

# Chapter 11

## The Impact of Music Festivals on Local Communities and Their Quality of Life: Comparison of Serbia and Hungary



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**Abstract** Music festivals are often seen as the key drivers of cities economy, and hence there is an increasing interest in the numerous benefits and costs associated with hosting them. The local governments and event organizers usually focus on the economic benefits, but the social impacts may have an even more profound effect upon the quality of life of local community. Moreover, quality of life research has been well explored in medicine, psychology, and the social sciences, although it has received very little attention within festival studies (Andereck KL, Nyaupane G, Development of a tourism and quality-of-life instrument. In: Budruk M, Phillips R (eds) *Quality-of-life community indicators for parks, recreation and tourism management*, vol 43. Springer, Dordrecht, pp 95–113, 2011). Therefore, the aim of this paper is to explore the social impacts of two famous European music festivals EXIT in Serbia and SZIGET in Hungary on their communities. The research was inspired by the previous work of Delamere (Development of a scale to measure local resident attitudes toward the social impact of community festivals. Faculty of Physical Education and Recreation, Edmonton, 1998, *Event Manag* 7:25–38, 2001) who developed the Festival Social Impact Attitude Scale (FSIAS). The results indicate that social impacts have two main dimensions, social benefits and social costs. In addition, residents perceived more social benefits than social costs of the festivals in both countries. The findings have practical implications for the local authority and festival management such as acknowledgement of residents' opinion towards impacts of festivals on their quality of living and, consequently, their willingness to support the organization of the event that, in long term, influence overall sustainability of the festival.

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## 11.1 Introduction

Events are one of the fastest growing segments of tourism industry that yield profound impacts on economy, environment and society at the individual level, the community level, and the regional level. (Arcodia and Whitford 2006; Bagiran and Kurgun 2013; Dragičević et al. 2015; Getz 1997; Loots et al. 2011; McDonnell et al. 1999). Since festivals are not dependant on the natural resources and cultural heritage of the destination, they can be developed more easily than other forms of travel and tourism. With the potential for the fast commercialization and, hence, economic revitalisation, the festivals represent “quick wins” for many destinations (Getz 2008) and of urban reconstruction strategies for deindustrialised cities in many countries around Europe (Richards 2000). Events and festivals are often seen as the main feature of modern urban economies (Bole 2008; Montgomery 2007). They are organized for several reasons including preserving local culture and history, providing recreation and leisure opportunities for residents as well as for visitors, enhancing the local tourism industry, changing destination image to make it more appealing and representative of the quality of life etc. (Richards 2000). To gain local support, festivals and events are increasingly used by governments as a platform for economic development, and costs related to event are justified in terms of the economic impacts that the event brings to their host region (Burgan and Mules 2000).

Further, festivals are part of city’s creative industry which affects local community’s everyday life and provide special experience for visitors as well as local population. They add life to city, give citizens renewed pride and could improve city image (Richards and Wilson 2004; Van den Berg 2012). Also, festivals reinforce social and cultural identity and help to build social cohesion by reinforcing ties within a community (Gursoy et al. 2004). Bowdin et al. (2006) add that social and cultural impacts of festivals may involve shared experience, validation of groups in the community, widening of cultural horizons or creating new and challenging ideas for community development. However, different social issues can emerge from hosting events and affect quality of everyday life of community such as: loss of amenity due to noise or crowds, resentment of inequitable distribution of costs and benefits, risky sexual behaviors, abuse of alcohol and drugs, conflicts with visitors arriving at festival, xenophobia, commodification and exploitation of culture and traditional ways of life, threats to traditional family life in host communities etc. (Saayman 2000).

Since festivals have a wide range of impacts on their hosting communities’ everyday life and can provide both tangible (such as additional income, jobs, tax revenues for locals) and intangible benefits (such as community pride, enhanced image of the place), this chapter aimed to reveal the impacts of two famous European music festivals EXIT in Serbia and SZIGET in Hungary on their host communities.

The object of the present work is to examine the social consequences of music festivals experienced by community of Novi Sad (Serbia) and Budapest (Hungary)

and to compare the events' impacts across two countries in order to reveal how these events' impacts locals' well-being and quality of life.

This study is important because it contributes to knowledge of social impacts of events on host communities and their well-being as in many countries, especially in emerging ones such in the case of Serbia and Hungary social impacts of events are empirically still under-researched. More importantly, in planning and organizing festivals and events the role of local community is often marginalized and local governments often make the crucial decision of whether to host the event without adequate community consultation. Bowdin et al. (2006) stated that local communities often value the 'feel-good' aspects of events, and are willing to accept temporary inconvenience and disruption because of the excitement and the opportunities which they generate, as well as long-term expectation of improved facilities.

As local residents' perception toward these (social) impacts and the amount of perceived control residents have over these impacts play a crucial role in community acceptance or rejection of the festival (Delamere 1999) it is of vital importance for the destination practitioners and event managers to acknowledge residents' attitude toward these impacts to maximize benefits and minimize negative unintended festival outcomes on the community (Small and Edwards 2003).

## 11.2 Literature Review

### 11.2.1 *Impacts of Events on Local Community*

Although there are evident changes in community's quality of life specifically during the hosting of a festival, quality of life concept has received very little attention within festival studies. Quality of life is hard to uniformly define (Godfrey 2002), due to the broad conceptualization that imply contribution of some determinants that improve people's social, economic and environmental welfare (Veenhoven 1996). Authors Rahman et al. (2011) argued that eight factors should be considered when measuring the quality of life including family and friends' relations, emotional well-being, health, material well-being, belonging to local community, work and activity, personal safety, and quality of environment.

Slightly simplified measurement tool, the WHO's instrument proposes a four-dimensional structure of well-being impacts including their physical, social, psychological, and environmental domain that can be measured at the individual level, the household level, the community level, and the regional level (Andereck and Nyaupane 2011).

Pfritzer and Koenigstorfer (2016) conducted a study at the individual level to assess the changes in quality of life of host city residents over the course of hosting a mega-sport event until 3 months after the event. They looked at individual changes of quality of life, considering the WHO's dimensions of quality of life. Moreover, they considered perceived atmosphere as one variable that might influence how residents rated their quality of life during the hosting of a mega-sport event referring

to the four dimensions abovementioned. The results of the study showed that there was no change in quality of life with respect to physical, social, psychological, and environmental health for all participants during the event. However, residents who perceived a positive atmosphere rated the social and environmental domains of quality of life more positively right after the end of the event.

More generally, the relevant event studies groups festival impact into economic, environmental, socio-cultural and political categories (Arcodia and Whitford 2006). It is important to bear in mind how these impacts are perceived by the local community as it may improve community quality of life and increase support for the festival.

Most literature and studies written on the festivals give special importance to **economic** impacts (Anderson and Solberg 1999; Dwyer et al. 2000, 2006; Herrero et al. 2006; Jackson et al. 2005; Long and Perdue 1990; Mules and Faulkner 1996; Richards 2000). Also, local authorities and festival organizers usually focus on the economic benefits of attracting as many visitors as possible, since festivals play a significant role in local tourism development. On a positive note, economic impacts of a festival reflect in its' capacity to generate increased revenues and job opportunities for residents (Dwyer et al. 2000). Also, they can contribute to development of service, culture and entertainment industry, as well as promotion of the destination which further could encourage investment activities in region and tourism development. But, there are several negative economic impacts of festivals, such as higher prices of basic services, higher costs of communal services (more litter), residents' exoduses and interruption of normal business (Arcodia and Whitford 2006; Dwyer et al. 2000). All these impacts of festivals affect quality of life of hosting community.

There is no doubt that the economic impacts of festivals are important, but the social impacts may have an even more profound effect upon the local community's everyday life (Delamere 1998; Fredline et al. 2003). However, recently there has been growing interest in studying the non-economic impacts of the events on residents in academic circles (Arcodia and Whitford 2006; Bagiran and Kurgun 2013; Dragičević et al. 2015; Loots et al. 2011; Robertson and Wardrop 2012). In this respect, Deery and Jago (2010) stated that understanding the social and environmental impacts of events became both a practitioner and academic priority.

**Environmental** impacts associated with festivals could be different. In some cases, unique physical characteristics of host destination could be an advantage in (place) marketing festival. For example, EXIT festival is held on the Petrovaradin fortress which is protected cultural heritage and presents the symbol of the city of Novi Sad. But on the other side, those same environmental attributes could be endangered due to substantial number of festival visitors and participants. Environmental damage, degradation of green areas, noise and overcrowding during festivals affects quality of everyday life of residents. In some destinations, specifically industrializing cities, festivals have contributed to urban renewal, through redevelopment of old and unused venues. Also, due to organizing diverse types of events on destination and considerable number of visitors, tourism,

communal and traffic infrastructure could be improved, which further enhance quality of life of local community.

Social impacts are mainly related to host community opportunity to get involve with other nations and trough multi-national encounter learn about foreign cultures, customs, heritage, music and language (Gondos 2014). The highest form of interaction between residents and foreign tourists is the creation of a desire to share knowledge and experience, and creating an atmosphere in which local people will be intrigued to visit the country of foreign tourists, and tourists have the desire to re-visit destination or promote it (word of mouth) (Armenski et al. 2011). The quality of interaction between tourists and residents contributes to both tourists experience and perception of the visited destination and acceptance and tolerance of tourist by residents. Furthermore, the acceptance and tolerance of tourists by residents has been acknowledged also to be vital for long-term successful of destination development (Thyne et al. 2006).

The social interaction between host community and festival goers also helps to achieve the mutual understanding, co-operation between host country and countries of festival goers' origin as well as to improve international recognition that might have implication on foreign policy and international relations (Mings 1988). These outcomes of events might have political implications for the community and country in general.

### ***11.2.2 Social Impacts of Events on Local Community***

Deery and Jago (2010) in their paper on social impacts of events pointed out that examining the social impacts of events on communities is significant for numerous reasons and these effects either positive or negative have much more potential to interrupt the everyday life of a community than does “normal” tourism for a brief period. They grouped positive impacts of events on communities into two categories: “social and economic impacts” (such as increased employment and standard of living, economic and entertainment benefits of events) and “longer term impacts” (such as enhanced community image and pride, preservation of local culture, increased skill base, new facilities). They add that the most successful long-term events are seen to promote the host destination and enhance community pride; therefore, community pride should not be overlooked. Dwyer et al. (2000, 185) write about “psychic income”, as a positive impact of events, which refers to civic pride which entails opportunities of home hosting and socio-cultural interaction.

In contrast, two groups of negative impacts of events are formed: “inconvenient” dimensions of the event which usually contribute to short-term irritation (noise, crowd, traffic and parking problems, disruption of normal life) and “ASB” group or anti-social behaviour, which is very common on events such as music festivals, and includes drunken, rowdy and delinquent behaviour (Deery and Jago 2010; Lundberg 2015; Van Wynsberghe et al. 2012; Ziakas 2016).

In literature, the range of impacts generated by the event on a host community could be found, but there is still little research about some aspects of negative impacts on the community's attitude towards the event itself, particularly about anti-social behaviour. Deery and Jago (2010) highlighted that anti-social behaviour (ASB) has the potential to threaten the positive impacts of events on a host community and that the consequences of the ASB impact could seriously damage the image of an event in the eyes of the residents (but also the image of destination in the eyes of visitors) and reduce their pride, and further community support for an event could be reduced. Negative impacts such as crowding or traffic jams do not receive the attention of either the community or the media in long term, it is the ASB which receives attention and damages the event, the community everyday life and the destination's image. Safety and security at destination are critical issues for residents' quality of life, as well as for tourists. Therefore, local authorities and tourism industry leaders need to manage ASB impact to maintain resident support and the attractiveness of the event among both locals and visitors. However, Arcodia and Whitford (2006) noted that festivals are primarily social phenomena with the potential to provide a variety of predominantly positive social impacts which further affect quality of life of local residents.

Research with focus on residents' perception regarding the impacts of festivals across different socio-demographic variables such as age, gender, education, occupation, household income is somewhat limited. Tosun (2002) found that residents in Central Florida with higher incomes showed higher levels of support for tourism than did those with lower incomes. In their study about social impacts of rural cultural festival in Texas Woosnam et al. (2013) found that long-time residents and long-time festival visitors indicated a higher degree of agreement with festival positive impacts to the community than did those who had not lived in the community as long.

Arcodia and Whitford (2006) noted that festival raises awareness and encourage a more effective use of community resources and expertise, contribute to development of social networks during organization of festivals which can be maintained even long time after festival ends. Also, festivals provide opportunities for training and development in a variety of skills for residents who are involved in organization of festival contributing to community well-being. Festivals impact positively community's quality of life by providing an opportunity to run away from daily routines and to socialise with family and friends within the larger community (Earls 1993). Like other researchers, Arcodia and Whitford (2006) discussed a range of negative socio-cultural impacts of festivals on the host community, but they also point out the role of festival management in determining social impacts on community, while enhancing benefits and minimizing social costs. Collaboration with community and consultation before, during, and after the festival are necessary to provide community well-being and support for the festival in long terms.

Gursoy and Kendall (2006) stated that community support for festivals is affected directly and/or indirectly by the level of community concern, eco-centric values, community attachment, perceived benefits, and perceived costs of the festival. In

other words, the greater positive impacts or benefits of the event, the more positive and more supportive the host community will be. Loots et al. (2011) noted that the community will be more attached to an event if there is a positive connotation linked to event. They add that identification of the factors which influence community support can help the festival management in the planning and marketing festival as local support and consultation are likely to increase and prolong positive impacts on the local community and further will affect quality of residents' life. However, they conclude what is applicable to one event it is not necessarily of importance to the other events. Therefore, it is necessary to conduct research in the community where the festival is held and then results should be used by festival management and local government to improve community well-being and gain support for the specific festival.

### ***11.2.3 Measuring Social Impacts of Events on Local Community***

In recent years practitioners and academics have understood the value of the social and environmental impacts of events and, consequently, research into these areas has grown. Getz (2010) identified three main trends in studying festivals: the analysis of their influence on culture and society based on anthropological and sociological research, then studying economic issues and the analysis of festival organization and management. Studies regarding the impacts of festivals on the society may be grouped as studies dealing with motivation of festival visitors (Crompton and McKay 1997; Uysal et al. 1993), studies regarding the festival visitors' satisfaction (Mohr et al. 1993), studies referring to socio-demographic characteristics of festival audience (Formica and Uysal 1996; Peterson 1992), those describing the behaviours of the organizers or festival management (Molloy 2002; Saleh and Wood 1998) and researches on the perception of festivals by the host communities (Delamere 2001; Delamere et al. 2001; Gibson and Davidson 2004).

Deery and Jago (2010) noted that the aim of the previous research on social impacts of events on communities had been mainly focused on the development of scales to measure the social impacts of events on communities, testing measurement scales on resident perceptions and comparative studies of the social impacts of events (pre-and post-event studies). Adapted from the work Deery and Jago (2010), Table 11.1 summarised most frequently used scales to assess the social impacts of events.

Except for the work of Kim et al. (2006), there has been a lack of comparative studies among countries or regions that are hosts of events (like Olympic Games) and festivals of similar program, audience etc. This kind of comparative study would be interesting specifically in the context of post-communist countries in Central and Eastern Europe, like in the case of Serbia and Hungary, and hence could have theoretical as well as practical contribution.

**Table 11.1** Measurement scale of events' social impacts on host communities

Authors	Scale	Research Settings	Measurement Scale characteristics	Research Conclusion
Delamere (1998), Delamere (2001), Delamere et al. (2001), Rollins and Delamere (2007)	Festival Social Impact Attitude Scale (FSIAS)	Edmonton fold festival, Alberta, Canada	Valid, reliable instrument. Sub-factors: Community and cultural/educational benefits and costs.	FSIAS can be modified to suit community, client and research needs.
Small and Edwards (2003), Fredline et al. (2005)	Social Impact Perception (SIP)	Cultural event (Australian Festival of the book)	Smaller scale reliable and valid.	Important to examine nonoccurrence of impacts.
		Australian Open Tennis (Melbourne)	Two cluster groups of unconcerned and positive.	
Fredline et al. (2003)	Modified FSIAS	Aust Grand Prix, Melbourne	Six factors: social/economic developments, injustice/inconvenience, facilities, bad behavior and environmental impacts, longer term impacts, price of goods and services	
		Moomba, Horsham Art		
		Ist festival		
Wood (2005)	Four surveys (repeated)	Blackburn (UK)	Scale items valid/reliable.	Civic pride found to be an important impact of events.
Fredline and Faulkner (2000)	Survey, cluster analysis	Gold Coast Indy, Australia	Five clusters: ambivalent supporters, haters, realists, lovers, concerned for a reason.	

Source: Adapted from Deery and Jago (2010)

## 11.3 Research Methodology

### 11.3.1 Research Cases of Exit and SZIGET Music Festival

The second largest city in Serbia, Novi Sad is the economic, political and cultural centre of Vojvodina province. Since 2000, population of Novi Sad is constantly growing, reaching 270,500 inhabitants in 2015, including surrounding suburbs Sremski Karlovci, Veternik, Futog, and Petrovaradin (Statistical Report, Republic of Serbia, 2015). The urban centre is mainly inhabited by Serbs (78.8%), but has a diverse ethnic composition with an increasing number of Hungarians (3.9%), Slovaks (2.0%), Croats (1.6%) and Romanians (1.1%). The population of Novi Sad



was on average 39.8 years old, with men slightly younger (38.3) than females (41.2). In 2015, the average size of household was 2.63. The inhabitants of Novi Sad were predominantly employed in manufacturing, agricultural, forestry and fishing industries while unemployment rate accounted for 17.1% in 2015.

Although numerous media and government have pointed out that Exit has significant impacts on Serbian economy, tourism industry of the city and Novi Sad image, there is a lack of research on this festival and its impacts in the academic circles in Serbia. There is a lack of research with a focus on social impacts of Exit festival on local community and its' quality of life, even though it is considered that Exit has a strong social mission.

Exit is a summer music festival held annually at the Petrovaradin fortress on Danube in the city of Novi Sad, Serbia. It started as a student movement fighting for democracy in Serbia and the Balkans. The festival was founded in 2000 when lasted for 100 days. The "zero" Exit was local event, and already in 2001 it became one of the most prominent music festivals in Europe. Festival lasts for 4 days the first weekend in July (from Thursday to Sunday). Exit won the "Best Major European Festival Award" on European Festival Awards 2013 as well as the "Best European Festival" award at the UK Festival Awards in 2007. It was ranked top 10 best major festivals at European Festival Awards 2009, 2010, 2011, 2012 and 2013 and one of the 10 Best Overseas Festivals at UK Festival Award 2014. Exit was officially proclaimed as the "Best Major European Festival" at the EU Festival Awards 2014. More than 2.5 million people from over 60 countries around the world have visited the festival so far. Many global media such as CNN, BBC, MTV, Guardian, the Sun, Euronews promote Exit as one of the leading music festivals in the world ([www.exitfest.org/en/about-us](http://www.exitfest.org/en/about-us)).

With about 1.7 million inhabitants and more than 3 million of tourists in 2015, Budapest is the most inhabited city in Hungary and one of the largest cities in the European Union. This urban area populates predominantly Hungarians (80.8%), Romani (1.1%), Germans (1.0%), Romanians (0.4%) and other ethnicities (17.5%) (Census Statistics 2016). The average age of the resident population recorded in 2016 was 43. The annual unemployment rate accounted for 6.5% (Hungarian Central Statistical Office 2016).

Starting in 1993, Sziget festival became one of the largest music and cultural events in Europe. It is held every August in northern Budapest, Hungary, on the "Old Buda Island" on Danube. Likewise Exit festival, it has grown from a student event in 1993 to become one of the prominent European festivals, with about half of all visitors coming from outside Hungary, especially from Western Europe. The festival attracts almost 400,000 visitors from over 70 countries, providing a complete festival-holiday experience with live concerts, a widely international community and all touristic features the city should offer. It lasts for 7 days with approximately 50 program venues and around 200 programs daily. Sziget is not just about music, as it offers other **cultural programs**, like theatre, circus, or exhibitions ([http://szigetfestival.com/\\_/info/about](http://szigetfestival.com/_/info/about)). In 2011, Sziget was ranked one of the five best

festivals in Europe by The Independent. The 2011 festival won the European Festivals Award in the category *The Best Major European Festival* in early 2012.

### 11.3.2 Survey Design and Data Collection

The scale used in the study was inspired by the previous work of Delamere (1998, 2001) who developed the Festival Social Impact Attitude Scale (FSIAS). Original FSIAS scale comprises of 21 items related to social benefits and 26 items on social costs of festivals tested on the local community of Edmonton, Alberta, Canada. For this research, the original scale was modified to suit specific cases of EXIT and SZIGET music festivals.

Through overview of the relevant literature, prominently used scales to measure the social impacts of events on host communities were conducted preliminarily to expert discussion session. Namely, panel discussion with 5 academic representatives expertized in the regional tourism industry and event management was organized. Experts were invited to discuss the Festival Social Impact Attitude Scale (FSIAS) and suggest scale adjustment; 20 original items from the FSIAS (Delamere 2001) were kept and 11 additional items were proposed base on the previous research on the wider impact of events on local communities (Lankford and Howard 1994; Likert 1968; Mayfield and Crompton 1995).

Based on the preliminary research, including expert discussion group, the measurement scale with 31 items was suggested and psychometric properties of the scale were tested. Proposed scale has good internal consistency ( $\alpha = 0.88$ ); Five point Likert scaling was used for ranking respondent's agreement/disagreement on festivals impacts on their local communities. In addition, questionnaire comprises a section on the socio demographic characteristics of respondents (gender, age, education, occupation, work experience) and their visitation experience with music festivals of interest.

The questionnaire was translated in Serbian and Hungarian language as the target research population was residents from Novi Sad and Budapest where investigated music festivals are hosted. The research was conducted in the period from June to September 2014 years. Under assumption that strongest impact of festivals on the local communities and their quality of life can be recorded in the period immediately pre-and after organization of event, time of research coincide with the summer months when events take place regularly (Fredline et al. 2003).

For the population size of 1.7 million residents of Budapest and 275,500 residents of Novi Sad, a sample size was calculated using confidence interval approach (Burns and Bush 1995). To obtain 95% accuracy at the 95% confidence level, targeted sample size of 384 (N) was required to validate a study on a population of 1, 000, 000 (N) and above.

Since complete census lists of Novi Sad and Budapest could not be access for employing more precise surveying methodology, convenience non-probability sampling method was used. The questionnaires were distributed electronically via

social networks to residents of Novi Sad and Budapest. Specifically, all Facebook users who stated place of residence Budapest and Novi Sad were invited to take participation in the survey. The sample of 505 respondents was collected among which 301 were from Novi Sad and 204 residents of Budapest.

Subsample of Novi Sad respondents consist of 66.4% female and 33.6% male respondents; Budapest subsample has similar gender distribution with 58.8% female and male respondents 41.2%. In both research subsamples dominate subjects under the age of 31 years with 55.5% from Novi Sad and 54.5% from Budapest. Much of respondents are employed in private sector (40.9% from Novi Sad and 53% from Budapest) while high share of unemployed respondents (40.5% from Novi Sad; 27.9% from Budapest) represents students and youth who are loyal visitors to EXIT and SZIGET music festival. In the research sample dominate experienced respondents who visited investigated festivals more than three times: 43.2% of Novi Sad respondents visited Exit and 33.8% respondents from Budapest visited SZIGET multiple times (Table 11.2).

Preliminary data analyses include testing z-scores for univariate and Mahalanobis's distance for multivariate data screening and univariate (Kolmogorov-Smirnov (K-S) and multivariate (Mardia) normality testing. Finally, expectation-maximization procedure was used for regression imputation of missing data in the dataset as suggested by Kline (2005).

To investigate underlying factor structure of EXIT and SZIGET impacts on local communities of Serbia and Hungary, exploratory and confirmatory factor analyses were conducted. Principle axis factoring extraction method with Promax rotation was performed under assumption of correlation between latent factors. Data processing is conducted in SPSS 20.0.

## 11.4 Results

To explore underlying dimension of festival impact on local communities of Novi Sad and Budapest explanatory factor analysis (EFA) was carried out. Kaiser's measure of sampling adequacy and the Barlett's test of sphericity suggesting that the data were suitable for factor analysis (KMO = 0.927). Latent dimensions were extracted by principal components analysis with Oblimin rotation and the optimal number of dimensions was determined by the parallel analysis with 95% percentile criterion. This criterion suggested two-factor solution which explained 46.35% of total variance. Factor one consists of 22 items related to different positive aspects of music events on the local communities and their quality of life. Hence, factor is titled "social benefits" and it's explains 32.35% of the total variance. Factor two consists of nine items which describe negative impacts of festivals on the local communities, therefore named "social costs" (Table 11.3).

Arithmetic mean and standard deviation were calculated to describe Serbian and Hungarian residents' attitude towards impact of EXIT and SZIGET on their local communities while Student t test (t statistic) was employed to explore differences of

**Table 11.2** Respondent's characteristics

City/Festival	Novi Sad/EXIT		Budapest/SZIGET	
	N	(%)	N	(%)
<b>Gender</b>				
Female	200	66.4	120	58.8
Male	101	33.6	84	41.2
<b>Age</b>				
Less than 31	167	55.5	111	54.4
Between 31 and 41	92	30.5	56	27.5
More than 41	42	14.0	37	18.1
<b>Years of residence in the cities</b>				
Less than 10 years	76	25.3	68	33.3
Between 10 and 20 years	78	25.9	42	20.6
More than 20 years	147	48.8	94	46.1
<b>Occupation</b>				
Public sector and NGO	56	18.6	39	19.1
Private sector	123	40.9	108	53.0
Unemployment	122	40.5	57	27.9
<b>Level of education</b>				
High school	70	23.2	50	24.5
2-years higher education	31	10.3	59	28.9
Graduate studies	133	44.2	54	26.5
Post graduate studies	67	22.3	41	20.1
<b>Work related to tourism sector?</b>				
Yes	50	16.6	35	17.2
No	251	83.4	169	82.8
<b>Visitation experience with the festival?</b>				
Yes	216	71.8	147	72.1
No	85	28.2	57	27.9
<b>Frequency of visits to the festival</b>				
Never	85	28.2	57	27.9
Ones	34	11.3	27	13.3
Two times	27	9.0	32	15.7
Three times	25	8.3	19	9.3
More than three times	130	43.2	69	33.8
<b>Total</b>	<b>301</b>	<b>100.0</b>	<b>204</b>	<b>100.0</b>

Note: N stands for the number of respondents

local communities' attitudes towards costs and benefits of hosting the festivals. Attitude of residents from Novi Sad on social impacts of EXIT range from 2.55 to 4.75, whereas locals from Budapest grade impacts of SZIGET with a slightly lower average mark ranking from 2.25 to 4.48. Residents of Novi Sad rated both positive and negative impacts of the festivals with higher marks compared to locals of Budapest. Positive scores of F statistics imply that locals from Novi Sad perceive

**Table 11.3** Results of the exploratory factor analysis for modified FSIAS

Factors	Variance explained	Eigen value	Parallel analysis 95 percentile of random Eigenvalues	Cronbach's alfa	Number of items
F1 Positive impact – social benefits	32.35	10.027	1.538	0.937	22
F2 Negative impact – social costs	14	4.342	1.472	0.863	9

Source: Survey research, 2014

impacts of EXIT music festival on their community to be more profound than locals from Budapest (Table 11.4).

Both subsample perceived the opportunity for additional income as the greatest benefits of hosting the festival (EXIT = 4.75; SZIGET = 4.48) with residents from Novi Sad rating this economic benefit significantly more important compared to residents of Budapest ( $t = 19.34$ ;  $p = 0.00$ ). For community of Novi Sad very important role of hosting the festival was promotion of the city internationally (EXIT = 4.43; SZIGET = 3.58;  $t = 85.8$ ;  $p = 0.00$ ). These results are in accordance with the finding of Magnússon (2010) who examined the impact of Carnival in Aalborg (Denmark) where Denmark local community stated that international promotion and improvement of the city image are very central implication of hosting an event. Further, respondents from Novi Sad held opinion that self-presentation as a special and unique hosting community (EXIT = 4.12; SZIGET = 3.64) are significant impacts of EXIT music festival on their community. Similarly, respondents from Budapest also saw the festival as an important instrument of city promotion internationally, but perceive this benefits as a less important for the well-being of the community compared to residents of Novi Sad ( $t = 27.06$ ;  $p = 0.00$ ).

Respondents from both cities believe that their local communities did not have any chance to meet musical performances which stayed in their cities during the festival (EXIT = 2.62; SZIGET = 3.17;  $t = 22.65$ ,  $p = 0.00$ ) nor that festivals have positive cultural influences on their communities (EXIT = 3.08; SZIGET = 2.57;  $t = 21.16$ ,  $p = 0.00$ ). Non-significant differences of  $t$  statistics on the local community involvement in the organization of the festivals indicate both communities perceived to be insufficiently involved in the organization of the festivals which resulted in low average marks for EXIT (Mean = 3.21) and for SZIGET (Mean = 3.25). Having low involvement in the organization of festivals, residents might perceive little personal benefits of hosting an event. Residents of Budapest felt that organization of the festival benefit their quality of life on contrary to residents from Novi Sad who were more satisfied as a community since hosting the event (EXIT = 3.71; SZIGET = 3.11;  $t = 31.92$ ,  $p = 0.00$ ). In addition, respondents from Budapest was not sure whether destination and event management acknowledge their attitudes toward organization of the festival while Novi Sad community hold more positive regarding this matter (EXIT = 3.47; SZIGET = 2.98;  $t = 17.96$ ;  $p = 0.00$ ).

**Table 11.4** Descriptive statistics and T-test for EXIT and SZIGET festival

Label	Respondents attitude	Festival	Mean	SD	t-test	P
A1	Hosting festival improve promotion of the city internationally	EXIT	4.43	0.04	85.8	<b>0.00</b>
		SZIGET	3.58	0.08		
A2	Hosting festival improve the image of the city	EXIT	3.94	0.06	105.8	<b>0.00</b>
		SZIGET	2.88	0.08		
A3	Due to the organization of the festival, local population has the opportunity for additional income	EXIT	4.75	0.03	19.34	<b>0.00</b>
		SZIGET	4.48	0.05		
A4	Festival enables local community to present itself to others (visitors) as special and unique	EXIT	4.12	0.05	27.06	<b>0.00</b>
		SZIGET	3.64	0.08		
A5	The festival is of great importance for visitors to learn about local culture	EXIT	3.79	0.06	15.11	<b>0.00</b>
		SZIGET	3.38	0.08		
A6	<b>The local community can meet different cultures and have multicultural experiences during the festival</b>	EXIT	<b>2.95</b>	<b>0.07</b>	<b>1.882</b>	<b>0.17</b>
		SZIGET	3.11	0.08		
A7	Hosting festival improve the identity of local community	EXIT	3.79	0.06	7.04	<b>0.00</b>
		SZIGET	3.52	0.08		
A8	Festival program is always rich and diverse	EXIT	3.85	0.06	10.04	<b>0.00</b>
		SZIGET	3.52	0.08		
A9	The festival has a positive cultural influence on the local community	EXIT	3.08	0.07	21.16	<b>0.00</b>
		SZIGET	2.57	0.07		
A10	The festival represent a source of new ideas for the local community	EXIT	3.62	0.07	25.26	<b>0.00</b>
		SZIGET	3.04	0.09		
A11	<b>Local community has a sense of national pride when hosting festival in the city</b>	EXIT	<b>3.09</b>	<b>0.08</b>	<b>0.00</b>	<b>0.92</b>
		SZIGET	<b>3.10</b>	<b>0.08</b>		
A12	Noise level in the city increases during the festival	EXIT	3.96	0.06	9.55	<b>0.00</b>
		SZIGET	3.65	0.07		
A13	The local community gain a positive recognition for hosting a festival	EXIT	3.75	0.06	23.9	<b>0.00</b>
		SZIGET	3.27	0.07		
A14	<b>Prices of products (such as souvenirs) and services (such as food and beverage services in the restaurants or taxi services) increases during the festival</b>	EXIT	<b>3.63</b>	<b>0.07</b>	<b>0.065</b>	<b>0.42</b>
		SZIGET	<b>3.72</b>	<b>0.07</b>		
A15	The city is very crowded during the festival	EXIT	4.31	0.05	37.77	<b>0.00</b>
		SZIGET	3.75	0.08		
A16	Organization of the festival creates opportunity for new employability places for local population	EXIT	3.98	0.06	60.95	<b>0.00</b>
		SZIGET	3.13	0.08		
A17	<b>High security level of event visitors during a festival</b>	EXIT	<b>3.65</b>	<b>0.05</b>	<b>0.53</b>	<b>0.46</b>
		SZIGET	<b>3.58</b>	<b>0.07</b>		
A18	<b>Hosting festival gives opportunity to local residents to learn new things</b>	EXIT	<b>3.59</b>	<b>0.06</b>	<b>4.91</b>	<b>0.02</b>
		SZIGET	<b>3.38</b>	<b>0.07</b>		
A19	<b>High security level of local population during a festival</b>	EXIT	<b>3.29</b>	<b>0.06</b>	<b>2.41</b>	<b>0.12</b>
		SZIGET	<b>3.15</b>	<b>0.07</b>		

(continued)

**Table 11.4** (continued)

Label	Respondents attitude	Festival	Mean	SD	t-test	P																																																																																																										
<b>A20</b>	<b>Public spaces and facilities for relaxation, entertainment and recreation used by local communities are overcrowded at the time of the festival</b>	<b>EXIT</b>	<b>3.85</b>	<b>0.06</b>	<b>0.45</b>	<b>0.50</b>																																																																																																										
		SZIGET	3.79	0.07			<b>A21</b>	Impaired cleanliness and tidiness of the city during the festival – the amount of garbage increases in public areas	EXIT	3.25	0.06	21.25	<b>0.00</b>	SZIGET	2.78	0.07	<b>A22</b>	<b>Visitors of festival behave properly</b>	<b>EXIT</b>	<b>2.83</b>	<b>0.06</b>	<b>0.30</b>	<b>0.58</b>	SZIGET	2.61	0.08	<b>A23</b>	<b>The local community is involved in organisation of the festival</b>	<b>EXIT</b>	<b>3.20</b>	<b>0.07</b>	<b>0.22</b>	<b>0.63</b>	<b>SZIGET</b>	<b>3.25</b>	<b>0.08</b>	<b>A24</b>	<b>Organisation of festival disrupt normal routine and every day life of local community</b>	<b>EXIT</b>	<b>3.49</b>	<b>0.06</b>	<b>1.25</b>	<b>0.26</b>	SZIGET	3.38	0.07	<b>A25</b>	The local community has a chance to meet musical performers at the festival	EXIT	2.62	0.07	22.65	<b>0.00</b>	SZIGET	3.17	0.08	<b>A26</b>	Hosting festival improve the quality of life of local community	EXIT	3.71	0.06	31.92	<b>0.00</b>	SZIGET	3.11	0.08	<b>A27</b>	<b>Local traffic is overloaded and there are significant traffic jams during festivals</b>	<b>EXIT</b>	<b>3.05</b>	<b>0.07</b>	<b>2.03</b>	<b>0.15</b>	SZIGET	2.90	0.08	<b>A28</b>	The festival contributes to well being of the local community	EXIT	3.71	0.06	67.20	<b>0.00</b>	SZIGET	2.84	0.08	<b>A29</b>	Local community attitudes toward organization of the festival are acknowledged	EXIT	3.47	0.07	17.96	<b>0.00</b>	SZIGET	2.98	0.08	<b>A30</b>	The influx of festival goers reduces privacy within the local community	EXIT	3.72	0.06	31.30	<b>0.00</b>	SZIGET	3.12	0.08	<b>A31</b>	Crime rates in the city increases during the festival	EXIT	2.55	0.07	8.07
<b>A21</b>	Impaired cleanliness and tidiness of the city during the festival – the amount of garbage increases in public areas	EXIT	3.25	0.06	21.25	<b>0.00</b>																																																																																																										
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Respondents from Novi Sad and Budapest also mentioned several negative impacts of music festivals on their community such as high noise in the city during the festival (EXIT = 3.96; SZIGET = 3.65; t = 9.55, p = 0.00), crowded city during festival (EXIT = 4.31; SZIGET = 3.75; t = 37.77, p = 0.00) and reduced privacy of host community due to influx of festival goers (EXIT = 3.72; SZIGET = 3.12; t = 31.3, p = 0.00). Interestingly, neither residents of Novi Sad nor residents of Budapest believe that organization of the festival increase crime rate in their cities (EXIT = 2.55; SZIGET = 2.25).

Finally, the results showed that residents from both countries perceived more social benefits (F1) than social costs (F2) whereas respondents from Novi Sad rated positive and negative impacts of the festival slightly higher than respondents from Budapest; for EXIT festival F1 = 3.67 and F2 = 3.26, while for Sziget F1 = 3.35 and F2 = 3.00. In line with these findings, authors Bagiran and Kurgun (2013) argue that local communities tend to perceive social benefits slightly important than social costs.

## 11.5 Conclusions

This paper has presented and discussed the results of Serbian and Hungarian residents' attitude toward EXIT and SZIGET festival and their influence on community quality of life. The results of the study show that local population from Novi Sad and Budapest perceive more positive impacts of festivals than their negative effects. This may imply that residents from Novi Sad are more sensitive to festival impacts on their community. For example, residents of Novi Sad are concerned about noise and crowded public spaces during the time of the festival, while community of Budapest has no issue regarding this matter. As noted by Raj and Musgrave (2009) this could be due to different development stage of hosting destinations analyzed in the study. It is argued that resident's reaction to tourism become less negative during the time with the experience of event management to reduce these disruptive festival effects on the local community (Tassiopoulos and Johnson 2009).

Research also confirmed that locals perceive the festival as a contributing factor to development of tourism in the destination as well as promotion and image of the cities. Research also points out the areas that call for event management attention such as negative impacts of festivals which cannot be ignored as they can largely influence both well-being of local community and the quality of festival itself.

From the perspective of host community, festival should contribute to economic well-being of locals by providing more employability places and opportunities for additional income, thus improve host community standard of living. Also, a greater labor demand during the event could help in reducing unemployment. Through generated revenue, in the form of various taxes to the central budget, festivals can stimulate the growth of country economy (Gondos). From the perspective of environment, festivals might provide monetary resources for revitalisation of cultural heritage or maintenance of natural environment that contribute to community quality of life, or oppositely might cause devastation of natural and cultural goods on locations where festivals are being held.

Regarding social impacts, Williams (1998) noted that each arrival of foreign tourists in to a local community inevitably provokes positive and negative influences. The main positive influence refers to the increased knowledge and understanding of hosts societies and cultures, which refers to positive interaction etc. On the other hand, tourism can provide negative effects such as debasement and the commercialisation of culture, increased tensions between imported and traditional lifestyles, erosion of strength of a local language, new patterns of local consumption, and risks of promotion of antisocial activities (gambling, drugs, violence, etc.).

The festivals also have political impacts on host communities and country development through international promotion, the regional recognition as well as mutual understanding that might foster foreign policies and foreign relationship between countries.

Therefore, it is not surprising that local communities of both Novi Sad and Budapest perceive hosting EXIT and SZIGET music festivals as an ideal opportunity to promote culture of their cities internationally as well as to build distinctive image



of their communities. The positive influence of festivals on the image of cities, their promotion and, consequently, tourism development is also confirmed in many previous related works (Getz 2008, 2010; Long and Robinson 2004; Quinn 2005). Moreover, Weaver and Robinson (1989) noticed that festivals can raise national pride and community spirit through self-promotion of local community, enhancement of unique community image and represent an opportunity for the community to discover and develop cultural skills and talents, as well as participate in new activities related to organization of the festival.

In addition to local community self-promotion internationally, residents from both investigated areas acknowledged music festivals to be significant source of additional income. However, majority of residents from Serbian and Hungary do not generate any direct economic benefits due to low involvement of local communities in the organization of the festival. Not only that residents perceive little chance to gain additional income, but they are also affected by increase in prices of products such as souvenirs and services such as food and beverage services in the restaurants or taxi services during the festival. Furthermore, insufficient involvement of local population in the organization of festivals consequently entails mixed feelings about whether organization of the festival can improve their quality of leaving.

This empowers negative resident's perception towards festival and its impacts on local community. Evidently this problem can be overcome by planning, developing and managing events from a community standpoint. Destination event management and local authorities should acknowledge that destination can't have a successful tourism endeavor unless the community is involved in it. This could be beneficial for both parties: local community can gain additional income by providing support in organization of the festival while event management can guide community perceptions on potential positive impact of festival organization. Finally, local community can generate hospitable experiences that drive a festival forward through word of mouth to 'must-attend' quality of event (Mason 2015). Hence, perception and attitudes of residents towards the impacts of tourism are likely to be an important planning and policy consideration for successful development, marketing, and operation of existing and future events programs (Ap 1992).

These results provide residents, destination and festival managers with important community perceptions pertaining to the festival. Residents' opinion and support for festival is of foremost importance as they are directly involved in creating experience for visitors and support for the event will probably influence the sustainability of the festival (Gursoy and Kendall 2006). From a theoretical point of view, this paper add knowledge to understanding of events impact on post-community societies of Central and Eastern Europe and can serve as a significant comparative material for similar analyses conducted earlier on a larger scale in Western Europe, the United States and Australia.

More importantly social impacts of festivals on local community are not universal; those that have significant impact on one community may have a negligible effect on the other. Also, cultural values of local community may influence attitudes towards the festivals. Hence, future studies should be aimed at exploring eventual differences in perception of festival impacts on local community across diverse

groups of residents considering their cultural norms and values, socio demographic characteristics, previous experience with the festival etc. Due to the distinctiveness of segments mentioned above, these specific groups may have different perceptions on impacts of events on their community and quality of life. These differences should be acknowledged by destination and event management to maximize social benefits of festival for the whole society.

### ***11.5.1 Limitations and Potential Future Research***

This study has several limitations that present opportunities for additional community-oriented research on the event management of travel destinations. The current study is limited to two nations, particularly to Hungary and Serbia. Thus, future studies should pursue examining the impact of events on the quality of other local communities. Testing the FSIAS scale in different community environments as well as in different festival types would have a significant contribution to future research.

Further, a community's perceptions of the impacts of a festival are not static, but rather dynamic and festivals themselves evolve over time. Hence, in the future, a longitudinal study could be conducted to explore how local communities respond to events and its' changing impacts. This would also allow for a stronger causality assertions to be made whereas, in contrast, the cross-sectional nature of data in the present study limits the extent to which causality claims can be made.

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