
Rami Mhanna, University of Winchester

Management - Strategic Management (Olympic Sport)  
20-minute oral presentation (including questions)  
Abstract 2018-212  
Friday, June 8, 2018  
1:45 PM  
Room: Acadia B

The aim of this research is to develop an understanding of the process by which Olympic stakeholders leverage business relationships via corporate hospitality programmes. Mega sport events create opportunities for businesses and sponsors to engage, enhance or create business relationships through various hospitality activities (Chalip, 2004, 2014; Kennelly et al., 2017; O'Brien, 2006). It is common for mega sport events stakeholders to look beyond short-term business impacts towards achieving long-term business legacy outcomes. This indicates that such events have become a part of a broader process that must be invested in throughout the planning process, before, during and after the event. A strategic approach was used for the London 2012 project to fully leverage business opportunities over the long term. This research is concerned with the stakeholders’ perspectives on how such long-term leveraging could be achieved. The paper forms a part of a broader qualitative empirical research project that explored stakeholders’ perspectives of leveraging business legacies from mega sport events. The methodological design is guided by an exploratory stance through key informant interviews undertaken with salient stakeholders of the London 2012 Olympic Games. A total of 20 in-depth semi-structured interviews were undertaken with London 2012 stakeholders who expressed their perspectives of how the Olympic Games created opportunities and acted as catalyst for enhancing and creating business opportunities. Iterative thematic analysis process was adopted for the rich data. The analysis led to four main initiatives to leveraging business relationships despite the limitations for some stakeholders.

Firstly, the operation of National Olympic Houses during the Games; the creation of the British Business Club offered the National Olympic Committees (NOCs) and associated delegates opportunities to operate their National Houses in London during the Games (Lacey, 2011). This was an initiative to promote each country’s business opportunities. Out of 205 NOCs, 40 had a house in London, where sponsors and businesses activated deals by running various pavilions. There was a plethora of ancillary entertainment added by sponsors to the programmes such as dinners and functions beyond the Games themselves. Within the process, other stakeholders such as the London and Partners (the Convention Bureau) and London Business Network played a key role in facilitating the business hubs across London in order to maximise opportunities for London based businesses.

Secondly, sponsors’ communication platforms; sponsors’ corporate hospitality programmes provided international networking facilities as there was a need for having a network of venues. This was an initiative to enable meet and great opportunities for contacts and introductions among UK businesses (including SMEs) and international business visitors. For example, EDF Energy as one of the London 2012 partners hosted about 3,000 guests in a hospitality programme, where business leaders, trade union leaders and major customers spent time together as a group and discussed future business opportunities. This reflects on Brown (2007) and Gliloo et al. (2017) who suggested that one of the key benefits of Olympic sponsor hospitality is the ability to invite and entertain business visitors in ways and at locations that are not available to other businesses. Within this initiative, sponsors played the role of communication activators as part of the sponsorship deal based on a win-win situation. For instance, to reduce the cost in delivering communication platforms, BT and Cisco signed up as sponsors and delivered the communication hubs. BT sponsored a number of hospitality events, provided free venue and free catering for 100 representatives from Embassies, International Chambers of Commerce and National Olympic Committees. Cisco Systems used their telecommunications solutions as a tool to leverage their association with the Games. Furthermore, Russian sponsors of Sochi 2014 Winter Olympics were invited as part of delegations to London. Therefore, 2012 sponsors, UK and international businesses found a valuable starting points to network with potential customers from overseas and to create business relationships opportunities for sub-contracts as suppliers in future host destinations.
Thirdly, no-sponsor networking platforms; there were further opportunities for non-sponsor businesses to network during 2012 stakeholders’ hospitality programmes. Those were business representatives who could not associate with London 2012 despite some supplying contracts of the Games and who did not take part in the sponsor’s hospitality programmes mentioned above. Non-sponsor stakeholders such as UK Trade and Investment (UKTI) and the London Business Network who had an association with the economic legacy of the Games, coordinated with LOCOG and the Olympic Delivery Authority (ODA) to provide opportunities and venues at a very competitive rate, or free of charge for such companies and business. Despite the difficulties that faced those suppliers of the Games who were unable to associate themselves with London 2012, they could engage directly in a variety of activities with other UK businesses and customers. Moreover, to facilitate international networking for UK companies to build relations with their counterparts from different countries, a series of added activities related to the companies’ industries were introduced as the UKTI had its own hospitality programmes during the Games. For example, IT businesses from China and the UK were invited to contribute in three-day programme and learned about the future of media and IT technology investment in London.

Fourthly, the proactivity of hospitality programmes before, during and after the Games; hospitality programmes and business meetings were not limited the period of the Games in summer 2012. Business visitors perceived that London would be busy and overcrowded, thus many would not be willing to visit during the actual period of the event itself. Continued networking opportunities were taking place during the planning for the Games. An example is the “Global Hospitality Programme” was introduced by London and Partners after the city won the bid in 2005. This was based on various marketing campaigns attempting to ensure business visitors still came after the Games as well. This was also reflected in some 2012 sponsors and partners such as Lloyds. Since 2008, Lloyds introduced a programme called the “Local Heroes Programme”, in which they sponsor athletes and invited them to business hospitality event to capitalise on celebrity power during such events.

The research offers holistic insights by reviewing relevant literature to event business leveraging. The adopted methodological design and data analysis mentioned above led to presenting four main initiative to leverage business relationships from Olympic hospitality programmes. However, the theoretical contribution and applicability of such initiatives represent a more progressive longer-term approach which integrates constant strategic leverage from the bid stage of a mega-event. It is an event-themed leveraging approach (Smith, 2014), that may become a model for strategic use of mega-events projects rather than merely being subject to the temporal constraints of the event per se. This is especially important because this area of research has both a high potential impact as well as being under-researched.