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FIFA World Cup 2010: Implications for and effects on the entrepreneurial performance of South Africa's informal sector

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It is well established that so called 'mega events' have a marked impact on the socio-economic trajectory of a host nation. Research on the merits of mega- events is fairly substantial, and indeed, derived implications for entrepreneurship in a host country are a recurring theme. Yet, little has been done to investigate the potential impact of these events on the entrepreneurial performance of the informal sector. The informal sector is a significant contributor to employment and to the South African economy and shown to exhibit strong entrepreneurial potential. As such, it provides fertile grounds for research. This paper reflects on the FIFA 2010 world cup as catalyst for entrepreneurial activity in Johannesburg's informal sector. Associated issues of ambush marketing and perceptions of legalities, formalities, and barriers related to the organisation of the world cup are investigated.

Key words: Mega-events, 2010 FIFA world cup, entrepreneurship, informal sector.

INTRODUCTION

The FIFA world cup 2010 is considered by many to be the World's largest sporting event. The awarding of the 2010 world cup bid to South Africa in 2004 and the country's successful hosting of the event in June 2010 created expectations of increased economic activity fuelled by increased tourism and investment. Research suggests that mega-events of this nature hold much promise for a host country's entrepreneurial activity, which is of particular significance to emerging economies like South Africa. Nevertheless, relatively little work has been done to reflect on the impact of mega-events on

informal sectors in emerging economies. Given the relative size and strength of the contribution made by this sector to economic activity in the developing world, it is important to consider how an event like the world cup may help shape the entrepreneurial potential of informal sector participants.

This paper seeks to provide initial insights into the impact of FIFA world cup 2010 on the entrepreneurial performance of South Africa's informal sector. The material conclusions from research conducted with some 312 informal traders from the broader Johannesburg metropolitan area address a lacuna in the literature, and are of relevance to researchers and policy makers. The paper proceeds with a reflection of the literature pertaining to mega-events and the impact thereof on entrepreneurial performance in the informal sector. Thereafter the research methods are outlined before results are presented and discussed.

Finally, relevant conclusions are drawn and recommendations made.

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Abbreviations: GDP, Gross domestic product; GEM, global entrepreneurship monitor; TEA, total entrepreneurial activity; EPI, entrepreneurial performance index; PSED, panel study on entrepreneurial dynamics; ANOVA, analysis of variance.

LITERATURE REVIEW

It is well-established that mega-events can have a considerable impact on the socio-economic development of host countries and localities (Hall, 2006; Rogerson, 2009). Bidding and hosting of mega-events is a means by which localities compete in terms of attracting and retaining mobile capital through place enhancement, (re-) imaging and regeneration (Markusen, 1996; Hall, 2004; Smith, 2005). In particular, sport hallmark or mega-events, which are hosted on either a one-off or regular basis, have become increasingly significant in the contemporary era of globalization (Cornelissen, 2007). The most high profile examples of these mega-events would include the Olympic Games, the Rugby and Cricket world cups, and the FIFA soccer world cup.

International scholarship on mega-events has proliferated over the past two decades and led in particular by the seminal works of Getz (2005, 2008). Other critical works are contained in the four-volume collection of material produced by Connell and Page (2010a, b, c, d) concerning event tourism. Key issues of concern in the context of the hosting of mega-events in the developing world relate to optimizing their impacts for economic or social development, the construction of national identity, and foreign policy impacts (Cornelissen and Swart, 2006; Jago et al., 2010). The distributional benefits of hosting mega-events in the developing world have been examined (Black and van der Westhuizen, 2004; van der Merwe, 2006) with many critical observers suggesting that widespread development benefits are not a necessary consequence of the hosting of such mega-events and that marginalised groups may receive little benefit (Pillay and Bass, 2008).

Although potential opportunities for large businesses linked to the hosting of mega-events has received some academic attention (Getz, 2005; Hall, 2006), limited attention has been directed to implications for small firms generally (see for instance spilling, 1996; Hall, 2006; Dollinger et al., 2009) or for the informal sector specifically. The only exceptions are works which have highlighted how 'unsightly' informal sector entrepreneurs – such as street traders or car minders - have often been removed from their regular place of operation for the duration of mega-events. The objective in this paper is to explore questions related to informal sector entrepreneurship linked to South Africa's recent hosting of the FIFA World Cup 2010. One report suggests that while the majority of entrepreneurs did not report an immediate positive impact on the business, two thirds of start-ups less than a year old and 70% of new firms between 1 and three years old and half of all established businesses believed that the World Cup would have long term benefits for business in South Africa (Herrington et al., 2010). The report concludes that an overall increase in new firm start-up rate in South Africa during 2010 could be attributed to the hosting of this mega-event.

South Africa's informal sector is considered as a dynamic, vibrant and remarkably heterogeneous space, incorporating a range of service, manufacturing and retail enterprises (Van Rooyen and Antonites, 2007). Conservatively, the sector accounts for some 25% of total employment between 5-6% of total gross domestic product (GDP) (GPG, 2008; Ligthelm, 2006). However, size estimations are confounded by churn in the labour market (that, is movement of workers between the informal and formal sectors) as well as an influx of foreign nationals who have been displaced from their home countries because of war, famine and the like (Landau and Grindey, 2008). As a result, size estimates of the informal sector are often unreliable and subject to much variance (Rogerson, 2000).

Conventionally, conceptualisations of the informal sector are charged with notions of legitimacy and marginalism. For the most part, the sector is seen to consist of those enterprises which aren't registered with government authorities and which are survivalist in nature (Hart, 1972; Rogerson, 2000; Dasgupta, 2003). Accordingly, the marginalists understand people entering the informal sector as having little other option. It is this perspective which finds currency in the Global Entrepreneurship Monitor (GEM) series of reports. These reports, which provide a foundation for understanding total entrepreneurial activity (TEA) by region, suggest that South Africa's TEA rate is dominated by necessity entrepreneurs who have low expectations of growth and job creation. These entrepreneurs have few other employment alternatives, and their businesses are essentially survivalist in nature (Autio, 2007). At the same time, it is this marginalist perspective which seems to prevail in South Africa at the policy level. Under the Mbeki administration, for example, the notion of the second economy was introduced to delineate those with no prospect of being employed in the first economy, and were in essence, structurally separated from this more formalised realm.

An alternative conceptualisation provided by the 'structuralists' suggests, however, that the informal sector is essentially a product of neoliberalism, and that people participating in the informal sector exhibit strong entrepreneurial tendencies, and more importantly, do so by choice (De Soto, 1989; Meagher, 1995; Debrah, 2007; Williams, 2007). This serves to underscore the notion that informal traders might be seen as innovative, opportunity-driven individuals (ILO, 2002), and that the informal sector gives rise to a 'hidden' enterprise culture which ultimately needs to be harnessed and drawn into the formal economy (Williams, 2007). While it is true to say that deficiencies in human and social capital, as well as structural and regulatory complexities, might operate to limit entrepreneurial capability (von Broembsen et al., 2005), the notion of the entrepreneurial spirit is very much present in the informal sector. It is because of this, that, in considering the growth and development of the

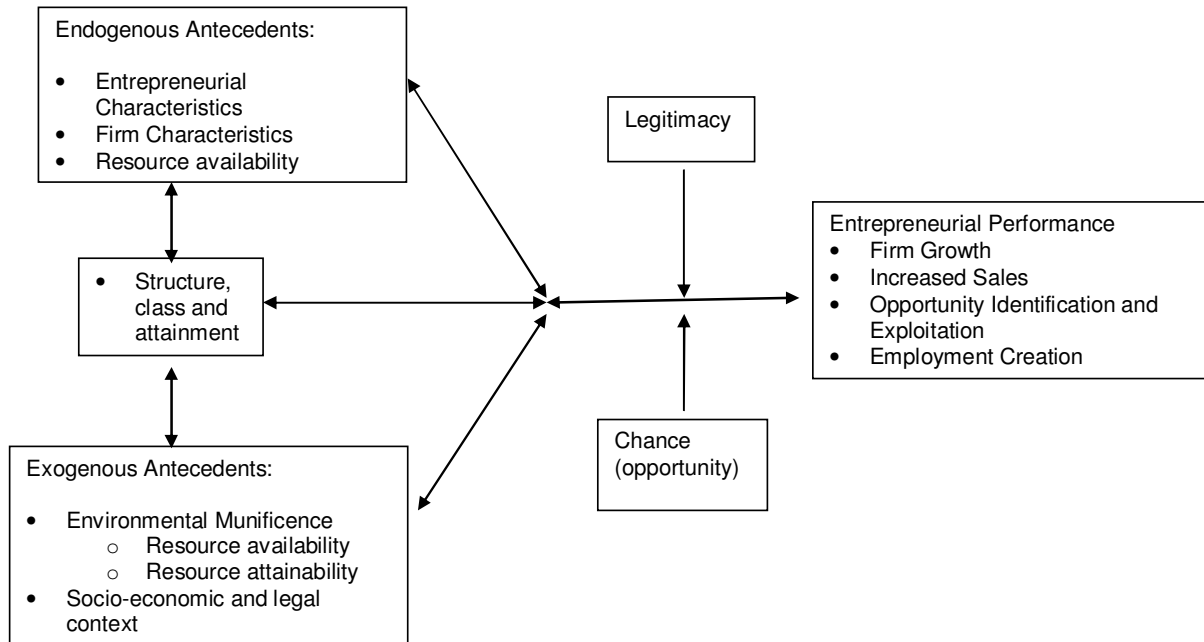


Figure 1. Integrated model of entrepreneurial performance Source: Adapted from Bouchikhi (1993).

sector, entrepreneurialism and enterprising behaviour becomes a consideration, and specifically, the notion of entrepreneurial performance becomes a matter for further reflection.

Entrepreneurial performance is a multidimensional construct (Lumpkin and Dess, 1996), which is largely aligned with the entrepreneurial process itself (Bouchikhi, 1993), and which is ultimately assessed through broad measures such as venture success or failure and through more specific measures such as growth, employment creation, stakeholder satisfaction as well opportunity exploitation (Lumpkin and Dess, 1996; Shane and Venkataraman, 2000; Robb, 2002). Success or failure in any performance dimension at any one time is predicated on various antecedents which might either be exogenous or endogenous and might additionally be mediated or moderated by different constructs (Bouchikhi, 1993; Lumpkin and Dess, 1996). Endogenous antecedents include various entrepreneurial values and characteristics such as autonomy, risk-taking behaviour, innovativeness and self-efficacy, as well as human capital, managerial competencies and organisational characteristics such as structure, strategy, resources and culture (Bouchikhi, 1993; Lumpkin and Dess, 1996; Firkin, 2001; Gatewood et al., 2002). Exogenous antecedents relate directly to environmental munificence, and, more specifically, to availability of resources (Aldrich, 1990), availability of opportunities (Shane and Venkataraman, 2000), institutions as well as overarching issues of class, entitlement and access (Bourdieu, 1979, 1986; Ahwireng-Obeng and Piaray, 1999). Figure 1 illustrates the multidimensionality of entrepreneurial performance.

In considering the model illustrated above, two particular issues bear further reflection. The first is the interaction between endogenous and exogenous antecedents. In principle, this goes to the heart of the 'structure/agency' debate, and suggests that it is not possible to talk of 'action' (agency) on the part of the entrepreneur (that is, endogenous antecedents) without reflecting on the structure (that is, exogenous antecedents) which might shape action (Giddens, 1984). Structure not only facilitates action, but in turn might itself be impacted by the actions of individual entrepreneurs who might see fit to 'conform or transgress structural features that emerge from these very processes of action and interaction' (Bouchikhi, 1993). Here, this interaction is seen as being mediated by issues of class and attainment, where access to resources (such as education and networks) is a function of an individual's position in society.

The second issue which bears consideration is the moderating influences of chance and legitimacy. Bouchikhi (1993) adds the dimension of 'chance' to the assessment of entrepreneurial performance to explain how entrepreneurial success (or failure) might be predicated on the impact of chance events. These might be sudden, unanticipated events, and could therefore further be understood through the notion of the opportunity (Shane and Venkataram, 2000). In this study, for instance, the notion of the 'mega-event' is considered to be chance event for entrepreneurs, simply because the awarding thereof might have been seen as unanticipated, however desirable such an outcome was considered to be.

The impact of mega-events on entrepreneurial performance has, nonetheless, received some attention in the literature, albeit at the regional level in terms of total firm creation (Spilling, 1996). This said, little has been done to reflect on such events within the context of the informal sector. The second moderating variable, 'legitimacy' refers to perceived acceptability of actions within normative frameworks (Webb et al., 2009). Here, for instance, informal sector participants are often 'illegitimated' because they operate outside formal institutional boundaries, yet, might legitimately be operating within informal institutional boundaries in order to survive. One particular aspect of legitimacy pertaining to mega-events, which was the focus of investigation in this study, is that of 'ambush marketing'. The 2010 FIFA World Cup in South Africa generated total media rights revenues of \$2.15b, (an increase of 53% on the 2006 event) and marketing revenue of \$1.2b, of which sponsorship accounted for \$1.01b, (an 80% increase from 2006; Sportcal.com). In return for such an investment in sponsoring the event, rights holders are guaranteed exclusivity. However, in line with the growth in sport sponsorship, unassociated brands have also sought to associate with the FIFA world cup and other major events (Burton and Chadwick, 2008). According to Meenaghan (1994), such 'ambush marketing' threatens the integrity of major events and can decrease the value of being an official sponsor, thereby potentially diluting the value of the major events themselves. Many different events are subsidised by the income from the FIFA world cup and without exclusivity, the financial viability of such events would be undermined.

Burton and Chadwick (2008) define ambush marketing as:

"A form of strategic marketing which is designed to capitalize upon the awareness, attention, goodwill, and other benefits, generated by having an association with an event or property, without an official or direct connection to that event or property".

Ambush marketing is a common occurrence at major sporting events and tends to be related to competition between major brands. Nevertheless, more attention has been recently drawn to the local level where providers with no official event status have positioned themselves to take advantage of associating with major events, potentially cluttering the market and leading consumers to believe that they are official sponsors.

In order to protect against ambush marketing, host countries or regions have begun to adopt anti-ambushing laws which are intended to discourage ambushing efforts. Since the 2000 Sydney Olympics, such legislation has been a key component in successful bids to host major events. Meenaghan (1994) stresses legal action as a valuable recourse in protecting sponsorship, with two main types of legal action: intellectual property rights cases,

which deal with trademark or copyright infringement; and passing off in which goods or services are provided with the intention of portraying a connection with another organisation or event when no such link exists (Burton and Chadwick, 2008).

The South African Government undertook to guarantee FIFA's intellectual property rights and following public consultation, the 2010 FIFA World Cup by-laws were enacted, protecting IP and marketing rights in accordance with existing legislation in order to protect official trademarks and intellectual rights of FIFA and the official sponsors from ambush marketing. The first such example of legislation to outlaw ambush marketing in South Africa was enacted before the Cricket world cup in 2003, and has since been used as a model by other nations hosting major events. Nevertheless, many local entrepreneurs as well as major corporations have fallen foul of the laws with over 450 cases being brought, even before the 2010 FIFA world cup tournament opened.

Though FIFA faces criticism for its rights protection programme which focuses on the registration of all FIFA marks, its primary objective is "to put a stop to the systematic, commercial abuse of its event marks on a wide scale in order to safeguard the rights of its partners" (FIFA, nd). In this regard, the focus is not on small private enterprises. It is feasible that ambush marketing can result from unintentional activities or inaccurate information processing (Quester, 1997; Burton and Chadwick, 2008). At the same time, given the hype associated with such a major sporting event, it is entirely possible that a degree of expectation might be created amongst small business, who might feel that they would be entitled to benefit from any gains.

Nevertheless, the same rules apply and in many cases unsuspecting ambushers are issued with a notice from FIFA to correct their infringement. While the need to protect the commercial value of the tournament through rights protection is clear, the rules could also be thought to have limited the potential for local businesses to profit from the FIFA world cup.

Having given due consideration to the relevant literature pertaining to the impact of mega-events on entrepreneurial performance in South Africa's informal sector, and indeed on related issues of ambush marketing, it becomes necessary to describe the research methods used in the study. This will be followed by a discussion of the results of the study.

RESEARCH METHODS

Data was collected using a questionnaire derived in part from an adapted version of the Entrepreneurial Performance Index (EPI) developed by Morris and Kuratko (2002), which focuses on growth, new product introduction, and innovation, as well as from opportunity-related scale items from the Panel Study On Entrepreneurial Dynamics (PSED) (Carter et al., 2004). The inclusion of the latter scale items finds support in Scott and Venkataraman's (2000) argument that opportunity identification and exploitation should be used as a measure of entrepreneurial performance. In

addition to specific items pertaining to entrepreneurial performance, participants were asked associated questions pertaining to regulations governing the World Cup. Here, specifically, the intention was to probe around understandings of ambush marketing, and relevant issues of compliance.

Reliability was tested, and item statistics were calculated using the Cronbach's Alpha. Satisfactory scores of 0.776 and 0.697 were obtained for the EPI items and opportunity recognition items respectively. A non-probability sampling technique was adopted to collect data. While it is acknowledged that non-probability sampling is less robust than probability sampling (Blumberg et al., 2008; Sarkar, 2005), the absence of a reliable sampling frame relating to Johannesburg informal traders made probability sampling practically impossible. This is largely due to the transient nature of informal traders in the city, which in part is attributable to churn between the informal and formal economies (Devey et al., 2006). Purposive sampling in the form of judgement sampling was, however, adopted in order to make the study more reliable. Here, specifically, traders who had attended the Grow Your Business training course were targeted. The purpose of the course, which is a partnership between the University of the Witwatersrand, Johannesburg and the City of Johannesburg, is to impart entrepreneurial skills to informal traders. Because the purpose of the study is to examine the entrepreneurial performance of traders, the researchers thought it prudent to limit their research to those entrepreneurs, who by virtue of the training received, might display entrepreneurial propensity. In total, some 312 questionnaires were distributed to informal traders in the greater Johannesburg area. While the questionnaire was developed in English, research assistants were used to administer the questionnaires and translate wherever necessary to overcome complexities associated with language. Statistical analysis was done using SPSS v 18.

RESULTS AND DISCUSSION

The findings will be presented in three sections. In Section 1, a profile of the respondents will be provided, before reflecting on measures of entrepreneurial performance in Section 2 and understandings of ambush marketing in Section 3. It should be noted, at this juncture, that only preliminary results are presented in this paper. The complexity of statistical procedures used to analyse the data has accordingly been limited.

Describing the respondents

Table 1 provides a profile of the respondents according to age, gender, nationality, levels of education, place of trade as well as monthly income. While no distinct profile of the trader emerges, the sample appears to be marginally male, mostly South African, 'middle aged', and with a basic level of education.

Assessing entrepreneurial performance

Two sets of scales were used to assess the impact of the world cup on the entrepreneurial performance of the traders. The first set of scaled items was based on the EPI (Morris and Kuratko, 2002). Table 2 sets out the

descriptive statistics for these scale items. Mean scores are fairly evenly distributed. This said, the highest level of agreement is found in terms of pragmatism, with traders suggesting an element of risk aversion and indeed, uncertainty avoidance. This might also be linked to lower levels of entrepreneurial self-efficacy, such that traders lack the necessary confidence to aggressively pursue growth opportunities.

The second set of scale items used to measure entrepreneurial performance is derived from the PSED, and incorporates questions pertaining to opportunity identification. Table 3 provides a summary of the descriptive statistics pertaining to these scale items.

Here, again, the mean scores are fairly evenly distributed with greatest agreement amongst traders found around notions creativity and opportunity identification. This gives impetus to the structuralist's perception of the informal sector which ascribes an element of entrepreneurial behaviour to this space

Using these descriptive statistics, further analysis was conducted using analysis of variance (ANOVA) to establish significant relationships between scale items and, whether or not traders started their businesses in response to an opportunity identified in relation to the world cup (measured as binary) (see Tables 4 and 5).

The ANOVA results in Table 4 indicate that, for the EPI items, those respondents who had FIFA-related start-ups were more likely to introduce new products or services ($p = 0.10$) and were more likely to have increase focus on service delivery ($P=0.022$) than their counter-parts who did not have FIFA-related startups. These differences were significant at the 1 and 5% significance levels, respectively and suggest that perceptions relating to FIFA-related opportunities had a positive impact on entrepreneurial performance levels in terms of innovation and managerial performance.

The ANOVA results in Table 4 indicate that, for the PSED items, those respondents who had FIFA-related start-ups were more likely to shape world-cup related opportunities using their past experience ($p = 0.000$) and were more likely to exploit their networks in identifying and pursuing an opportunity ($P=0.008$) than their counter-parts who did not have FIFA-related startups. These differences were both significant at the 1% significance level. Here, importantly, antecedents in the form of human and social capital appeared to have a positive impact on entrepreneurial performance (Bouchikhi, 1993; Lumpkin and Dess, 1996). Gender was further tested for differences, given that while the ratio between men and women in South Africa's informal sector is relatively even, gender discrepancies exist given the added burden that women carry in terms of child-rearing and household responsibilities. Because of this they are more likely to start and operate businesses which are less technologically intensive (Mahadea, 2001). No significant differences were found in relation to PSED scale items. However, as Table 6 shows, three significant differences

Table 1. Profile of respondents.

Category	Description	Percentage (%)
Age	18-35	47
	36-60	52
	61-89	1
Gender	Male	54
	Female	46
Nationality	South African	71
	Foreign	29
Education	Some primary schooling	8
	Primary school complete	21
	Some secondary schooling	25
	Secondary school completed	30
	Short programme completed	5
	Degree/diploma completed	11
	Postgraduate qualification completed	<1
Place of trade	On the Street	35
	Metro Mall	7
	At a taxi rank	17
	Craft market	16
	At home/friends home	15
	From a container/caravan	2
	In a formal building	4
	In a shopping centre	4
	Informal settlement	<1
Monthly income	Mean	R5 927.41

Table 2. Descriptive statistics for EPI items.

Item	Mean	Std. deviation
Because of the 2010 FIFA WORLD CUP™, I've introduced additional new product/services	2.53	1.305
Because of the 2010 FIFA WORLD CUP™, I've introduced additional new features and improvements to my existing products/services	2.66	1.320
Because of the 2010 FIFA WORLD CUP™, I've introduced new products/services which have never existed in South Africa before	3.51	1.157
Because of the 2010 FIFA WORLD CUP™, I've focussed on improving my service delivery	2.41	1.199
Because of 2010 FIFA WORLD CUP™, I've taken the risk to grow my business	2.58	1.329
I don't really care what my competitors do in relation to 2010 FIFA WORLD CUP™	2.78	1.263

Table 2. Contd.

During the 2010 FIFA WORLD CUP™, I'd rather not spend lots of money on introducing new products/services	3.19	1.156
I generally respond to problems in my business in a cautious, pragmatic, step-by-step way	2.18	.889
I usually actively engage in a search for big opportunities	2.15	1.045
Rapid growth because of the 2010 FIFA WORLD CUP™ is my dominant goal	2.54	1.165
I always take large, bold decisions even if I don't know what the outcome will be	2.66	1.161
Steady growth and stability in business following the 2010 FIFA WORLD CUP™ is my primary concern	2.44	1.131

items were measured on a 5 point Likert scale where 1 = highly agree and 5 = highly disagree. Cronbach's alphas for total items = 0.776.

Table 3. Descriptive statistics for PSED items.

Item	Mean	Std. deviation
The current opportunity arose in response to a gap I identified in my community	2.30	1.166
The current opportunity arose out of another idea I was thinking about	2.48	1.110
I listened very carefully to what potential customers wanted before identifying this opportunity	2.08	1.091
Discussions with friends and family help me to shape my opportunity	2.17	1.052
Discussions with potential investors/lenders helped me to identify my opportunity	3.13	1.282
Other people came to me with the opportunity.	2.90	1.227
Past experience helped to shape the current opportunity	2.27	1.054
Being creative was important in helping me identify the current opportunity	2.14	1.019
Knowing the right people in the right places helped me to identify the current opportunity	2.52	1.269
The current opportunity just came to me without me having to search for it	3.06	1.294
If this opportunity doesn't come off, then I'm willing to try another opportunity	2.03	1.082

Items were measured on a 5 point likert scale where 1 = highly agree and 5 = highly disagree. Cronbach's alphas for total items = 0.697.

Table 4. ANOVA for EPI and FIFA-related start up.

		Sum of squares	df	Mean square	F	Sig.
New product/service introduced (WC) * FIFA-related start-up	Between groups (combined)	11.473	1	11.473	6.736	.010
	Within groups	458.166	269	1.703		
	Total	469.638	270			
Increased focus on service delivery (WC) * FIFA-related start-up	Between groups (combined)	7.518	1	7.518	5.290	.022
	Within groups	370.923	261	1.421		
	Total	378.441	262			

Table 5. ANOVA for opportunity recognition and FIFA related start up.

		Sum of squares	df	Mean square	F	Sig.
Opportunity - past experience * FIFA-related start-up	Between groups (combined)	17.878	1	17.878	17.452	.000
	Within groups	262.246	256	1.024		
	Total	280.124	257			
Opportunity - networks to exploit * FIFA-related start-up	Between groups (combined)	11.342	1	11.342	7.225	.008
	Within groups	408.158	260	1.570		
	Total	419.500	261			

Table 6. ANOVA for EPI and gender.

		Sum of squares	df	Mean square	F	Sig.
Introduced new product/service that is new to SA (WC) * Gender	Between groups (combined)	5.404	1	5.404	4.081	.044
	Within groups	376.096	284	1.324		
	Total	381.500	285			
Unconcerned about competitors (WC) * Gender	Between groups (combined)	7.823	1	7.823	5.010	.026
	Within groups	443.481	284	1.562		
	Total	451.304	285			
Growth and stability major concern post WC * Gender	Between groups (combined)	5.075	1	5.075	4.034	.046
	Within groups	357.292	284	1.258		
	Total	362.367	285			

a significant role in the introduction of new products and services ($p=0.44$), in determining the relative threat of competition ($p=0.026$), as well as in the perceived implications of the world cup for future growth of the business ($p=0.046$). This is in keeping with Robb's (2002) research which suggests that differences between men and women exist when it comes to rates of business survival.

Perceptions of regulations pertaining to the World Cup and ambush marketing

In reflecting on issues pertaining to the FIFA world cup 2010, 58% of traders indicated an awareness of the by-

laws enacted to protect official trademarks and intellectual rights of FIFA and the official sponsors from ambush marketing. Of those that were aware of the by-laws and answered the question, 28% knew them very well, 21% quite well, 37% had some knowledge and 13% didn't know them well at all, indicating a fair degree of awareness. A further 32% thought the by-laws would have a large impact on their businesses, 30% thought some impact, 20% small impact and 18% no impact at all, suggesting that the by-laws were an issue for most traders.

Almost half of the traders featured some of the trademarked words in their advertising providing clear evidence of Intellectual Property/passing off infringements. Table 7 below offers a reflection of the extent to

Table 7. Extent of IP/passing off infringements.

Words	Yes (%)	No (%)	Prefer not to say (%)
FIFA	7	63	31
World cup	48	48	5
2010	49	46	5
South Africa	66	29	5
Combination	48	43	1

which various 'protected' words/phrases were used by traders when advertising their products/services. What is particularly interesting is the number of traders who declined to comment on their use of FIFA, arguably for fear of potential repercussions.

Of those that said the by-laws would have no impact (30 people), 30% used a combination of the trademarked words and 50% used the term South Africa. The term South Africa in itself could be classed as a description and not an infringement, but if it was used with imagery relating to football or the world cup then it is likely to be classed as an infringement.

Of those that thought the by-laws would have a large impact, 60% still used a combination of the trademarked words, suggesting that, despite a level of infringement, traders felt that they would not get caught. Moreover, 48% either agreed or strongly agreed that customers would prefer to support official sponsors while only 10% strongly disagreed. 18% of the traders, who strongly disagreed that a combination of the words was necessary to attract customers, still used the words.

Conclusion

While mega-events such as the FIFA World Cup 2010 have been shown to positively influence entrepreneurial performance, particularly at the regional level, this paper serves to fill an important lacuna in the research by considering how the world cup has impacted entrepreneurial performance in the informal sector. Relevant literature was considered and a revised model of entrepreneurial performance was proposed. Results indicate that, while no distinct profile of traders can be formed, the average trader in the study was male, South African, with a stereotypically low level of education and low earning potential. In terms of entrepreneurial performance, FIFA related opportunities had a significant impact on the introduction of new products and services as well as on customer service delivery. At the same time such opportunities led to a reliance on past experience as well networks in identifying the opportunity. Finally, in examining associated issues of formalities, legitimacy and ambush marketing, traders were found by and large to infringe IP and pass off protections, their knowledge of the various legislative provisions notwithstanding.

From a policy perspective, this research demonstrates the importance of understanding the informal sector as an entrepreneurial space, capable of producing entrepreneurial outcomes. It is particularly important, therefore, for policy makers to be sensitive to the various antecedents that shape entrepreneurial performance in the sector, for instance, focusing on requisite availability of resources and skills development. At the same time, due regard needs to be paid to harnessing benefits of future events for all participants in the economy.

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