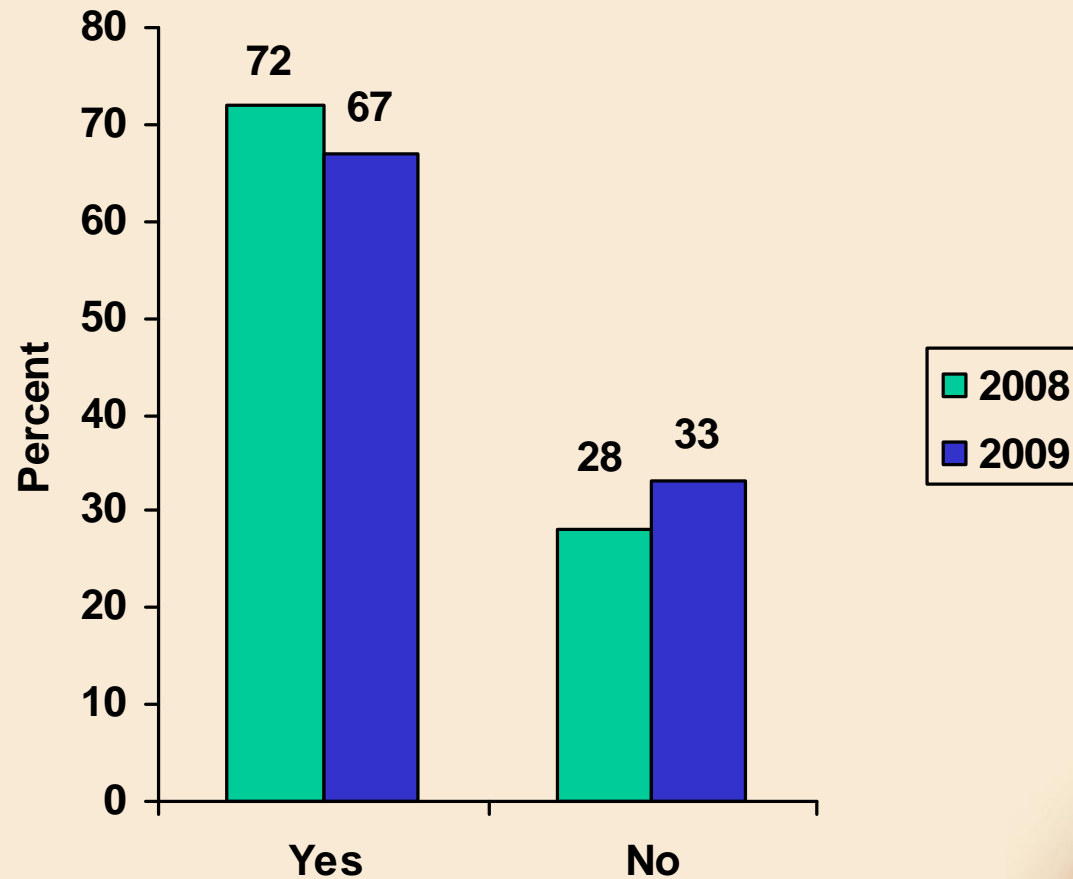


A Z-test of two independent sample proportions indicated a statistically significant increase in the use of *word-of-mouth* as an influence to attend the event.

Attend again?



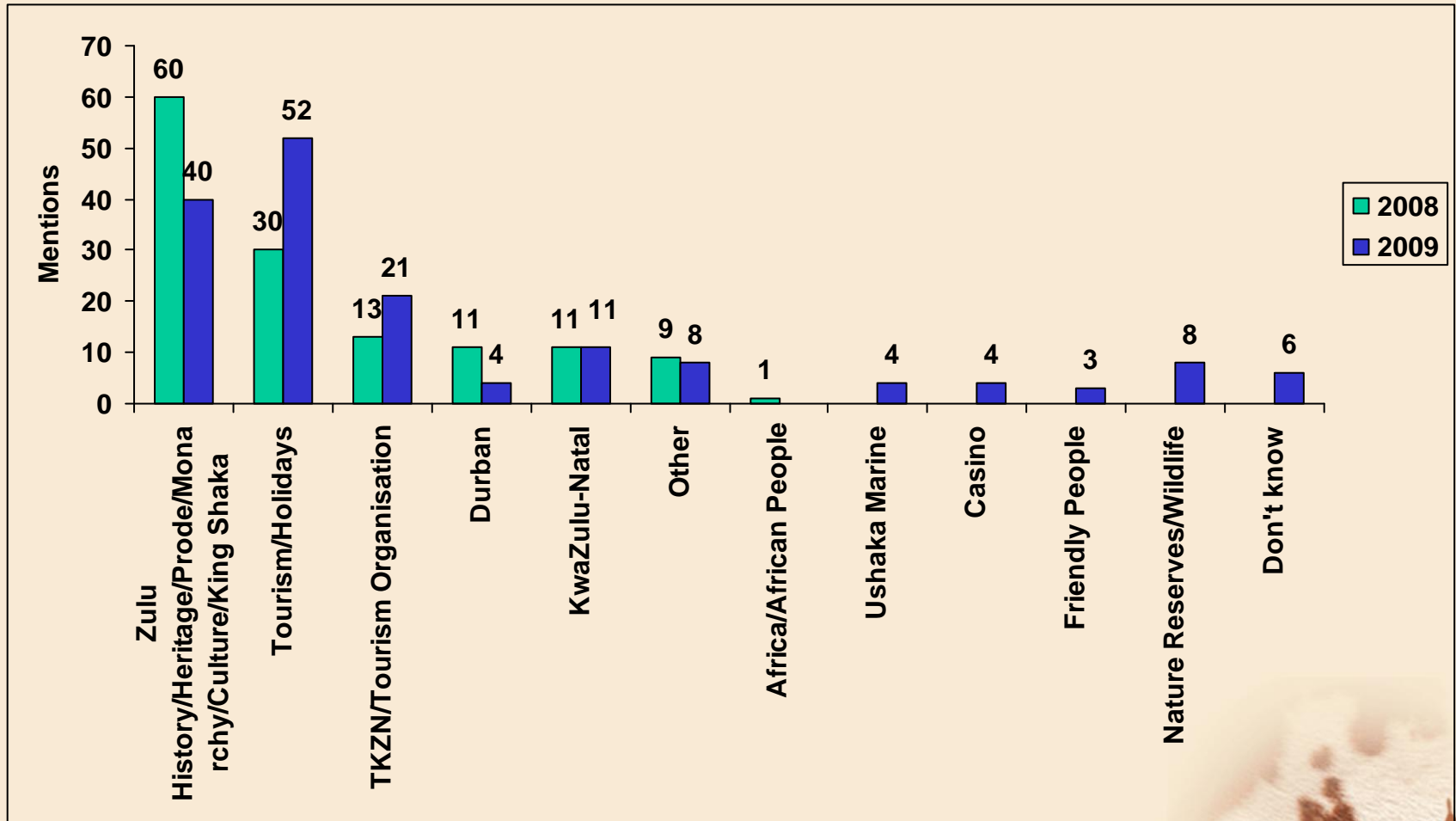
Familiar with Zulu Kingdom slogan?



A Z-test revealed no statistical significance in familiarity with the Zulu Kingdom slogan.

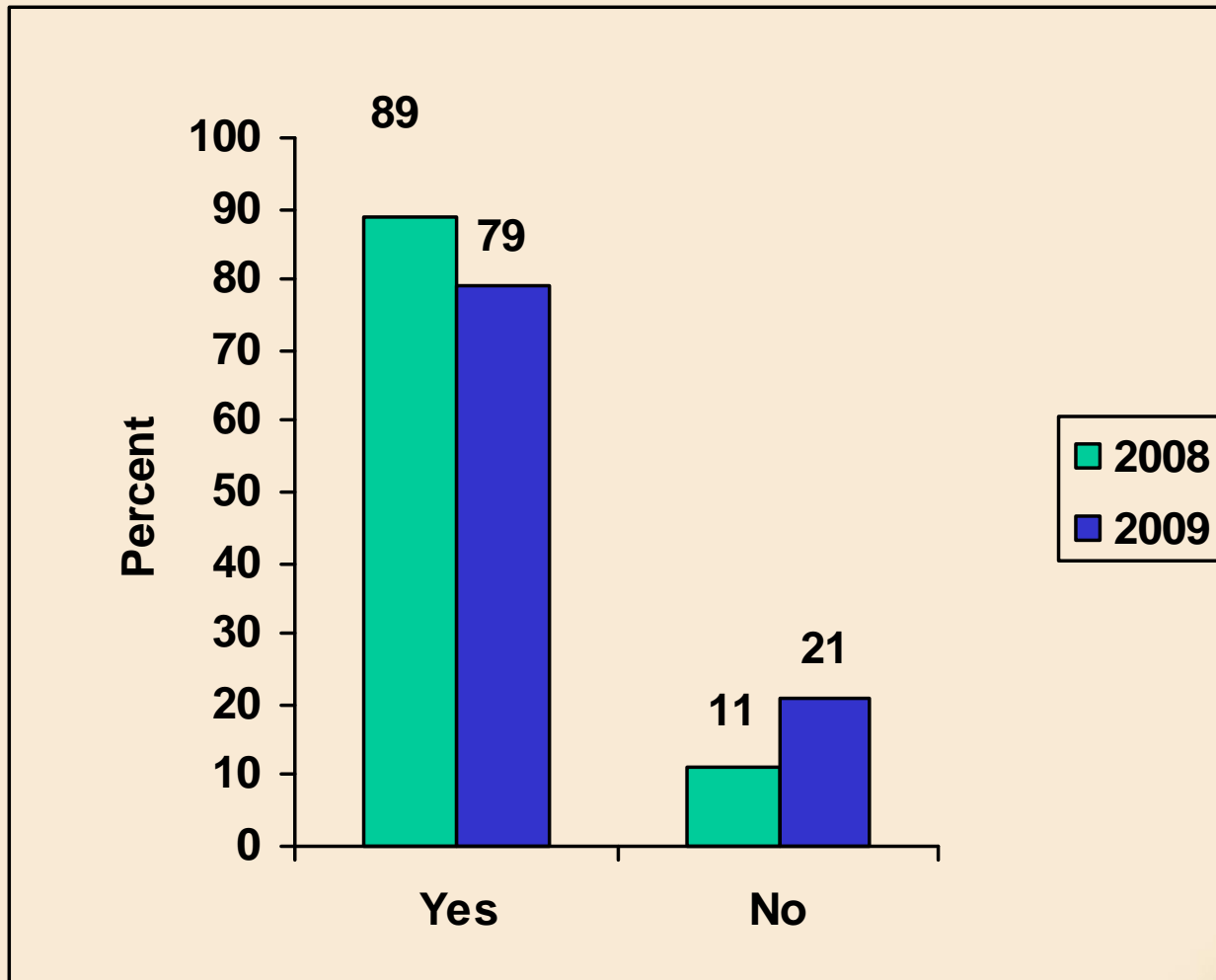


Associations - Zulu Kingdom slogan: Core Mentions



A Z-test of two independent sample proportions indicated a significant decrease in the association of slogan with Zulu History/Culture/Heritage and Durban between 2008 and 2009. There is also an increase in the association of the slogan with tourism/holidays in the same period.

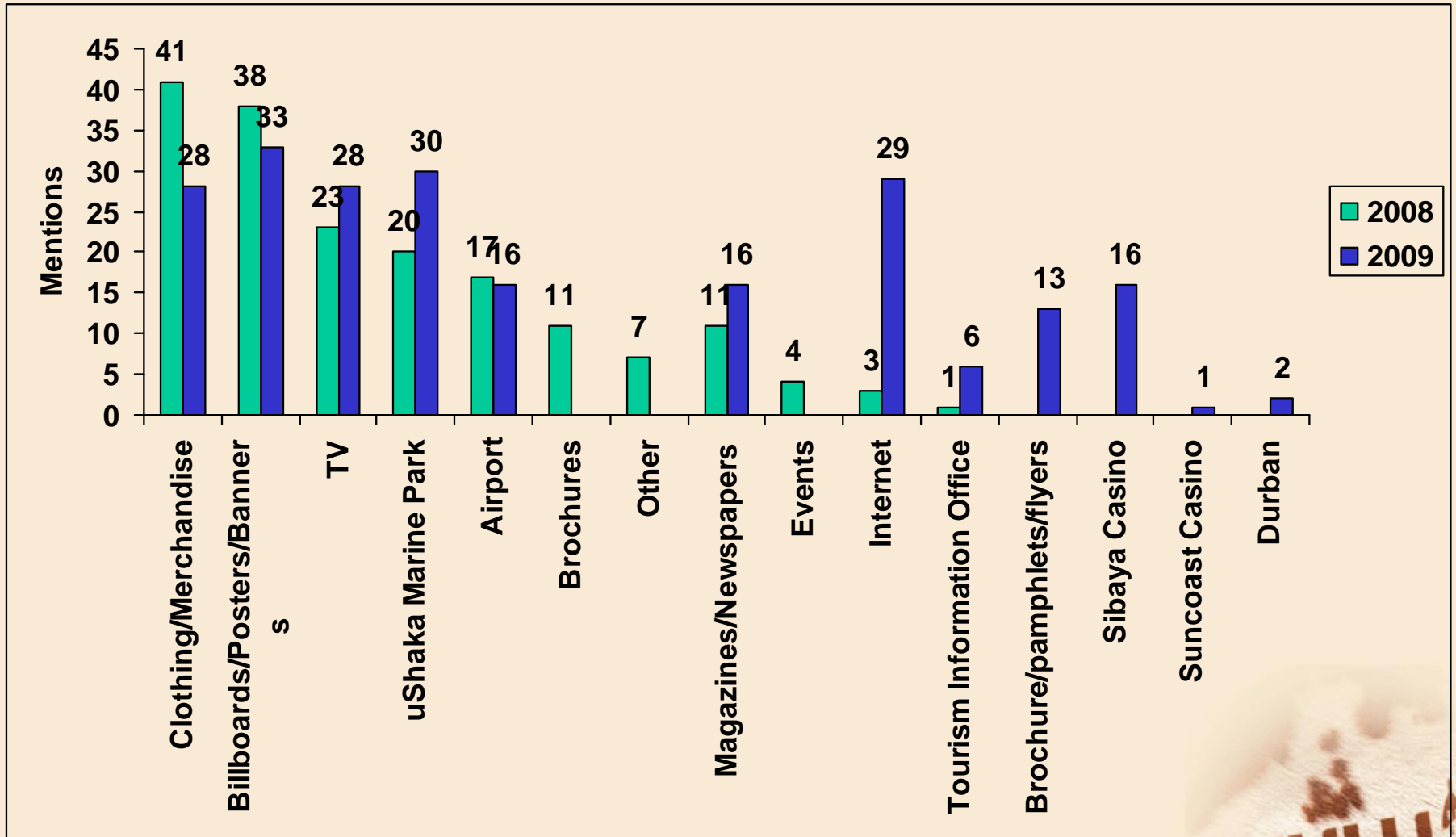
Noted Zulu Kingdom logo?



A Z-test of two independent sample proportions ($p < 0.52$) indicated a statistically significant decrease in the noting of the Zulu Kingdom logo.



Where Zulu Kingdom logo noted?



Conclusions

- There was a significant increase in the proportion of local residents attending the Vodacom Durban July. This could be an impact of the unwillingness of people to travel too far for events in difficult economic times. Tourism KwaZulu-Natal should make note of this trend in other surveys as well as in general tourism statistics, so as to encourage out of town visitors to attend events.
- This survey indicated a significant decrease in the number of visitors from Gauteng. This could possibly be because of the increase in petrol, toll fees, food, accommodation and the cost of living in general. This can also be seen in the decrease in spending on food and beverages, entertainment/bets, accommodation and souvenirs. See slides 8, 9 and 11.
- The decrease on the spending on food and beverages, entertainment and bets and souvenirs seems to be an indication of the impact of the economic recession and the willingness of consumers to spend on items that are deemed luxury.
- There was an increase in the average group size. This could be an indication of spectators sharing costs within the group.
- The statistically significant decrease in the number of nights spent in Durban may be linked to the decline in the amount spent on accommodation as well as the increase in day visitors. More respondents stayed with friends and relatives.
- The decrease in spend may be also an indicator of the availability of a cheaper category ticket. This spend does not indicate the true nature of money spent on betting as bets were taken within marquees to which fieldworkers had no access.

Conclusions

- A significant number of people stayed with friends and relatives (VFR) as well as in self-catering accommodation. There was a decrease in the usage of luxury accommodation in 2009. The VFR option is cheaper.
- A significant number of respondents travelled to the event in private vehicles, while there was a significant decrease in the use of airplanes to Durban. The decrease in the use of airplanes may be attributed to the decrease in the number of respondents from Gauteng.
- The use of word-of-mouth to influence people to attend the event increased in 2009. This is the most influential method of influence.
- Only 67% of the respondents were familiar with the Zulu Kingdom slogan. This indicates an opportunity to increase this recognition among locals in the marketing of the destination.
- There was an increase in the linking of the slogan with tourism/holidays. This is encouraging, as it shows that TKZN marketing efforts are bearing results in this regard.
- There was a significant decrease in the noting of the Zulu Kingdom logo. Once again an opportunity exists to increase the noting of Tourism KwaZulu-Natal branding among the locals. These are the “bread and butter” of the province’s visitors.

Recommendations

- A more concerted effort needs to be made by TKZN to market the event in Gauteng and Cape Town, where horse racing is very popular. Packages can be offered with the event as the draw card.
- Packages would help to increase the number of nights visitors stay in the city or province, as well as geographic spread.
- The experience respondents had at the event is very important because of the strength of word-of-mouth. It may be an idea to establish a Zulu Kingdom marquee for which the public could purchase tickets to attend and so experience aspects the Zulu Kingdom on race day.
- An increased number of respondents stayed with friends and relatives. These visitors should have more disposable income because of not paying for accommodation. These visitors should be targeted to spend more.
- The increase of local visitors should be exploited. They can be used as ambassadors through the word of mouth process, to relay their experience of the event and destination.

Recommendations

- An increased number of visitors travelled in their own vehicles to the event. This would increase their mobility. Therefore, offering them other attractions or activities to explore is an opportunity to convert day visitors to overnight visitors.
- Tourism KwaZulu-Natal should leverage off an event of this nature to educate visitors and locals of the activities and experiences the destination has to offer. This would create a better awareness of the destination.