

THE BIG PICTURE

DAVID WALMSLEY AND PHILIP SAVAGE ON THE IMPORTANCE OF CLEAR DEFINITIONS FOR THE SUCCESSFUL DELIVERY OF SPORTS TOURISM STRATEGIES.

The trouble with sports tourism is that it is so hard to get your arms around. As soon as you think you have a workable definition another element pops up. And when it comes to establishing the benefits of sports tourism it can be just as tricky. The solution is not to imagine you are talking about one thing argues a new report from SportBusiness,

The thousands of visitors arriving in Beijing clutching tickets for the 29th Olympic Games were sports tourists, as is the man collecting a set of golf clubs from an airport baggage carousel in the Algarve. But if a visitor to the South Africa World Cup spends more than half their trip on safari do they count? And what about the father and son who take a couple of windsurfing lessons during a beach holiday? Does a family day out at Melbourne Cricket Ground's National Sports Museum (NSM) count too?

Academics involved in this field have paid far more attention to this debate than have those on the ground selling the match tickets, ski passes and travel packages. Yet awareness of the way in which the market is segmented is a cornerstone of any successful sports tourism strategy. This goes for venues and destinations alike, whether aspiring or established.

Firstly, each segment differs significantly in its character and requirements. Without a thorough analysis of the make-up of each segment, a sports tourism destination is unlikely to understand or meet its requirements and will therefore fail to achieve its objectives.

Secondly, it is impossible to assess the impacts and benefits of a sports tourism strategy if it remains unclear which visitors, participants or spectators are contributing to those gains. In the current economic climate, being able to demonstrate that new tourist dollars were only spent through the existence of a particular sporting event, facility or participation opportunity is the

sole sure-fire means of justifying investment in a sports tourism strategy. Sports tourism spending is notoriously difficult to isolate; clearly delineating where this expenditure begins and ends makes its measurement far more reliable.

Humans are notoriously messy creatures and the task of getting a complete picture of sports tourism is made more complicated by individual behaviours. We simply refuse to be defined insisting on using our trips for a variety of purposes. On the one hand, this blurring of boundaries can create difficulties in making precise impact assessments; on the other, it creates opportunities for innovative destinations to increase the sum of their component parts.

Tourism venues

In Melbourne, for example, the city's primary nostalgia sports tourism venue, the NSM, is able to draw on its spectator sector for both marketing and footfall. It works closely with the Victorian Major Events Company to tie in its temporary attractions with the city's hosting schedule. Exhibition producer Jed Smith describes the marketing advantages of Melbourne's event host status as simply "massive", with visitor numbers peaking during the city's major sports tourism weeks around the likes of the Australian Tennis Open, the Formula 1 Grand Prix and the MCG's international cricket Tests. He explains: "The press are always looking for different angles when covering the many events taking place in Melbourne, and we also try to tie in our marketing with these events whenever possible; for example, come to the Tennis Open and get into the NSM at reduced rate with your ticket."

Elsewhere, the links are far more formal, both between the individual strands of sports tourism and with other elements of a broader state tourism strategy. Dubai's all-out, all-sector approach to tourism

development, in particular, means that sports tourism in the Emirate is not seen as "a specialist sector but as a contributor in its own right to all the rest. Assistant Professor in marketing and strategy at the Consortium University of Leuven, Belgium, Robert Govers spent four years lecturing on tourism in Dubai and says of the Emirate's approach: "There most probably is no specific sports tourism strategy but everything that is developed and has been developed over the last few years is 'multi-purpose' and includes sports elements. Events are important, but most projects and resorts are linked to sports facilities, so participation is also on the agenda. Then there is a third element which is the strategy they have in attracting international federations, major clubs and professionals."

The examples of Melbourne and Dubai identify the three main types of visitor that can contribute to a sports tourism strategy, either singly or in combination:

- Spectator sports tourism,
- Participation sports tourism, and
- Nostalgia sports tourism

Alongside that list should also be considered incidental tourism (general tourism with some sports content), which may not have as intense a sporting focus as the other three, but clearly has a value in its own right. Impacts will vary hugely within individual sectors according to the sport, facility and location assessed, but in terms of the degree to which sport is at the centre of the tourism experience a clear hierarchy can be seen.

Among participants, establishing why they are there is easy but within the group there is a clear distinction between recreational and competitive participation. The recreational tourist is the bread and butter of snow sports resorts and golf complexes, while the serious competitor is represented by competitive events (usually amateur) that can be used either as a value

add for recreation-led destinations or as one-off or serial generators of short-term tourism flows. Examples of these are a marathon or junior football tournament and it is interesting to observe that one of the strands of Singapore's sports tourism strategy revolves around the staging of road running races.

When looking at events, the definition of participation tourism takes in visitors whose presence is dependent on their relationship with the competitors - the coaches, family and friends who could be characterised as comprising their support structures - or the functioning of the event - e.g. officials and media personnel.

Measuring benefits

When trying to understand the economic and other benefits of sports tourism the one-size approach also fails to paint the full picture of impacts. Some sports tourists are easily recognised; others blend in with the crowd. At one extreme there is the Dutch football fan in the orange boiler suit; at the other, the identikit marathon runner in the race of thousands. The benefits of sports tourism to a destination or venue are equally diverse - not just in their relative ease of identification, but also in their scale, significance and duration.

Pinning down these benefits is the essential starting point for the development of any sports tourism strategy, at the heart

of which must sit the rationale for pursuing this course of development: quite simply, why sports tourism? Nine times out of 10, the straight answer is 'for the money' and, on the face of it, the bare numbers suggest that is good enough. Tourism Victoria's data indicate the 320,000 international visitors drawn to the Australian state by major sporting events in 2006 contributed A\$1.2 billion to its economy, while EventScotland aims to secure an 8:1 return on its investment in sports tourism generating events.

While those headlines offer good news, the devil is in the detail as measuring and assessing benefits accruing from individual events and destination development is complicated by a wide range of factors. Direct expenditure is easier to identify around ticketed spectator events than in participation destinations where sports tourism may be just one aspect of a holiday with a multi-activity focus. But in the spectator sector, the strategist is also faced with the task of identifying which portion of economic impact is truly additional expenditure and not simply spending displaced from either another time period or another tourist group.

Professor Dr Holger Preuss, professor of sports economics and sports management at Johannes Gutenberg-University in Mainz, Germany, has identified different types of event affected persons' whose tourism and travel behaviours are significant

determinants of economic impact around major multi-sport events. These comprise event visitors who would not be there if the event was not happening, extensioners who have extended a planned trip to take in the event, time switchers who alter their plans to be in town during the event, casuals who would have visited regardless and residents who chose to stay at home and take advantage of the event.

Set against these are the avoiders who either abandon or postpone plans to visit due to the event and resident runaways who take additional holiday or change their usual holiday plans to head out of town and avoid the event.

The behaviour of these groups can influence economic impact before and after the event as well as during it, but do have distinct positive and negative effects.

Local focus

Paul Bush, chief executive of EventScotland, says of his organisation's path through the minefield: "Our raison d'etre is to bring people in from outside the country, so we only measure people who come from outside Scotland and we take displacement fully into account. And although we invest in things like The Open and the Edinburgh Festival, we don't count them because they are existing events; we only measure those where without the direct involvement of EventScotland they would not have come to Scotland."

Geography is also a consideration for all types of strategy, both in terms of how far beyond the core destination the ripples of economic impact can expect to be felt and the way in which the same event can have a different impact in two different locations.

Typically, the economic impact of spectator sports tourism is largely limited to the immediate event locale, even in the indirect effects of place branding that can build a region or nation's reputation as a sports tourism destination. A study of Alpine destination management conducted by the University of Milan's Business Management Department in 2008 examined

Sports tourism intensity hierarchy



the impact of Turin's hosting of the 2006 Winter Olympics on inbound visitor flows to the city and the surrounding Piedmont region. It found that while both Turin and the designated 'Olympic Valleys' saw increases in tourist numbers of 25 and 16 per cent respectively between 2002 and 2005, visits to the other nine nearby Alpine tourism destinations surveyed remained flat.

Uneven returns

Bad news, though, travels further, with the negative economic impacts of event hosting being felt much farther afield. Dr John Beech, head of sport and tourism applied research at Coventry University's Centre for International Business of Sport, cites the experience of the 2000 Sydney Olympics as evidence of the case in point. He says: "Most of the research suggests economic impact does not stretch much further than the host city; maybe to the region around it but not beyond that. The Sydney Olympics are a classic example in that they did Western Australia a great deal of harm by putting non-Olympic tourists off going to the country altogether. In Sydney, the people who didn't go were compensated for by the sports tourists, but that didn't happen anywhere else."

This lesson was also identified by Travel Utah in its state-wide strategy to maximise the impact of Salt Lake City's hosting of the 2002 Winter Olympic Games. They noted that economic returns are uneven and that areas outside the core Games region need to identify ways of associating themselves with the host to maximise their chances of gaining tourism growth. This theme has been picked up again ahead of the 2010 Vancouver Games by the neighbouring US state of Oregon. The state has identified direct impact opportunities in hosting training camps and indirect ones in developing Games travel packages that include a visit extension that takes in time in the state, and generating lifestyle press coverage through non-accredited media reporting the Games.

Measuring the impact of hosting a major sports event purely in terms of the effect on tourism in one season is inadequate as many of the results will only become apparent over an extended time frame. There is now a broad school of thought convinced that the costs of staging almost invariably exceed the direct and indirect economic benefits. For example, while

Glasgow expects the 2014 Commonwealth Games to pump £107 million into the Scottish economy, the event is also projected to cost £288 million to stage.

The onus is therefore on events to create more indirect benefits either by contributing to a wider programme of regeneration or kick-starting the local economy into a cycle of dynamic growth.

The difficulty, however, is that while economic impact assessment may be a science, with regard to many sports events it remains an imprecise one. In 2007,

"A city's equivalent of brand equity can be seen in its appeal over the long term to international visitors."

Mastercard and KRC Research asked senior decision-makers involved in hosting the UEFA Champions League finals of 2001 through to 2006 to assess the economic impact of the event: the lowest estimate was €7 million and the highest €100 million. Even among those who measure impact professionally there can be significant disparities in results, depending on what is included in the assessment. While the Deloitte & Touche study of the 2006 Ryder Cup identified benefits of €143 million to the Irish economy, another by Anderson Economic Group and Amárach Consulting considered the gains that could not be attributed to wider tourism promotion to add up to €100 million less.

Perhaps one way of reconciling these differences can be found elsewhere within the business of sport. Sponsors of sports events are very familiar with assessing both

immediate and long term benefits and have developed the vocabulary of brand equity to talk about value which accrues over long periods. Companies selling financial services or cars or trying to build customer preference for a particular airline recognise that purchasing decisions happen often over months or even years. The job of their sponsorships is to contribute to a potential customer's understanding of the brand which translates into a positive consideration of its products when a purchase is being made.

Brand equity

A city's equivalent of brand equity can be seen in its appeal over the long term to international visitors. As we have seen, regular tourism during a major sports event can actually decrease making the event difficult to justify in visitor numbers alone. However coverage of the events can help to reduce cultural distance making it much more likely that tourists will come in the future. Television coverage of a city's landmarks and spectacular events contribute to the picture a potential visitor has in their mind of the destination.

Looked at in this way, carefully selected sports events can be part of a sustainable tourism strategy. In deciding which events to bid for, tourism strategists will need to consider which origin markets are likely to be the source of event spectators and future generations of tourists. Targeting events with large numbers of active participants and extensive media coverage in those markets is the most sure-fire way of turning a one-off event into a legacy of future visitors.

Then, whether they are coming to future events, making use of sporting facilities or visiting the sites where records have been set, sports tourism will keep on delivering however we define it.

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