



## Eyes on the tourism prize

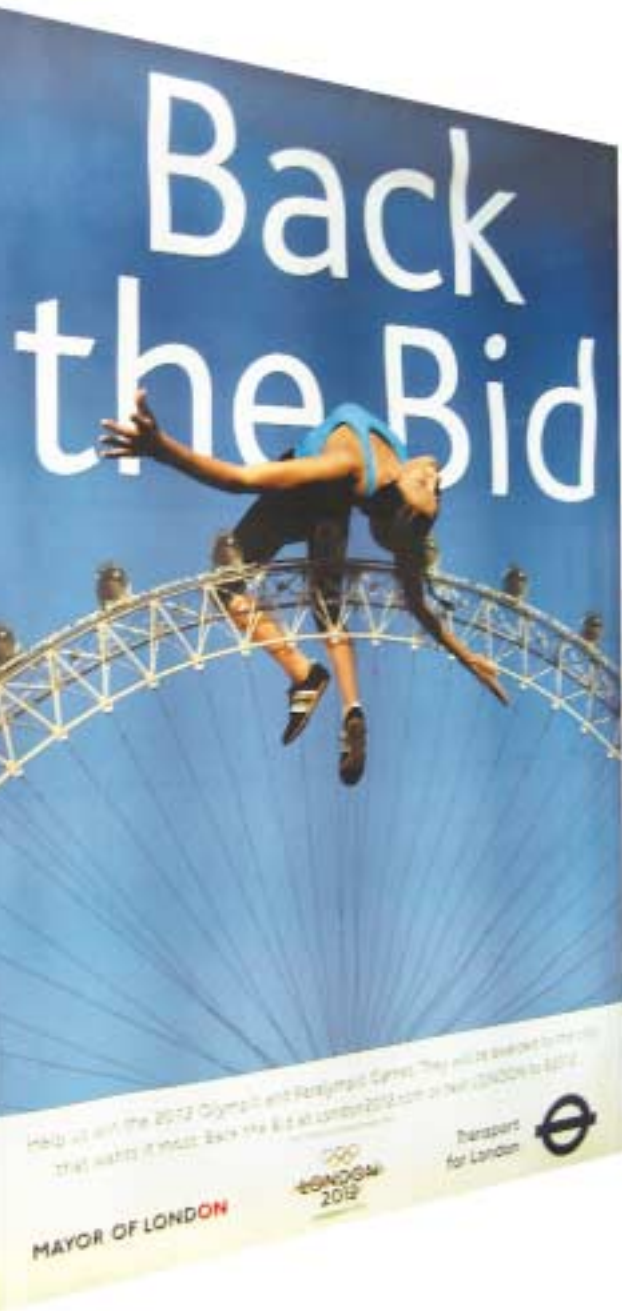
### Optimising the potential tourism benefits of the Olympics

After authoring the Tourism Society's Think Tank report on the Olympics and Tourism prior to the Olympic bid, [Ken Robinson](#) was invited by VisitBritain to prepare a draft strategy with numerous specific policies to optimise the tourism benefits of the London 2012 Olympic Games. This has fed into DCMS plans, and the Tourism 2012 Strategy is due to be published for consultation shortly. Here, he shares some of the key insights that informed his proposals.

The prospect of hosting the world's greatest sporting event seems dazzling, and to some, overwhelming. I stood in the Britain and London Visitor Centre with the great and the hopeful of British tourism as Jacques Rogge tantalisingly fumbled with the envelope and announced, 'The 2012 Olympic Games are awarded to the city of ... London!' The immediate elation was overpowering. We thought, of course, of the years of sporting inspiration that this would bring, and of the cost of development and funding challenges of the main facilities in the Lea Valley. But not for one second did we doubt that London's and Britain's tourism industry will host the world in exemplary style in 2012.

In tourism, we have learned to be pragmatic – welcoming the highs and weathering the lows of terrorism, disease and economic disruption. At last, the Olympics offer a definite and seemingly beneficial focus in the very near future.

However, the Olympics have an unparalleled ability to engender hype, so the key to preparing a strategy to optimise the potential tourism benefits was to gain an appreciation of what really happens when the Games come to town. This proved harder than might be imagined. Good data on past Olympics is hard to find. Olympic organising committees in host cities disband immediately following the Games; they record data on spectators and ticket sales, not on tourism. After the event, the governments of host countries have little reason to have an inquest on the real costs and benefits. So it has largely been left to academics to assemble the facts. It soon became clear that the best sources of information were the senior individuals involved in key positions, all of whom were happy to pass on their experience.



## Direct impact?

The research showed that there were great misconceptions about the probable scale of tourism directly related to the Games. Senior representatives of LOCOG had said 'over two million people will come from round the world for the Games', and the Secretary of State's speeches referred to 'over half a million extra tourists coming from overseas'. A closer look showed that although there will be over two million tickets sold, LOCOG expect 80 to 90% will be to UK residents. In fact, the total of all overseas visits to the Sydney Games – officials, competitors, spectators, media and sponsors – was just 106,000. In Athens, this figure was believed to be under 200,000.

So the number probably coming for the London Games may be, say 300,000. Putting this into context, at that time of year, and at current levels, there would be 420,000 overseas visitors in London anyway. London is a massive international tourism destination, over ten times the size of Athens. And the 300,000 or so overseas visitors will not be 'extra'; most will be in substitution for other tourist visitors, because when the Olympics are in town, all the evidence is that other leisure and business tourists stay away. What is more, many residents choose to go away.

The pattern in past Olympic destinations is clear; the period around and during the Games is very disruptive to most businesses in the tourism and hospitality sectors. The Games go on into the evenings with most of those attending being caught up in Games-related activities, travel and eating on the go. Restaurants, pubs, theatres and other tourist services do relatively badly. The reputation of the destination during this crucial period in the world media spotlight will depend on the quality, the value (not profiteering) and the standards of welcome and service that we deliver. These attributes are close to the heart of Government's and tourism organisations' aspirations for playing their part in delivering a successful Olympics, and gaining an enduring legacy for London's and Britain's tourism industry. A realistic appraisal of the inevitable and potential disbenefits will enable us to deploy strategies to counteract them.

## National benefits?

Of course, the 2012 Olympics will primarily be London's Games. Throughout Britain there is a wish to play a part and to attract some of the perceived benefits. In tourism terms, this will be quite difficult, except for the cities and hinterland of the handful of other venues: Weymouth for the sailing, and the stadia involved in the football. So attention has turned to the assumed benefits of attracting training camps before the Games – but with no real analysis of their likely scale. There will be 200 national teams competing, but 40% have fewer than ten participants. Teams use training camps at Olympic destinations to acclimatise, but this will not be essential for northern European and other nations with similar, temperate conditions. Understandably, given the different climate, about 40 nations had training camps in Australia. Yet, even at the most optimistic estimate, the largest of such camps are unlikely to generate more than 1% of each location's annual tourism revenue.

The evidence suggests that persuading international Olympic tourists to travel outside London and away from the sporting venues will be difficult, as most of them are very committed just to their Olympic experience.

The Torch relay that precedes the Games will take the Olympic flame through many parts of Britain, and will undoubtedly do much to raise the Olympic spirit. This will not, however, be a significant source of additional tourism. However, LOCOG is committed to the IOC to deliver a nation-wide Cultural Olympiad in the years before the Games, and this could offer great potential for cultural attractions and their recognition in both domestic and overseas markets.

## Exploiting global focus

The big and enduring prize on offer to Britain's tourism will be the global focus on London and the UK that accompanies the 2012 Olympics. Over 30,000 media representatives attend the Games, but many, maybe most, will be neither formally accredited nor primarily interested in the sporting results; their interest will be in the location, the places, the people, the atmosphere, the background. An incredible 3.9 billion people world-wide watched the Athens Games, and there were more than 35,000 hours of coverage.

The potential to inform and influence the world's media about London and Britain is truly phenomenal. In this respect, the Olympic Games will provide an intrinsic benefit for tourism to Britain. However, to leverage this opportunity requires dedicated new investment, so that VisitBritain can facilitate the reporting by these media representatives. Destination information with broadcast and graphic content for television, publications and online services must be provided. Visits must be arranged and serviced. This has to begin immediately after the 2008 Games in Beijing, so early government commitment to adequate budgets is essential.

The potential long-term tourism prize is massive, compared with the relatively small and short-lived impact of tourism actually related to the Games. In Australia, tourism was 6% up after the Games, before 9/11 and SARS, and in Greece overseas tourism was over 14% up at the year-end following the Games.

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Despite Visit London's recent aggressive and successful international promotion to claw back lost ground, and VisitBritain's rejuvenated international activities on their 10-year standstill budget, we have been slowly slipping down the success tables of international tourism. The 25-year review undertaken by VisitBritain is stark. Numbers have risen, but much more slowly than global tourism growth. In 1979, the average overseas visitor to Britain came for 12.5 nights. By 2004 this had shrunk to just over eight nights. At the same time the spend per head in real terms for each stay had fallen from more than £740 to £470 (2004 prices). The 'tourism balance of payments' has plummeted from a surplus of £2 billion to a deficit of £17 billion. The global Olympic focus on London and Britain will provide the greatest opportunity to show our excellent tourism products to the world and provide the platform to win back world share. The simplistic prediction that the Games could produce a surplus of £2 billion on our tourism account over the few ensuing years is, in my view, an understatement.

## Maintaining focus

Whilst Olympic Games tourism can easily be accommodated, the event already has an unsurpassed ability to dominate the thinking and planning of departments, quangos, agencies and authorities. Already a plethora of strategies, plans and projects are taking shape. Committees are meeting and wild expectations are taking root. It is critical that all planning is based on a realistic appraisal of the volumes, values and probable patterns of Olympic tourism. The tourism industry cannot look to LOCOG for this lead. They have a Nations and Regions liaison group, but it can only foster links in aspects directly related to LOCOG's statutory remit, which is to deliver the Olympic Games for the IOC. Tourism must organise itself, under DCMS's Tourism 2012 Group and strategy. VisitBritain and Visit London must work seamlessly together, with harmonised communications and coordinated activities. There will be a need for an industry-wide Olympic Tourism Forum and working groups on all key topics. Agreed Olympic programmes will need adequate funding, in addition to, and not in place of, ongoing commitments to grow the social and economic benefits of this industry.

The Olympic Games offer not only the prospect of the greatest long-term tourism benefit for Britain but also the greatest potential to distract and confuse essential tourism efforts. Winning the Olympics tourism prizes requires realism, investment and long-term commitment.

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