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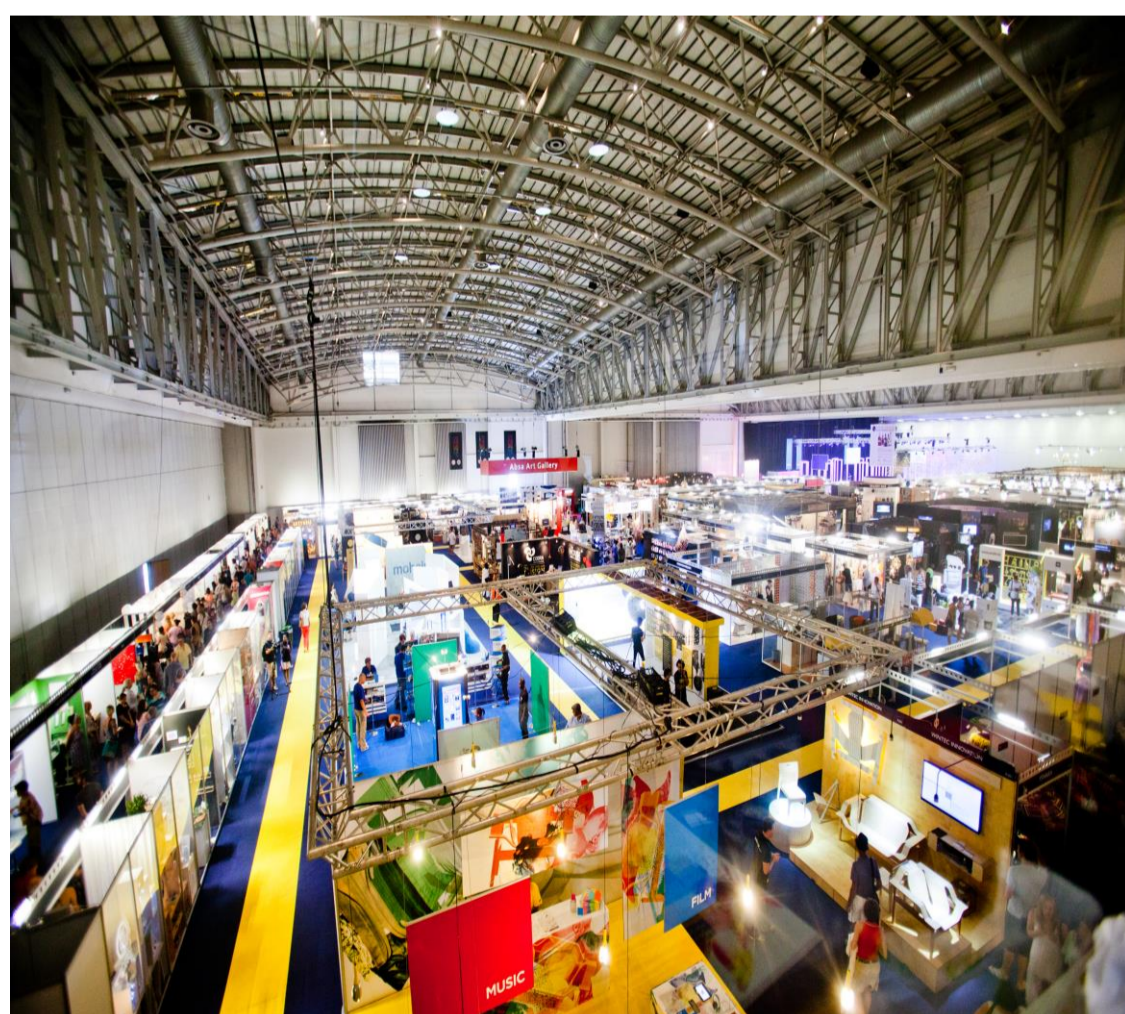
### INTRODUCTION

*Business tourism* is one of the most dynamic and fast-developing spheres in the world economy due to the fact that its success brings about the exchange of technologies, contacts, information, exhibitions, congresses, business trips and aligned tourism activities (United Nations, 2013:1). According to O'Toole (2011:51), business events exist for the purpose of increasing commercial activities, due to the fact that attendees of business events have a "high spending pattern", thus making a large impact on the economy of a host city or country.

The Design Indaba (DI) was launched in 1995 as a conference, then incorporated an Expo in 2004 (Design Indaba, 2014a:1). The DI Expo triggered the need for buyer and exhibitor interaction in order for them to network as well as form business relationships; therefore leading to the launch of the DI Buyers' Day, a programme aimed at bringing buyers and exhibitors together on a day exclusively dedicated to the buyers who view all products and services offered at the Expo before the public (Design Indaba, 2014b:1).

The DI is one of the top three annual events in Cape Town and has become one of the world's leading design and business events (Cape Town Magazine, 2013:2). The DI has made it possible for buyers to have a world-renowned platform that provides them with an exclusive opportunity to forge vital business connections (Design Indaba, 2014b:1), however, no previous research has focused specifically on the DI Buyers' Day Programme since its inception.

Therefore, the aim of this study is to analyse the economic contribution of the Design Indaba Buyers' Day Programme to the event, buyers, and Cape Town as a destination contributing to the South African tourism industry by outlining why MICE are important to tourism industry.



### OBJECTIVES

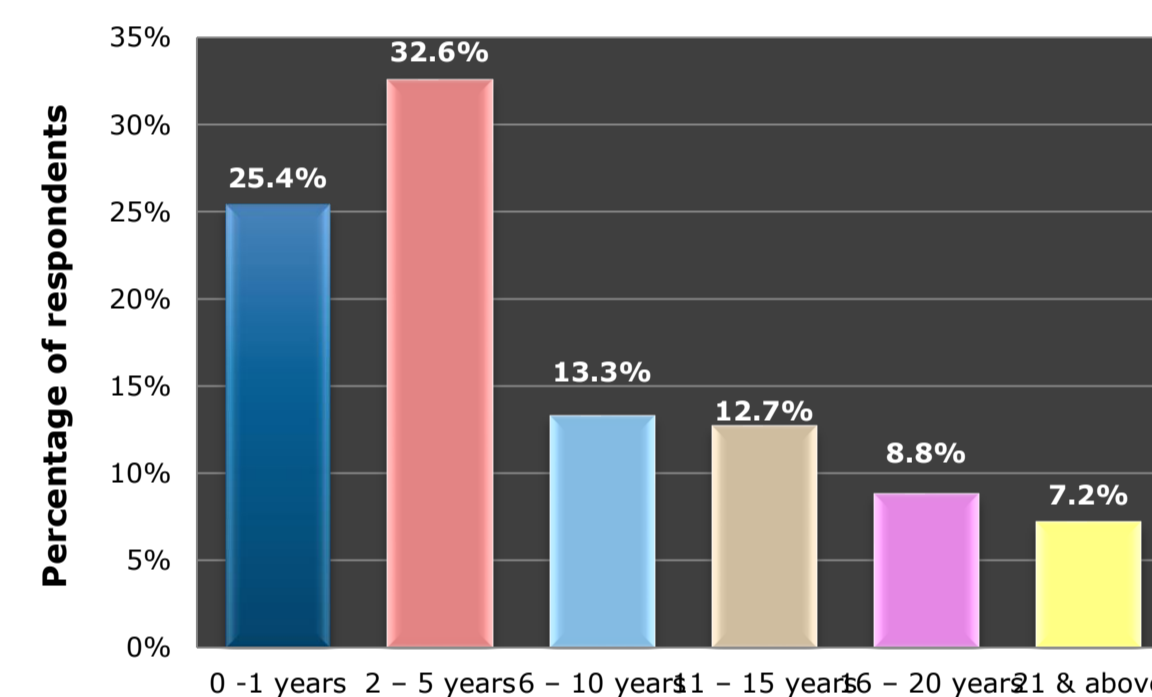
- To determine how much buyers spend at the Expo and on what products/services;
- To determine how much local businesses have gained from DI buyers as an outcome of the existence of the DI Buyers' Day Programme;
- To identify how Cape Town as a destination and as a host city benefits from the buyers that attend the DI Expo; and
- To identify the modifications that can be made to the DI Expo to increase the numbers of buyers and visitors to the event and to Cape Town because of it.

### KEY FINDINGS – BUYERS AND EXHIBITORS

**Table 1: Types of products exhibited at the DI Expo**

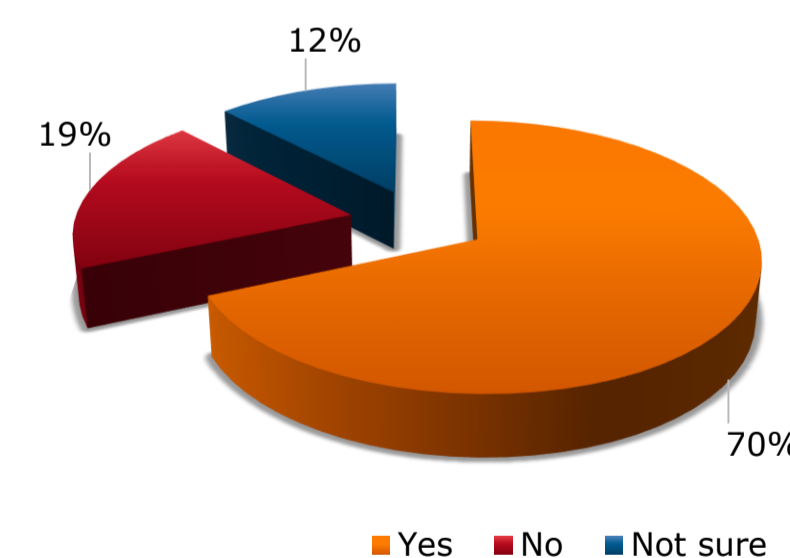
Types of products	Percentage of respondents
Interior design and furniture	36.5
Accessories and Jewellery	21.5
Artwork and Design	19.9
Clothing and Fabrics	16
Ceramics and Textiles	14.4
Handmade garments and goods	12.2
Stationery	11.6
Print	10.5
Education and Development	10
Kitchenware	7.1
Technology and Innovation	5.5
Agriculture	3.8
Lighting	3.3

**Figure 1: Number of years in business**



More than 74% of all exhibitors were owner-managers with a staff complement of fewer than five (5) persons.

**Figure 2: Positive business impact**



Most exhibitors (70%) reported a positive business impact of the DI, noting brand exposure, new business opportunities, networking structures, increased orders, sales and profits, business advice (influence of banking exhibitors), and exposure to other exhibitors as the salient facts.

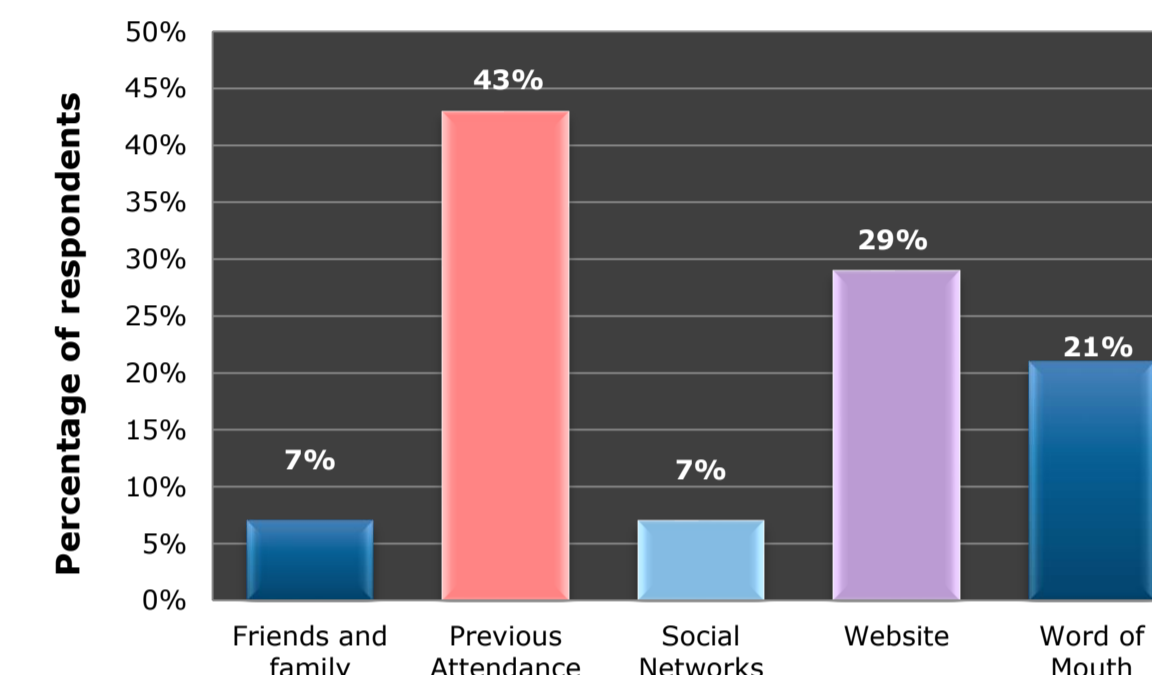
**Table 2: Cross tabulation of first time exhibitors & repeat exhibitors based on next participation at the DI Expo**

Exhibitor attendance status		Next Participation at the DI Expo			
		Yes	No	Maybe	Total
Exhibitor attendance status	First time exhibitor	39%	7%	14.4%	60.4%
	Repeat exhibitor	28%	3.3%	8.3%	39.6%

Problems experienced by exhibitors:

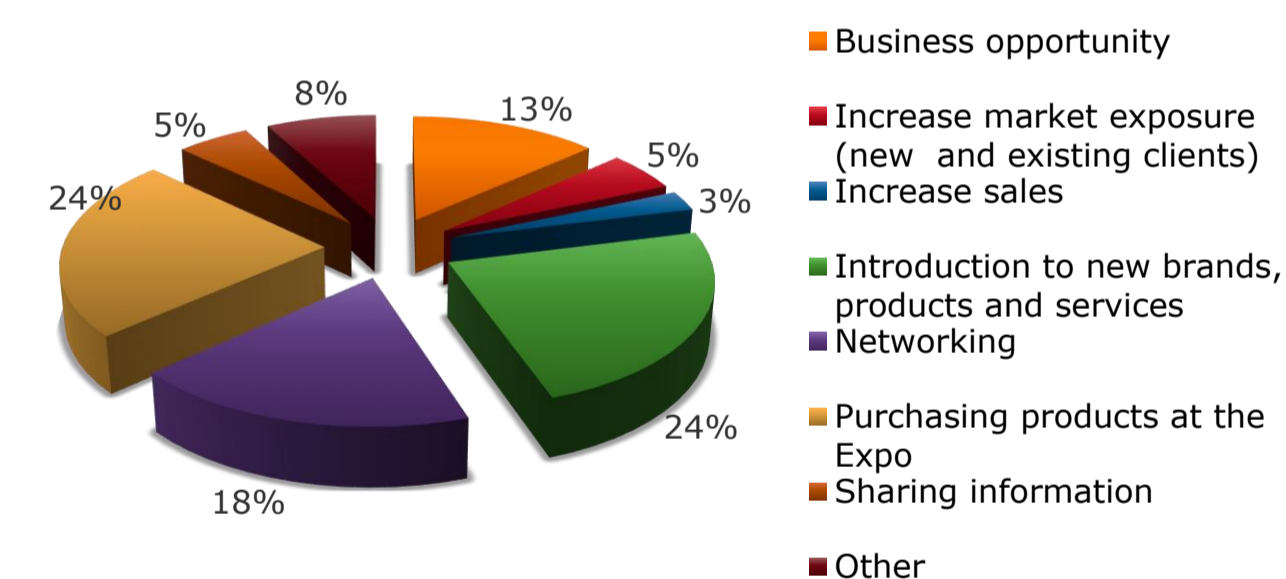
- the 'build-up' to the event
- electrical connection difficulties
- parking (for exhibitors and visitors)
- inefficient information (and requests/complaints ignored by the organisers)
- insecure glass shell product cases,
- problems with the venue layout, services and management issues.

**Figure 3: Advertising of the DI Buyers' Day Programme**



45% of the buyers were international buyers (Sweden, the UK, the USA, the Netherlands & Australia having the highest representation).

**Figure 4: Purpose of attending the DI Buyers' Day Programme**



**Table 3: Buyers' expenditure at the DI Expo & in Cape Town**

Expenditure items	Amount in ZAR
Travel (flights, bus trip, etc.)	135 428.00
Purchases at the Design Indaba Expo	112 900.00
Shopping (stalls, malls, etc.)	57 410.00
Food and restaurants	26 025.00
Transport (car hire, bus taxi, etc.)	17 740.00
Accommodation	17 734.40
DI Indaba tickets	11 984.40
Tourism related activities (tours, attractions, etc.)	2 248.00
Night life (Clubs, bars, pubs, etc.)	2 000.00
Entertainment (shows, theatre, etc.)	1 000.00
<b>Total</b>	<b>384 469.80</b>

One of the negative findings regarding the Buyer's Day programme was that 58.3% of participants felt that the 2014 exhibition was only similar to the 2013 event, while an alarming 25% of participants felt the 2014 Buyer's Day was 'worse than the previous year' for, amongst others, the following reasons:

- The queues at registration were very long allowing reduced time to view exhibits.
- The advertised (and included in the Buyer's Day fee) breakfast was not available.
- Some exhibitors were not fully set-up so buyers did not see all the products/services available at the exhibition.
- Parking led to serious problems.

### METHODOLOGY

The study followed a quantitative analysis, in order to assemble realistic and reliable facts that are stable and particular, and an in-depth analysis of documentation to establish the size of the MICE industry worldwide, and in South Africa. The study also includes qualitative procedures, to allow a degree of flexibility in the exploration of ever-changing events or experiences, recognising the dynamic, changeable nature of reality and the subjectivity of content through the information received from key informants interviewed (Welman, Kruger & Mitchell, 2005:7).

Two different surveys with closed and open-ended questions were completed; one was conducted face-to-face with the exhibitors at the DI Expo on the Buyers' Day at the Cape Town International Convention Centre (Thursday, 27<sup>th</sup> February 2014) and the buyers' survey was sent to the buyers after the event via email, using a database provided by Interactive Africa (IA), in order to gain their feedback on the DI Buyers' Day Programme. As per 2013 figures (Swart, 2012:13), 506 buyers (115 international and 391 local) had enrolled in the DI Buyers' Programme and 486 exhibitors showcased their work at the DI Expo. Based on this, the sample for the research is 159 surveys for the buyers and 214 for the exhibitors, at a 95% confidence level (Isaacs & Michael, 1981:192-193). The data collected from both these surveys was analysed using the Statistical Package for Social Sciences (SPSS) software which will allow the necessary data to be tabulated and graphically represented.

### CONCLUSION AND RECOMMENDATIONS

The study met the specific objectives, especially to gauge the importance of the DI Buyer's Day programme, the importance of Cape Town as an events destination, and to determine the spend at the Buyer's Day, and has led to the following recommendations:

- A single day designated for buyers is insufficient as needs to be extended to two or even three days to allow for more interaction between the exhibitors and potential buyers. This should lead to more buyers attending the event, increased ticket sales and sale of products at the DI, and increased tourism to Cape Town.
- Extending the length of the event should lead to an increased international exposure, sustainability of the DI event, and a more aggressive marketing campaign.
- The DI event organisers should consider more entertainment and engagement opportunities for delegates (for example, pre and post event tours and a welcome cocktail evening).
- A colour-coded registration method could be introduced to identify the different buyer-industry/organisations and match these by means of registration badge-identification with relevant exhibitors.
- The DI is one of the biggest trade exhibitions in South Africa attracting the largest number of buyers, and therefore creating opportunities for business expansion and even exporting. Therefore government support is needed through possible funding for SMME expansion and exporting.
- Create partnerships between international buyers and local tourism entities in order to generate additional revenue for Cape Town, and job-creation in the general tourism industry.

### ACKNOWLEDGEMENTS

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