

Event facilities and management

[Business](#), [Management](#)



There are no sporting events that rival the scale and profile of the Olympic Games (Faulner, Spurr, Chalip, Brown 2000). Its substantial impact on economic and social aspects of national and international levels, international event tourism, marketing strategies, provides plenty of points for study and insight. Moreover, officially the Games of the XXIX Olympiad, the 2008 Beijing Summer Olympics is primarily a major international multi-sport event, which required plenty of technical, marketing, and event planning.

Hosted by the People's Republic of China however, the sporting event was also or perhaps translated into, a national economic strategy and was subject into an international political debate and public scrutiny. Clamor against the games were rampant and widespread, various political issues hounded event organizers and sponsors. Nonetheless, the Games were participated by 11, 208 athletes from 205 countries in 302 athletic events. Interest of the PRC to host Olympics is quite clear. Aside from the new jobs that could be created in the tourism industry, worldwide publicity of the Games will change the way the rest of the world views China.

Thus, the Beijing Olympics is a good case study for large events that requires vast logistical management and planning, and present prospects for future State-sponsorship of large special events. Costs of the Games fell largely on Government funds, on the grounds of tourism benefits. To justify spending of the national purse and to thwart cynicism among the public is relevant in pursuing State-sponsored special events (Burgan, Mules, 2000). Evaluating on the benefits of a special event is relevant not only

for accountability reasons but to guide future public fund spending; as well as the feasibility of sponsoring mega-events.

This paper will provide some insights and analyses on the impacts of the Beijing Olympics, and marketing strategies utilized. Long-term economic impacts of the Games in China are not yet evident. Although some sectors may have benefited from a momentary influx of tourists, hard industries suffered losses due to factory closures to ease air pollution. Social impacts however, tell two sides. While national pride rode high upon the ability of the Chinese economy and technology, there are sectors who suffered from the feat.

Mass dislocations and disruption of everyday lives also took toll on the national mood. Internationally, China proved itself as an economic giant, despite negative propaganda and calls to boycott the Games. Marketing for the event is another interesting aspect of the event. Done amid considerable negative publicity, political turmoil, the global financial crisis, and inexperience of the Chinese government in international marketing, marketing for the games fared well. An effective marketing strategy or fortunate circumstances may have contributed to its achievement.

With increasing frequency, hosting of international events has been used as a platform for States to bolster economic and development activities (Burgan, Mules, 2000). The potential for national development, media attention, tourism, community involvement and national pride, the Olympic Games calls for a systematic research and analysis. Impacts To fairly analyze and gauge the impacts of the Beijing Olympics, assessment will include

economic and non-economic values of the event; covering preparations, actual outcomes, and potential benefits.

The costs of the event is estimated to have reached an astounding \$40 billion--exceeding the elaborate 2004 Athens Olympics by \$25 billion--with costs lying heavily on investments on infrastructure and improvements on transport systems to keep up with the expected influx of spectators and tourists. Event organizers renovated and constructed 37 Games venues and 66 training centers, the largest of which are the Beijing National Stadium, Beijing National Indoor Stadium, Beijing National Aquatics Center, Olympic Green Convention Center, and the Beijing Wukesong Culture and Sports Center.

Expenditure on the Beijing Olympics depended largely on government spending: government-owned banks, local government, and institutions funded more than half of total costs. Subject to criticisms by locals and economists around the globe, China's willingness to spend public money seemed to be fueled by its determination to prove itself among the most important nations. However, it could be argued that there are also substantial cultural returns and international exposure benefits of hosting the Games.

The targets being inflow of consumers outside China, producer surplus could be a more appropriate and descriptive measure to determine success. Producer surplus is derived from the increase in production levels due to a special event, which are assumed to be taken from the opportunity cost of producers (Burgan, Mules 2000). In this case, influx of outside tourism should

be placed in high priority. The Games were set to accommodate 2 million tourists--from this number, 500, 000 were projected to come from overseas.

However, turnout during the Games were below expectations. Hotel occupancy was only at 70% in 5-stars and below 50% in 4-stars, surprisingly even lesser than hotel occupancy at 2007 of the same month. Despite these numbers, the organizers insisted that the 6. 8 million tickets printed were sold out. This could be explained, speculatively, at the low number of foreign tourists: the heightened security, negative propaganda, and strict visa acquisition could all factor in the failure to attract foreigner spending.

Considering the amount of money, planning, and logistical requirements of the Beijing Olympics, event tourism through the Beijing Olympics did not meet its ? 8 billion profit from actual event. Nevertheless, impact of an event does not bank solely on fiscal benefits in a cost-benefit evaluation (Dwyer, Mellor, Mistillies, Mules 2000). Other non-tangible benefits are also taken into account.