

# Organisers' and Residents' Views about the Benefits and Costs: The Case of Monsoon Cup International Sailing Regatta, Malaysia

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# Organisers' and Residents' Views about the Benefits and Costs: The Case of Monsoon Cup International Sailing Regatta, Malaysia

#### Abstract

The Monsoon Cup sporting event is an international regatta held during monsoon season in Terengganu, Malaysia. This study used social exchange theory as its main theoretical base. The aim of this research is to examine the residents', government's and event company's views about the benefits and costs of the Monsoon Cup. This study utilized qualitative research technique where data were collected through one to one indepth semi-structured interview with 14 individuals from the organizing team and 36 local residents. A purposive sampling method was used as residents were selected according to their demographic background (gender, age and length of residency) and socioeconomic background (type of occupation and level of education). A snowball sampling technique was also used in gaining data from among the most truthful interviewees. Thematic content analysis was utilised to analyse the interviews. The findings from this study revealed that exploring the views of residents, government and the co-organiser (T-Best Event) were significant as it exposed the similarities and differences between residents' views and government's views.

**Keywords**: Residents' views, government's views, event company's views, Monsoon cup sailing event, Malaysia

# Organisers' and Residents' Views about the Benefits and Costs: The Case of Monsoon Cup International Sailing Regatta, Malaysia

#### Introduction

Mega events tend to be short lived but have long-term consequences on a community which are not always positive (Roche, 1994). This has frequently resulted in huge long term debts for host communities which have often led to the displacement of local residents because of new infrastructure improvements (Hiller, 1998). For example, Olympic Games require international scale sports facilities and large accommodation villages for the athletes. Therefore, these infrastructures must be utilised through long-term programming to justify their creation once the mega-event has concluded (Sofield & Sivan, 2003). Sporting events create wide-ranging opportunities and benefits, however they may also deliver a multitude of negative impacts if they are not organised properly. Local communities are generally supportive of the long term effects of hallmark events in regards to improvement in socio-economic factor, the expansion and refurbishment of existing infrastructure and facilities.

This research seeks to determine whether there are any differences between the residents' and organisers' goals and views in regard to the Monsoon Cup event. The Monsoon Cup sailing regatta is part of World Match Racing Tour held annually in Malaysia during monsoon season between November and January. This research will help to establish mutual understanding between the key stakeholders by considering their views, as well as to gain their cooperation and support for future Monsoon Cup. A summary of key statistics for the event is illustrated in table 1 below.

 Table 1. Summary of key statistics for the Monsoon Cup. Event.

	2005	2006	2007	2008	2009	2010	2011
	RM	RM	RM	RM	RM	RM	RM
Government funding	4.0m	14.5m	20.8m	25m	20m	20m	20m
Value in kind	5.4m	6.2m	11.5m	NA	24.4m	46m	NA
Gross media value	67.4m	111.6m	217.6m	NA	295.1m	411.1m	NA
Event brand value	92.5m	294m	417m	517m	538.8m	NA	NA
No. of Attendees	25,000	33,700	81,000	25,762	101,794	120,675	NA
Tourist Arrival	1.8m	2.3m	2.9m	3.5m	3.3m	2.8m	3.2m

Note: 1RM (Ringgit Malaysia) = US\$0.32

Sources: The Edge Malaysia, May 26, 2008 & www.monsooncup.com.my

#### Literature Review

In an event tourism context, it is important for local government, policy makers and organisers to recognise that there are both support and opposition towards a proposed event. If it can be identified why the residents support or oppose the event, it will be possible to select event planning and management processes that can minimize the negative impacts and maximize the positive aspects. Moreover, it is community residents who ultimately have a voice in speaking out about tourism impacts which are acceptable or problematic (Andereck &Vogt, 2000). Gursoy and Kendall (2006) also added that active support from the community may transform a mega sporting event into an urban festival. In contrast, active opposition to hosting an event may lead to delays, legal action and the eventual abandonment of projects. Therefore, further information is required on the expected impact on the rights of local residents before the actual staging the event.

# Social Exchange Theory

Social exchange theory is prevalent in its application to examine resident's perceptions and attitudes toward tourism development and event tourism. Blau (1964) argued that, "Basic exchange principles occur only among those relationships in which rewards are expected and received from a designated other" (p.330). Moreover, social exchange theory had remained as one of the most broadly used theories to examine resident perceptions and their support specifically for mega-events (Boo et al. 2011, Lee et al. 2010, Nunkoo & Ramkissoon, 2011, Gursoy & Kendall, 2006 and Nunkoo & Gursoy, 2012). This research used social exchange theory as the basic principle to investigate respondent and organisers' views on the benefits (positive impacts) and the costs (negative impacts).

Based on social exchange theory principles, resident view is the exchange element in an exchange process where resident may view and evaluate the event as either beneficial or costly. As a reward from the exchange process, one resident will support the future holding of the event if the event is viewed as mostly beneficial. Hence, in the context of a sporting event such as the Monsoon Cup event, the community will engage in a social exchange process with the authorities and the event organiser. If the community feels that they had provided full trust, some commitment and effort in helping

to organise the event, accepted the detriments linked to the event, they might expect to receive rewards or benefits from the event. They may decide that their engagement with the authorities and the organizer in the exchange process is not fulfilling their socio-cultural or socio-economic needs if they receive less benefit than costs. Furthermore, the decision to oppose or support an event will be based on their views about the event from an exchange process perspective.

### Issues of the Monsoon Cup Event

The Monsoon Cup is held at Pulau Duyong in the state of Terengganu, Malaysia. Pulau Duyong is located at the mouth of Terengganu River and is accessible by road. Traditional boat making is the most famous activity in Pulau Duyong which has long attracted sailors and boat builders from around the world. Critics have alleged that the locals have benefited very little from it because the organisers did not provide the expected income for the locals, and profits were only obtained by certain individuals. Local residents should be regarded as a major stakeholder of this event and gain the benefits in various aspects, particularly economic. Economic gains from the event were confined to a small number of entrepreneurs within the accommodation, food, beverage and handicraft industries.

Naturally, during the actual staging of the event there should be some profit to be made by these businesses. Unfortunately, hardly any of Pulau Duyong residents are traders. As a result, most of these vendors came from out of the state of Terengganu, rather than from the local community. It was reported that the development of infrastructure and facilities for the Monsoon Cup organisation cost RM300 million and was contracted to a foreign building firm, not to a local contractor (Sunday Star, February 3, 2008, p. 32). Residents claimed that the Monsoon Cup did not benefit the people on the island at all. Thus, the government's aim to stage the Monsoon Cup for the benefit of local residents was not yet achieved, resulting in a situation where unfavourable perceptions have been created in the community which has negatively affected the running of the event.

Some residents have stated that they feel proud to live in Terengganu since the Monsoon Cup event was held in 2005 due to its publicity on international media. However, residents felt that the event had not made any real improvement for the socioeconomic benefits of the community. Residents claimed that Terengganu is still the second poorest state in Malaysia even though the government stated that the Monsoon Cup will provide direct benefits to the residents and will promote economic growth in

Terengganu. Hence, this research aimed to examine the residents', governments and event company's views about the benefits and costs of the Monsoon Cup.

## Methodology

The researchers chose a constructivism paradigm as the most suitable paradigm for this study. This paradigm can answer the underlying research questions in greater depth as it contributes to a better understanding of the participants' lived experiences, and of the phenomenon under study via a generation of rich and detailed answers or data (Creswell, 2003). Therefore, a qualitative research approach was selected.

### Sample

A total of 50 respondents were interviewed and they were selected through the process of purposive and snowball sampling. The number of respondents is good enough for qualitative approach because what matter most is the richness of data rather than a higher number of respondents. As explained by Bryman (2008), issues of representativeness are less important in qualitative research. Purposive sampling entails an attempt to establish a good connection between research questions and the respondents themselves (Bryman, 2008). Furthermore, selecting participants' base on certain attributes relevant to the research questions of a study would assist in achieving the level of diversity sought by a researcher (Barbour, 2008). The residents were recruited according to their democratic information (age, gender and length of residency) and their socio-economic background (type of occupancy and level of education). Moreover, snowball sampling technique is also suitable and convenient for the researchers to interview the appropriate individual who could provide accurate and valuable data. Interviews were conducted using two separate interview schedules for both sampling frames, 36 local residents of Pulau Duyong and 14 respondents representing the organisers of the event (Ministry of Youth and Sport, Ministry of Tourism, Terengganu State's Tourism EXCO and T-Best Event Pty. Ltd.).

#### Data Collection

Data was collected by way of a series of semi-structured interviews with the residents of Pulau Duyong Besar, officials of the Federal and State government of Terengganu and the event company. Pulau Duyong (more commonly known as Pulau Duyong) is situated in the middle of the mouth of the Terengganu River and located 5 km from Kuala Terengganu, the capital of the state of Terengganu.

### Process of Interviewing the Event Company and Government Officials

The researchers informed T-Best Event Pty. Ltd., the Ministry of Tourism and the Ministry of Youth and Sport about the topic and purpose of the study through email. The researchers were advised by the Race Advisor of the event to interview the Board of Director and two middle level managers at T-Best Event. Furthermore, the researchers managed to obtain the contact numbers of the Federal and State Government's officers at the Ministry of Tourism who had involved in the event from the web. The Ministry of Youth and Sport also emailed the researchers the names of three officers that should be interviewed. Unfortunately, when the researchers contacted them, only one officer was willing to be interviewed. In Kuala Terengganu, the researchers began the process by attending the State Government's Secretarial Office where they were given an organisational chart of the State Government of Terengganu that included the Chief Minister and his Minister and his Ministries showing the different portfolios. These Ministries are locally known as the EXCOs (Executive Committees). However, for the purpose of this research and based on a purposive sampling technique, the researchers only interviewed the Tourism EXCO who were involved in the organization of Monsoon Cup. The next stage was to contact potential interviewees to set up appointments. The researchers began the interview by first introducing themselves and showing the interviewee the information sheet for him/her to read. Interviewees were also asked to sign a consent form to give the researchers the permission to conduct the interview and to record the interviews using a digital recorder.

#### Process of Interviewing the Residents of Pulau Duyong

A government officer of the Community Development Unit at the District Office of Kuala Terengganu introduced the researchers to the head of Duyong Sekolah Village at Pulau Duyong. The researchers presented him with an information sheet which described about the research. There were five villages in Pulau Duyong named Duyong Sekolah, Duyong Wan Su, Duyong Kecil, Pulau Ketam and Kelak Ayer and each village has its own head or chieftain. The researchers request for the characteristic of Pulau Duyong's residents from the Chieftain of Duyong Sekolah Village. The researchers chose the residents based on their socio-economic profile (types of occupancy and level of education). The chieftain of Duyong Sekolah Village also provided the researchers with the contact numbers and addresses of selected interviewees. The chieftain also gave information on residents who had involved directly and indirectly in the organisation of the Monsoon Cup from the beginning until the present day. He then suggested that

the researchers should interview the former community representatives who had been involved in the early stages of the organisation of the event.

## Data Analysis

The validity of the study is ensured by being truthful when transcribing and reporting the interview data. In consideration of content validity, few academicians in a related field were consulted to assess and evaluate the draft of the interview guide. Their comments and suggestions were used to improve and enhance the validity of the interview guide. A good-quality digital note taker for recording detailed field notes was utilised to ensure the reliability of the collected data. Thematic content analysis, "an analysis of the content of the data to categorize the recurrent or common themes" (Green &Thorogood, 2009, p.198) was used to analyse the transcribed data. Green and Thorogood (2009) explained that in thematic content analysis, the researcher reads through the respondent's transcript, compares them, and then classifies those 'themes' that recur or are common in the data set. The researchers used NVIVO 9.1 software to code, compare and classify those 'themes' that recurred or common on the data set. Finally, main themes or broader themes were developed from the sub themes.

#### Results

Of the total number of the study sample, 10 informants were employed from the federal and state government agencies and 4 informants from the event company who were directly involved with the event. Of the 36 interviewed residents, 12 of them work in public service sector, 11 of them are business entrepreneurs, 5 of them are private sector's employees, 4 of them are local politicians, and 2 of them are fishermen and 1 pensioner.

In presenting the results of the study, excerpts from the interview transcripts were selected and linked with the pseudonym in order to protect the anonymity of the respondents. As such, no actual positions of the organisers have been listed and only broad industry categories for employment have been detailed.

# Findings from the Organisers' [Federal Government (FG), State Government (SG) and T-Best Event (T-B)]

Five themes emerged from this topic. These themes were the benefits of the Monsoon Cup (MC) in general, social benefits of the MC to the community, economic benefits of the MC to the community, economic costs of the MC to the community, and organisers' belief that the MC was mostly beneficial.

### Benefits of the MC in general

Most interviewees stated that the greatest benefit of this event was it had improved the natural and physical environment of Pulau Duyong. The aspect of cleanliness at Pulau Duyong and its river mouth had improved considerably. Before the MC was held, the river mouth was just a delta. As Zaman (T-B) stated, "It was a sandy shallow, so shallow, that people could almost walk across to the mainland but now the whole area is seven metres deep, it's perfect for sailing and a racing area". Hence, most interviewees indicated that the MC improved the image and prestige of Pulau Duyong. The interviewees also mentioned a number of times that the place had better public facilities and infrastructure such as new roads, a new jetty, fishermen's wharves, more shops and restaurants.

Half of the interviewees reported that the MC promoted the tourism industry and created more tourist activities in Terengganu. Yusuf (FG) stated that the live telecast worldwide had brought more attention to sport viewers about Pulau Duyong and Terengganu. They might travel to Malaysia as tourists and spectators for MC, and the number of tourists had gone up from year by year. More tourists mean more revenue for the tourism, hotel, and transportation sectors. Additionally, Seth (T-B) indicated that hotels rooms were occupied and restaurants were filled due to increased numbers of tourists during this season. Apart from attracting the tourist market, the interviewees mentioned several times that the MC gave Pulau Duyong and Terengganu international exposure to a different group of people who are 'marine orientated', such as sailors.

#### Social benefits of the MC to the community

In terms of the social benefits, half of the interviewees stated that the MC had increased the standard of living of the community. Razak (FG) indicated that some residents had renovated their houses so that they would look pleasant to the spectators. Some residents have moved into the new low cost apartments built by the government at the same time as the infrastructure development for the MC. Currently, the government is building phase two of the apartments because the demand has been very good from local residents.

They also mentioned that the event had increased community wellbeing with better facilities such as new jetties and wharves, better roads, and a more organised and cleaner village. The river mouth is now clean and deep, and more convenient for fishermen. Seth (T-B) also suggested that community wellbeing had increased because of increased economic prospects for the local residents.

Several of the interviewees stated that the community had become more united due to the excitement and enjoyment for their family and friends during the event. As Herman (FG) commented, "I think it does bring the feelings of excitement to the community when they have festivals such as the side events of the Monsoon Cup when the whole village can participate and unite to enjoy themselves."

## Economic benefits of the MC to the community

Most of the interviewees stated that this event had encouraged economic growth by providing more business opportunities, increased income and revenue for the local community. According to Razak (FG), the even has increased business opportunities for the locals who come to sell local products at the marina's exhibition hall. Thus, this has increased their income and revenue, especially for those involved in business. Comments from two interviewees, Zaman (T-B) and Yusuf (FG) demonstrated similar perspectives that the MC had increased income for those who knew how to take advantage for it, for example, by selling merchandise related to the MC or Pulau Duyong. However, they further commented that only a few people took advantage of this opportunity during the first years of the event.

Half of the interviewees reported that the MC promoted the tourism industry and created more tourist activities in Terengganu. Yusuf (FG) stated that the live telecast worldwide had brought more attention to sport viewers about Pulau Duyong and Terengganu.

Furthermore, many interviewees also mentioned that the MC provided job opportunities for the local community of Pulau Duyong. One interviewee at T-Best Event confirmed that many workers at the marina and resort during the MC actually came from Pulau Duyong. Nevertheless, several interviewees believed that only a few qualified residents had been offered jobs at the marina and the resort, such as chambermaids, waiters/waitresses, stewards and boat repair servicemen.

The last economic benefit of the MC was an increase in boat sales. Presently, there are only four boat making firms left at Pulau Duyong compared to 35 boat making firms in the 1970s. This is because the boat business had decreased. However, since the organisation of the MC, the organisers stated that several of the boat makers have received new orders to make boats from individuals living in Singapore and Germany. As a result, the income from the boat sales had helped to increase the economic prospects of the boat makers.

### Economic cost of the MC to the community

When the interviewees were asked about the economic cost of the MC, most of them disclosed that the MC project was a waste from the aspect of development as the expenditure on this event was very high. Seth (T-B) admitted that the infrastructure cost to build the marina such as dredging, forming the harbour mouth, and building the fishermen's wharves was large. Then, he expressed his disappointment with the residents and stated, "Unfortunately, people have been thinking that this cost is the cost of running the event, which is not true. They mixed up the event costs with the infrastructure costs." Seth (T-B) commented that the residents should appreciate that this event promoted Pulau Duyong and Terengganu on the world map, and this will eventually create good economic impacts in the long run. Interestingly, however, one organiser Khalid (SG) agreed with the residents about the high cost of organising the MC each year.

### Organisers' belief that the MC was mostly beneficial

Almost all of the organisers believed that this event was mostly beneficial. As Tahir (SG) commented, "More benefits than costs. You lose some, you gain some." Tahir was then asked to define the meaning of his statement. He stated that not every stakeholder could obtain all the benefits that they required. Every government project would have its advantages and disadvantages. Some people would oppose and some people would support any particular project. Iliyas (T-B) stated that the MC would be viewed as mostly beneficial if the community knew how to take advantage of this event. On the other hand, two interviewees stated that this event was costly. As Ahmad (SG) commented, "My personal view is that the Monsoon Cup is not beneficial to the people of Terengganu."

#### Findings from the Residents of Pulau Duyong

This topic provided insights into the resident's view about the benefits and cost of the MC. The main themes for this topic are the benefits of the MC, the social costs of the MC, the economic costs of the MC, and that the MC is most beneficial.

## Benefits of the MC

With regards to the benefits of the MC, half of the interviewees held similar views that the MC event has had a positive impact on the tourism industry by promoting Terengganu. However in recent years the event had only provided a small impact on tourist arrivals. According to Rashid, not many spectators came to watch the event from 2008 onwards, while there had been many spectators previously from 2005 to 2007.

Additionally, respondents noted that very few foreign and domestic tourists came specifically for the MC because it was held in the monsoon season when there is heavy rainfall. As Imran (politician) commented, "Only local people from Kuala Terengganu come to watch the MC event and it is because the event is held during the school holidays. So, the impact on tourist arrivals is just for one week only."

However, many expressed the view that the actual impact of tourist arrivals and international sailors will be seen over the long term. Many shared similar views that Pulau Duyong was becoming better known because of the international broadcasting of the MC event. As Faridah (a banker) stated, "Tourist arrivals increased because Pulau Duyong is promoted to foreign countries."

In addition, the MC had helped to develop the infrastructure of Pulau Duyong, including new roads, public facilities and new jetties, and as a result the MC event has improved the image and appearance of Pulau Duyong. Several also stated that local residents received more income during the week that the MC was held. Business owners at Pulau Duyong, in particular, supported the event because their income increased during this time. Fahmi indicated that there was a small return in terms of economic profit because if it had not been for the MC, people would not come to Pulau Duyong even if they were from Kuala Terengganu. As Malik admitted, "Yes, during the Monsoon Cup I received more business revenue." Besides the small income obtained by business owners at Pulau Duyong, some residents received additional income when they had participated in the 'Sales Carnival' in the early years of the event. As Syima (retailer) mentioned in terms of her involvement, "I can get some income at the side event by selling things at the Sales Carnival stalls."

Before 2008, the organisers had invited one handicraft maker to exhibit, promote and sell his boat replicas at the marina's exhibition hall during the MC event. One of the chosen exhibitors was Rashid (sailing industry) who stated, "I was invited by the organisers and proud to exhibit my boat replicas. I was one of the traditional model boat makers at Pulau Duyong." However, there were only a few visits from spectators to the boat making premises at Pulau Duyong and very few boat sales. Zaki (ship and boat building industry) expressed his disappointment in these terms, "The people from the Government such as the Prime Minister came to see me and brought some foreigners to see how I make boats. Many people came just to see how I make boats, but did not order boats from me, ha...ha...(laugh). "Nevertheless, Zaki mentioned that he did receive several orders from the State Government to make some traditional sailing boat

replicas for the National Museum, MARA and the Handicraft Association. The State Government has also purchased some boats from Zaki to be used as a transportation service from Pulau Duyong to Kuala Terengganu's Jetty.

Apart from promoting the traditional boat making to local and foreign visitors, several residents stated that the MC had helped to promote traditional boat making among the local institutions. As Ariffin stated, "Giat MARA institution sent some students to learn how to build traditional boats from the boat entrepreneur at Pulau Duyong."

#### Social costs of the Monsoon Cup

There were several social and economic costs from the event that local residents were concerned about. With regards to the social costs, at the beginning of the event the community was worried about the negative social impact of the MC because a long time ago this island was a place where people such as the previous Sultans came to learn about Islam. Some religious teachers built an Islamic school there many years ago which was famously known as 'Kota Lama Duyong'.

Several noted that foreign cultures have had a bad influence on local youth and this has affected the Islamic identity and image of Pulau Duyong. A few residents stated that some locals had drunk alcohol during the official ceremony because many empty beer bottles were found at the river bank. As Hasmah disclosed, "The young people are influenced by the westerners' culture from all aspects such as the way they talk, think, behave, and also the way they dress." Jalil indicated that the residents had not seen this kind of behaviour before the MC event was held. He commented that these incidents should not be happening as it had affected the Islamic image of Pulau Duyong.

#### **Economic Costs**

In terms of economic costs, several residents felt that outsiders gained most of the economic benefits from the event. For example, in recent years the Sales Carnival's stalls were not located at Pulau Duyong but in Shah Bandar at Kuala Terengganu's waterfront. The organisers explained that this was because there was insufficient space in front of the marina at Pulau Duyong due to the construction site allocated for building additional low cost housing. Therefore, the people from Kuala Terengganu and other districts had greater opportunities to rent stalls than did residents from Pulau Duyong.

The next economic cost mentioned was related to the high rental cost of one stall at the Sales Carnival. Jalil commented that while the rental cost of one stall was between RM1,000 and RM2,000, while the Duyong people only sold food and drinks. The small income they gained from these sales was not worth it when compared with the amount

that they had to pay out for rent. In addition, Rashid also commented that exhibitors had to pay RM5,000 for one exhibition space in the reception area. However, during the early years of the event, and because of his particular expertise, he was invited to exhibit and promote his boat replicas by the organisers at no charge.

Moreover, the analysis of the interviews also indicated that the cost of building infrastructure like the marina and resort was very high, and reported to be RM300 million. As Omar commented, "...the costs of building the marina are millions which was illogical." Additionally, the respondents also spoke about the high cost of organizing the MC event each year, that is, between RM20 to RM30 million. Several felt that the government should do other projects that would bring greater benefits to the people, because the outcomes from the MC each year were not worth the cost of organising the event. As Salih commented in aggressive tone, "The State Government spent big expenses on the first Monsoon Cup, millions!"

As mentioned previously, the cost of renting a boat for training purposes and to enter the National and Asian sailing competitions is very high. According to Jamal, it costs RM400 per day to rent a boat for training purposes. Furthermore, youngsters have to pay their own fees to join the Sailing Academy. As Jamal further explained, while the youth of Pulau Duyong were given the opportunity to learn sailing, it was too expensive, "Youngsters between the ages of 13 to 17 were offered lessons to learn sailing at Putra Jaya Sailing Academy but they have to use their own money to pay the fees (laughs)."

#### The Monsoon Cup is mostly beneficial

An overall analysis of the benefits and costs reported that respondents mainly were in agreement that the MC event mostly beneficial. This was because the benefits outweighed the costs. However, several interviewees felt that this event was too costly. They were concerned about the benefits of this event which were not in balance with its costs. As disclosed by Imran, "So, I would say that this event is mostly costly because the costs outweighed the benefits." Hakim further disclosed that the residents felt dissatisfied as they could not become involved and received few benefits from the event. This was one of the main reasons that they stated that the event was too costly.

#### **Discussion**

The study findings supported the belief that the MC promoted the tourism industry of Terengganu via live telecasts that has created increased interest from sport viewers worldwide about Pulau Duyong and Terengganu. This finding is similar with the results of

Cheng and Jarvis (2010) who found that 94% of the residents in Singapore agreed that the F1 Grand Prix held in 2008 enhanced the overall image of Singapore among international visitors. The organisers had stated several times that the MC had provided international exposure for a new market of marine oriented people, specifically sailors from around the world.

On the other hand, residents disclosed that the MC event only had a small impact on tourist arrivals. The residents revealed that no foreign or local tourists came specifically for the Monsoon Cup because it is held during the monsoon season. Moreover, Rashid commented that currently, not many spectators came to watch the event compared to the period 2005 to 2007. However, some residents believed that the actual impact on tourist arrivals will be stronger in the long term. Imran, a resident, explained this with his statement, "Only local people from Kuala Terengganu, so I guess there is no big impact on tourist arrivals. The impact is just for a week of the event and moreover because it is held in the school holidays." These findings from the residents have contradicted the statements reported by the organisers that the number of tourists has increased year by year.

## Economic benefits of the MC to the community

The study findings based on the organisers' comments showed that this event had promoted economic activities such as providing business opportunities and increased income and revenue for the local community. These findings were supported in previous studies such as by Gursoy and Rutherford (2004) and Purdue, Long and Allen (1990) that mega events generate and improve the local economy as well as promoting more business for local people (Cheng & Jarvis, 2010, Nunkoo & Ramkisoon, 2011).

In addition, the study findings based on the organisers' comments stated that the MC event can increase the income for those who know how to take advantage, such as by selling souvenirs related to the MC and Pulau Duyong. Several studies have also high-lightened benefits in the form of increased employment and additional sources of income (Deccio & Baloglu, 2002; Getz, 1997; Liu &Var, 1986; Long Purdue & Allen, 1990; Milman & Pizam, 1988).

Conversely, the residents stated that they only received a small increase in income during the week that the MC event was organised, and this was only for business people. This increase was mainly received in the beginning years of the event. It was when the local community participated in the exhibition and sales carnival at the marina. As Malik admitted, "Yes, there are benefits in terms of an increase in business revenue

and income during the week of the event." The above findings were also supported by Mitchell and Reid (2001) about local people of Peru who felt that they would increase their earnings if they played a greater role in the participation of tourism activities.

The study findings from the organisers also demonstrated that the MC provides job opportunities (Cheng & Jarvis, 2010, Nunkoo & Ramkisoon, 2011) for the local community of Pulau Duyong. However, the organisers' findings contradict the findings of the residents that not many job opportunities were offered to the local community of Pulau Duyong. This is because they did not have the appropriate qualifications.

The final economic benefit indicated by the organisers was the discovery of new benefits which were associated with the boat making industry. The new findings stated that there was an increase in boat sales and income for boat makers as they had received new orders to make boats from Singapore and Germany. In contrast, findings from residents found that there were few benefits for the boat making industry at Pulau Duyong because there were only several visits from spectators to the boat making premises at Pulau Duyong and very few boat sales. It can be argued that low attention to the boat industry was due the fact that very little promotion was made to spectators and participants by government officials. A famous traditional boat maker Zaki at Pulau Duyong commented, "The government people like the Prime Minister brought some foreigners to see how I make boats, but they only came to see how I make the boats, but did not order boats from me...ha...ha...(laugh)."

However, Zaki further explained that he had received several orders from the State Government to build some boats to be used for transportation purposes and to build some traditional boat models for the State's Museum, MARA, a Citizen Trust Body and the State's Handicraft Association, and were not for trade purposes. Nevertheless, findings from the residents indicated that the Monsoon Cup event only promoted the boat building industry among local institutions. As a result, these local institutions had sent several students to learn to build traditional boats from the boat entrepreneur at Pulau Duyong.

#### Social benefits of the MC to the community

The organisers believed that the MC had increased the standard of living of the community through living in more convenient houses and low cost apartments. On the other hand, some residents commented that the apartment was built as part of a development project for Pulau Duyong and not in conjunction with the MC.

The event had also increased community well-being such as improving their quality of life (Milman & Pizam, 1988, Perdue et al., 1990) through better infrastructure and facilities such as new jetties and fisherman wharfs, better roads, better organised and cleaner villages. The river mouth is now cleaner and deeper and more convenient for fishermen. These findings were similar to the studies by Kim et al. (2006) and Nunkoo and Ramkisoon (2011) who concluded that mega events encouraged better facilities and improved infrastructure.

The most important social benefits stated by the organiser were that the community had united to share the excitement and to enjoy the event. However, the residents mentioned that they only felt the excitement and enjoyment of the event during the early years, particularly, the second, third and fourth years because residents participated in the side event, the 'Monsoon Carnival'. This was similar to findings by Cheng & Jarvis (2010) who stated that for F1 Singapore Grand Prix, there were many activities and entertainment before, during and after the F1 season. Bull and Lovell (2007) also felt that the side event for example the 'Tour de Fun' encouraged people to look at the main event of the 'Tour de France' as something very special. Bull & Lovell suggested that the side event is a necessary part of the 'charm offensive' in establishing resident support and helped to ultimately create a 'feel good' factor about the main event.

# Resident's views about the costs of the MC

The findings from the residents revealed that they perceived the high cost of building infrastructure for the MC event such as the marina and resort. As a resident, Hafiz mentioned, "I heard the cost is RM300 million." The organisers agreed and understood the residents' opposition toward the MC project because the expenditure on this event was high and it was regarded as a waste from the aspect of development. As one organiser, Musa noted, "The community resists this project due to its huge infrastructure development cost."

The residents further stated that the cost of organising the MC each year was very high. Several interviewees suggested that the government needed to undertake other projects that could bring more benefits to the people, because the financial outcome from the MC each year was not worth the cost of organising the event which was between 20 to 30 million. These findings were supported by research by Cheng and Jarvis (2010) who argued that residents were against the investment in hosting the F1

Grand Prix, Singapore which they felt could have been better spent on other areas such as social welfare.

The organiser admitted that the infrastructure costs to build the marina such as dredging, forming the harbour mouth and building the fisherman wharfs was a large expenditure. Khalid, an organiser agreed with residents on the high costs of organising it, when he commented, "No cost except for the high cost to organise it...ha...ha...ha... (laugh)."

A number of residents had complained about the high rental costs for a stall at the sales carnival and exhibition space at the marina. The residents stated that they could not afford to pay the rent for a stall at the 'Sale Carnival' at the Kuala Terengganu's Waterfront. The small income that they gained from their sales of food and drinks was not worth the effort due to the large amount that they had to pay for rent. Several residents also stated about the cost of renting one exhibition space inside the marina's exhibition hall which was very expensive. As a result, they could not take part in the exhibition at the marina during the MC event. Rashid, a local resident agreed with his statement, "Now, we cannot afford to pay RM5,000 for one exhibition space. Before, this we were invited to the exhibit to promote Pulau Duyong's own traditional boat replicas."

Despite this, organisers and residents have mostly agreed that the MC event was beneficial. According to Talib, one of the residents, "Even though there is not much benefit, the event but still there is more positive than negative impacts." The organisers also stated that the organisation of the MC event had some advantages and disadvantages; however it depends on how the community takes advantage from the MC.

It can be summarized that overall, the organiser's views about the benefits and the costs of the MC were mainly positive when referred to its social and economic benefits. With regards to residents' views about the benefits and costs of the MC event; it can be summarized that the event had resulted in positive impacts on the tourism industry, more income and an improved image and appearance of Pulau Duyong. However, there were some social and economic costs that emerged from the interviews, in particular the high cost of building the infrastructure and organising the MC event each year, as well as charging high rental costs.

#### Conclusion

It can be concluded and confirmed that comparison of residents' and organisers' views of the benefits and costs is theoretically important so as to examine their agreement and disagreement on certain issues. In this study, the organisers and residents mostly disagreed with each other about the benefits and costs of the Monsoon Cup event. They only agreement was that the event was important for promoting Pulau Duyong internationally, and that the impact of tourist arrivals in Pulau Duyong was to create a sailing destination which is a long term strategy. The most significant disagreement between stakeholders was the benefits associated with the boat making industry. The organisers reported that the event had increased boat sales and income for boat builders. On the other hand, the residents, specifically the boat entrepreneurs reported that there had been very few sales conducted. In terms of the feelings of fun and excitement associated with the event, the residents mentioned that they only felt excited in the early years of the event when they participated in the side event activities. Both groups agreed that the Monsoon Cup event was overall more beneficial, than not. It can be seen from these findings that both stakeholder groups' agreement and disagreement about the issues regarding the benefits and costs can contribute to extensive information and solutions on how to increase the benefits and lessen the costs of any event organizations.

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