

THE HOST CITIES' PERSPECTIVE:
An Overview of the Impact of COVID-19
on Sporting Events

April 2020



Over the past few weeks, throughout the world, the COVID-19 outbreak has taken the world by surprise and has brought great strain upon all parts of society including cities and organisations involved in the hosting of international sports events.

In order to understand how cities around the world have been coping with the current crisis, what they expect to happen in coming weeks and what their concerns for the future are, the BCW Sports Practice developed a Host City Survey in order to collect their testimonies.

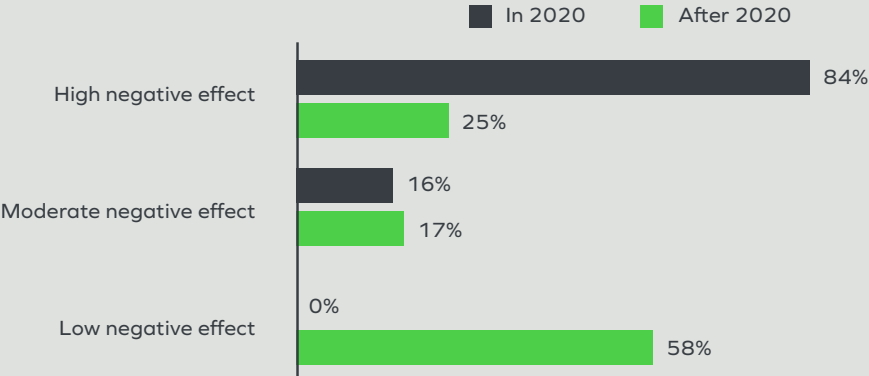
This survey was sent out to an international selection of 100 host cities and was carried out over a one-week period from March 23-29, 2020.

The following report outlines six key insights about the current sentiment landscape amongst host cities regarding the impact of COVID-19 on the future of sports events and on hosting strategies.

COVID-19 disrupts sporting event planning, but host cities expect a return to normal next year

In a frenetic one-month period, countless sporting events - local, national or international - have been postponed at best or cancelled at worst. No sporting events were spared – even the Tokyo 2020 Olympic Games and the UEFA EURO 2020 were postponed to 2021. The coronavirus outbreak has left host cities in disarray with no choice but to revise their plans.

More than 84% of host cities surveyed believe that COVID-19 will have a high impact on the sports events planned in 2020. However, when asked about the future, 58% of them think that the virus outbreak will have a low impact for 2021. Host cities expect that things will soon get back to normal.



“ I think sports events are much fun and very important for our city - but in this time our health, people’s jobs, our safety come first.
A city representative from the Netherlands

“ It seems that sport events will not be the main pillar of sport development in the near future. Decision makers may focus on local sport organisation to get them back up on their foot.
A city representative from Denmark

Financial repercussions will probably last beyond 2020

The sports events industry has largely proven to be somewhat recession-proof. Most major sports organisations weathered the economic fallout of the Sept. 11 terrorist attacks and the financial crisis in 2008. However, the current global crisis is forcing the cancellation or postponement of sporting events in order to stop the spread of the coronavirus. And this extraordinary situation has serious financial consequences for host cities.

Indeed, 78% of host cities surveyed admit that they will suffer financial losses in 2020 due to the cancellation or postponement of sporting events in their city or region. When asked about the next two years, the results show that there is a strong likelihood that the budget allocated to hosting sports events in their city will be negatively affected.

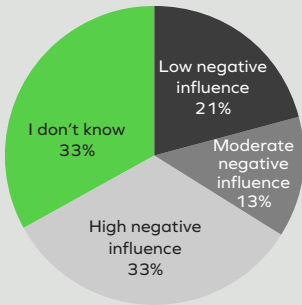


“Understanding from all sides that public and sponsorship dollars are being impacted short and long-term. The recovery for public dollars to support events in the near future is going to be very, very limited.”
A city representative from North America

Host cities are divided about the impact of COVID-19 on the general public’s support for the hosting of international sporting events in the future

The COVID-19, and the uncertainty and fear that accompany this pandemic, may lead to new behaviours and beliefs. Will people become more suspicious and more credulous about the hosting of international sports events? Or are people rather impatient to get back to their normal lives and will want to enjoy attending major sporting events?

When asked if the general public’s future support for hosting international sports events in their city, region or country will be negatively influenced by the COVID-19 outbreak, cities were quite divided on the matter, as the results show.



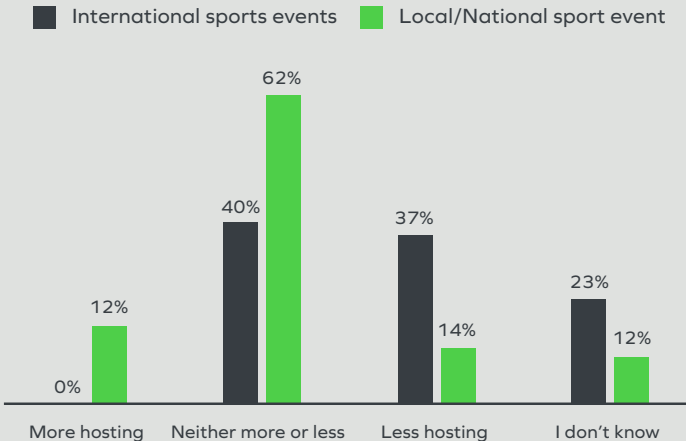
“The sports events landscape will change for ever!”
A city representative from Great Britain

COVID-19 forces host cities to rethink their sporting event hosting strategy and to focus more on social development

Sports events have always been great platforms for achieving the broader goals of host cities. And the COVID-19 crisis can reinforce this catalytic effect – whether it be for sports, branding, social or economic development, host cities believe that sporting events will play an important role in overcoming the crisis. When asked their opinion, host cities slightly rated higher the role that sporting events can play on social development.

At a time when social distancing has become the new norm, sporting events seem to represent the perfect opportunity to bring (back) people together.

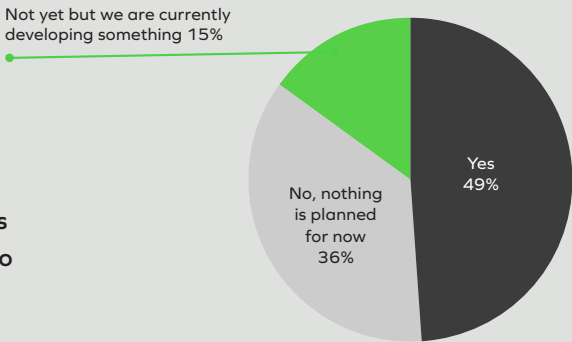
The new coronavirus outbreak may also force host cities to review their hosting strategy. When asked about the impact that the COVID-19 may have on the type of events to be hosted, cities said to plan fewer international sports events and more local or national sports events.



Host cities are very active in setting up new sports activities for their population in lieu of hosting sporting events

At a time when half of the world’s population are confined to their homes (as of April 1, 2020), opportunities for sport are rather limited. And when we know the importance of an active lifestyle on people’s health – and therefore to the economy in general - many cities around the world have been innovative in finding new ways to get people involved in sport. As a matter of fact, 64% of host cities reported that they have initiated or are developing programs to encourage their populations to continue to participate in sport from home during the confinement period.

Among the activities cited by host cities: web-based training programmes, live videos on social media platforms or even local TV broadcast for which local clubs provide content.



**“ Nothing will be as it was before - but the crisis is bearing a chance for technical progress also in sports business.
 A city representative from Denmark**

Host cities are overall satisfied with the level of communications with event right holders, but are looking to become a true partner

In general, the majority of host cities surveyed (56%) feel highly informed by the relevant national/international sports organisations regarding the events they were supposed to host and that are now postponed or cancelled.

However, a few host cities have shared their interest in receiving more information – and to become true decision partners of national / international sports organisations in deciding the new dates of events.

“ We would like to know the plans for when and how they will make decisions regarding event postponement, cancellation or modifications and inform the local organising committee.

A city representative from Canada

“ We would like to know how the disruption of the Olympic Games cycle will affect scheduling of international sports events.

A city representative from Norway

“ We want to be a part of the decision. The city is seen as a place, not a partner or value creator.

A city representative from Denmark

Conclusion

Results from this survey show that cities unanimously expect the COVID crisis to have important and immediate negative repercussions on the hosting of sports events - some even predict that the financial impact of the crisis will last beyond 2021.

While cities are unsure how this crisis will affect the general public's future support for the hosting of sports events, they do however recognise that, in coming months and years, their city may host less international sports events compared to national or local sports events - a projection which may be reflective of the financial losses induced by the crisis and of the time cities will need to recover from it. A recovery in which host cities agree that sports will play an important role in terms of sports, social and economic development.

Through these tough times, however, host cities are stepping up to the challenge and finding new ways of engaging with their populations through sports. Web-based training programmes have sprouted, and social media platforms have more than ever become the meeting point for sports communities and enthusiasts. Cities are engaging with their populations online, encouraging them to stay active by providing them with free and innovative alternatives to practice physical activities.

The current epidemic outbreak is as serious for the world of sports as it was sudden and unexpected. While it will undeniably have a strong impact on cities' hosting strategies going forward, sports will learn from this challenge and will emerge stronger than before with the necessary tools in hand to confront future challenges which may come its way.

Contact



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About BCW Sports Practice

At BCW, we help our clients worldwide designing and implementing carefully orchestrated, integrated communications. Through the power of BCW's global network and our high-level relationships with sports governing bodies, leagues and organizations, our BCW Eventus™ services help countries and cities attract, activate and assess major sports events. www.bcw-sport.com