

World Cup update - loadshedding, interest rates and inflation reduces optimism

Issued by [Kantar](#)

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In mid-February 2008, TNS Research Surveys, South Africa's leading marketing and social insights company, asked a sample of 2 000 metropolitan adults (aged 18 years and older) to give their views on some key issues around the 2010 FIFA World Cup.

This survey was funded by TNS Research Surveys as part of its continuing series of studies on issues of general social and political interest and is one of several issues probed in February 2008. The study has a margin of error of under 2.5% for the percentage results quoted. It is the fourth in a series about the World Cup.

There is increasing pessimism about our readiness for the World Cup

People were asked to agree or disagree with the following statement:

- "South Africa will **not** be ready for the Soccer World Cup in 2010."
 - Agree - 44% (blacks 41%, whites 52%, coloureds 45% and Indians/Asians 45%)
 - Disagree - 45%
 - Don't know - 11%
- So 45% feel South Africa **will** be ready:
 - Blacks - 49%, whites - 33%, coloureds 44% and Indians/Asians - 35%

Blacks are the most positive, with coloureds next. Indians/Asians and whites show the most scepticism. Black males are the most positive at 52%.

An identical question was posed to a similar sample in mid 2007: then, 25% felt we would not be ready and 63% felt we would. In August 2006, 33% felt we would not be ready and 59% felt we would. In September 2005, 45% felt we would not be ready and 46% felt we would. Hence, after there an increasingly positive trend over 21 months, there has been a rapid decline in optimism, to the levels seen in 2005.

Whilst very high food and fuel inflation, as well as rising interest rates, are, no doubt, key contributors to this feeling of negativity, other research conducted by TNS Research Surveys in February showed that January's load shedding not only affected two-thirds of people financially, but was also perceived to be having a negative effect on the economy. Indeed, the TNS Research Surveys Market Sentiment Index (MSI) in February showed its largest ever drop. In addition, we see President Mbeki's approval rating continuing to drop, and there are serious concerns over Jacob Zuma becoming South Africa's next President. This uncertainty is likely also to have been a contributor.

Some differences by area emerge, partly as a result of race composition differences:

- Gauteng - **46%** agree that SA **will** be ready for the Soccer World Cup in 2010 (compared with 67% in 2007 and 62% in 2006)
 - Johannesburg and environs - **48%** (68% in 2007 and 63% in 2006)
 - Johannesburg excluding Soweto - **49%** (2007 - 67%; 2006 - 57%)
 - Soweto - **51%** (2007 - 79%; 2006 - 78%)

- East Rand - **49%** (2007 - 69%; 2006 - 61%)
- West Rand - **48%** (2007 - 71%; 2006 - 60%)
- Vaal Triangle and South Rand - **37%** (2007 - 53%; 2006 - 69%)
 - Pretoria - **40%** (2007 - 64%; 2006 - 56%)
- Cape Town - **48%** (2007 - 52%; 2006 - 52%)
- Durban - **37%** (2007 - 61%; 2006 - 53%)
- Eastern Cape - **48%** (2007 - 58%; 2006 - 66%)
 - Port Elizabeth - **40%** (2007 - 59%; 2006 - 70%)
 - East London - **64%** (2007 - 56%; 2006 - 60%)
- Bloemfontein - **30%** (2007 - 63%; 2006 - 60%)

Almost all areas show substantial drops, with Bloemfontein and Durban showing the greatest falls in optimism. East London is the only centre showing a rise in optimism.

The importance of the World Cup to South Africa

People were asked to agree or disagree with the following statement:

- “Making a success of the World Cup is of vital importance to South Africa.”
 - Agree - 87% (blacks 88%, whites 80%, coloureds 92% and Indians/Asians 89%)
 - Disagree - 8%
 - Don't know - 5%

In the 2005 study, 90% of people felt that making a success of the event is vital to South Africa in terms of job creation and economic growth, this helping to alleviate poverty. In 2007, this figure was 81% - so this figure has stayed relatively more stable than our perceived readiness.

Our take-out

Over eight out of ten people feel that making a success on this event is vital for South Africa.

However, after a good rise in optimism that we will be ready in time, the negative events of the last few months have conspired to wipe out these gains.

South Africa - every South African - stands to benefit considerably from our hosting of this event. We need to harness this energy to talk up the event. We recall the incredible energy and joy that swept the whole country when the bid result was announced. Negativity risks damaging this energy and can affect our actual ability to do what we know we can do.

It is essential that the LOC bear in mind that good communications about the event and its progress are essential to rekindle the optimism that we had a year ago.

Technical note

The studies were conducted amongst a sample of 2 000 adults (1260 blacks, 385 whites, 240 coloureds and 115 Indians/Asians) in the seven major metropolitan areas: they have a margin of error of under 2.5% for the results found for the total sample. The studies were conducted by TNS Research Surveys (Pty) Ltd as part of their ongoing research into current social and political issues and were funded by TNS Research Surveys. For more details, please contact Neil Higgs on 011-778-7500 or 082-376-6312.

Website: www.tnsresearchsurveys.co.za.

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