

OLD WORLD ATTRACTIONS

A combination of established venues, enthusiastic audiences and top event experiences has kept Europe's sports capitals at the top of the hosting pile according to *The Bid Book*, the new intelligence report from SportBusiness Group.

Author **David Walmsley** reports.

THE PREVAILING WISDOM is that financial crises in the Western world and the rocket-fuelled ambitions of countries in the Middle East and Asia have seen a dramatic slide of major sports events south-eastwards.

A quick look at the long list of bidders for the 2020 Olympic Games would appear to bear this out, with no North American bidders, a withdrawn bid from Rome and strong propositions from Qatar and Azerbaijan. Dig beneath the surface, however, and the story is rather different: Asia has indeed increased its event share over the past decade, but a large part

of this is accounted for by the ambitions of Qatar and Dubai, while there has also been a shift away from the United States, but not Europe.

Asia is now ahead of North America on measures covering the 10-year period from 2013 to 2013 and published in *The Bid Book* (see chart opposite), with figures demonstrating that the continent's rise as a hosting power has not happened overnight.

The first half of the period, from 2003 to 2007, saw 86 Asian cities host major sports events; while for the period from 2008 to 2013, the figure is 101. So from Astana in Kazakhstan to Zhangjiagang in China, not only are more Asian cities hosting events, but more of those cities are doing so on a regular basis.

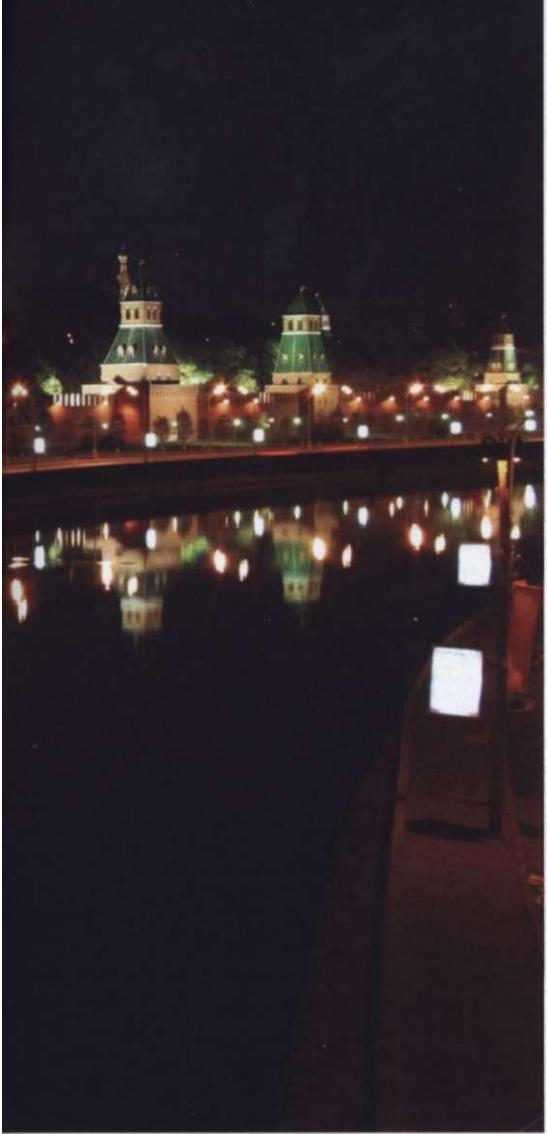
Interestingly, and perhaps contrary to popular belief, the number of summer Olympic federations that have taken their world championships to Asia has barely moved in ten years, and that is during a period where Doha and Dubai have trebled the number of events they have hosted in this category across the two periods of comparison.

Analysis of continental shares of the hosting

market also raises further insights into the source of Asia's growth. The expansion of its host city base since 2003 is clearly strong in absolute terms, but on the comparative measure of market share, the continent has not extended its control to anything like the same degree. Asia also remains a small fish in a big pond as far as winter sports are concerned, and a large concentration of summer Olympic sports being hosted in the Gulf has actually cost the continent share in that sector.

With a 19 per cent increase in the number of events hosted delivering only a two percentage point swing in global market share, it would appear that growth in Asia is being driven primarily by an increase in the supply of available events - particularly through the expansion of global series - rather than an improvement in the continent's ability to compete head-to-head for established competitions.

By contrast, perceptions about Europe's demise are well wide of the mark. The continent has increased its hosting share on practically every measure in the period 2008 to 2013 compared to the previous five-year period.



Major Events and Sports Hosted in Asia

	2003-2007	2008-2013	% change
Events hosted	283	336	+18.7
Sports hosted	29	34	+17.2
World championships (summer Olympic sports)	95	94	-1.1
World championships (winter Olympic sports)	9	13	+44.4
Global series/mega events	171	215	+25.7

Source: *The Bid Book*

Major Events and Sports Hosted in Europe

	2003-2007	2008-2013	% change
Events hosted	879	968	+10.1
Sports hosted	36	37	+2.8
World championships (summer Olympic sports)	213	276	+29.6
World championships (winter Olympic sports)	67	100	+49.3
Global series/mega events	591	571	-3.4

Source: *The Bid Book*

Major Events and Sports Hosted in North America

	2003-2007	2008-2013	% change
Events hosted	263	239	-9.1
Sports hosted	27	22	-18.5
World championships (summer Olympic sports)	32	25	-21.9
World championships (winter Olympic sports)	25	28	+12.0
Global series/mega events	195	172	-11.8

Europe: Winning More
Many of the rights-holders interviewed during research for *The Bid Book* reported that bidders have become increasingly hard to attract in recent years as a direct result of the global financial crisis, with Europe the continent most affected. However, whilst the start line in bidding contests may look very different in 2013 from the way it did in 2003, the podium is still a recognisable place.

Europe may be bidding less but it is in fact winning more. The continent shows double-digit growth in overall events hosted, and only in the global series and mega events category has it actually dipped - and then only slightly.

The data suggests that fewer European bids may not adversely affect the strength of the continent's offer. Those left standing will likely be the biggest, best, most experienced and most popular. Lack of competition may not bring a surge in hosting fees but the presence of an established European host remains a compelling proposition in a bidding contest of any size.

The trend for Olympic federations to choose familiar hosts over exotic ones for

their major events looks set to continue. Given they are in limited supply and generate vital revenue, governing bodies are more likely to adopt a cautious outlook when assigning their showpieces, balancing a wide range of objectives that include safeguarding the sport's interests and traditions.

By contrast, rights-holders in the generally more commercially-minded global series sector could well seek the calendars of their world tours to become ever more exotic. These global series have a wider range of incentives to look further afield, in particular appealing to the demands of multi-national sponsors keen to enter new markets.

However, such rights-holders are not likely to take more trips to North America. Whilst Formula One has recently taken a grand prix to Austin, Texas, it is an exception to the rule (see chart). The 10-year trends show North America down on all measures bar winter sports world championships (where growth is in fact entirely US-led - Canada's share remained unchanged despite Vancouver's hosting of the 2010 winter Olympic Games).

The greatest decline is seen in the amount of Olympic summer sports world championships hosted, although this only equates to the loss of little more than one event a year in numerical terms. More significant within that trend is the nature of US bidding cities: the pre-2008 list included New York, Los Angeles and Chicago, while post-2008 all three are absent, replaced by Las Vegas, Houston and Oklahoma City, and accompanied now by the likes of Henderson, Nevada, and Lake Buena Vista, a Disney-owned municipality in Florida.

Coming Soon: The Bid Book

The Bid Book is written by David Walmsley and produced in association with The Sports Consultancy. It gives a detailed analysis of the sports bidding sector using data compiled from the last decade.

For more details, please contact a member of our team by calling +44 (0) 207 954 3514 or e-mailing infoteam@sportbusiness.com