



SPORTS EVENT MANAGEMENT: THE ULTIMATE INDUSTRY GUIDE

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sport
business

Executive Summary

Introduction

Sports events have evolved from the polite gatherings of the early twentieth century to become major ventures in their own right. Leaving aside mega-events: the Olympic Summer and Winter Games, FIFA World Cup and UEFA Euro events, there are a large number of mid-level events requiring investment of money and expertise and involving large numbers of people.

It is for organisers of these events that this report has been written. They are required to be experts in a large number of disciplines and to bring off a show on a specific date with no second chances. They have a huge number of stakeholders depending on them from sports federations and athletes to sponsors, broadcasters, crowds and not forgetting the community hosting the event.

They have to contend with moving financial goalposts, press scrutiny and a bewildering number of moving parts to keep an eye on. They will often need to recruit and lead a large team or, possibly more difficult, select an external provider who will deliver the event on their behalf. They will often have to pledge large sums of money or promise a return to rights-holders against uncertain outcomes only some of which are in their control.

Finally event organisers face an increasing possibility that their event will be disrupted by scandal or terror turning their hard work to dust overnight.

It is the best job in the world and one which some people put themselves through willingly again and again. But, at times it is a thankless and lonely task with the event organiser in the position of whipping boy being attacked from all sides.

This report will not give all the answers, but it will provide a sympathetic and practical guide to some of the main issues that will occupy most organisers. It has been written by many with personal experience of the stresses and strains; the highs and the lows.

Part One: Getting it Right from the Start

Many of the problems that event organisers face late on in the process of delivering the show have their roots back at the inception and early stages of event planning. So, it is without apology that we devote part one to the processes of setting things up to ensure a greater likelihood of success.

To do that we first set out a typology of events and deal with some definitions. One of the frustrations often voiced by professionals in this field concerns the constant reinvention of what should by now be standard processes. There are differences between events, but they are often far fewer than most organisers realise.

Part of the problem stems from an absence of standard terminology with which to describe activities and roles and we hold out some possible ways this can be tackled.

The Evolution and Project Journey of an Event

Although organisers will often think of their event as unique, it is likely to follow a pretty standard journey which many have travelled before. Where the idea or impetus for an event comes from tends to set it on a track which has a disproportionate impact on its progress.

We demonstrate a pragmatic approach to treating all types of event from PR activity, to a “pure” sporting occasion in a similar way. This approach results in fewer hostages to fortune and a greater possibility that an event will meet expectations.

Sports events are often sub-optimal either in terms of how much they cost or what they deliver. Event potential is thus missed and many of those involved are left rueing what might have been. A disciplined and ordered approach to the early stages are much more likely to lead to a success on everyone’s terms.

Feasibility, Development and Planning

Often a stage which is skipped, feasibility identifies the essential risk and success factors for an event and asks a lot of the vital questions. Effective feasibility is carried out before large sums and lots of political capital is committed and will always result in a better plan.

Although not all the information is known at the feasibility stage, most cost elements and the range of variances likely to be experienced can be calculated. This enables organisers to set a budget and contingency fund and ensure the money is there to get the project off the ground.

Development and planning is a combination of creative and very practical tasks which set out the routemap for all of those involved to follow. Whether these are people directly employed by the organising committee or by the range of external delivery partners that are likely to be part of the event, each will need to be clear on the purpose and plan for their activity. This enables the right team or agencies to be selected and parameters set as to how they will all work together.

There is no standard approach to planning but there are a few different ways that many with experience have found to be successful. We present these ways of thinking about structure, relationships and contracts to get the event off to a flying start.

The Winning Team

The people and organisations involved in a large-scale event multiply with the amounts of money involved and the different outcomes required.

The event organiser has to as much diplomat as dictator; to be decisive and inclusive. We examine first the role of the leader and the skills and style that sit best with this important role.

Sitting below the leader will be the immediate team charged with the delivery. Where this team comes from and how they are managed can mean the difference between smooth running success and an acrimonious failure.

Hovering around the edges will be the paymasters and the politicians, the commercial partners and the community, the sporting authorities and the suppliers. Cohering these stakeholders around a common purpose is a difficult challenge. However, it is all worthwhile to get agreement and make progress and contributes overwhelmingly to a positive legacy.

Procurement and Contracting

However well managed relationships are the process of selecting and securing the services of suppliers is a technical one. This is the area where the largest proportion of the event organiser's budget will be spent so has the most potential to derail or delivery the budgeted event.

Judging at what point to bring in external providers is not a straightforward decision. Outsourcing a project entirely is likely to be more expensive on the face of it, but blundering around with an inexperienced in-house team is likely to cost more overall both in budget and time.

Inevitably, suppliers will need to be contracted at some stage and some kind of tender process will normally be required. There are several ways of ensuring the best supplier is selected and the best value obtained and we review them here.

Legal

The law touches major events in so many ways that this is a vital chapter. Whilst not advocating immediate recourse to lawyers this section does demonstrate the legal implications of the many decisions event organisers make.

This starts with understanding the legal status of the event itself and feeds through to many of the other commercial arrangements. We examine the legal basis of agreements with rights-holders, athletes and teams, sponsors, broadcasters and suppliers to offer clear practical advice on what to expect.

Finally we examine the area of risk and offer some ways in which the law can help reduce if not the risks themselves, then at least the consequences.

Part two: Optimising Major Event Revenues

For event organisers, one of the biggest headaches and areas of uncertainty may be around money. Where part one looked at ways to keep costs under control, part two covers the major revenue streams and how to optimise them.

Developing a Media-Rights Strategy

For many sports the money from broadcasters for the right to show television footage of their events has become a very significant income stream. For this reason many will have long-standing arrangements with broadcasters which cover events over several iterations.

This is not always the case and many event organisers will have the discretion and indeed be expected to make local arrangements for delivery to television audience. This is, of course, vital to rights-holders who want to drive interest in their events and to sponsors whose investment is thereby multiplied.

This section provides some guidelines on how to take a strategic approach to media rights and looks in-depth at case examples from the IAAF, UEFA and the English Football Association.

Sponsorship

Sponsorship is another area where global rights may already have been sold by rights-holders but it is likely that event organisers will have the opportunity to raise money from their domestic brands.

This section provides a clear, eight-step approach to getting the most out of this opportunity. We follow a path from packaging up rights to identifying and approaching sponsors, negotiating win-win deals and delivering what sponsors require.

Event organisers will be expected to work with both local and global sponsors and this can often require a specific team in itself. Finally, everyone will want to know what the results were and we offer some advice on evaluating the effectiveness of the programme.

Ticketing and Hospitality

Some of the most important decisions an event organiser will take will be around ticket sales. Priced too low and vital money will be lost, priced too high and the take-up among the local community will fall short leading to embarrassingly empty venues.

Having set prices and created packages to suit all expected visitors, event organisers will need to consider whether to sell tickets directly or share the load with a ticketing agency. And, once tickets are sold they will need to look at the secondary market as that is where the hottest tickets may end up.

Many rights-holders and sponsors will have an allocation of premium seats but that should not rule out the possibility of selling hospitality packages. This section reviews how this market has changed, offers advice on what constitutes an attractive VIP product and how these can be sold.

Licensing and Merchandising

Beyond the ticket itself, many fans value the chance to demonstrate their allegiance during the event. Flags, scarves, hats, shirts and even horns build atmosphere in the stadium and provide a significant income stream.

Fans will often purchase other programmes, souvenirs and other memorabilia of their experience and event branded goods can be a way for a local community to show their support for an event in a practical way.

This section looks at the different income streams from merchandised goods can be exploited and the ways event organisers can use logos and mascots to generate revenues.

Part three: Event Delivery and Measurement

If the planning and preparation are done well and the revenue streams are secure, then event delivery should proceed without a hitch. As the clock ticks down to the event, however, there is less time to deal with the inevitable challenges as they arise.

Recruiting and Managing Volunteers

Volunteers are a common part of most major games and many event organisers will see this as very positive thing. Using volunteers will not necessarily be lower cost but it will engage the community, deliver a positive welcome to visitors and contribute to the all-important legacy.

A successful volunteer programme will not just happen. Using volunteers needs to be taken as seriously as any other component. Careful planning, recruitment, training and communication can ensure both volunteers and visitors have a great experience.

We take a case example from the Melbourne Commonwealth Games to show how a successful programme can work in practice.

Event Media Management

The media can be a blessing and a curse but no event organiser can operate without giving them full consideration. Managed well, the media can help build a narrative around an event and generate the excitement needed to deliver sell-out crowds. If they are abused they will report negatively and this kind of coverage can cast a dark shadow over the event.

Media accommodation is one of the fine judgements that organisers have to make. Over specifying the press centre will be a costly waste of money but cramped and inadequate accommodation will inevitably result in sub-optimal results.

This section shows how to engage positively with the media and to give them what they need to do their job effectively. We look at accreditation, practical facilities, access and information that the press will need in this era of 24/7 digital reporting.

Safety and Security

The instances of major sporting events being targeted by terrorists have multiplied to make this area a serious concern for event organisers. Awareness of potential problems has also led to both athletes and audiences to think twice before committing to attend. All groups involved need to know that security is being managed effectively.

In fact, the far bigger risk in terms of likelihood is one of safety. Large crowds unfamiliar with their surroundings need to be managed to ensure events pass off without incident.

Not every risk can be eliminated but most can be reduced, transferred or mitigated against leading to far fewer sleepless nights for event organisers.

Sustainability

Every human activity has an environmental impact but the high profile and somewhat transient nature of sports events puts the question of sustainability high in the minds of commentators and activists.

Better event management will allow for more reuse of equipment and a permanently used legacy. Approaches throughout the supply chain of preparation for major events and particularly during proceedings can also reduce overall waste and emissions.

The profile of major events also gives an opportunity for rights-holders, organisers and sponsors to influence the habits of large numbers of people. How these messages are communicated also requires careful thought to avoid public fatigue and accusations of greenwashing.

Measurement and Evaluation

It is only once an event is over that a final assessment of its value can be arrived at. Many budget items will not be fully known until a late stage and some legacy deliverables will not be apparent for months or even years.

Most organisers will try to put a single figure on economic impact but this is far from being a straightforward task. Even for simple measures such as visitors, hotel rooms and spending they will need to consider whether new money was brought in from outside the community and the effect of those who would otherwise have visited but were put-off by the prospect of crowds.

There are also a range of softer measures which are important for the event organiser and his team, the rights-holder and future event hosts and the commercial partners of events.

Author Profile

Lead Author, Will Glendinning:

Will Glendinning has worked in the event industry for over 15 years. He began his career at Imagination; one of the most respected design and event companies in the world and worked on projects ranging from international road shows, through to Pan-European car launches and two of the main sponsor pavilions inside the Millennium Dome in Greenwich, London. He also worked and consulted on projects for UEFA, ATHOC, TOROC and DAGOC.

Will then joined Innovision in London. As their Managing Director, he saw the company through a period of rapid growth and led activity for the Royal Navy, the ECB and won the contract to manage and deliver Le Grand Départ; when London and Kent hosted the start of the Tour de France in 2007. Will led this event on behalf of Transport for London: one of the largest and most complex events the UK has ever staged.

Will then founded Allium Opus (and The Allium Group), which offers independent and impartial event management and consultancy, project management and feasibility and development services to organisations and event owners in both the public and private sectors around the globe. Allium recently led the World Championship Series Triathlon on behalf of Upsolut, and is working with, amongst others, the Department of Culture Media and Sport (UK Government) and UK Sport.

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Acknowledgements

The author would like to thank the following individuals and organisations for their contributions to and assistance in the preparation of this report:

Stacey Allaster, President, Sony Ericsson WTA Tour

Justine Bailey, Logistics Director, Innovision

Jeff Burke, Director, ES Group,

Paul Bush, CEO Event Scotland

Luis Carulla, Marketing Manager, IAAF

Adam Comey, President, Mountain Sports International

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