2010 FIFA FOOTBALL WORLD CUP SOUTH AFRICA™

IDENTIFYING CRAFT MARKET ACCESS OPPORTUNITIES FOR WESTERN CAPE CRAFT PRODUCERS IN THE 2010 FIFA WORLD CUP SOUTH AFRICA™ AND BEYOND

Department of Cultural Affairs and Sport,
Provincial Government of the Western Cape.

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EXECUTIVE SUMMARY

There is a dearth of information on the consumption patterns of football fans outside of the area of official branded products**.** As a result it became necessary to investigate the motivations and behaviours of football fans, in order to understand what might motivate them to purchase craft items.

1. Mega-events

Traveling sports fans are consumers of mega-events, and destinations. Sports mega-events are a feature of the post-modernist age, where increasing commodifcation of sport, linked with developments of mass communications has led to the formation of a multi-billion dollar sport-media—business alliance. The packaging of sponsorship rights, exclusive broadcasting rights and merchandising has attracted sponsor of both the Olympics and World Cup events.

2. The effects of mass media on mega-events.

Mass media initially made it possible for sports fans to enjoy the consumption of their favorite sport at sites outside the stadia. The new technologies initially privileged them with superior views: close-ups, instant slow motions replays, after event speeches, etc. But with the introduction of large screens into the stadia themselves, fans and spectators present at the game enjoy the same benefits as well as 'being there'.

Because of the constant eye of the camera in the stadia, focusing on sports fan behaviors, the football fans have been co-opted to provide the content for the event, and encouraged by replays of their behaviors, they have been spurred on to ever higher levels of performance and spectacle. The constant presence of the television camera essentially promotes narcissistic and performative behaviors, heightening the spectacle.

With the advent of Fan Parks this performative behaviour has been given freer rein, and these areas are now being transformed into carnivalesque venues where the control they provide is subverted by exuberant fan behavior.

3. Fan motivations

A number of studies have been undertaken of sports fan motives. The following have been identified as key motivations for sports fan attendance and behavior at sporting events:

- Group affiliation: providing opportunities to socialize
- Family: providing greater opportunities to spend time with family
- Aesthetic: enjoyment of the physical grace and skills of the athletes
- Self-esteem: providing an opportunity to feel good out him or herself
- Easters: enjoyment of excitement and positive arousal felt while watching events
- Escape: providing a diversion form everyday life, and
- Entertainment: sport perceived as an enjoyable past time.

A Sports Fan Motivation Scale established that the most important of these are entertainment, esters, group affiliation and self-esteem.

All of these, now combined with the presence of mass media at sports events, influence the behaviors of fans. They are evident in the adoption of banners, replica shirts, vuvuzelas, scarves, etc. which speak to their affiliation.

4. The football fan as an event consumer

Most studies undertaken have established that the main items purchased by fans are those which strengthen their sense of group affiliation and self esteem, i.e. items related to the team and the event, usually in the form of branded items, as well as food and beverages. This is confirmed by the products found on fan websites. There is little information on what products outside of these branded items might elicit interest from fans. Using fan motivations it is proposed that craft items and memorabilia that reinforce the sense of belonging and national identity are most likely to draw a positive response.

5. The football fan as a destination consumer

In surveys undertaken, Cape Town is seen as a preferred destination. However, it is difficult to assess motivations of touring football to engage in tourist activity while here for the World Cup beyond the fact that in surveys undertaken, the average length of stay of international visitors (2-3 week) would allow them time to explore the region where they are staying. In addition, as a long-haul destination, international visitors re likely to take advantage of their time here to engage in tourist activities in this unique diverse African environment.

With regard to craft, it is proposed that Western Cape craft needs to be differentiated from the generic items that are standardly produced for the tourist industry, and that this offers a unique opportunity to develop Western Cape souvenirs, celebrating the uniqueness of the Western Cape with its diversity not only for the World cup but which would have a continuing life after the event.

In addition, research has indicated that many football fans are motivated by a desire to learn about the destination, and craft souvenirs linked to tourist sites can not only enrich the visitors experience by speaking of the provenance of the product, the craft producer and the context in which it is produced, but also serve as a reminder of the experience itself.

6. Market access for the World Cup

Given the uncertainty about visitor numbers and the fact that key locations have not yet been finalized, it is suggested that conservative estimates need to be applied, and that craft producers' expectations with regard to the event need to be properly managed so that they do not over-produce or produce inappropriate memorabilia. There are, thus, certain limits that might have to be placed on just how much can be sold in the Fan Parks or along the Fan Mile and in the V&A Waterfront.

However, a key area that has been identified as having great potential is the area of gifting. FIFA, the LOC, the Corporate Affiliates are all going to be giving gifts to their guests. In addition the MATCH Hospitality programme combines tickets with the allocation of skyboxes/hospitality suites, parking, and gifts. The volumes are extremely large, and thus by and large unsuitable for craft producers, particularly since most of these elements of the World Cup would wish to benefit from the co-branding that they will enjoy. However, at the upper tier, there are possibilities for high value-added gifts for their most illustrious guests.

The exploration of gifting for this event has also highlighted the long-term possibilities that exist in this market, not just at the upper end but also for bread-and-butter products (e.g. beaded lanyards) that could be produced in relatively large volumes for corporate clients who have a continuous need for such promotional items. This points to the development of a sustainable product range that would go beyond 2010.

Further areas that have been identified are the hospitality industry, and décor.

7. Crafters

There are some concerns about the production capabilities of crafters within the province to deal with the intensely compressed time frame and volumes that the event will demand. In addition, the rural areas could not be fully investigated in the context of this report, and the rural Outreach Officer of the Cape Craft and Design Institute will need to take this on as a particular task to ensure that rural crafters are not marginalized, and can benefit from the positive tourist influx as a result of the event.

Access to finance, the cost of raw materials, and protection of designs will all need to be given attention and numerous recommendations have been made to deal with problems of capacity.

8. Craft Promotion

With the wide exposure that the media will provide for the event, both in terms of the global television audience, and the direct exposure of tourists to our country it is important to promote the creative assets of the Western Cape to the maximum. The obvious vehicles for this are the two tourist agencies. In addition the dressing of events such as the final draw in December 2009, and the exhibition which has been mooted in the original strategic plan provide further promotional opportunities.

Also recommended is the development of in-flight promotional movies for all domestic and international flights landing at Cape Town International Airport.

Links need to be established with the Cape Film Commission to provide material on Western Cape craft for fillers for television for which there is a stated need.

9. Conclusions and Recommendations

Finally conclusions are drawn as to the most appropriate approach to product development for both the World Cup and tourism and a series of recommendations, together with required resources are spelt out.

INTRODUCTION

1. General

This research is aimed at identifying significant market access and development opportunities for Western Cape crafters arising out of the staging of the 2010 FIFA World Cup South Africa™. This report, and the recommendations it contains, should be seen in the context of the following critical craft development strategies:

- Broader Western Cape provincial economic development priorities, epitomized in the Micro-economic Development Strategy (MEDS) (2005) for the Western Cape.
- The provincial rollout of the national Advanced Manufacturing Technology Strategy producing a further study into the craft sector in 2005.
- On a national level, the development of the dti's Customized Sector Programme for Craft (2005).

WIth regard to MEDS, the provincial government conducted a number of research projects into a range of sectors, including the craft sector. The Craft Sector study (27 May 2005) recommended a series of interventions, a number of which have aleady been implemented. With its emphasis in the MEDS study on the craft sector as an important component of economic and human development in the province, the province has provided an opportunity within the context of the 2010 World Cup, to build on strategies that have been developed and implemented over the past 3 years, and to leverage the event to develop longer-term sustainability within the sector. This is acknowledged in the 2010 FIFA world Cup™ Cape Town & Western Cape Business Plan (31 October 2006), which includes craft and fine arts as important components in the Arts & Culture programme, and makes a provisional allocation of R2m for implementation of different aspects of the programme. Further, the Economic and Human Development programme in the Business Plan makes provision for the identification of economic opportunities for SMMEs and BBBEEs outside of the FIFA approved merchandise and services directly required for the event, particularly with regard to market access opportunities in the public viewing areas (PVAs) and other identified areas, including the sale of craft and memorabilia, exhibitions showcasing provincial products, cultural industries and other sectors. Excellence in craft and design within the context of the Design Indaba is to be supported by the Economic and Human Development workgroup on which the Cape Craft and Design Institute is to be represented. A provisional budget provision for exhibitions and business opportunities in PVAs of R1,2 million has been provided for.

The MEDS World Cup 2010 Backward Linkages Consolidated Report (2007) notes that the Cape Town metropole is likely to be the prime beneficiary within the province, including investment in infrastructure, and reception of out-of-province and foreign visitors. Other areas likely to benefit are directly related to the event itself, and thus of a more temporary nature (construction, food and beverage vendors, consumables, clothing and textile manufacturing industry, and events organization).

Longer-term benefits are projected to arise from the direct and indirect exposure to the region through the physical presence of visitors and media coverage. It is estimated that the event will have a cumulative total of 24-28 billion viewers worldwide, and this presents opportunities for collaborative marketing with international sponsors, investor targeting and 2010 related marketing material for inward delegations. One of the potential target categories of impact could include craft. Anecdotal evidence suggests that most mega-event visitors spend little on 'high culture' (which may include crafts), so the impact on the Arts, Culture and Design related sectors are more likely to derive from support by VIP's and higher-income visitors. However, craft has aesthetic, heritage and commercial components which allow it to operate on a number of different levels. It can, thus, benefit markedly from its integration into the dressing of events, high quality gifts, as well as lower cost memorabilia and souvenirs related to the event, football fans, and the tourist presence.

Measuring the economic impact of mega-events is a highly contested area. It is commonly asserted in numerous impact studies that have been conducted, that the expectations created in bidding for the event are seldom realized, particularly with regard to the impact on longer-term employment opportunities, growth in GDP, and Tourism on the periphery. Most past mega-events have made significant contributions towards infrastructural development, and some gains towards tourism development, but this does not always translate into gains for marginalized communities, and permanent employment opportunities are generally relatively insignificant (Matheson & Baade (2004), Horne & Manzenreiter (2004, 2006) Cornelissen (2004), Cornelissen and Swart (2006) Pillay and Bass (2008), Hall (2006), Whitson & Horne (2006), Maennig & du Plessis (2007).

The World Cup 2010 Backward Linkages report highlights the importance of learning lessons from trends from other mega-events by placing greater emphasis on longer-term opportunities and building trade and investment linkages, assisting firms to be more competitive and widening opportunities outside of the exclusive rights of the sponsors and commercial affiliates. In line with this, any craft development strategies arising out of the 2010 FIFA World Cup South Africa™ need to integrate sustainable components which can carry forward into the future any form of benefit derived from the event itself.

2. Research Methodology

a. Desktop Research

Extensive desktop research was undertaken, sourcing relevant documents from:

- City of Cape Town, 2010 FIFA World Cup Office
- Provincial Government of the Western Cape, Departments of Cultural Affairs and Sport, and Economic Development and Tourism
- A wide range of organizations at national, provincial and local level.
- Internet
- Publications (journals and books)

b. Interviews

A series of semi-structured interviews were conducted with a wide range of key figures involved in the planning and organization of the 2010 FIFA Football World Cup™ at national, provincial and local level.

CHAPTER ONE: SPORTS FANS AS CONSUMERS OF EVENTS, AND DESTINATIONS

This research has largely focused on the consumption patterns of sports fans. In order to understand such patterns it is necessary to review their motivations and behaviours in the context of the event. The following section discusses three issues: The nature and structure of the Football World Cup as a mega-event, the motivations of football fans, and football fan behaviours.

1. Sports Mega-Events

a. What is a sport mega-event?

Roche defines mega-events as 'large-scale cultural (including commercial and sporting) events, which have a dramatic character, mass popular appeal and international significance' (cited in Horne & Manzenreiter 2006:2). Both the Olympics and the FIFA Football World Cup™ are the premier international sports mega-events in terms of their attraction, wide audience coverage, and the volumes of total spend on infrastructure, media, and marketing rights.

From the perspective of the sports fan, mega-events represent a significant change in consumption patterns where the ownership of products and the consumption of services gives way to the desire for experiences which '"engage customers, connecting with them in a personal, memorable way"' (Frew & McGillivray 2008:182). As a result of technological developments, fans are engaging in participative activities, using displays of signs and symbols to assert national and international identity to a global audience. Sports event organizers are increasingly recognizing that fans behaviour and participation is an integral part of event content. These events offer people non-routine extraordinary and charismatic events, involving distinctive motivations and opportunities for dramatic experience, activity and performance (Roche 2003:110).

The FIFA World Cup™ is the largest single sports event in the world. The global popularity of football, and of the event, is reflected in the following table:

Table 1: Some facts and figures relating to football.

Category	Source of data	Figures
Numbers of individuals actively involved in football worldwide	FIFA BIG COUNT	270 million male and female players and referees and officials, representing 4% of world's population
Cumulative TV audiences for the 2006 Germany World cup	FIFA website	26,29 billion spectators in 214 countries world-wide
Attendance in stadia at 2006 Germany World Cup	FIFA website	3,359,439 at 64 games in 12 stadia, with an average per event of 52,491 and occupancy rate of 95%
Media representatives	FIFA website	18,850, covering 250 print /internet journalists and editors; 1,200 photographers; 13,400 TV commentators, camera teams, technicians
Official Public viewing Programme – Fan Fests – Germany 2006	FIFA website	15 locations Cumulative total of 18 million spectators 23 merchandise shops 39 giant screens
Overnight stays by foreign visitors at 2006 FIFA World Cup™ in Germany	FIFA World Cup Final Report b the Federal Government	12,5 million overnight stays during the months of June and July 2006

As revealed above, these events have the ability to transmit promotional messages to billions of people via television. It is anticipated for instance that a cumulative total of 25-28 billion people will be watching the 2010 event in South Africa. The focus of these promotional messages is essentially global, rather than national. For example, Budweiser, one of the 2010 World Cup sponsors has no market in South Africa yet clearly expects to benefit for the worldwide promotional exposure that the event affords.

Mega-events attract a high level of interest and involvement with powerful motivations at work, drawing on national pride and the fact that fans actively support their national teams. This is one of the strongest motivations to participate (Kim and Chalip 2003:704).

Events build audiences in part through multiple forms of experience that are provided as part of the event production, including but extending beyond the sports competition. The general atmosphere of the event is important and the sense of festival surrounding the event is one of its key appeals (Kim & Chalip. 2003, 696-697).

Re Horne (2006) Mega-events are a phenomenon of late modernism, and globalization and gives three reasons for the growing attraction to host nations of staging mega-events.

First, new developments in the technologies of mass communication, especially the development of satellite television has created unprecedented global audiences for events like the Olympics and the World Cup.

The FIFA World Cup™ is a huge media event transmitting promotional messages to billions of people. Resources made available for national broadcasting systems to televise the event provide ample evidence of this. In the South African context, an International Media Centre, capable of carrying the coverage of the Football World Cup to a global audience is currently being constructed at Nasrec. TV rights worth R13.9 billion have been secured, representing a considerable increase over the revenue of R9 billion from such rights for the 2006 World Cup in Germany.

The second reason, largely arising out of the vast global audience exposure that the events afford, is the formation of a sport-media-business alliance that, starting in the late 20th century has transformed sport generally. Packaging of sponsorship rights, exclusive broadcasting rights and merchandising, has attracted sponsors of both the Olympics and the World Cup events.

For 2010 there are three tiers of commercial affiliates:

- *Partners*: Coca Cola, Adidas, Emirates, Visa, Hyundai, and Sony
- *Sponsors*: MacDonald's, Budweiser, Continental, Castrol, MTN and Satyam, and
- *National Supporters*: FNB and Telkom

It is estimated that the total value of commercial rights, including television rights would be in excess of ±R28 billion (US$3 billion) (Mercury 12 September 2007).

The third reason is that sports mega-events have come to be seen as valuable promotional opportunities for cities and regions.

While research shows that expectations of the benefits are seldom fully borne out by subsequent impact surveys, nations are undeterred and continue to aggressively compete to host these events. Nowhere was this more evident thanin the recent Beijing Olympcs which brought China into the living rooms of a global audience on an unprecedented scale.

b. Modes of Spectating and the effects of media on the mega-event/spectacle

Dayan and Katz (cited in Roche 2002:4) drew a distinction between 'being there' and 'watching on TV'. The advent of television has made it possible for millions of spectators worldwide to view the event without actually being present. These spectators watching at home with family and friends, in bars and sports clubs, or on large screens located in public spaces, are provided, through TV production techniques, with qualitatively superior overviews, insights and information, which compensate for their lack of physical presence in the stadium.

In recent years, the advantages ascribed to fans actually present in the stadium have been augmented with the introduction of large screens into the stadium itself, expanding the stadium experience to include similar views to those experienced by remote spectators (instant slow-motion replays, close-ups of participants, after-match interviews, etc.), thus blurring the distinctions between off-site and on-site viewing.

An important development is the recent phenomenon of Fan Parks.

Public viewing areas (PVAs) were first informally introduced in the 2002 FIFA World Cup in Korea and Japan. Designed as a strategy to counter incidents of football hooliganism and xenophobia so prevalent in Europe, controlled public viewing sites were subsequently systematically introduced in the UEF Cup 2004 Portugal™. A key element in the construction of this mode of viewing was the emphasis on providing a hospitable environment, in which the local publics were encouraged to demonstrate tolerance and to make fans feel at home, thus creating an atmosphere of goodwill between citizens of different European nations, and diffusing possible tensions (Marivoet 2006:133-135). Fan Parks became officially integrated into the FIFA programme in Germany 2006 where they were referred to as Fan Fests. Official FIFA Fan Parks are now an integral part of the viewing mix and, of course, are now subject to the branding and commercial opportunities constraints of FIFA.

The development of Fan Parks has led to a heightened spectacle in public spaces. The sense of identity assertion is manifested in a carnival atmosphere, amusing performances.

Fan Fests in Germany attracted 18 million fans during the matches and were marketed and portrayed as the most vibrant way to experience the event. For the 2010 FIFA World Cup South Africa™ in Cape Town there will be one official PVA on the Grand Parade which will hold 30,000 fans, and three additional sites funded by the City at the Bellville Velodrome, Athlone Stadium and the Swartklip Sports Complex. These are designed to provide easier access to fans who will not be able to obtain or afford tickets to the matches, enabling them to participate in the excitement of the event. Within the province as a whole it is planned to create one PVA within each of the districts: West Coast, Winelands, Central Karoo, Overberg and Eden, enabling participation for those who live in dispersed areas.

c. Spectacle and performance

Sports mega-events have become important modes of entertainment, ranging from the spectacular opening and closing ceremonies of the Olympics and the FIFA World Cup™, to the performative nature of events both within the stadia and in the streets and Fan Parks of the host city. Television has had a major impact on the development of the spectacle, and its style of presentation has been adopted on a wide scale. Venues now have large screens and scoreboards, commercial breaks, theme tunes, and instant slow-motion replays. However, presentation and spectacle should not be viewed as a one-way process of consumption and production, as the spectators have an important role in creating the spectacle and atmosphere in the venue (Crawford 2004:85). The contributions of players and fans, combined with the powerful mediating effects of television, serve to create not only a carnivalesque atmosphere, but to reinforce group affililations.

The growing importance of spectacle in sport is already reflected in the way sports clubs venues are increasingly being geared towards the ‘experience ‘. Sutherland AFC rebranded their new venue as the ‘Stadium of Light’, while Manchester United’s stadium was renamed the “Theatre of Dreams’. The contemporary live venue has also become a site of conspicuous consumption fueled by the carnival atmosphere. Advertising, and the provision of a large range of branded merchandise and consumer goods are key features of these events.

2. Motivations of Sports Fans

a. What is a ‘fan’?

Fans are individuals with an affiliation in which a great deal of emotional significance and value are derived from group membership. They are usually considered to be ardent devotees of sport, frequently possessing an excessive enthusiasm for their chosen game. Wann, Melnick, Russell and Pease (2001:2) distinguish between a fan and a spectator. Fans are individuals who are highly interested in and avidly follow a sport, team and/or athlete. Sport spectators are individuals who actively witness a sporting event in person or through some form of exposure to sport through some form of mass media. Wann et al also make the following distinctions:

- The direct sports consumer who becomes part of the sporting environment and has an opportunity to impact the event.
- The Indirect sport consumer whose exposure to sport is through some form of mass media.
- Lowly identified sports fans where there is less evidence of team identification.
- Highly identified sports fans who exhibit strong identification with a team, and for whom the extent of their psychological connection to a team is central component of their identity. Their affective, cognitive and behavioural reactions tend to be extreme and
- they experience greater levels of anxiety and arousal, find it a more enjoyable activity and posses greater knowledge about their team and about sport in general.

Consumer research undertaken as a preliminary to the 2006 FIFA World Cup Germany™ (FIFA World Cup 2006 Pre Wave Key findings) makes similar distinctions between highly interested individuals (true football fans), individuals not normally interested in football, and individuals with an average interest in football. (It should be noted here that the same report identifies South Africa as the country exhibiting the highest interest in football). The report highlights different viewing and media behaviour between the three categories.

b. Sports fan motivations

A considerable amount of research has been undertaken into the motivations of sports fans. In particular, Wann, Melnick, Russell and Pease (2001) have outlined the 8 most common sports fan motives, reflected in table 2, below

Table 2: Most common Sports Fan Motives
Wann, Menick, Russell & Pease (2001:31)

They also developed a Sports Fan Motivation Scale (SFMS). Following studies to compare

Motivation	Description
Group affiliation	Individual is motivated to participate in sport in sport as a fan because it provides an opportunity to socialize with others.
Family	Individual is motivated to participate in sport as a fan because it provides an opportunity to spend time with family members
Aesthetic	Individual is motivated to participate in sport as a fan because he or she enjoys the artistic beauty and grace of sport movements
Self esteem	Individual is motivated to participate n sport as a fan because it provides an opportunity to feel better about him or herself
Eustress	Individual is motivated to participate in sport as a fan because he or she enjoys the excitement and positive arousal felt while watching sport events
Escape	Individual is motivated to participate in sport as a fan because it provides a diversion from the rest of his or her life
Entertainment	Individual is motivated to participate in sport as a fan because it is perceived as an enjoyable pastime.

participants' scores on the eight SFMS subscales, they determined the most common and least common motives. From this it appeared that the most common motives were entertainment, eustress, and group affiliation, with self-esteem ranking fourth.

Entertainment. Is a function of alliance with a team, a team's performance, and dislike of an opponent when viewed as threat to the favoured team. . The Social nature of the event, exciting plays, recreational value of the event, and players themselves are top five commonly cited reasons.

Eustress. Refers to positive forms of arousal and stimulation. Participants who are involved to gain excitement and stimulation are motivated by eustress. The desire for excitement and stimulation can be fulfilled through sport spectatorship.
Group Affiliation motive. Sports fandom is a social activity, whether consumed at home, a bar, club or an arena and consumed in a group environment. Sport fandom can help fulfill a human need for social interaction by providing a sense of belonging, using sport to satisfy social interaction needs.

Self esteem. Uses sport to maintain a positive self-concept

Funk et al (cited in Kim & Chalip 2003:696) identified 10 dimensions to predict attendance at sport events:

- Being a fan of the sport
- Vicarious achievement
- Excitement
- Team identification
- Supporting women's opportunity in sport
- Aesthetics
- Socialization
- National pride
- Drama
- Interest in particular players

Some of these dimensions have clear links to Wann's explication of fan motivations, e.g. Excitement and vicarious achievement can be seen as functions of eustress, team identification and national pride as an aspect of group affiliation, and drama and excitement being part of the entertainment motivation.

c. Fan behaviours

Abercrombie & Longhurst (cited in Crawford, 2004:10) argue that we live in an increasingly narcissistic and performative society. The activities of fans and fan culture are principally constructed around consumer activities, and sports events are now highly mediated, The live performances are relayed to supporters on giant television screens around the venue, dancers, music, and video clips are used to direct audience behaviour and the distinction between audience and performer is weakened as fans perform, dance, sing, dress up, wave banners and flags, paint faces, beat drums, blow hooters, vying for their brief moment in the limelight afforded by the television replay. The same sense of carnival is strongly present in the fan parks where, in some instances, fans have gone to extremes of dressing up to express group identity and differentiation. For example, at one of the 2006 FIFA World Cup Germany™ Fan Fests, the Trinidad and Tobago fans adopted the typical carnival ethos of their country with elaborate costumes, and a steelpan band. Fans increasingly reacted to the presence of the big screens which reflected their performance.

According to Frew and McGillivray (2008:193), 'the frenzy of outworking of subjectivities was the central spectacle of Germany 2006, involving interweaving national colours, costume, song and dances with excited peaks and troughs in competition while the giant screens distilled and reflected back moments of novelty, titillation or excitement found within the audience. Fans responded to their capture with ever-increasing bursts of performative energy'.

The atmosphere in stadia is often held as the most dominant memory of tourists. Celebrating the games with a large crowd of international fans is the most impressive memory – not only the magic environment of the event itself, but also additional aspects surrounding the event.

Figure 1: Brazilian Football Fan

Figure 2: Trinidad and Tobago Steelpan Band, Germany 2006

Figure 3: Trinidad and Tobago Fans, Germany 2006

Figure 4: Trinidad and Tobago Fan, Germany 2006

Figure 5: Ghanain Football Fans

Figure 6: Bafana Bafana Football Fan

Figure 7: Brandenberg Gate Fan Fest in Berlin 2006

Figure 8: Croatian and Australian Fans in Stuttgart 2006

Figure 9: Kaiser Chiefs Football Fans

3. The Football Fan as Event Consumer

The previous discussion has highlighted the importance of sports fan motivations. In the context of the spectacle, that the FIFA World Cup™ represents, these motivations also influence their consumption patterns. Sport related merchandise often plays an important role in the pattern of contemporary sport support, and are part of expression of self and group identity. The consumption of and participation in the spectacle are also important elements of sports fan consumption, from TV, radio, etc. and other related acts of consumption, going to bars or pubs, to consuming food and beverage.

An examination of football fan sites on the Internet shows that the most prevalent items being marketed are replica team jerseys (both club and national), scarves, caps and beanies, pins, flags and pennants. It is probable that national football fans will come with their own team replica jerseys, caps, beanies and scarves since the World Cup branded items make provision for a wide variety of World cup related, internationally branded consumer products rather than nationally branded apparel. The Beijing Olympics had a wide range of mementoes (some supposedly handcrafted) but were required on a scale that it will not be possible for crafters to emulate (see www.china.org.cn/english/features/OlympicsMerchandise/160457_5.htm).

The 2010 FIFA World Cup South Africa™, together with its commercial affiliates, is already making provision for branded merchandise to be marketed during the event. This is tightly controlled through the registration of their marks, and the exclusive licensing of suppliers and manufacturers through ADM/Busby.

Research conducted by a major South African retail chain amongst 6084 members of its client base indicated that 31% of the sample would definitely purchase world cup mementoes, while 43% might purchase mementoes, i.e. a potential of 74%. The following merchandise was listed in order of priority: SA flags (R20-R200 depending on size), caps (R50) adult jerseys (R270), kids shirt (R60-R100) a special 2010 wine (R80-R100), mugs (R25), beanies (R50). 21.7% will consider purchasing 2010 vuvuzelas (R40). 21% were strong football supporters, while 31.7% were not strong football supporters but would support South Africa in the event. 38% indicated that other than purchasing from the chain, they would buy mementoes at informal traders and 26% would purchase at stalls at the event. These statistics have relevance to the craft sector, particularly with regard to the aspect of national affiliation, and the probable purchasing of mementoes from informal traders. Most of the items listed, however, would need to be produced on a scale that could not be managed by crafters.

Extensive studies are not available on football fan spend on merchandise. However from some of the accounts that are available fan spend on merchandise would seem to largely involve event branded merchandise, food, beverages and entertainment. Given the high costs of attending the event, any products outside of the branded items will need to have sufficient appeal in terms of both product, price and group affiliation to attract attention.

a. Event related memorabilia

The discussions around the importance of motivations such as group affiliation, including national pride, eustress, and entertainment, and the increasingly performative nature of the fans' roles in the event, would suggest that products that reinforce these motivations will find a market. Targeting of these markets will only be possible when the final draw takes place on December 4 2009, when the names of national teams performing in Cape Town will be identified,

The following items could serve as guidelines:

- Pins, incorporating national flags, or national icons (e.g. British lion, Portuguese Barcelo Cock, Irish Shamrock, Protea, etc.)
- Leis using recycled materials reflecting the national colours
- Small football figurines wearing national colours,
- Keyrings, bookworms, jewellery incorporating national flags and symbols
- Bags, cushions in national colours
- Makarabas

Figure 10: Makaraba

Figure 11: Makaraba

[Note: these are customized designs from Makoya Makaraba which would be subject to copyright]

Figure 12: German Fan 2006

Figure 13: German Fan 2006

Little research exists for football fan spend on memorabilia and souvenirs. However a study undertaken of traveling New Zealand fans to the 2006 World Cup (Breitbarth 2006:17) indicated that they budgeted NZ$ 700 for souvenirs. Most of this was allocated to football items, with clothing the most popular.

4. The Football Fan as a Destination Consumer.

Cape Town dominates the international tourism market in South Africa. The table below illustrates its importance as an international destination:

Table 3: South Africa's ten main international tourist attractions

Ranking	Attraction	Location
1	Victoria and Alfred Waterfront	Cape Town, Western Cape
2	Table Mountain	Cape Town, Western Cape
3	Cape Point	Cape Town, Western Cape
4	Wine Route	Winelands, Western Cape
5	Garden Route	Cape Town, Western Cape
6	Kirstenbosch botanical Gardens	Cape Town, Western Cape
7	Ostrich Farms	Little Karoo district, Western Cape
8	Robben Island	Off Cape Town coast, Western Cape
9	Sights in Pretoria, e.g. Union Buildings (site of government)	Pretoria, Gauteng
10	Kruger National Park	Mpumalanga province

Source: South African Tourism (2000) cited in Cornelissen (2006:7

Cornelissen notes that approximately one million foreign tourists visit Cape Town on an annual basis [and] Cape Town is the main destination for overseas tourists in South Africa, drawing an average of 55% of all overseas tourists in 1998 (Satour International Market Surveys, Winter 1997 and Summer 1998, cited in Cornelissen 2006:7).

A survey conducted on behalf of the Centre For Tourism Research in Africa in 2007 indicated that Cape Town was the most popular named location in which visitors would like to be based. However, recent research undertaken for the Cape Town Routes Unlimited (CTRU) cautions that this should not be taken for granted as 'wildlife viewing (as an African experience) is going to be a unique feature of 2010's World Cup event and that SANPARKS is part of the MATCH accommodation plan is testimony to this' (Cape Town Routes Unlimited 2008:67).

There appears to be little research on sports tourism that factors in the attractiveness of the destination where the event is held. Smith & Stewart (2007:168), for instance, set out to identify those motives that may affect specific decisions 'to travel long distances to secure a special experience, or participate in a special sport event'. However the destination itself, and what it might offer to fans as an added incentive is not part of their analysis.

Kim and Chalip (2004: 696-697) argue that events build their audiences in part through multiple forms of experience that are provided as part of the event production, extending beyond the sports competition, and the festivals surrounding the event is one of the key appeals. Their survey found travel motivations differed to a degree from fan motivations and that learning about the destination and socialization were attractive reasons to travel. In the case of Korea, a high level of learning about the destination led to a higher interest in the event and a greater desire to attend. It is not clear whether these results can be generalized into the South African situation since it has enjoyed a wide level of tourist interest since 1994, and may thus appear as a less 'exotic' destination by the many who have already visited the country, or have been increasingly exposed to South Africa since 1994.

It is unclear, therefore, to what extent visiting sports to 2010 will extend their experience of the event into more extensive sightseeing trips in the region. Financial constraints, given the cost of attending the World Cup event, may also limit their ability to function as tourists, and to purchase memorabilia and souvenirs not specifically related to the event. On the other hand, the fact that South Africa is a long-haul destination would encourage sports fans to extend their visit into sightseeing and tourism activities.

There is little other evidence available of sports fans' spend on such items at other events, although anecdotal evidence suggests that a large part of fans' spend is on food and entertainment. A study conducted on New Zealand football fans traveling to the 2006 World Cup in Germany (Breitbarth), found that they had budgeted NZ$700 for the purchase of memorabilia and souvenirs. In some instances, driven by the excitement of the event, they had spent more than they had budgeted for. However, the bulk of this was spent on event-related branded items, especially clothing like replica shirts, caps, etc. Extreme caution, therefore, will need to be exercised to avoid fostering unrealistic expectations of substantial gain amongst the craft community.

This, together with the final draw, could impact on the types of products crafters are likely to be able to market.

a. Generic craft products

It is clear that country-wide there will be a degree of homogeneity of craft products being produced – for example, beaded pins representing national flags, small football figurines, jewellery and key rings with football motifs, etc., but the port of entry may to a certain extent determine which products, representing which nations are likely to be marketed and sold in a particular region.

Different zones in the world are going to be gaining access to South Africa through the 3 following airports:

- For Fans from Europe, the first port of entry will be OR Tambo International Airport in Johannesburg.
- Fans from Asia and Australasia will enter through the new International Airport in Durban, and
- The Americas, North, Central and South will enter South Africa through Cape Town International Airport.

Craft producers operating in the areas of the first point of entry are likely to corner the market in generic craft products in respect of these international visitors.

Likewise, the final draw, determining which teams will be playing in the region, and the location of the team's training venues, with their follow-the-team fan cohorts, will also impact on products purchased. It is important, therefore, that the development of more generic World Cup products be carefully targeted to the profiles of spectators that will actually be attending, staying within the region, or entering it as the first point of entry.

b. Craft souvenirs and memorabilia: celebrating the uniqueness of the Western Cape.

An opportunity to provide for greater sustainability beyond the FIFA World Cup™ event lies in the development of unique craft souvenirs and memorabilia for the Western Cape. This could also go a long way to providing competition to the prevalent dominance of imported craft items, and establishing a unique craft footprint for the region.

The craft sector in the Western Cape has tended to concentrate on particular categories of product which may or may not resonate with tourists as souvenirs or memorabilia. There has, up to now, been little specific emphasis on the Western Cape tourist sector, and a tendency to produce more generic items rather than concentrating on a set of craft icons that are unique to the region. Product development in this regard is absolutely vital. The recent equivalent of the beaded curtain, but using Western Cape icons, that was developed for use by the CTRU in its marketing and promotion events, is a good pointer to the kind of craft icons that could serve to differentiate the Western Cape from other tourist markets in the country. This icon curtain points to an approach that could be more intensively explored in product development workshops and brainstorm sessions. Iconic images representing the Western Cape could be developed in a variety of media and applications, including but not limited to

- Jewellery, including charm bracelets
- Mobile dangles
- Pins and badges
- Bookworms
- Cell phone dangles, etc.

While such items could be customized for the World Cup by incorporating some football symbolism (without infringing on the official marks), their continued use into the future points to one area that could promote sustainability, and provide a counter to the plethora of craft products and souvenirs from elsewhere in Africa, which have nothing to do with the region.

Such souvenirs need to be strongly linked to particular locations and experiences, serving to reinforce the aspect of experience and memory that such souvenirs evoke.. In addition, since research has shown that a strong motivation for tourists is to learn more about the culture and history of the area visited, the packaging of such craft souvenirs should be approached with particular care, ensuring that labels and point-of-sale material carries information about the provenance of the article, its maker, and its context.

Such memorabilia as will be developed need to be linked directly to particular venues and attractions, A full range of craft materials and types of product could be involved in this initiative; from textiles, to jewellery, mobiles, ceramics, toys and other childrens' products (a particular gap in the market that has been identified by Tigers Eye), lifestyle products, etc.

The Tourvest tourist product marketing arm, Tiger's Eye, appear from some reports to be in the process of applying for a FIFA World Cup licence which would give them the right to market World Cup related items. They have shops targeting different segments of the tourist market at every significant tourist attraction in the region (See Interview report for Tigers Eye for a full list of outlets) and are wiling to develop a partnership with the Cape Craft and Design Institute to test new tourist products on the market. Should they obtain a FIFA licence, an opportunity to market football related items would provide a wider source for marketing craft products related to the World Cup. However, these would be subject to the strict criteria laid down by FIFA and it is unlikely that items incorporating the protected FIFA marks would be allowed, given the difficulties in reproducing these marks with any fidelity in hand-crafted items.

Apart from Tigers Eye, a wide number of outlets at particular locations already market craft souvenirs, but could become a little more focused in the stocks they hold. This is not to deny that some of these outlets already sell products relating to the site. However, a more creative approach could yield up some surprisingly exciting products. The possibility of using other existing craft retail outlets for testing products should be explored.

5. Anticipated Visitor Numbers at 2010

Final figures will only become available after the final draw in December 2009. At that point one would have a clear indication of which teams will be playing matches in Cape Town in the preliminary rounds. However, actual numbers will only be come clear in 2010, when the bkkings start coming through.

There are two aspects to be considered trying to estimate visitors numbers: supply, and demand. Currently, the following are the estimates for visitors:

a. Demand

A study undertaken by Axios consulting on behalf of the provincial government of the Western Cape Department of Transport and Public Works makes the following estimates of anticipated visitors during the period**.**

Table 4: Preliminary International and Regional visitor estimates

Category of visitor	Total	At Peak
International visitors with tickets	400,000	300,000
Participating country visitors without tickets	75,000	45,000
Cross border visitors from other African (non-competing) countries	300,000	200,000
South African residents traveling regionally	85,000	N/A

Source: Axios Consulting: Focus on Cape Town: Highlights presentation April 2007

This reflects a total of 800,00 visitors, both local and international, who will be participating in the event. With regard to the figure of cross-border visitors of 300,000, anecdotal evidence suggests that this might be optimistic, since the high costs of attending the event would enable only the most well-off to attend. Further, the Axios study indicators that total overnight demand, all visitor categories will very between 100,000 (Day 1 of the event) and a peak of 130,000.

SA Tourism (2005) estimates that the number of people visiting the host location of Cape Town during matches would be as follows

- Sponsors 4,520
- Participating member Associations 4,520
- International 9,039
- Domestic (Other provinces) 12,896
- Domestic (Host province) 38,688

This makes for a total of 30,975 outside visitors per event or 247,800 in total (excluding domestic, host province); 557,304 in total when including all. It should be noted that a fair proportion of the visitors would be repeat visitors, who are unlikely to spend on World Cup souvenirs on each visit.

The differences between the total figures point to the extreme difficulty in estimating numbers of likely visitors.

b. Supply

SA Tourism estimates were based on a stadium capacity of 40,000, making for a total for the period of 320,000. The current actual capacity is 68,000 per event, or 544,000 in total. However it is unlikely that the stadium would be filled to capacity. In addition. SA Tourism's estimates have a built in surplus of 19,633 for non-ticket holders, or a total of 157,064 who would probably be accommodated in the PVAs.

Further figures that are material is the capacity of the official Fan Park on the Grand Parade, which allows for a maximum of 30,000 per viewing day, making a total of 240,000. The participants in the Fan Parks are likely to be a mix of international and domestic (host city and province) viewers.

A further factor that will need to be taken into account is the usually inclement weather in Cape Town at that time, which could have a serious affect on attendance at the Fan Park.

In an International Supporter Survey 'England in SA", conducted by Axios Consulting (April 2007), a high degree of interest was shown by English fans in visiting Cape Town (their most popular venue), particularly if England qualified for the finals. Of these, 85.9% indicated that they would attend Fan Parks. The high interest in the event, coupled with the expected low availability of affordable tickets indicates a high expected interest in public viewing areas.

The Fan Park figures, coupled with the high probablility of international participation, are the most relevant for craft producers, since this is likely to be the main market outlet. There could also be some additional opportunities to tap into ticket holders in the Fan Mile.

Thus an estimate for the purpose of craft producer of 200,000, both stadium and Fan Mile visitors, and international visitors might be a reasonably safe estimate.

c. Anticipated tourism numbers June/July 2010 in estimating market demand for Tourism memorabilia.

With regard to the tourism sector the following table gives figures for June and July 2007.

Table 5: Visitor Numbers to top Cape Town Tourist Destinations June/July 2007

Rank	Tourist Destination	June 2007	July 2007	Total
1	V&A Waterfront	1,508,703	1,488,162	2,996,865
2	Table Mountain National Park - Boulders	18,352	32,760	108,815
3	Cape of Good Hope	28,964	50,369	79,333
4	Table Mountain Aerial Cableway	25,000	42,500	67,500
5	Kirstenbosch Botanical Gardens	23,324	34,379	57,703
6	Robben Island	14,272	16,009	30,281

Source: Cape Town Routes Unlimited: Western Cape Tourism Barometer, Volume 1, issue 4, January 2008
[Note: figures for the other Western Cape tourist destinations that feature on the top ten list (Cape Winelands and Ostrich Farms) were not available]

Excluding V&A Waterfront average visitors across the other 5 sites would represent 100,000.

A pointer to possible tourism involvement is the evaluation of length of stay. The Axios Consulting survey, referred to above, suggests that the English fan tourists would have an average length of stay around three weeks. SA Tourism (2005) projects that domestic (other province) visitors will spend on average 2 days in the host city, international visitors will spend an average of 16 days in the country, and FIFA and sponsors will spend an average of 8 days in the country. The amount of time visitors will spend in the Western Cape will depend on the following:

- Whether the team to which they are affiliated will be playing in Green Point Stadium
- The amount of time visitors will make available to visit the Western Cape outside of the match schedules. Given that the Western Cape is the most favoured tourist destination this is likely to have an impact on tourism independent of the event.
- As a long haul destination, fan tourists are likely to extend their stay in order to benefit from the fujll tourism experience.

The major potential market for tourism memorabilia would lie with the participating member associations and the international visitors, i.e. ± 13,559 per match, with some possible take-up by domestic visitors from other provinces, and international tourists who might make a specific trip to Cape Town even though not attending any matches here. Given that 8 matches will be staged in the Green Point Stadium there will be approximately 72,312 international visitors and 36,160 participating member association visitors, making a total of 108,632. However, a number of these are likely to be paying more than one visit to Cape Town, depending on the match schedules and it is thus impossible to estimate the percentage of 108,632 of first time visits (when most purchasing is likely to be done). The correspondence between this figure of 108,632 and the average number of visitors to the above tourist destinations would seem to suggest that a figure of ± 110,000 – 120,000 would not be an unrealistic expectation in normal circumstances. However, preliminary estimates are for a cumulative total of 400,000 tourists to be visiting Cape Town during the World Cup and this would suggest that the figure of 120,00 could be adjusted upwards. A guestimate would be a figure in total of approximately 200,000 which accords with the estimate for the event itself.

These figures should become clearer once bookings are being made in the course of 2009 and early 2010.

d. Anticipated event-related visitors in estimating market demand for 2010 World Cup memorabilia.

- **Stadium visitors**

Evidence from other mega-events indicates that the main memorabilia purchases consist of replica football shirts, caps, scarves and pins, all of which are likely to be branded mass-produced items. At this stage, space constraints may make it impossible to integrate a craft outlet in the stadium itself, although this will be subject to negotiation by the City with FIFA.

- **Fan Park and Fan Mile visitors**

As indicated above an estimate for Fan Park attendance would be in the region of 200,000. It is impossible to estimate what percentage of this number would represent first time visitors. In terms of craft related memorabilia, the potential for unique items linked to team affiliation are most likely to be purchased at the official Fan Park, or the Fan Mile, as indicated in 3, above, page 17, i.e. by by-and-large non-ticket holders, both international and domestic host city visitors. The type of articles purchased would be determined by which teams are playing on particular days. Given that the numbers are extremely large, and the uptake is uncertain, crafters would need to operate with very conservative figures.

A further factor in using the Fan Parks as a craft outlet is the uncertainty of the weather in Cape Town during the months of June and July.

- **V&A Waterfront**

The V&A Waterfront is not only the single most popular tourist destination in South Africa as a whole, but is also strategically placed between the Green Point Stadium and the City, and alongside the proposed Fan Mile. Its location thus would likely be the single most important location for the selling of craft memorabilia, relating both to the tourism and event markets. It is likely that the caveats regarding the distinction between these two markets might be cancelled out at this particular venue, and that the potential exists to tap into the much larger market represented by tickets holders, in addition to the non-ticket holders at the 2010 FIFA World Cup™ events.

In summary:

The greatest potential lies in the market for tourist destination related crafts, representing a conservatively estimated market potential of 100-120,000.

With regard to World Cup related memorabilia, the Fan Park would offer a potential market of 30,000,together with 69,625 stadiaum visitors per event day. However this would be subject to the vagaries of the weather and competition from World Cup branded items.

A conservative estimate of 200,000 visitors should be used to determine market size.

CHAPTER TWO: Other Potential Market Opportunities for Crafters

1. Corporate Gifts and Promotional items

Initial research undertaken reveals that the largest potential market for craft items is in the corporate gifts and promotional items market. This also has the greatest potential for sustainability into the future since corporates in South Africa have an on-going need to promote themselves and make use of a variety of products to do so, including the following:

- Conference related items – bags, lanyards, small gifts, pens, etc
- Apparel
- Bag
- Gift
- Novelties
- Business related items – business card holders, desk sets, etc.,

Most of these items are currently supplied by the large (and small) corporate gift and promotion companies, like Picto Busby and Brand Name Marketing. In some instances these companies are the exclusive supplier of all branded items to particular corporate customers, e.g. Brand Name Marketing has an exclusive contract with FNB. Picto Busby is already displaying a range of FIFA World Cup™ in their current catalogue, as part of officially licensed products to be used as corporate gifts.

Their catalogues provide a wide range of articles, including the following categories:

- Pen
- Bags – travel, laptop bag sleeves, Conference, Shoppers, Accessorie
- Golf Item
- Home Living – Flasks and mugs, kitchen essentials, glassware, bar accessories, home accessories, frames, puzzles, games
- Radios
- Clocks
- Computer items – CD holders, USB items
- Key rings
- Business Accessories – Calculator, card holders, jotter and memo pads, Sim card holders, laser pointers
- Folders and diaries
- Leather items – wallets and document holders
- Ladies items
- Watches
- Soccer items
- Stress Balls
- Trophies
- Clothing – kiddies, T-shirts, Golf shirts, Shirts and blouses, sweaters, jackets, tracksuits, weather tamers
- Headwear – caps, hats and beanies
- Pharmaceutical

All of these are sourced from standard suppliers. What the promotional company does is provide for standard ways o branding these mass manufactured items, and their catalogues prescribe different modes of branding (Pad print, Screen print, Embossing, Full colour dome sticker, and laser engraving) depending on the material of manufacture of the standard item.

Within all of these areas, there is great potential, invoking corporate social investment principles, to integrate craft elements as part of the customer's branding exercise, for example, the integration of beadwork into items (beaded collars and cuffs on T-shirts, zip pulls and bag toggles and pulls). In addition, other items could be directly produced by crafters (beaded and embroidered lanyards, bookworms, key rings, business card holders, cell phone charms). All of these have the potential to provide market access opportunities in the long term.

2. Market Opportunities in World Cup Gifting

The volume of gifts that is going to be circulated in the course of this event is mind-boggling. FIFA gives gifts, sourced overseas, to all its affiliates, guests and delegates. They require the LOC to do the same. Government departments will follow suit. Some hotels will be giving promotional gifts to all their World Cup guests, which will be placed in the rooms. The Hospitality suites, being organized by MATCH hospitality will be supplying gifts as part of the package in the MATCH Hospitality Programme and in this instance, the numbers cited were in the region of 240,000. The Commercial Affiliates are also developing co-branded items for gifts and promotion and there has been an indication from at least one of the sponsors that the number will be similar to those of MATCH Hospitality. In addition Partners and Sponsors will be doing what the hotels call 'drop-ins', promotional items that are placed in the hotel rooms of World Cup visitors. The majority of these, because of the volumes involved, will need to be mass manufactured. Accordingly the craft sector needs to look at supplying high value-added items in limited runs which should be within the range of the craft sector's production capabilities. All of the individuals spoken to were receptive, but indicated that they would value some form of gift catalogue with a range of differently priced items to assist them in their decision.

a. LOC/FIFA and MATCH ag

The Local Organising Committee will be involved in an extensive gifting strategy. However, they are difficult to survey, since they operate in extreme isolation.

b. MATCH Hospitality

MATCH Hospitality is a company independent of MATCH AG (which is responsible for tickets, accommodation and IT linkages), but is part of the group. MATCH Hospitality is responsible for all hospitality arrangements relating to the event. This includes the following:

- Commercial Hospitality Programme which is responsible for the arrangements in all Skyboxes, VIP Suites and Hospitality Villages. MATCH Hospitality is marketing packages for these venues which include access to a certain number of tickets, the skybox and related lounges, parking, food and beverages, and gifts. They are also responsible for overseeing the décor of the suites, which is being standardized across the country and which is being handled by a single Interior Design Agency, Oasis.
- FIFA Affiliates programme, including the rights to tickets linked with hospitality.
- FIFA/LOC VIP Programme which services all FIFA guests and delegates. This is currently being handled by the LOC but may revert to MATCH Hospitality. At all match venues there will be a reception area in the stands, a lounge area capable of holding 500-1200 guests per match and the provision of food and beverages. Style of catering will be relatively casual

With regard to gifts, they are looking at volumes of 240,000 and ranges in products in terms of gender suitability, price and differentiation within each venue. They operate on a tier system with different tiers getting different packages which include:

- Private Suites situated in a skybox
- Shared Suites,
- Executive Hospitality – large suites.

On average the skyboxes will hold between 17 and 24 guests.

Commercial Affiliates will also be participating in this programme.

Gifts linked to these suites would reflect the status of the package, and would be graded accordingly, and would need to make provision for the estimated. 60/40 breakdown between male and female match attendees under this programme.

Note: At the Opening and Closing ceremonies they are looking at 17,000 guests for each event. In Cape Town, there will be 8 events, one of which will be one of the semi-finals.

c. Commercial Affiliates

Many of the organizations involved will have a form of informal grading of gifts, based on 'tiers', which will determine the price and value of the gift. Thus, they will need a range of items which will be distributed to different levels of visitor/guest significance. It is in the upper tier that the greatest potential for craft products exists where a demand for high quality, unique, limited editions will be required. One of the sponsors, for instance, will be looking for approximately 150 gifts with a value in excess of R5,000 per item, which will be given to Cabinet Ministers and international CEOs of the company.

Ranges, thus, are likely to vary in cost from R50 to R5,000. Even at the lower end, there is potential. However the staggering volumes involved will pose severe production capacity problems on the craft sector and what may be required is some form of production structure that will allow for the participation and co-ordination of crafters in all provinces in the hand - manufacture of smaller promotional items.

d. Hotels

Each hotel group is likely to have a different strategy regarding gifting. Preliminary discussions with a sample indicate that some of the 5 star establishments will be giving gifts for this particular occasion to World Cup guests. A tier system is also likely to be used here to determine the value of gifts, with occupants of suites receiving the high value-added value gifts and other graded accommodation benefiting from lower priced items. Reported prices here are likely to range from R50 – R500. Packaging for the higher range of items was stressed. Clients should receive the gift in some form of packaging which a) adds value to the item, and b) will assist in transporting the item home. An example cited was a glass giraffe nestling in a well-crafted wooden box. Exclusive items would be required

There was little interest in the provision of special table decorations, although some item to give focus to buffet tables was cited as a possibility. In the case of this particular group, items would be preordered.

The other hotel chain sampled offers a wide range of accommodation from 3 to 5 star. They operate as a franchise, although they manage some of the hotels, particular the upper range directly. Under this arrangement, the franchisees have total discretion as to what items they wish to use as part of their décor and/or table decoration arrangements. However, the head office has a central purchasing department and virtual warehouse where the franchisees can benefit from economies of scale. This chain is willing to incorporate a range of suitable items into their warehouse catalogue to offer the choice. Thus actual sales to the chain would be determined by demand on an ongoing basis. Problems thus may be created by demand for items at short notice, and the ability to deliver on time will be critical. This, however, also offers possibilities for markets into the future.

In the case of hotel chains, the problem of provision becomes a national one since they wish to standardize their gifting across the country.

Generally, not much interest was shown in décor items, although one hotel chain would consider having a large-scale, eye-catching sculpture in the fore courtyard as part of the World Cup festivities, particularly since this particular hotel in Cape Town will be accommodating all FIFA and LOC officials. A price of approximately R10,000 was cited.

Hotels were unwilling to reveal numbers so attempts are currently being made to source data relating to the hotels that have been prebooked by FIFA as part of the MATCH AG programme.

e. Restaurants

These were not sampled. However, a FEDHASA database offers the possibility of sounding out a range of establishments to establish interest. It is likely that in this case some form of central and on-line catalogue of appropriate items available for restaurants, bed and breakfasts, etc. would need to be established.

f. Provincial and Local Government

Government has not yet been surveyed, but given the Western Cape and the City of Cape Town's emphasis on craft development, they are likely to support the craft sector in their gifting strategies.

3. Potential Problems and constraints

a. National gifting profile

In all of the sectors surveyed, gifting is going to be conducted on a national scale and a degree of uniformity is required, although production could be sub-contracted to local regions, and a distinctive regional flavour could be incorporated into the gift ranges. Some form of strategy needs to be developed to engage with the craft sector nationally in order to address this problem.

b. Determining volumes

Volumes have been difficult to gauge. Hotels interviewed were reluctant to give figures, as were commercial affiliates. However attempts are currently being made to source information on the hotels that have been contracted nationally to supply accommodations, and their gradings may be used to estimate potential ranges of gift items required. The Western Cape figures are available; however, grading was excluded from the data, and this is currently being followed up.

Ticket allocations to Commercial Affiliates are also a potential source for estimating volumes and attempts are being made to source this data. Many of the commercial affiliates tickets will be used as promotional items and give-aways to the public (competitions, etc.) but a certain percentage will be used for corporate guests and visitors. This may be difficult to gauge, but further interrogation with the affiliates may provide some indication of likely distribution.

c. Sourcing craft

MATCH AG has indicated that they have given exclusive rights to Tourism enterprise Partnership (TEP) for the sourcing of craft products and high value-added gifts. They have indicated that should CCDI wish to facilitate the participation of Western Cape craft producers, they would need to negotiate a relationship with TEP. Given that TEP has only a short history of active involvement in the sector, their capacity to deliver on volumes required could severely compromise the craft sector generally, and do irreparable harm to the sector as a whole. CCDI and dti need to engage with TEP as a matter of urgency to resolve this issue.

d. Production constraints

Given that the craft sector is dependent on small batch production, the capacity to deliver on large volumes of gifts is likely to be limited. It becomes vital therefore to target a particular segment of the potential market.

It will also be necessary to develop different mechanisms of delivery, e.g. cooperative working arrangements between crafters, and between regions in South Africa in order to meet the demand.

e. Late placing of orders

It is quite clear that a large number of corporate have given no thought to their requirements for the World Cup event, and that there are likely to be late-placed orders which could place unrealistic pressures on the craft producers. This could impact on quality which would cause irreparable harm to the sector as a whole.

f. National craft footprint

This report has highlighted the potential for crafters participating in the gifting strategy for the world cup. However, the volumes are so great that it is probable that there would need o be a degree of coordination between provinces to fully meet potential demand.

4. Décor

a. Cape Town 2010 events

There are a number of events that will be organized around the 2010 FIFA World Cup, including the Final Draw to be held in the Cape Town International Convention Centre on 4 December 2009. This particular event will have a strong media presence, and a number of functions are being organized to accommodate them. City and Province have already committed to craft having a strong presence at these events, particular in relation to the dressing of the venues, the possibility of craft stalls selling craft but also miniatures of some of the artifacts that might have been developed as event décor. There will need to be ongoing negotiations with the City to ensure that the process is properly managed.

With regard to this, the concerns expressed around the political aspects of inclusiveness will need to be resolved to the City's satisfaction if CCDI is to have a role in these events.(See 5 a below and Chapter 3, 7c).

b. MATCH Hospitality

MATCH Hospitality are responsible for the interior design of all skyboxes and have awarded this contract to a Swiss interior design company who will be working with a local design team, Oasis. The design concept is fairly straightforward, playing with textures and different materials. Craft could be used in finishes and details. However this would need liaison with the design team itself so that suggestions could be incorporated into their design strategies and planning.

c. Hotels and restaurants

No great interest was shown by the hotels surveyed in any form of craft décor for the event, beyond Westin Arabella's expression of a possible interest in a large-scale football figure for their forecourt. Restaurants were not surveyed. However, FEDHASA could provide a useful source for contacting guesthouses, B&B's and restaurants.

5. Market Outlets

There is still a great deal of uncertainty as to possible market outlets, and CCDI will need to keep in touch continuously with developments in this regard. Current possible outlets are as follows

a. Cape Town locations

- Public Viewing Areas

  The Grand Parade is to be the official Public viewing Area for the World Cup and will be open on all match days. While the concept plan has not yet been drawn up, it is envisaged that there will be at least one craft stall on the Parade. Problems with respect to the management of this stall and the selection of products became apparent in discussions with the City, and the city needs to move with care to avoid being seen to favour one particular group that might be perceived as excluding others. This arose out of discussion at the Small Business Week where at least one individual was highly critical of the Cape Craft and Design Institute's role. These issues would need to be discussed and resolved in some form of inclusive forum since it would impact on craft stalls at all the PVAs.

  The city is currently planning for three additional PVAs: One at the Bellville Velodrome, one at Athlone Stadium, and one at the Swartklip Sports Complex which lies between Mitchell's Plain and Khayelitsha. This is an attempt to create greater access for those who might otherwise not be able to attend due to lack of finances, or unavailability of tickets. As with the Grand Parade, there will be provision for 10-12 stalls catering for food and beverages and possibly crafts. However, the Institute will need to determine what interest there might be in such craft items, since the attendees might be constrained by limited finances.

Anecdotal feedback received from SAFA Western Cape indicates that the main purchases at football matches consist of fast food and beverages, caps and shirts, with little interest in other items. Mark Gleason has indicated that a similar situation pertains at other football match venues in the country (personal communication).

- Fan Mile

  The Fan Mile will largely concentrate on existing traders and businesses in the area and will also only operate on match days. Stalls will probably be erected in the street and there could be some craft trading, but this still needs to be determined.

- Transport Hubs and Park'n Ride venues

  There is a strong possibility of stalls in these areas. In particular Coen Steytler Bvd has been identified as a major transport hub, and various Park 'n Ride facilities are to be established at stations and District Six.

- V&A Waterfront

  Because the V&A Waterfront sits between the CBD, the Parade, and alongside the Fan Mile, the V&A is likely to play a major role in the marketing of craft, both to tourists and football fans. It will be necessary to set up relationships with existing traders, e.g. Tigers Eye which has numerous shops at the Waterfront, and Nova Africa. Tigers Eye has indicated that they would be prepared to test new products.

- Green Point Stadium

  It appears unlikely that there will be a craft outlet within the Stadium precinct since space is severely limited. However this is still subject to negotiations between the Host city committee and FIFA and the LOC.

- Main Sightseeing Locations

  All major tourist attractions (Cable Car, Cape Point, Table Mountain Reserve – Boulders, Robben Island, Kirstenbosch) provide existing craft outlets. Most of these are operated by Tigers Eye which would indicate a further need to build the relationship with this company.

b. Western Cape Districts

The provincial government is planning to run one PVA in each of its districts: Winelands, Eden, West Coast, Little Karoo, Overberg, and there will possibly be provision for stalls at each of these sites. There is as yet no finality as to where these are likely to be situated, or the format they will take. In addition, one privately run PVA will be set up in Stellenbosch.

Work will need to be done through the CCDI's Rural Outreach programme to ensure that crafters in these areas benefit from the potential market access opportunities provided by the PVAs. However, again it should be noted that there needs to be some clarity as to exactly who is likely to attend the PVAs in each area, since that could affect the type and value of craft

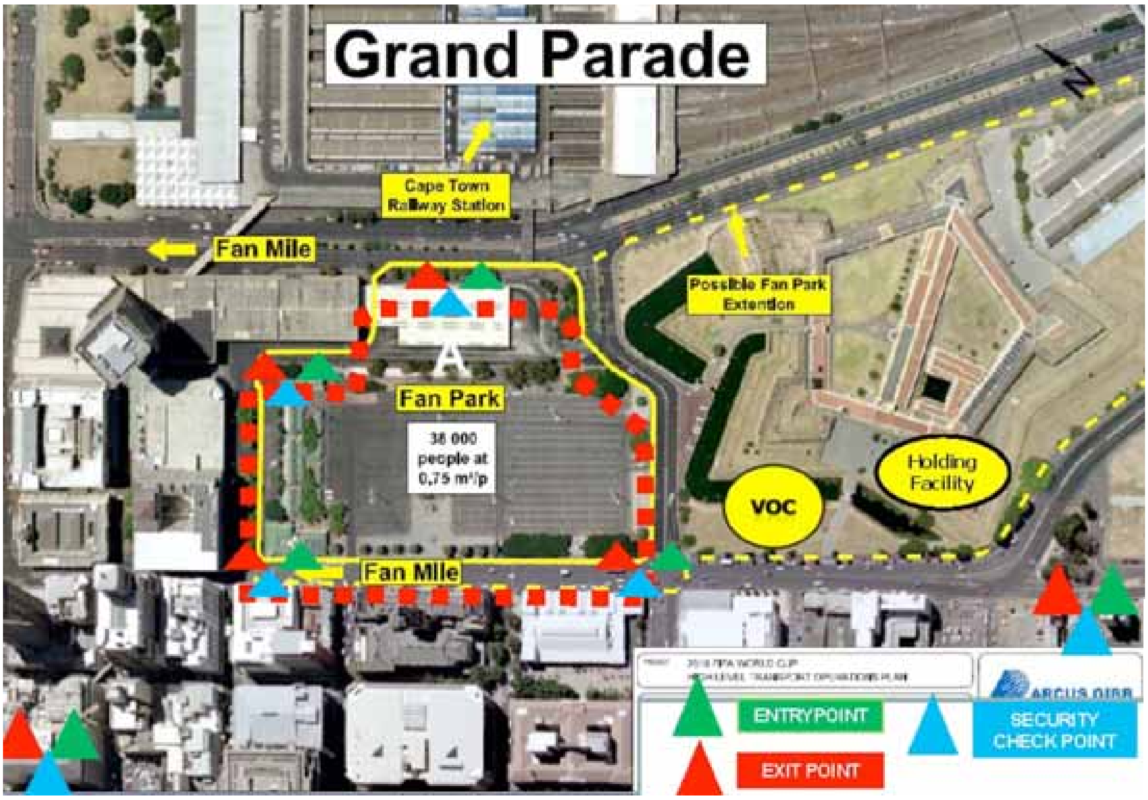

Figure 14: Grand Parade Fan Park

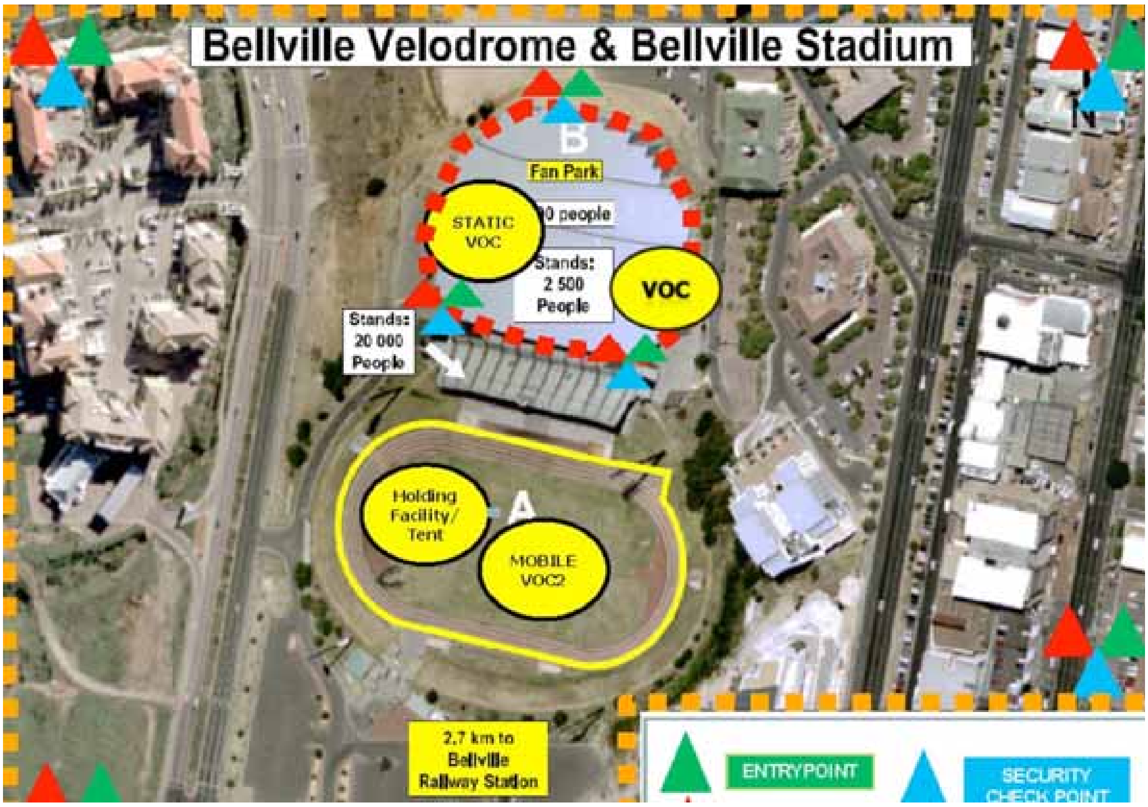

Figure 15: Bellville Velodrome & Bellville Stadium Fan Park

Figure 16: Athlone Stadium, Fan Park

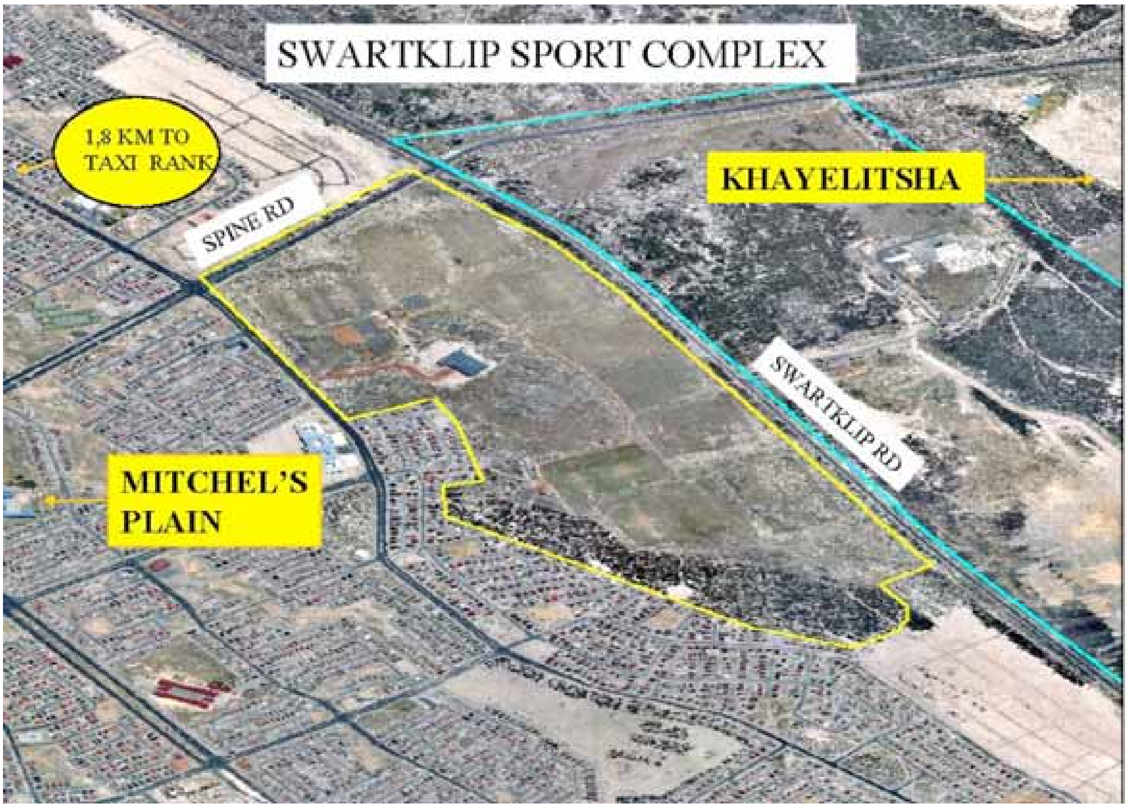

Figure 17: Swartklip sports complex Fan Park

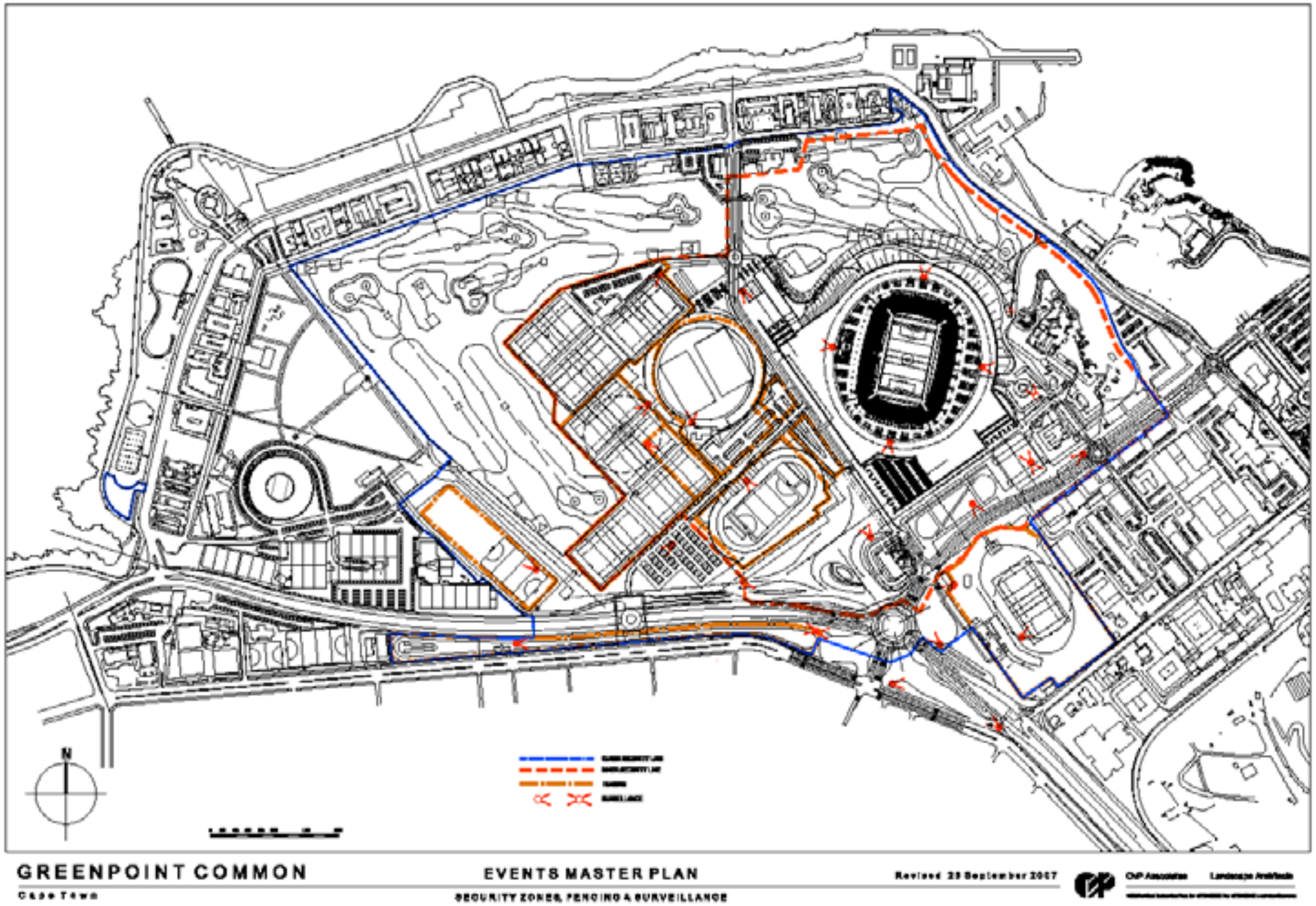

Figure 18: Green Point Stadium with Exclusion zone. [Note: the exclusion zone has since been extended as far as Glengariff Road – off map

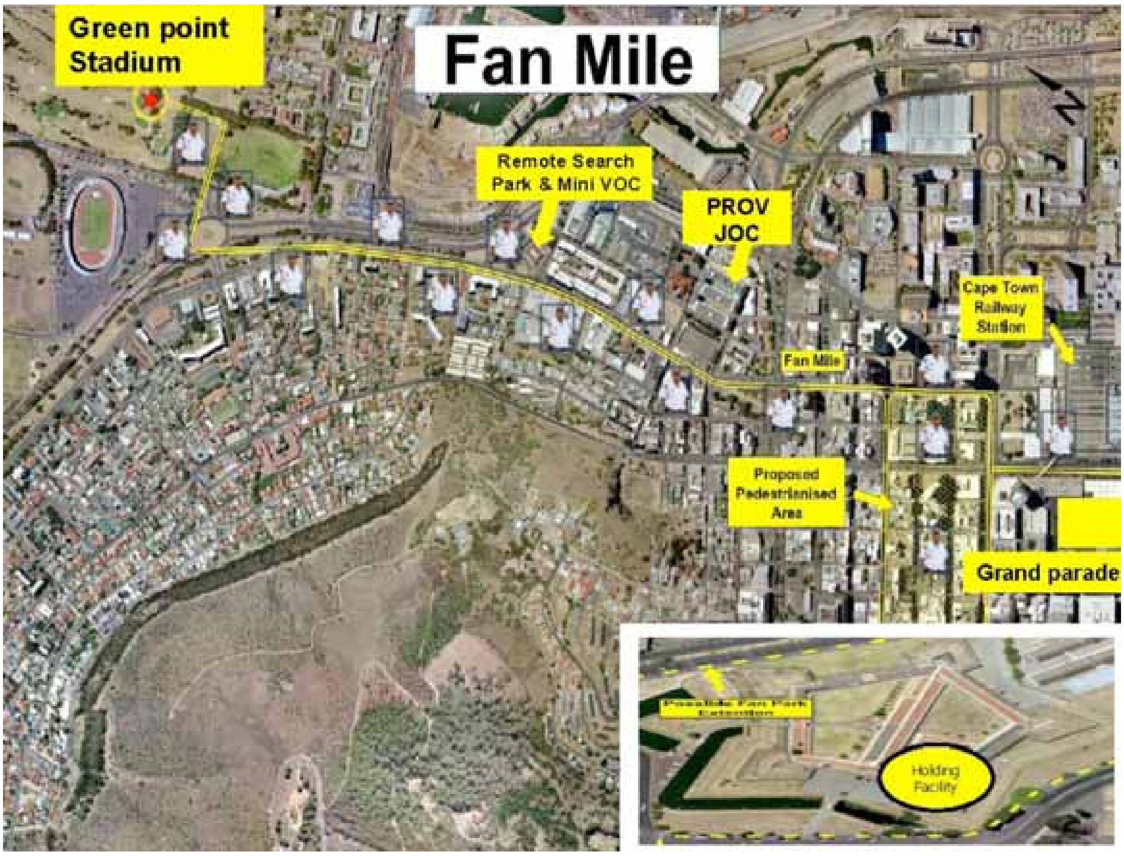

Figure 19: Fan Mile

items produced and the CCDI's Rural Outreach programme will need to engage with structure in the districts to ascertain market potential.

6. The Role of GIFT

If the region is to take advantage of the opportunities presented by the event to develop sustainable markets, then GIFT is going to have to play a major role.

The first obvious area is in the aspect of corporate gifting. Currently this is a highly competitive market with a few extremely large players who not only service exclusive corporate clients, but also manufacture and wholesale in their own right, and small one to three person operations who operate as go-betweens/agents and do not require heavy infrastructure. Margins are tight, and the larger players can organize competitive pricing from their suppliers because of their volumes. Markup is generally in the region of 25%, and commissions in the region 15-17%. In addition, most of these concerns operate an e-business model, with online catalogues, and order and supply.

Corporate Social Investment concerns can provide the motivation for corporates to make use of crafters in the development of their corporate gifts and promotional items. However, this may be undercut by their meeting BBEEE requirements in their supply chain. In terms of long-term sustainability there are definite opportunities that could be exploited. Many of the items that are currently produced as promotional items are integrated into a particular company's promotion functions such as conferences and workshops. Items like cell phone dangles, lanyards and bookworms, while not constituting original, one-off creative craft artifacts, could meet bread and butter issues, supplying a regular steady income stream to a large number of crafters, while still allowing for the more limited edition of high-end craft.

There are a number of options that could be explored:

a. Linking up with established Corporate Gift and Promotional item companies.

Negotiate for the inclusion in gifting catalogues of a section on hand crafted items.
Ensure that Cape crafters are represented.

b. Setting up a more extensive Corporate Gifting operation, including the introduction of e-commerce

GIFT is already in operation and has a developing client base. However it may need to compete more aggressively to win a larger share of the market, and diversify its product range to that is can continue to produce not only high end items and limited edition promotional items, but also bread and butter items which are used in large volumes by the corporate market. Some of these have been alluded to above.

To a certain extent, CCDI's concentration on developing the quality of craft products, which has been so successful, has perhaps led to a downplaying of products that meet purely functional and market requirements, and that are not inherently original. Yet these kinds of products could harness skills and provide basic incomes to a large number of skilled artisans who might not be particularly creative. It is for CCDI to examine and negotiate this particular shift in thinking.

e-commerce would need to become an integral part of the operations of GIFT which would open up other problem areas in terms of processing, packaging, and dispatch of orders, both within South Africa and overseas. The issue of wholesale/retail prices, and the development of the perception that GIFT might be assuming the role of agent/middleman, will also need to be considered.

It is unnecessary to unpack this in detail. I would, however, recommend that the GIFT operation be looked at with a view to developing a revised model of operation.

CHAPTER THREE: CRAFT PRODUCERS

1. Managing Crafters' expectations

It has become clear at different workshops and presentations that many small businesses harbour unrealistic expectations with regard to the World Cup. This is equally true of craft producers who foresee overwhelming economic benefits.

From earlier discussions on projected visitor numbers, and visitor spend, it should be clear that, while there will certainly be some increase in sales over the period, a lot will depend on the types of products produced for the event itself, and the development of tourist souvenirs that speak of 'place' and 'experience'. A more targeted approach thus is called for.

In addition, constant communication with crafters as knowledge develops about the size of the market, and the origin of fans and tourists will need to be undertaken.

2. Production Capacity in the Province

In order to assess the full capabilities of the Western Cape craft sector to deliver on quantities, a careful analysis needs to be undertaken of the crafter database to establish the following:

- Summary breakdown of the number of businesses in terms of one-person and employee categories, e.g. 1, 2-5, 5-10, 10-20, etc.
- A further breakdown into the dominant materials category (the current database does not distinguish between primary materials and adornment materials)
- Main product types, and scale of productsIf possible, and indication of where the products fit within a range of value-added, from low to medium to high end.
- A further breakdown into regions.

This should provide the basis for ascertaining to what extent the province as a whole will be able to deliver on some of the opportunities that are outlined in this report.

3. Rural Outreach

Further investigation will need to be undertaken via the rural outreach programme on the capacity within each of the province's different regions, and product development appropriate to the region will need to be undertaken.

4. Bridging Finance

At this stage, it has not been possible to ascertain what kind of support might be available via the small business initiatives and dti's programmes. This will need to be further investigated.

5. Raw Materials procurement

Depending on volumes, it may be necessary to encourage the formation of buying cooperatives. Whatever strategies are adopted to assist crafters will need to be aligned with the Raw Materials Bank project.

6. Product Development

In order to adopt a more targeted approach, it will be necessary to develop a series of product development workshops, focusing on both the 2010 event, and on developing new tourist souvenir products.

7. Business Skills

The World Cup, compressed as it is into a very short time frame, is going to create major challenges for the sector, and craft producers are going to have to engage in proper planning, procurement, quality control and delivery issues. Support and training will be needed to assist in the delivery of quality products, at the right time and the right price for the event.

Any programme developed should also place a strong emphasis on the presentation of products in terms of labels, product and producer histories, and the production context.

8. Customer Relations

As part of the presentation of Western Cape craft there needs to be a concerted effort in developing customer relation programmes that will assist craft producers in engaging with the many visitors that will be in Cape Town for the event, and beyond. Customer relations is also important in terms of active follow up with purchasers of products and the speedy resolution of problems and this would need to form part of any business training that might be provided.

9. Crafters Concerns

Crafters have expressed concerns around the following issues:

a. Communication

- Information and networking needs, including plans around official areas and fine mile, licensing requirements and accessibility of licenses to trade in these areas.
- Visitor demand
- Main products
- Appropriate pricing levels
- Guidelines for interacting with visitors
- Networking and collaboration

All of these will need to be integrated into a communication strategy, as mentioned above, so that information can be fed to craft producers by whatever appropriate means, as and when it becomes available (Craft partnership Meetings, Newsletter, SMS communications.

b. Wider needs and concerns

- Competition from cheaper, imported products. It is unlikely that protective measures can be introduced and local crafters will need to distinguish themselves in terms of the product range.
- Competition between traders and craft producers. This will probably continue as it does now and traders will continue to operate on Green Market square and the newly sited Green Point traders. However, *bone fide* crafters may benefit from being positioned in a special craft stall within the Public Viewing Areas which would give them a competitive advantage. This would also take care of the concern mentioned in the following point. Similarly it might be possible to set up a special stall in the Fan Mile area.
- Concerns re quality standards
- Marketing support, showcases and exhibitions. This has not been provided for as a general strategy, except for a budget provision for a single exhibition. If the notion were to be extended, funding would need to be sourced.
- Route maps for tourists are already being considered by Cape Town Tourism and Cape Town Routes Unlimited (CTRU).
- Information packs on crafters supplied to ticket holders. This has already been explored in terms of the Hospitality Programme which would have

been the easiest way to access a certain tier of ticket holders, but this has been rejected by MATCH Hospitality.

- Raw materials discounts
- Financing in order to build up volumes or meet large orders. Provincial government of the Western Cape and dti strategies need to be reviewed to see how they can assist in bridging finance.

c. Concerns expressed at Small Business Week

It was reported to me that at a Small Business Week at least one of the participants expressed concern about the role of the CCDI in organizing and managing craft outlets. There was the perception that CCDI excludes and does not give equal access to all craft producers, serving as a gatekeeper. Given that this is going to be a highly competitive environment, this places the City in an invidious position in that it cannot be seen to be favouring one particular group over others; at the same time it cannot deal with individuals. If craft producers were to organize themselves into larger groups, this would be welcomed by the CCDI, as up to now the sector has been very fragmented and disorganized. The event is acting as a stimulus for craft producers to start protecting their interests, and this might present itself as a positive opportunity for CCDI to start interacting with craft groups in a different way. In discussions with the City it was suggested that a forum of all craft producers and craft producer groups, including the CCDI, should be convened to address the issues at hand and find a way to facilitate an organizational structure for the event that would be acceptable to all. It was suggested that the CCDI should interact with Lesley de Reuck to discuss how to deal with this situation.

CHAPTER 4: PROMOTING CRAFT IN THE WESTERN CAPE

The 2010 FIFA Football World Cup™ presents an outstanding opportunity to put Western Cup on the world map. In order to do this it will be important for the Cape Craft and Design Institute to develop a promotion and communication strategy which should be run from the Marketing and Communication arm of the organization.

The following represents what should be key pillars of such a programme.

1. Leveraging off Cape Tourism and Cape Town Routes Unlimited (CTRU) initiatives

a. Trade shows, exhibitions and other events

A great deal has already been done by these two organizations to ensure that Western Cape craft has a prominent place in all their publications and promotional activities. Cape Town Tourism and CTRU will be exhibiting at the following events and are willing to integrate craft material into their displays:

- January 2009: Vakansie Beurs, Utrecht. Consumer show being coordinated by CTRU.
- March 2009: ITB Tourism, Berlin. A trade and consumer show and destination marketing forum.
- March 2009: Sun City, Trade city Destination Expo at which 250 American agents will be hosted.
- February 2009: Luxury Travel Awards. (Cape Town has been nominated as a luxury destination).
- May 2009: Tourism Indaba
- Annually: Cape Town Tourism holds its AGM towards the end of each year and approximately 650 tourism businesses, including B&Bs and Guesthouses participate. This opportunity can be used to distribute info re crafts artifacts suitable for business promotion, decoration, etc. and Arts and Craft routes. CCDI will need to prepare appropriate publicity material for distribution at this event.

Further events that can be used to leverage craft promotion are as follows:

- November 2008: Confederations Cup Draw
- December 2009: Final World Cup Draw will be taking place in the Cape Town International Convention Centre and provides an opportunity for dressing of the centre, and possible craft stall outlets. Expecting 1000 accredited media will be present at this event.
- Cape Town Craft Tours: 370 operators are being engaged re culture/township tours.
- City Arts and Crafts route which will be communicated to 370 Tour Operators.

b. Publications, Information stands and offices

Both organizations have agreed to give a prominent place to Western Cape craft in all their publications, using it directly and indirectly. The Western Cape craft icon curtain, in the making of which CCDI had a hand, has already been extensively used by CTRU on their exhibition stands, and publications already feature craft in various ways.

A 2010 Visitors Guide is being planned and will include Arts and Crafts routes.

c. Tourism DVD and other visual media

The tourism bodies do not yet have a DVD, although one is being seriously considered. It is agreed that craft should feature prominently in such a production.

A proposal to develop In-flight promotional materials for all international and domestic flights landing in Cape Town will be seriously considered. Tourvest currently have responsibility for these productions and there would need to be negotiations with them to implement this suggestion

2. Arts and Culture Strategies

a. City of Cape Town and Western Cape Provincial Government

The Ad Hoc Provincial Western Cape Arts and Culture Task Team (2005) produced a very ambitious plan linked to the 2010 World Cup. While it mentions creative industries, it makes no specific mention of craft in its strategy. In addition, it does not appear that a more recent strategy has been developed.

The City of Cape town has developed a draft strategy which is still being taken through the various structures for approval and refinement, and is thus not available at this stage for inclusion in this report.

b. National communications Partnership (NCP)

The NCP has started developing an Arts and Culture Strategy which incorporates craft, but this is still in its early stages, since there appear to be financial constraints and insufficient coordination across the different clusters which would be necessary for implementation.

3. Exhibitions

Provision was made in the 2010 Business Plan for an exhibition to be coordinated by CCDI**,** and a provisional budget was provided**.** CCDI needs to ascertain the status of this particular item, and to organize accordingly.

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CHAPTER 5: CONCLUSIONS AND RECOMMENDATIONS

1. Conclusions

While the 2010 FIFA World Cup South Africa™ certainly holds promise for economic and human development in this sector, it should rather be approached with an eye to developing structures, programmes and products that will take the sector onto a new level into the future world once the event has passed.

While at this stage there are still a great number of uncertainties regarding visitor numbers, market outlets, and additional Arts and Culture programmes being planned, there is sufficient cause for optimism that, as the certainties are swept away, the sector will be able to actively participate, and leverage the event for greater future sustainability, leaving a lasting legalcy..

The greatest areas for development are the following:

- Development of product lines for the event that are specifically focused on meeting the affiliation needs of football fans and directed at nationalities that will actually be present in Cape Town
- Development of product lines for the tourist industry that establish craft icons that are unique to the Western Cape, and which can continue to be developed into the future, to mitigate against competition from products that have little to do with the region.
- Focussing efforts on producing a range of high-value added products that can be used in the gifting strategies of the LOC, the Commercial Affiliates, the private sector generally, including the entire hospitality industry.
- Look to the development of a comprehensive corporate gift strategy that allows for the production of bread and butter items, leveraging Corporate Social Investment programmes. This strategy would also need to develop a strong décor programme which could operate with established interior designers and lifestyle outlets. GIFT would have a major role to play here.
- Develop greater links with established business, both in terms pf the corporate gift and promotional items market, and in terms of craft (and other) retail outlets.

Many of these areas are already embedded in the Microeconomic Development Strategy for craft in the Western Cape and the dti's Customized Sector Programme for Craft.

2. Recommendations

While the a number of the following items are World Cup specific, many of them speak to future sustainability. In addition, a number of them are already in process as part of the ongoing activities of the Institute.

a. Product development

- Conduct a series of workshops to develop products suitable for the World Cup that will provide unique differentiated products.
- Conduct a series of workshops to develop specific, unique Cape Craft products for the Western Cape tourism industry.

b. Production capacity and product identification

- Refine the CCDI crafter database to provide appropriate information to easily identify capacity for the production of particular products, including material type, production techniques, product type (including price ranges and levels of value-added, size of enterprise, location)

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- Identify opportunities and mechanisms for establishing collaborative links between crafters so they are better able to meet larger orders.
- Identify products that could be marketed as high value-added gifts for World Cup gifting strategies.
- Consider segmenting product lines offered by GIFT into functional, fashion-led, gift, novelty items, corporate gifts and promotional items, and souvenirs and memorabilia.
- Establish closer links with established business, manufacturers, and wholesalers.

c. Marketing

- Develop mechanisms for product testing, including establishing appropriate links with established craft retail and lifestyle outlets.
- Use the Confederations Cup to test products developed for the world Cup event.
- Broker relationships between craft producers and specific tourist site outlets for the marketing of specific site-related products.
- Develop as a matter of urgency product catalogues for World Cup gifting strategies, providing a range of items at different prices and levels of value-add to distribute to all organizations involved in World Cup gifting.
- Actively participate in gifting and promotional items trade shows to establish a presence in this market, e.g. Markex, Sarcda (Cape).
- Explore possible linkages with established corporate gift and promotional items businesses to develop a presence within their catalogues, and the tweaking of existing product lines by incorporating craft aspects.
- Investigate the establishment of an e-commerce facility.
- For the world Cup investigate the possibility of hot linkages with established football fan sites.
- Continue with linkages already established with World Cup participants to materialize some of the prospects explored.
- Integrate and possibly restructure GIFT to implement many of these marketing initiatives.

d. Training

- Provide business training that focuses on the development of capacity for the World Cup, but which will have lasting future effects. This should deal with issues such as planning, procurement, quality control, delivery, customer relations and product presentation.

e. Raw Materials

- Explore mechanisms for establishing materials cooperatives to meet World cup needs. Again, this could produce a lasting legacy in restructuring this aspect of the sector in the region.

f. Finance

- Once more information is available from the provincial government and the dti with respect to anticipated SMME strategies, develop appropriate mechanisms to enable crafters to access bridging finance for the event.

g. Intellectual Property

- Attention needs to be given to mechanisms for protecting new design developed. With new tourist souvenirs being locality specific, there might be appropriate models which could be brought into play. A great deal of work needs to be done in this area.

h. Outreach

- The rural outreach programme needs to survey needs and capabilities for the World Cup in all districts of the province.
- CCDI needs to continue to reach out to crafters who are not currently involved in training and market access programmes. The proposed forum to be convened by the City could be one of the mechanisms for doing this.

i. Communication

- Develop a World cup strategy that keeps craft producers constantly informed of developments in the event programme.
- Develop mechanisms for feedback on sales of new product, and communicate with craft producers.
- Provide an image bank online to aid crafters (football kit of different nations, flags, national symbols, etc.)

j. Promotion

- Engage actively with the local tourism authorities to ensure that craft is showcased to the maximim in their publications, exhibition and information stands, and other promotional items.
- Investigate the potential of the exhibition proposed in the original World Cap strategy document, and implement.

3. Resources Required.

a. Many of these strategies and recommendations can be integrated into the normal workings of the Institute:

- Product Development
- Communication
- Training
- Outreach
- Production capacity and Product identification.
- Many of the marketing initiatives could resort under GIFT.

b. The restructuring of GIFT to incorporate e-commerce will require extensive investigation as to the implications of its introduction, including staff requirements and network capabilities. This may require the employment of a consultant to do a feasibility study.

c. Intellectual property has long been on the table, but without any development. This needs to be looked at as a matter of urgency, and the Institute will need to commission someone with expertise in the area to do a study and develop recommendations.

d. Any mechanisms developed to help structure materials and marketing cooperatives will require a dedicated individual. Access to finance will also require the focused attention of an additional person. The enterprise development programme should be strengthened with the appointment, on contract, of an additional individual to assist n the development of these areas.

APPENDIX 1

2010 FIFA WORLD CUP South Africa™

GUIDELINES TO CRAFTERS ON THE USE OF OFFICIAL MARKS

The 2010 FIFA World Cup South Africa™ represents clear marketing opportunities for South African crafters. However, all producers need to be aware of the fact that severe restrictions are placed on everyone who is not licensed to use the Official Marks. The event will have official inspectors checking on the use of the Official Marks, and the penalties for unauthorized use could be severe, including confiscation of all unauthorised branded items, and being charged with copyright infringement.

These Guidelines are designed to make absolutely clear what is and is not permitted under the marks protection for the event.

1. FIFA OFFICIAL MARKS AND EMBLEMS

The following emblems may NOT be used, or integrated into any product, in any circumstances:

2010 FIFA WORLD CUP™ EMBLEMS

2010 FIFA WORLD CUP™ EMBLEMS cntd.

OFFICIAL MASCOT

OFFICIAL POSTER (Note: Host city posters will also be included in these restrictions)

2. COMMERCIAL AFFILIATES

The following marks may NOT be used, or integrated into any product, in combination with the FIFA official marks. Use of the mark on its own can only be done with the permission of the Commercial Affiliate concerned.

OFFICIAL PARTNERS

SPONSORS

NATIONAL SUPPORTERS

3. IMAGES, PRODUCTS & TERMS

THE FOLLOWING MAY BE USED ON THEIR OWN	BUT MAY NOT BE USED IN COMBINATION WITH ANY OF THE FOLLOWING OR COMBINATIONS OF THE FOLLOWING :
Football (Image & product)	2010, FIFA, World Cup, South Africa World Cup (but South Africa may be used in combination with football), Soccer World Cup
Football Player (Image & product)	2010, FIFA, World Cup. South Africa World Cup (but South Africa may be used in combination with the football player), Soccer World Cup
2010 (Image, product & text)	FIFA, World Cup. South Africa World Cup, Football, Soccer World Cup
National Flag (image & product)	FIFA, World Cup. South Africa World Cup, Soccer World Cup
South Africa (image, product & text)	2010, FIFA, World Cup, Football World Cup, Soccer World Cup

4. EXAMPLES

a. Product (T shirt, bag, etc.)

i. A product bearing the words South Africa Soccer/Football IS permitted
ii. A product bearing the words 2010 South Africa IS NOT permitted.

b. Interior decoration

i. Using general football-related or South African-related decoration (flags, footballs, images of football players) IS permitted.
ii. Using any Official Mark (emblems, words, slogans, event titles, etc.) IS NOT permitted.

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Figure 18:	2010 Fan Parks Engagement with Business Host city: Cape Town Presentation 27 May 2008