CultureCase

The economic impact of music festivals is determined by size and location

This research was conducted by **Melville Saayman and Andrea Saayman** at **North-West University, South Africa**

Summary

This paper examined the economic impact of arts festivals in South Africa and found that the size of the economic impact was related to the size and location of the town hosting the event. This was because people from affluent areas tended to spend more than those from less affluent areas, so attracting more of those people led to a greater economic impact.

The researchers conducted surveys amongst visitors and businesses at three arts festivals during 2003

These were: Klein Karoo Nasionale Kunstefees (Oudtshoorn), the National Arts Festival (Grahamstown) and the Aardklop festival (Potchefstroom). They found that each festival had an economic impact of R95.8m (£5.5m), R33.8m (£1.9m) and R23.2m (£1.3m) respectively. Although they were very different in all three cases the majority of the audience (around 85 per cent) at the festivals was from out-of-town.

Calculating the economic impact of events usually has a 'well-established but somewhat problematic methodology'

In this case 400 surveys were administered at each festival asking people how much they had spent on accommodation, transport and parking, tickets, souvenirs, shopping, food, drink and tobacco during the festival. 50 surveys

were conducted with business owners at each festival to find out which businesses benefited from the event and what the scale of that benefit was.

Money spent by the festivals organisers (other than that which paid artists) mostly went on goods and services originating outside the local economy. This was because the host towns were relatively small with little or no means to service those needs. The two exceptions were accommodation and transport.

A range of factors affected the size of the economic impact of the festivals

These included the number of ticketed shows, and the duration of the festival (and therefore how long visitors stayed in town): the longer people stayed the more they spent.

Keywords

tourism **South Africa** **economic** **survey** **festivals**

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