

# **Business Perceptions of the 2010 FIFA World Cup and Related Infrastructural Development: A Case Study of the Moses Mabhida Stadium and the Durban Beachfront Developments**

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## **Abstract**

Following South Africa's successful bid to host the 2010 FIFA World Cup there has been a significant increase in development occurring in the urban centres of the country. One of the major goals following this successful bid was to re-design the apartheid cities in order to create new functional linkages (Pillay & Bass 2008). Besides the several new sporting facilities being constructed, the urban centres are being revamped significantly in terms of their infrastructure in an attempt to hospitably accommodate the potential tourists and make the cities more functional. The urban centre of Durban is a prime example where development has been accelerated due to the 2010 World Cup in South Africa. The new Moses Mabhida Stadium is deemed to be an iconic stadium, the centre-piece of Durban during the World Cup. There has also been a planned upgrade of the Durban Beachfront to create a precinct. The reason for this is to link the Beachfront to the new Stadium and improve accessibility between the two. This was done during the World Cup to link the stadium (the main event venue) and the beachfront and fan parks (the main entertainment precinct). This article examines local business perceptions in relation to the In particular, results from primary research undertaken with 30 local businesses located in close proximity to

the stadium and beachfront areas are examined to assess the possible benefits and negative impacts of the major developments, specifically the construction of the Moses Mabhida Stadium Precinct and the Beachfront development programme. By analysing the local businesses in close proximity to the Moses Mabhida Stadium and the Durban Beachfront promenade development program, the impacts and benefits behind the rapid change in urban infrastructure will be revealed. Furthermore, the potential economic impacts of these developments will be highlighted.

**Keywords:** 2010 FIFA World Cup, business perceptions, infrastructural development, stadium, Durban

## **Introduction**

Following South Africa's successful bid to host the 2010 Federation Internationale de Football Association (FIFA) World Cup there was been a significant increase in development occurring in the urban centres of the country, especially the nine host cities. One of the major goals following this successful bid was to re-design the apartheid cities in order to create new functional linkages (Pillay & Bass 2008). Besides the several new sporting facilities constructed, the urban centres were revamped significantly in terms of their infrastructure in an attempt to hospitably accommodate the visitors to the 2010 event as well as future tourists. The developments were also intended to make the cities more functional. The urban centre of Durban is a prime example where development was accelerated due to the 2010 FIFA World Cup in South Africa. The new Moses Mabhida Stadium in particular was the centre-piece of the Durban city during the World Cup and is an iconic visitor site post the event. Preparations for the World Cup were also accompanied by upgrades in the Durban Beachfront area which were aimed at linking the Beachfront to the new Stadium and improving accessibility between the two.

This article looks directly at the linking promenades and how they will contribute to accessibility and mobility within Durban. In particular, results from primary research undertaken with businesses residing close to the stadium or in the beachfront area are examined to assess the possible

benefits and negative impacts of the major developments in Durban, such as the Moses Mabhida Stadium Precinct and the Beachfront development programme. This article provides greater insight into the driving force of mega-sporting events and how they influence accelerated development in urban areas. Cities are pressured into improving their infrastructure and service provision in order to facilitate mass influx of tourists over the duration of the sporting event and positioning the localities as tourist destinations subsequent to the event. By analysing the perceptions of local businesses that are located in close proximity to the Moses Mabhida Stadium and the Durban Beachfront promenade, the impacts and benefits behind the rapid changes in urban infrastructure are examined. Furthermore, the potential economic impacts of these developments are highlighted. Thirty businesses were interviewed in 2009 prior to the hosting of the event in 2010.

## **Sport Mega-events and Development**

Mega-events are often seen as ‘spectacles that can best be understood as either instruments of hegemonic power, or displays of urban ‘boosterism’ by economic elites attached to a particularly narrow-minded pro-growth vision of the city’ (Pillay & Bass 2008:3). Furthermore, mega-events are seen as vehicles to create employment opportunities. For example, in relation to the 2010 FIFA World Cup, Van Wyk (2008) indicated that there were to be approximately 368 250 new employment opportunities created in the construction sector. This massive influx of capital is largely thanks to foreign direct investment. The FIFA World Cup was an opportunity for South Africa to showcase itself to an international audience, thereby attracting the necessary foreign investment opportunities needed in developing nations (Cornelissen 2004).

The FIFA World Cup in South Africa acted as a catalyst for massive infrastructural development investments to take place that was largely State funded. In order for the host cities to be prepared to host a mega-event such as the FIFA World Cup, it is often necessary for governments to improve the infrastructure within these cities. This is especially the case in a developing nation like South Africa. It is important to note that prior to winning the right to host the FIFA World Cup, South Africa did not have the infrastructure and

services necessary to accommodate this mega-event. Thus, investments in infrastructural development including transport and stadium construction were a key feature of South Africa's preparations to host the World Cup.

Maennig and Du Plessis (2009) consider whether hosting a mega-event such as the 2010 FIFA World Cup will have positive effects on urban development. In October 2006, the Minister of Finance, Trevor Manuel budgeted R15 billion to finance any World Cup related investments (Maennig & Du Plessis 2009). Of this, R8.4 billion was earmarked for stadiums and R6.7 billion for infrastructural development (Maennig & Du Plessis 2009). Therefore it is noticeable that infrastructural improvements and development was high up on the national government's agenda prior to this mega-event. Maennig and Du Plessis (2009) use Durban as a case study and explore whether the new stadium is being used as an urban economic development tool. The Moses Mabhida Stadium was a semi-final venue for the 2010 FIFA World Cup and had a seating capacity of 70 000 spectators. The main aim for the stadium was for it to be the anchor for a concept to develop the city area and re-image Durban as one of the leading sports cities in Africa (Maennig & Du Plessis 2009). In order to achieve this goal, the city's planners decided on four central characteristics of the stadium and its establishment into urban design (Maennig & Du Plessis 2009):

- The architecture of the stadium is vital as it needs to convey an image of the city, the nation and all of Africa. An example is the arch crossing the stadium represents the national flag of South Africa.
- The stadium must stand out and be seen as a monument within Durban's urban skyline, thereby attracting future development within and around the stadium precinct.
- The stadium is centrally located within the city, which acts as the initiating point for future development of urban and recreational facilities
- There is significant attention paid to the development of urban design. Therefore, it is vital that the stadium forms part of the city and its networks, in order for it to generate future development.

As indicated earlier, most research on mega-events focus on the economic and infrastructural development impacts which are linked (see Maennig 2007; Maennig & Du Plessis 2009). Baade and Matheson (2004) and Matheson (2006) have also undertaken significant research on the impacts of the world's biggest sporting events on local, regional and national economies. Their focus has been on the Olympics and FIFA World Cups, and how they have contributed to the economies of host nations. They are very critical of these mega-events and find a number of negative outcomes associated with hosting an event of this magnitude.

Czegledy (2009) also investigates whether the financial benefits mentioned in the media are true reflections of reality. In 2007, for example, a flyer was seen in Johannesburg with the headline 'R48 000 000' (Czegledy 2009:226). This referred to the projected income generated from the 2010 FIFA World Cup. Czegledy (2009) was sceptical that this incoming money will fall in the wrong hands. Due to the present post-apartheid era, people have the belief of democratic access and the sense that all will benefit from the 2010 FIFA World Cup (Czegledy 2009). Overall, Czegledy (2009) emphasises that there are many misconceptions regarding the benefits of mega-events and feels that it benefits the rich but not the poor. Unfortunately, in South Africa's case, as a developing nation, the rich are amongst the minority and it is the poor who need the income generated from the 2010 FIFA World Cup. Furthermore, Tomlinson *et al.* (2009:3) share the views of Czegledy (2009) in that they too feel that the economic projections for the 2010 FIFA World Cup are 'invariably erroneous, overestimating the benefits and underestimating the costs'.

Tomlinson (2009) also provides a critical assessment of the probable economic impacts of the 2010 FIFA World Cup, raising concerns that the event will harm the national economy and promote inequality (Tomlinson 2009). Tomlinson *et al.* (2009:7) feel that there is the possible 'displacement of investment from more productive uses to less productive uses'. Furthermore, these investments were being purposely understated so as to elevate the possible benefits of the mega-event (Tomlinson 2009). For example, the costs of the stadiums have risen from the initial expenditure of R818 million to an astounding R10 billion (Tomlinson 2009). Tomlinson (2009) outlined a number of benefits that host cities were anticipating for the 2010 FIFA World Cup. A major benefit is that host cities believe that the

mega-event will 'provide free money to invest in and expedite infrastructure projects already identified' (Tomlinson 2009:8). In many cases this has been true. However, Tomlinson (2009) found that the provincial and local governments also had to contribute significantly to these development projects. Tomlinson (2009) examined Durban specifically and its expectations for the 2010 FIFA World Cup. Sport tourism is the core of Durban's economic strategies and it is obvious that this mega-event was seen as the foundation to the future success of the city (Tomlinson 2009). The 2006 eThekweni Integrated Development Plan (IDP) highlights four key areas of focus: construction of the stadium, investment in infrastructure to create higher value land uses, transport and tourism (Tomlinson 2009). Furthermore, Tomlinson (2009:10) discovered from a number of interviews that the 2010 FIFA World Cup 'represents a vehicle for investing in infrastructure and the stadium necessary for an Olympic bid'.

A few studies (increasing in number) focus on social aspects, particularly resident perceptions of mega-events. For example, Kim *et al.* (2006) focused on the perceptions of the local people in relation to the 2002 FIFA World Cup in Japan and South Korea, and compared these perceptions to the actual impacts experienced after the mega-event was over. It is evident that due to national hype and the media generated prior to a mega-event certain perceptions were created in the local residents minds (Kim *et al.* 2006). Therefore from the outset the local residents were likely to believe that the benefits were going to outweigh the costs of such an event (Kim *et al.* 2006). Some of these perceived benefits indicate that the local people are often economically inclined with the main focus on economic benefits such as tax revenues, employment and additional sources of income. Growth of tourism, international publicity, improved infrastructure, improved recreational facilities and the improvement of quality of life are among the positive perceptions among residents associated with hosting mega-event (Kim *et al.* 2006). Noticeably, the local residents ignore the possible negative impacts of mega-events. Price inflation, increase in local tax, mismanagement of public funds by organisers, traffic congestion, increased crime and destruction of the natural environment are some of the negative implications that arose from the 2002 FIFA World Cup (Kim *et al.* 2006). Through the use of Multivariate Analysis of Variance (MANOVA), a statistical method, they were also able to reveal that the Korean public had high expectations that

were not met (Kim *et al.* 2006). Kim *et al.* (2006) also found that the 2002 FIFA World Cup created a lot more societal and cultural benefits rather than economic gains. This was also emphasised in relation to the 2006 FIFA World Cup held in Germany. Maennig and Porsche (2008:1) highlight that one of the most important social effects of the 2006 football World Cup was the 'feel-good effect'.

Maennig (2007) pays special attention to the fact that the iconic architecture of the stadiums act as a catalyst for urban regeneration within cities, resulting in accelerated development. The so-called 'Feel Good' effect results are important whereby the stadium itself inspires a personal experience of leisure and enjoyment, which results in social cohesion and increased local and national pride (Maennig 2007). Therefore, it is noticeable that Maennig (2007) feels that the social aspects of the FIFA World Cup have a much more beneficial impact on a nation than the economic factors. The development of the iconic stadiums and the precinct was aimed at promoting social cohesion during and after the World Cup. Thus, the social benefits of infrastructure are important aspects to consider. Often, infrastructural development is associated with economic considerations and the links to social and environmental aspects are neglected.

Bass (2009) focuses her research on urban imaging and whether staging a mega-event such as the 2010 FIFA World Cup can project new identities and images for cities. The 1995 Rugby World Cup was a prime example, where it had a visible unifying impact on South Africa's identity and image both within and outside the country. Bass (2009:247) refers to this process as 'sport re-imaging', which can be loosely defined as 'the process by which local government, acting independently or partnering with the private sector, deliberately exploits sport to modify the image of a place'. Therefore, cities use the opportunity of hosting a mega-event like the 2010 FIFA World Cup to stimulate and symbolise the urban transition that the re-imaging discourse envisages (Bass 2009). Bass (2009), using Durban as an example, shows how cities use their host status to negate negative perceptions and project a particular image of itself. In the words of the Municipal Manager of Durban Mike Sutcliffe, Durban has long positioned itself as a 'sporting and lifestyle city' (in Bass 2009:251). It is noticeable that hosting the 2010 FIFA World Cup is extremely important to the future of Durban as an urban area, a tourist destination and a sport events city. Within

Durban's Integrated Development Plan (IDP), the municipality has refined and refocused its strategic programmes to respond more effectively to the 2010 FIFA World Cup, as well as maximise the potential benefits (Bass 2009). Furthermore, Bass (2009) identified that sporting activities and events are clearly acknowledged as one of the key strategies in the City and the Province. In addition, the mega-event was intended to serve as an opportunity to 'engage, inform and enthuse citizens about the changes in the city and the new facilities being created' (Bass 2009:251). The Premier of Kwazulu-Natal, Sibusiso Ndebele, was quoted as saying '2010 will be a major catalyst for further enhancing our image and growing the economy and tourism potential' (in Bass 2009:253). Therefore, the 2010 FIFA World Cup is seen as a prospect for the city of Durban, as well as the province of Kwazulu-Natal, to brand and market itself on the global stage.

There is a dearth in the literature in relation to examining local business perceptions despite an overwhelming focus on economic boosterism in relation to the hosting of mega-events. In relation to the 2010 FIFA World Cup, Czegledy (2009) examines the different expectations perceived by people, and in particular local businesses, in relation to the 2010 FIFA World Cup. A Grant Thornton International survey of 200 medium to large private businesses in South Africa, found that 75% of the respondents believed that the 2010 FIFA World Cup would benefit them financially (Czegledy 2009). Czegledy (2009:230) believes that the present day mega-events like the FIFA World Cup are 'commercial spectacles geared more to profit than to providing entertainment, employment or an appropriate product of intrinsic value'. Czegledy (2009) discusses the two main purposes behind hosting a mega-event like the FIFA World Cup. Firstly, it serves as a partnership between business enterprises and international associations such as FIFA (Czegledy 2009). It is noticeable that associations like FIFA take on civic and judicial functions by dictating terms to governments and businesses through complex relationships of dependency with nationalism and corporate funding (Czegledy 2009). Secondly, Czegledy (2009) considers this mega-event as a catalyst for transformation in the host nation. They are therefore aimed at changing the international image of a country, generating tourism and providing a thrust for infrastructural development (Czegledy 2009), aspects discussed in the previous section. Pillay and Bass (2008), however, doubt that the mega-event will benefit the local people (including local



businesses) and moreover, will not address the major issue of poverty in the developing nation's context.

There are a number of local businesses found in close proximity to the Moses Mabhida Stadium and the Beachfront Precinct which is a key tourism destination in Durban. Local business perceptions of the 2010 FIFA World Cup provide a useful insight into the potential impacts arising from this mega-event and events generally. Furthermore, the 2010 developments in this area are likely to directly affect these local businesses during and after the World Cup. Examining local business perceptions and concern permits an assessment of their insights into urban development in the area and whether it has been accelerated due to the forces of hosting the 2010 FIFA World Cup. Furthermore, the likely impacts on local businesses are also discussed. It is important to reiterate that very few studies focus on local business perceptions and therefore this article examines the voices of a key stakeholder. The next section focuses on the case study and methodological approach adopted in this research endeavour.

## **Methodology**

This research endeavour focused on businesses located in close proximity to the Moses Mabhida Stadium and the Durban Beachfront Precinct (known as North and South beaches). The study area extended south along the majority of Umgeni Road. From there, it extended further south along the beachfront, on Marine Parade. The southern most point of the study area was approximately 2 kilometres from the Moses Mabhida Stadium.

A questionnaire survey was used to collect data from 30 businesses in the study area. The systematic sampling method was used to identify the businesses to be interviewed. This method involved the purposive selection of the first unit and then all the other units were selected systematically, that is, a chosen number of units away from the previous unit. In the case of this study, the first unit chosen was the Virgin Active opposite the Moses Mabhida stadium which was deemed to be the closest business to the stadium. Then every 7<sup>th</sup> business was selected along Umgeni Road and the Beachfront. In total 30 businesses were chosen from approximately 200 businesses in the area. It is important to note that only formally established businesses in the area were targeted.

## **Data Analysis**

This section presents the main findings of the primary research undertaken, aimed at ascertaining business perceptions of the 2010 FIFA World Cup and urban development linked to the hosting of the mega-event. The analysis is undertaken thematically, starting with business profiles of the interviewees. Then the data is analysed in relation to business perceptions and attitudes towards the construction of the stadium and related impacts; perceived economic, social and environmental impacts of hosting the 2010 FIFA World Cup; infrastructural development impacts; and awareness of regulations regarding the 2010 FIFA World Cup.

### *Business Profiles*

Table 1 shows the variety of businesses that participated in this study. The majority (93%) of the businesses were privately owned with the remaining 7% being public enterprises. These privately owned businesses ranged from entertainment businesses (bar and nightclubs), health (medical and gym), accommodation (hotels), food and beverage (restaurant, convenience store and food wholesaler), transport (car dealership and fitment centre), clothing (clothing stores and tailor), general sales (electrical, shelving, tiles and paint supplier) and cosmetic (hairdressers) enterprises. A significant proportion (23%) of the respondents was from the food and beverage industry. This indicates that there is a large target market requiring food in this area. There is a strong blend of sales and services within this area. In terms of sales, there are the food and beverage, clothing and general sales businesses. On the other hand, there are the health, accommodation, transport and cosmetic businesses that cover the service sector. However, some of the businesses overlap with sales and services. For example, a bar serves people's needs in terms of being social meeting places but also sells products for human consumption.

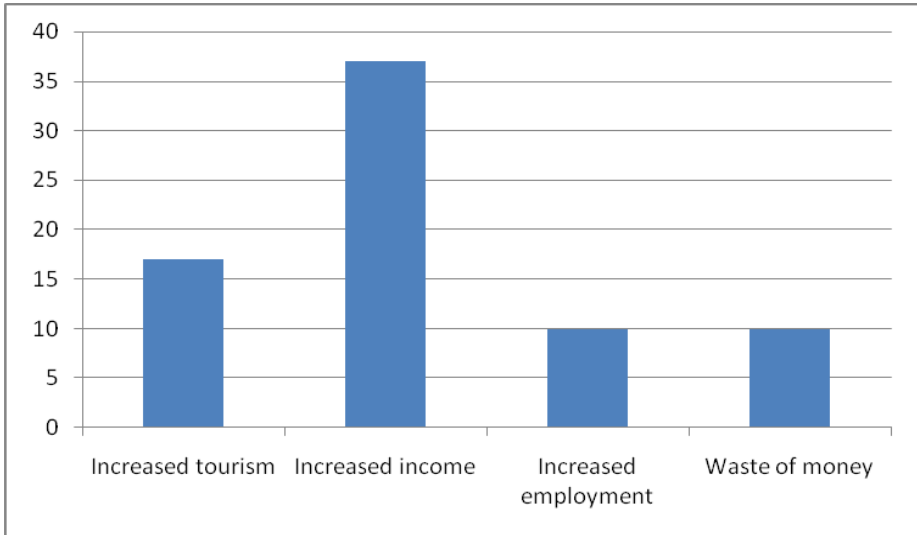
**Table 1: Various business types interviewed (n=30)**

<b>Business Type</b>	<b>Percentage</b>
General sales	17
Clothing	13
Transport	13

Food and Beverage	23
Health	10
Accommodation	10
Entertainment	10
Cosmetic	3

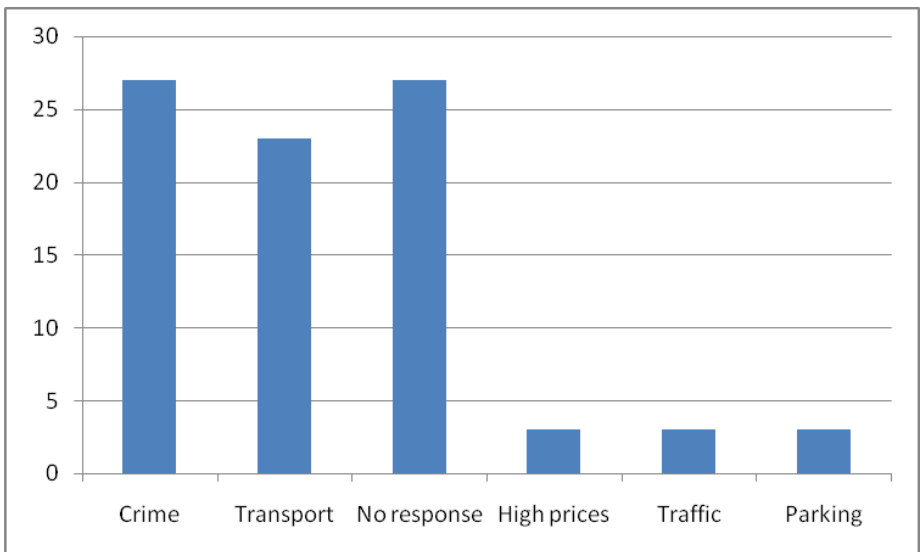
*Perceptions and Attitudes Towards the Construction of the Stadium and Impacts (During and Post-event)*

Eighty seven percent (87%) of the respondents felt that having the Moses Mabhida stadium in the area was an asset. The results are similar to those of Kim *et al.* (2006) on the 2002 FIFA World Cup. They found that due to national hype and the media generated prior to a mega-event certain perceptions were created in the local residents minds, resulting in local residents being led to believe that the benefits are going to outweigh the costs of such an event (Kim *et al.* 2006). The results reveal that local businesses had similar perceptions to local residents.



**Figure 1: Reasons for why the 2010 FIFA World Cup is positive or not (n=30)**

As seen from Figure 1, the respondents were asked to explain why the stadium was positive or negative for their area. Increased income was the most common response (37% of the respondents). Increased tourism and increased employment received 17% and 10% of the responses, respectively. In Kim *et al.*'s (2006) research, employment and additional sources of income as well as growth of tourism featured as positive perceptions of the event. The results show that economic benefits of having a stadium were prominent among local business respondents. Ten percent of the respondents (those who perceived the stadium negatively) indicated that the stadium was a waste of money.



**Figure 2: Negative impacts associated with the 2010 FIFA World Cup (n=30)**

Figure 2 shows the various perceived problems identified by local business in relation to the hosting of the 2010 FIFA World Cup. It is important to highlight that problems were identified even among those respondents who perceived the stadium as an asset. Crime and transport received the most responses with 27% and 23%, respectively. Kim *et al.* (2006) and Maennig

(2007) suggest that there are increased criminal activities during a mega-event. Furthermore, in this study when asked if they feel criminal activities will occur during the event, 93% of respondents agreed or strongly agreed with this statement. Additionally, respondents felt that criminal activities were likely to occur after the World Cup as well, especially when events were hosted in the stadium. This suggests that local businesses associated the increase in the number of persons in the area to increased crime.

The issue of public transport has been a significant problem in South Africa. One respondent even said, 'the transport system is disgusting'. This is most likely due to the prevalence of private working taxi drivers throughout the country. These taxi drivers focus on quantity rather than quality when it comes to their service, which results in overcrowded conditions and reckless driving as they try to transport their customers as rapidly as possible, resulting in accidents and negligence on the road. People are therefore concerned that these taxi drivers will give a bad impression of South Africa and the tourists will feel unsafe using this service. Furthermore, the bus system was renovated for the 2010 FIFA World Cup. This is due to the fact that at prior to the 2010 World Cup there was no organised, planned system in place, whereby buses pick up customers at random instead of following a schedule. Lastly, there has been an overhaul of the present railway system. One measure that has been put in place for the 2010 FIFA World Cup was the 'Park and Ride' system, where privately owned cars parked in large designated parking spaces away from the stadiums and were then transported to the stadium via public transport systems. This was intended to alleviate issues like congestion and traffic nearby the stadium.

The remaining negative impacts identified by the respondents included high prices, traffic and parking. Only 2% of the respondents felt that these impacts would occur during the 2010 FIFA World Cup. The traffic and parking impacts relate to the abovementioned impacts of transport. Generally, it can be seen that the businesses were concerned with the transport system that was in place and its ability to adequately and hospitably accommodate the incoming tourists during the 2010 mega-event and visitors to the area when events are hosted in the stadium and precinct locations. Lastly, there was a significant percentage of respondents (27%) that did not respond to this question. This may be attributed to the respondents feeling there would be no negative impacts arising from the event.

In order to determine the perceptions and attitudes of the residents towards the 2010 World Cup and infrastructural development in the Durban stadium precinct and beachfront areas, respondents were asked to rate their level of agreement with a range of relevant statements. The Lickert scale was used with the following options available: SA = Strongly Agree, A = Agree, N = Neutral, D = Disagree and SD = Strongly disagree. The results are thematically presented below in relation to economic, social, community pride, infrastructural and environmental aspects.

*Perceived Economic Impacts of Hosting the 2010 FIFA World Cup*

**Table 2: Various economic impacts of hosting the 2010 FIFA World Cup (in %) (n=30)**

	SA	A	N	D	SD
The event will benefit the rich not the poor	30	27	27	13	3
Jobs will increase	20	63	13	0	3
Businesses will increase their sales and profits	23	53	23	0	0
Businesses will strengthen in the area	23	60	17	0	0
Foreign investment will increase	17	53	27	3	0
Small businesses will benefit	17	50	30	3	0
Black Economic Empowerment will improve	10	43	47	0	0

Table 2 indicates the perceptions of local businesses in relation to the economic impacts of the 2010 FIFA World Cup. The general trend is that most of the responses are positive with the majority agreeing and strongly agreeing with the statements. Firstly, 57% of the respondents either agreed or strongly agreed that the event will benefit the rich not the poor. This reflects the literature, which states that large sums of money are spent on the event in order to generate income for the host nation, whereby the large corporations in conjunction with FIFA will benefit substantially (Tomlinson *et al.* 2009; Van Wyk 2008; Greef 2008). Furthermore, as indicated by Pillay and Bass's (2008), pro-growth and urban development is the government's main agenda, which results in the poor being further marginalised. Maennig (2007) also

found the marginalisation of the poor was a major negative spin off during the 2006 FIFA World Cup. This illustrates that it does not only happen in developing nations, and it is a common issue occurring in the host nations during the mega-event. However, 27% of the responses were neutral and this indicated that some respondents were unsure of where the money generated will go to. Furthermore, 16% of the respondents believed that the income generated from the 2010 FIFA World Cup will reach the poor.

In terms of jobs, the majority of the responses felt that there would be a significant increase in employment during the event. Eighty three percent (83%) of the responses agreed or strongly agreed that jobs will increase. Various projection studies on the 2010 FIFA World Cup agreed with this notion that there will be an increase in jobs, however, they will be temporary in nature (Maennig & Du Plessis 2009; Saayman & Rossouw 2008; Van Wyk 2008). Furthermore, past studies on previous FIFA World Cups also revealed an increase in employment during the mega-event (Kim *et al.* 2006; Maennig 2007).

The local businesses generally perceived that their sales and profits would increase (76%) and that their business would strengthen from the 2010 FIFA World Cup (83%). Some of the respondents were unsure. Saayman and Rossouw (2008) found that there were likely to be significant economic benefits with a projected R5 billion going towards the South African economy and a projected 0.48% increase in the country's GDP. Greef (2008) and Saayman and Rossouw (2008) also believed that the foreign investment opportunities will proliferate as a result of South Africa hosting this mega-event. Seventy percent of the respondents corroborated with the literature and believe that foreign investments will increase during and after the 2010 FIFA World Cup. There was, however, a significant proportion (27%) of the respondents who were uncertain about the increase in foreign investment. This could be due to the lack of investment in these local businesses to date. However, Greef (2008) points out that the influx of foreign capital mainly occurs during and after the event. Furthermore, these investments occur in specific sectors and are generally not widespread.

Another issue examined related to small businesses and whether they will benefit economically from the 2010 FIFA World Cup. The results in this study contradicts the literature by Greef (2008), Tomlinson *et al.* (2009) and Van Wyk (2008), which found that the large corporations in conjunction

with FIFA benefit from the event. However, 67% of the respondents agreed or strongly agreed that small businesses will benefit. This relates to the work by Kim *et al.* (2006) who show that the majority of perceived benefits identified by the local people are often economically inclined. The results suggest that the local businesses interviewed expected to benefit directly from having the World Cup literally on their doorsteps. However, a post World Cup survey is required (and planned by the researchers in June-July 2011, a year after the event) to assess whether these expectations were met. It is important to note that 30% of the respondents were unsure about whether small businesses would benefit from the 2010 FIFA World Cup.

The economic impact in relation to Black Economic Empowerment (BEE) and whether it will benefit from the mega-event was also considered in this study. Just over half of the responses (53%) stated that BEE will improve as a result of the 2010 FIFA World Cup. However, the remainder of respondents (47%) were unsure whether it will benefit or suffer from the event. This relates to the literature by Pillay and Bass (2008) who found that the government's main agenda is pro-growth and urban development, which results in the poor being further marginalised. Therefore, there are significant doubts in the literature and perceptions among the local people that the money generated from this mega-event will be falling into the right hands (that is, the previously disadvantaged).

### *Perceived Social Impacts of hosting the 2010 FIFA World Cup*

**Table 3: Social impacts of hosting the 2010 FIFA World Cup (in %) (n=30)**

	SA	A	N	D	SD
Traffic congestion, noise and parking difficulties will result	37	47	10	7	0
Disruptions such as power failures	27	37	23	10	3
Criminal activities	43	50	7	0	0
Disrupt the lives of local residents and businesses	23	47	17	13	0
Locals will benefit from entertainment opportunities	27	60	10	3	0



There are a number of social impacts that result from a mega-event such as the FIFA World Cup. Table 3 shows that in relation to traffic congestion, noise and parking difficulties 84% of the respondents felt that these issues would arise during the 2010 FIFA World Cup. Kim *et al.* (2006) found that traffic congestion was a major negative impact that arose during the 2002 FIFA World Cup in Japan and Korea. As stated previously, the 'Park and Ride' system was implemented during the 2010 FIFA World Cup, which was intended to help alleviate parking and traffic congestion nearby the stadium. Little is written on noise issues during mega-events. This is perhaps due to the fact that everyone expects there to be noise generated from the matches and it is part of the atmosphere created by mega-events.

Another possible social impact is the prospect of power failures during the matches of the 2010 FIFA World Cup. Sixty four percent (64%) of the respondents perceived that there would be power failures during the period of hosting the mega-event. These perceptions could be due to the previous experiences of 'load shedding' and the locals' uncertainties over the efficiency of Eskom as a power service provider. However, 23% of the respondents were impartial and 13% felt that power failures would not be an issue. It is interesting to note that during the World Cup power failures did not emerge as a problem.

Crime is a major issue in South Africa currently as alluded to earlier, and it is obvious that it would have been a major concern during the 2010 FIFA World Cup. As seen in past events, such as the 2002 and 2006 FIFA World Cups, crime has featured as a negative constraint (Baade & Matheson 2004; Kim *et al.* 2006; Maennig 2007). Ninety three percent (93%) of the respondents perceived that there would be criminal activities occurring during the 2010 event. Again, despite a major focus on crime in relation to South Africa's ability to successfully host the 2010 FIFA World Cup, this did not emerge as a significant problem.

The next social issue is whether the mega-event will disrupt the lives of local residents and businesses. Seventy percent (70%) of the respondents felt that the 2010 FIFA World Cup would impact negatively on the lives of residents and businesses. This contradicts Maennig (2007) and Bass' (2009) findings that the mega-event creates a sense of social cohesion and the local people have increased local and national pride. The reason for this high percentage of responses is probably because it is businesses that were

interviewed and their perspective differs significantly to the local residents. Greef (2008) identified that FIFA maintains ownership of the mega-event and all businesses and traders not in partnership with FIFA are excluded during the event. This is where businesses were likely to be disrupted in terms of FIFA's stranglehold on the event.

Lastly, there is the impact of entertainment opportunities and whether the local people (including businesses) will benefit from them during the 2010 FIFA World Cup. Haferburg *et al.* (2009) examined public viewing areas and how they created a sense of social interaction and entertainment for the locals as well as the tourists. The 2006 FIFA World Cup was the first mega-event that made use of huge public viewing areas. Approximately 18 million people visited the nationwide FIFA fan parks in 12 host cities (Haferburg *et al.* 2009). The reaction was astounding and it brought the German people together. South Africa created a number of these fan parks throughout the host cities, which resulted in more viable options for spectators who were unable to afford to purchase tickets or could not access limited tickets to 'participate' directly in the event by viewing the matches in the stadiums. The vast majority of respondents (87%) felt that the entertainment opportunities would benefit the local people. Additionally, these respondents also indicated that they planned to attend the fan park.

**Table 4: A sense of community pride from hosting the 2010 FIFA World Cup (%) (n=30)**

	SA	A	N	D	SD
The 2010 event will be a major boost for national pride and nation building	40	37	13	10	0
The 2010 event will make locals feel good about themselves and their community	33	43	13	10	0

Table 4 shows the responses of local businesses in relation to the 2010 FIFA World Cup creating community pride and nation building within South Africa. This notion is strongly associated with the work done by Maennig (2007) and Maennig and Porsche (2008) and their 'feel-good' theory discussed earlier. Seventy seven percent (77%) of the respondents agreed or strongly agreed that the 2010 event will be a major boost for national pride and nation building. Therefore, local businesses have realised that there are

also intangible benefits that may result from the hosting of mega-events. Table 4 also reveals that 76% of the respondents felt that the 2010 FIFA World Cup would make locals feel good about themselves and the community. The overwhelming majority of responses were in favour of this ‘feel-good’ effect.

*Infrastructural Development Impacts*

**Table 5: Infrastructural development impacts of hosting the 2010 FIFA World Cup (in %) (n=30)**

	SA	A	N	D	SD
The access to amenities and improvement of road facilities will result	17	57	27	0	0
Roads, parking facilities and amenities will be refurbished	20	53	23	3	0
There will be a delay of basic services in the poor areas	17	50	27	3	3
Run-down parts of this area will be upgraded	20	50	27	0	3

This research endeavour seeks to relate urban development to the 2010 FIFA World Cup and the impacts that result. Table 5 shows a number of scenarios in relation to the perceived infrastructural development impacts. The first impact related to access to amenities and improvement of road facilities. The majority of respondents (74%) perceived that due to the 2010 FIFA World Cup, there would be better access to amenities and improvement in road facilities. Thus, the perceptions among the local businesses is similar to Bass (2009), Pillay and Bass (2008) and Van Wyk (2008) who assert that infrastructural development increased significantly once South Africa won the bid to host the World Cup. Furthermore, Kim *et al.* (2006) revealed that following the 2002 FIFA World Cup improved infrastructure and facilities were resultant benefits of the event. As indicated earlier, infrastructural developments were deemed as the most tangible outcomes of South Africa hosting the World Cup. Interestingly, there was significant doubt in the responses to this impact and 27% of the respondents were unsure whether the

access to amenities and road facilities would improve. A similar statement (roads, parking facilities and amenities will be refurbished) to the abovementioned impact was asked and yielded comparable responses.

The delay of basic services to poor areas is another infrastructural development impact that was identified as a result of the 2010 FIFA World Cup given the massive government investments in preparation to host the event. As stated earlier, the literature found that there was an increase in development occurring in the urban centres of South Africa (Bass 2009; Pillay & Bass 2008; Van Wyk 2008), especially the host cities. This could result in the poor being further marginalised. In addition, there was concern that the urban renewal projects being undertaken were dislocating the urban poor because developers wanted to reclaim potentially valuable properties (Baatjies & Kirkby 2008). Two-thirds (67%) of the respondents believed that there would be a significant delay in services to the poor areas of the country. Twenty seven percent (27%) of these respondents were unsure or neutral in relation to this impact and only 6% disagreed, and felt that there would be services reaching the poor areas.

In contrast to the aforementioned impact, the respondents felt that the run down parts of the area surrounding the Moses Mabhida Stadium would be upgraded. Seventy percent (70%) of the respondents agreed or strongly agreed that this process would occur. These perceptions are closely aligned to Bass' (2009) position. Bass (2009) asserted that the eThekweni Municipality strongly believed that by developing an iconic stadium it will provide a powerful catalyst for destination creation. This in turn would lead to value creation and thus urban regeneration (Bass 2009). Therefore the Moses Mabhida Stadium is acting as the foundation for the renewal and upgrading of the surrounding infrastructure.

*Perceived Environmental Impacts of Hosting the 2010 FIFA World Cup*

**Table 6: Environmental impacts of hosting the 2010 FIFA World Cup (in %) (n=30)**

	SA	A	N	D	SD
Pollution will occur close to the stadium	33	43	17	7	0
Excessive degradation of land as a result of the tarred areas and infrastructural development	13	30	43	10	3
Conservation/environmental issues will attract greater attention during 2010	17	40	33	7	3

Environmental issues are increasingly viewed as critical components to assess the impacts of mega-events and are an under-researched aspect of mega-event research. Table 6 highlights these impacts by showing what the views of local businesses are on the potential environmental impacts that may arise as a result of the 2010 FIFA World Cup in South Africa. The first major environmental impact is pollution close to the stadium. Seventy six percent of the respondents felt that pollution would occur in close proximity to the stadium. This issue is related to accelerated urban development that occurred and is occurring around the stadium. Unfortunately, one of the consequences of development is a number of impacts upon the environment such as pollution. This pollution occurs in a number of forms such as noise, air and waste. For example, during the construction of the stadium all three of the abovementioned forms of pollution would have occurred at some stage. Significant amounts of fossil fuels would have been burnt (petrol from cranes, bulldozers, etc.) during the construction phase, which impacts negatively on the environment in terms of air quality. However, in contrast, 17% of the respondents were unsure about the pollution issue and 7% felt that pollution would not be an issue at all around the stadium.

In terms of land degradation, there was a wide range of responses found for this environmental impact. Less than half (43%) of the respondents believed that tarred roads and infrastructural development would cause land degradation. Kim *et al.* (2006) discovered that destruction of the natural environment was a significant negative implication that arose from the 2002

FIFA World Cup. The same proportion of respondents (43%) was unsure whether land degradation would occur from these developments. The remainder of the respondents (16%) felt that there would be no land degradation as a result of tarred roads and infrastructural developments. The reason for these doubts may be due to the inexperience or lack of knowledge among the general public towards environmental issues. This was emphasised when many of the respondents required the researcher to explain the various environmental issues to them. It is noticeable that in developing nations issues like the environment take a back seat to the 'brown issues' such as poverty and disease. Therefore, the respondents may have not been exposed to the various environmental issues. Furthermore, when asked whether environmental degradation will be given attention during the planning and management phase, the responses remained irregular. For instance, 47% of the respondents agreed with the aforementioned statement, 40% were unsure and 14% disagreed.

#### *Awareness of Regulations Regarding the 2010 FIFA World Cup*

Slightly more than half (53%) of the businesses planned to market themselves during the World Cup. However, none of the businesses understood the regulations and/or restrictions that FIFA had in place during the event. Greef (2008) asserts that FIFA maintains full control of planning and organising the World Cups and the host nation does not have full ownership of the event. An example is that FIFA stipulates which brands are allowed to be advertised and sold during the World Cup (Greef 2008; Van Wyk 2008). Therefore, the local businesses needed to consult with FIFA before they would have been able to advertise their product/s during the event. Greef (2008) looked at an example whereby the South African Department of Trade and Industry had to amend legislation to exclude all businesses and traders not in partnership with FIFA. It is obvious from the responses to this question that the local businesses were unaware of these regulations and this further enhanced FIFA's image of concealment and secrecy (Czegledy 2009; Greef 2008; Van Wyk 2008). In addition, the information that was fed through to the host cities and the Local Organising Committee (LOC) by FIFA was not effectively communicated to the public.

## Conclusion

This article shows that a variety of perceptions on the 2010 FIFA World Cup existed among local businesses in the case study area of Durban prior to the event. The majority of the respondents felt that the 2010 FIFA World Cup would be positive for South Africa as a host nation. Some of the major benefits identified were increased tourism, employment, income, national pride and entertainment opportunities. In contrast, the major negative impacts identified were crime/security, transport and pollution. It is recommended that post-event studies be conducted with businesses to ascertain whether anticipated perceptions and benefits were realized, especially in relation to the expected economic benefits that most of the respondents hoped for.

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