

Legacy

of the 2014 World Cup



The First Parliamentary Assessment of the 2014 World Cup

SENADO FEDERAL COMISSÃO DE EDUCAÇÃO, CULTURA E ESPORTE

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Brasilia September 28th, 2011



Five questions ...

- 1. What exactly is legacy?
- 2. Why shall we evaluate the legacy?
- 3. Why is legacy so difficult to evaluate?
- 4. How can the positive legacy be leveraged?
- 5. What can be done to appropriately manage legacy?



1. Literature & Legacy

Positive Legacy

- 1. new football facilities,
- 2. general infrastructure,
- 3. urban renewal,
- 4. international reputation,
- 5. increased tourism,
- 6. improved public welfare,
- 7. additional employment,
- 8. local business opportunities,
- 9. "feel good" experience,
- 10. social cohesion,
- 11. inter-regional cooperation,
- 12. production of ideas & cultural values
- 13. popular memory "Copa 2014"
- 14. education through sport
- 15. experience and know-how
- 16. up-skilling people

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Legacy definition
 Why evaluation

3. How to measure

4. How to leverage

5. How to manage

Negative Legacy

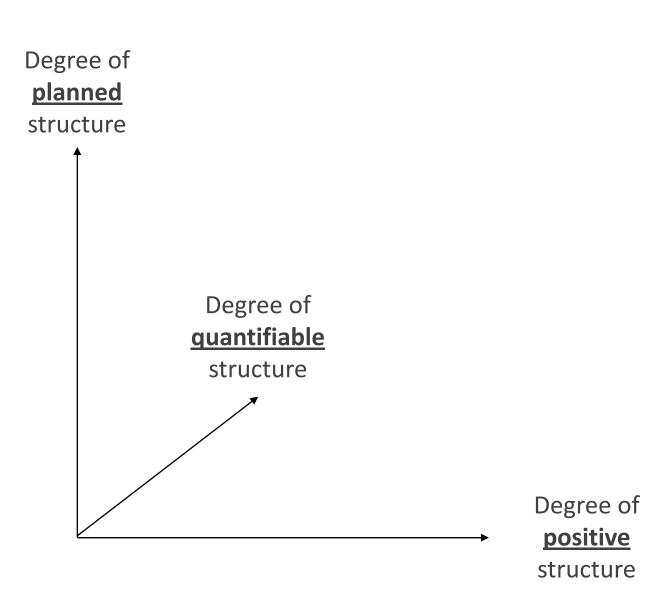
- 1. too high construction costs,
- 2. investments in not needed infrastructure,
- 3. indebtedness of public sector,
- 4. crowding-out,
- 5. price increases,
- 6. property rental increases,
- 7. only temporary increases in employment and business activities
- 8. socially unjust displacement

...

Sources: Ritchie & Aitken (1985), Hall (1987), Kang (1988), Robin (1988), Hiller (1990), Darcy and Veal (1994), Mount and Leroux (1994), Walle (1996), French & Disher (1997), Leiper (1997), Spilling (1998), Lenskij (2000), Moragas et al. (2002), Preuss (2004), Cashman (2005), Chappelet & Junod (2006), Maennig (2007), Ahmed et al. (2008).



Definition of legacy for a given time and space



1. Legacy definition

2. Why evaluation

3. How to measure

4. How to leverage

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Definition of legacy

"Irrespective of the time of production and space, the legacy of 2014 is all planned and unplanned, positive and negative, tangible and intangible structures created for and by the football World Cup that remain longer than the World Cup period itself."

Preuss (2007)

Technically we look for...

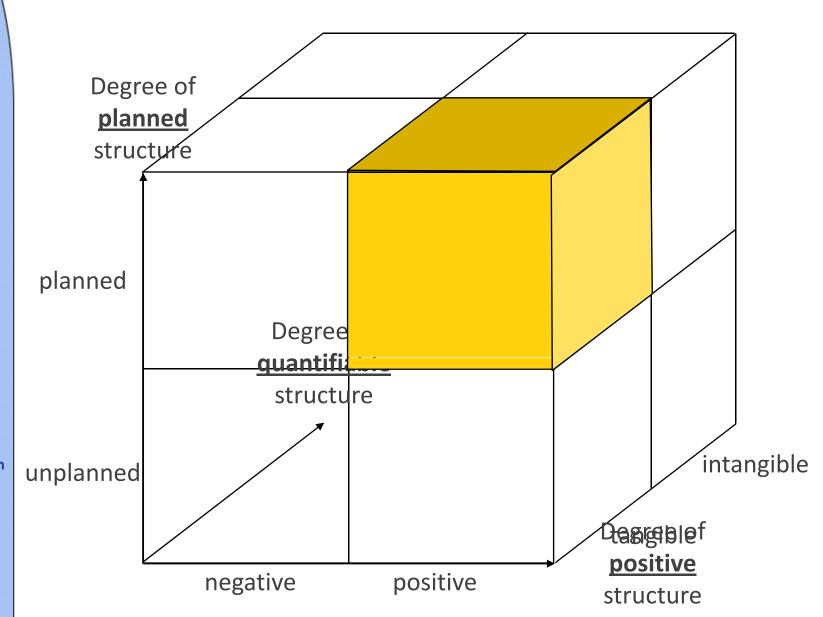
... any proven evidence on a "different" development of the host cities (and Brazil) due to the staging of the World Cup.

- 1. Legacy definition
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Legacy-Cube



1. Legacy definition

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2. Why shall we evaluate 2014 legacy?

- 1. Politicians want evidences that their decision was good.
- 2. Population wants to know that public money was spent for a positive development and positive future.
 Population expects a legacy: In South Africa almost 80% of the respondents expected that the country will attain a legendary sport event and achieve a legacy (Chain & Swart 2010: 166)
- 3. Ministry of Education, Culture and Sports can use information for sensitive future decisions on bidding for (mega) events.
- **4. National Bank of Economic Development (BNDES)** needs justification for their investment into the sustainable development of Brazil.
- **5. CBF** (and FIFA) want to know how the World Cup can sustainably impact Brazilian football development.
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Legacy was a main goal for South Africa 2010

"It is clear that millions of our people have waited for years and looked upon this tournament with hope, pride and a sense of belonging. [...] Almost all sporting codes in our country [...] have made a contribution to build social cohesion and human solidarity."

President of South Africa (Zuma 2010:2)

"The [...] World Cup was never about the hosting of a tournament, but rather about building a legacy for our country [...] - a legacy in terms of [...] infrastructure development, economic growth, skills development, job creation, nation building and brand awareness."

Marthinus van Schalkwyk, Minister of Tourism (cited in South African Tourism 2011:2)



3. The measurement of legacy

"Events, unlike manufacturing or service operations, are by definition unique to the location in which they are held, and strictly temporary, and therefore an assessment of [...] their long-term impacts [legacy] is fraught with uncertainties, multiple variables and subjective measures".

Rose (2002)

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Same event – same result? Comparing Germany 2006 & South Africa 2010

1. Bednights

2010 = 2.02 million bednights of 'event visitors' 2006 = 2.60 million bednights of 'event visitors'

=> SA 22% less bednights 'event visitors'

2. Tickets

2010 = 51.1% (1.63 million tickets) sold 2006 = 68.8% (2.16 million tickets) sold

=> SA 25% less tickets sold

3. VIP tickets

2010 = VIP tickets 48.6% (1.66 million tickets) 2006 = VIP tickets 48.6% (0.96 million tickets)

=> SA 73% more VIP tickets

4. Fan Fests

2010 = max. 1.9% ,event visitors' at Fan Fests 2006 = min. 30% ,event visitors' at Fan Fests

=> SA almost no impact through Fan Fests

=> Germany had 1.1 billion € additional impact

5. Primary impact

2010 = primary impact 0.61 b € from foreign visitors 2006 = primary impact 1.47 b € from foreign visitors

=> SA 58.5% less primary impact

6. Primary impact on GDP

2010 = 0,22% primary impact on GDP from foreign visitors & Home Stayern 2006 = 0,12% primary impact on GDP from foreign visitors & Home Stayern

=> SA greater impact on GDP



Pretoria 2010



Gelsenkirchen 2006

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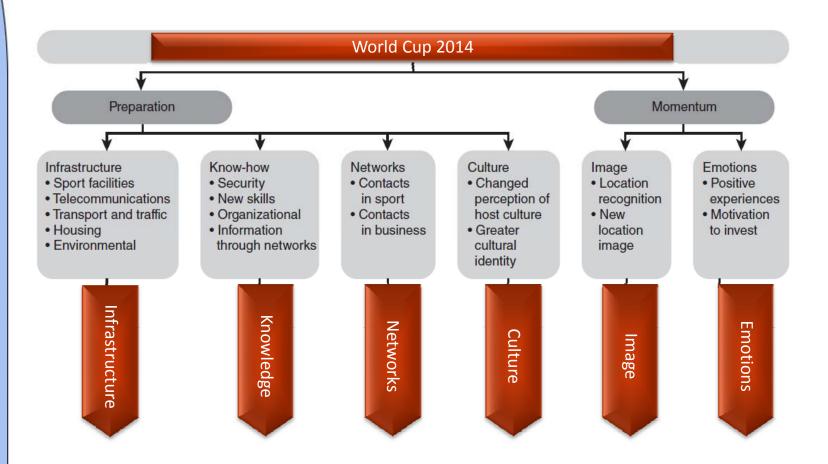
What is legacy made of? What to measure?



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Dimensions of legacies

Infrastructure

Sport Facilities | Telecommunication | Transport | Traffic | Security | Housing | Fair- and Congress Facilities | Environment | ...

Infrastructure

Knowledge

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Image

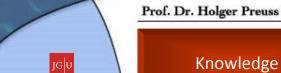
Emotions

Networks

Culture

- 1. Legacy definition
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Knowledge

Security | Service | new skills | gain of Knowledge (e.g. research, organisational) | gain of information (e.g. through networks)

Infrastructure Knowledge Image Emotions Networks Culture

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Image

Recognition of Brazil | Change in knowledge of attributes about location = forming new location or personal image | (2010) improving Africa, Africa's Afros global image, thus combating Afro pessimism

Infrastructure Knowledge

Image

Emotions

Networks

Culture

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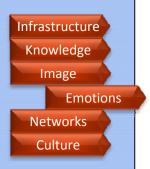
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Emotions

Experience of volunteers & citizens (momentum) | something to talk about | social cohesion | creation of motivation, ideas and trust | feel good experience | participation in football | encourage economic empowerment (small business)



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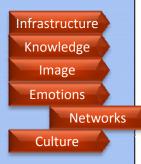
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Networks

New & strengthened contacts in: sport, politics, business | better collaboration between public, government, businesses, and local sports organizations



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Culture

change of perception of host culture | creates cultural identity | creates cultural infrastructure

Kersting (2007) argues that while sport patriotism may not be sustainable, mega-events can contribute towards diminishing xenophobia and strengthening national identity and unity!



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Why is legacy difficult to measure?

- Soft (intangible) factors can only be measured indirectly
 "construct measurement" is difficult
- Brazils development without staging the World Cup is not known
 it has to be considered what alternatively to the World Cup would have been changed in Brazil (opportunity costs)
- 3. Legacies create overall relatively small effects and are therefore not visible in official statistics
 - => problem to handle "white noise"
- 4. Many legacies are not evaluated at all=> insufficient official statistics (not constructed for events)
- Negative legacies are often not evaluated. Therefore the net legacy effect is not known
 - => multifaceted interests of stakeholders the same effect can be a positive legacy for one group but is negative for another

These 5 difficulties call for <u>scientific research support</u> and they may explain why many data about World Cups have no credibility => **lack of trustful legacy evaluation**!

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What can be counted as legacy?

Example: Infrastructure

Field A

positive city development

Legacy target:

Maximization of positive development

- "reverse" legacy
- "retro" legacy

(if this field is small the city faces high opportunity costs) Field B

general city development

Legacy target:

Avoid crowding-out of this "general development".

The risk is a redistribution of resources from here to field A and C

(if this field does not develop the city faces high opportunity costs) Field C

World Cup related city development

Legacy target:

Maximize temporary infrastructure to avoid non needed infrastructure

(if this field is big, you face high opportunity costs)

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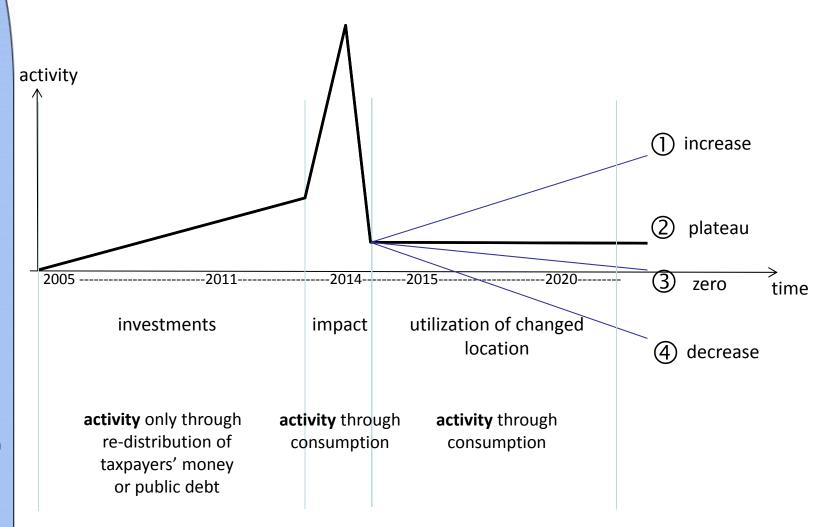
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4. Process of "activity" => the legacy

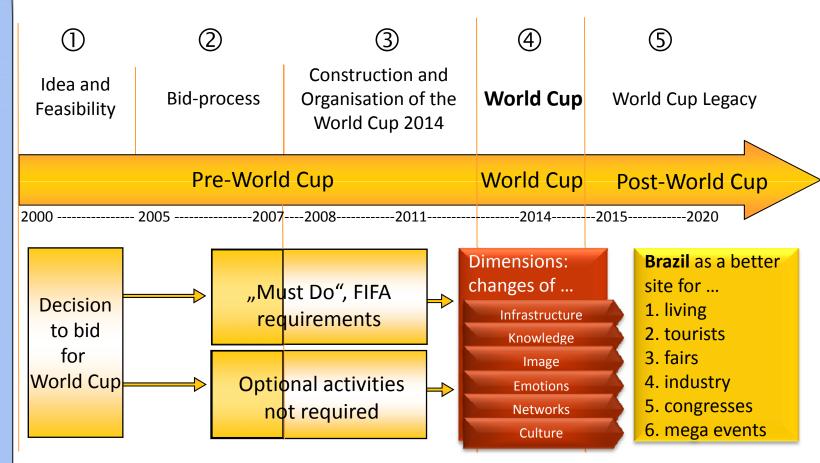


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Process of building up a World Cup legacy



1. Legacy definition

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Process of building up social legacy



4. How to leverage

3. How to measure

1. Legacy definition 2. Why evaluation

5. How to manage

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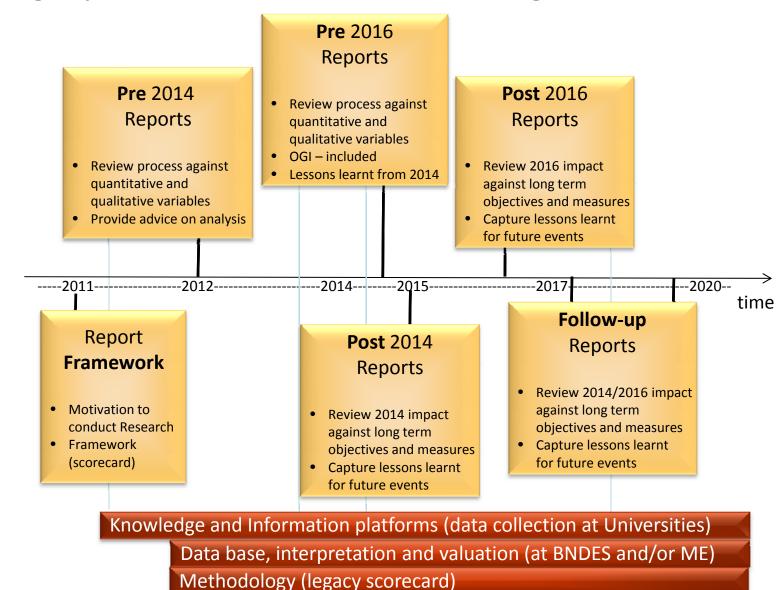
Conclusion

- 1. Most desired legacy will not happen automatically. For London 2012 it is the first time that Games and legacy planning has worked hand in hand. Creating a positive and lasting legacy requires strong leadership and sustained commitment by initiating optional measures.
 - => not to late for leveraging the 2014 World Cup legacy
- 2. The fact that the UK has established a "legacy delivery organization" three years before the London 2012 Games signals how real the risk of failing expected legacy is. To succeed, Brazil should anchor the realization of benefits before the World Cup takes place, rather than scrambling to pick up the pieces afterwards. Legacy should be evaluated with sound scientific methods. Only then political decisions can be made with low risk.
 - => Scientific research is needed
- 3. A "knowledge and information platform" should be created which could methodologically be a "Legacy Scorecard". The interpretation and valuation of data has to be done by political bodies. The scorecard can help managing the mega event effects for Brazil => lessons learnt from past Brazilian events can be used
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Legacy Framework for Brazilian Mega Events



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World Cup 2010: The African Legacy Program was established within the LOC & South African Government end 2006 Olympics 2012: UK has established a "legacy delivery organization" three years before the London 2012 Games



The person:

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State University of New York, USA

Research:

- Event sociology: event volunteers, event legacy, internationalism, signaling

- Event economics: consumption of event visitors, economic impact calculation,

costs of organizing committees, bidding processes, city branding

FIFA research: economic impact & tourism & travel pattern

=> 10,000 surveys visitors of FIFA World Cup 2006

=> 8,000 interviews visitors of FIFA World Cup 2010

Consulting: Olympic: e.g. Munich 2018, Cairo 2020, Budapest 2020 (OCOG budgets &

expected economic impact)

FIFA World Cup: Qatar 2022 (LOC budget)

World Federation of Modern Pentathlon and World Squash Federation

Publications: more than 8 books, 60 journal publications, 100 international

presentations, member in 5 editorial boards of international journalos, editor of "European Sport Management Quarterly"