



## **South African Cultural Observatory**

### ***Monitoring & Evaluation:***

### **Key Development Indicator Report on DAC Interventions**

### **Intervention: Mahika Mahikeng Festival**

Submitted to the Department of Arts and Culture



**arts & culture**

---

Department:  
Arts and Culture  
REPUBLIC OF SOUTH AFRICA

## Summary

Using the Framework for the Monitoring and Evaluation of Publically Funded Arts, Culture and Heritage (SACO, 2016), this study interviewed audiences and organisers to evaluate the 2016 Mahika Mahikeng Cultural Festival.

The Festival included a wide variety of show genres, with a mix of local, provincial and national performers. The main aims of the festival were: To promote cultural and heritage tourism; To celebrate artists in the region and nation (with a focus on musicians from the Province); To reposition and rebrand Mahikeng and the North-West Province as a cultural hub; and to stimulate economic growth and create jobs in the music industry.

The majority of the audience were local residents (65%), whose home language was Setswana (78%). As anticipated by festival organisers, 80% of the audience were young (up to 35 years old). They were also well educated (61% had some form of tertiary education) and had fairly high household incomes (46% had household incomes of more than R10 000 per month after tax). Audience size was estimated to be 3 500, with the total number of tickets sold estimated to be 5 355 (organiser data was not provided after the event, so these estimates are based on pre-event organiser projections and estimates from fieldworkers).

Like many new events, the festival experienced some organisational challenges related to marketing, information provision, ticketing and show starting times. As organisational experience grows, these are likely to be resolved. The economic impact of the festival on Mahikeng and surrounds was estimated to be just over R7 million. To increase economic impact in the future, a greater percentage of non-local visitors should be encouraged, especially visitors from outside the North-West Province who are more likely to stay overnight and visit other places in the area. However, the festival is already gaining some recognition as part of building place identity: 77% of attendees agreed that it was part of “what makes Mahikeng a special place”.

## Key Findings



- The festival includes drama, music, dance and arts and crafts;
- 2016 was the second year in which the festival took place;
- The most popular event was Jazz, followed by Motswako;
- 65% of attendees were local residents;
- The average length of stay for non-local visitors was 1.5 nights and 2.35 days;
- 45% of visitors came for 1 day and did not stay overnight;
- 1.3% of the audience was from Botswana;
- 77% agree that the festival “makes me feel proud of my cultural heritage”;
- 32% strongly agree and 45% agree that “the festival is part of what makes Mahikeng a special place”;
- Total Economic Impact on Mahikeng was calculated at R7m.

## Contents

Key Findings .....	1
Summary .....	1
Contents.....	2
Research Team.....	3
List of Tables .....	4
List of Figures .....	4
1. Context and background.....	5
2. Research Design .....	7
3. Research Methods and Data Collection.....	10
4. Results .....	10
4.1 Attendee Demographics and Origins .....	10
4.2 Length of Stay and Activities.....	12
4.3 Opinions: Cultural Capital and Social Cohesion .....	14
4.4 Spending, Leveraging and Place Identity .....	15
4.5 Comments by Festival Attendees.....	18
4.6 The Economic Impact of Mahika-Mahikeng on the host economy .....	18
Conclusions and Recommendations .....	22
References .....	25
Appendix 1: Mahika Mahikeng Festival Audience Survey Instrument .....	26
Appendix 2: Data requested from Festival Organisers .....	29
Appendix 3: Festival Programme .....	30
Appendix 4: Town and Villages Included in Mafikeng Municipality .....	31
Appendix 5 Comments by Festival interviewees .....	32

## Research Team

### **From the South African Cultural Observatory:**

Prof. J. Snowball, Chief Research Strategist

Prof G. Antrobus, Senior Research Fellow

### **From North-West University:**

#### *Coordinator and Research Management:*

Mr. James Drummond, Geography Department, Mafikeng Campus

#### *Interviewers:*

Keitumetse Mere (Interviewer, NWU)

Keneilwe Phora (Interviewer, NWU)

Refilwe Matsie (Interviewer, NWU)

Malebogo Mosepele (Interviewer, NWU)

## List of Tables

Table 1: Values themes, indicators and research method at the Mahika Mahikeng Festival 2016 .....	9
Table 2: Events at which interviews were conducted .....	10
Table 3: Visitor Length of Stay .....	12
Table 4: Spending reported in groups.....	16
Table 5: Spending per group by visitors and local residents .....	16
Table 6: Calculating Net Visitor Spending.....	21
Table 7: Summary of Mahika Mahikeng Evaluation Results.....	24

## List of Figures

Figure 1: Festival attendee home language groups.....	11
Figure 2: Attendee Age, Education and Income Groups.....	11
Figure 3: Percentage of Respondents attending various festival events.....	13
Figure 4: Number of Ticketed shows attended .....	13
Figure 5: Number of All Events attended.....	14
Figure 6: Building Cultural Capital.....	14
Figure 7: The festival is an event where people from different cultures and backgrounds can meet and talk together .....	15
Figure 8: The festival is part of what makes Mahikeng a special place .....	17
Figure 9: A conceptual model of economic impact (Adapted from Kavese, 2012) .....	19

## 1. Context and background

The Mahika Mahikeng Music and Cultural Festival takes place over three days in Mahikeng in early December (8 - 11 of December in 2016). Although it takes place at a similar time to an older event, it began in its current form in 2015. It is described by the organisers as “A music and cultural festival, which aims to provide a platform for product positioning and paradigm innovation for the creative industry sector in Bokone Bophirima [the Setswana name for North West Province] and the development of Mahikeng as the capital of the Arts in the country”.

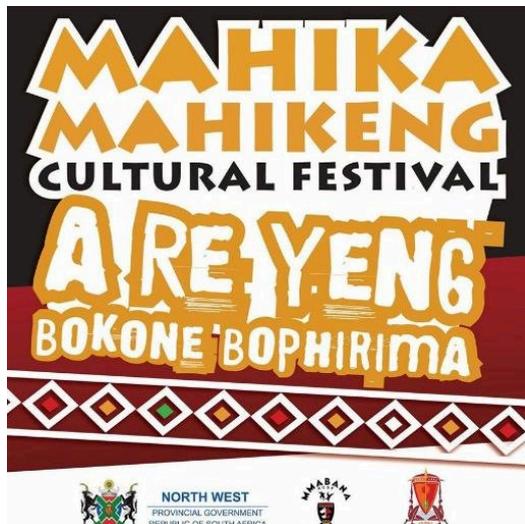
The Festival takes place at several venues including the Mmabatho Convention Centre, Lotlamoreng Dam and Studio 1 at the Mmabana Head Office (see Appendix 3 for full programme). Art forms represented include an arts and crafts market (free entrance), music concerts featuring well-known and emerging South African artists, jazz, traditional and contemporary dance, drama and gospel music.

An unusual feature in a medium-sized town is that Mahikeng has a wide variety of large performance spaces that are already equipped with seating, lighting and sometimes sound equipment. The availability of these venues provides an opportunity for expanding the Festival which, unlike in other medium-sized towns, would not be constrained by supply side limitations. If the Festival were to grow, accommodation offerings could be expanded by using residences at the North-West University (Mafikeng campus) and hostels at, for example, the International School of South Africa, both of which are on holiday by the main Festival weekend. Both the university and the school also have large, well equipped auditoria.

Following the 2015 Festival, the Premier of North West Province indicated that, from 2016, the plan was to include artists from Botswana as well, “because we have similar cultures, which in the long run will benefit both our province and Botswana” (The Botswana Gazette, 17/12/2015). The festival is linked to the “Mahikeng Rebranding, Repositioning & Renewal Programme” of the provincial government.

In deciding on the programme for 2016, the Department of Culture, Arts and Traditional Affairs called “all citizens of the province” to give input on how the Festival should be run and organised: “This is part of the resolution and promise made during our recent budget speech”. However, the call appears not to have resulted in the response that organisers were hoping for, since later on in the year (September of 2016), a post on the Festival social media platform (Facebook) indicated that “less than 10 submissions were received”. According to the Festival CEO, artists were also chosen by asking municipal districts to nominate performers who had, for example, won regional talent competitions,

as well as taking suggestions from social media platforms. Nevertheless, a protest was staged by the South African Arts and Culture Youth Forum on the first day of the Festival (8 December 2016), against what they saw as the deliberate exclusion of some emerging artists from the programme.



This logo was designed by Oratile Matlholwa, a matric student at Barolong High School, Mahikeng. It was part of a logo design competition, with a prize of R10 000, run by the organisers as part of the build-up to the festival.

Figure 1: Mahika Mahikeng Cultural Festival Logos

The aims of the Festival are:

- To promote cultural and heritage tourism;
- To celebrate artists in the region and nation (with a focus on musicians from the Province);
- To reposition and rebrand Mahikeng and the North-West Province as a cultural hub;
- To stimulate economic growth and create jobs in the music industry.

In 2016, tickets to the main events were sold through Computicket, but tickets were also made available in spaza shops and shebeens in outlying districts. The Festival receives funding from the North West Provincial Government, and the Department of Arts and Culture, under the Mzansi Golden Economy (MGE) initiative. Other sponsors listed were ABSA, the State Theatre, NDP, the Lottery and Mmabana Arts, Culture and Sports Foundation.

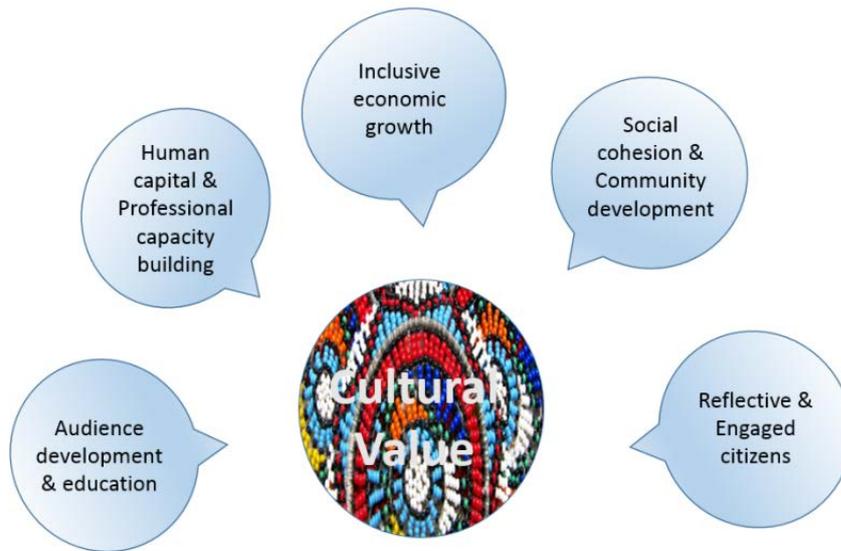
A detailed description of the aims and planning around the 2016 festival was provided by the acting CEO of Mmabana Arts, Culture and Sports Foundation, Mr. Siphon Nkese. Mmabana is a non-profit organisation, funded by government, that promotes and develops arts, culture and indoor artistic sport activities in the North West Province. In addition to the Mahika Mahikeng festival, it also organises events such as the South African Dance Awards and the Taung Cultural *Calabash* Festival.

## 2. Research Design

In addition to valuing the impact of the Mahika Mahikeng Festival, one of the aims of this research was to test the Framework for the Monitoring and Evaluation of Publicly Funded Arts, Culture and Heritage (SACO, 2016). The research design was thus based on the Framework.

The values associated with arts, culture and heritage can be divided into three broad categories: economic (financial) impacts, social impacts and the intrinsic value of art itself. Economic, or financial, impacts come about as a result of the inflow of new money into an economic system as a result of visitors from outside the region. Visitors spend on accommodation, transport, food, shopping, tickets etc. This spending then recirculates in the host economy, increasing sales and employment in local businesses. Social values relate to the benefits to society, such as education, creativity and innovation, social cohesion and identity formation (Bohm and Land, 2008). Intrinsic values related to the symbolic, artistic nature of the product itself and to feelings invoked in individual participants (such as joy, sadness, anger, delight, questioning etc.)

Based on these three broad categories of value, the Framework for the Monitoring and Evaluation of Publicly Funded Arts, Culture and Heritage (SACO, 2016) outlines the development of five cultural value indicators or themes (Figure 2), which include: Audience development and education; Human capital and professional capacity building; Inclusive economic growth; Social cohesion and community development; and Reflective and Engaged citizens.



*Figure 2: The 5 Cultural Value Themes*  
 Source: SACO, 2016

The broad themes for cultural value were based on:

- A review of local and international literature on cultural value; and
- Key goals and areas of concern of the relevant parts of national policies, such as the National Development Plan (NDP), the Industrial Policy Action Plan (IPAP) and the New Growth Plan (NGP); and
- Specific areas of importance identified by DAC in their Strategic Plan, and the Mzansi Golden Economy (MGE) Guidelines: Criteria, Eligibility, Processes & Systems 2015/2016 – 2016/2017 version 1.0.

The M&E Framework links these broad themes to specific indicators and to the methods for collecting data on the indicators. However, each cultural event is different, and any useful valuation study needs to take into account:

- The stated aims of the project/event/organisation;
- What the expected impacts are; and
- Who is expected to benefit.

The monitoring and evaluation tool would then have to be designed based on the answers to these questions. Based on the contextual information about the Mahika Mahikeng Festival and the M&E Framework, the following values, indicators and data gathering methods were identified (Table 1).

Table 1: Values themes, indicators and research method at the Mahika Mahikeng Festival 2016

Theme	Examples of indicators	Research Method
<b>Audience Development &amp; Education</b>	Demographics (Age groups; Cultural/Race groups; Gender)	Audience Survey
	Origins (Local/Visitor; Rural/Urban; Province; Nationality)	
	Income and Education Groups	
	Participation & time-use	
	Ticket sales/participation (numbers)	Organiser Data (Computicket data and crowd size estimation at free events)
	Building cultural capital	Audience Survey (opinions)
<b>Human Capital/Professional capacity building</b>	Experience gained by local, emerging artists	Organiser data on performers, procurement policy and/or use of local service providers etc.
	Showcasing South African art and artists	
<b>Inclusive Economic Growth</b>	Organiser spending	Organiser data
	Earned income/Turnover	
	Sponsorship (and sources)	
	Audience spending	Audience survey
	Length of stay (Bed nights)	
	Tourist leverage (extended trips)	
	Contribution to Gross Geographic Product/Gross value added	Economic impact analysis
<b>Social Cohesion &amp; Community Development</b>		Organiser data
	Artist/Producer origins (diversity)	
	Cultural offerings (Local arts/heritage/languages)	Audience survey
	Audience diversity	
	Audience opinions	
	Marketing & Place identity	
<b>Reflective &amp; Engaged Citizens</b>	Appreciation of diversity	Audience survey
	Fostering dialogue and inter-cultural understanding	
	Developing pride in local cultures	

The survey instrument is presented in Appendix 1.

Valuation research is not costless, but costs can be reduced by using existing data collected by organisers and ticket sellers. This research made use of two main data sources:

1. An audience survey using a questionnaire administered at the various Festival events by trained enumerators. The questionnaire (see Appendix 1) measured audience demographics, opinions on the values the event creates, the role of the festival in rebranding Mahikeng, self-

reported behaviours, such as the parts of the festival attended, and, for non-local visitors, spending as a result of the event.

2. Data that can be obtained from Festival organisers. For example, Mahika Mahikeng uses Computicket as its ticket vendor for some of the larger music events. Computicket can provide information not only on the number of tickets sold, but also on where and when they were sold, which can be very useful in determining, for example, the origins of Festival-goers. Organisers can also provide data on sponsorship, direct employment, partnerships with local service providers, and the diversity of events and artists on offer.

### 3. Research Methods and Data Collection

In partnership with North West University, data was collected from festival goers by a team of four trained interviewers and through key stakeholder interviews by research leaders, as well as through observation of, and attendance at, as many of the Festival activities as possible.

*Table 2: Events at which interviews were conducted*

<b>Event at which Interviews were conducted</b>	<b>Percentage of interviews conducted at Event</b>
Carnival	8
Choral Festival	12
Comedy	8
DJ Fest	16
Exhibition	8
Jazz	26
Motswako	18
Traditional Dance	2

A total of 380 interviews were conducted with as wide a variety of attendees as possible.

## 4. Results

### 4.1 Attendee Demographics and Origins

Almost two-thirds (65%) of attendees described themselves as “local Mahikeng residents”, with the remaining 35% being visitors. The vast majority (98%) of attendees were South African, with a small number from Botswana (1.3%), Lesotho (0.3%) and Namibia (0.3%). Eighty-Seven percent of visitors reported that the festival was their main or only reason from coming to Mahikeng. Of those who had other reasons, the most common one was people who were originally from the area returning to visit family and friends.

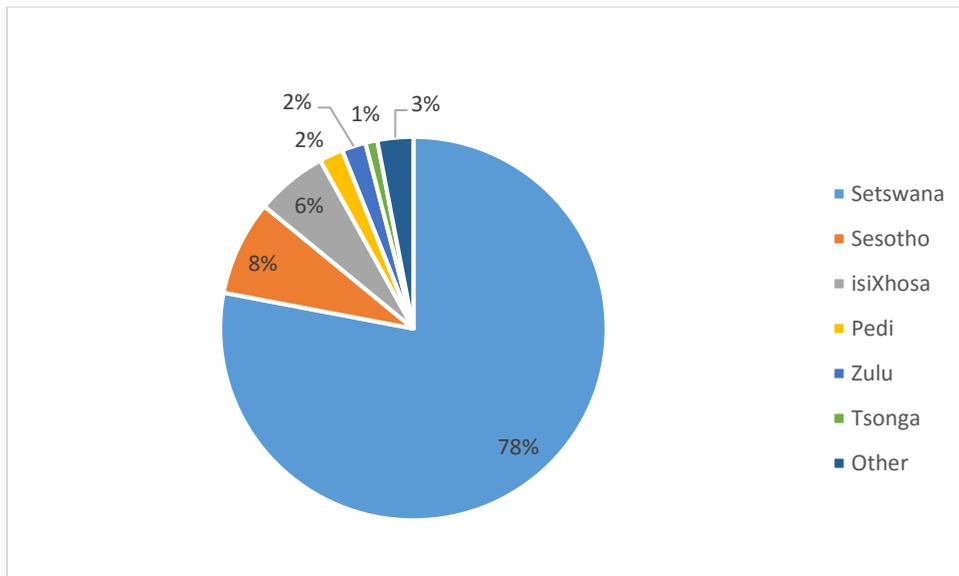


Figure 1: Festival attendee home language groups

There were somewhat more men (59%) than women (41%) attendees, and almost all (99.2%) were black Africans. While there was some diversity in terms of cultural groups (using home language as a proxy), more than three-quarters (78%) of attendees spoke Setswana at home, followed by much smaller groups of Sesotho (8%) and isiXhosa (7%) speakers.

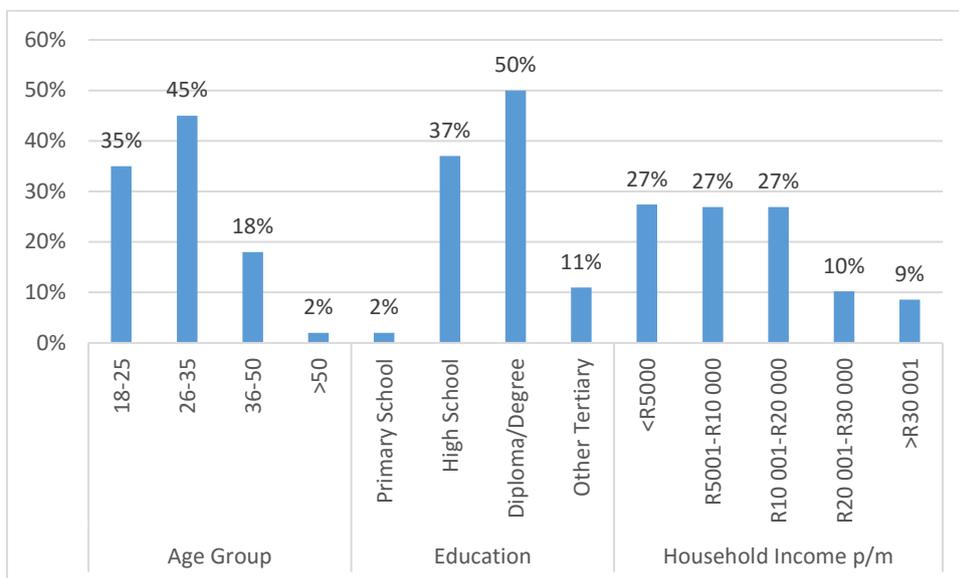


Figure 2: Attendee Age, Education and Income Groups

The vast majority (80%) of attendees were in the younger age groups, with the largest proportion being 26 to 35 years old (45%), followed by the 18 to 25-year-old age group (35%). As found in other studies of cultural consumption, attendees tended to be well educated, with 61% having some form of tertiary education, such as a diploma or degree (50%) or other tertiary education such as an apprenticeship, short course or professional qualification.

Less than half of attendees interviewed were willing or able to respond to the question on household income level. Of those who did respond, more than half (54%) reported household income level of R10 000 per month or less. About a quarter (27%) were in the R10 001 to R20 000 category, with 20% of respondents having monthly household incomes of more than R20 000. The average household size was 4.02 for local residents and 3.86 for visitors.

## 4.2 Length of Stay and Activities

Visitors (those who did not identify themselves as locals) were asked how long they planned to spend at the festival. The average (mean) length of stay was 2.35 days (median was 2) and 1.51 nights (median was 1). Quite a significant proportion of visitors were staying for one day only (45%) and not staying overnight, which reduces visitors' spending and thus the economic impact of the event.

*Table 3: Visitor Length of Stay*

<b>Length of Stay: Days</b>	
<b>1</b>	45%
<b>2</b>	15%
<b>3</b>	24%
<b>4</b>	10%
<b>&gt;4</b>	6%
<b>Mean</b>	2.35
<b>Median</b>	2.00
<b>Length of Stay: Nights</b>	
<b>0</b>	37%
<b>1</b>	20%
<b>2</b>	22%
<b>3</b>	15%
<b>&gt;3</b>	6%
<b>Mean</b>	1.51
<b>Median</b>	1

Respondents were asked which shows they intended to go to at the Festival. By far the most popular event was the Jazz, followed by Motswako – both events that took place at the Lotlamoreng Dam (Figure 3).

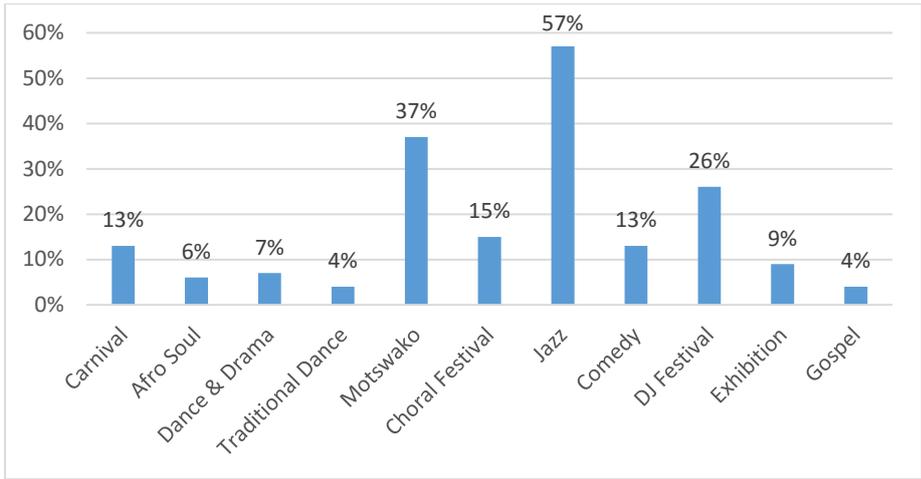


Figure 3: Percentage of Respondents attending various festival events

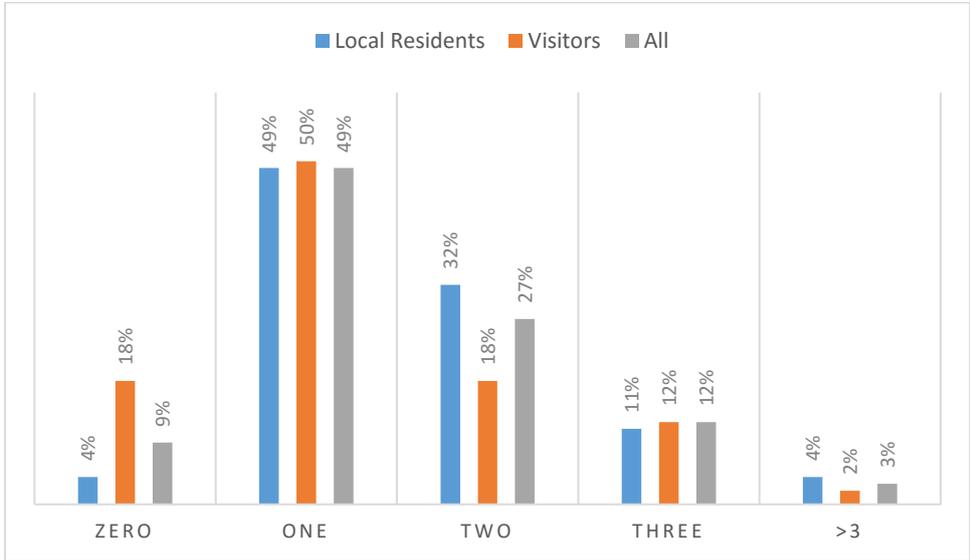


Figure 4: Number of *Ticketed* shows attended

As shown in Figure 4, about half of attendees went to only one ticketed event, with a further quarter going to two. The average number of ticketed shows attended by local residents was 1.65, and 1.30 for visitors (overall average of 1.53, with a median of 1).

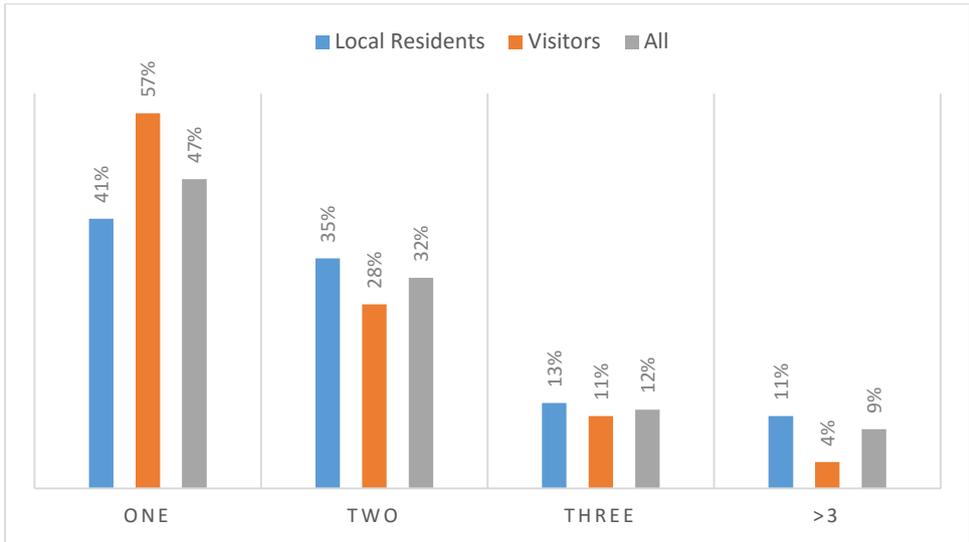


Figure 5: Number of **All Events** attended

When including events that were not ticketed, such as the Carnival and Arts and Crafts Exhibition, the picture changes somewhat, but the biggest proportion of attendees still attended one show or event, followed by those attending two shows or events. The average number of shows and events attended by visitors was 1.66, and 2.04 for local residents (overall average of 1.90, median of 2).

### 4.3 Opinions: Cultural Capital and Social Cohesion

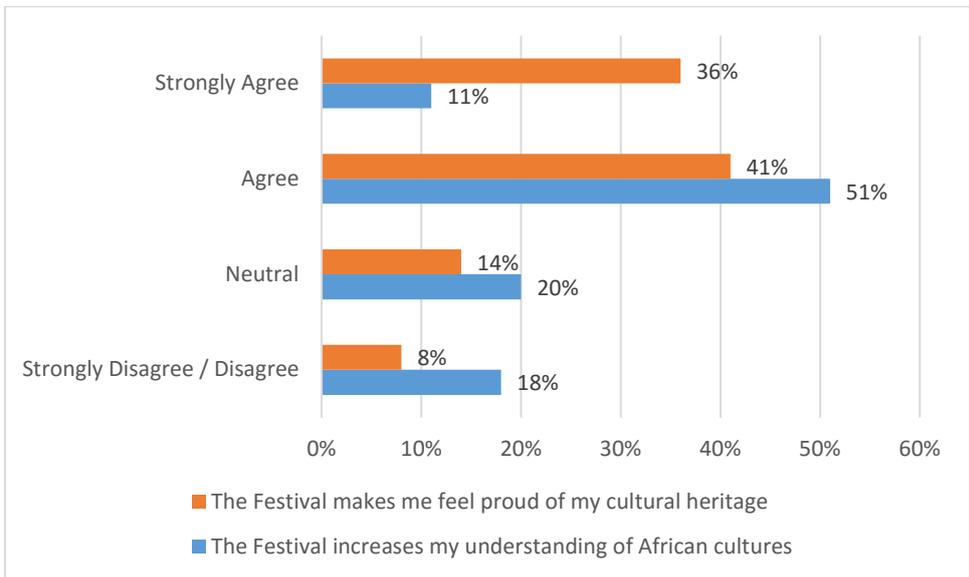


Figure 6: Building Cultural Capital

The opinion questions are designed to gauge the non-market impacts of the festival in such things as building cultural capital and social cohesion. Attendees were asked to respond to some statements with: Strongly disagree (scored as 1 out of 5), Disagree (scored as 2 out of 5), Neutral (scored as 3 out of 5), Agree (scored as 4 out of 5), or Strongly Agree (scored as 5 out of 5).

To the statement, “The festival makes me feel proud of my cultural heritage”, 77% of festival attendees agreed (41%) or strongly agreed (36%). Of the remaining quarter, 14% were neutral, and a small percentage disagreed (4.5%) or strongly disagreed (3.5%).

To the statement, “The festival increases my understanding of African cultures”, there was a somewhat more negative response. While the majority (62%) were positive about the role of the festival in building their cultural capital, most of these were in the “Agreed” category (51%), while only 11% strongly agreed. Twenty percent were neutral about the statement, while 13% disagreed, and 5% strongly disagreed.

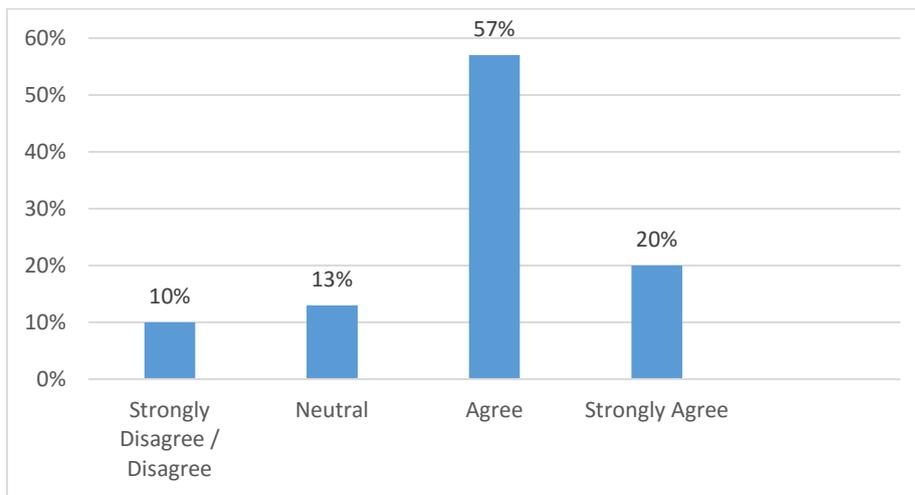


Figure 7: The festival is an event where people from different cultures and backgrounds can meet and talk together

Another important role for cultural festivals is to foster social cohesion, not only through increasing multicultural understanding, but also by providing an arena where attendees from different social and cultural groups can interact. In response to the statement, “The festival is an event where people from different cultures and backgrounds can meet and talk together”, the majority (77%) agreed (57%) or strongly agreed (20%), while smaller groups were neutral (13%) or negative (10%). This is an encouraging finding, but it should be noted that the demographics of attendees themselves are not particularly diverse, most being younger, black, Setswana speakers from the North West Province.

#### 4.4 Spending, Leveraging and Place Identity

An important determinant of the economic impact of an event is spending by audiences, especially those from outside the impact area, since they bring “new” money into the host economy. Although spending by local residents is not usually considered as part of economic impact, since it is likely that they would have spent the money in the host town or city even if the festival had not taken place, it is included here for comparative purposes. Respondents were given the option of reporting their spending for their whole travelling group, or for themselves alone. Excluding some very large group

sizes, mostly reported by sponsored groups of participants and performers, the average group size for visitors was slightly higher (1.67) than for local residents (1.46).

Table 4: Spending reported in groups

Group	Percentage who reported group spending	Average group size
Visitors	64%	1.67
Locals residents	73%	1.46

Visitors spent an average of R1 389 per group. Given the average group size for visitors of 1.67, this gives an average per person spending of R831.74 (for a median stay of 2 days and 1 night). The largest group spending category was food and drinks (R469.15), followed by transport, accommodation, tickets, shopping and “other”.

Table 5: Spending per group by visitors and local residents

	Total Spending per group*	Accommodation	Tickets	Food and Drinks	Shopping	Transport	Other	Average spending per person
Visitors	R1388.74	R222.14	R118.70	R469.15	R51.15	R391.18	R1.67	R831.74
Local Residents	R904.17	n/a	R199.71	R402.67	R29.88	R97.94	R0	R619.29

\* Note that total spending was reported by respondents and did not always add up to reported spending in other categories.

Although average accommodation spending per group is quite low, only 19% of visitors stayed in paid-for accommodation. Others stayed with friends or family, or were day visitors who did not stay over. For those who did pay for accommodation, the average spending per group was R1119,23 for an average stay of 1.5 nights, and an average visitor group size of 1.67. Average accommodation spending per person per night for those who did pay was thus R446.80.

Local residents were asked to report only their additional spending at the festival, not including their normal monthly expenses. Spending by local residents is usually lower than for visitors because they do not have to pay for accommodation and can eat at home if they choose to. This is also the case here. Total spending per group for local residents was R904.17. With an average group size of 1.46, this gives per person spending for visitors as an average of R619.29. By far the largest spending category for local residents was food and drinks, followed by tickets, transport and shopping.

One of the important stated aims of festival organisers is to use the festival for the “development of Mahikeng as the capital of the Arts in the country”. While the event is still in its early days, attendees were asked to respond to the following statement (on the “Strongly Disagree” to “Strongly Agree”

scale) to provide a baseline measure of effectiveness: “The festival is part of what makes Mahikeng a special place”.

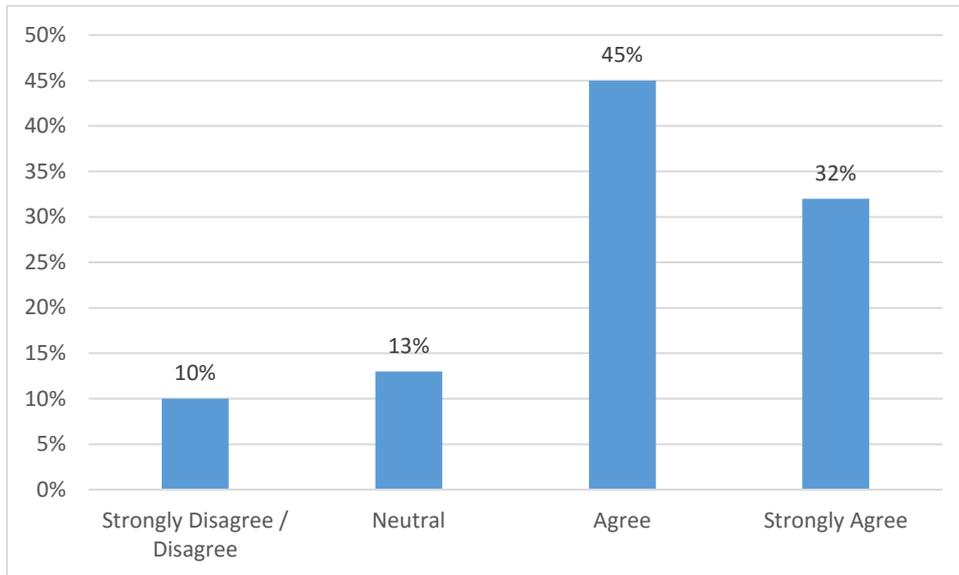


Figure 8: The festival is part of what makes Mahikeng a special place

Results show that the festival is already regarded by the majority (77%) of attendees as being an important part of place-identity in Mahikeng (32% strongly agree, and 45% agree). Much smaller groups were neutral (13%) or disagreed (6%) or strongly disagreed (4%).

Events like festivals can also be used to leverage tourism in the province, if visitors to the festival also stay on for additional days. However, since a high percentage of Mahika visitors were from the North West Province, it is not surprising that only 4.3% of attendees indicated that they were “staying on in the region to visit other tourist places nearby”. As the festival becomes better known and attracts more visitors from other provinces, tourism leverage is likely to become a more significant source of economic impact for the province.

## 4.5 Comments by Festival Attendees

As with all Cultural Events, Festivals or otherwise, participants have both positive and negative opinions. The Mahika Mahikeng Festival, being still in its early years, received some accolades, many constructive comments as to how the Festival could be improved, and the inevitable criticisms. These were in response to the final question:

“That is the end of the survey. Thank you very much for your help! Do you have any other comments about the Festival that you would like us to pass on to organisers?”

There were some positive comments on the quality of the arts and crafts on sale. Suggestions included having some activities for children, that malls and government buildings should be used as exhibition spaces, and that food and drinks should be available for purchase where arts and crafts are sold. A constraining factor for participation in activities at the Lotlamoreng Dam seems to have been the lack of transport.

Criticisms focussed mainly on the lack of advance information provided, the organisation, and timeliness of events. For example, there were discrepancies between the published programme and event starting times, a lack of detail about who the performers were, and the venue for the beginning point of the Street Carnival was not clear. In some cases, tickets were not available; in another case ticket-holders were not permitted to enter the venue until well after the advertised starting time.

The choice and line up of artists was also a matter of comment, some pleading for local artists only. Visual artists and Crafters complained about a lack of buyers. In brief, the plea was for greater advance planning, wider earlier advertising to draw more people to the Festival, and tighter organisation during the Festival itself. As the experience of organisers grows, the issues raised should not be difficult to rectify by beginning plans well ahead of the next Festival.

Details of individual comments are contained in Appendix 5.

## 4.6 The Economic Impact of Mahika-Mahikeng on the host economy

Tourism events attract “new” money into the impact region and create direct and indirect impacts through re-spending of the initial injection. Economic impact studies attempt to answer the question, “If the event had not taken place, what would the loss of revenue to the impact area have been?” An economic impact study thus calculates all the additional economic activity that takes place in the region as a result of the event. This means that normal expenditure by local residents and expenditure

that is likely to have taken place anyway, should not be included. The same applies to sponsorship from inside the impact area, since it is likely that, even if the event had not taken place, this money would still have been spent in the impact area on something else (Crompton et al, 2001; Crompton, 2006; Snowball, 2008).

Economic impact starts with the first round, or direct impact, of spending by visitors and Festival organisers, although some of this spending flows out of the system immediately in the form of profits and manufacturer margins. Indirect and induced expenditure is stimulated in the impact area as the initial injection is re-spent (known as the multiplier effect). Indirect impact results from the successive rounds of spending that take place as the new money within the region is re-spent. Induced impact refers to the next round of spending caused by the change in income and as a result of stimulated production. Total impact is the sum of direct, indirect and induced impact.

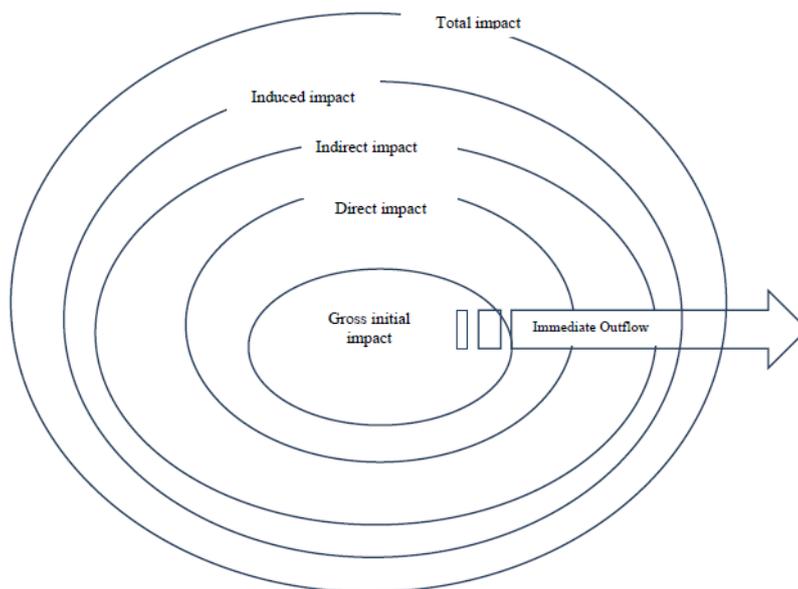


Figure 9: A conceptual model of economic impact (Adapted from Kavese, 2012)

There are three broad categories of economic impacts:

$$\text{Full Impact (FI)} = \text{Cultural Impact (C)} + \text{Long Run Growth Impact (LRG)} + \text{Short Run Spending Impact (SRS)}.$$

Most economic impact studies, including this one, do not address C or LRG, but focus on SRS. Output impact of the short run spending injections into a particular economy include both the direct impacts plus the indirect impacts, or

$$\text{Total Impact} = \text{Direct Impacts} + \text{Indirect Impacts}$$

= Direct Impacts x Multiplier

#### *Estimating the Multiplier*

There are a number of common errors made when calculating economic impact. One of them is the over-estimation of the multiplier, defined as the “failure to adapt the multiplier to the specific region, including the failure to recognize that smaller, less self-sufficient regions have smaller multipliers due to more extensive spending leakages (Seaman, 2012).

The size of the multiplier (which determines the size of the indirect and induced impacts) depends on the characteristics of the impact area. The smaller the area, the greater the amount of re-spending that takes place outside of it (referred to as “leakages” from the system), and the smaller the multiplier size.

Since Input-Output tables are not generally available in South Africa at municipal or city level, multipliers can be estimated by looking at past studies, and regional characteristics. An Economic Impact Calculator (EIC), developed for the Georgia Department of Economic Development (Seaman, 2012) and adjusted for South Africa with the assistance of the original modeller, was used to estimate the multiplier in this study.

Statistics South Africa (Census 2011) reports the population of the Mafikeng Local Municipality of 291 527 people, living in 84 237 households. The Municipality includes a large number of towns and villages (see Appendix 4), but Mahikeng itself consists of 15 117 living in 4524 households. People who described themselves as “local” however, included not only those living in Mahikeng itself, but also many who lived in the surrounding villages (highlighted entries in Appendix 4). Based on local data, the population of the festival impact area, defined as “Mahikeng and surrounds” was estimated as 250 000.

For an economy with a population of this size, the South African Festivals Economic Impact Calculator (SAFEIC, 2017) suggests an expenditure multiplier of 1.42. This means that, for every R1 of “new” spending in the economy, a further 42c is generated in indirect and induced impacts.

#### *Calculating Visitor Spending*

The population (that is, the total number) of Festival attendees is often not known. In this case, the total number of attendees needs to be estimated using information from, for example, ticket sales data. Organiser data was provided in advance of the event (based on projections), but the SACO research team was not able to obtain post-event data in time to meet the deadline for this report. Figures for organiser spending, the proportion of local sponsorship, ticket sales and attendees are thus based on the observations of the research team and/or the data provided by organisers in advance.

Based on crowd counts at the events at which interviews were conducted, and taking into account that the average number of shows/events attended by each person was 1.53 (from visitor survey data), it is estimated that 3 500 people attended the festival. This implies that 5 355 tickets were sold (3 500 x 1.53), which is within the range of what organisers anticipated (5000 - 10 000).

Interviews found that 65% of randomly selected attendees were local residents, while 35% were visitors. However, this may be an under-estimate of the proportion of visitors, because local audiences stay for longer, so are more likely to be interviewed, especially at free events. General estimates for impact areas with a population size of 250 000 is 55% local audience and 45% visitors, which is what was used in the economic impact estimation. This results in a total of 1 575 non-local visitors to the impact area. However, some of these visitors were not in the area specifically or mainly to attend the festival (13%) and are thus likely to have come to the city, even if the event had not taken place. Their impact should not be counted. This results in the total number of non-local visitors in the area specifically to attend the festival being 1 370.

*Table 6: Calculating Net Visitor Spending*

	<b>Category</b>	<b>Amount</b>
<b>A</b>	Total number of attendees	3500
<b>B</b>	Total Number of Non-local visitors from outside impact area (45%)	1575
<b>C</b>	Total number of Non-local visitors in area specifically for Mahika (87%)	1370
<b>D</b>	Average visitor spending per person for whole stay	R831.74
<b>E</b>	Gross visitor spending (C x D)	R1,139,692
<b>F</b>	Local capture rate	0.68
<b>G</b>	Net visitor spending (E x F)	R774,990

Average spending per visitor for the whole trip was an average of R832 (data from the visitor survey). Gross visitor spending is thus R1,14m. Note that spending by local residents should not be included, since this does not bring “new” money into the region. Only in cases where one can show that it is likely that local residents are holidaying at the festival (and are thus likely to have spent the money outside the impact area if the festival had not taken place) can spending by local residents be counted.

#### *Calculating Economic Impact*

The next step is to include other spending categories, taking care to avoid double-counting and sponsorship from inside the impact area.

Organiser budget showed total anticipated spending of R12 910 000. Assuming this is what was actually spent, funding from inside the impact area would need to be excluded if it could reasonably be argued that this spending would have taken place even if Mahika-Mahikeng had not happened. Organiser data indicated that, "An amount of six million has been allocated through the appropriated funds to CATA. Additional funding will be sourced from the Mahikeng Rebranding, Repositioning, and Renewal programme". Other local sponsors (Mmbana, North West Provincial Government) were listed on the programme. Outside sponsors listed were ABSA, National Lottery, and the DAC, from which the festival received R2 million. In the absence of organiser data, it is estimated that half of the spending was funded from outside sources, so this item is recorded as R6,455 million

Not all organiser spending takes place in the impact area. Organisers reported that they had a procurement strategy to direct as much of their service provider spending as possible locally, with a target of 70%. However, some local service providers outsourced to businesses outside the impact area. The model assumes that 65% of organiser spending occurred locally, an amount of R4.2 million.

*Table 8: Calculating Economic Impact*

	<b>Category</b>	<b>Amount</b>
<b>H</b>	Total Organiser spending (from non-local sources)	R6,445,000
<b>I</b>	Percentage of organiser spending in impact area	0.65
<b>J</b>	Organiser spending in impact area (H x I)	R4,189,250
<b>K</b>	Total first round impact (G + J)	R4,964,240
<b>L</b>	Multiplier	1.42
<b>M</b>	Total Economic Impact (K x L)	R7,049,221

Total Gross Impact (including both visitor and organiser spending in the impact area) was R4.96 million. As previously discussed, the multiplier is estimated as being 1.42. This gives a total economic impact of the 2016 Mahika-Mahikeng festival on the economy of Mahikeng of just over R7 million.

## Conclusions and Recommendations

The Mahika Mahikeng Music and Cultural Festival took place from 8 – 11 December 2016. The Festival included a wide variety of show genres, with a mix of local, provincial and national performers. The main aims of the festival were: To promote cultural and heritage tourism; To celebrate artists in the region and nation (with a focus on musicians from the Province); To reposition and rebrand Mahikeng and the North-West Province as a cultural hub; and to stimulate economic growth and create jobs in the music industry.

As shown in the summary table, the majority of the audience were local residents, whose home language was Setswana (78%). As anticipated by festival organisers, 80% of the audience were young (up to 35 years old). They were also well educated (61% had some form of tertiary education) and had fairly high household incomes (46% had household incomes of more than R10 000 per month after tax). The majority of respondents (62%) agreed that “the festival increased my understanding of African cultures”. In the Audience Development category, the festival thus performed quite well, although it does not appear to have been successful in attracting audiences from other neighbouring countries, especially Botswana and Namibia, which was one of the aims of the organisers.

An area that could be improved on is marketing and information. Respondents commented that it was difficult to obtain information about the Festival in advance. A week to ten days before the event, local marketing began in earnest, with posters, radio and newspaper advertisements in and around Mahikeng itself. There was also a fairly active social media presence (Facebook and Twitter). As noted by some of the respondents, festival organisation (in terms of things like information provided on starting times and venues, and the names of performers for specific events) also needs to be improved. Some performers felt that the lack of accurate information and marketing led to small audience sizes.

The number of tickets sold was estimated to be 5 355 (based on an estimate of 3 500 attendees, who bought an average of 1.53 tickets each). The economic impact of the festival on Mahikeng and surrounds was estimated to be just over R7 million. To increase economic impact in the future, and to allow the festival to play a greater role in the “development of Mahikeng as the capital of the arts in the country”, a greater percentage of non-local visitors should be encouraged, especially visitors from outside the North-West Province who are more likely to stay overnight and visit other places in the area. However, the festival is already gaining some recognition as part of building place identity: 77% of attendees agreed that it was part of “what makes Mahikeng a special place”.

Table 7: Summary of Mahika Mahikeng Evaluation Results

Theme	Indicators	Summary of Results
<b>Audience Development &amp; Education</b>	Demographics (Age groups; Cultural/Race groups; Gender)	78% Setswana; 8% Sesotho; 6% isiXhosa speakers; 59% men; 80% under 36 years old
	Origins (Local/Visitor; Rural/Urban; Province; Nationality)	65% locals; 98% SA; 1.3% Botswana
	Income and Education Groups	54% have household income less than R10 000 p/m; 19% more than R20 000 p/m; 61% tertiary education.
	Participation & time-use	57% attended Jazz; 37% Motswako; 50% attended 1 event; 27% attended 2, average 1.53 tickets per person.
	Ticket sales/participation (numbers)	Estimated <sup>1</sup> total attendance 3500; estimated total ticket sales 5 355.
	Building cultural capital	62% agree that “the festival increases my understanding of African cultures” (20% neutral).
<b>Human Capital/Professional capacity building</b>	Experience gained by local, emerging artists	Call for inputs from province; Call for nominations from municipal districts and on social media; Mix of local and national artists (some contention).
	Showcasing South African art and artists	Wide variety of genres included presented by local and national artists.
<b>Inclusive Economic Growth</b>	Organiser spending	Pre-event cost estimate of R12 900 000; estimated spending in impact area, funded by non-local sources R4.2m
	Earned income/Turnover	Ticket sales pre-event estimate R2m
	Sponsorship (and sources)	R2m DAC; Other sponsors included: Culture, Arts and Traditional Affairs (R6m); Mahikeng Rebranding, Reposition, and Renewal programme; Mmbana, North West Provincial Government; ABSA; National Lottery.
	Audience spending	Visitor average spending of R832 per person; R619 for local residents.
	Length of stay (Bed nights)	1.5 nights and 2.4 days; 45% day visitors
	Tourist leverage (extended trips)	4.3% “staying on in the region to visit tourist places nearby”
	Contribution to Gross Geographic Product/Gross value added	Estimated at R7,05m impact on Mahikeng and surrounds.
<b>Social Cohesion &amp; Community Development</b>	Artist/Producer origins (diversity)	Mix of NW province and national (some contention about how local artists chosen).
	Cultural offerings (Local arts/heritage/languages)	Wide variety of genres in mix of languages
	Audience diversity	65% locals; 98% SA; 1.3% Botswana; 78% Setswana; 8% Sesotho; 6% isiXhosa speakers; 59% men; 80% under 36 years old; 61% tertiary education
	Marketing & Place identity	32% strongly agree and 45% agree that “the festival is part of what makes Mahikeng a special place”.
<b>Reflective &amp; Engaged Citizens</b>	Fostering dialogue and inter-cultural understanding	57% agree and 20% strongly agree that “the festival is an event where people from different cultures and backgrounds can meet and talk together”.
	Developing pride in local cultures	77% agree that “festival makes me feel proud of my cultural heritage”

<sup>1</sup> Organiser data was provided in advance of the event (based on projections), but the SACO research team was not able to obtain post-event data in time to meet the deadline for this report. Figures for organiser spending, the proportion of local sponsorship, ticket sales and attendees are thus based on the observations of the research team and/or the data provided by organisers in advance.

The festival also provided a platform for local and provincial artists to showcase their work across a variety of genres. Selection included asking for nominations from municipal districts and taking recommendations from social media platforms. However, there was still some dissatisfaction, with some local groups feeling that they had been deliberately left out and that more local artists (or even exclusively local artists) should have been included. The balance between less well-known local artists and national or international performers is always a challenge for festival organisers because including too high a proportion of local artists can reduce audience numbers and the ticket prices that could be charged. A more transparent selection process may be part of the solution.

---

## References

- Crompton, J. (2006) Economic impact studies: Instruments for political shenanigans? *Journal of Travel Research* 45:67-82.
- Crompton, J., Lee, S. and Schuster, T. (2001) A guide for undertaking economic impact studies: The Springfest example. *Journal of Travel Research* 40:79-87.
- Kavese, K. (2012) Eastern Cape automotive sector analysis: an economic model for policy and investment development. Commissioned by the Eastern Cape Socio Economic Consultative Council. Online [Available]  
[http://www.iioa.org/conferences/20th/papers/files/994\\_20120320030\\_ECAutomotivesectoranalysisfinaldraft20March2012.pdf](http://www.iioa.org/conferences/20th/papers/files/994_20120320030_ECAutomotivesectoranalysisfinaldraft20March2012.pdf) [Accessed: 5/2/2015].
- SACO (2016) A Framework for the Monitoring and Evaluation of Publically Funded Arts, Cultural and Heritage. South African Cultural Observatory, Working Paper #1.
- Seaman, B. (2012) *Economic Impact Calculator (EIC)*. Commissioned by the Georgia Department of Economic Development, USA.
- Snowball, J. (2008) *Measuring the Value of Culture: Methods and Examples in Cultural Economics*. Springer-Verlag, Germany.
- Statistics South Africa, Census (2011) Durban. [Online] Available:  
[http://www.statssa.gov.za/?page\\_id=4286&id=10350](http://www.statssa.gov.za/?page_id=4286&id=10350)

Appendix 1: Mahika Mahikeng Festival Audience Survey Instrument

Interviewer name:

Date:

Hi! I am [name] and we are doing a Festival visitor survey on behalf of the Department of Arts and Culture about this Festival. Would you be willing to spend about 5 minutes answering some questions?  Yes: Thanks!

This survey is part of research into the value of government sponsored arts and culture in South Africa. The information will be used by Festival organisers, DAC and researchers in planning and in research. Your name won't be used, and you can stop at any time, or leave out questions you don't want to answer.

Are you happy to carry on?                      1  Yes – Thanks!                      0  No – OK, have a good time

Are you a local (Mahikeng) resident, that is, you normally live here?

1  Yes   0  No

**A. This first section is about what you do at the Festival, where you stay, and so on. OK?**

1. This Festival has a few different activities. Which of these are you going to?

1  Afro-Soul                      2  Motswako                      3  Gospel

4  Theatre                      5  Arts and crafts                      6  Dance

7  Other? \_\_\_\_\_

2. How many ticketed festival shows are you going to at the festival? \_\_\_\_\_

**For non-local visitors only:**

**[For locals, go to Part B]**



3. In which country is your permanent residence?

1  South Africa

0  Other (please specify) \_\_\_\_\_

4. **For South Africans:** Which province do you come from?

1  Eastern Cape                      2  Free State                      3  Gauteng

4  KwaZulu-Natal                      5  Mpumalanga                      6  Limpopo

7  Northern Cape                      8  North West                      9  Western Cape

**For all visitors:**

5. For how many days and nights are you staying?

No. of days \_\_\_\_\_ No. of nights \_\_\_\_\_



12. What is your home language? 1  Setswana 2  Sesotho  
 3  English 4  isiXhosa 5  Afrikaans 6  Other \_\_\_\_\_
13. What is your age group? 1  18 – 25 2  26 – 35 3  36 – 50  
 4  51 – 64 5  65+
14. What is your highest level of education?  
 1  Primary school 2  High school  
 3  Apprenticeship/short course/ Professional qualification 4  Diploma/Degree
15. What is your household monthly income after tax?  
 1  less than R5 000 2  R5 001 – R10 000 3  R10 001 – R20 000  
 4  R20 001 – R30 000 5  R30 001 – R40 000 6  R40 001 – R60 000  
 7  Greater than R60 000 8  Declined to answer/ Don't know
16. How many people live in your household? \_\_\_\_\_

**That is the end of the survey. Thank you very much for your help! Do you have any other comments about the Festival that you would like us to pass on to organisers?**

## Appendix 2: Data requested from Festival Organisers

Ticket sales (from Computicket) and crowd estimates from free events
Information from Festival organisers on the number, type and origin of performers/artists.
Organiser spending (payments to performers; venue hire; security; equipment; catering; payment to ticket vendor; marketing/advertising; staff etc.). Estimate of spending locally (versus outside of the impact region).
Use of local service providers and/or procurement policy
Sponsorship (amounts and names of sponsors)
Direct employment and, if relevant, volunteers.

## Appendix 3: Festival Programme

### Main Festival Program: 08 – 11 December 2016

08 December	Venues	09 December	Venues	10 December	Venues	11 December	Venues
08:00 – 10:00. Carnival Walk.	Convention Centre	08:00 – 18:00. Arts and Craft Exhibition,	Mmabana Park	08:00 – 18:00. Arts and Craft Exhibition,	Mmabana Mahikeng Park	10:00 – 18:00. Clap & Tap Choral Festival	Mmabatho Civic Centre
10:00 – 18:00. Arts and Craft Exhibition.	Mmabana Mahikeng Park	08:00 – 20:00. Mahika Mahikeng Golf Challenge	Leopard Park	10:00 – 18:00. Traditional Extravaganza	Mmabana Mahikeng Theatre	12:00 – 02:00. Afro-Soul Jazz Festival	Letlamoreng Dam
10:00 – Film Exhibition	Mmabana Mahikeng Theatre	10:00 – 17:00. Workshops by Funding	Mmabana Mahikeng Theatre	18:00 – 22:00. Books Exhibition and Conversations	Mmabana Head Office Foyer		
18:00 – 23:00. Comedy Night (Mahika Standup)	Convention Centre	18:00 – 22:00. Books Exhibition and Conversations	Mmabana Head Office Foyer	18:00 – 22:00. Drama and Dance Show	Mmabana Head Office		
18:00 – 22:00. Books Exhibition and Conversations	Mmabana Head Office	18:00 – 22:00. Drama and Dance Show	Mmabana Head Office	18:00 – 06:00. DJ's	Stadium		
18:00 – 22:00. Drama and Dance Show	18:00 – 22:00. Drama and Dance Show	18:00 – 06:00. Motswako Fest	Letlamoreng Dam				

#### Notes:

- Highlighted events are those directly attended/observed by the research team.
- The Golf Challenge on 9/12 was cancelled.

#### Appendix 4: Town and Villages Included in Mafikeng Municipality

(Highlighted villages are those where attendees who classified themselves as “local” residence)

Bethel	Letlhakane	Matshepe	Ratau
Bokone	Lokaleng	Miga	Rooigrond
Broksby	Lokgalong	Mmabatho	Schoongezicht
Danville	Lomanyaneng	Mmanawane	Sebowana
Dibate	Lombaardslaagte	Modimola	Setlopo
Dibono	Lonely Park	Modimola-Morwamarapo	Setumo Park
Dihatshwane	Lotlhogori	Mogosane	Seweding
Dithakong	Madibe-Magelelo	Molelwane	Signal Hill
Driehoek	Mafikeng	Moletsamongwe	Six Hundred
Enselsrust	Mafikeng NU	Montshioa	Slurry
Ga-Kubu	Magogoe	Montshioa Stadt	Syberia
Ga-Tau	Magogoe Tlhabologo	Mooifontein	Tlapeng
Gelukspan	Majemantsho	Mooipan	Tlounge
Goedgevonden B	Makgabana (Madibe)	Morwatshetlha	Top Village
Ikopeleng	Makgokgwane	Motlhabeng	Tsetse
Kaalpan	Makhubung	Motsoseng	Tshunyane
Kabe	Makouspan	Naawpoort	Uitkyk B
Koikoi	Mandela Park	Nooitgedacht B	Weltevreden
Lekoko	Mantsa	Nyetse	Wintershoek
Lekung	Masutlhe	Ottoshoop	
Leopard	Matile	Phola	
Lerwaneng	Matlhonyane	Ramosadi	

(Source: Statistics South Africa (2011) and Survey data)

## Appendix 5 Comments by Festival interviewees

Compared to other studies conducted at cultural festivals in 2016, a large number of comments were obtained from festival audiences. These were in response to the final question:

“That is the end of the survey. Thank you very much for your help! Do you have any other comments about the Festival that you would like us to pass on to organisers?”

The 140 comments obtained from Mahika Mahikeng Festival goers may be classified into matters focussing on Artists and Art Crafters; organisations; information provision; advertising and marketing; accommodation; and sundry others raised by one or two informants. As far as possible the comments have been quoted verbatim or paraphrased, with some editing but with the minimum of light editing to make it more readable.

### **Performing and Visual Artists**

[Frequently no distinction was made between performing artists and visual artists.]

“The artists and crafters have very nice stuff. At the Official Opening artists should properly welcomed. Art should be set [up] where there are more people. More would be sold at The Crossing. Only visual artists were attending, but no people to buy. Artists should be involved since they know what they need. Posters and advertising should include the Visual Arts, which were not properly marketed. For visiting artists what happened was an embarrassment. Visual arts and performing arts should not be mixed. Galleries and art collectors should be invited to come. There should be exhibition spaces in malls and spaces in Government [buildings] and then should be insured. Group presentations should vary as they all sound the same”.

Varying opinions were expressed of having local versus including a wider range of artists, for example: “Have only artists that are from the North West Province to promote them and not from other Provinces; need to include people from local villages; include more local artists (Mosekaphofu); include relevant and recent artists (Fifi Cooper, Cassper, Fresh, ‘Big Daddy’) and a production agency should be consulted for artists. Should not misrepresent KTSD. The group at the top do not take local talent seriously”.

“More money is needed for choirs and help with transport, because there are members that are not working”.

“Mahikeng needs a Children’s Theatre. The Festival only focusses on youths and adults’ activities”.

### **Arts and Crafts**

“There was less support for Crafters than was expected. Crafters request the Department to market (the event), which would bring people in from ‘higher places’ to support them. Arrangements for arts crafters as well as for painters, is disorganised. It would be nice if (one) could buy food and drinks at the venue for crafters and buyers. No information had been provided in advance that there was an exhibition fee to be paid”.

### **Accommodation**

“Accommodation needs to be finalised as artists are from everywhere. [An artist: ‘Struggled to find accommodation; demoralising.] There was no follow up as to whether artists were secure or have eaten and no communication between service point representatives. Artists were left alone without a shuttle/transport from Mmabana to Lotlamoreng Dam”.

## **Cultural Issues**

“The Festival does focus on culture and heritage, but there is still a need to include more cultural activities. African culture was not incorporated; only Setswana. The Festival is not representative of local people more; artists from Mahikeng are not promoted and engaged. There is a need to empower rural sports; golf is not key. People need to be encouraged to wear traditional attire. It (the Festival) feels like a new-born Calabash. Should we forget about our heritage? Consider celebrating the old president. Incorporate cultural food”.

## **Advertising and Marketing**

The consensus of comments were that advertising needed to be ‘improved’, intensified, and longer before the event with ticket prices and the times of events. Marketing should include TV, radio stations and big billboards and on a dedicated website. Some blamed the low turnout on the lack of active marketing and advertising, including in Botswana.

## **Information**

A number of comments were focussed on the lack of information on various aspects related to the Festival, such as who would be performing, ticket prices, times and venues, a lack of information regarding exhibitions, insufficiently explicit information on do’s and don’ts, the R50 payment required for cooler boxes had not been announced

## **Organisation**

Various organisational issues were brought to the fore, especially time management with ticket holders having to wait for events to start – in one case for more than an hour after the advertised time – tickets not being available on time. Some merely claimed that the event organisation was ‘poor’, ‘incompetent’ or ‘disorganised.’ An Events Office is needed to resolve issues between artists and organisers; artists feel mistreated.

## **Other** (mostly only mentioned once or twice)

- Consideration should be given to the Festival moving to September.
- Security needed improvement, though others held it was good.
- Venues not clean, and especially dirty toilets, a disgrace
- A transport system should be put into place