

MACUFE: SOCIAL AND ECONOMIC IMPACT ASSESSMENT



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ECONOMIC AND
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According to the terms of reference for this study, the following objectives have been set in respect of Macufe (2015):

- To contribute to economic output
- To create employment
- To be a tourist attraction
- To promote arts and crafts
- To promote social cohesion

AIM AND APPROACH



The overall aim of the research was to determine the socio-economic impacts of the Macufe Arts Festival. The project had the following objectives:

- To conduct an economic impact assessment based on 1 300 interviews with visitors to the festival
- To conduct 300 interviews with businesses
- To focus primarily on the income that the festival generates for Mangaung
- To compare the results with those of a similar study done in 2009
- To conduct a socio-economic assessment - artists/exhibitors/other key role players involved
- To conduct in-depth interviews with a range of role players to determine the social impact of the festival

STRUCTURE OF THE REPORT



- The economic impacts of Macufe on Mangaung itself (based on individual interviews with approximately 1 200 people who attended specific sessions of Macufe)
- The economic impacts as measured by means of business responses
- The social impacts as determined by way of qualitative interviews with key informants
- A discussion on and ranking of impacts related to Macufe
- A set of recommendations

LIMITATIONS OF THE RESEARCH



- Time limitations
- Business interviews are known to be notoriously difficult.
- The qualitative interviews were largely open - we did not prompt for specific issues.

SAMPLING



Date of event	Event	Number	Percentage
10 October 2015	Main Festival	332	26.9
11 October 2015	Macufe Cup	214	17.4
During the two weeks but survey was completed 7–10 October	Arts and Craft	207	16.8
8 October 2015	Indoor Jazz	154	12.5
7 October 2015	Comedy	99	8.0
9 October 2015	Divas	94	7.6
9 October 2015	Urban Youth	92	7.5
9 October 2015	Boxing	40	3.2
Total		1232	100.0

DEMOGRAPHIC AND INCOME ATTRIBUTES OF FESTIVAL SAMPLE



- 52.3% female participants
- 46% - 25-34 years of age
- 27.3% post-graduate (36.9% for visitors from Gauteng and only 17% in 2009)
- 2015 – 17% unemployed vs 33% in 2009
- Average income: All – R16 008; Gauteng R20 548

PLACE OF ORIGIN



Place of origin	2015		2009
	% of total	% of non-Mangaung residents	% of non-Mangaung residents
Mangaung	44.3	n.a	n.a
<i>Bloemfontein</i>	36.4	n.a	n.a
<i>Botshabelo</i>	5.3	n.a	n.a
<i>Thaba Nchu</i>	2.5	n.a	n.a
Free State	12.0	21.6	34.5
Gauteng	18.1	31.6	27.2
Northern Cape	4.8	8.5	10.4
KZN	3.0	5.4	3.2
North West	2.9	5.2	6.7
Eastern Cape	5.5	9.7	8.4
Limpopo	2.4	4.3	1.5
Mpumalanga	1.8	3.2	1.3
Western Cape	2.6	4.7	1.7
Lesotho	2.0	3.6	1.9
Other African c	0.2	0.4	1.9
Missing values	0.4	0.7	0.0

NUMBER OF VISITORS



Event	Number of people sampled to get to a visitor	Ticket sales	Estimated number of visitors	% of attendees – visitors from outside Mangaung
Main Festival	1.78	11 016	3 963	56.1
Macufe Cup	1.7	47 000	17 407	58.6
Indoor Jazz	2.63	786	214	37.9
Comedy	2.59	2 397	668	38.5
Divas	3.49	1 596	355	28.6
Total			22 607	
Estimated number of visitors based on an 75% overlap			18 085	

EXPENDITURE



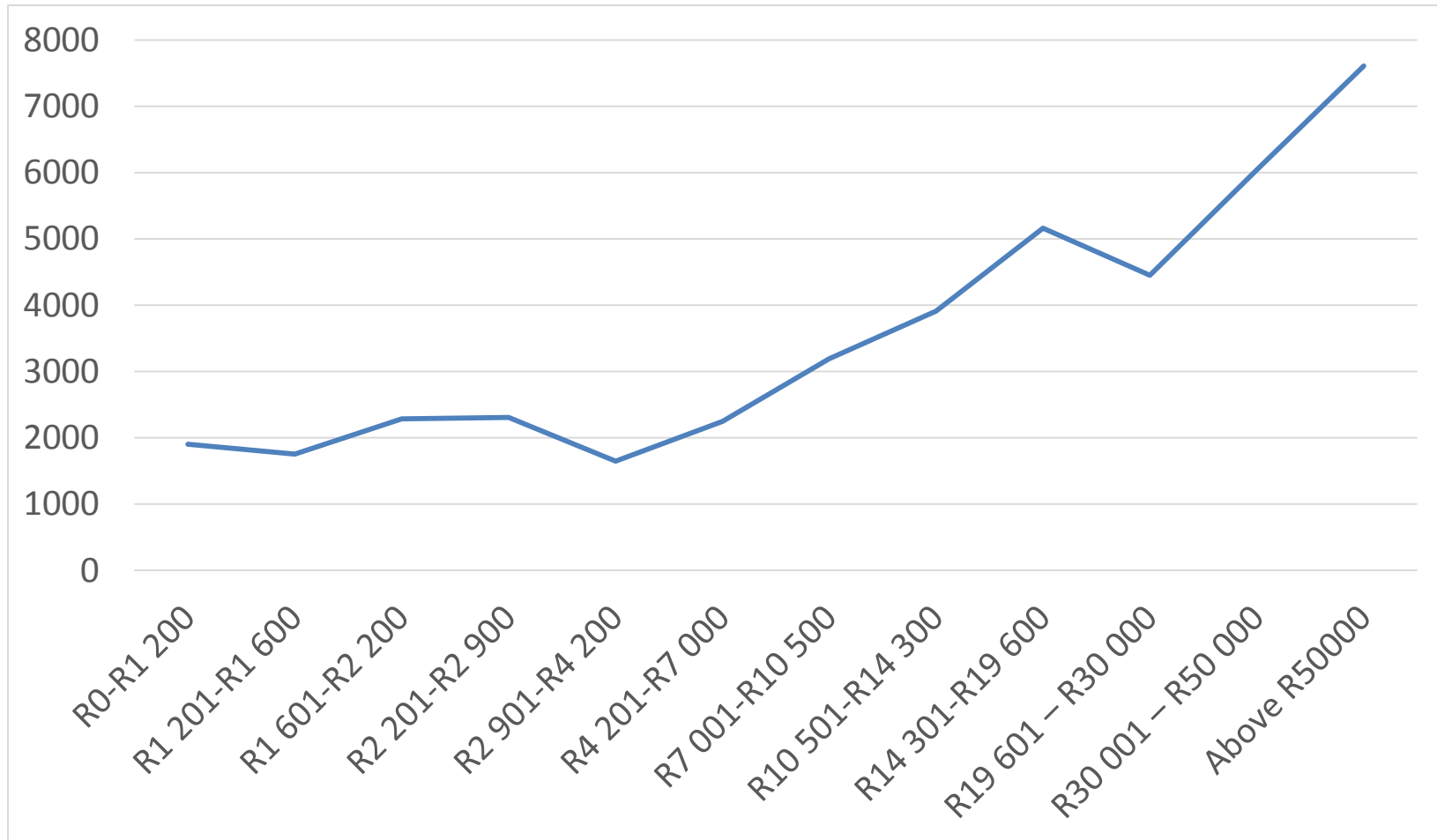
Item	Expenditure per individual visitor (ZAR)	Percentage of expenditure per item
Fuel	841.1	16.6
Other transport	109.4	2.2
Vehicle expenditure	39.3	0.8
Guesthouse	1024.6	20.2
Hotel	419.6	8.3
Other accommodation	206.2	4.1
Tickets	558.5	11.0
Other entertainment	64.6	1.3
Restaurant / food / beverages	632.5	12.5
Groceries	84.4	1.7
Craft stall	59.2	1.2
Liquor	1021.4	20.2
Other	6.2	0.1
Total expenditure per visitor	5066.9	100.0
TOTAL EXPENDITURE FOR VISITORS TO MANGAUNG (2015)	91 000 000	

EXPENDITURE BY PROVINCE



Place of origin	Average expenditure
Mangaung	1 909.94
Free State	3 897.47
Gauteng	5 549.38
Northern Cape	5 176.72
KZN	5 877.16
North West	5 108.67
Eastern Cape	4 796.57
Limpopo	7 943.17
Mpumalanga	5 048.10
Western Cape	4 297.88
Lesotho	3 980.00
Total	3 667.37

EXPENDITURE BY MONTHLY INCOME CATEGORY



AVERAGE NUMBER OF EVENTS ATTENDED AT MACUFE, BY ORIGIN OF RESPONDENTS, 2009 AND 2015



Origin	Average number of events attended	
	2015	2009
Mangaung	2.57	2.68
Free State	2.41	2.64
Gauteng	2.45	2.97
Northern Cape	2.55	2.85
KZN	2.92	3.60
North West	2.83	2.67
Eastern Cape	2.66	2.74
Limpopo	3.07	2.42
Mpumalanga	3.29	2.33
Western Cape	2.76	2.88
Lesotho	2.52	2.00
TOTAL	2.58	2.72

NUMBER OF DAYS RESPONDENTS ATTENDED MACUFE, 2009 AND 2015



Origin	2015					2009				
	1	2	3	3+	Ave	1	2	3	3+	Ave
Mangaung	18.8	29.3	22.5	29.5	2.9	25.9	27.4	19.5	27.2	2.9
Free State	29.7	20.9	17.6	31.8	2.9	25.3	23.4	25.9	25.3	2.9
Gauteng	21.6	31.5	24.3	22.5	2.7	11.9	26.2	24.6	37.3	3.4
Northern Cape	17.2	32.8	24.1	25.9	2.8	14.6	39.6	22.9	22.9	3.0
KZN	16.2	29.7	16.2	37.8	3.4	7.1	28.6	35.7	28.6	3.5
North West	11.1	33.3	22.2	33.3	3.0	25.8	25.8	16.1	32.3	3.2
Eastern Cape	14.9	38.8	19.4	26.9	2.7	25.6	28.2	30.8	15.4	2.8
Limpopo	6.7	30.0	26.7	36.7	3.2	14.3	42.9	28.6	14.3	2.7
Mpumalanga	4.8	14.3	33.3	47.6	3.3	16.7	33.3	50.0	0.0	2.3
Western Cape	6.1	30.3	42.4	21.2	2.9	13	13	50	25	3.4
Lesotho	32.0	12.0	16.0	40.0	3.1	33.3	33.3	6.7	26.7	2.8
TOTAL	19.3	29.1	22.6	28.9	2.9	22.9	27.4	22.4	27.4	3.0

NUMBER OF NIGHTS RESPONDENTS SLEPT IN MANGAUNG DURING MACUFE, 2009 AND 2015



Origin	2015	2009
	Average number of nights slept in Mangaung	Average number of nights slept in Mangaung
Free State	2.10	2.18
Gauteng	2.42	2.45
Northern Cape	1.95	2.40
KZN	2.68	2.78
North West	1.81	2.83
Eastern Cape	2.76	2.33
Limpopo	2.07	2.00
Mpumalanga	3.38	2.20
Western Cape	2.06	2.50
Lesotho	1.88	2.00
Other African countries	4.00	2.00
TOTAL	2.30	2.39

REASONS FOR VISITING MACUFE



Reason	2015 (%)	2009 (%)
Fun / entertainment / enjoyment / relaxation / stress relief / to celebrate / get away / the atmosphere	52.2	52.0
Arts & culture / cultural exploration or experience /crafts / exhibitions /music / jazz / African festival / “our heritage”	14.2	8.4
Artist / specific performers / “all my favourites” / support artists / see celebrities / the line-up / international performers	8.2	8.3
Meet (new) people / see friends / socialise / network	3.4	7.4
Sports / soccer / Bloemfontein Celtic	6.0	6.8
Regional identity / local festival / support Macufe / support economy / support the Free State	1.4	5.8
Generalisations: like/love Macufe / I want (like) to attend / Macufe is the best / experience Macufe / “Why not?”	2.8	3.2
“My first time” / curious / it was advertised / always wanted to come	1.6	2.6
Other	10.2	5.5
Total	100.0	100.0

REASONS FOR VISITING MACUFE



- Soccer
 - The Divas
 - The Main Music Festival
 - Tamia
-
- Concerns
 - Parking (congestion)
 - Same artists
 - Cost of accommodation
 - Sound

BUSINESS IMPACTS: SURVEY



	Location			
Business category	Bloemfontein	Mangaung	TOTAL (2015)	TOTAL (2009)
	(%)	township (%)		
Accommodation	83,1	16,9	65 (25,8%)	23,9%
Restaurant / takeaway outlet	58,9	41,1	73 (29,0%)	25,7%
Entertainment enterprise / pub / tavern	50	50	12 (4,8%)	
Filling station / car wash	64,5	35,5	31 (12,3%)	
Retail	61,9	38,1	42 (16,7%)	43,7%
Service providers	58,6	41,4	29 (11,5%)	
TOTAL (2015)	166 (65,9%)	86 (34,1%)	252 (100%)	
TOTAL (2009)	201 (61,5%)	126 (38,6%)		327(100%)

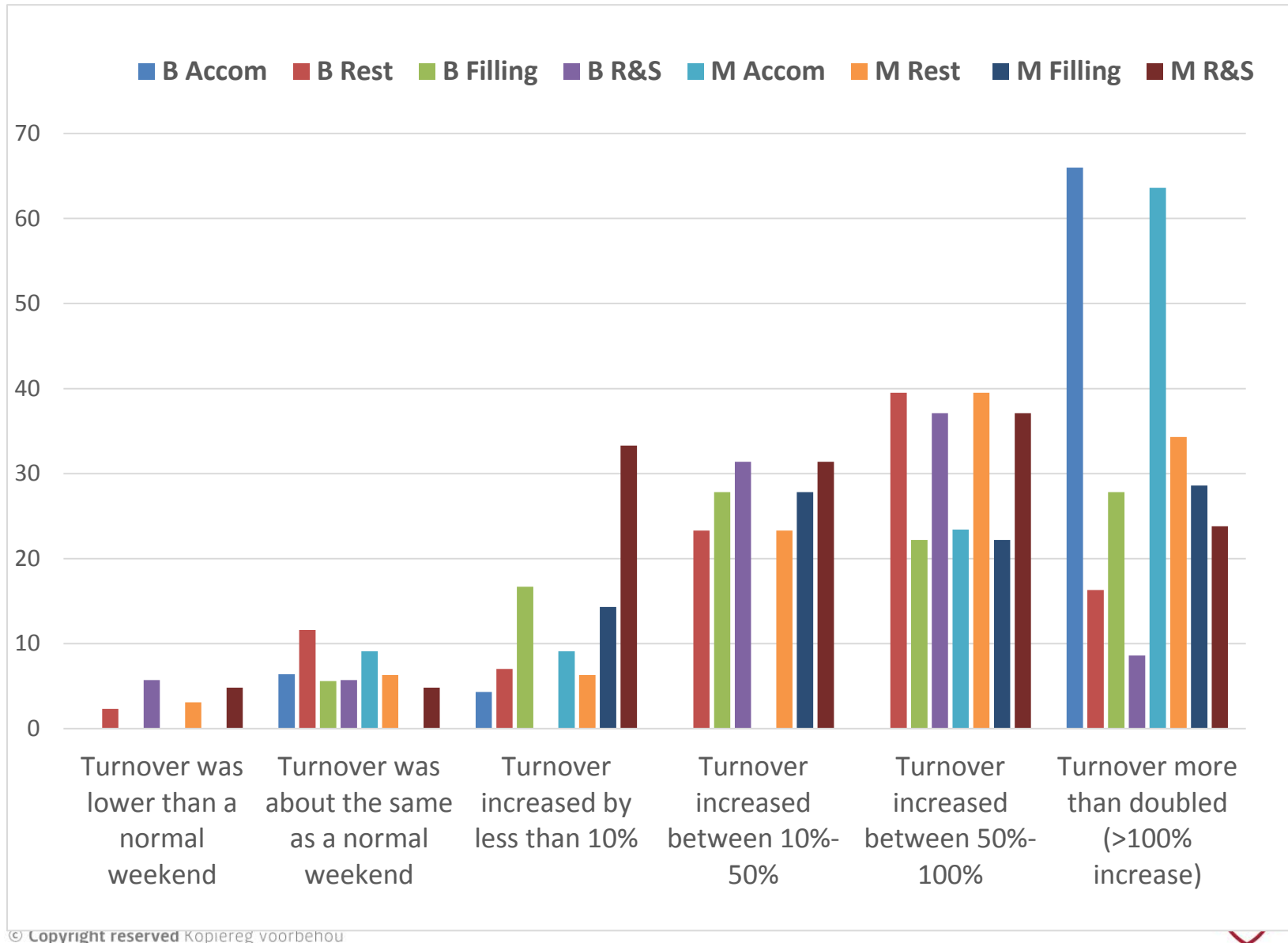


NATURE OF IMPACT ON TYPE OF ENTERPRISE

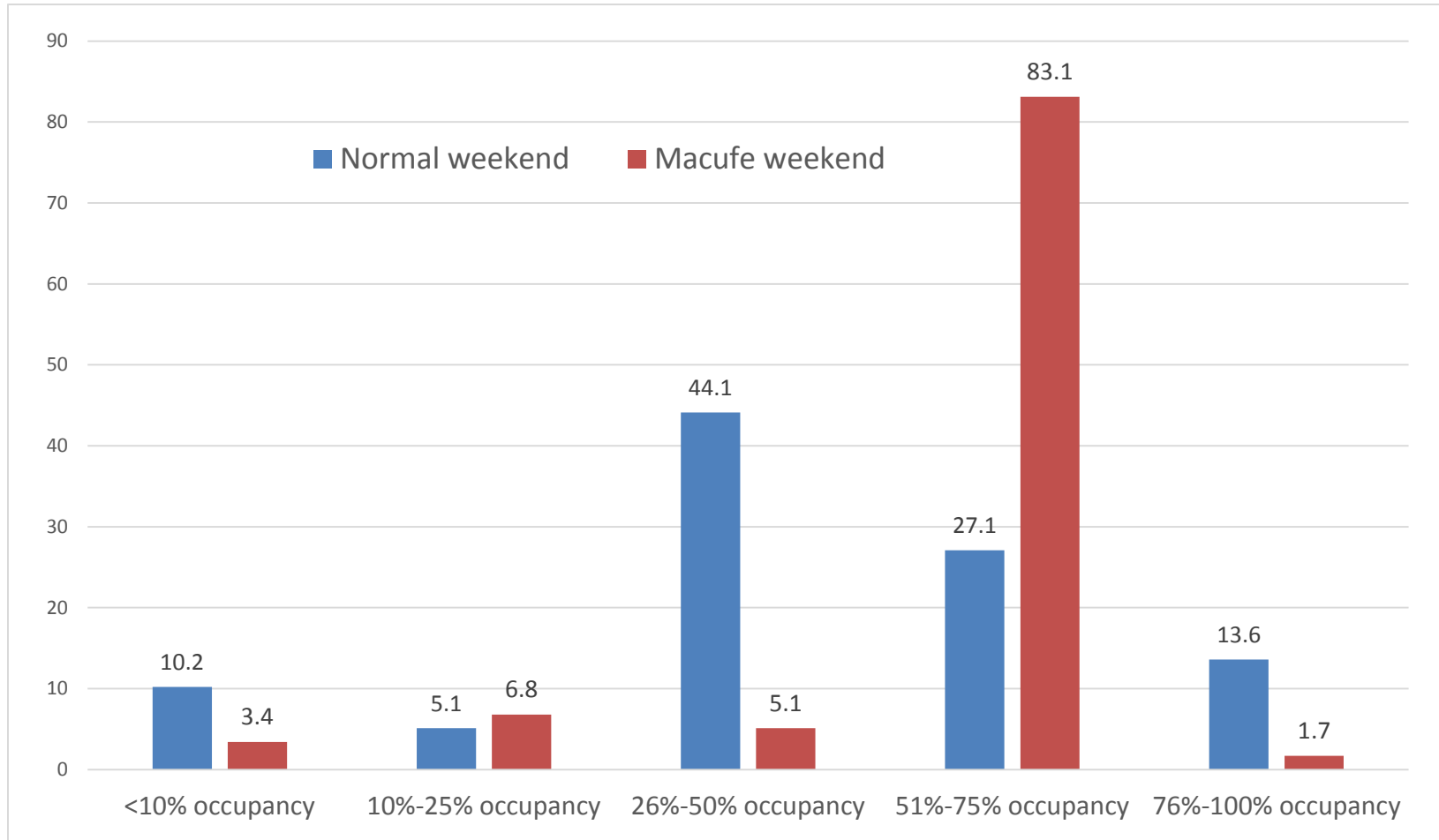


Area	Type of enterprise	Benefits derived directly from visitors (%)	Indirect benefits (%)	Sub-contract with another enterprise (%)	No benefits (%)	Total
Bloemfontein	Acc	82,4			17,6	100.0
	Restaurants	77,4		3,2	19,4	100.0
	Retail and S	71,9		3,1	25,0	100.0
	Filling stations	80,0			20,0	100.0
Mangaung Township	Acc	100				100.0
	Restaurants	85,3	2,9		11,8	100.0
	Retail and S	79,2			20,8	100.0
	Filling stations	63,6			36,4	100.0
Total	Acc	86,7			13,3	100.0
	Restaurants	81,5	1,5	1,5	15,4	100.0
	Retail and S	73,2		1,8	23,2	100.0
	Filling stations	71,4			28,6	100.0

TURNOVER

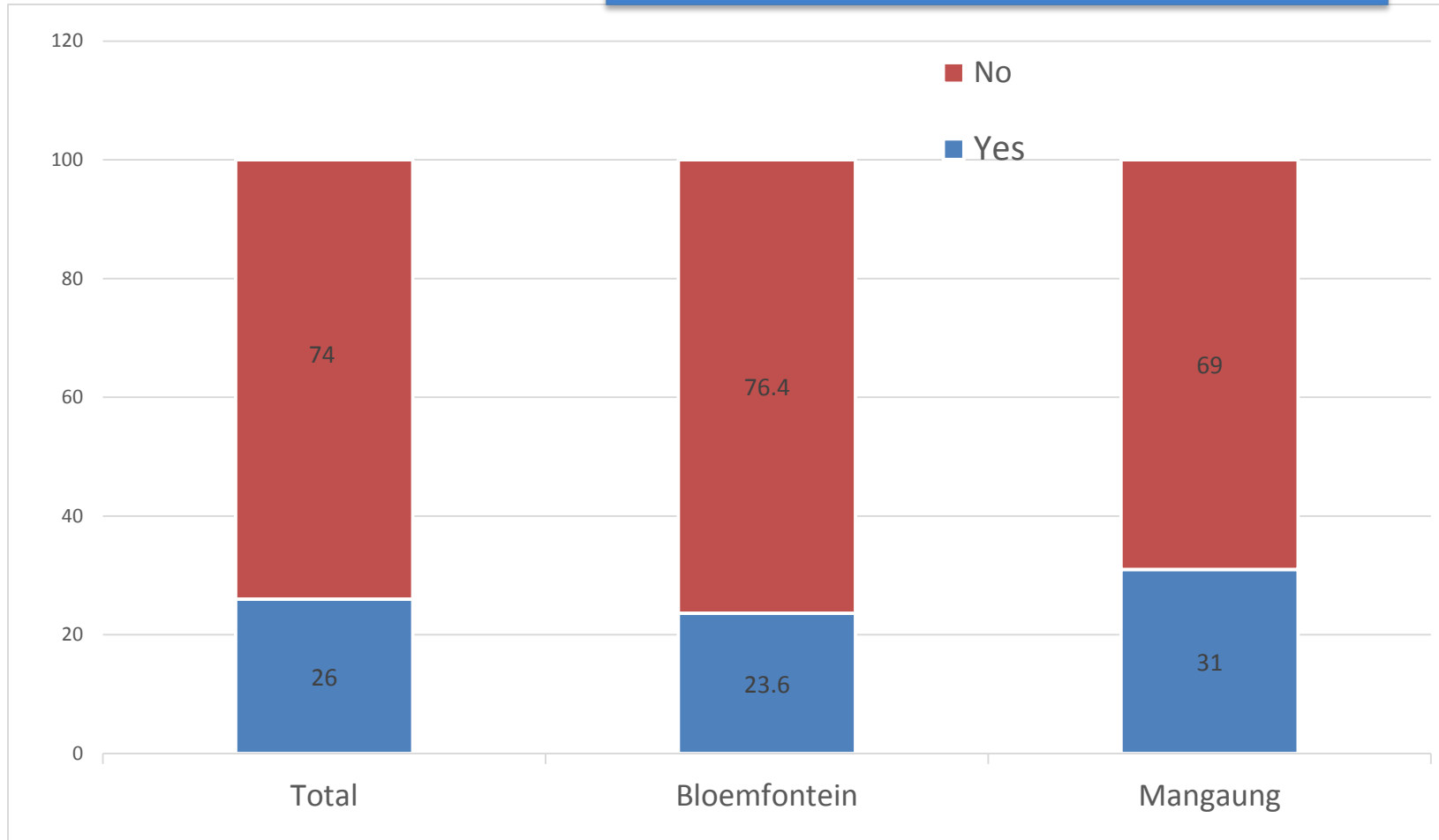


ACCOPANCY: ACC ESTABLISHMENTS



ARTS AND CRAFTS

26 EXTRA JOBS DUE TO MACUFE



QUALITATIVE INTERVIEWS



- Economic contribution to Mangaung
- Macufe is placing Mangaung on the map
- The networking character of Macufe
- Opportunities for local (Free State-based) businesses and for developing talent
- Opportunities for local (Free State-based) businesses and for developing talent
- Limited evidence of social cohesion
- Negative impacts of Macufe

CONTRACTORS AND JOB CREATION



- No over-dependent on Macufe
- Limited indication of job creation
- 700 security jobs

CRAFTER AND EXHIBITORS



- Price of stands
- Application
- Location
- Selection process
- Lack of advertisements
- No ATM close by
- Substantial appreciation for the opportunity

Worst aspects	Best aspects
Poor sound x3 (especially during the Gospel Show)	Soccer x4
People attended alternative sites (x2)	The corporate village
Arrogance of the security x2	Brought different people together in Mangaung
The lack of white artists	People behaved well.
The line-up features the same artists year after year.	Divas
Main Festival – taking too long to bring artists in	Main Jazz x2
Ticket prices	
View on screen was inadequate	
Comedy	
Mahugra Urban Festival	
Music line-up should change	
Concern that service providers were not being paid	
Investment Bridge was a failure	
The appointment of service providers was questioned.	
Accommodation had become too expensive.	
The standard of the Jazz festival has dropped.	`
General concern regarding the capacity of the venues that were used	

PROPOSALS FOR IMPROVEMENTS



- Start sooner
- Involve provincial department of economic affairs
- Spread to township
- Improve marketing
- All inclusive festival
- More local artists
- Find ways to increase length of stay
- Improve overall security

ASSESSING THE IMPACTS



- Economic impacts
- Social impacts
- Operating processes

LOOKING INTO THE FUTURE



- Increase number of visitors
 - Increased spending
 - Yet, no increase in nights stayed and events attended
 - Increased competition in future (the clients are mobile)
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- Other surveys