

The impact of sport  
tourism by the  
example of olympic  
games in beijing  
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## Abstract

There are many advantages and disadvantages that come with hosting a major event like Olympic Games. The constant scramble to host such an event is associated with the perceived economic gains and a chance to market the country in the world. 2008 Beijing Olympic Games was one of the most important event to have been hosted by China and it provide a chance to resell brand "China" to the world amid its dented image by environment pollution and human rights record. Beijing Olympic was the most expensive Olympic Games in the world with the government spending more than \$42 billion in laying down infrastructure which created more than 800,000 new jobs increasing the purchasing power of the population. Beijing received more than 600,000 visitors from outside the city which was an impressive tourism record for the city. Beijing Olympic was also viewed by more than 4 billion people all over the world making it the most viewed Olympic Games event in the world. However there were some serious management issues that came with the event special the restricted visas for entry into the country.

## Introduction

Everyday we see scramble by nations to be granted a chance to host major events in the world. This is often seen as a chance to reap off benefits that are associated with hosting such an event. There are expected financial and marketing benefits that are associated with hosting such an event. The impact of tourism which comes with hosting such an event like the Olympic

Games has been a contemporary issue in hospitality (Papadimitriou et al., 2008).

Nowadays, Olympic Games have become one of the most incontestable events in the world. It is one of the prestigious events which are usually intended for the global audience (Papadimitriou et al., 2008). This means that such an event is likely to bring on board tourist from all over the world converging to one country. The scramble to host Olympic Games clearly expresses the benefits that are likely to come with hosting such an event. Olympic Games raise the creditability of a national government since it portrays their capability to organize and host such a major event (Karkatsoulis et al. 2005). For example the 2008 Beijing Olympic Games was used as a marketing tool for china to raise its credibility in the world. According to Papadimitriou et al. (2008) Olympic Games are also important in raising the international awareness about the hosting country. Due to the publicity of the event and the number of people to visits the hosting country, Olympic Games are seen as one of the best tool that creates international awareness about the country.

In 2001, it was one of the defining moments for Beijing after it was offered a chance to host the Olympic Games after waiting for more than one century. This was the first time for china, a country that had bee closed by the communist regime to the rest of the world, hosted such a major international event since it is rise to global economical power. Hosting the Olympic Games came as golden chance for the country to re-brand itself in the world after its image had bee dented by issues like production of substandard goods, abuse of human rights, environmental pollution, and many others. Hosting the <https://assignbuster.com/the-impact-of-sport-tourism-by-the-example-of-olympic-games-in-beijing-essay-sample/>

Olympic Games was therefore important for china not from the view of the economic benefits that the country expected to reap, but also as an important marketing strategy for “ brand china”.

This research paper will look in the national economics and community life transformation in China before and after the Olympic Games. It will identify the changes that happened after or the day before the Olympic games in Beijing. For example the number of industries which were associated with the historic Olympic games in China had reached 1. 4 billion by 2004 and it is expected that this number could more than double after the Olympic games in 2009 (JPMorgan Chase & Co, 2005). . This clearly indicates that the Olympic Games were likely to have a lasting economic impact on the country.

It is also evident that in creating publicity for such an event, there are more and more people who are likely to be associated with the event. This means that consumers are likely to purchase products which are associated with the event (Tingchi Liu, Huang, Minghua, 2007). Olympic Games therefore can influence community life especially consumer purchase behavior in various ways. In preparation for such an event, there is likelihood of increase employment (Zhao, 2006)..

### *Aims and objectives*

The aim of the project was to estimate the impact of Olympic Games on the community lie in Beijing.

In order to study the subject conclusively, there were some specific objectives that the study aimed at achieving. The following were the objectives of the project:

- To examine the popularity of the Olympic Games and its goals through the press and according to official returns
- To estimate the changes in Beijing before and after the sport event
- To evaluate the advantages and disadvantages of the Olympic Games
- To recommend the ways of controlling the sport tourism impact

There were many reasons why Olympic Games were more popular as compared to other Olympics before. First this was the first even that China was hosting such a major event. Owing to its past record especially the struggle with Tibet, there was speculation on whether the event would succeed or not. However the most important factor that made the game popular was the efforts that had been undertaken by the government in creating publicity around the event. More than any other Olympic games, Beijing Olympic had the highest budget.

Like any other major event, 2008 Beijing Olympic Games aimed at bringing in economic effects and market the country to the world. Unlike other Olympic Games which concentrated on economic gains by minimizing initial cost, 2008 Beijing Olympic aimed at spending more in order to market the country to the world. It was focused more on marketing china rather than the economic gains.

Literature review

The developing world has been seen as one of the untapped markets in the world where multinationals can establish their operations. Due to their vibrant growing economies, the developing world is the alternatives for most multinationals who find their home market stagnating in their growth. The People's Republic of China has the fastest growing economy in the world and has been seen as the largest untapped market in the world. With more than 1.2 billion people, China has one of the largest single markets in world that is attracting hundreds of multinationals (Anderson and He, 1998; Pang et al, 1998). For the last three decades, China has maintained a double digit economic growth making it the fastest growing economy in the world. It is forecasted that china will overtake the United States and the largest economy in the world by 2050. During the 1990s, china had the highest consumption growth at 9 percent with highest consumption in foods (Anderson and He, 1998). As more and more companies moves to china to take the opportunities of government incentives and the largest untapped market potential, 2008 Beijing Olympic Games represented a new chance for china to portray its change to the world in different aspects.

When Beijing was granted the opportunity to host the even in 2001, there were doubts whether the country was up to the task. Chinese government vowed commit more than \$40 billion in preparation to the event. There were more than 37 sporting facilities which were constructed in anticipation for the event. In the construction of these events, there was increased flow of labor to the city with hope of taking up new jobs that were created in the course of the construction (Yardley, 2008). . It is estimated that more than \$42 billions were mobilized in the course of laying infrastructure for the

games. These generated more than 80, 000 jobs in the architectural industry alone in preparation for the games. Since the aim was to market brand “China”. It became necessary for the country to come up with a new infrastructure that would portray Beijing as an investment destination. The increased spending on labor in the course of the construction raised the level of purchase power which increased consumer spending before and after the Olympic.

In the course of the event, Beijing was acting as the gateway to china. The image of the city would have a great impact on China as a country. As a result, the government spent more than \$41 billion transforming the city to give it a facelift and represent the real image of china. Most of these funds were channeled towards building infrastructure not only for the Olympic event but also for other purpose of changing the image of China. Due to the continued economic growth, there has been an emerging middle class in the country. This means that the continued economic growth of the country had impacted on the life of the people raising their economic power. With the Olympic Games, it was estimated that there would be increased consumer spending and more multinationals and luxury retails in the country.

Research has shown that the emerging middle class in China prefers to purchase products from other countries over the locally produced goods (Kaye, 2007).

The Olympic Games represented a chance for increasing spending during and after the event. For example the number of industries which were associated with the historic Olympic Games in China had reached 1. 4 billion by 2004 and it is expected that this number could more than double after <https://assignbuster.com/the-impact-of-sport-tourism-by-the-example-of-olympic-games-in-beijing-essay-sample/>

the Olympic Games in 2009. Most companies therefore branded their product in relation to Olympic Games in anticipation for increased spending. Apart from the expected increased spending by the internal consumer, Beijing anticipated more than half a million tourist who were likely to spend more than US\$5.6 billion in spending (Tingchi et al., 2007).

Apart from this, it was expected that the international spending would be more than US\$1.8 billion from the Chinese population alone. During the Olympic period, there were about 400,000 tourists who visited the country. According to the experts, there was not marked difference in tourism in the country. However during the event, the number of out of city visitors to Beijing were more than 660,000 visitors which is the second highest number of such visitors in the history of the Olympic games, the highest being Atlanta which attracted more than 736,000 visitors. Immediately before and after the Olympic Games, Beijing real property market has been rising driven by investment of the billions of dollar to accommodate millions of visitors during the Olympic Games.

For the country to achieve its aims, the media was an important factor in achieving the aim marketing the country. Beijing Olympic Games was the most televised and most viewed event in the history of the games. It is estimated that there were more than 4.7 billion viewers from all over the world who viewed the event (Kamalipour, 2008). This was the largest number of viewers in the history of the Olympic Games.

Although there was no visible economic impact of the Olympic Games, there were many changes that took that transformed the life of the people. In



order to overcome one of the factors that were likely to drive away many potential visitors, China immediately started cleaning the polluted air over the skies of its cities. Environmental pollution was one of the factors that had claimed lives of thousands of people in China. Since then China has come up with green economic models. To avert critics over human rights abuse, china started talks with the rebel Tibet after massive protests were staged all over the world in protests of Chinas police crash with Tibetans. However there is no progress that has bee made since the. 2008 Beijing Olympic Games had a lot of positive and negative impacts on china.

## Discussion

Since 1970s when China opened its economy to the world, the country has undergone a lot of transformation in social, political, and economic life of the people. For the last three decade, china has maintained a double digit economic growth making it a major player in the global economy. Currently china has the fastest growing economy in the world and it is estimated that the country may overtake the United States as the largest economy in the world by 2050. However this will depend on many factors including maintenance of the current economic growth rate.

When Beijing was given a chance to host the 2008 Olympic game, there was a chance for the country to attract more investors and improve its infrastructure. Like any other major events in the world, Olympic Games were a chance for china to market itself to the world. However the government was faced with a challenge of improving the infrastructure that would support the successful hosting of the event. The choice of Beijing as a

host country for the event was met with major resistance from environment and human rights activists who have always refuted Beijing policies on environment and human rights.

Olympic Games are one of the most popularized world events that bring together all countries in the world. Hosting such an event is one of the major achievements for any country. There are some countries which are considered as host country for such event and Beijing was considered as an outsider periphery host country (Yardley, 2008). The scramble to host an international event like Olympic Games comes with many advantages including having a chance to popularize the country to the outside world (Kaye, 2007). The main aim of Beijing Olympic was to market China and raise its status in the world. 2008 Beijing Olympic Games represented a chance for China to re-brand its international image in the world. It was a chance to package and sell to the world brand "China". Successful hosting of the event was the most important aim of Chinese government and it succeeded in marketing china to the world. Although there are not immediate factor that can be used to assess the success of the even, it is very clear that the event was a boost to the dented image of china in the world (Kamalipour, 2008).

There were many changes that took place in Beijing before and after the event. In preparation of the event, it is notable that there as increase flow on labor in the city in anticipation of construction boom ahead of the event. The more than \$42 billion that were used in laying basic infrastructure created more than 800, 000 jobs which increased purchasing power and therefore consumer spending (Zhao, 2006). Apart from the increased consumer

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spending, there was a lasting effect on the infrastructure of the city. This infrastructure will continue to support economic growth. One of the greatest disadvantages of Beijing in hosting the event was that there was high spending compared to the returns. For example office estimates shows that the country spent more than \$42 billion in preparation for the even while the eventual returns from the 600, 000 tourist who visited the city was \$5. 6 billion. However the advantage was that it left a firm infrastructure that will support economic growth later and it also improved the image of china globally (Tingchi et al., 2007).

#### Conclusion and recommendations

Olympic Game is one of the major events in the world. There are a lot of advantages which comes with hosting such an event but most prominently are the economic advantages and the chance to improve the image of the country in the world. 2008 Beijing Olympic Games is considered as one of the most successful event in history despite the fact that it was the most expensive and most viewed Olympic Games event in history. The Chinese government had committed more than \$42 billion which were only meant to lay down infrastructure and market the country overseas. The Olympic Games left an impressive infrastructure in China and also created a new image of the country overseas. In terms of visitors, Beijing attracted more than 600, 000 visitors outside the city which is second highest number to have ever been achieved in history of Olympic game. Therefore it was a successful tourism and sporting event. In order to manage tourism and sporting event in the world, this paper would recommend taking of

appropriate measures in order to ensure integration of the cultural life of the people and the outsiders in order to

Market the country effectively. It is important to put in place effective management measures include the easier entry at border position since restricted visa application process is speculated to have kept more would be visitor from the city. It is also important to lay down infrastructure that would support the successful hosting of such an event since this infrastructure would have an impact on the later economic development of the country.

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