How has government and corporate investment impacted on eShibobo Football Club in the context of the build up to the 2010 FIFA World Cup?



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A research report submitted to the Faculty of Humanities at the University of the Witwatersrand, Johannesburg, in partial fulfilment for the Degree of Master of Arts.

Johannesburg, November 2009

Declaration

I herewith declare that this thesis is my own unaided work. It is submitted for the degree of MA in Sociology at the University of the Witwatersrand, Johannesburg. It has not been submitted before for any other degree or exam in any other University. It has also not previously been published in any form.

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Abstract

This research has explored some of the effects that the build up to the 2010 Football World Cup to be hosted in South Africa has had on a local soccer club, eShibobo Football Club (FC)¹. Much hope has been placed on this tournament to bring prosperity and overall regional development to South Africa through increased foreign investment, tourism, and improved infrastructure. Using qualitative research methods in the form of field interviews and documentary analysis, the research suggests that the increased revenue earnings of eShibobo FC can be partially linked to South Africa's hosting of the 2010 World Cup. With this increased revenue the club has been able to spend larger amounts on player salaries, established a comprehensive youth development programme, created links with foreign clubs, and invested in technology to assist the coaching and playing staff. Yet some areas have largely been unaffected by the World Cup such as ticket sales and stadium improvements.

¹ In order to protect the identity of the football club focussed on in this study, eShibobo FC is a pseudonym.

This work is dedicated to my father Demetrios Kostopoulos

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Table of contents

•	Cover page	1		
•	Declaration	ii		
•	Abstract	iii		
•	Acknowledgements	v		
•	List of acronyms	. viii		
CHAPTER 1 Introduction				
•	Government and corporate investment in local soccer	3		
•	Effects of government and corporate investment on a local football club	4		
•	Choice of football club	6		
•	Rationale for the study	7		
•	Organisation of the research report	8		
СН	APTER 2 Literature review	10		
•	Theoretical approaches to sport and society	11		
•	Government and sport	16		
•	Commercialisation of sport	17		
•	History of football	19		
•	South African football history	23		
•	The history of the FIFA Football World Cup	30		
•	The effects of the FIFA World Cup			
СН	APTER 3 Methodology	39		
•	Overall methodological approach	39		
•	Research methods	42		
•	In-depth/field interviews	42		
•	Document analysis	49		
•	Sampling	52		
•	Data analysis			
•	Ethical considerations			
•	Concluding comments	58		

CHAPTER 4 Historical and institutional context		. 60
•	The organisational structure of South African soccer	. 60
•	History of South Africa's World Cup bid	. 67
•	History of eShibobo FC	. 71

CH	IAPTER 5 investment in South African football in the context of the 2010 World	
	Cup	76
•	Government investment and subsidies	76
•	Corporate investment and sponsorship	80

CHA	PTER 6 The effects of investment in the context of the World Cup on	
e	eShibobo football club	
•	Infrastructure and facilities	
• 5	Staff and management	
• F	Player recruitment, development, and salaries	103
• 1	Merchandising and ticket sales	

CHAPTER 7 Conclusion		112	
Reference List		. 116	
Appendices		. 121	
•	Appendix A: participant information letter	. 122	
•	Appendix B: Research Participant Consent Form	. 123	
•	Appendix C: Interview Schedule for Management staff at eShibobo FC	. 124	
•	Appendix D: Interview schedule for technical/coaching staff of eShibobo FC	. 129	
•	Appendix E: Interview schedule for playing staff of eShibobo FC	. 133	
•	Appendix F: Interview Schedule for fans	. 137	

List of acronyms

- ACSA Airports Company of South Africa
- AsgiSA Accelerated and Shared Growth Initiative for South Africa
- BRT Bus Rapid Transit
- BskyB British Sky Broadcasting
- DDNFA Durban and Districts Native Football Association
- DSTV Digital Satellite Television
- EFA English Football Association
- FASA Football Association of South Africa
- FIFA Federation Internationale de Football Association
- FNB First National Bank
- JBFA Johannesburg Bantu Football Association
- LOC The 2010 World Cup Organising Committee
- NBFA Natal Bantu Football Association
- NFD The National First Division
- NFL National Football League
- NPSL National Professional Soccer League
- NSL The National Soccer League
- PBFA Pietermaritzburg Bantu Football Association
- PSL The Premier Soccer League
- SAB South African Breweries
- SABC The South African Broadcasting Corporation
- SABFA South African Bantu Football Association
- SAFA The South African Football Association
- UEFA The Union of European Football Associations

CHAPTER 1 Introduction

The sport of soccer² has become a national pastime all over the world, creating many heroes and villains, while celebrating the glory of athletic achievement. Over the past twenty years soccer teams have become far more professional at the club level, with the South African Premier Soccer League (PSL) becoming the most lucrative football league on the African continent. This development has been well illustrated by authors such as Alegi (2004), who provides a descriptive narration on the history of South African soccer. The last five years since the announcement of South Africa as the host nation of the FIFA (Federation Internationale de Football Association) World Cup has seen massive change in the game, especially in terms of its development and the large amounts of money now available to clubs. The PSL estimates, for example, that almost five hundred million has been channelled into the sport in 2008 alone as a result of its broadcast deal with Supersport³ and sponsorship by Absa⁴ (National Soccer League (NSL) Annual Financial Statement, 2008).

The South African government and many sections of the media portray South Africa's hosting of the World Cup in a positive light by pointing to its potential for bringing prosperity and overall economic development within the country and specifically in its football clubs, through the attendant increases in government and corporate investment in various infrastructural and club-related projects. This view is supported through reference to the impact of other international sporting events of which South Africa was the host, like the 1995 Rugby World Cup, the 1996 African Cup of Nations, and the 2003 Cricket World Cup. Cornelissen and Swart (2006) for example, argue that these international tournaments

² In this research 'soccer' and 'football' are used interchangeably as they refer to the same sport in their local usage.

³ In 2007 the pay television broadcaster Supersport bought the rights to air PSL matches in a deal worth R1 billion over the following five years.

⁴ The South African banking giant Absa became the title sponsor of the PSL in 2007 with a deal valued at R500 million over a five year period.

added value to South Africa through financial gains made via tourism, and their effect of unifying the nation. As arguably the second largest tournament in the world (coming second only to the Olympic Games), the prospects for development for South Africa associated with the hosting of the Soccer World Cup are regarded as potentially even stronger. While development in terms of increased foreign investment, tourism and improved economic and social infrastructure have often been cited as positive consequences of the World Cup, less has been said about the possible impact on the local South African soccer scene. This research has therefore set out to assess this impact by examining the situation and experiences of one local club in particular (eShibobo FC). Specifically, the research addressed the following key questions in this regard:

- 1. What is the nature and extent of government and corporate investment into local football clubs?
- 2. In what ways, if any, has this investment changed as a result of South Africa's status as the host nation of the 2010 FIFA World Cup?
- 3. What have been the effects of this investment on a local football club?

In order to address these questions, three important issues needed to be conceptualised and elaborated on. Firstly, the notion of investment must be unpacked and understood in the context of the FIFA World Cup. Secondly, the specific areas within the broader organisational makeup of the local football club that may be affected by such investment need to be identified. Finally, the rationale for the choice of the particular club as a case-study for the research needs to be provided.

Government and corporate investment in local soccer

In terms of the study, government and corporate investment into South African soccer has been defined as direct and indirect investment in professional soccer clubs, taking the form of sponsorships, subsidies, infrastructure expenditure, and player development. Government investment has mainly focused on transport and sports infrastructure within South Africa in order to prepare for the 2010 FIFA World Cup. Corporate investment, on the other hand, has taken three forms: the direct *ownership* of football clubs; direct *sponsorship* of football clubs; and the indirect sponsorship of clubs via sponsorship of local leagues and tournaments. These major issues can have a significant effect on the development of a football club, and will be the most likely areas where the build up to the World Cup will have an impact.

In terms of the study then, the investment currently flowing into the local game has been examined, focusing on both these key players. In the first instance, South African government investment in local soccer in the run-up to the 2010 World Cup has focussed on developing infrastructure for the World Cup such as building stadiums and improving roads, while also paying close attention to player development especially at the grassroots level through South African Football Association (SAFA) and the Premier Soccer League (PSL) (2010 World Cup Government pamphlet, 2008). On the other hand, corporate interests are using the increased focus on domestic football to expand their brands locally and internationally as South African football is garnering increased worldwide attention. Corporate investment, whether direct or indirect, is a vital part to the new landscape of the local game, and an important aspect in the growth of the 'football industry' as a whole. These investors have been flocking into local soccer as it is seen as a vehicle to promote companies, brands, and merchandise to the soccer mad population in the country (Moholoa, 2008), in the context of the 2010 World Cup. Some examples of these types of sponsors have

been Supersport (who is marketing their DSTV decoders and Volkswagen, who are promoting their cars).

Effects of government and corporate investment on a local football club

Regarding the 'effects' of government and corporate investment in the build up to the tournament, this study has focused on the general aspects of any soccer club which are most likely to have been affected by an increase in investment, and applied these to understanding the impact on eShibobo FC in particular. The major areas that have been considered are the club's infrastructure and facilities, its staff and management employees, the recruitment of players and the salaries they receive, merchandising and ticket sales. How these have been conceptualised is elaborated on below.

The development of a club's **infrastructure and facilities** is essential in order to compete at a higher playing level (as it influences player skills and tactics), and to reap greater economic success (Eastham, 1999). This is an extremely important aspect of any football club, and is generally upgraded infrequently due to the expense involved. With an increase in investment it is logical to assume that this would be an area of interest to the club as it would now be able to afford to develop its facilities for the betterment of the club as a whole. This has proved to be an important area of focus as the research shows eShibobo's levels of ambition in improving the club to reach its long term goal of winning the PSL. It has also illustrated a key bureaucratic problem that this investment has created in the club's ambition to build a new stadium.

Changes in staff and management have also been conceptualised as indicators of how clubs are being impacted by increased investment as a result of the coming Soccer World Cup. By investing in new coaches or in educating coaches in new techniques, clubs are able to improve their on field performances and therefore become more competitive in their respective leagues. Changes to a club's staff also shows how its organisation is developing off the field administratively. The changes to the staff and management of eShibobo FC has demonstrated the club's core principles of loyalty and promotion from within, which has been preferred to a systematic investment in new administrative or coaching staff.

The basic business of soccer is to win matches and tournaments, and this is done by developing a squad of players who are capable of achieving these goals. When large sums of money become available to a team, the first place it is usually invested is in **playing staff**. This is generally through transfer fees when a club buys a player from another team to bolster their squad. Another area where this money is usually invested is in player wages in order to retain the players in the squad and to attract quality players to the team. It is therefore critical that player development be considered a crucial dimension in investigating the impact of possible increases in investment as a result of the World Cup. The case study used in this research alluded to how the increase in their finances changed the way they attempted to attract players to their team, as well as their ability to retain their high profile players.

A significant portion of the income flowing into football clubs stems from the fans themselves through **club merchandising and ticket sales**. These two issues are indicators of a club's on-field success and fan loyalty. Changes within these areas, as a possible consequence of investment, show the development of a football club as a commercial entity, as the fans are the consumers of the product offered by the club. This area of eShibobo FC has shown the researcher that this club has not been impacted significantly by the World Cup as merchandising and ticket sales have not changed dramatically since 2004.

Choice of football club

The third issue for consideration in attempting to address the question of the impact of the possible increase of investment in the context of the soccer World Cup on football clubs in South Africa is the choice of the club as a case study. The club chosen, eShibobo FC, is one which is in the middle of the scale in the PSL as it is neither the richest or poorest club, and has neither the least or most amount of fans. The clubs that will have most likely gained over the last four years will have been the most popular ones, as they already have legions of passionate fans, and will be able to benefit from this through stable ticket sales and an increase in merchandising. These clubs are situated in urban centres thereby having the ability to take full advantage of government initiatives in the sport. Smaller clubs such as Bay United and Maritzburg United, who do not have a very large fan base, are unlikely to gain as much from the increased interest in the game, due to their historically poor showing in the PSL and because they are situated in isolated areas. eShibobo FC is a club in the middle of the spectrum. They have achieved moderate success over the past few years and they are situated in the Gauteng province of South Africa. eShibobo's position of being in the 'middle' suggests that the organisation may be investigated in a way which avoids the presumed given benefit for the 'big' clubs, and the lack of benefit for the 'small' clubs. This allows the researcher to get an overall picture of how PSL clubs in general would be impacted by government and corporate investment in the lead up to the 2010 FIFA World Cup.

Rationale for the study

The FIFA World Cup will be the largest tournament to be held in Africa, and an event of this size will have inevitable consequences on the host nation. As it is the first time a sporting event of this magnitude (coined a 'mega-event' by Horne and Manzenreiter, 2006) will be held on this continent, it is vital to show its impact on local South African clubs in this area of the world, especially as the government is investing large parts of its time and money on holding the tournament.

It is the first time in South Africa's history that so much emphasis has been placed on the economic potential of sports by government. Government is expending large amounts of money into the sport in the hope that it will recoup this investment by developing the South African soccer industry, attracting foreign investment and tourism, and by improving local infrastructure (Cornelissen and Swart, 2006). A study on the FIFA World Cup and its effects is broad in its nature and encompasses a variety of topics and issues. This research seeks to focus on one particular issue within the context of the World Cup, through a focused study of eShibobo FC. The research examines the extent of the impact of the 2010 World Cup by investigating if, how, and why one specific football club is gaining or losing from the build up to this tournament. This is to help give an adequate picture of the South African soccer club environment, and to see if this investment is starting to bear fruit for government, investors and the clubs themselves. It will also assist later studies on the effects of the World Cup on South Africa and local football after the tournament has been completed. The World Cup and the effects of the build up toward this tournament on football clubs are areas within social and economic research that for a large part, have not been analysed in the South African context.

South African football has become a large money spinning industry following the footsteps of the popular European and South American leagues. The sport has radically become commercialised and turned into a profit orientated industry, selling entertainment to the spectators. This has been markedly the case of the PSL and its clubs over the last two decades, but especially in the last four, after the announcement that South Africa would host the 2010 World Cup (NSL Annual Report, 2008). This study is therefore important as it maps a relatively new industry which is undergoing significant changes. This industry is also experiencing extreme growth and is playing a large role in the country's domestic economy.

Organisation of the research report

This research report is organised as follows: Chapter 2 is a discussion of the literature in which this research is embedded; and chapter 3 explores the particular methodology that was used during the research process. Chapter 4 has been used to provide a context to the research by focusing on the relevant history of and structure of South African soccer, the World Cup bid, and the history of eShibobo FC. The last chapters focus exclusively on the findings of this research, which has led to the conclusion that there have been developments in the PSL and local clubs such as eShibobo FC due to the announcement that the 2010 World Cup would be hosted in South Africa. There has been an increase in investment into football clubs, and the league as a whole, thanks to companies wanting to take advantage of the enlarged interest in the local game created by the media hype surrounding South Africa's right to host the 2010 FIFA World Cup (Mark, 2008). In this case study a private company, Dekos LTD⁵, sought to gain greater exposure to the local market by buying into eShibobo FC, and allowing the hype around the World Cup to expose their brand to a large group of locals and foreigners. This has been added to by government investing in facilities, infrastructure, and transport through its promotion of the soccer tournament. There has been potential to

⁵ In order to protect the identity of the club that was involved in this research, the company which has invested in eShibobo FC has been given the pseudonym of Dekos LTD.

attract more people into local soccer, which can benefit clubs and their commercial partners while stimulating national economic growth. This can bring clubs an advantage through an increase in revenue which they may use to further invest in their clubs, both on and off the pitch. The sponsors and owners can benefit through their increased exposure to the public, creating brand awareness and brand loyalty to those organisations. While the potential for this existed, the research has shown that it did not apply to eShibobo FC as they have not managed to attract large crowds to their stadium except against their Gauteng rivals.

CHAPTER 2 Literature review

South Africa is unashamedly a country that is football crazy. Wherever you go you are confronted by the extent of this passion for what is the world's most popular sport. Banners, flags and stickers are everywhere, and discussions on the prospects and happenings of the major clubs can be experienced in all local taverns, malls, restaurants and sidewalks. This passion speaks to the importance of football to the citizens of South Africa, seen in the great celebrations after victories and despondence after defeats. The fact is that soccer is a large part of the average South African's life (Alegi, 2004).

In order to gain a deep understanding of the football environment, South African soccer, and eShibobo FC, it is important to examine the theoretical approaches to sport's location in society. The first part of this chapter therefore focuses on the major sociological theories of sport to better comprehend why sport is played and why it has developed in the way that it has.

This is followed by an historical overview of the development of football through the ages. This maps the construction of the rules, the growth of the sport's worldwide popularity, and its eventual commercialisation. Following on from this broader historical context, an overview of the development of soccer in South Africa is presented, from its introduction to the country to the creation of the PSL, the most modern league format of the local game.

The last sections cover the history of the World Cup, its development and the road to South Africa being given the right to host the tournament in 2004. The literature review then concludes with a discussion of the effects that mega-events and the FIFA World Cup in

particular have had on host countries in the past.

Theoretical approaches to sport and society

When looking at the purpose and function of modern sports, it is clear that there are two main camps with alternative approaches. These are the Marxists such as Hargreaves, and the structural-functionalists such as Elias and Morris.

The general Marxist view of sport is one that is highly critical of its impact on society and social relations. Sports are seen as providing the working class a distraction from the harsh realities of their predicament, while at the same time enforcing the key dynamics of the capitalist system. While Marx did not address sports directly, the principles of his work have been used by those working in the area, and due to the various interpretations of his work, have developed differing theories of sport (Cashmore, 2000). Theorists such as Hargreaves, Hoch, Brohm and Gruneau have used Marx's conceptualisation of the capitalist system as a basis for their own interpretations of sports and its role in society. These authors have each contributed to a broad conflict theory understanding of sport.

Conflict theorists have used Marx's interpretation of conflict within capitalist society to describe social issues such as sport, education, and crime. The essence of this theory is that there is a constant struggle between different social groups as they compete to gain dominance over the other. The most powerful groups then use coercion, power, and their authority to make the rules that govern society in order to monopolise wealth and privilege. The problems that arise within society are therefore the result of the oppression of the

weaker groups by the stronger groups⁶. This follows the Marxist argument that the problems emanating from society are due to the exploitation and oppression of the proletariat by the bourgeoisie in the capitalist economic system. It is in this context that conflict theorists look at an issue such as sport. This school of thought is generally critical of the structure of sport, its commercialisation, and the exploitation of sportsmen and women by clubs and universities. Conflict theory is useful in terms of this research as it points to some of the reasons why government and business are interested in involving themselves in sport, and football, in particular. This theory points to the continual move towards the commercialisation of the sport, which is certainly the case in South Africa, and the PSL in particular.

Hargreaves, a conflict theorist, has four main criticisms of sport (Cashmore, 2000). Firstly, he argues that sport is used to create a docile workforce within capitalism, which stresses discipline, hard work, and the authority of hierarchy. Sport is therefore being used by the bourgeoisie to train a compliant workforce that does not question the inherent societal inequalities within the capitalist economic system, which keeps this group wealthy and in power. Secondly, Hargreaves believes that sport is highly commercialised and dominated by market forces. Sports have become commodified, which is illustrated in football's transfer system where players may be bought and sold. Sport is a business and players are just commodities that can be bought and sold at the behest of the corporate interests that control the game. Hargreaves' third point is that sports can have a negative impact on society because of the capitalist ideology of individualism and competitiveness that is inherent in the system. These divisive qualities, along with sexism and nationalism, become normalised and even admired in society, thereby justifying the capitalist status quo. This point follows from Veblen's (1973) assessment that sport is used to protect and further spread the interests and values of the bourgeois throughout society. The fourth point made by Hargreaves is of the negative influence that the state has on sports. The state as an

⁶ <u>www.unc.edu/~kbm/SOCI10Spring2004/**Conflict_Theory**.doc</u>

institution is controlled by the bourgeoisie and it therefore represents their interests, which is important as it is the state that is in control of the administration of sports (Cashmore, 2000). This means that sports will always be administered by the bourgeoisie to achieve their goals of justifying and promoting the capitalist economic system.

Marx's critique of religion is often used by theorists such as Hoch when looking at sports (Cashmore, 2000). According to this line of argument, both religion and sport are tools of the bourgeoisie used on the proletariat to pacify and distract the workers while they are being exploited in the capitalist system. With their focus on religion or on sport, the proletariat is diverted from the real problems in society, thereby keeping them in a system based on their suppression. "The attraction of sport (to the proletariat) is as compelling as that of religion and its effects are comparable: it siphons off potential that might otherwise be put to political use in challenging the capitalist system" (Cashmore, 2000: 94).

Other theorists such as Brohm and Gruneau focus on how sport is constructed by capitalists as a mirror to the capitalist system. These academics point to the similarities between modern sport and the capitalist system (Cashmore, 2000). Both are controlled by a rigid set of rules and regulations which control impulses and movement. This type of control stems from the capitalist workplace and represents the prison in which the proletariat is entrapped. This theory differs from Hoch's beliefs as sport does not represent an escape from reality; rather it shows the capitalist system's control over the proletariat in all aspects of their lives (Cashmore, 2000).

The preceding theorists all point to how sport is imposed on the proletariat by the bourgeoisie to reinforce the capitalist economic system. Others have taken a different view by stating that sport is not a completely negative social force against the proletariat

(Cashmore, 2000). Both Gruneau and Hargreaves allude to how sport can become a positive social force against capitalist suppression. Sports have the ability to build class solidarity to oppose the capitalist classes. Sport has the potential to build a class conscience as it brings people with shared beliefs and experiences together. Many sports events, such as football matches in Italy, can become extremely violent, showing that sports are not always the salve that some theorists believe it is. While many theorists believe sports replicate the conditions of work, this is not always the case, as can be seen in sports such as bowls and fishing (Cashmore, 2000).

Cashmore (2000) has looked at the development of modern sport during the 19th century in order to show how and why sports in general have developed in society. This period was characterised by mass urbanisation, and the growth of the capitalist system in the form of the Industrial revolution. He has also paid specific attention to these developments in England, due to that country's role in spreading many of our modern sports around the world, through their immense trade and contact with other nations and their colonial policies within the British Empire. According to Cashmore (2000) immense changes to sports took place during the 19th century for three main reasons, the organisation of work during the industrial revolution, the intellectual beliefs about the importance of sport, and the role of the church in sport.

Elias, a structural functionalist, also focused on the 19th century development of sport which he termed 'sportification'. Sportification, which is the development of rules to govern sport, is linked to the industrialisation process, but Elias does not believe that the one has created the other. Instead, "both industrialization and sportification were symptomatic of a deeperlying transformation of European societies which demanded of their individual members greater 'regularity and differentiation of conduct'" (Cashmore, 1990: 64). From the 15th century there was a move towards interdependence which bound people to one another (Elias and Dunning, 1986).

Desmond Morris' ethological approach to sport came about as a criticism of the Marxian analysis of this subject when looking at football matches. This view disregards the Marxian analysis that sport is a social drug, and instead espouses the importance of sport in society. The belief is that aggression and violence are inherently part of human nature, and that sports have been developed in order for people to vent their frustrations in a safe manner (Cashmore, 2000). This view echoes Beisser's view that suppressed aggression is released safely in the confines of controlled sports (1973). Morris looks at sports as a 'ritual hunt' where humans have created competitive activities as a response to "fill the gap left by the decline of the more obvious hunting activities" (Cashmore, 1990: 74).

The structural-functionalists have a generally positive view of sport which assumes that society and all social groups therein can benefit from them. Sport is an important tool to teach people the basic values and rules of society. This is due to the fact that these values are embedded in sports, and are necessary for sports to exist (Cashmore, 2000). Sport is also seen as a positive influence on society as it has the ability to bring people together. The third positive aspect of sport is that it is a method used to teach people about what goals are appropriate and how to achieve them. Sports create a structure which provides goals for the players to reach, and supplies the methods of how to reach those goals.

Government and sport

As pointed out by Hargreaves (2000), government plays an important role in the administration and application of sport nationwide. Conflict theorists believe that society is made up of different social groups which compete for power and authority over the others⁷. Following the Marxist tradition, Hargreaves (2000) believes that government involvement in sport is a negative force as the state is a tool of the bourgeoisie to legitimise their exploitation of the proletariat and maintain their dominance over that group. So the state's involvement in sport would seek to promote bourgeois interests over those of the proletariat.

Governments get involved in sports for a number of reasons, as this sector is seen as one that can be exploited to the benefit of that particular State. Many of the reasons why governments involve themselves can be seen in the context of bidding for mega-events. As sports have become commercialised and attract numerous fans, many governments believe that they can turn a profit by hosting a large sports event, thereby improving the GDP through an influx of tourist and foreign exchange (Horne and Manzenreiter, 2006). As the issue of sports can be very emotive, some governments attempt to attract mega-events to increase their popularity and standing with the public so that they can be re-elected to government, or even to promote social cohesion between social groups within the country. Many countries, especially those in the less developed regions of the world, use sports mega-events as a public relations exercise to show the rest of the world their capabilities in order to attract foreign investment into the country. One of the central arguments for the hosting of a sports mega-event surrounds urban regeneration and infrastructure investment by the government. Countries use mega-events as a stimulus to encourage the development of infrastructure projects needed for the tournament.

⁷ <u>www.unc.edu/~kbm/SOCI10Spring2004/**Conflict_Theory**.doc</u>

In the case of South Africa, the country won the bid to host the 2010 FIFA World Cup in 2004. The reasons for bidding to host this tournament were manifold. Firstly, the South African government wanted to use this tournament to stimulate planned domestic investment in public infrastructure, such as the transport system. They also wanted to create a lasting sporting legacy by building world class stadiums which can be used to attract sports tourism after the FIFA World Cup. This internal investment in infrastructure has been seen as a catalyst for economic growth within South Africa following the Accelerated and Shared Growth Initiative for South Africa (AsgiSA) model (2010 World Cup Government Pamphlet, 2008). The last major motive for hosting the tournament was to change the negative perceptions that the western world held regarding Africa. By changing the 'Afro-pessimism', government believes that western countries will have a new confidence in the capabilities of African countries, which will attract investment to the continent (Tomlinson, Bass and Pillay, 2009).

Commercialisation of sport

Sports have now moved from the amateur⁸ to the professional⁹ era, which is characterised by the increased commercialisation of these activities. This commercialisation of sport is the process whereby sports (including clubs and tournaments) become involved in the business world, embraced business principles and transformed themselves into profit making entities (Robinson, 2003). The commercialisation of sport has had two main aspects to this study. Firstly it is to maximise revenue and profit. "As a result expenditure on sponsorship, television rights, players' salaries and sports betting has risen markedly in the past few decades as sports organisations have sought to optimise their opportunities to generate

⁸ Amateur sports are characterised by their participants not accepting remuneration for their involvement in the sport.

⁹ Professional sports are characterised by their participants accepting remuneration for their involvement in the sport.

revenue by adopting a business approach to the management of sport" (Robinson, 2003: 166).

The second aspect deals with not for profit sports clubs or national state sports organisations. These clubs have also been run more professionally as managers have looked to treat the organisations like businesses. This commercialisation of sport has led to the growth of many other sports teams and clubs during the last decade. For example, during the 1990's the amount of professional football teams in Germany was increased by over a hundred percent (Robinson, 2003).

"The commercialisation of the not-for-profit or state sports organisations has been primarily a result of a push towards efficiency, effectiveness and quality and this, alongside the increasingly competitive sports market led these organisations to adopt the same strategies and techniques as profit orientated organisations" (Robinson, 2003: 166-167).

The commercialisation of sport has been a process that has developed over a number of years. This has largely been due to the fact that money could be made by hosting or sponsoring these events. The primary reason for this is that sports and sports events have the ability to attract a number of spectators to watch the games. In the late 1800's, sporting events such as rugby and soccer matches had become so popular in England that people were prepared to pay to watch the games (Cashmore, 2000). This seemingly small event has completely changed the face of sport as entrepreneurs have found that they could make money from sports without delving into the world of gambling. As time has progressed, people and clubs have found new ways to make money from sport, the two most obvious is through sponsorships (for example Nike) and merchandising (for example Real Madrid). The

one constant throughout all of this is the way spectators have been willing to pay money to watch sports and associate with their teams. In the media world, sports have had a direct impact on their commercial potential, and in some cases have been vital to their growth. In the late 1800's newspapers found that their readership increased significantly when it published the stories and results of sporting events. In the 20th century Rupert Murdoch's media empire expanded significantly by buying the right to broadcast various sports matches, thereby establishing a foothold in the U.S. television market (Cashmore, 2000).

The increased commercialisation of sport is an important issue to this research as South African football has increasingly moving towards this direction. The involvement of big business in sport is illustrated in this research as one of the major shareholders of eShibobo FC (a corporate entity) took control of the club in the period after South Africa won the bid to host the 2010 FIFA World Cup.

History of football

Tracing the source of football can be quite difficult because there have been many games with similar principles throughout history. Examples of these games can be found in ancient China, Greece, and America, but while these sports used similar concepts, modern football was not a descendent from them. The football that we have been accustomed to was developed during the middle ages in Europe and was characterized by its extremely violent nature and lack of standardized rules for the game. This was especially the case in England, while an Italian version of the game (calico) was a little more refined in terms of its rules and uniforms (FIFA, 2009).

During the 19th century local clubs within England strove to unify the sport of football and create standard rules and regulations for the sport. This culminated in 1863 with the creation of the English Football Association (EFA) in a meeting that also established the sport of Rugby Union. The EFA quickly standardised the rules of the game and acted as the governing body of football and its clubs in England. In 1872 the EFA created the first knockout competition (the Football Association Cup, or FA Cup as it is widely known), which involved all local football clubs, with the prize being known as the best club in Britain. With the rules standardised, tournaments such as this could be held, and it led to a broadening of the game to allow competition from all corners of Britain. In 1888 a new tournament was created which had a completely different structure to that of FA Cup. Instead of a knockout competition (as was the FA Cup), a league format was created to allow all clubs the chance to play against each other, as well as creating different leagues to separate the teams according to their skill and prowess (FIFA, 2009). With the creation of the league tournament the popularity of the game grew quickly within England and was spread throughout the British Empire by her citizens.

The sport of football became extremely popular in England and the rest of the British Isles. This passion that people feel towards this game led to the dissemination of the sport to the British Colonies and thereafter the local inhabitants of these colonies. Football was first transferred to the indigenous populations by British sailors as they would play the sport once they landed in colonial ports. The colonists living in these areas also took up the sport, as they were made up of British inhabitants who had played these games throughout their lives in Britain (Cashmore, 2000). Naison (2000) argues that sports were taught to the indigenous populations by the colonists as an attempt to retain their rule over them without the use of violent force. Sports were used to justify colonial occupation while indoctrinating the inhabitants with a foreign culture. By exporting institutions as strong as sport it was possible to create shared beliefs and attitudes between rulers and ruled, at the same time creating distance between them (Cashmore, 2000).

After the fall of the British Empire, especially during the last century, there has been both a local and global development of the sport of football. Locally, league and cup tournaments have been created, which emulate the original British system. The popularity of the sport has been transferred from the British colonialists to their former colonies so effectively that football is now the most popular game in the world (Quinn, 2009). Internationally, competitions have been created so that nations can compete against each other, such as the FIFA World Cup, the European Cup and the African Cup of Nations. Simultaneously international tournaments between local clubs have also been created, such as the World Club Championships, the UEFA Champions League, and the African Champions League.

Sports have traditionally been amateur in nature, with players taking part for joy and pride, rather than remuneration. This, of course, is a generalisation as professionalism can be seen as far back as the ancient Olympic Games in Greece. Since the 1700's professional athletes such as prize fighters had existed in countries such as England and the United States, but these competitors were looked down upon because of their paid status. This changed during the late 1800's and early 1900's as sportsmen were soon rewarded financially for their participation in sports such as football. In Baseball, the Cincinnati Red Stockings started paying their players salaries in 1869, and in Rugby League, the Bradford and Leeds rugby clubs had already started compensating their players for missing work by 1892 (Cashmore, 2000). Football in England had many tensions between those who wanted to keep the sport amateur and other who wanted to professionalise the game. This came to a head in 1885 with the English Football Association legalised professionalism in the sport. The sustained spread and development of professionalism in English football ensured that player salaries and transfer values continuously rose throughout the 20th century.

The 1990's saw the development of a new type of football, one that has been characterised by increasing commercialisation, globalisation, and a massive amount of investment into the game (Lee, 1998). This of course followed on from what Rigauer (1981) noted on the development of sport into work, or in other words, the industrialisation and commercialisation of sport. The 1990's saw the birth of the richest league in the world, the Premier League in England. This move of commercialising the game through the broadcaster BSkyB TV revolutionised the way people saw football leagues, clubs, and the game as a whole (Lee, 1998). Firstly, the BSkyB broadcasting deal injected a large amount of funds into the sport as previous broadcasting arrangements were not as valuable. Secondly, BSkyB televised more Premier League football matches than ever before.

This development did not go unseen by the rest of the world, and most leagues followed suit to various degrees of success. In the case of South Africa, a move was made during this period in their move to copy England's success (by transforming the National Soccer League into the PSL). But this ultimately proved to be an ineffective move, as it did not attract large amounts of investment, leading to slow growth in the industry (Alegi, 2004).

Football has undoubtedly become a global sport, as it is a game played all around the world and attracts mass support. When soccer was first developed it was decidedly a local game, with schools and neighbourhoods competing against each other (Mandell, 1984). This has changed dramatically with sport and football in particular growing and linking clubs in the international sphere. Club football now competes at the national and international level, attesting to the globalisation process (Foer, 2004). South African clubs now compete with the best local clubs in the PSL, as well as with the top teams on the continent in the African Champions League. This has been taken further in recent years with the creation of the Club World Cup where the best teams from each continent face each other to decide on a world champion. National teams have of course competed against each other for a number of years, and these competitions have steadily grown and developed into mega-events. Nationally, football has become a more global sport with the increasing participation of countries in international competitions such as the FIFA World Cup, which have also become money-spinning industries (FIFA, 2009).

A look at the globalisation of sport and football cannot be completed without looking at the role of business and the media in this respect. Football clubs have become global brands who seek to hawk their products to the rest of the world. This has been done through marketing certain league and teams as the best in the world, and increasing the availability of access to this product through the media (Foer, 2004). Currently in South Africa, one is able to watch football matches from England, Spain, France and Italy to name a few. Manchester United and Real Madrid are clubs who have embodied this approach to football, and regularly go to Asia, Africa and the USA to try and increase their fan base, thereby creating more consumers for their merchandise and viewers for their pay-tv channel (Nauright, 2004).

South African football history

Soccer has had a very colourful history in South Africa, and has been characterised by inherent racism and prejudice through the apartheid times. The sport was brought to South Africa by the English who had colonised the country in the 19th century, but the sport's popularity soon spread to the indigenous population. This was helped by the fact that football was played in the mission schools and organised by the missionaries themselves (Alegi, 2004). The first clubs and league competitions grew from the Kwa-Zulu Natal area, where British settlers and army battalions created their own teams to compete against each other. The first club created in South Africa was Pietermaritzburg County in 1879 that, because of the lack of opposition, had to play against teams from the army. This changed in 1882 when the Natal Football Association was formed, and a league was created. New teams

such as Durban Alpha, Umgeni Stars, Berea, Pirates, Victoria Athletics, the 24th Regiment, and the Natal Wasps joined the league by 1887 (Mazwai, 2003). The two teams that dominated in this era were the Natal Wasps and Victoria Athletics who between them won all the tournaments run by the Natal Football Association between 1883 and 1890.

The next geographic area in which the game of football spread was in Cape Town. The two men most responsible in successfully introducing soccer to the people and establishing teams were Mr. B. Warburton and Mr. Weaver in 1890, who were instrumental in creating the Pioneers football club. One year later the Western Province Football Association was created and a league set up due to the numerous teams that had recently been created (Mazwai, 2003). This led to the creation of the Football Association of South Africa (FASA), which became the governing body of all white soccer in the country.

Because of the racist laws within South Africa, the football leagues in South Africa were divided along racial lines, so the teams mentioned above contained no non-white players, and they only played against other white teams. Black¹⁰ South African soccer therefore developed at a slower pace when compared to the white game. The first black club was only created in 1912 by a missionary in Natal. This team, Bush Bucks, did not have any club opposition so were forced to travel great distances to play against school children (Mazwai, 2003).

The first black football association was established some time later, in 1916, and called the Durban and Districts Native Football Association (DDNFA) (Alegi, 2004). Later the first black football association in Johannesburg was created in 1929. This organisation was formed with

¹⁰ The term 'black' incorporates the Indian, Coloured, and African ethnic groups found within South Africa. While the author disagrees with the use of this term, it has been incorporated into this research report due to its common usage in the South African context.

help from the racist government that was in power at that time. Mr. S. Senoane (the Director of Native Recreation) was assisted by Mr. G. Ballenden (from the Native Affairs Department) and Dr. R. Phillips (an American missionary), when creating the Johannesburg Bantu Football Association (JBFA). "Ballenden and Phillips were great believers in using organised sport to reinforce social control. Phillips said his main objective was to place football amongst the natives on a sound footing and to eliminate gambling and other objectionable practices" (Mazwai, 2003: 18).

1929 was a watershed year for black football in South Africa. Once the JBFA was established, the organisation provided the basis for the formation of the Pietermaritzburg Bantu Football Association (PBFA), which together with the Natal Bantu Football Association (NBFA), created the nucleus of the South African Bantu Football Association (SABFA). These organisations provided black soccer teams the opportunity to play competitive games amongst each other, even if that did mean travelling from Johannesburg to Pietermaritzburg (or vice versa) (Mazwai, 2003). The growth of these football associations, and the sport of soccer in the black population as a whole, needs to be considered in the context of the specific situation the country was enduring at that time. "The corresponding institutionalisation of African soccer took place during the enormous social transformations of the 1920's and 1930's brought about by increasing urbanisation, industrial expansion, and intensifying racial segregation" (Alegi, 2004: 21).

Due to the massive support that black teams such as Durban Bush Bucks drew to football matches, businesses were quick to realise advertisement potential in this market. The popularity of the game saw a number of white entrepreneurs attempt to use the sport to sell sporting goods to the black public. This occurred as far back as 1929 with companies trying to sell sports gear to the football loving supports in black newspapers (Alegi, 2004). As time progressed, the number and extent of companies wanting to use soccer to sell their product

increased. In the 1930's companies such as Bakers Ltd used soccer sponsorship in order to improve their business as well their workforce. "It's owner, J. Lynch, saw sponsorship as a way both to advertise his products and recruit a more stabilised non-migrant labour force" (Alegi, 2004: 95).

In South Africa the amateur era lasted for the first half of the 20th century, although players were often given preferential treatment and jobs at their workplaces. The professional era was first ushered in by high profile clubs in the 1950's such as Orlando Pirates and Moroka Swallows who paid their players a portion of the money made from ticket sales from their big games. This was done without the knowledge of the relevant government authorities as it was illegal to pay sportsmen money for playing the game and for their particular performances. The first professional league in South Africa was started in 1961, and called the South African Soccer League. It was from this time that players started being paid wages for their work, and could take up football full time (Alegi, 2004). While this was the case for many footballers, the majority of players could not take up football full time, as it was only the wages for the best players that allowed them to focus all their energy on football.

The 1960's were characterised by great turmoil within South African soccer. This was a time when racism in soccer denied the country representation at FIFA and participation in international competitions. Due to the racist legislation which divided South African sport along ethnic and racial lines, international institutions took action against South Africa by barring them from international events until sport was de-racialised (Kunene, 2006). To compound matters with the international world, FASA lied to the FIFA committee about joining with the other non-white organisations to form one national non-racial body (Mazwai, 2003). These were dark days for South African football. As the country was stopped from playing other national sides, FASA was forced to create a 'multi-national' tournament in 1973. This multi-national tournament consisted of so called national South African sides

being selected according to the colour of their skin; so for example, a white team would take the field against a black team. This move led to further racial hostility within South African soccer and was duly criticised by FIFA (Kunene, 2006).

The 1970's in general was a better decade for South African soccer as moves were made to de-racialise the game. During this period rules were drafted to allow a maximum of three foreign players in every white team. What this meant was that white teams could pick three black players as they would represent one of the various homelands such as Ciskei or the Transkei (Mazwai, 2003). In 1977 a true multi racial league was created with the top white teams such as Wits University, Hellenic, and Highlands Park joining the top black teams of Kaiser Chiefs and Orlando Pirates in the National Professional Soccer League (NPSL).

It was during the 1980's that the local game was fully professionalised and started to attract investment and large scale sponsorships from important companies such as South African Breweries (SAB) (Alegi, 2004). The increase in funds had both positive and negative consequences on South African football. The popularity of the sport during this time grew in leaps and bounds, which the clubs managed to convert into massive attendance figures. It has been estimated that in 1983, around four million people attended NPSL matches, which produced R4 million for the league and the clubs therein. Unfortunately the new found professionalism and increased revenue also created many disagreements between the administrators of the sport. This infighting led to the establishment of a breakaway league organisation called the National Soccer League (NSL). This rift in the heart of South African soccer divided the majority of soccer players and supporters, and led to clubs fielding more than one team according to which organisation they wished to play under. In 1985 these disagreements turned bloody when the Moroka Swallows captain was allegedly murdered for his rejection of the NSL, while one of the Orlando Pirates captains was stabbed in front of a packed FNB stadium. In the battle between administrative organisations, the NSL won out

as it had the support of Irvin Khoza (owner of Orlando Pirates) and Kaizer Motaung (owner of Kaizer Chiefs), two of the most influential people in the South African football landscape due to their clubs mass following (Kunene, 2006). By 1991, with the support of the African National Congress (ANC), all the various administrative bodies joined into one, named the South African Football Association (SAFA), and the country was readmitted into the international arena the following year.

Towards the end of the apartheid era, a new non racial league was formed which combined the best teams allowing a competition of strength versus strength, which became the forerunner to the PSL (Alegi, 2004; Kunene, 2006). Many people have attempted to use the game during the past for their own benefit (corrupt officials and political parties) but what is of note is that the growth of football has been unparalleled by any other sport in this country.

By 1996 South African football was growing but a number of small issues such as infighting still occurred. This was a time when international leagues such as those in England and Italy were experiencing new found commercial success, with their matches being broadcast to all corners of the globe. Following the English example, the NSL was re-branded and thereafter known as the Premier Soccer League (PSL). This move had worked wonders for the English league as it managed to bring in new sponsors, sell their broadcasting rights for a far higher price, and established it as the richest league in the world (Kunene, 2006). The South African example however, of re-branding the domestic league (PSL) did not attain the same success as its English equivalent, due to a number of factors. Firstly, the PSL struggled to compete against the major European Leagues which were broadcast on South African television by DSTV and later etv. The PSL did not manage to acquire the same amounts of television revenue as its English counterparts as the SABC (the public broadcaster) was the only station willing to bid for the rights to matches. In England, the Premier League revolution was kick-

started with the private satellite channel, BskyB, winning the bid to show the matches on pay TV. For this to have happened in South Africa our own DSTV would have needed to become involved, but at that time they did not believe that there was enough demand from fans who would pay to watch the matches on television (Kunene, 2006). This of course changed very recently as DSTV now hold the PSL broadcast rights, so the fruits of that partnership are only being felt now.

While the development and growth of South African soccer is described as slow and clumsy during the 1990's, the same cannot be said of the current situation that PSL clubs find themselves in. Over the past few years there has been a massive amount of investment in the local game, assuring steady financial growth and the development of SA football as a whole. Some of the new corporate players include, SABMiller¹¹, Absa¹², Nedbank¹³, and the broadcaster Supersport (Gleeson, 2008). The amount of money invested in soccer has grown enormously. For example, Nedbank have put up a R6 million jackpot for a local knockout competition, making it the richest competition in Africa (Urquhart, 2008).

As can be seen from the preceding discussion, the South African football landscape has changed dramatically over the last decade. The advent of the PSL, the Nedbank and Absa sponsorships, and the broadcasting deal with Supersport are currently having a major influence on local football clubs. This has occurred in the context of the build up to the 2010 FIFA World Cup, which has increased the exposure of South African football domestically as well as internationally. But the question has arisen, how are these external forces impacting on local PSL clubs such as eShibobo FC? eShibobo FC is now earning far more income than in the past, and is being influenced by the professionalism which has arisen because of

¹¹ SABMiller is a South African company that has subsequently become one of the world's largest brewers and bottlers.

¹² The Absa Group Limited is one of South Africa's largest financial institutions, conducting business throughout the African continent.

¹³ Nedbank is one of the largest banking institutions in South Africa.

Supersport and the build up to the tournament. This research was set out to discover how government and corporate investment has impacted on eShibobo FC in the context of the 2010 FIFA World Cup.

The history of the FIFA Football World Cup

By 1904 football had become a common sport which enjoyed widespread popularity. The administrative development of the game had also prospered with many countries such as England, France, Belgium and Spain establishing national associations and domestic tournaments (Duke and Crolley, 1996). It was the French who in 1904 initiated the proceedings to create a world football association. In that year FIFA was created by France; Belgium; Spain; Sweden; Switzerland; the Netherlands; and Denmark (Duke and Crolley, 1996).

What was controversial about the creation of FIFA in 1904 was that none of the U.K. football associations were involved in its inception. The English believed that there was no need to create this global body so decided not to send anyone to Paris to negotiate the proposal. This alluded to the arrogance with which the English viewed foreigners at that time. They were unhappy with having to work together with the other European nations (Duke and Crolley, 1996). The British football associations soon saw that FIFA was becoming a powerful entity and joined in 1905.

FIFA soon took the world stage by organising international tournaments between its member nations. The first international tournament arranged by FIFA (in association with the English FA) was held in London in 1908 as part of the Olympic Games (FIFA, 2009). The

relationship between FIFA and the Olympics did not last long however. The Olympic organisers did not fully consider football to be a sport in the same light as athletics, due to their beliefs that it was more of a spectacle then a recognised sport (FIFA, 2009).

The first World Cup was held in Uruguay and won by the host nation. This tournament in 1930 was notable for being the first football competition featuring such a wide array of national teams which included Argentina; Yugoslavia; Romania; and the USA (FIFA, 2009). A notable absence from this competition was England and the rest of the British football teams. This non-attendance by UK teams was due to a dispute between those organisations and FIFA. This dispute ensured that England would not play in a World Cup until 1950 in Brazil, where they lost two of their three games (Duke and Crolley, 1996).

The FIFA World Cup has now been held eighteen times by fourteen host nations. The tournament has been won by seven different countries, with a total of eleven having reached the finals of the competition. The most successful nation to have featured in World Cup has been Brazil winning a total of five championship medals. Close on Brazil's heals are Italy, four times winners, and Germany, who are three times winners of this prestigious tournament (FIFA, 2009). What is significant about the statistics and history of the FIFA World Cup is that no African side has ever won or even hosted the competition. But one if not both of those facts will be changed in 2010 as South Africa will be the first African country to host a World Cup (FIFA, 2009).

The effects of the FIFA World Cup

It is only in recent times that growth in the South African football industry has skyrocketed, which may have a link to the fact that South Africa was given the chance to host the 2010 World Cup. The World Cup, arguably the most elite trophy in world sport, draws intense interest by the majority of sports fans around the world. These massive tournaments have been seen to have a large impact on the country which hosts the tournament. The last three World Cups, held in Germany, Japan and South Korea and in France can attest to the impact that this type of tournament can have on local football as well as the local economy (Ohman, 2006).

General Impact

Dauncey and Hare (1999) have looked at the 1998 FIFA World Cup held in France. This has generally been seen as a successful tournament for the host nation as they encountered very few problems (at least in public) in the organisation of the competition, which has established the capacity of the French government to host other major events. The World Cup was seen by the Youth and Sports Ministry to have been a triple success in terms of sport, spectating, and popular impact for France. The tournament was a sporting success due to the success of the France national team, and the positive style of football which they played. All the matches in the tournament were played with good sportsmanship which added to the achievement of the 1998 FIFA World Cup. The tournament was seen to have been a spectating success as the vast majority of matches were played in stadiums full to capacity. And "thirdly, the World Cup has been a popular success within France itself as the event has been appropriated by the people outside the stadiums, helped by the free transmissions on big screens" (Dauncey and Hare, 1999: 206).

In mega-events discourse, the issue of the profitability of hosting a tournament is very important as it is one of the major justifications for hosting a tournament. Two different studies by Caisse des Depots and consultants Paine Webber have shown that the hosting of the 1998 FIFA World Cup has very little positive economic impact on the host nation (Dauncey and Hare, 1999). In France, "the most tangible results, according to the French Economic Statistical Agency, were increases in television and video-recorder sales, an increase in consumption of certain services like hotels (but this was uneven across regions and quality of hotel), and an earlier rise in tourist hotel and restaurant prices than in other years" (Dauncey and Hare, 1999: 212). The World Cup created very few new permanent jobs as the majority of the workers used were either temporary workers or volunteers. One of the disappointments of the 1998 France World Cup was that the tournament saw fewer tourists entering the country than in previous years during that same period. While the traditional tourist areas attracted fewer visitors, other less well known areas such as Saint-Etienne had their hotels sold out (Dauncey and Hare, 1999). This seems to suggest that the tourists who entered France to watch the World Cup were less than the tourists who stayed away from the country to avoid the tournament.

The 1998 FIFA World Cup has shown that many positives and negatives can be drawn from hosting a mega-event. The positives that can come from a World Cup include some economic benefits, which is what attracted South Africa to the tournament and convinced them to make two bids to host the event. The benefits are twofold, the country gets foreign exposure and capital through tourism, and the country itself is given a reason to invest in improving infrastructure (Cornelissen and Swart, 2006). The South African government has made many promises to the effects that the tournament will have, but credit must be given to them as they are investing large sums of money into this tournament (Mbeki, 2006). Van Der Walt (2007) is very critical of hosting the competition and sees the 2010 World Cup project as an extension of the Government's neoliberal economic agenda through its desire

to improve infrastructure (which facilitates business) and to attract foreign investment by creating a positive image of the country abroad. He believes that this is the reason why there are so many developing nations bidding to host mega-events, such as China, Poland, Ukraine, Malaysia, along with South Africa.

According to Du Plessis and Maennig (2009), the 2006 FIFA World Cup hosted in Germany was successful in a number of areas. Firstly, the tournament had a positive impact on a number of sectors in the economy, such as beer breweries and money exchange offices. Unfortunately for Germany, these sectors are largely unimportant to the whole economy. The amount of tourists that went to Germany in 2006 was lower than that of previous years, as regular visitors were 'crowded out', and hotel owners needed to charge extra during the competition to reach their projected targets (Du Plessis and Maennig, 2009)

Van Der Walt (2007) describes many of the negative consequences of hosting large tournaments such as the World Cup. The first major problem which South Africa may face is an inability of the government to recoup the money that they invested in the project, which is what has happened in a number of countries. An example of this occurred in Sheffield after the city hosted the 1991 World Student Games, which led to a loss of 180 million pounds (Horne and Manzenreiter, 2006). A net loss from the 2010 World Cup will be a devastating blow to the country as the money that was invested could have been used in other areas of the country.

Another major problem which has affected other countries is the creation of white elephant stadia (Van Der Walt, 2007). These expensive modern stadiums need to be used once the FIFA World Cup is over, and not need to be demolished as was the case in South Korea (after their 2002 World Cup) and Greece (after the 2004 Athens Olympics).

When speaking about the proposed effects of the World Cup, it has been assumed that the money invested by the government will stay within the country and act as a stimulus to the economy. If the money is not given to South African companies, this investment may end up leaving the country and enriching a multi-national corporation instead of the people who need it in South Africa (Van Der Walt, 2007).

Ngonyama (2006) believes that government money investment to host this tournament is wasted, especially when it is needed in far more important areas in the country. For example this money could have been used to fight crime, improve our education system, or even revive a collapsing public service. But instead of using the money for these causes, the government has invested it into a tournament which may not boost the South African economy. The profits that will be made from this tournament will also be unequally distributed, with the majority staying in the hands of the wealthy construction companies and hotels.

Ngonyama (2007) goes further and explains that the build up to the World Cup is based on profit maximisation at the expense of poor South Africans who are forced into slave wages, and are even forced out of their homes to ensure that the World Cup is successful. These types of views can also be heard from authors such as Kunene (2006), and Cornelissen and Swart (2006), who are distrustful of mega-events and their effectiveness to a country. Many examples can be seen around the world where these events have cost a fortune and have not had a positive effect on the country with the money wasted on stadia that are not used, and with the country unable to recoup their investment from a tournament which they believed would stimulate economic growth.

Impact on football clubs

While the impact of mega-events and the FIFA World Cup in particular are important to this study, the main research is focused on individual clubs. According to Eastham (1999) many changes occurred in the French National League in the lead up to the 1998 FIFA World Cup. Firstly the value of transfers had risen sharply, as could be seen by Olympique de Marseille breaking the French transfer record by paying sixty million Francs for Robert Pires in May 1998. This record was broken once more in July 1998 when Paris Saint-Germain bought Jay-Jay Okocha for one hundred million Francs. These large transfers had been facilitated by increased sales of merchandise and television revenue in the lead up to the 1998 World Cup (Eastham, 1999). This indicates that the build up the FIFA World Cup may have had a direct impact in generating funds for French clubs in the First Division. When analysed alongside the South African example, many parallels can be seen, such as a major increase in television revenue and the value of player transfers has grown exponentially. This trend indicates that more people had become interested in following football (i.e. increased merchandising) and there was a higher demand for companies to attach their brands to French local football (i.e. increase in television revenue).

The second trend noticed by Eastham (1999) was that attendances at first division games in 1998 significantly increased as compared to the previous year. A 30 percent increase in season ticket sales was also recorded which has had an obvious impact on First Division clubs. The increase in gate revenue and merchandising sales has allowed French clubs to pay their players higher wages and make lucrative investments in new star players to improve their squads. For the 2006 FIFA World Cup held in Germany, US\$2.2 billion was spent on building or upgrading stadiums within the country to host tournament matches. The difference between South Africa's investment and Germany's investment is that the German football clubs contributed 60% to the total fee invested (Du Plessis and Maennig, 2009). This meant that unlike in South Africa, the football clubs had a direct stake in the stadiums being built, and could therefore reap any rewards that could accrue. In Germany it is believed that the 'novelty effects' of playing in new stadiums increased spectator attendances by ten percent (average) over the following five years (Du Plessis and Maennig, 2009). This is significant to this research as it shows that the creation of new stadiums have the possible effect of attracting more supporters to the grounds, therefore benefiting the clubs from larger gate earnings and the sponsors through greater exposure.

Overall Assessment

Hosting a mega-event such as the FIFA World Cup or the Olympic games has the potential to have a positive or a negative impact on the country. In France, the build up to the tournament helped French First Division clubs to boost their incomes as larger crowds attended matches, more merchandising was sold, and television revenue increased. These tournaments can also have negative effects on the host country as a successful tournament is not guaranteed and it is difficult to turn a profit. These issues are important to the study of eShibobo FC as they provide the context in which the club will, and has, found itself in the build up to the 2010 FIFA World Cup.

As host of a mega-event in 2010, South Africa is going to be faced with the various positive and negative experiences. Previous mega-events in Germany and France have shown that there are not many economic benefits to hosting a mega-event, especially as many tourists decided not to visit the host nation during the World Cup. But these two countries have shown that individual clubs have the potential to benefit from government and corporate investment in the tournament. In France, increased merchandising and attendances has led to there being far more money in the league, which the clubs have translated into player transfer fees and wages. In Germany, clubs benefited from new stadiums through increased attendances, but they had to pay a large portion of their money towards building those stadiums. These examples show that South African clubs have the potential to be impacted (positively or negatively) by the FIFA World Cup, which is what this research has set out to discover.

CHAPTER 3 Methodology

This research made use of qualitative methods of data collection, specifically field interviews and documentary analysis. This chapter will describe these methods in detail and explain the reasons for their adoption in this particular investigation. The research process used to attain this data will illustrate the exact steps taken by the researcher to uncover the necessary information for this study. This is followed by the description and justification of the sampling procedures, the methods used to analyse the data, and a discussion of the ethical considerations in the research.

Overall methodological approach

As Haralambos and Holborn (2000: 965) point out, methodology "is concerned with both the detailed research methods through which data is collected and the more general philosophies upon which the collection and analysis of data are based". There are two broad approaches to research methodology in the social sciences, chosen according to the researcher's question and the type of data that is needed to gather the information required for addressing the research question. Qualitative research has often been seen as diametrically opposite to quantitative research, because of the major differences in the way researchers approach and analyse their data (Walliman, 2001). Qualitative researchers focus on highly detailed and specialised data while considering the beliefs and experiences of their research subjects. Quantitative researchers on the other hand prefer to transform their gathered information into statistical data which can be generalised over large populations.

Qualitative researchers developed much of their methodology in response to the highly structured and scientific methodology that was favoured in the natural sciences. Their view is that the personal beliefs and experiences of their research subjects, even if they are not measurable, produce legitimate data which can be used to provide answers to specific research questions. Unlike quantitative research which has one main epistemic foundation, qualitative research has its roots from many different schools of thought, including phenomenology, symbolic interactionism, and verstehen (Bryman, 1988).

According to Bryman (1988), there are a number of characteristics of qualitative research. Firstly, this type of investigation allows the researcher to 'see through the eyes' of their respondents. This gives the researcher the ability to empathise with their respondents and the subject matter that they are dealing with. The second characteristic of this type of research is that it produces descriptive information. This information allows the researcher to analyse the situation thoroughly and effectively while also providing an accurate description of the particular subject (Bryman, 1988). The type of information that needed to be gathered in this research report fits in with the type of data that is produced while conducting qualitative research. The research focused on the nature and extent of government and corporate investment which impacts on eShibobo FC, and the effects of this investment. Qualitative methods were chosen as they allowed the researcher to draw on the firsthand accounts of the employees at eShibobo FC, and their views of government and corporate investment, and how it affected them in their jobs at the club. Furthermore this method encouraged the respondents to delve into their subjective views on how this investment is impacting on the club as a whole.

Qualitative, unlike quantitative methods, allow the researcher to gauge the personal views and feelings of those interviewed and involved with the club. This was important to the study as the football industry is one which elicits strong emotions from all those involved which could either add value or distort information given to the researcher. As the researcher was present and asked the questions on a one on one basis, follow up questions could be asked to clarify answers and ascertain their true meaning. Qualitative research methods were also helpful as they assisted the researcher in acquiring in-depth information from the respondents. These methods allowed the participants to express their subjective views and understandings which added real quality to the data gathered in the investigation (Ragin, 1994).

Of particular relevance to this research was to focus and come to an understanding of the historical and cultural significance of the build up to the 2010 World Cup on eShibobo FC. A qualitative approach pays a great deal of emphasis on context, whether it is historical or cultural, as this influences the subjective experiences of those involved in the research. "The important point is that the qualitative approach mandates close attention to historical detail in the effort to construct new understandings of culturally or historically significant phenomena" (Ragin, 1994: 84). It is in this capacity that qualitative research methodology is appropriate for this research. The aim of the research is to extract in-depth data that will be able to provide the context for the study of the effects of the build up to the 2010 World Cup on eShibobo FC. In this research the respondents were able to share their subjective experiences of the club which included the ways in which the club handled the changes that had occurred during the last five years. In addition, qualitative research is geared towards smaller scale research projects (i.e. ones that involve fewer respondents), with an emphasis on the particular research subjects rather than attempting to develop a broad generalised theory. This research project is specifically focused on one football club in South Africa, and concentrates on that club's particular experiences. While this research does not try to prove or disprove any particular theory, it does allow us to gain a better understanding of South African club soccer, and the changes within, for the past five years. These changes have been linked to South Africa being awarded the 2010 Football World Cup in 2010 and the increase in investment into the local professional game.

Research methods

In line with a qualitative research methodology, in-depth interviews were used in this research to gain a deep understanding of eShibobo FC and the possible impact of the investment flowing out of the World Cup on this club. These have allowed the researcher to obtain relevant information to the topic through the personal experiences, perceptions and expertise of the participants in the research.

In-depth/field interviews

"Field research is the systematic study of ordinary events and activities as they occur in real life situations" (Sarantakos, 2005:202). This is research that takes place in the field, the area where the phenomena that is being studied, occurs. It is part of qualitative research as the researcher interacts directly with the people involved in the study. This is a process of observing and enquiring which is both time and labour intensive (Neuman, 2001). There are two different methods of conducting an interview. The first method follows a structured approach and is used for the most part within quantitative research. The second method follows an unstructured approach, and was favoured for this research. The following paragraphs will describe and assess the interview techniques used in this research, while a detailed illustration of these interviews will be dealt with in the section on sampling.

A major characteristic of field interviews is that the method employed lacks a rigid structure, which allowed the researcher to be flexible and think on his feet. Interviews also allow researchers to follow leads whenever they may arise without necessarily compromising their overall research (Bryman, 1988). This flexible structure to the data collection method was needed in this research in order to shape the questions to fit the respondents. It allowed the

researcher to ask follow up questions in order to attain information that was lacking from previous answers, and it allowed the interviewer to focus on areas where the respondent was knowledgeable. Of great benefit to the researcher was the way the flexibility of the interview process put the respondents at ease with the questions, as in some cases it manifested as a general conversation around football.

Preparing for the field

In preparation for the interview process, the researcher read extensively on the subject of football, the economics of football, the Premier Soccer League, the history of the club, the profiles of the respondents, and the impact of mega-events on football clubs. It was important to have a grounded understanding of all these issues before the interview process so that the interviewer could adequately develop an interview schedule that would be valid to the research (Neuman, 2001; Kvale, 1996). This process was fairly simple as the literature and theory had been thematised into separate sections as to not confuse the researcher about the goals that needed to be achieved.

The interview schedules were developed in accordance to the particular job the respondent had at the club. So for example, the questions asked to the fans were not exactly the same as the ones asked to the CEO. This allowed the research to focus on the areas which directly affect the particular respondent, so as to not waste time in discussing topics which they might not know much about. But overall the issues dealt with in the interview schedules were similar and can be discussed together. These issues were arranged into a number of themes which included: investment; sponsorships; subsidies; infrastructure and facilities; management staff; playing staff; merchandising and tickets sales (refer to appendix A).

The first issue covered by the interview schedule was that of investment. This encompassed investment within the local football league, in the club itself, and in South African football in general. This section enquired on the relationship between Dekos LTD and eShibobo FC, and the subjective beliefs of the respondents as to the positives and negatives that could be drawn from this relationship. An examination of the relationship between Dekos LTD and eShibobo was particularly important to this research as corporate investment into this club is a major focus of this study.

The second major area of inquiry in the interview schedule revolved around sponsorships in general, and specifically on those involving eShibobo FC and the various football tournaments in the country. This section dealt with the effects, extent, and types of investment that had an impact on the club. During the interviews the sections on investment and sponsorship often overlapped with the respondents not distinguishing between the two.

A section on subsidies was inserted into the interview schedule to ascertain whether government institutions had a direct financial link to eShibobo FC and South African football clubs in general. This turned out to be a dead end as the government does not subsidise any of the PSL clubs directly. These clubs do obtain a financial package from the PSL every month, but this comes from corporate sponsors and not the Sports Ministry. Consequently document analysis was used to gather data on this, which is discussed later in the chapter.

The next major section covered in the interview schedule was that of infrastructure and facilities. A club's infrastructure plays a vital part in the way that it operates. These are the various structures that the club makes use of (either hired or owned) for the purpose of utilising and maintaining the football club. In this research particular focus was placed in the club's administration facilities, training grounds, and the stadium in which eShibobo FC

played their matches. The interview schedule also paid attention to changes to the composition of eShibobo FC's staff and management teams. This focus on the administrative component of the football club was vital as it showed the direction in which the club wanted to grow, and was an important indicator of stability within eShibobo FC.

One cannot study a football club without also paying attention to those players who make up that club. Traditionally it is the players that make up a football club rather than the buildings and facilities that the club makes use of. This can clearly be seen in chapter four where the history of eShibobo FC is discussed. The interview schedule focused on changes to the composition of the playing staff, its recruitment and development, and the salaries they are earning. This was an important area to look at as it showed changes to one of the most important parts of the football club, necessary for the club's progression.

The last section of the club which the interview focused on is merchandising and ticket sales. When looking at football clubs in the major leagues in the world such as in England, Spain, and Italy, one can see that merchandising and ticket sales can be vital to the successful development and administering of a football club. Those clubs receive the majority of their earnings through these aspects of the club, rather than sponsorships and prize winnings. This section was included in the interview schedule to ascertain whether this is also the case in South African football and eShibobo in particular, and the extent to which merchandising and ticket sales impact the club.

Gaining access

Gaining entry into a particular group can be quite difficult at times, so it is advisable to approach the gatekeeper. "A gatekeeper is someone with the formal or informal authority to control access to a site" (Neuman, 2001: 351). A strategy which involves a lot of planning, negotiation and disclosure is needed when entering the field. It was important that the necessary planning had been done so that the researcher was prepared during his research. The researcher needed to be prepared to negotiate social relations with every new person they met, so that a positive relationship could be created. The researcher also needed to decide how much of himself or his research he would disclose to the participants. It is, on occasion, beneficial for a researcher to withhold certain information from the participants, but this was not the case for the study of eShibobo FC and therefore the consequent ethical issues did not arise (Neuman, 2001). The gatekeeper for this research was the CEO of eShibobo FC, Mr. James Thompson¹⁴. The researcher approached the CEO as he had the authority to allow entry to the site. In addition, having the CEO as the gatekeeper gave the researcher the authority to interview whomever they needed for the project.

Conducting interviews

Once the field had been entered, the researcher needed to focus on issues such as presentation of self. This was important as it directly affected the research due to the ongoing contact that the researcher had with the participants (Neuman, 2001). In order to gain data from the interviewees, the researcher needed to be presentable. This helped since it provided the researcher some respectability with the research participants in order to attain information. Generally, interviewees will be very helpful if they respect the

¹⁴ This, and all other names referred to in this section are pseudonyms, as explained in the discussion of ethics later in the chapter.

researcher. The researcher attended all interviews promptly and dressed in semi-formal attire. Semi-formal clothes were chosen over formal dress because this is the way the majority of the respondents dressed. If the researcher had attended the interviews dressed either too formally or too informally, the interview process would not have run as successfully as it would change the power relations and the perceptions of the interviewee.

This research was conducted in the field, i.e. the eShibobo FC offices, the club's stadium and training grounds. As one of the respondents did not still work for the soccer club, an interview was scheduled at their current office. The research took place in the field to minimise the disturbance caused to the schedules of the respondents. It also helped the respondents during the interviews as they were confident in their surroundings. Lastly interviews were held in the field for the researcher to get a better picture of the club's environment and showed how the employees are located in the organisational structure of the club (Neuman, 2001).

When conducting in-depth interviews, it is important to build a rapport with members on the field. "This is a step toward obtaining and understanding of members and moving beyond understanding to empathy- that is, seeing and feeling events from another's perspective" (Neuman, 2001:355). This is ultimately the goal of qualitative research, to get personal information about the subject's subjective experiences. A researcher needs to have social skills when conducting an interview. This helps in building rapport, as they learn to trust and 'open up' to the researcher (Neuman, 2001). The researcher found it relatively simple to gain rapport with the respondents. This was due to the fact that the majority of the respondents were very passionate about eShibobo FC and their involvement in the club. This passion allowed the interviewer to engage with the participants as they were happy to share their knowledge about the club, and their experiences they have had.

"The field interview is a joint production of a researcher and a member. Members are active participants whose insights, feelings, and cooperation are essential parts of a discussion process that reveals subjective meanings" (Neuman, 2001:371). When conducting the actual interview, the researcher should always be observing the physical settings as well as the body language of the member. Listening to everything they are saying is vital to a good interview (Sarantakos, 2005). This is because it is the primary method of collecting the data.

Evaluation

The field interview method of data collection was helpful as the participants were able to answer the relevant questions in their own time, allowing them the chance to give a full and considered response. This method permitted the researcher to change specific questions during the interview process to fully attain information relevant to the study. The researcher had the freedom to give shape to the conversation so that the respondent did not stray off track, while being able to probe deeper when the answers were not sufficiently being dealt with. Field interviews were helpful in the research as they allowed the participants to bring up relevant issues (which happened often in the football discussions) which we were able to discuss further to the benefit of the research. The last main advantage gained from using interviews in the research was that the researcher was able to study the participants' body language when answering the questions, which gave extra information concerning the way the respondents felt about certain questions.

Football is a sport bound together by each person's perceptions on issues, which can be both positive and negative. The positives are obvious: personal experiences and perceptions inform a person's reality, and it is this reality that has been researched. The negative aspect

to this is that sport is inherently driven by emotions and rivalries. This may have produced skewed data, or even encourage the participants to twist their answers to show themselves (or the club) in a positive light to the detriment of others. These are issues which have been kept in mind during the research, which means that the researcher has not taken all the respondents' answers at face value.

Document analysis

While interviews have been the main source of data collection, document analysis has also been used during the research process. This method was used to attain information that is relevant to the study, and has added to the knowledge gained in the interview process. This method was used to find information on the sponsors of eShibobo FC, sponsors of the local competitions, the Local Organising Committee (LOC), government, and SAFA. These sections will all be discussed in more detail in the following paragraphs. Document analysis was also used to provide a system to 'check' the answers attained in the interviews so as to ensure that the data is valid and has not been tampered with. The main documents that were used were the Annual General Reports of the NSL, official statements from sponsors, the official websites of the various institutions described above, and articles written by respected sports journalists and academics.

In order to assess the implications of the corporate investment into eShibobo FC, it was important for the researcher to gain the views of those corporations. These were the top investors (for the eShibobo soccer club) from the following group of sponsors: Dekos LTD, an international clothing brand, a hotel chain, a transport company, a major insurance company, an automobile dealership, a cell phone network, and a large chain of gymnasiums (eShibobo, 2008). Their information was vital as it provided reasons for their investment,

and the impact of the build up to the 2010 World Cup on their decision making. Their views on sponsoring the club were collected through secondary sources such as official websites, as well as through interviews with Mr. Thompson¹⁵ and Mr. Mallow¹⁶, the last two CEO's of eShibobo FC, who were instrumental in these sponsorship deals.

The corporate sponsors of the PSL and competitions relating to this league are also very important, as they are a major source of revenue for individual clubs. These are different to the aforementioned sponsors in that they sponsor competitions and not the clubs themselves. The largest of these are the private broadcaster Supersport, brewers SAB and the major SA banks, (Absa and Nedbank). These organisations have invested millions into the sport, league and domestic competitions, which are adding to the clubs' coffers and ensuring that South Africa contains the wealthiest competitions in Africa. Their views were collected from the individual sponsors through secondary sources.

This study has also looked at the Local Organising Committee (LOC) and the Sports Ministry in order to locate the research in the broader context of soccer in South Africa as well as to provide background information.

There is a focus on the LOC to gain their views on SA soccer, domestic football, and the impact that the build up to the World Cup is having on local clubs. This organisation has helped to give data from a completely different perspective, as it is in charge of preparing for the tournament. It also provided data on the exact programmes that they are involved in while also illustrating the aims of these projects and their hoped for consequences. This data

¹⁵ Mr. Thompson is the pseudonym that has been given to the current CEO of eShibobo FC.

¹⁶ Mr. Mallow is the pseudonym that has been given to the previous CEO of eShibobo FC, who is still working in the local football industry.

was gathered through secondary sources such as newspaper articles, recorded interviews and their official website.

During the research, information about the Sports Ministry was compiled due to the importance of this organisation in embodying government's views and responses to the build up to the World Cup and SA soccer as a whole. Government invests money into soccer development through this portfolio, so they have been able to illustrate how clubs could be affected by their actions. The researcher used interviews with the staff at eShibobo FC to get this information, while also turning to documentary research, from government policies, reports, official websites, and press releases and pamphlets.

The last major organisation looked at was SAFA, due to the importance of this organisation in South African football. This organisation is responsible for the development of the sport of football in South Africa, as well as to organise teams that will represent the country in international football events. The researcher gained data ascertaining their role in South African football from its official website, as well as from the published writings of various South African sports writers.

In order to get a holistic and less biased account of the issues around SA soccer and the 2010 World Cup, the views of a number of journalists have been taken into account. These reporters have been helpful to the study as they were intimately aware of the topic and have been able to provide a valuable insight into the effects of government and corporate investment into local soccer. This data was acquired from the articles published by these journalists.

<u>Sampling</u>

When beginning a research project it is important to create parameters within which the research can take place. Once these parameters are in place, the researcher is able to attain information in such a way as to acquire the most pertinent data for the study. Sampling is the process where a portion of the total population in the study is chosen for study. This is done when the population is too large to study as a whole (Walliman, 2001). By researching a sample of the total population, the researcher is able to come to conclusions about the whole group, and not just the smaller group that is interviewed. This can only be the case if the sample is representative of the total population in the research. If not, it is impossible to produce generalised findings for the whole population.

According to Walliman (2001), there are two broad types of sampling methods in the social sciences. A researcher may either create their sample, randomly, or they may choose to follow non-random sampling methods. Non-random sampling techniques were used to sample interviewee respondents from the total population of eShibobo FC. Purposive sampling was used in order to focus on those respondents who would have expert knowledge on the area of study. This method allows the researcher to choose a sample by focusing on subjects who know the information the researcher is seeking (Walliman, 2001). By using this method the researcher did not waste his time by interviewing employees of the club who were not involved, or had no knowledge, of aspects pertinent to the study. In this research the whole of the administrative staff were interviewed for their expert knowledge. Snowball sampling was then used to identify players and fans that would be able to add value to the research through their responses. This type of sampling occurs when the researcher is directed to other interview subjects by the recommendation of the previous interviewee (Walliman, 2001). This method was chosen over random sampling so that the researcher could focus on the players and fans that have the most valuable information to

give, with regards to the study. The downside of using these techniques was that the researcher was unable to get the views of all the players and fans. While those that were interviewed provided good general points of view for the groups they represented, more issues may have been brought up if all the players and fans were interviewed.

The staff that was interviewed at eShibobo FC can be split into two categories: management and technical. eShibobo FC is run by a CEO (Mr. James Thompson), who was able to give valuable information regarding the growth of the club, as well as the overall 'bird's eye view' of the occurrences therein. Mr. Thompson was very receptive to the research project and his interviews were rich in detail as he was eager to answer the questions. Three interviews were scheduled with the CEO, each lasting between 1.5 and 2 hours, which were held at the eShibobo FC administrative offices in Gauteng. As Mr. Thompson has only been in the position of CEO for one year, the researcher deemed it necessary to interview the previous CEO, Mr. Peter Mallow. Mr. Mallow had been with eShibobo FC for many years, and was involved in Dekos' purchase of the football club. This interview was scheduled at his office and lasted for approximately one hour. This interview was particularly interesting as the respondent provided information about how the organisation had developed throughout the time he was involved at the club. He also managed to give a valuable account of the LOC and their projects in South Africa as he is currently employed by this organisation.

eShibobo FC has a Financial Manager (Mrs. Jennifer Caldwell), and a Team Manager (Mr. Sipho Gumede), each of whom have been able to shed light on their specific responsibilities within the club. These are both experienced members of staff at eShibobo FC and have been able to describe the dramatic growth they have witnessed in the club. These respondents were not as forthcoming as Mr. Thompson, especially Mrs. Caldwell, who became noticeably withdrawn when it came to discussing financial information. A small hiccup was encountered with Mr. Gumede as he was the first and only respondent who refused to be recorded on

tape. This led the researcher to explore broader themes during the interview as it was recorded in short hand. Both interviews lasted about two hours each, and were held at the eShibobo FC Administrative offices in Gauteng during working hours.

The technical team is made up of a Head Coach (Mr. Luke Afrika), and Assistant Coach (Mr. Raphael Rodriguez). The researcher interviewed these coaches regarding player development, transfers, and their unique views on the club, PSL, and the impact of the build up towards the World Cup (PSL, 2008; eShibobo FC, 2008). Both coaches were forthcoming about the club and its prospects. They provided valuable information on the Amisco system (which analyses matches played at their home stadium), as well as their new youth development programme. As these coaches work day to day with the whole squad, and are intricately involved in the running of the club, their responses were extremely valuable. Mr. Afrika's interview was completed during one session which lasted between 3 and 4 hours at the eShibobo FC offices. This interview was slightly less structured compared to previous ones, and took the form (in large parts) of a football conversation. This was helpful as it facilitated the completion of the interview in one session, without needing to stop for large breaks. The interviews with Mr. Rodriguez were held over two separate days and lasted for about two hours each. These interviews were particularly helpful as this respondent is in charge of the youth development programme and has day to day involvement in this aspect of the club.

In order to gain a holistic perspective on PSL clubs it was vital that data was collected from representatives of the support base of these teams. This is because football, like most other industries, is driven by the consumer, which in this case is the fan. Football fans are the lifeblood of the sport, as they are the ones who directly and indirectly finance the game. A clubs majority earnings come through its ticket sales and merchandising, which are sold directly to the fans of that club. They have a secondary impact as the fan base attracts

investors and sponsors. For example, sponsors are more likely to invest into a team if it has a large fan base that it can connect to. With regards to the study, fans have been important as they are the consumers that run the clubs, and they have a front seat to the happenings in their favourite team. In this research the head of the eShibobo FC supporters club was interviewed (Ms Thembi Buthelezi) as this person was most likely to be the most active in the clubs, and thereby have the most relevant information. She was able to describe changes within the fan base over an extensive period of time which had some relevance to the study. Snowball sampling was then used to interview a number of fans to get their views and add it to that of the head of the supporters club. During the research process the researcher had spoken, unofficially, to many eShibobo FC fans to get their general views of the club. Through Ms Buthelezi it was possible to contact two 'diehard' fans, Mnce Sibeko and Lungelo Ndlovu. Their perspectives on the issues surrounding PSL clubs were invaluable because, as fans, they generally acted as data collectors themselves. By tapping into this information the researcher was able to provide a complementary (or sometimes even contrasting) account of the club, as opposed to the 'official' version gained from the club's representatives. This strategy was complemented by the informal conversations held with a number of fans during the eShibobo FC matches at the stadium.

The last major category of personnel questioned in this study was football players at the club. The players provided a unique perspective on their situations within eShibobo FC and the PSL as a whole as they are directly involved in the sport. Players are also the people who have been most affected by economic changes, in the form of higher or lower salaries and the movement between different clubs. Their perspective has been vital in assessing the growth of football as a viable industry, and its development over the past four years since it was announced that South Africa would host the 2010 showpiece. They were also able to shed light on aspects such as on-field performances and the 'quality' of the local game, as this is their profession and will have intimate knowledge of these issues. In order to get a rounded perspective, the club's longest serving player Mr. Lunga Nkosi, as a representative

of all the players in the eShibobo FC team, was interviewed. This was because this player is in a senior position within the team and has a better holistic perspective of the situation.

The researcher found that by using field interviews, the respondents were able to provide very rich data with regards to the study. What helped was that these interviews were scheduled in an environment where the respondents felt comfortable to discuss football related topics which positively influenced the data collected. One of the negative aspects that the researcher experienced using this approach was the difficulty in finding time to spend with the respondents. The respondents are busy people with very little free time to spare, so scheduling interviews presented a challenge in the data gathering phase for this study.

Data analysis

Once data had been collected, the researcher transcribed all interviews. This helped to analyse the data. This process was done as soon as possible after the interviews were completed so that any extra thoughts could be compiled in the transcription (Kvale, 1996). Once transcription had been completed, the researcher then analysed the text. This was when the data was sorted out and valuable information extracted for further analysis. This information was thematised into different categories in order to group relevant information together to allow ease of analysis of the findings (Kvale, 1996).

Ethical considerations

Because of the limited number of professional football clubs in South Africa, a pseudonym has been given to eShibobo Football club to further protect and ensure confidentiality.

No persons, other than the researcher and supervisor, have had access to the research material and all interviews were held in private settings. Since the research relied on interviews as the major research method, anonymity for respondents could not be guaranteed. However, all identifying information for respondents had been removed from the transcripts once they were no longer needed, and replaced with a coding system.

An information letter (Appendix B) was developed by the researcher, and was aimed at providing a broad outline of the research to the interviewees. This was intended to provide a basic understanding of the research topic, as well as the issues which the interviewer was interested in. This allowed the participants an opportunity to make informed decisions as to whether they wanted to participate in the research. It also ensured that the respondents were not totally surprised by any of the questions that were raised. Lastly the information letter provided the contact detail of both the researcher and his supervisor, so that the respondent could contact either with any questions, or could retract any statements they had made during the interviews.

A consent form (Appendix C) was designed by the researcher to inform the respondents of their rights during the interview process. The most important of these were their rights to refuse to answer any questions that they did not wish to, and their right to withdraw any comments they had made to the researcher in the past. These helped protect the

interviewees rights as they could control what information can be used by the interviewer. The consent form was also used by the researcher as proof that the interviewees had given their permission to be interviewed for the study.

In the research report, reference to respondents were made in such a way that no information has been provided which can serve to identify the respondents, nor quotes given which would result in the same. While this has been important for all respondents, it was particularly so for respondents in official capacities, whose positions are public information. The use of a pseudonym for the football club also further assisted with confidentiality for the respondents from eShibobo FC, who would otherwise have been identified from their specific roles and/or access to information within the football club.

Concluding comments

The interviews as a whole went very well, with the majority of the respondents being very helpful and considerate. The planning process coupled with the ease at which the researcher was able to enter the site ensured that the interviews were all interesting and insightful. The respondents all made the researcher feel welcome and answered the questions as best they could. Meeting the respondents at their place of work or at the stadium helped to ease any tension that there may have been between the researcher and the interviewee, as these settings are inherently football related.

It was fairly easy finding documents on the relevant institutions for the study due to the fact that they all have official websites which inform the public on why these organisations exist, and what these organisations do. Inevitably these institutions have public relations wings which seek to portray them in the best manner possible. This was helpful to the researcher as it meant that the official websites contained much information on how they came to exit and tasks they perform. The researcher managed to get better assessments of what these organisations do from the opinionated journalists who have written on issues which involve the organisations.

CHAPTER 4 Historical and institutional context

The focal point in this study is eShibobo football club, a local team that competes in the Premier Soccer League (PSL), the top professional football league in South Africa. In order to adequately address the effects of the build up to the 2010 FIFA World Cup on this club, it is vital that the environment that the club inhabits is understood. This chapter therefore addresses three contextual issues in some depth. Firstly, particular emphasis needs to be placed on the structure of South African football. When the different organisations that make up the soccer landscape are illustrated, it is easier to understand their roles within the local football structures. Secondly, as this research also focuses on the World Cup, it is imperative to understand the history surrounding South Africa's bids to host the tournament, as it provides the immediate context within which eShibobo FC and South African soccer currently operate. Lastly, the history of eShibobo football club will be considered, from its establishment in the amateur era through to the 2008/2009 Premier Soccer League season.

The organisational structure of South African soccer

The administration of sports in South Africa falls under the Department of Sport and Recreation. The South African Football Association (SAFA)¹⁷ heads the administration of soccer in the country, but it leaves the professional game in the hands of the National Soccer League (NSL). South Africa has two professional leagues in the country, the Premier Soccer League (PSL), and the National First Division (NFD, formerly the Mvela Golden League)¹⁸.

¹⁷ <u>www.safa.net</u> ¹⁸ ww<u>w.psl.co.za</u>

The Department of Sports and Recreation is headed by a Minister and Deputy Minister who oversee all sport and recreation activities in the country. The Minister of Sport and Recreation is Rev. Dr. M. Stofile, while the Deputy Minister is Mr. G. Oosthuizen¹⁹. According to their Strategic Plan for 2008 - 2012²⁰ the Department's mission statement is:

"To improve the quality of life of all South Africans, foster social cohesion and enhance nation building by maximising access, development and excellence at all levels of participation in sport and recreation."

This mission statement implies that this department has a social responsibility to address the disparities caused by the country's racist past by promoting sport in previously disadvantaged communities and improve sports as well as the necessary facilities. Lastly, the organisation seeks to nurture and develop sportsmen and women at all levels starting from the grassroots through to the elite levels of their particular sport.

The four objectives of the Department of Sports and Recreation are: 1) to broaden the base of South African sport; 2) to improve South Africa's chances of international success in world sport; 3) to raise the profile of sports and recreation; and 4) to streamline the delivery of sport by means of effective support systems and adequate resources²¹.

The first objective of the Department of Sports and Recreation is to increase the number of people in the country who play sports, and to develop their talents. This task is accomplished

¹⁹ www.srsa.gov.za/PageMaster.asp?ID=43

²⁰ http://www.srsa.gov.za/ClientFiles/SRSA%20Strategic%20Plan%202008-

^{2012%2012%20}May%2008.pdf

²¹ <u>http://www.srsa.gov.za/ClientFiles/SRSA%20Strategic%20Plan%202008-2012%2012%20May%2008.pdf</u>

by their focus on grass-roots sporting development as well as the construction of basic sports facilities in underprivileged communities. This task is accompanied by the department's goal of social responsibility by focusing on the transformation of the racial inequalities that have been inherent in South African sport since the time of apartheid. Another objective is to build basic sports facilities to be used by previously disadvantaged communities who had been marginalised during the apartheid era²².

The department also seeks to improve the chances of South African national teams being successful in international competitions. This is accomplished by prioritising key sporting codes, and establishing scientific infrastructure to support their athletes who compete at the highest level. The Department also takes a secondary role as a support structure in order to assist in the preparations for the 2010 FIFA World Cup by coordinating preparations for the tournament²³.

Raising the profile of sport and to use it to address issues of national importance within South Africa is another objective. Through sport, the department seeks to promote good governance, enforce a code of conduct, strengthen international relations, host international sporting events, and promote sports tourism in the country. All of these aspects are perceived to lead to the improvement of South Africa's GDP, and to improve the management capacity of local government and companies²⁴.

²² <u>http://www.srsa.gov.za/ClientFiles/SRSA%20Strategic%20Plan%202008-2012%2012%20May%2008.pdf</u>

²³ <u>http://www.srsa.gov.za/ClientFiles/SRSA%20Strategic%20Plan%202008-</u> 2012%2012%20May%2008.pdf

²⁴ <u>http://www.srsa.gov.za/ClientFiles/SRSA%20Strategic%20Plan%202008-</u> 2012%2012%20May%2008.pdf

Lastly the Department aims to support local sports and recreation activities through logistical and financial help²⁵. This is a consultative position whereby the Ministry assists local sport organisations with funding and expertise to aid their development and administrative capacity.

While the Department of Sports and Recreation is charged with the development of sports at as a whole in South Africa, a number of national federations have been created to specialise in particular sports. In South Africa, SAFA is the federation in charge of football in the country. SAFA was created in 1991 after the liberation movements were decriminalised by F.W. de Klerk. This was a period where the racial barriers that divided sport finally came down, and in soccer, this culminated in the formation of the non-racial South African Football Association (SAFA) (Alegi, 2004). This organization therefore represents and oversees soccer in South Africa barring the two NSL leagues²⁶. SAFA is administered by an executive committee which is headed by Dr. Oliphant as president, and three vice-presidents in Dr. Khoza, Chief Nonkonyana, and Mr. Mohamed. SAFA's executive committee has a Chief Executive Officer (CEO) in Mr. Hack, a 2010 FIFA World Cup CEO in Mr. Jordaan, and a total of eighteen more members who complete the board responsible for the administration of South African football²⁷.

As soccer's administrative body, SAFA's objectives are to promote football in South Africa, to enforce the rules of the sport, to organise football tours to and from South Africa, and to obtain football related facilities such as soccer fields²⁸. In effect SAFA is the most powerful football related organisation in local football as it is in charge of the administration of the sport in South Africa. SAFA's main priority in local soccer is its commitment to spreading the

²⁵ www.srsa.gov.za/PageMaster.asp?ID=46

 ²⁶ www.psl.co.za/content.asp?id=5488
 ²⁷ http://www.safa.net/index.php?page=committee

²⁸ http://www.safa.net/UserFiles/www.safa.net/Documents/DOC_1_articles_of_association.pdf

game around the country and developing young footballers. This is mainly achieved through the organisation's administration of a number of football leagues around the country. The SAFA Metropolitan under 19 National League helps to nurture young talented players in this age group by providing them with a challenging league environment to compete with players of the same age.

Competitive soccer in South Africa is organised in a four tier league system, with teams moving between the different leagues according to the results of their previous season. The fourth tier of South African soccer is the SAB Regional League, the third tier is called the Vodacom League, the second tier has been named the National First Division (NFD), and the premier league competition is the PSL.

The SAB Regional League comprises up to 830 clubs and over 20 000 players²⁹. The teams that compete in this league are generally amateur clubs who compete in regional tournaments organised by SAFA. The two highest placed clubs in this league get the opportunity to compete for a place in the Vodacom Promotional League.

The Vodacom League is the third tier competition in South African football. The two worst placed finishers in the Vodacom League have to play matches against the two best teams in the SAB Regional League, the winners of which will compete in the Vodacom League for the following season. The opposite of this is also true as the two best teams in the Vodacom have the opportunity to play against the two worst teams in NFD, the second tier league competition in South Africa, to decide which team will play in the NFD in the following season. The top two leagues in South Africa are organised by the National Soccer League

²⁹ http://www.safa.net/UserFiles/www.safa.net/Documents/DOC_1_articles_of_association.pdf

(NSL) which has been given 'special member' status by SAFA to administer the PSL and the NFD³⁰.

The PSL is this country's top division as it houses the best local professional teams such as Kaiser Chiefs, Orlando Pirates, and Supersport United. It is in this league that eShibobo FC competes in. The NFD is the country's second division where the second tier teams compete amongst each other to win promotion to the PSL. This league is split into an inland and a coastal section, with the winners of each progressing to a playoff where they have the chance to get promoted to the PSL³¹.

The NSL is an organisation which is affiliated to SAFA, but its administration is separate and focuses solely on the management of the professional game of football, rather than the whole sport around the country. The NSL is charged (by SAFA) with administering the two professional leagues in South Africa, the PSL and the NFD. The NSL is made up of the clubs in the PSL and the NFD, which comprise the teams who play in the two professional leagues in South Africa. This organisation is administered by its executive committee which is headed by the CEO Mr. Siem, and eight committee members: Dr. Khoza, Mr. Motaung, Mr. Madlala, Mrs. Tsichlas, Mr. Comitis, Mr. Thidiela, Mr. Allie, and Mr. Mathews³². The PSL hold elections every two years which allow clubs to vote for the executive members they would like to be in charge of the PSL and NFD. Once the committee has been elected these members appoint a CEO to take up the day to day running of the leagues³³.

³⁰ <u>http://www.safa.net/UserFiles/www.safa.net/Documents/DOC_1_articles_of_association.pdf</u>

³¹ www.psl.co.za

³² http://www.psl.co.za/content.asp?id=5488

http://images.supersport.co.za/NSL%20Constitution%20as%20amended%2029%20December%202007.pdf

The key objective of the NSL is to administer local professional football by organising competitions, fixtures, and promoting the leagues to the general public. This organisation allows the member clubs to co-ordinate with one another as well as to develop the professionalisation of the football teams. The NSL has also been set up to enforce the FIFA mandated rules of the game and the code of conduct that clubs need to follow³⁴.

It is important to identify the organisational structure of South African soccer in order to understand the particular context in which clubs such as eShibobo FC find themselves in. As shown in the above paragraphs, a distinction is made between professional soccer, which is administered by the NSL, and amateur/semi-professional soccer which is organised by SAFA. As eShibobo FC competes in the PSL, the premier league competition in South Africa, it has very few direct dealings with SAFA, except when one of their players is called up to a national team. There is therefore very little government involvement in professional soccer in South Africa.

The second aspect of South African football's organisational structure which is significant to this research is the role that corporates play in local soccer. Almost all of the principle leagues in South Africa have a title sponsor³⁵, whose funds are distributed to the clubs in the league. Metropolitan, Vodacom, and Absa are playing a vital role in South African soccer as their contributions go directly to organising league tournaments, as well as providing the necessary funds that these clubs need to survive. To see how important a title sponsor is to a league competition, one must look at the NFD who are not sponsored. Clubs in this league rely on funds from the PSL (a different competition) so that they are able to pay their players wages (Peters, 2009).

34

http://images.supersport.co.za/NSL%20Constitution%20as%20amended%2029%20December%202007.pdf

³⁵ This is a competition's the most lucrative sponsor, which includes the naming rights to that particular tournament.

So in the context of the build up to the 2010 FIFA World Cup, corporate investment into sport sponsorship is having a direct impact on football clubs in South Africa. Government, on the other hand, is playing a very limited role in professional football clubs. They impact these clubs indirectly through their investment in infrastructure development for the 2010 World Cup, and their promotion of age group and amateur soccer in the country.

History of South Africa's World Cup bid

On the 15th of May 2004 South Africa was awarded the right to host the 2010 FIFA World Cup. On that day many millions of people celebrated upon hearing that announcement as this heralded Africa's presence on the world stage in terms of hosting major tournaments³⁶. The process leading up to this event was long and difficult but in the end it worked out well in the eyes of the World Cup bid committee.

Prior to the awarding of the Soccer World Cup, South Africa had already made its mark on the international community through hosting major sporting events. In the post-apartheid period the country had hosted a number of high profile sports events. These events included the 1995 Rugby World Cup, 1996 African Cup of Nations, 1996 World Cup of Golf, 1998 World Cup of Athletics, 2003 Cricket World Cup, 2003 Presidents Cup, 2006-2008 A1 Grand Prix, and the 2007 World Twenty20Championships³⁷. At the time of writing, the Indian Premier League (IPL) was being hosted for the first time in South Africa (Adams, 2009). The tournament was hurriedly moved out of the Sub-Continent due to security concerns and South Africa beat out England for the right to host this tournament, predicted to earn over R70 million for local cricket.

 ³⁶ <u>http://www.fifa.com/worldcup/organisation/committees/facts.html</u>
 ³⁷ <u>http://www.southafrica.info/about/sport/features/events10.htm</u>

While the tournaments that South Africa has hosted have been large in their own right, none can compare to the FIFA World Cup in sheer size and following. FIFA has more member nations then the United Nations (UN) and the International Olympic Committee (IOC), while the 2006 FIFA World Cup attracted a total television audience of over 26 billion people (Tomlinson, Bass and Pillay, 2009). In order for a nation to be awarded the right to host a football World Cup, the country needs to go through a long bidding process. It is during this time when each country formulates plans of action to improve their stadia and other facilities, as well as finding appropriate justification as to why they should be awarded the tournament. A proposal is created specifying the steps the country will take in order to meet FIFA's stringent standards, which include International quality stadiums, safety and security, and world class telecommunication infrastructure³⁸. This proposal is presented to FIFA's executive committee, made up of representatives from the various confederations³⁹. The members of the executive committee then vote for the nation whom they believe can produce the best possible tournament. The voting occurs in a number of stages, where the country with the fewest votes in each round being eliminated from the process. This occurs until there are only two bids left, and a winner is $chosen^{40}$.

Before one can examine South Africa's bid for the 2010 World Cup, a little needs to be said about the bid for the 2006 World Cup. On the 6th of July 2000, Germany was awarded the 2006 FIFA World Cup, to the horror of thousands of South African football fans (de Vries, 2000). The countries that bid for this World Cup were South Africa, Germany, England, Morocco and Brazil. After some lobbying by South Africa, both Morocco and Brazil dropped out of the running and pledged their support to South Africa's bid. This move, along with

³⁸ http://www.fifa.com/mm/01/24/fifa_statutes_072008_en.pdf

³⁹ Confederations are organizations which represent a number of FIFA member countries along geographical lines. For example the Confederation Africaine de Football (CAF) represents FIFA member countries from Africa, while the Union of European Football Associations (UEFA) represents FIFA member countries from Europe.

⁴⁰ www.fifa.com

FIFA president Sepp Blatter's open support for an African winner of the bidding process, made South Africa one of the favourites to win the 2006 bid (Gowar, 1999).

On the last night of bidding, FIFA's 24-man executive committee voted 12-11 in favour of Germany. This was highly controversial as Charles Dempsey (the representative from Oceania) abstained from voting even though he had previously been ordered by his constituency to vote in favour of South Africa's bid. Had this been done the overall score would have been a 12-12 draw with the FIFA president having the deciding vote (Augousti, 2000).

Talk about South Africa bidding for the 2010 FIFA World Cup started on the day after Germany was awarded the 2006 tournament. Another controversy emerged as a result, since South Africa had previously stated they would support Brazil's 2010 bid if that country would support South Africa's 2006 bid (Augousti, 2000).

After the failure of South Africa's 2006 World Cup bid, FIFA introduced new rules which moved the tournament to a different continent after each cycle. This meant that only countries from the designated continent are able to bid to host a World Cup. It was decided that Africa would be the first beneficiary of these new rules, which prompted the South African bid committee to start developing a new proposal for the 2010 World Cup (Kenaite, 2001).

South Africa's intention to bid to host the 2010 FIFA World Cup was submitted to FIFA in December 2002. This meant that South Africa had given notice to FIFA informing them that they would submit a bid during the next bidding process. In the run up to the actual bid

South Africa managed to get the backing of the German Local Organising Committee, as well as famous individuals such as Nelson Mandela, FW de Klerk, Desmond Tutu, Lucas Radebe, and George Weah. South Africa's bid on the 14th of May was particularly strong compared to those of Morocco and Egypt as they had better infrastructure, facilities, bigger sponsors, and a successful track record of hosting major international tournaments⁴¹. In addition, the private and public sectors had ensured that the country had some of the best facilities on the continent. Prominent supporters of the bid, such as Nelson Mandela and Thabo Mbeki, were present when the bid was officially handed over to FIFA in order to convince the executive committee that South Africa was the right choice of host for one of the biggest tournaments in the world. This tactic paid off with the South African bid being accepted on the 15th of May 2004 with 14 votes, compared to Morocco's 10 votes⁴².

In the run up to the bid process, South Africa and its Local Organising Committee used the discourse of development and entitlement to ensure that the World Cup was hosted by the country. They pointed to the economic benefits that would accrue to the host of a megaevent such as the FIFA World Cup, including the stimulus it would have on a developing nation such as South Africa. Specific emphasis was placed on attracting tourism with this tournament, firstly with visitors who will come watch the games, and afterwards through 'sports tourism', and the hosting of other similar competitions. The second major aspect of South Africa's World Cup bid was to promote Africa and the benefits that could accrue to the continent if the tournament was hosted in South Africa. "The bid was largely motivated as an 'African' bid and tied into the '10 years of democracy' celebrations just after the April 2004 general elections" (Van Der Merwe, 2009: 30).

In order for FIFA to consider South Africa's bid to possibly become the host nation for the 2010 World Cup, a number of legislative conditions needed to be met. These conditions are

http://www.fifa.com/worldcup/organisation/committees/facts.html
 http://www.fifa.com/worldcup/organisation/committees/facts.html

placed on all countries who wish to bid to host a FIFA World Cup, and have been designed to create the necessary environment of this tournament to be held, and to maximise FIFA's profits (Davies, 2009). Examples of these conditions include: guaranteeing telecoms infrastructure; guaranteeing that all transport services have the capacity to cater to this event; and guaranteeing FIFA's (and their sponsors) intellectual property rights (Davies, 2009).

What was not mentioned was how the tournament could impact on the local soccer clubs in South Africa. This research set out to answer this unasked question as it is one that needed to be explored in relation to the effects a World Cup can have on a host nation.

History of eShibobo FC

eShibobo FC is a successful soccer club in South Africa's top division of professional football. According to the club's website, eShibobo FC is one of the biggest clubs in Africa, as it has more than 1500 players in a variety of leagues in the country. These include the professional and reserve team, a number of youth teams, a women's team, and development structures including players aged from six to nineteen. In order to understand this large club in its entirety it is important that we follow its development from its inception to its present existence.

The eShibobo soccer club was officially established in 1921 with three teams in various divisions in the province of Gauteng, with the First team (the best team the club could field) getting promoted to the Transvaal First Division after their first season, despite not having a coach and inadequate practice facilities. This sojourn in the province's top division only

lasted for a season, and the team was promptly relegated back to the Transvaal Second Division and to the Third Division in the late 1920's. It was only in 1929 that the First team managed to get promoted to the Second Division, but they struggled to compete with their opposition as they lost their best players who preferred to play for stronger teams (Winch, 1988). The side was also hampered by a number of factors such as having a number of their players ineligible for the team due to geographic residence. This was the result of rules stating that clubs were only permitted to field players that resided in the same area as the football club.

In 1939, the club's first stadium was built. This move provided the impetus the club needed to improve, as they managed to get promoted to the Southern Transvaal First Division in 1940 (Winch, 1988). This progression in the club culminated in its winning the First Division title in the 1940's, eShibobo's first major trophy in their history.

A major turning point in the club's history occurred in the late 1940's, with the establishment of an annual mini-tournament. This tournament was contested by five teams from different parts of the country. eShibobo dominated this tournament from its inception, winning the first three events comfortably, and providing the majority of players for the combined tournament team (Winch, 1988). The club was not able to take this form into the League however, as their facilities were below par, and the team could not manage to train adequately due to the player's extracurricular commitments. These were common problems faced by most clubs around the country as the sport was overwhelmingly amateur, as players could only train and play in their spare time, and the clubs struggled to raise funds to improve their facilities.

In 1959 the National Football League (NFL) was created in order to develop professional soccer in South Africa, and was an important step in creating one national league, as opposed to a number of provincial leagues. With this restructuring of South African football, eShibobo FC ended up playing in the amateur Transvaal First Division in 1960, therefore not able to reap the rewards from the sponsors in the NFL. Within a few years the club managed to get promoted to the NFL's second division, where the team competed against many professional outfits (Winch, 1988). The team managed to contend for a short while but could not make this last and were relegated, as team performances were negatively affected by the club's poor facilities and lack of an official coach (www.eshibobofc.co.za).

For most of the 1960's and early 1970's, the team competed in the second division. By the middle of the decade the club managed to get promoted to the First division largely due to the appointment of Leon Hacker (fitness trainer) and Jason Cartwright (coach). This coaching team built the fittest side in the Second division (Winch, 1988). The 1960's and 1970's also saw the club invest significantly in improving their facilities and infrastructure which were in severe disrepair in the 1950's, and so by the late 1970's the club had a number of training fields, a small stadium, change-rooms and a club shop, all of which was well maintained (www.eshibobofc.co.za).

The late 1970's saw the dismantling of the NFL and the creation of the multi-racial National Professional Soccer League (NPSL) in 1978. eShibobo now faced top teams such as Kaiser Chiefs, Orlando Pirates, and Moroka Swallows, as well as teams who formally played in the NFL including Hellenic, Lusitano, and Highlands Park. It was during this period that eShibobo FC won its first major national Silverware when they beat the Gauteng rivals in the finals of a cup competition in the late 1970's. The 1970's also saw the club producing two of its greatest players, who both went on to represent major European teams (www.eshibobofc.co.za).

In 1985 the NPSL gave way to the National Soccer League (NSL) due to internal squabbles between football administrators (Mazwai, 2003). This was more of a change in the way football was to be administered in South Africa as all eighteen teams moved from the one division to the other. During this period the club managed to attract high profile coaches such as Jerry Hatcher, a well respected international coach, and the team managed to compete in this top division.

The next major landmark which affected the eShibobo football club was the creation of the Premier Soccer League (PSL) in 1996. This was an attempt by football bosses such as Irvin Khoza and Kaizer Motaung to re-brand South African soccer to mirror the success of the Premier League in England. The league changed organisationally as the start and end dates of the tournament were controversially moved to coincide with the European soccer calendar (Mazwai, 2003). There was also a change in the way the league was administered as the PSL created an influential board of governors to work alongside the CEO of the league. This move attracted major sponsorship deals that had never been seen in the country's football history. By 1997 the South African Broadcasting Corporation (SABC) invested R22 million into the league which translated into a monthly grant of R100 000 per month for every club in the PSL. This was also a time when the value of team sponsorships dramatically rose (Mazwai, 2003). By this time eShibobo FC was a regular in South Africa's top division, but found it difficult to challenge the very top teams for the League trophy. In 1997 the team benefited from acquiring Global Mining⁴³ as their major sponsor, dramatically increasing their income (www.eshibobofc.co.za).

2002 became a watershed year for eShibobo as it was in this year that the club created its ties with Dekos LTD, the company that would later buy a large portion of the club. During that year Dekos took over from Global Mining as the club's principle sponsor, while an

 $^{^{\}rm 43}$ Global Mining is the pseudonym of a well known South African Corporation which sponsored eShibobo FC

international sports brand took over as the team's technical sponsor. The campaigns in the early 2000's turned out to be very successful for the club as they managed to finish very close to the top of the league for two years running (www.eshibobofc.co.za). While those seasons were particularly successful for the club, the team faced disaster in the mid-2000's by being relegated to the Mvela Golden League, South Africa's second tier league which has now been renamed to the National First Division. According to Mr. Afrika⁴⁴ the team had a major problem in attempting to retain their players as the majority were on short term contracts and due to the teams' previous successes became transfer targets for a number of other teams. Many of the team's talented players left at the end of the club's last successful season and they were not able to replace those players sufficiently.

Once relegated to the Mvela Golden League Mr. Afrika left the club and was replaced by Trevor Khumalo and Raphael Rodriguez as the coaching team. The team soon proved that they were too good for the Mvela Golden League and got promoted back to the PSL the following year. Mr. Mallow⁴⁵ believes this was an important period for the club as it was in this season that Dekos moved from sponsor to part owner by purchasing a 60% share of the club and re-branding it in the process. Since then eShibobo FC have competed in the PSL as they now offer good player salaries and long term contracts.

It is important to understand that eShibobo FC has been through some turbulent times in its history, none more so then their relegation from the top division. This is one of the characteristics of South African club soccer, and only a few clubs have been immune to it since the advent of the PSL. One of the club's most important milestones has been Dekos investing into eShibobo FC and influencing the club through its professional approach. So one cannot comprehend eShibobo FC without acknowledging their link with Dekos, which is one of the focus areas of this research.

⁴⁴Afrika, L. Head Coach of eShibobo FC. Interview (2009): Gauteng.

⁴⁵Mallow, P. Former CEO of eShibobo FC. Interview (2009): Gauteng.

CHAPTER 5 investment in South African football in the context of the 2010 World Cup

The central aim of this research was to analyse how government and corporate investment has impacted on eShibobo FC in the context of the build up to the 2010 FIFA World Cup. To that end, this study sets out to explore both the nature and extent of investment into local soccer. This chapter therefore looks at government investment and subsidies which have occurred in the context of the build up to the 2010 FIFA World Cup. Corporate investment, in the form of club ownership and the sponsorship of teams and competitions since 2004, will also be investigated.

Government investment and subsidies

In order to win the bid to host the 2010 FIFA World Cup the South African government made a number of guarantees to FIFA regarding their commitment to this project. To host the World Cup the government acknowledged it needed to invest a large quantity of its public funds to improve current facilities in order to meet FIFA's strict requirements. By February 2008 this investment had reached a total of R28 billion split over a number of different areas: stadiums; transport; broadcast and telecommunications; event operations; safety and security; volunteer training programmes; ports of entry infrastructure; immigration support; and legacy and culture (2010 World Cup Government pamphlet, 2008).

The most talked about government investment surrounding the 2010 World Cup is their funding of the construction and re-development of stadia around the country. Up to now the government has spent a total of R9 841 million on their plan to have some of the world's

best stadia in this country by the 2010 World Cup and beyond. The ten stadiums which will be used during the World Cup, followed by the cost of their construction, are: Soccer City (R1.56 billion); Ellis Park (R230 million); Greenpoint Stadium (R1.96 billion); Moses Mabhida Stadium (R1.83 billion); Nelson Mandela Stadium (R981 million); Mbombela Stadium (R875 million); Peter Mokoba Stadium (R167 million); Manguang Stadium (R221 million); Royal Bafokeng Stadium (R147 million); and Loftus Versfeld (R99 million). On top of this investment, many local governments will also invest in sporting facilities, such as the upgrading of a further three stadiums in Kwa-Zulu Natal, one in the Western Cape, and nine in Gauteng (2010 World Cup Government pamphlet, 2008). While this is a significant investment into South African sports infrastructure, the question remains: how will it impact on local soccer clubs? The most obvious answer would be that it would create new, vastly improved stadiums for teams to play in, with better football pitches. But these stadiums will be owned by municipalities rather than football clubs, meaning the major financial benefit of these facilities will accrue to local government rather than the football clubs. In the case of eShibobo FC, the club possesses its own stadium, and will not be using any of the new or upgraded facilities, so this government policy will have very little impact on the football club.

The second major area in which the government has invested in is in transport infrastructure. This is seen to be one of the major legacies that the World Cup will leave in South Africa as the government has invested in improving the transport sector to international standards. R70 billion has been directly invested in upgrading road and transport infrastructure. A further R19.5 billion has been invested into upgrading the Airports Company of South Africa's (ACSA) infrastructure along with an extra R400 million for improved air-traffic navigation. R18 billion has been used to upgrade South Africa's passenger trains around the country in order to improve the transport of people over large distances (2010 Government pamphlet, 2008). This government investment will have an indirect impact on South African football clubs, and eShibobo FC in particular, as it has the

77

potential to improve the transport of fans to and from stadiums, as well as the transport of teams around the country.

Direct government investment into the build up to the 2010 World Cup will have various effects on PSL clubs in South Africa. The most tangible of these is the improvement in stadia around the country. The new world class stadiums can have a positive effect on the clubs as the teams will be able to play in more professional surroundings, will be able to host bigger crowds, and generate increased match revenues. A variety of South African football clubs will benefit as their stadiums, even though they are not being used in the World Cup, will also be upgraded as this is also included in the government's planned infrastructure development. Unfortunately for eShibobo, the club will not realise these positives as their stadium will not be improved for the World Cup.

The second tangible area that South African soccer clubs may benefit is government's investment in sporting facilities in the rural areas. This has the potential to increase the number of talented footballers coming through the ranks of South African soccer, thereby improving the standard of play.

The increased investment in transport infrastructure will have an intangible impact on PSL football clubs as it will make it easier and safer to go watch live football matches. This may increase attendance figures as a system such as the Bus Rapid Transit (BRT) has the potential to lower the costs for fans to go watch matches as the fares will likely be cheaper than those of taxis.

The issue of government subsidies is an interesting one because of the way South African soccer regulates itself. SAFA is the organisation in charge of football in this country, and is affiliated to the government Ministry of Sport and Recreation, as has been described in the previous chapter. Instead of controlling all aspects of the game, it has allowed the PSL a great degree of autonomy in order for it to control the professional aspect of the sport in this country. SAFA therefore focuses its investment on national teams which represent the country as well as junior football development, while not subsidising professional soccer clubs⁴⁶. The South African government believes that sport can be used as a tool to develop communities while also realising more investment in grass roots sports is needed for the country to produce world class athletes. To this end the government has set aside R25 million to help develop sports clubs in rural areas between 2007 until 2010. The Department of Sports and Recreation is investing R212 million in school and community sport up until the 2010 World Cup. It is in their capacity to develop young players that SAFA took the most criticism from the respondents in this research as they have described SAFA's efforts as a complete failure because of their lack of administrative competence⁴⁷. This has forced clubs to follow the European and South American approach by starting their own academies to develop their own players, as it is the clubs in those nations who bear the burden of developing young football players. Overall there was much criticism of the way youth academies are run in this country with the exception of those at Supersport United and Ajax Cape Town. eShibobo FC has recently invested in a new youth development programme in order to better cultivate and develop young players for their first team. Government investment in strengthening soccer has not had a direct impact on eShibobo FC, which is one of the major reasons why it was necessary for them to initiate this youth programme.

In the context of the build up to the 2010 FIFA World Cup, government has invested a significant amount of money to ensure that the tournament will be a success. This investment has not had a direct impact on clubs such as eShibobo FC as the focus has been

 ⁴⁶ www.psl.co.za
 ⁴⁷ Afrika, L. Coach of eShibobo FC. Interview. (2009). Gauteng.

on building/upgrading stadia (which are not owned by clubs), and developing transport infrastructure. This investment may have an indirect influence on the clubs as some of their matches will be played in higher quality stadiums while teams and fans will find it easier to get to and from these sports grounds.

Corporate investment and sponsorship

Corporate investment is the most significant aspect of investment in local professional soccer. This investment can take any of three forms: direct ownership of clubs, direct sponsorship of clubs, and indirect sponsorship of clubs via broadcasting rights and competition sponsorships. The following section will therefore unpack these different types of investment and apply them to the South African context and eShibobo FC in particular.

Direct ownership of clubs

The direct ownership of a football club by a corporate entity is one way in which companies and entrepreneurs invest into local football. This type of investment is done for three main reasons. Firstly, some believe that they can make a direct profit from running a football club. Presently each club in the PSL is granted R1 million per month from the league due to Absa's sponsorship of the league and Supersport's broadcast deal, which indicates that much profit can be made from administering a football club (NSL Annual Financial Report, 2008). This is a colossal amount considering that salaries have been traditionally very weak in this sector. Even though clubs are now dealing with these large sums of money, there are no rules or organisations in place to ensure that these funds are used correctly, so they are therefore available for misappropriation. As Mr. Thompson, CEO of eShibobo FC indicated: "An owner managed business, well of course, it's for the money. R 1 million a month comes up front, I mean, you can take half a million rand and that, pay yourself a salary, and no one can question you at the end of the day."⁴⁸

The second major reason for investing into a football club may be for the prestige that comes with that position. This prestige factor derives from personal association with a particular club. By associating themselves with a club, owners are able to gain respect from the community members who are fans of the team. Club ownership also leads to fame as owners are spoken of regularly in the media and by fans in relation to their association with the club. The most significant example of this type of investment occurred late in 2004 when Patrice Motsepe, one of the richest men in the country bought Sundowns FC outright from the Tsichlas family for approximately R65 million (Mananyetso, 2004).

The third reason why corporates may want to buy into a football club is to increase their brand awareness⁴⁹. Football in South Africa is followed by millions of supporters who corporates turn into consumers for their products. By acquiring a football club, the company is able to promote their brand to a far larger audience than they would have been able to as a normal sponsor, by associating it with a football club. With the case of eShibobo FC, Mr. Thompson⁵⁰ identified this third reason for Dekos to invest in the club. By owning a portion of the club, Dekos is able to gain a wider range of brand exposure to a large portion of their target market. According to the 2008 Dekos Annual report, the company believes that their involvement in eShibobo FC has caused their brand to be recognised in the mass market, rather than only in the business world⁵¹.

⁴⁸ Thompson, J. CEO of eShibobo FC. Interview. (2009). Gauteng.

⁴⁹ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.

⁵⁰ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.

⁵¹ Financialresults.co.za/dekos

It is important to now look at the relationship between Dekos and eShibobo FC in greater detail as this is a major focus of this research. Dekos is a large South African organisation that had sponsored eShibobo FC for a number of years in the early 2000's before it placed a bid in the middle of the decade to acquire shares in the team. The company now works together with the original shareholder in the team, on the eShibobo board⁵². The relationship between these two organisations is unique, with each contributing very differently to the club. Dekos, a corporate giant, is the team's major financial backer, giving the team much needed clout in the transfer market. The original shareholder on the other hand, is a public institution which contributes to the team by providing and maintaining high quality facilities⁵³.

"In Dekos terms, the ROI (return on investment) is not measured in money, although Dekos last year received R24 million worth of PR (public relations), television rights etcetera. So Dekos (through their link to eShibobo), are one of the biggest earners of PR value in the league."54

Dekos' foray into South African club football has therefore provided the company with large scale public awareness to their brand. The return on investment for the company has been astronomical as they own the advertising rights to the club, and the brand is therefore constantly in the public domain. As the club also owns the stadium in which they play their home matches, Dekos can garner extra marketing potential due to their control over all advertising space barring the sideboards around the pitch⁵⁵. The club has also acted to promote many of Dekos' subsidiary companies through favourable sponsorship deals. The last major impact this deal has on the company is that it has the potential to garner internal

⁵² Mallow, P. Former CEO of eShibobo FC. Interview (2009). Gauteng.

⁵³ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.

 ⁵⁴ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.
 ⁵⁵ Thompson J. CEO of eShibobo FC. Interview. (2008). Gauteng.

support for the company. This support is in the form of employee buy in as it shows the organisations commitment to them by investing in a venture which they can associate with.

"If you look at the Dekos reason. They are 100 000 employees, 80 000 of which are blue collar workers which means they probably prefer soccer over any other sport. So as a company Dekos are buying loyalty out of their own staff at the end of the day by saying, ok here is a football team for you to support."⁵⁶

With Dekos' investment in the club, eShibobo has entered a new era of professionalism and fiscal responsibility⁵⁷. This move has followed that of the PSL which has become a very professional organisation through their recent succession of CEO's (Morgan, 2007). Many of the respondents who worked in an administrative capacity at the club remarked how a new level of professionalism had been introduced to both eShibobo FC and the PSL⁵⁸. The club's CEO is responsible to the board, made up of the club's two major shareholders, to ensure accountability and corporate responsibility. Mr. Thompson has also remarked how the further commercialisation of South African soccer has moved many clubs to become more professional and accountable by registering as PTY companies, unlike in the past where the club's owner had the ability to misappropriate the funds.

"Those that are owned by companies, such as eShibobo FC, get run like companies, proper businesses. We are accountable, we have auditors who come in and audit the books etcetera. Whereas a sole proprietor doesn't need an audit, he can do what he wants with the club."59

⁵⁶ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.

⁵⁷ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.

 ⁵⁸ Mallow, P. Former CEO of eShibobo FC. Interview. (2009). Gauteng.
 ⁵⁹ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.

Direct sponsorship of clubs

The second major form of investment in South African football involves corporate sponsoring of specific clubs. Following the creation of the PSL, South Africa's soccer landscape has been gradually changing. Club sponsorships have been growing as large corporations have been willing to spend more and more to attract the football loving public to their products. Generally, sponsorships allow companies to promote their brand by attaching their logo to the football teams clothing, their website, around their training grounds and stadium, and to arrange official events involving people from the club that they sponsor. A title sponsor may also provide goods or services to the club in order for the public to see that the team was using their brand. This has followed the global trend of big business spending vast amounts of money to get involved in the sport to attract new customers to their brands. A significant example is Supersport's sponsorship of Supersport United in order to sell more DSTV decoders (Moholoa, 2008).

Since 2004 there has been a boom in sponsorships in South African football. Nedbank, Absa, Volkswagen, and others have spent millions upon millions of Rands for the rights to sponsor teams and competitions (Gleeson, 2008). As mentioned earlier, Absa is spending over R500 million to sponsor the PSL for five seasons, Nedbank is the official sponsor of the Nedbank Cup⁶⁰ for five years for the price of R400 million, and the cellular company MTN is matching that amount to sponsor the Top 8⁶¹ knockout tournament (Morgan, 2009). By sponsoring a team, these brands are able to officially associate themselves with that particular club. The most effective way that this is done is through a shirt sponsorship where the company can print their brand across all the team jerseys thereby gaining maximum television exposure during matches. South Africa now holds one of the richest tournaments in the world through

⁶⁰ The Nedbank Cup is a knockout tournament which involves amateur and professional teams from the PSL, the NFD, the Vodacom league, and the SAB Regional league.

⁶¹ The MTN 8 is a knockout tournament which features the eight best ranked teams from the previous season.

the Nedbank Cup, and the PSL is ranked in the top ten leagues in the world in terms of monetary value. Sponsors see South African soccer as having a large potential for growth as it is followed by the majority of the population. Recently there has also been an increased awareness of local soccer due to the fact that this country was awarded the rights to host the 2010 FIFA World Cup.

eShibobo FC finds itself in the unusual position of being sponsored also by one of the owners of the club. The major sponsor of eShibobo FC is Dekos LTD who awards the club a large sum of money annually⁶². This sponsorship is used by eShibobo FC to pay their players wages, and to see that the club is run efficiently and professionally. The other major sponsors of eShibobo FC are a stationary company, an international sports brand, a chain of gymnasiums, a transport company, an automobile retailer, and a chain of hotels. While Dekos' sponsorship was in the form of a cash injection, the other companies only sponsor the club by providing goods and services⁶³. For example, instead of providing a monetary payment for the sponsorship, these companies provide goods and services such as office equipment, transportation to and from matches, and accommodation.

"Many of our sponsors don't pay us any money. Instead they provide us with goods and services, which are as good, if not better, then being paid up front."⁶⁴

Interestingly Dekos has placed restrictions on eShibobo FC with regards to the sponsors they are allowed to endorse. Dekos is a very large holding company which contains many smaller

⁶² Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.
⁶³ <u>www.eshibobofc.co.za</u>
⁶⁴ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.

diversified subsidiaries. This creates a problem for eShibobo FC when they are approached by a rival company who would like to sponsor the team, resulting in a conflict of interest⁶⁵.

Mr. Mallow, the former CEO of eShibobo FC, was in charge of arranging and negotiating sponsorships. According to him, there has been an increase in the number of companies that have an interest in sponsoring eShibobo FC, in one form or the other, during the last few years.

"Yes there has definitely been an increase in companies wanting to invest in PSL clubs, and the World Cup has definitely played a part in that. The other reason is because the league (PSL) is much better organised and administered then before, so it's a product that people want to be involved with."⁶⁶

There is a lot more demand for brands to be associated with the South African soccer industry as there is a great deal of positive sentiments surrounding relationships between companies and soccer teams and competitions. These brands want to be seen by the public as contributing to the development and upliftment of local football to go hand in hand with their corporate social responsibility projects (Dekos Corporate Social Responsibility, 2009)⁶⁷.

"This (involvement with eShibobo FC) will ensure that we will increase our investment in the development of domestic football as well as the numerous eShibobo fans and supporters in the surrounding areas."⁶⁸

⁶⁵ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.

⁶⁶ Mallow, P. Former CEO of eShibobo FC. Interview (2008). Gauteng.

⁶⁷ <u>www.dekos.co.za</u> ⁶⁸ <u>www.dekos.co.za</u>

A new venture recently adopted by the club relies on the positive environment that club football in South Africa finds itself in. Following the professionalism that the club and league has undergone, Mr. Thompson has started a new initiative where companies who are unwilling or unable to sponsor soccer directly are able to support it in a different manner⁶⁹. Before each game eShibobo FC offers companies the chance to buy tables at a dinner where business people are able to mingle and network amongst each other. This shows how commercialised the local game has become, as well as the interest and opportunities that companies are seeing in the domestic football industry.

This club is in a unique position when compared to other local clubs as it is the owner of its own stadium. This provides the potential for extra sponsorship opportunities as the club is not bound by the same restrictions as other clubs who can only set up sponsor billboards in demarcated areas⁷⁰. Through owning their own stadium, eShibobo FC can set up as many sponsorship boards and advertisements as they wish⁷¹. The only restriction in terms of advertisement placement that the club has to deal with is in the area bordering the pitch as this is regulated by the PSL. This gives eShibobo FC the potential to have a major competitive advantage over its rivals in the PSL as they can create more options to receive sponsorship revenue.

Indirect sponsorship of clubs

While sponsorship of individual clubs is important and increasing, another significant way of investing is through tournament sponsorship. The period starting from 2004 has seen an increased number of companies and individuals look towards South African soccer as a new

⁶⁹ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.

 ⁷⁰ Mallow, P. Former CEO of eShibobo FC. Interview (2009). Gauteng.
 ⁷¹ Rodriguez, R. Assistant Coach of eShibobo FC. Interview. (2009). Gauteng.

market to invest in. Since that year the growth of domestic football and the PSL in particular has been exponential, with millions upon millions of Rands being invested into the sport. Following this move, many of South Africa's corporate giants have jumped on the bandwagon by investing in club football in one way or the other. The most visible method has been to sponsor domestic tournaments with hefty prizes for the winners. Examples of this are Absa sponsoring the PSL, Nedbank sponsoring the Nedbank Cup, and MTN sponsoring the Top 8 knockout cup. According to eShibobo FC CEO James Thompson⁷², these moves by corporates have been due to the increased media interest surrounding football in South Africa. It also provides a cost effective alternative to acquire some additional exposure created by the 2010 FIFA World Cup without having to actually sponsor that tournament (Crotty, 2007). This national investment can be seen as riding on the coattails of FIFA's tournament, since sponsoring the actual World Cup is a very costly affair. For example, South African Breweries' Sponsorship Manager Rob Fleming has also linked the increased investment into South African soccer with the upcoming World Cup. Fleming believes that the substantial increase in the value of PSL sponsorship can be attributed to a number of factors. The most significant are the upcoming World Cup, 'which has created enormous interest in the sport', and a greater awareness among corporate sponsors of the need to get some exposure to the sport (Crotty, 2007).

As mentioned earlier, eShibobo FC along with every other PSL team, is given a grant of R1 million per month by the PSL. These funds originate from sponsorships and television broadcasting rights which the league has negotiated on behalf of the PSL teams (NSL Annual Financial Statement, 2008). The PSL has recently signed lucrative contracts with Absa (to sponsor the league as a whole) and Supersport (broadcasting rights to air football games on DSTV) (Gleeson, 2008). This large amount of money from both companies goes partly towards the administrative costs of running the league, but the majority of this sum goes directly to the clubs in the league. The PSL clubs collect this money in the form of the R1

⁷² Thompson, J. CEO of eShibobo FC. Interview (2008). Gauteng.

million monthly grant as well as in prize money for end of year positions on the league log. The revenue generated by the PSL through these corporate deals has been rising dramatically over the last few years. In 2006 the PSL made R100 million, but this figure doubled in 2007, and last year rose to just under R500 million (NSL Annual Financial Statement, 2008). Since Supersport had acquired the broadcasting rights to PSL matches, viewership of these matches rose by thirty percent, claims Supersport CEO Imtaiz Patel⁷³.

Another major influence that has attracted sponsors to South African football is Supersport's involvement in broadcasting PSL matches. According to Patel, by broadcasting PSL games on the pay television channel viewership has increased by thirty percent, due in large part to their professional approach to the filming and packaging of the competitions⁷⁴. By creating a better quality product that attracts a larger viewer audience, many companies may have been influenced in promoting their brands through this product. So one cannot conclude that it was absolutely the build up to the 2010 World Cup that has increased sponsorship in South African soccer, nor is it only Supersport's contribution that created the environment which attracted sponsors. In fact there are a number of reasons for increased sponsorship in South African soccer which involves a combination of the two explanations.

73

74

http://www.sport24.co.za/Content/Soccer/PSL/380/8a3d6690f0a44a32b3a2c067eba4f788//PSL_praise__SuperSport

CHAPTER 6 The effects of investment in the context of the World Cup on eShibobo football club

The previous chapter explored the types of investment that are prevalent in the current South African soccer industry, in the context of the build up to the 2010 FIFA World Cup, and linked these to specific dynamics in eShibobo FC. The main areas of focus have been on government investment in infrastructure, and corporate investment in South African professional clubs through acquisition and types of sponsorships. It has been illustrated that government investment has had an indirect impact on football clubs, while corporate sponsors have had a direct influence on PSL clubs. The question still remains however, how are these clubs being affected by the government and corporate investment into South African football? This chapter explores the impact that government and corporate investment is having on eShibobo FC by focusing on four important areas within the football club: infrastructure and facilities; staff and management; player recruitment and salaries; and lastly merchandising and ticket sales. The discussion will show that investment has had a direct or indirect impact on all areas of eShibobo except for their merchandising and ticket sales, as they have a small fan base.

Infrastructure and facilities

A club's infrastructure and facilities define its progress and development in the world of soccer. This is an important area which teams focus on as their improvement and proper management directly impacts on club revenue, match day experience, the quality of football matches and team performances (Watt, 2003). The first obvious area that this research is concerned with is the stadium and pitch where the home team plays the majority of its matches. Improvements to the stadium have a direct impact on the safety and comfort

levels of the fans within it, as it provides the environment which the fans inhabit to watch the football spectacle. By improving this environment the club will be directly influencing the fans' enjoyment of the match, and positively influence their decision to watch further games at that stadium⁷⁵. This in turn contributes to the club by increasing their ticket sales as the fans that enjoy the matches will most likely return to watch more.

The pitch where a club plays its matches affects the strategy and style employed by the team, which has a knock on effect on entertainment levels of the fans watching the game. A good pitch is one which encourages an attacking style of play, and is generally associated with being guick and flat. Bad pitches are usually bumpy and disrupt the team's ability to pass the ball accurately⁷⁶. Pitches are therefore an important consideration for the club's tactics and the way their fans and others perceive the club. From a player's perspective, Lunga Nkosi emphasises this point:

"The type of pitch that eShibobo FC has is fantastic for us because it lets us get the ball down and play real football, which is the game I like to play. No, the pitches here are top notch."¹¹

Another major aspect to a club's infrastructure is its training facilities. These are the fields on which the team practises, the dressing rooms, and resources such as equipment which are used in the training sessions. These are vital to a club as they have a major impact on the way a team prepares for a match, thereby either increasing or decreasing their ability to perform during matches. Good training facilities also affect the way in which football players

⁷⁵ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.

 ⁷⁶ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.
 ⁷⁷ Nkosi, L. Player at eShibobo FC. Interview. (2009). Gauteng.

improve their skill and ability, and therefore their development as soccer players⁷⁸. Good facilities provide a high quality environment for these players to improve and therefore perform better on match day. Good performances increase the levels of fan enjoyment, as well as give the club a better opportunity to challenge for silverware and earn tournament prize money.

eShibobo FC is a South African football club with excellent facilities. As the club's staff invests much time and effort in maintaining their grounds, the team is able to train and play on pitches second to none in the country⁷⁹. This club's stadium is small and has the aura of an amateur team ground, but it manages to accommodate the fans well. As the club does not have a very large fan following⁸⁰, it is able to seat all of them in their stadium, as it only gets full when eShibobo plays other popular clubs. Since the team actually owns its own stadium, the club is better off compared to the rest of the PSL teams who need to hire out facilities for their games⁸¹. The team has owned their stadium for a number of years and they are able to maximise sponsorship revenue as the club itself controls where sponsors may advertise their products⁸². A club such as Kaiser Chiefs usually plays their home matches in stadiums such as Ellis Park and the ABSA stadium in Durban. In order to play their fixtures at these stadia, the club needs to hire the venue for a large sum of money. And as they do not own the stadium, the sponsors of the clubs are forced to only use the areas which the stadium managers have demarcated for their advertising boards.

⁷⁸ Afrika, L. Coach of eShibobo FC. Interview. (2008). Gauteng.

⁷⁹ Nkosi, L. Player at eShibobo FC. Interview (2009). Gauteng. This was a view which almost all the respondents concurred with.

 ⁸⁰ eShibobo FC is a club with a relatively small fan base, due mainly to a number of poor campaigns which ultimately ended in relegation. This is an issue which will be dealt with later in the chapter.
 ⁸¹ Mallow, P. Former CEO of eShibobo FC. Interview (2009). Gauteng.

⁸² Mallow, P. Former CEO of eShibobo FC. Interview (2009). Gauteng.

Since 2004 eShibobo FC has not needed nor wanted to make major alterations to their infrastructure. Their fields are possibly the best in the country, and their stadium has been adequate for the team⁸³. As it does not have a large support base, the club does not need to improve their stadium's seating capacity. And since they have a top quality playing field, there is no reason for it to be upgraded. There has been some minor work done, such as refurbishing one of the change rooms and fixing the pipes underneath the pitch which burst earlier in the 2008/2009 season. So this area of the club has not been developed or improved in a dramatic way, but recently there has been talk of building a new stadium for the club which can hold a larger number of spectators and increase their revenue by focusing on corporate clients⁸⁴. The international trend towards building stadiums to cater for corporate clients (i.e. businesspeople and their clients) has been done in order to attract a clientele that is willing to spend more money at football matches. So instead of building terraces for the fans to sit on, clubs invest in constructing box suites which are fully catered for, so wealthier fans, corporates, and their clients can watch the match from a more luxurious setting.

The LOC (Local Organising Committee) is the organisation in charge of all preparations for the 2010 FIFA World Cup (Davies, 2009). One of their main concerns is to build or renovate the stadiums that will be used during the tournament to ensure they are safe, accessible, and large enough to host World Cup games⁸⁵. In this regard they are building and renovating a number of stadia across the country from Cape Town to Durban, Port Elizabeth to Johannesburg (2010 World Cup Government Pamphlet, 2008). Unfortunately for eShibobo FC, their stadium was not considered as a venue to host any World Cup matches due to its small size. But as the facilities at eShibobo FC are some of the best in the country, there are a number of international teams interested in using the grounds to prepare for their matches during the World Cup. Currently the club is in negotiations with a number of International

⁸³ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.

 ⁸⁴ Rodriguez, R. Assistant Coach of eShibobo FC. Interview. (2009). Gauteng.
 ⁸⁵ Mallow, P. Former CEO of eShibobo FC. Interview (2009). Gauteng.

sides for use of the training facilities and consultation with the coaching staff for their knowledge of local conditions and their ability to help the foreign teams settle in the area⁸⁶. If the negotiations are successful, the club stands in line to benefit through their exposure to international training methods and their experience with that team, and because that team will invest in upgrading the facilities⁸⁷. This is obviously speculative, but the fact that negotiations are ongoing indicates that the club is getting international exposure, which can only benefit the club. This is also a useful experience for those involved in the negotiations as the experience of dealing with these professionally run foreign teams will allow them to learn and grow in their roles in eShibobo FC. The football club will therefore benefit directly from South Africa hosting the 2010 FIFA World Cup

The only important changes to the club's infrastructure have come during the 2008/2009 PSL season. It was in this season that the new eShibobo FC youth academy was built, which has now become the club's primary area of developing young talented footballers⁸⁸. Buildings surrounding the football club have been appropriated by eShibobo FC in order to develop accommodation, teaching areas, and a dining hall for the young players in the academy⁸⁹. According to Mr. Thompson, the rest of the money has been invested in:

"Education, ah wellness programmes, technical programmes, paying the facilities to house these kids and so on."⁹⁰

A scouting network is deployed to age group tournaments and schools in the Gauteng area in order to identify young talented players who have the potential to become professional

⁸⁶ Mallow, P.. Former CEO of eShibobo FC. Interview (2009). Gauteng.

⁸⁷ Afrika, L. Coach of eShibobo FC. Interview. (2009). Gauteng.

⁸⁸ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.

⁸⁹ Rodriguez, R. Assistant Coach of eShibobo FC. Interview. (2008). Gauteng.

⁹⁰ Thompson, J. CEO of eShibobo FC. Interview (2008). Gauteng.

footballers. eShibobo FC then provides them with accommodation, meals, and schooling, which is conducted in a way as to maximise their training and development as soccer players. These young players are awarded a small allowance and they stay at the youth facilities until the season ends, and they break for vacation. So the investment has targeted facilities and personal development, either in the form of football or science or education⁹¹. This is a long term investment by the club so that they are able to produce a top quality team without needing to spend large sums of money on the transfer market.

The youth academy has been part of a larger strategy by the club to follow the respected Brazilian economic model of sustainability without having to rely on continual cash injections from the shareholders. With the new youth academy, Brazilian clubs have the potential to develop top guality football players which can bolster the strength of the First Team, before being sold to the overseas market for a large profit⁹². Most clubs have excellent youth development programmes which produce too many guality players for the First team to accommodate. So a number of these players are sold (mainly abroad) for vast sums of money which helps sustain those clubs for the future. It is for this reason that exporting soccer players' overseas makes up a surprisingly large component of the country's GDP. By following this business model, eShibobo FC hopes to emulate the Brazilian clubs and sell enough players every year to create a surplus of profits and not rely on their shareholders to keep injecting money into the club. The creation of the football academy was funded by Dekos in order to help the club progress without having to sign expensive players every year. As the company has to inject funds into the club every year to keep it running, it was necessary to invest in this policy so that eShibobo FC can one day become self-sufficient. This is an area of the club where the build up to the 2010 World Cup has not been influenced. This initiative has been driven by Dekos, eShibobo FC's corporate owner, who believe that this is a worthwhile strategy to ensure the club becomes self-sufficient.

 ⁹¹ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.
 ⁹² Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.

Another area where the club has invested has been in improving their capacity to learn and improve the team through the use of new and innovative technology⁹³. eShibobo FC has recently invested in Amisco, a system of video motion analysis which allows the club to acquire detailed information on all their previous home games. For this programme to work, it was necessary for the club to install specialised cameras at the stadium, so that all the home games can be recorded and analysed appropriately⁹⁴. This system is used in some of the biggest football clubs in the World, such as Chelsea FC, Liverpool FC, Manchester United, Olympique Marseille, Real Madrid, Porto FC, Bayern Munchen, and Celtic FC. The investment in this technology shows eShibobo FC's commitment to developing itself into a world class football club. Because of the high cost of this technology, eShibobo would not have been able to justify this investment had there not been a large increase in funds available to them in the recent past. It is because of the monthly grant from the PSL and the club's link to Dekos that has made this purchase possible. Mr. Thompson was the club's CEO when they first became interested in this system:

"We picked up this system at the Soccerex exhibition a while ago, but I could only get it because the Dekos CEO was also interested. It's very expensive so without Dekos we wouldn't have got it. And Amisco really helps us, we can sometimes even predict our opposition's line-up before they arrive at the stadium."95

This is therefore a positive outcome from the increased commercialisation of the game that has occurred since 2004. The upcoming World Cup has therefore had very little impact on the introduction of this new technology to the football club. Instead it has been Dekos who

⁹³ Rodriguez, R. Assistant Coach of eShibobo FC. Interview. (2009). Gauteng.

 ⁹⁴ Thompson, J. CEO of eShibobo FC. Interview. (2009).Gauteng.
 ⁹⁵ Thompson, J. CEO of eShibobo FC. Interview (2009). Gauteng.

has initiated this programme to further develop the club, and compete against eShibobo's rivals in the PSL.

The government has used the World Cup as a platform to kick-start urban development and improve economic activity by investing in transport infrastructure (2010 World Cup Government Pamphlet, 2008). When finished the better transport system has the potential to have a positive impact on eShibobo FC as a train station is going to be built near the stadium. This will have an indirect effect on the club as it would help the team if they decide to make use of this system by cutting their costs of travel, but it is unlikely to be used in this manner as the team prefers to prepare privately before matches, and is sponsored by a major bus company who arranges their tours. The improved transport system will help the club by improving fan access to the stadium⁹⁶. When completed, the train station will make it cheaper and easier for fans to get to and from the stadium on match days, and alleviate some traffic congestion around the eShibobo FC, but since the club does not have a large fan base this will not have much of an effect on the club as a whole. These are all future projections and anticipated indirect consequences of the World Cup, but presently the work being done on the roads around the stadium and club offices are actually a hindrance as they congest traffic making trips longer than usual⁹⁷. Government investment in transport infrastructure will therefore have very little impact on eShibobo FC.

Government investment, as a whole, has had very little direct impact on eShibobo FC regarding their infrastructure and facilities. This investment has mainly targeted building and upgrading sports stadiums around South Africa, and improving transport systems within the country. eShibobo FC will not feel any of the benefits of the new stadiums as they already have their own, which the government has not arranged to upgrade. Corporate investment, on the other hand, has played a very important role in the two areas which the club has

 ⁹⁶ Rodriguez, R. Assistant Coach at eShibobo FC. (2009). Gauteng.
 ⁹⁷ Caldwell, J. Financial Manager of eShibobo FC. Interview. (2009). Gauteng.

improved on. It is because of Dekos' involvement that eShibobo FC could finance the creation of a new youth development system, as well as the adoption of the Amisco system to analyse football matches. These two infrastructure projects have the potential to improve the club by developing talented players at the club instead of buying them, and examining footage from previous matches to improve on weaknesses within the team and to exploit weaknesses in their opposition. These are therefore two positive influences on the club that have occurred indirectly due to the build up to the 2010 FIFA World Cup.

Staff and management

eShibobo FC can largely be characterised by significant loyalty to its employees, which can be seen in its very low staff turnover, and that most vacancies are filled from within the organisation. A good example of this is Sipho Gumede, the current Team and Kit manager, who points to being employed in almost every single job at the club.

"At eShibobo I have done everything. I have registered players. I have worked as security, as logistics. I have worked in ticket sales and was in charge of the team's apparel. Now I am a manager here which is nice because everyone knows me as Sipho from eShibobo."⁹⁸

Evidence of the low staff turnover can be seen when examining the employees still at the club. Mrs. Caldwell is the longest serving eShibobo FC employee and has been at the club for over twenty years. The same could be said about Mr Mallow, the former CEO of eShibobo FC, who had also been at the club for over twenty years. Mr Gumede had been at the club

⁹⁸ Gumede, S. Kit Manager at eShibobo FC. Interview (2009). Gauteng.

for almost fifteen years in various capacities. Mr Afrika, the team's head coach, has been at the club for a total of around half a decade in his current position, having vacated his job for a few years to coach another team. Mr Thompson, eShibobo FC's current CEO had only recently gotten the job a few years ago, but he had been involved at the club for a number of years through his various businesses. Mr Rodriguez has also had close ties to eShibobo FC as he was involved earlier in his footballing career, and has been in his position for around five years. The low staff turnover has created solid continuity within the club, as most of the employees are intimately aware of the culture and internal processes that are needed to keep it running in a smooth manner.

"It is nice that everyone knows each other. We have been together for so long, that we are like a family."⁹⁹

"We like to promote from within. That way the guys know what's going on in the club. They know how we do things here and they fit in well."¹⁰⁰

With little staff turnover, and hiring people with connections to the club, eShibobo FC manages to operate in a manner in which everyone is comfortable and familiar with each other. Everyone at the club is aware of eShibobo FC's organisational culture, which allows for good working conditions. Lastly, since the staff has had a connection to the club in the past, their loyalty to eShibobo FC can be counted on.

The major changes in the club over the past decade have been to the CEO and the team's head coach. Mr. Thompson, the current CEO, was appointed to the club a year ago after the former CEO (Mr. Mallow) accepted an offer of a high end administrative position in South

⁹⁹ Caldwell, J. Financial Officer of eShibobo FC (2009). Gauteng.

¹⁰⁰ Thompson, J. CEO of eShibobo FC (2009). Gauteng.

African soccer¹⁰¹. This change of leadership has contributed to the internal shift towards a business orientated approach, favoured by the incumbent. As Mr. Thompson was appointed by the board to his position, it is clear that they favoured this type of approach for the current environment of South African soccer.

"With so much money being invested in local football, it was necessary for us to change the way the club was run so we could exploit this situation as much as possible."¹⁰²

The giant leap in commercialisation has been due to investor and sponsor belief that a positive return on investment can be achieved by associating their brands with South African soccer (Crotty, 2007). This is different from the time before 2004 where there was more of an emphasis in investing in, or sponsoring, sporting events involving rugby or cricket. This shift towards companies moving into soccer sponsorship is not new as this sport has a large amount of followers, but what has changed over the last two decades has been the great increase in the monetary value of these investments, which have rivalled or even exceeded the big money spinning sports of rugby and cricket. These investments have grown exponentially since 2004 with companies such as Supersport and Nedbank spending vast amounts of money in broadcasting rights and tournament sponsorships, which can be indirectly linked to South Africa gaining the right to host the 2010 FIFA World Cup. This has been discussed in more detail in the previous chapter on investment in South African football.

eShibobo FC has made a few changes to the club's coaching staff since 2004. This is mainly due to the fact that the club was relegated in the early 2000's to the Mvela Golden League,

¹⁰¹ Mallow, P. Former CEO of eShibobo FC (2009). Gauteng.

¹⁰² Thompson, J. CEO of eShibobo FC (2009). Gauteng.

the second tier league competition in South Africa¹⁰³. Once relegated, a new head coach, Mr Trevor Khumalo was appointed to take control of the team in its bid to gain promotion back to the PSL. Once promoted to the PSL Mr. Khumalo left his post and was replaced by the original coach that was in charge of the team in 2004. The replacement was made because Mr. Afrika was highly valued by the club, and the relegation of eShibobo was blamed on their lack of quality players. This movement of coaches shows that the club was willing to invest time and money on coaches that they believed could have a positive impact on the club in the particular environment they found themselves in¹⁰⁴. It is because of the involvement of Dekos in eShibobo FC that the club is able to offer large salary packages to entice top quality coaches and managers to the club, and keep them there.

Feedback from all the management staff concluded that since 2004 there has been a significant rise in their salary levels. It is the general belief that before this date all staff were poorly paid for the jobs they were doing, but this changed over the past few years. Mr. Gumede believes that there is a large disparity between what he was earning in the past and what he is receiving now:

"We are getting the right salaries now, but in the past we were underpaid. We are being payed what we are worth." 105

¹⁰³ Afrika, L. Head Coach of eShibobo FC. Interview. (2009). Gauteng.

¹⁰⁴ Thompson, J. CEO of eShibobo FC. Interview. (2009). Gauteng.

¹⁰⁵ Gumede, S. Kit Manager of eShibobo FC. Interview (2009). Gauteng.

Mr Mallow echoed these sentiments:

"The average salaries about five years ago were between five and six thousand rand a month. Now the salaries more lucrative, closer to twenty-five thousand a month."¹⁰⁶

Now that eShibobo FC has a strong link with a large corporation willing to invest into the club, along with the R 1 million a month grant from the PSL, the club can afford to pay their management staff a decent wage¹⁰⁷.

There was general agreement that their salaries were now better off then before and that they were now being fairly rewarded for their hard work. Every respondent commented that their salaries had increased since 2004, which they linked to Supersport's' acquisition of the broadcasting rights for PSL matches, and Absa's sponsorship of the PSL. For example, Ms Buthelezi noted that:

"Ja the Supersport deal was very big, and because the club has more money now, they are paying higher salaries."¹⁰⁸

This increase in revenue from Dekos and the PSL can be indirectly linked to South Africa hosting the FIFA World Cup as companies are more interested in investing in the local game (Morgan, 2009). Dekos is using the increased exposure of the World Cup to promote their

¹⁰⁶ Mallow, P. Former CEO of eShibobo FC. Interview (2009). Gauteng.

¹⁰⁷ Mallow. P. Former CEO of eShibobo FC. Interview. (2009). Gauteng.

¹⁰⁸ Buthelezi, T. Head of the eShibobo FC Supporters Club. Interview (2009). Gauteng.

brand, and the majority of the PSL's income for the monthly grants from selling Supersport their broadcasting rights, who are using the tournament to sell DSTV decoders (Moholoa, 2008). Dekos is also promoting their brand through the club by uplifting the communities surrounding eShibobo FC, through sports clinics, as part of their corporate social responsibilities¹⁰⁹.

Player recruitment, development, and salaries

Unlike the club's trend towards continuity in the management staff, there has been a high rate of player turnover at eShibobo FC. This has occurred for reasons not directly related to the FIFA World Cup. The year before the club got relegated, a large number of their star players left eShibobo FC as their contracts had run out and had gotten more lucrative offers from other PSL teams¹¹⁰. The following year the team got relegated and a new coach was appointed. Mr. Khumalo brought in a number of players he believed were good enough to play for the team, but when Mr. Afrika got his job back, he found himself with a squad almost twice the size of what he wanted. Mr. Khumalo had brought in a large group of players to eShibobo FC, but this was not to Mr. Afrika's liking as he prefers to work with a much smaller squad of players. This led him to cut the squad down dramatically and bring his own players in from a variety of places (reserve team, other PSL teams, and from abroad). This whole process has meant that there has been a large player turnover at the club since 2004¹¹¹.

¹⁰⁹ www.dekos.co.za/CSR

¹¹⁰ Afrika, L. Head Coach of eShibobo FC. Interview. (2009). Gauteng.

¹¹¹ Thompson, J. CEO of eShibobo FC. Interview. (2009). Gauteng.

While eShibobo FC break the trend by having a large playing staff turnover, one major similarity does exist. Player wages have also increased dramatically since 2004¹¹². Mr Nkosi believed that his salary has improved because of the PSL's lucrative sponsorships and broadcast deal with Supersport:

"It's good for the players because the money gets filtered down. The more money that gets into football, the better it is for the players at the end of the day."¹¹³

This has occurred because the club is owned by a wealthy company and gets a large monthly package from the PSL, therefore enabling them to pay their players much better salaries. The increase in the PSL's monthly grant can be seen as an indirect consequence of hosting the World Cup as its income has been gained from sponsors wishing to exploit the increased exposure of South African soccer. The increase in their wage budget has allowed the club to compete on the basis of wage levels, which they were previously unable to do¹¹⁴. In fact they are able to compete with any club in the country barring those in the very top bracket (Matshe, 2009). Mr Mallow pointed that there has been a direct relationship between a soccer club's income, and the amount they spend on player salaries:

"The clubs have got more money now. What it's all about in the end is that everyone wants to win the competitions. The way you win the competitions is to have the best players, and the way to have the best players is to spend

¹¹² Thompson, J. CEO of eShibobo, FC. Interview. (2009). Gauteng.

¹¹³ Nkosi, L. Player and eShibobo FC. Interview (2009). Gauteng.

¹¹⁴ Mallow, P. Former CEO of eShibobo FC. Interview. (2009). Gauteng.

money, and the way you get money is from the league and sponsors. So if the league gives you more, and the sponsors give you more, you spend more."¹¹⁵

While many players have been released or sold from the club since 2004, eShibobo FC has refrained from breaking the bank to buy many expensive players. The highest profile player to come to the team was Carl Jacobs, a goalkeeper from Cape Town, who was subsequently sold to a rival PSL team for a very large profit¹¹⁶. The team has had to rely on recruiting out of contract players to the team, the highest profile of these being the captain Siyabonga Ntuli from another Gauteng based club. The club's transfer policy shows that even though they have the backing of Dekos and a large monthly grant from the PSL, they do not like to spend it on high profile players. The hosting of the World Cup, and Dekos' corporate involvement in the club, has therefore had little to no direct impact on the size of the transfer fees the club is willing to pay. This conservative policy in the transfer market follows the Brazilian model of running a football club, where they aim to make a profit by developing their own players to sell abroad¹¹⁷.

The Brazilian model of operating a football club relies on developing young talented players, giving them game time in the first team to raise their profile and to give the player experience of the First team¹¹⁸. This season (2008/2009) has seen a number of young players from the reserve team get their opportunity to play in the PSL, with many taking their chance with both hands and establishing themselves over more experienced members of the squad. This reliance on youth is bearing fruition in the league, and it shows the club is serious about promoting from within their own ranks and not needing to go out and spend outlandish amounts of money on high profile players¹¹⁹.

¹¹⁵ Mallow, P. Former CEO of eShibobo FC. Interview (2009). Gauteng.

¹¹⁶ Buthelezi, T. Marketing Assistant at eShibobo FC. Interview. (2009). Gauteng.

¹¹⁷ Thompson, J. CEO of eShibobo FC. Interview. (2009). Gauteng.

¹¹⁸ Thompson, J. CEO of eShibobo FC. Interview. (2009Gauteng.

¹¹⁹ Afrika, L. Head Coach of eShibobo FC. Interview. (2009). Gauteng.

eShibobo FC, along with their use of the Brazilian model of managing a club, have subsequently created ties with one of the largest clubs in Brazil. It is believed that a link between these clubs can benefit eShibobo FC as the Brazilian club has a great track record in developing young stars. This link allows for a mutual exchange of players between both clubs. eShibobo FC will send their most talented youngsters to be developed in Brazil, while that club sends some of their fringe players to gain First team experience and to learn a new language¹²⁰. This link between the two clubs was initiated by eShibobo FC to help bolster their First team and get ideas for their new youth academy. The club did not seek out these types of links with foreign clubs in the past because it is an expensive process, so without Dekos' and the PSL's backing, it would not have been possible. This is therefore a direct impact of corporate involvement at eShibobo FC, as it provided a monetary facilitation to link the club with this Brazilian team.

"Without the link with Dekos, we would not have been able to afford a link with this Brazilian club. It has been very expensive for us to bring these players over, so we wouldn't have been able to do it before."¹²¹

The build up to the 2010 World Cup has had an indirect impact on this move, as it has provided South African soccer with a much higher profile. South African football has attracted a much higher global profile due to being awarded the 2010 FIFA World Cup. This high profile has allowed the club to approach other teams from abroad to create links such as the one between eShibobo FC and the Brazilian club.

 ¹²⁰ Thompson, J. CEO of eShibobo FC. Interview. (2009). Gauteng.
 ¹²¹ Thompson, J. CEO of eShibobo FC. Interview (2008). Gauteng.

"If we came to them before, they would have just chased us away. Now that South Africa is getting the World Cup, people are starting to take notice of us."¹²²

The second international link the club has is with a European club based in Denmark¹²³. This Danish team regularly features in the Champions League qualifiers and the UEFA Cup, which are two of the biggest tournaments in the world. eShibobo FC has entered into this agreement largely due to financial reasons. By linking with the Danish team, they have an easy way of selling players to Europe. The club will also act as a yearlong base camp for talented African players, where they can learn English and gain experience in the South African league.

By investing in the Amisco computer analysis technology, the coaching staff have been able to identify individual and team weaknesses much easier¹²⁴. This is obviously a great help to the coaching staff as the programme may often pick up aspects of the game which they were unaware of. It also gives them a competitive advantage over their rivals as the Amisco system records the data from opposition teams who have played in at the eShibobo stadium. By having this data the coach is able to create strategies specifically catered to their opposition, as through the data they often know what players will line up against them ahead of time. Acquiring the Amisco system has no direct link to the hosting of the FIFA World Cup and the decision was taken to improve the way in which the team can prepare for matches. An indirect link can be drawn to the World Cup as the club has been able to finance this system through the Dekos, who need the club to stay in the PSL (and preferable to be successful) so that their brand can get exposure. It is Dekos' involvement in the club that has

¹²² Thompson, J. CEO of eShibobo FC. Interview (2008). Gauteng.

¹²³ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.

¹²⁴ Rodriguez, R. Assistant Coach of eShibobo FC. Interview. (2009). Gauteng.

made this investment possible as they are the ones providing the funds, as the CEO emphasised:

"So he (CEO of Dekos) calls me and says, if you want it and its going to help the team, then get it. We definitely wouldn't have been able to do it without him."¹²⁵

Throughout this research report, much has been said on the impact of Dekos' involvement in eShibobo FC. But with regards to player development, the club's relationship with a public research institution has played a far greater role than their corporate partners¹²⁶. The institution comprises a world class sports science department which takes an active role within the team, especially with regards to fitness and injuries. This link gives the club a competitive advantage over its rivals as it has the services of this institution at a very low cost.

"The Institution has the whole Sports Science centre that we now attach the whole Academy to, and we can get the best care and so on."¹²⁷

What is especially helpful about this link between eShibobo FC and the sports science department is that it costs very little money as the players are employed to improve the institution's scientific knowledge and techniques, and the team therefore continues to develop through scientific means. The link with the public institution is an example of where government and corporate investment is not having any effect on the club. This link has

¹²⁵ Thompson, J. CEO of eShibobo FC. Interview (2008). Gauteng.

 ¹²⁶ Thompson, J. CEO of eShibobo FC. Interview. (2009). Gauteng.
 ¹²⁷ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.

been in place for a number of years and has not been influenced by injections of investment into the club.

Merchandising and ticket sales

The issue of merchandising and ticket sales depend largely on the number of eShibobo FC fans that are willing to go to the stadium, watch games, and buy goods showing their support for the team. eShibobo FC has traditionally had a small support base, with their average attendances being approximately two thousand people per game¹²⁸. The reason for this is that the club had gone through a bad patch when it got relegated, and since then it has been going through a rebuilding process.

"South Africans are fickle fans. They only support the team when they are winning. When we start winning more games, the fans will come."¹²⁹

This means that merchandise and ticket sales do not have a large impact on the finances of this club, as there are not enough of them to buy tickets and team merchandising. The club is therefore relying solely on the PSL grant and sponsorship money, along with any prize money they win throughout the season.

A strategy to try and attract fans to the stadium has been implemented this season (2008/2009). This includes having good quality half time entertainment, a Master of

¹²⁸ Thompson, J. CEO of eShibobo FC. Interview. (2008). Gauteng.

¹²⁹ Gumede, S. Kit Manager of eShibobo FC. Interview (2008). Gauteng.

Ceremonies (MC), and a competition to win a car. These have not really taken hold yet so it is too soon to see if this strategy will work¹³⁰.

"We are confident that our competition and things like our half time entertainment will soon bring back more fans to the stadium. These are new aspects of eShibobo FC and it is too soon to see the rewards."¹³¹

Above all, the staff of eShibobo FC believes that in order to attract more fans to the stadium the team needs to win more games and challenge for the title. This shows that government and corporate investment has had little impact on merchandising and ticket sales at eShibobo FC. Instead it is the performance of the team which influences the amount of spectators who come watch matches and buy merchandise.

Since 2004 there has been an increase in awareness of local football due to the media's attention to the hosting of the World Cup. This feeling has been building for a few years now, but has not been translated into larger attendance figures, unlike what happened in South Korea before they hosted the 2002 FIFA World Cup (Choi, Kim and Kim, 2004).

"No the World Cup isn't making fans come to the stadium. We come because we love the team, not because of the World Cup."¹³²

¹³⁰ Buthelezi, T. Marketing Assistant at eShibobo FC. Interview (2009). Gauteng.

¹³¹ Buthelezi, T. Marketing Assistant at eShibobo FC. Interview. (2009). Gauteng.

¹³² Ndlovu, L. Fan of eShibobo FC. Interview (2009). Gauteng.

There has on the other hand, been far more interest from television viewers in South Africa. Since Supersport was awarded the broadcasting rights to the PSL, they have been inundated with requests to purchase decoders. The year after the contract was signed saw an additional 700 000 decoders being sold to first time buyers (Gleeson, 2008). Now this cannot exclusively be due to Supersport's deal with the PSL, but a number of respondents believed that this was the case. The PSL matches are being broadcast on Supersport in a high quality manner using world class equipment meaning people may prefer to watch matches at home rather than going to the stadium. Mr Patel, the CEO of Supersport, has indicated that since the broadcast deal was concluded, there has been a thirty percent increase in the viewership figures for PSL matches during the 2008/2009 league season¹³³. The build up to the 2010 World Cup has therefore had an intangible impact on local football by increasing its exposure from the public and attracting viewers to local soccer matches, even if it is only on television.

133

http://www.sport24.co.za/Content/Soccer/PSL/380/8a3d6690f0a44a32b3a2c067eba4f788//PSL_praise _SuperSport

CHAPTER 7 Conclusion

The 2010 FIFA World Cup will be the largest single sporting tournament ever to be held on the African Continent. A spectacle of its size is undoubtedly going to impact the host nation in a variety of ways, both positively and negatively. It is by analysing the effects of these mega-events that we are better able to assess the way they shape our society. This tournament has been hyped up by those in the South African government as a potentially massive boost to the country in both tangible and intangible ways, which we will be uncovering in the years that directly follow the competition. This research sought to isolate one of the areas within South Africa which had the potential to be affected by the build up to the World Cup, namely clubs in the Premier Soccer League. In order to assess the impact of the build up to the tournament, a case-study of one PSL club was used to show the way it has been affected by government and corporate investment as a consequence of the World Cup being hosted here.

This study made use of a qualitative research methodology, which included field interviews and document analysis. These two methods allowed the researcher to gather in-depth data focusing specifically on the knowledge and views of the staff, players, and fans of the club. This information was then thematised into a number of different sections, dealing with the background of the club, the social context in which the club could be found, and the areas where the club may have been affected by government and corporate investment.

Government and corporate investment into local soccer was first analysed from a general perspective, looking at the roles they played in the modern South African context. It was found that from 2007 there had been a marked increase in the amounts of sponsorship money being made available to local professional soccer clubs. Yet, there is no direct link

between increased sponsorship for PSL teams and the hosting of the FIFA World Cup, as money flowing from government investment targets infrastructure development, and sponsorship of the actual World Cup enriches FIFA and does not in any way filter back into local soccer clubs. There are, however a number of people, including Trevor Phillips (former CEO of the PSL) who believe that many organisations have started to consider sponsoring local clubs or tournaments as a cheap way to gain exposure from the 2010 World Cup. In the case of eShibobo FC, Dekos invested in the club in the period after it was announced that South Africa had won the bid to host the 2010 World Cup. It is clear from the interviews that Dekos wanted to use the football club to promote their brand to the general public, but again, a direct link to the build up to the World Cup does not exist. But there is a strong possibility that the positive climate within the South African football industry after 2004 played a role in Dekos choosing to invest in eShibobo FC.

As for the particular effects on eShibobo FC, this research has focused on four particular areas: infrastructure and facilities; staff and management; player recruitment and salaries; and merchandising and ticket sales. It was discovered that there had been a number of changes to the club since 2004. The majority of these changes have occurred because Dekos had invested in eShibobo FC thereby providing funds towards player salaries and the Amisco system. The other reason is due to the increased sponsorship money that the club is earning from the PSL which was mainly because of Supersport's broadcast deal with the league. From these two areas the club is able to invest in itself by embarking on projects such as the youth academy and the link with two international football clubs. There is no direct link between the build up to the 2010 World Cup and the club's increased turnover, but as has been shown in the previous chapters, there has been an indirect connection between the tournament and the improvement in the finances of PSL teams.

The strengths of this research are that it focuses directly on one particular club in an indepth manner. This encouraged the respondents to 'open up' to the researcher and speak about the issues that directly influence eShibobo FC and themselves within the organisation. This research has focused on an area of academic study which is undeveloped in the social sciences, as the majority of studies have focused on the broader implications of mega-events on the South African economy and society in general. This research has focused specifically on football at the professional club level as this is an industry which is growing rapidly in terms of significance due to the vast sums of money that is involved in the sport.

One of the main strengths of this research can also be seen as its major weakness. As the study has only focused on the effects of investment on one club, the research findings cannot be generalised to all clubs in South Africa. Each club is different and is affected by a number of different variables. These variables, such as organisational culture, would ensure that every club would react to government and corporate investment in the context of the 2010 World Cup in a different manner.

This research focused specifically on the key role-players within eShibobo FC such as their management and coaching staff, and took representatives of other important stakeholders including players and fans. A weakness in this study may have been that not enough respondents had been included in the interview process. This meant that a number of players and fans did not take part in this study, and their lack of participation could therefore not contribute to the research.

This research has shown some of the various ways which government and corporate investment into South African soccer has impacted on local clubs. These findings can now be used as a basis for further study, by broadening the sample of clubs and respondents

therein. In order for research on this topic to have a broader reach and to become generalisable to South African soccer clubs, further study needs to focus on the effects of government and corporate investment in the context of the World Cup.

The next major step following this research would be to focus on eShibobo FC, and other local professional clubs, in the post World Cup period. This would allow the researcher to investigate how the 2010 FIFA World Cup will impact on professional clubs once the tournament has ended, and discover if this tournament is a positive or a negative influence on local professional soccer clubs.

This analysis of the government and corporate investment in the context of the 2010 World Cup has provided a basis for further study on the impact of sports mega-events in their pretournament phase. The study will ensure that others interested in the effects of megaevents have a basis of understanding on how these tournaments can influence certain industries prior to their commencement. While the research cannot be generalised into other contexts, it has the potential to provide information regarding a number of the possible ways in which professional sports clubs may be affected during the build up to a major tournament.

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Appendices

Appendix A: Participant information letter

Appendix B: Participant consent form

Appendix C: Interview schedule for management staff at eShibobo football club

Appendix D: Interview schedule for technical and coaching staff at eShibobo football club

Appendix E: Interview schedule for playing staff at eShibobo football club

Appendix F: Interview schedule for fans of eShibobo football club

Appendix A: participant information letter

Alex Kostopoulos

Tel: 084 773 7481

Date:

Dear

Re: request your participation in a research project

Alex Kostopoulos requests your participation in a research project on the impact of government and corporate investment on eShibobo Football Club. I am a Masters student in Sociology at the University of the Witwatersrand.

I would appreciate an opportunity to interview you regarding this study. Your participation will add great value to this research as you can provide first hand detail on the effects of investment into eShibobo FC.

Please note that your participation in this study is voluntary and there is no reward for participating or penalty for not participating. Involvement in this study requires your participation in an interview of approximately one hour which will be scheduled at a time and place that is suitable to you. You will not be obliged to answer any questions with which you are uncomfortable and therefore have the option to decline to respond to any question asked. You will have the option of terminating the interview at any stage that you choose. Should a follow-up interview with you prove useful, your permission for each interview will be sought.

All data collected through the interview will be treated with the strictest confidentiality. This means that references to you as a participant will be phrased in such a way that will not lead to the identification of you as a participant. In addition, quotes will not be given if doing so results in identifying you as the participant who made the statement. You will also have the option of remaining anonymous in which case all transcripts and reports will be appropriately coded to ensure that your request is respected. You will also be provided with the transcript and research report if requested.

The results of the research will be written up as a research report to be submitted as part of the requirement for a Master of Arts degree in Sociology. Upon completion, the report will be located in the William Cullen library of the University only.

It is my understanding that the study will not pose any risks or results in any benefits for you. However, if you feel that you have concerns regarding the study or if you require any additional information, please contact me or my supervisor, Louise Hagemeier, on 011 7174 431.

Kind regards,

Alex Kostopoulos

Appendix B: Research Participant Consent Form

I hereby confirm that:

- □ I have been briefed on the research that Alex Kostopoulos is conducting on the impact of government and corporate investment on eShibobo FC in the context of the build up to the 2010 FIFA World Cup.
- □ I understand that this research is being conducted as a part of a Sociology Masters (MA) degree programme at the University of the Witwatersrand only.
- □ I understand what participation in this research project means:
 - □ I understand that my participation is voluntary.
 - □ I understand that I have the right not to answer any question that I do not feel comfortable with.
 - □ I understand that I have the right to withdraw my participation in the research, at any time I so choose.
 - □ I understand that any information I share will be held in the strictest confidence by the researcher.
 - □ I hereby request that I be guaranteed anonymity.
 - □ I hereby request a copy of the research report.

Signed bydate:.....date:

Appendix C: Interview Schedule for Management staff at eShibobo FC

- Introduction and explanation of research
- Discussion of participant information sheet, and explanation of ethical issues particularly regarding voluntariness, confidentiality, and anonymity
- Discussion and completion of consent form

General information questions

- Name,
- Gender,
- Position at eShibobo FC
- Time spent at eShibobo FC
- What does this job entail
- Specific duties
- Details of time spent at eShibobo FC
- Duties at eShibobo FC

Investment

- What is the relationship between Dekos LTD and eShibobo FC?
- What other people/companies have invested into the club?
- Have you seen an increase/decrease in investment since 2004?
- Why do you think people/companies are interested in investing in club football?
- Can you describe any of the major investment deals that the club has been involved in?
- Do you believe that this type of investment is positive/negative for the club?
- Has eShibobo FC itself acted as an investor? If so please give examples.
- Do you think there is a significant return on investment when investing into a football club (eShibobo)? Why?
- What do you think are the positives that the club can gain from outside investment?
- What do you think are the negatives of investing into club football (eShibobo)?
- Have you seen any changes within eShibobo FC because of this investment? Please give examples.
- Do you think that the upcoming World Cup has had an impact on club investment (at eShibobo FC and in South Africa)? Why?
- Is eShibobo FC using the upcoming World Cup to draw more investment into the club?

- How do you think that this investment has changed club football in South Africa?
- How much say do investors have in the club?
- What does eShibobo FC do with the investment aimed at the club?

Sponsorships

- Who are eShibobo FC major sponsors?
- In what capacity do they sponsor eShibobo FC?
- Do you have any long term sponsors?
- What do the companies that sponsor the club expect from eShibobo FC?
- How are sponsorships organised (i.e. general, stadium, kit sponsors etc)
- Have you seen an increase/decrease in the number of companies wanting to sponsor the club since 2004?
- Has there been a tangible increase/decrease in the value of the sponsorships since 2004?
- Why do you think companies want to sponsor club football and eShibobo FC in particular?
- What impact do sponsorships have on the club?
- Are sponsorships a major source of club revenue?
- Do you believe that the upcoming World Cup is attracting sponsorships to SA club football? If so in what manner?
- Do you believe that the upcoming World Cup is helping to attract sponsorship to eShibobo FC in particular?
- Is the club trying to use the upcoming World Cup to try and attract sponsors to eShibobo FC?
- What does eShibobo FC do with the sponsorships?

Subsidies

- Does eShibobo FC get subsidised by any Government Ministry or organisation? If so, please give details.
- Does eShibobo FC get subsidised by the PSL or SAFA? If so, please give details.
- Does eShibobo FC get subsidised by any corporate organisation? If so please give details.
- Are there any constraints placed on eShibobo FC by the organisations that subsidise the club? If so, what are they and why are they in place?
- Do you believe that subsidies are useful to the club? If so, in what way?
- Are there any organisations that you believe should subsidise the club? Why?
- What does eShibobo FC do with the subsidies?

Infrastructure and Facilities

- Can you please describe eShibobo FC's Infrastructure and facilities?
- How do they compare to the infrastructure and facilities of other clubs in the PSL?
- Has eShibobo FC invested in upgrading its facilities since 2004? If so, what has the club done and why?
- Do you believe it is important for eShibobo FC to invest in its facilities? Why?
- What areas of the club (if any) do you think need more investment/focus for eShibobo FC to become more competitive?
- Which parts of the club is the main focus of upgrading projects? Why?
- Has there been any external pressure for the club to upgrade its facilities and infrastructure? If so, from whom and why?
- Does the club have any plans to use the stadium during the 2010 World Cup? If yes, what has the club done to make this possible?
- Does the club have any future plans to improve its facilities and infrastructure?

Staff and Management

- Have there been any changes to the clubs staff since 2004? If so, please can you give some details on any of the major alterations?
- How would you describe the staff turnover at eShibobo FC? Why?
- Have there been any changes to the organisational structure of eShibobo FC since 2004? If so, please explain.
- Do you believe that increased investment into the club has had any effect of the staff and management of the club? If so please explain how and why.
- Do you believe changes are needed in staff and management to further develop the club? If so please explain why.
- Are there any programmes at eShibobo FC to further develop the skills of its employees? If yes, please explain. If no, do you believe that skills development programmes are needed at eShibobo FC?
- Do you know of any plans to make changes to the eShibobo FC or organisational structure?

Player recruitment, development and salaries

- How important is the recruitment of players to the club? Why? And has this changed significantly from the past?
- Since 2004, have there been any changes to the way the club recruits players?

- In your opinion has the club made any major signings since 2004? If yes, which have these been?
- Have these signings had any effect on the club's fortunes on the pitch?
- Has the increased investment into the club had an effect on the number and type of transfers it has been involved in?
- Has this investment caused any inflation to the monetary value of players?
- Do you find that it is easier to attract players to the club since 2004?
- Do you believe that quality foreign players are attracted to playing in South Africa and eShibobo FC? Why?
- Do you believe that it is easier/harder to keep quality local player in South Africa and eShibobo FC since 2004? Why?
- Does the club have any player development programmes? If yes, please describe these programmes.
- Have there been any significant changes in player development programmes since 2004?
- How important do you believe it is to focus on player development? Why?
- Has the club invested in infrastructure to aid player development since 2004?
- Does eShibobo FC have plans of investing in these types of facilities in the near future?
- Do you believe that the upcoming World Cup is having an effect on player development and performances? If yes, please explain.
- Has the club expanded its squad significantly since 2004?
- Has there been any inflation in player wages since 2004?
- Does eShibobo FC have the necessary wage levels to attract quality players and coaches?
- Do you believe that investment into the club has impacted on the amount eShibobo FC is able to pay for player salaries?
- Has the eShibobo FC wage bill significantly increased since 2004? Why?

Merchandising and ticket sales

- How important is merchandising to the club's finances?
- What types of merchandising is the club involved in?
- Has this changed since 2004?
- Are there any plans for changes in the future?
- Do you believe that there has been an increased interest in eShibobo FC and SA soccer as a whole since 2004? If yes, please explain.
- Do you believe that the upcoming World Cup is having an effect on the clubs merchandising and sales?
- Is the club actively trying to use the 2010 World Cup to increases its merchandising?

- How important are ticket sales to the club's finances?
- What are the general attendance figures for the past ten years?
- Have there been any significant changes to these figures since 2004? Why?
- Do you believe that the upcoming soccer World Cup is having an effect on attendances in SA soccer and eShibobo FC in particular?
- Is the club trying to use the upcoming World Cup to increase attendances in any way?
- Has the attendance levels impacted on merchandising, sponsorships, and investment?
- What is the club doing to try and increase attendances for their home games?
- Has club investment into infrastructure since 2004 had an impact on attendance levels?
- In your opinion, what are the main factors that influence attendance levels?

Appendix D: Interview schedule for technical/coaching staff of eShibobo FC

- Introduction and explanation of research
- Discussion of participant information sheet, and explanation of ethical issues particularly regarding voluntariness, confidentiality, and anonymity
- Discussion and completion of consent form

General information questions

- Name,
- Gender,
- Position at eShibobo FC
- Time spent at eShibobo FC
- What does this job entail
- Specific duties
- Details of time spent at eShibobo FC
- Duties at eShibobo FC

Investment

- Have you seen an increase/decrease in investment since 2004?
- Why do you think people/companies are interested in investing in club football?
- Do you believe that this investment is positive/negative for the club?
- Have you seen any changes within eShibobo FC because of this investment? Please give examples.
- Do you think that the upcoming World Cup has had an impact on club investment (at eShibobo FC and in South Africa)? Why?
- How do you think that this investment has changed club football in South Africa?
- Has this investment impacted on your job at eShibobo FC?
- If so, has this impact been positive/negative? Why?

Sponsorships

- What impact do sponsorships have on the club?
- How has increased/decreased sponsorship directly affected you and your job?
- Has this been positive or negative? Why?
- Has increased/decreased sponsorship changed the club's organisational structure?
- Do you believe that the upcoming World Cup is attracting sponsorships to SA club football? If so in what manner?
- Do you believe that the upcoming World Cup is helping to attract sponsorship to

eShibobo FC in particular?

Subsidies

- Does eShibobo FC get subsidised by any Government Ministry or organisation? If so, please give details.
- Does eShibobo FC get subsidised by the PSL or SAFA? If so, please give details.
- Does eShibobo FC get subsidised by any corporate organisation? If so please give details.
- Are there any constraints placed on eShibobo FC by the organisations that subsidise the club? If so, what are they and how do they affect your job?
- Do you believe that subsidies are useful to the club? If so, in what way?
- Are there any organisations that you believe should subsidise the club? Why?
- What does eShibobo FC do with the subsidies, with relation to your specific area of expertise?

Infrastructure and Facilities

- Can you please describe eShibobo's Infrastructure and facilities?
- How do they compare to the infrastructure and facilities of other clubs in the PSL?
- Has eShibobo FC invested in upgrading its facilities since 2004? If so, what has the club done and why?
- Do you believe it is important for eShibobo FC to invest in its facilities? Why?
- What areas of the club (if any) do you think need more investment/focus for eShibobo FC to become more competitive?
- Which parts of the club is the main focus of upgrading projects? Why?
- Has there been any internal or external pressure for the club to upgrade its facilities and infrastructure? If so, from whom and why?
- Does the club have any future plans to improve its facilities and infrastructure?
- Are you directly involved with any of these future plans?
- What do you and the club hope to achieve by the improvements (both current and future)?

Staff and Management

- Have there been any changes to the clubs staff since 2004? If so, please can you give some details on any of the major alterations?
- How would you describe the staff turnover at eShibobo FC? Why?
- Have there been any changes to the organisational structure of eShibobo FC since 2004? If so, please explain.
- Do you believe that increased investment into the club has had any effect of the staff

and management of the club? If so please explain how and why.

- Do you believe changes are needed in staff and management to further develop the club? If so please explain why.
- Are there any programmes at eShibobo FC to further develop the skills of its employees? If yes, please explain. If no, do you believe that skills development programmes are needed at eShibobo FC?
- Do you know of any plans to make changes to the eShibobo FC staff or organisational structure?

Player recruitment, development and salaries

- How important is the recruitment of players to the club? Why? And has this changed significantly from the past?
- Since 2004, have there been any changes to the way the club recruits players?
- In your opinion has the club made any major signings since 2004? If yes, which have these been, and what was your involvement?
- Have these signings had any effect on the club's fortunes on the pitch?
- Has the increased investment into the club had an effect on the number and type of transfers it has been involved in?
- Has this investment caused any inflation to the monetary value of players?
- Do you find that it is easier to attract players to the club since 2004?
- Do you believe that quality foreign players are attracted to playing in South Africa and eShibobo FC? Why?
- Do you believe that it is easier/harder to locate and keep quality local player in South Africa and eShibobo FC since 2004? Why?
- Does the club have any player development programmes? If yes, please describe these programmes, and your involvement in them.
- Have there been any significant changes in player development programmes since 2004?
- How important do you believe it is to focus on player development? Why?
- Has the club invested in infrastructure to aid player development since 2004?
- Does eShibobo FC have plans of investing in these types of facilities in the near future?
- Do you believe that the upcoming World Cup is having an effect on player development and performances? If yes, please explain.
- Has the club expanded its squad significantly since 2004?
- Has there been any inflation in player wages since 2004?
- Does eShibobo FC have the necessary wage levels to attract quality players and coaches?
- Do you believe that investment into the club has impacted on the amount eShibobo

FC is able to pay for player salaries?

• Has the eShibobo FC wage bill significantly increased since 2004? Why?

Merchandising and ticket sales

- Do you believe that there has been an increased interest in eShibobo FC and SA soccer as a whole since 2004? If yes, please explain.
- Do you believe that the upcoming World Cup is having an effect on the clubs merchandising and sales?
- Does merchandising affect you in your position at eShibobo FC? If yes, how and why.
- Do you believe that the upcoming soccer World Cup is having an effect on attendances in SA soccer and eShibobo FC in particular?
- Has the attendance levels impacted on merchandising, sponsorships, and investment?
- Have attendance levels impacted on your job in any way?
- What is the club doing to try and increase attendances for their home games, and are you involved in any way?
- Has club investment into infrastructure since 2004 had an impact on attendance levels?
- In your opinion, what are the main factors that influence attendance levels?

Appendix E: Interview schedule for playing staff of eShibobo FC

- Introduction and explanation of research
- Discussion of participant information sheet, and explanation of ethical issues particularly regarding voluntariness, confidentiality, and anonymity
- Discussion and completion of consent form

General information questions

- Name,
- Gender,
- Position at eShibobo FC
- Time spent at eShibobo FC
- What does this job entail
- Specific duties
- Details of time spent at eShibobo FC
- Duties at eShibobo FC

Investment

- Have you seen an increase/decrease in investment since 2004?
- Why do you think people/companies are interested in investing in club football?
- Do you believe that this type of investment is positive/negative for the club?
- Have you seen any changes within eShibobo FC because of this investment? Please give examples.
- Have you been affected by this investment in any way?
- Do you think that the upcoming World Cup has had an impact on club investment (at eShibobo FC and in South Africa)? Why?
- How do you think that this investment has changed club football in South Africa?
- In your experience, what does eShibobo FC do with the investment aimed at the club?

Sponsorships

- Who are eShibobo FC major sponsors?
- Do you have any personal sponsors? If so, what is their relationship with the clubs sponsors?
- What do the companies that sponsor the club expect from eShibobo FC?
- What do your sponsors expect from you?

- Have you seen an increase/decrease in the number of companies wanting to sponsor you or the club since 2004?
- Has there been a tangible increase/decrease in the value of the sponsorships since 2004?
- Why do you think companies want to sponsor football player and clubs?
- What impact do sponsorships have on the club?
- What impact do these sponsors have on you?
- Are sponsorships a major source of your income?
- Do you believe that the upcoming World Cup is attracting sponsorships to SA club football? If so in what manner?
- Do you believe that the upcoming World Cup is attracting sponsorships to SA football players? If so in what manner?
- Do you believe that the upcoming World Cup is helping to attract sponsorship to eShibobo FC in particular?
- What does eShibobo FC do with the sponsorships?

Infrastructure and Facilities

- Can you please describe eShibobo FC's Infrastructure and facilities?
- How do they compare to the infrastructure and facilities of other clubs in the PSL?
- Has eShibobo FC invested in upgrading its facilities since 2004? If so, what has the club done and why?
- Do you believe it is important for eShibobo FC to invest in its facilities? Why?
- Has this had an impact on you as a player?
- What areas of the club (if any) do you think need more investment/focus for eShibobo FC to become more competitive?

Staff and Management

- Have there been any changes to the clubs staff since 2004? If so, please can you give some details on any of the major alterations?
- How would you describe the staff turnover at eShibobo FC? Why?
- Have there been any changes to the organisational structure of eShibobo FC (that you can see) since 2004? If so, please explain.
- Do you believe that increased investment into the club has had any effect of the staff and management of the club? If so please explain how and why.
- Do you believe changes are needed in staff and management to further develop the club? If so please explain why.

Player recruitment, development and salaries

- How important is the recruitment of players to the club? Why? And has this changed significantly from your past experience?
- Since 2004, have there been any changes to the way the club recruits players in your experience?
- In your opinion has the club made any major signings since 2004? If yes, which have these been?
- Have these signings had any effect on the club's fortunes on the pitch?
- Has the increased investment into the club had an effect on the number and type of transfers it has been involved in?
- Has this investment caused any inflation to the monetary value of players?
- Do you find that it is easier to attract players to the club since 2004?
- Do you believe that quality foreign players are attracted to playing in South Africa and eShibobo FC? Why?
- Do you believe that it is easier/harder to keep quality local player in South Africa and eShibobo FC since 2004? Why?
- Does the club have any player development programmes? If yes, please describe these programmes.
- Have there been any significant changes in player development programmes since 2004?
- How important do you believe it is to focus on player development? Why?
- Has the club invested in infrastructure to aid player development since 2004?
- Do you believe that the upcoming World Cup is having an effect on player development and performances? If yes, please explain.
- Has the club expanded its squad significantly since 2004?
- Has there been any inflation in player wages since 2004?
- Does eShibobo FC have the necessary wage levels to attract quality players and coaches?
- Do you believe that investment into the club has impacted on the amount eShibobo FC is able to pay for player salaries?

Merchandising and ticket sales

- What types of merchandising is the club involved in?
- Has this changed since 2004?
- Do you believe that there has been an increased interest in eShibobo FC and SA soccer as a whole since 2004? If yes, please explain.
- Do you believe that the upcoming World Cup is having an effect on the clubs merchandising and sales?

- Have there been any significant changes to attendance figures since 2004? Why?
- Do you believe that the upcoming soccer World Cup is having an effect on attendances in SA soccer and eShibobo FC in particular?
- Has the attendance levels impacted on merchandising, sponsorships, and investment, and team performance?
- What is the club doing to try and increase attendances for their home games?
- Has club investment into infrastructure since 2004 had an impact on attendance levels?
- In your opinion, what are the main factors that influence attendance levels?

Appendix F: Interview Schedule for fans

- Introduction and explanation of research
- Discussion of participant information sheet, and explanation of ethical issues particularly regarding voluntariness, confidentiality, and anonymity
- Discussion and completion of consent form

General information questions

- Name
- Gender
- Job
- Time spent as fan of eShibobo FC
- Attendance history
- Involvement with the club
- How did you become a fan of eShibobo FC

Investment

- What is your opinion of the relationship between Dekos LTD and eShibobo FC?
- What about the other people/companies have invested into the club?
- Have you seen an increase/decrease in investment since 2004?
- Why do you think people/companies are interested in investing in club football?
- Do you believe that this type of investment is positive/negative for the club?
- Has eShibobo FC itself acted as an investor?
- Do you think there is a significant return on investment when investing into a football club (eShibobo FC)? Why?
- What do you think are the positives that the club can gain from outside investment?
- What do you think are the negatives of investing into club football (eShibobo FC)?
- Have you seen any changes in eShibobo FC because of this investment? Please give examples.
- Do you think that the upcoming World Cup has had an impact on club investment (at eShibobo FC and in South Africa)? Why?
- Is eShibobo FC using the upcoming World Cup to draw more investment into the club?
- How do you think that this investment has changed club football in South Africa?
- What does eShibobo FC do with the investment aimed at the club?

Sponsorships

- Who are eShibobo FC major sponsors?
- Have you seen an increase/decrease in the number of companies wanting to sponsor the club since 2004?
- Why do you think companies want to sponsor club football and eShibobo FC in particular?
- What impact do sponsorships have on the club?
- Do you believe that the upcoming World Cup is attracting sponsorships to SA club football? If so in what manner?
- Do you believe that the upcoming World Cup is helping to attract sponsorship to eShibobo FC in particular?
- Is the club trying to use the upcoming World Cup to try and attract sponsors to eShibobo FC?

Subsidies

- Does eShibobo FC get subsidised by any Government Ministry or organisation? If so, please give details.
- Does eShibobo FC get subsidised by the PSL or SAFA? If so, please give details.
- Does eShibobo FC get subsidised by any corporate organisation? If so please give details.
- Do you believe that subsidies are useful/needed for the club? If so, in what way?
- Are there any organisations that you believe should subsidise the club? Why?
- What does eShibobo FC do with the subsidies?

Infrastructure and Facilities

- What is your opinion of eShibobo FC's Infrastructure and facilities?
- How do they compare to the infrastructure and facilities of other clubs in the PSL?
- Has eShibobo FC invested in upgrading its facilities since 2004? If so, what has the club done and why?
- Do you believe it is important for eShibobo FC to invest in its facilities? Why?
- What areas of the club (if any) do you think need more investment/focus for eShibobo FC to become more competitive?
- Which parts of the club is the main focus of upgrading projects? Why?
- Has there been any external pressure from the fans for the club to upgrade its facilities and infrastructure? Why?

Staff and Management

- Have there been any changes to the clubs staff since 2004? If so, please can you give some details on any of the major alterations?
- How would you describe the staff turnover at eShibobo FC? Why?
- Do you believe that increased investment into the club has had any effect of the staff and management of the club? If so please explain how and why.
- Do you believe changes are needed in staff and management to further develop the club? If so please explain why.
- Are there any programmes at eShibobo FC to further develop the skills of its employees? If yes, please explain. If no, do you believe that skills development programmes are needed at eShibobo FC?

Player recruitment, development and salaries

- How important is the recruitment of players to the club? Why? And has this changed significantly from the past?
- In your opinion has the club made any major signings since 2004? If yes, which have these been?
- Have these signings had any effect on the club's fortunes on the pitch?
- Has the increased investment into the club had an effect on the number and type of transfers it has been involved in?
- Has this investment caused any inflation to the monetary value of players?
- Do you find that it has been easier to attract players to the club since 2004?
- Do you believe that quality foreign players are attracted to playing in South Africa and eShibobo FC? Why?
- Do you believe that it is easier/harder to keep quality local player in South Africa and eShibobo FC since 2004? Why?
- Does the club have any player development programmes? If yes, please describe these programmes.
- Have there been any significant changes in player development programmes since 2004?
- How important do you believe it is to focus on player development? Why?
- Has the club invested in infrastructure to aid player development since 2004?
- Do you believe that the upcoming World Cup is having an effect on player development and performances? If yes, please explain.
- Has the club expanded its squad significantly since 2004?
- Does eShibobo FC have the necessary wage levels to attract quality players and coaches?
- Do you believe that investment into the club has impacted on the amount eShibobo

FC is able to pay for player salaries?

Merchandising and ticket sales

- What types of merchandising is the club involved in?
- Has this changed since 2004?
- Are there any plans for changes in the future?
- Do you believe that there has been an increased interest in eShibobo FC and SA soccer as a whole since 2004? If yes, please explain.
- Do you believe that the upcoming World Cup is having an effect on the clubs merchandising and sales?
- Is the club actively trying to use the 2010 World Cup to increases its merchandising?
- What are the general attendance figures for the past five years?
- Have there been any significant changes to these figures since 2004? Why?
- Do you believe that the upcoming soccer World Cup is having an effect on attendances in SA soccer and eShibobo FC in particular?
- Is the club trying to use the upcoming World Cup to increase attendances in any way?
- Has the attendance levels impacted on merchandising, sponsorships, and investment?
- What is the club doing to try and increase attendances for their home games?
- Has club investment into infrastructure since 2004 had an impact on attendance levels?
- In your opinion, what are the main factors that influence attendance levels?