

Strategic Sports Events Management BMSM6006

REVISION LECTURE
2021-22



Prifysgol Cymru
Y Drindod Dewi Sant
University of Wales
Trinity Saint David

Trawsnewid Addysg; Trawsnewid Bywydau
Transforming Education; Transforming Lives

EXAM Date:

Thursday 13th January 2022

09.50 start on Teams

**Exam Portal opens at 10am on
Moodle**



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Module Overview

Aims:

1. To develop a detailed understanding of the **strategic management** of sports events market, from international **mega-events to grassroots community events**.
2. To consider the **policy context** regarding hosting major sports events and the evidence of their **impact and legacy**, including to develop comprehensive knowledge and understanding of the sports event **planning process** and its practical application.

Learning Outcomes

1. Critically appraise the development and strategies of the sports events sector by applying the strategic management principles.
2. Challenge the traditional assumptions regarding the benefits of major sporting events and their impact on all stakeholders.
3. Apply the sports event planning process to an event of their own ideation.

1. CONTEXT



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UK Government Perspective

*“Hosting major events plays a vital role in preparing our athletes for international success, enhancing the **economic impact of sport** and providing a platform for inspiring those that experience them”.*

HM Government (2015) Sporting Future: A New Strategy for an Active Nation (p. 48).

***“Sport is big business,
contributing tens of
billions of pounds...to the
British economy every
year.... We want to help
this industry stay on the
top step of the podium for
many years to come”***

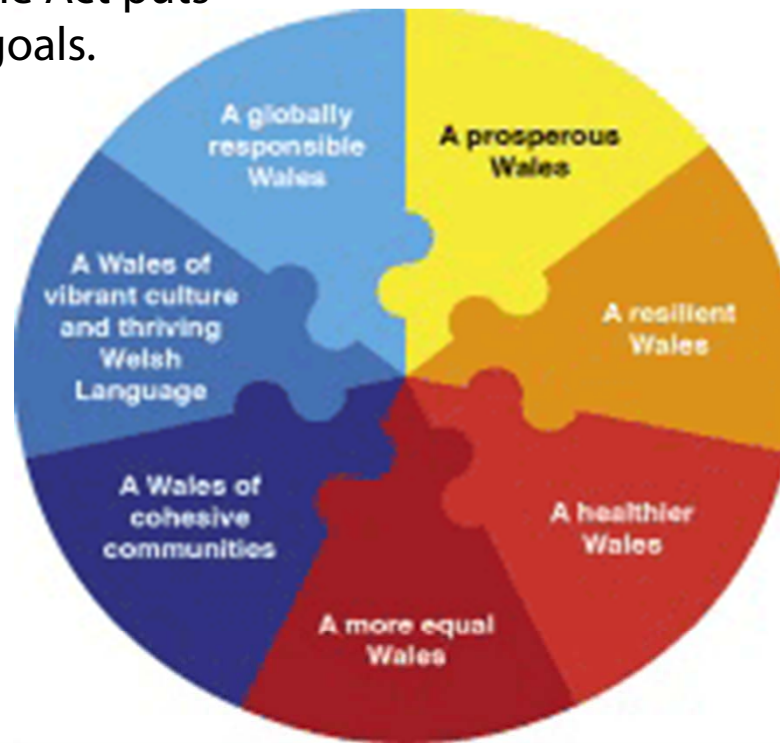
Rt Hon SAJID JAVID MP Secretary of State
Department for Business, Innovation and
Skills



Source: Sporting Future: HM Government (2015, page 57), Sporting Future: A New Strategy for an Active Nation.

Welsh Government Well-Being of Future Generations (Wales) Act 2015

To make sure we are all working towards the same vision, the Act puts in place seven well-being goals.



The Well-being of Future Generations Act is about improving the social, economic, environmental and cultural well-being of Wales.

All public bodies must adhere to it and will be audited against it.



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Event Wales: A Major Events Strategy For Wales 2010 – 2020



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

www.cymru.gov.uk



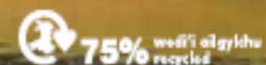
2010 Ryder Cup, Celtic Manor, Newport

The 2020 Vision for Wales

Wales recognised as a consistently outstanding destination for major events.

Mission Statement

Developing a balanced and sustainable portfolio of major events which enhances Wales' international reputation and the wellbeing of its people and communities.



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September
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One Wales Policy Area	Assessment criteria
A Healthy Future	• Supports social and physical environments that encourage health and wellbeing
A Prosperous Society	• Supports long-term high quality jobs • Stimulates new enterprise and business growth • Promotes tourism in key markets • Supports diversification of the rural economy
Living Communities	• Supports local voluntary action and volunteering • Promotes and supports social or community businesses
Learning for Life	• Enables people to develop the life skills to support a modern, creative economy
A Fair and Just Society	• Supports outreach programmes targeted at hard to reach and minority groups
A Sustainable Environment	• Raises awareness of sustainability issues • Contributes to a reduction in ecological footprint • Minimises waste through reduction, reuse and provision of onsite recycling facilities at the event venue • Makes a neutral or positive impact on the environment • Demonstrates progress towards achieving BS8901: Sustainability Management Systems for Events
A Rich & Diverse Culture	• Promotes, supports and makes use of the Welsh language • Widens access to, and encourages sustainable participation in, the arts, sport or physical activity. • Supports the development of a high quality arts sector in Wales • Gives Welsh artists and athletes high profile opportunities to perform and to compete on home soil • Promotes Welsh arts and artists on the UK and world stage • Supports Welsh sporting success on the World stage • Promotes the Wales brand in key overseas target markets • Provides Welsh audiences with world class experiences



Llywodraeth Cymru
Welsh Government

“We want to strengthen Wales’ position
as an events destination”.



Our focus is to:

- Attract **major international events** which deliver a significant **economic return on investment** and enhance the **Wales brand**;
- **Work with the owners and organisers** of Wales' **signature events** to identify new and innovative ways of extending their reach to **new audiences both inside and outside Wales**;
- Work with **local and regional partners** to identify potential '**growth events**', explore opportunities for creating new events
- **Maximise investment in major events.** This includes exploitation of associated commercial benefits such as branding, broadcasting rights and leveraging business networks
- **Build a strong Welsh skills base** of knowledge and experience. This is critical in the development of a sustainable events industry delivering a compelling events portfolio.

Welcome to Wales:

Priorities for the visitor economy
2020 – 2025.



Llywodraeth Cymru
Welsh Government



Church Doors Cove, Pembrokeshire | Version: January 2020



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International and home-grown events.

Events play a vital role in attracting people to Wales: they can help create vibrant localities and raise our global profile.

We have had great success in both developing and growing indigenous events and attracting international events and in establishing Wales as a major player in the global events industry.

We have recently worked with our stakeholders to review our criteria and approach to events. Whilst they were happy with our overall approach, they felt that we could take more account of the social impacts and benefits of our amazing events.

Our success in attracting major events also means that there is less awareness of the significant support we give each year identifying, supporting and growing local Welsh events.

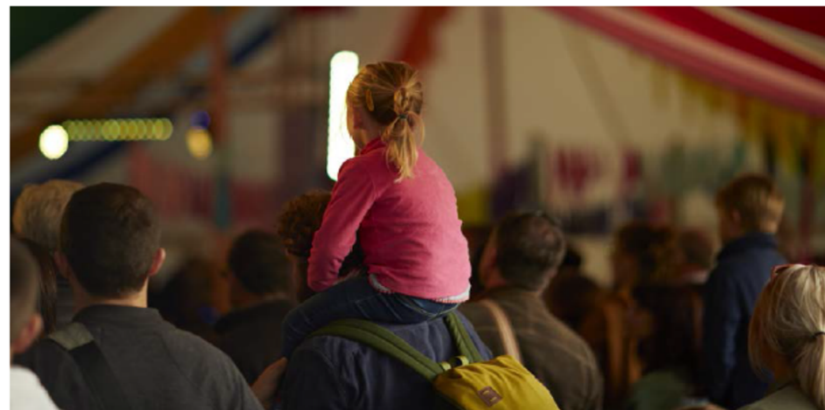
In order to tackle this, we will reposition our Major Events Unit as 'Event Wales' and continue to review our approach including our objectives in terms of, for example, equality and diversity.

'Event Wales' will continue to identify and pursue marquee international cultural, sporting and business events that align fully with our values and direction as an outward-looking nation – and we will also redouble our efforts to support the development of indigenous events to international standards in order to ensure a strong and sustainable events industry.

We will explore the potential for a festival that will bring the best of Welsh creativity and culture together: a festival of festivals. This concept will be fully scoped in 2020.

This is an opportunity to grow our valuable business events market, and so 'Event Wales' will also incorporate business events. Overnight business visitors to Wales spend £213 million but this is still a relatively small share of the UK business events industry worth £8.9 billion per annum. The opening of ICC Wales – Wales' first International Convention Centre – and our investment in Venue Cymru, are catalysts for Wales to play a bigger role in this lucrative market. 'Event Wales' will present Wales as a destination for meetings, incentives, conferences and business events, targeting associations, corporates, agencies and incentive planners and buyers from the UK and beyond. We will capitalise on our current and new infrastructure developments, as well as unique Welsh visitor experiences, in order to support lead areas such as the Technology, Life Sciences and Creative sectors, as well as Higher and Further Education sectors.

An 'Event Wales' conference in the 2020 will be an opportunity to engage further with the sector, in order to help shape the future.



Three main areas of benefit:

1. Sporting benefits e.g. medals.
2. Economic benefits e.g. job creation.
3. Increased participation/social inclusion.

n.b. **LEGACY.**

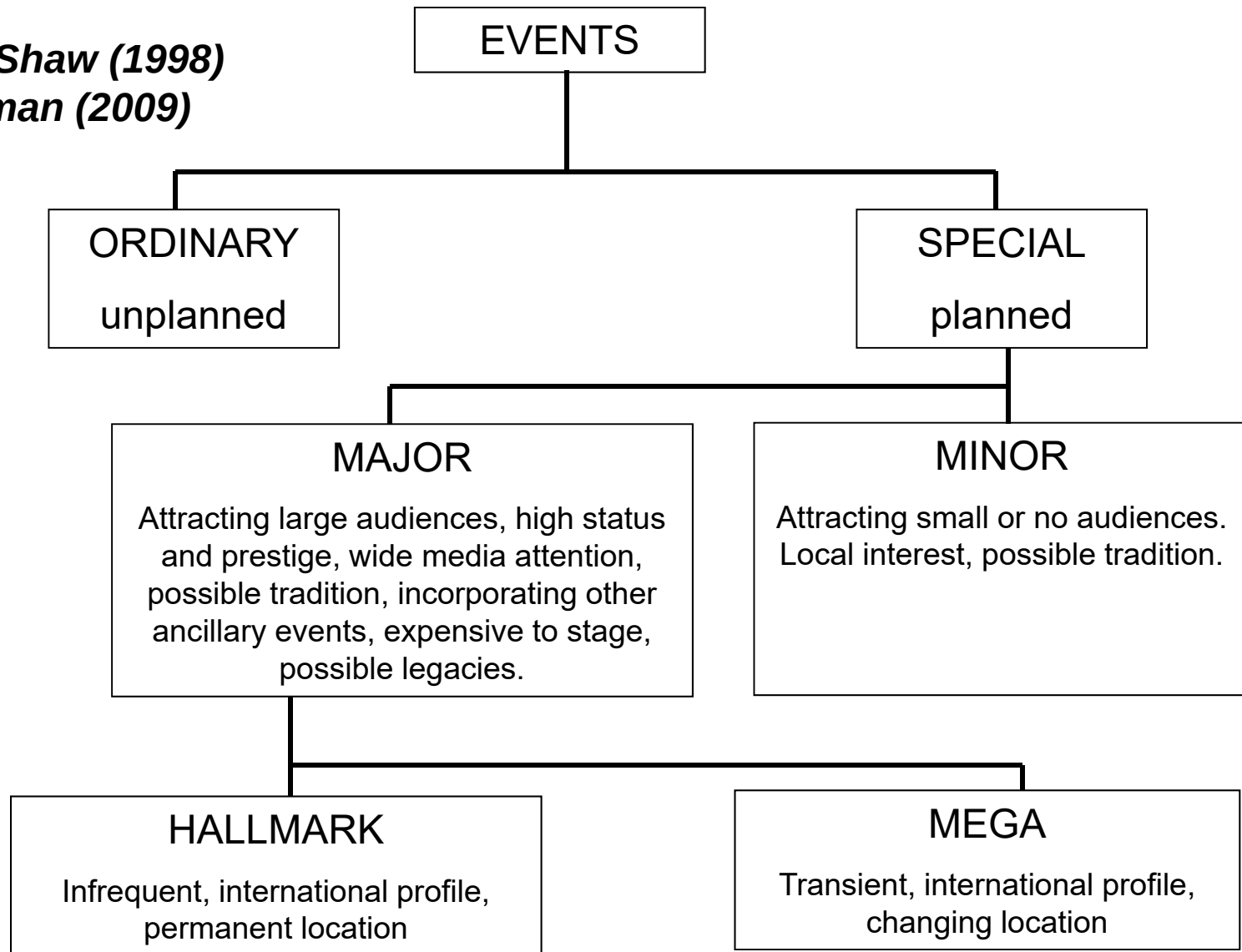
2. SPORTS EVENT TYPOLOGY



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***Jago and Shaw (1998)
in Masterman (2009)***



Sports Events

Mega

Sub Mega

Non Mega

National /
International

Domestic

Type A

Type B

Type C

Type D

Type E

Irregular, one-off major international spectator events generating significant economic activity and media interest (e.g. Olympic Games, Football World Cup)

Major spectator events generating significant economic activity, media interest and part of an annual domestic cycle of sports events (e.g. Open Golf, Wimbledon)

Irregular, one off, major international spectator / competitor events generating limited economic activity (e.g. World Badminton Championships, Grand Prix Athletics)

Major competitor events generating limited economic activity and part of an annual cycle of events (e.g. national championships in most sports)

Minor competitor / spectator events, generating very limited economic activity, no media interest and part of an annual domestic cycle of sport events (e.g. local and regional events in most sports)

Source: Adapted from Gratton *et al.* (2000); Wilson (2006)

Individual Revision Task: try to categorise these events in terms of what type of event they are.

1. 2012 London Olympic Games
2. Wimbledon Tennis Championships
3. 2019 Rugby World Cup
4. 2019 Rugby Six Nations
5. Red Bull Cliff Diving, Pembrokeshire
6. Swansea 10k
7. Cardiff World Half Marathon Championships.

Different Sports Event Typologies

- Goldblatt (1997) and Hall (1992) describe Olympic Games as “hallmark events.”
- Getz (1997) and Allen et al (2002) describe Olympic Games as “mega events” and refer to “hallmark events” as those that recur in a particular place e.g. Wimbledon.

Alternative Typology

- **Type A – Irregular, one off**, major international spectator events generating significant economic activity e.g. Olympic Games.
- **Type B – Major spectator events generating significant economic activity, media interest and part of an annual cycle of sport events** e.g. Tour de France.
- **Type C – Irregular, one off, major international spectator /competitor events generating limited economic activity** e.g. Red Bull Cliff Diving.
- **Type D – Major competitive events generating limited economic activity and part of an annual cycle of sport events** e.g. AAAs champs.
- **Type E – Minor competitor/spectator events generating very limited economic activity, no media interest and part of an annual domestic cycle of sport events** e.g. Swansea 10k.

Adapted from Wilson (2006) and Gratton (2010)

Event Portfolio (Sport Highlights)

Mega Event: 2010 Ryder Cup

Major Events: 2015 RWC, World Half Marathon,
Ashes Test, British Senior Open Championship,
Ironman, Tour of Britain, Velothon Wales, 2014
UEFA Super Cup, L2012

Various Signature/Growth Events e.g. Red Bull
Cliff Diving.

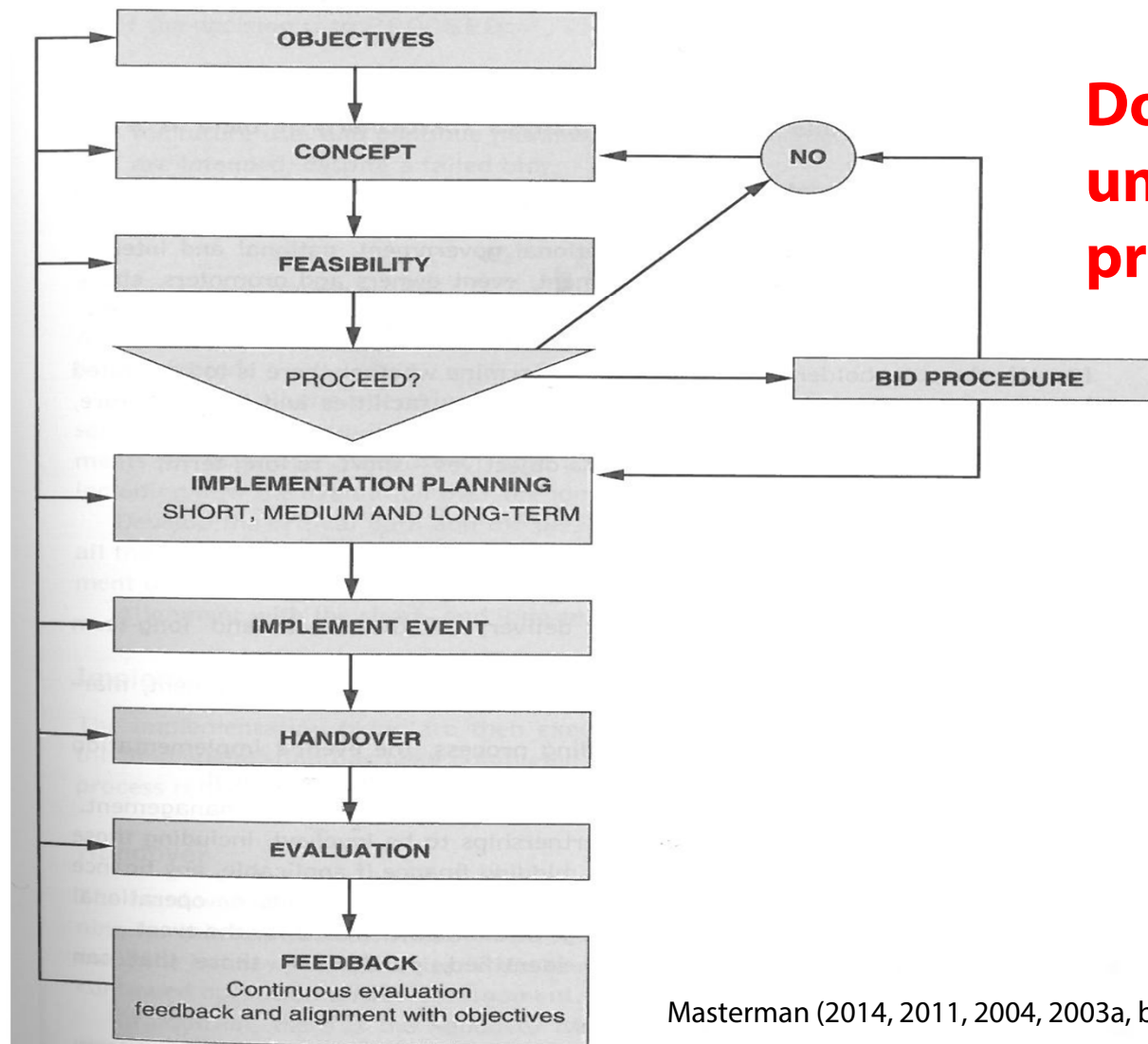


3. SPORTS EVENT PLANNING PROCESS



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**Do you
understand this
process?**

Masterman (2014, 2011, 2004, 2003a, b) Event Planning Process

Objectives

- Why bid/stage the event?
- What is the purpose e.g. urban regeneration?
- What and who will it benefit and how?
- What type of benefits – political, social, cultural, environmental, sports, economic and other benefits?

Source: Masterman (2014)



Objectives:

What are you trying to achieve?

What difference will the event make?



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Concept

- What is the event and what will it look like?
- Must consider scale, timings, locations and venues, facilities required, and target markets.
- Identify strategic partners.
- Identify stakeholders and organisers.
- Ensure concept is aligned with objectives.

Source: Masterman (2014)

Event stakeholders (Van der Wagen and White, 2010)



Event Feasibility

Basically.... the feasibility stage determines whether the event can deliver the objectives. It tests the concept. (Masterman, 2014:85).



4. Impacts and Costs of Staging Major Events



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Why so much emphasis on impacts and legacies?

- Gain public support.
- Anticipating a legacy can help planning for it.
- Demonstrating a legacy has been achieved can politically justify holding an event.
- Understanding how it was achieved can inform future events planning (plan-do-review).

Impacts and Legacies

- Impacts can be **+ve and –ve**;
immediate and long lasting.
- **Strategic planning is vital** to try and manage & control the impacts – especially for any long term impacts.

Masterman (2014, p.99):

- **Long-term impacts** from the staging of events are referred to as **legacies**.
- **Medium term impacts** occur after the original event has closed down.
- **Short term impacts** occur during the event and prior to and immediately after the event.

Categories of Impacts

UK Sport (1999):

1. Winning performances
2. Social/ SD impacts
3. **Economic benefits.**



Welsh Government (2014):

1. **Economic.**
2. International Profile and Reputation.
3. Socio-cultural.
4. Statutory policies e.g. equal opportunities, Welsh Language.



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Categories of Impacts

Masterman (2014) chapter 4. Several spheres of impact:

1. Land regeneration
2. Facilities and services
3. Social regeneration
4. Political development
5. Cultural development
6. Sports development
7. Environmental development
8. Economic development
9. Tourism.



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Mega Events – 5 main benefits cited

1. National **elite sport success** – can inspire the masses to take up sport thereby improving their health.
2. Such events are **economically lucrative**, bringing revenue from, among others, increased tourism.
3. Mega sporting events engender a '**feel-good**' **factor among citizens**, which has knock-on effects for well-being.
4. Much needed **urban regeneration** is accelerated.
5. States benefit by showcasing themselves internationally – this leads to an increase in so-called '**soft power**'.

Grix (2012, no page)

“For **developing economies**, mega-event hosting is motivated by **globalisation and soft power**. China and South Africa recently showed that it can be an exceptional opportunity to devise a **new brand identity** to both their local citizenry and global audience,” Varano (2017, no page).



**South Africa: Rugby World Cup 1995; Cricket World Cup 2003;
Football World Cup 2010**



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Beijing Olympics 2008, Winter Olympics 2022



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“Sportswashing?”



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Economic Development & Major Events

- Critically important for **justifying the investments** made.
- **Long-term economic benefits** from tourism and future use of facilities **more important** than achieving a surplus from the event itself e.g. Barcelona.
- Economic income forecasts are often the **focus of attention** when whether to stage an event or not is being debated e.g. Wales Commonwealth Games.
- Measurement of economic impact **can be an abused process** (Coates and Humphries, 2003).
- Multiplier analysis is **contentious** due to the number of different multiplier calculations that can be used, which results in plenty of room for misrepresentation (Gratton *et al.*, 2012).

But.....

'Staging events often results in the host cities losing money.....it normally requires the public sector to finance the staging of the event and incurring these losses in order to generate the benefits (spill over effects or externalities) to the local economy' Gratton *et al.* (2012, p.37)

High stakes \$\$\$ with Mega Events

- Studies by University of Oxford have shown that **Olympic Games' have the highest costs overrun of any type of mega project** (Flyvberg and Stewart, 2012; Flyvberg, Stewart and Budzier, 2016).
- Furthermore, **all Olympic Games, without exception have been over budget** – most in excess of 50%.

Q. Why do you think this is?



ATHENS 2004

"Cost overrun and associated debt from the Athens 2004 Games weakened the Greek economy and contributed to the country's deep financial and economic crises" Flyvberg et al. (2016, p.3).



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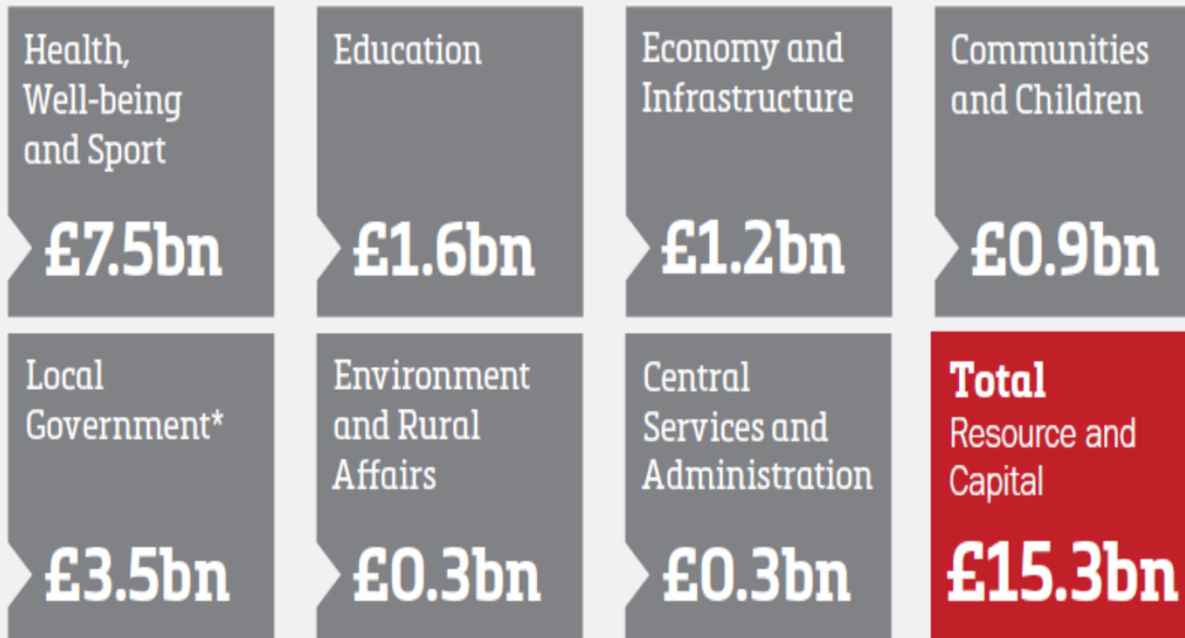
Therefore, must challenge the assumptions

“With the respect to megaprojects there is a similar fantasy world of underestimated costs, overestimated revenues, underestimated environmental impacts and over-valued economic developments” (Horne, 2007, p.84).

(And, **opportunity cost of hosting is higher for developing countries**, and economic impact is not as great as it is for developed countries e.g. Rio Olympics).

Wales 2026 Commonwealth Games – Cost Comparison

How are we spending our budget in 2018–19?



* Includes schools funding and excludes £1bn non-domestic rates income.

SE Wales
Option
£1.1-1.3bn.



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Economic Development examples:

- Montreal Olympics 1976 : £692 million debt
- Sheffield World Student Games 1991: 25 years to pay off £650m cost including interest.
- LA Olympics 1984 - £215m surplus.
- Salt Lake City 2002 Winter Olympics - \$40m surplus.

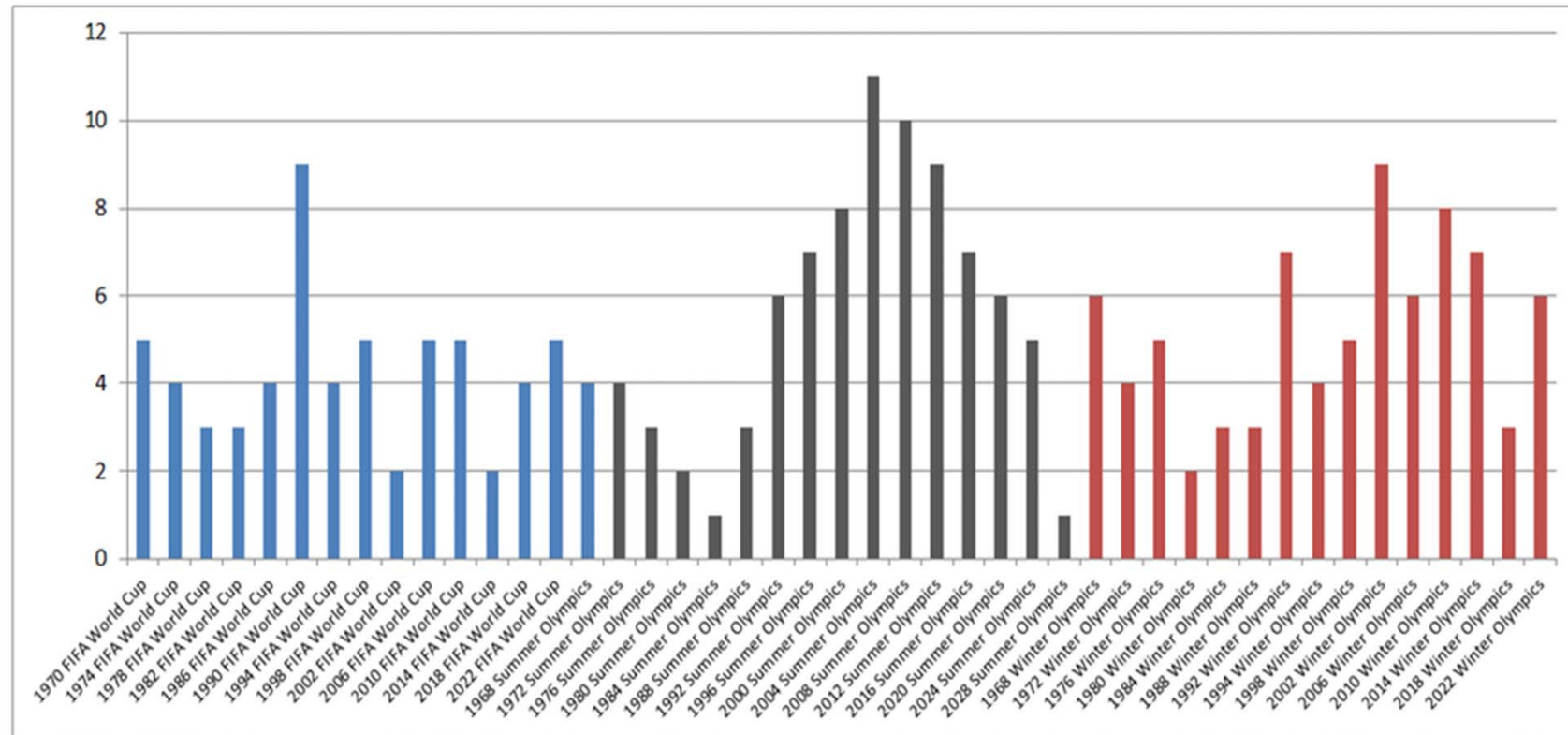


“Hosting an internationally prominent sporting event invites the global spotlight, provides an injection of tourism money, and a chance for a city or a country to rebuild or develop infrastructure. However, it also brings **an immense financial commitment and great risk**,” Varano (2017, no page).



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The number of applicant bids for the Olympic Games and FIFA World Cup (1968-2028), Varano (2017).



Why the recent decline in enthusiasm for hosting mega events?

- Fragility of economies after the **global financial crisis**, and the **growing inequality** in the distribution of wealth and income... brings **increased cynicism** around major sporting projects... when there is no genuine guarantee of substantial, discernible benefits for taxpayers.
- Now, the countries that can most easily justify the risk are those with the most to gain on the world stage, rather than those with the deepest pockets. e.g. Russia and Qatar.

Varano (2017)

Individual Revision Task

Review some of the case study reports in Moodle (see week 6 Additional Reading folder).

Identify the benefits and costs and consider if the event was worth staging.

See also Week 6 & Week 10 Lecture Slides for many case study examples

5. Marketing



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Key Marketing Strategy Concepts

- Environmental Analysis
- Situational Analysis
- Market Segmentation
- Marketing Mix



**MARKETING
STRATEGY**

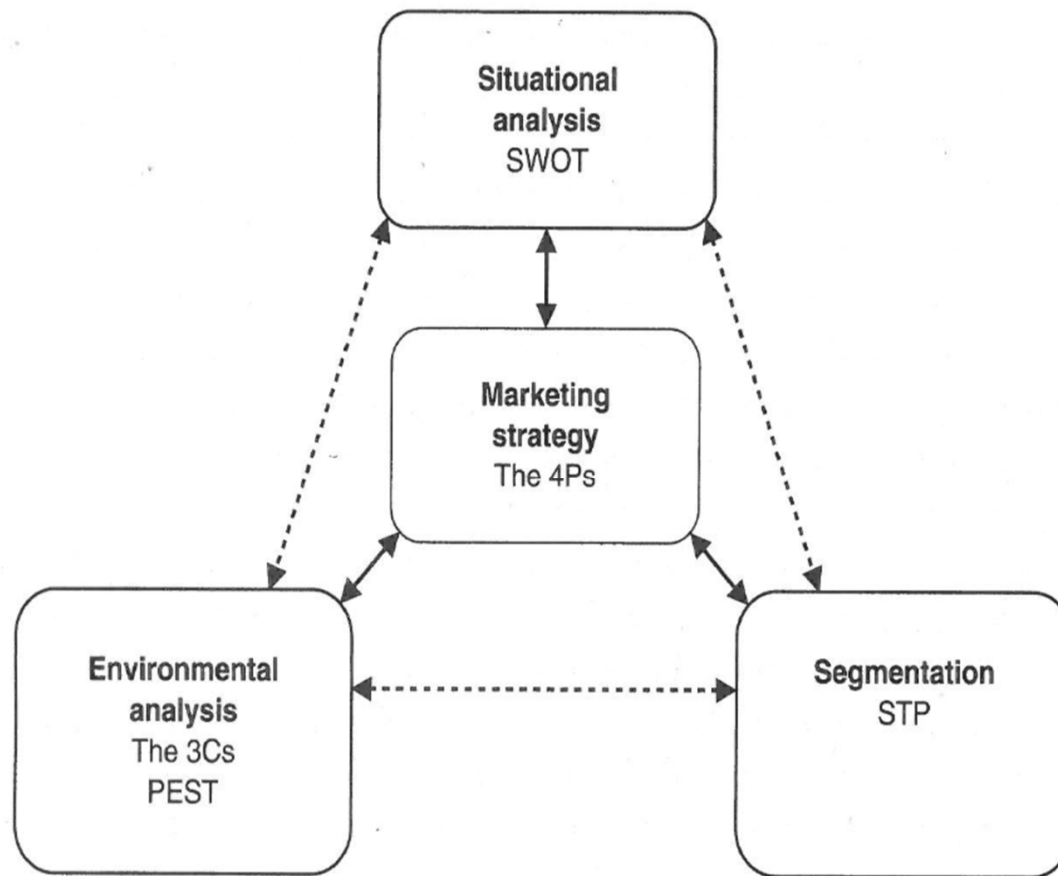


Figure 6.2 The development of a marketing strategy.

Source: Parent and Smith-Swan (2013, p.108)

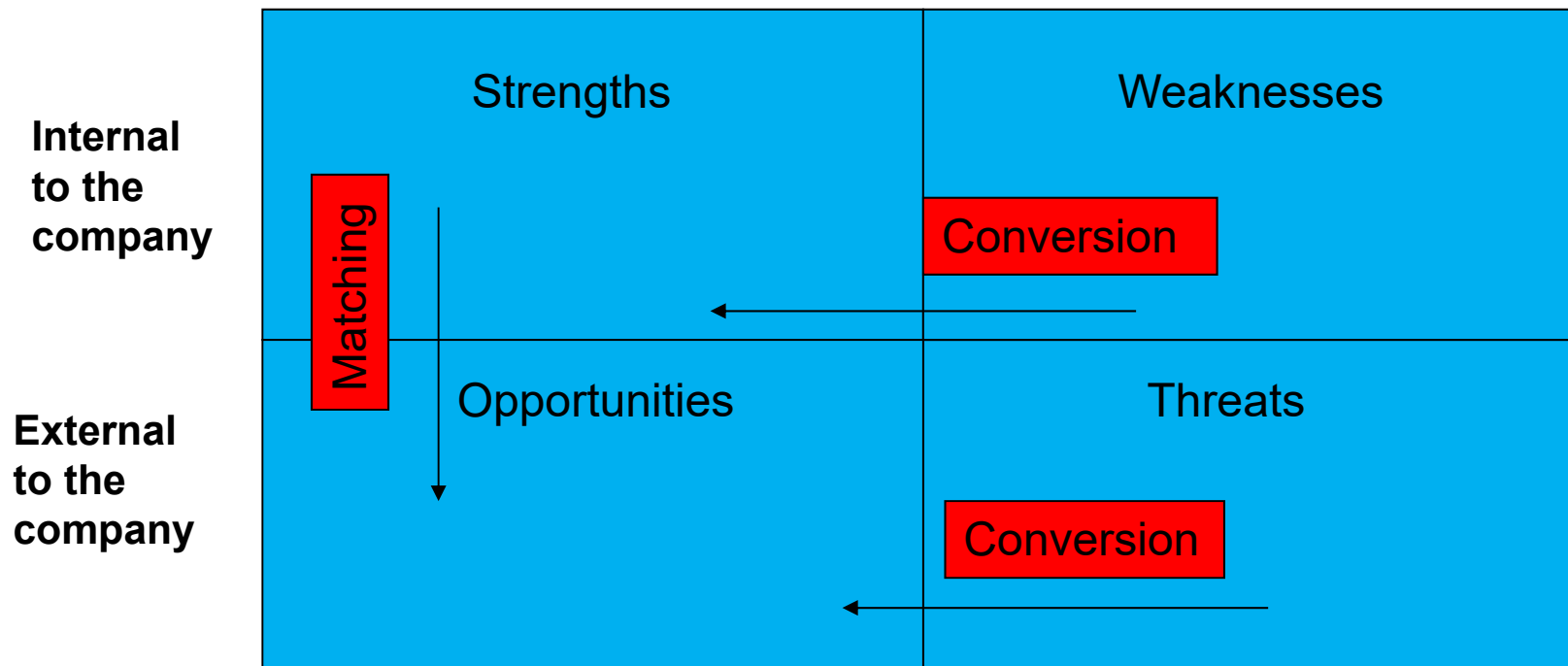
SWOT Analysis – Best practice

Piercy (2002) argue that for a SWOT analysis to be a productive exercise they should:

1. Focus on a particular issue, product or service - this will achieve a greater level of detail than an analysis of the wider picture.
2. The criteria need to be viewed from an external perspective i.e. need to be customer focussed.
3. Be a means to an end – try and use **conversion strategies** as the next stage of the analysis – score the criteria and try and match strengths with opportunities and so on.

SWOT Analysis

- Method of organising information



SWOT Analysis – Example criteria types

Strengths Expertise Brand names Reputation among customers Distribution networks	Weaknesses Weak brand name/image Limited knowledge of market Lack of knowledge/skills Costs
Opportunities Government Incentives New technologies Legislative changes Unfulfilled customer need	Threats Changing consumer tastes Competitor products Prohibitive changes in legislation Socio-economic changes



PEST Analysis (n.b. external)

Political Factors

Government structures, regulatory environment, laws e.g. taxation policy, employment, environmental protection, trade restrictions and tariffs, pressure groups.

Economic Factors (n.b. think local and global)

Unemployment levels, Economic growth, interest rates, exchange rates, inflation rate, Money Supply.

Social Factors

Lifestyles, Health consciousness, Population growth rate, Education Levels, Age distribution, Consumerism.

Technological Factors

R&D activity, automation, technology incentives, technological change e.g. advances in social media, online streaming and new ways to generate messaging platforms.

Basic Exam Tips

1. Read the question carefully – at least 3 times.
2. Spend 5-10 minutes thinking & planning your answer carefully.
3. Structure your answer e.g. introduction, context, main body sections, conclusion.
4. Try to support your arguments with examples and references.
5. Answer the question.
6. Answer all parts of the question.
7. Ensure your hand writing is legible.
8. Don't panic – think positively.

Any questions?



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New references

Details of the references in these slides can be found in the corresponding slides from weeks 1-10 on Moodle. The new references in these revision slides are:

Scottish Government (2015). Updated Review of the Evidence of Legacy of Major Sporting Events: July 2015. Edinburgh: Scottish Government. Available at:

<http://www.gov.scot/Topics/ArtsCultureSport/Sport/MajorEvents/Glasgow-2014/Commonwealth-games/Indicators/Publications-Reviews> [Accessed 11.01.2017]

Welsh Government (2016). Wales 2026 Commonwealth Games Feasibility. Cardiff: Welsh Government. Available at: <http://gov.wales/about/foi/responses/2016/Oct16/atish10616/?lang=en> [Accessed 11.01.2017]

Welsh Government (2020). *Welcome to Wales – Priorities for the Visitor Economy 2020 to 2025*.

[Online] Available at: <https://gov.wales/sites/default/files/publications/2020-01/welcome-to-wales-priorities-for-the-visitor-economy-2020-to-2025.pdf> [Accessed: 06.01.2022]