

Partnership between Sponsors and Sports*

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Sports
Management
Partnership
Hong Kong

The Hong Kong Sports Development Board established in 1990, dynamizes sports and recreation physical activities, promoting research projects on sports, interchange between clubs and the participation of local athletes in international competitions. For that purpose, it gets the necessary funds for the several sports activities, mainly through a partnership between the SDB and Hong Kong private business organizations, outlined in several structural events for the local sports development and materialized in studies, with no costs for sports bodies or commercial sponsors, that evaluate the needs and the effective conditions of both sides, optimizing the necessary supports having in view the for the community.

It gives me great pleasure to be given the opportunity to speak at this conference, and to meet with a group of affluent people from the academic institutions in Macau.

The Sports Development Board, in short we call it the SDB, is a statutory body created to promote and develop sport and physical recreation in Hong Kong. It was set up on 1 April, 1990 under the Hong Kong Sports Development ordinance taking over the responsibilities of the Council for Recreation and Sport, which ceased in operation in 1989. The Board integrated with the HKSI in 1994 with a view to streamlining resources and to better serving the sporting community.

Our scope of work includes:

- (1) Planning for the overall development of sports and physical recreation.
- (2) Encourage the knowledge, practice and participation of sports and physical recreation at the community level, so that more people can play and have direct access to sporting activities in Hong Kong.
- (3) Provide opportunities and support for Hong Kong athletes with talent and dedication to win at the highest level of competition.
- (4) Support and encourage research and studies into matters concerning sport and physical recreation and have access to meaningful statistical data and relevant information which can help sports people plan ahead.
- (5) At the international level, we want to enhance Hong Kong's position in international sports community through exchange activities and participation in major games, such as

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the Olympics, Asian Games.

(6) Last but by no means least, we secure and disburse funds required for the different sports development.

- Central to the territory's sports policy, ever since a public sports policy was first formulated in the early 1980s, has been the creation of a close partnership between business and sport. This is for the simple reason that government here has always followed a very successful non-internationalist economic philosophy, which encourages self-reliance in all sectors. This policy has encouraged the sports sector to optimize our other founding sources. Hong Kong's business sector, renowned for its vigour, enterprise and success, is clearly important in our planning.

At the Hong Kong Sports Development Board, we see one of our prime tasks as encouraging and nurturing this partnership between business and sport. I'm sure it will constitute the cornerstone of our activity in the next century. And, in an age when governments everywhere are looking to cut spending, our experience should be of interest to others facing similar environments.

In Hong Kong we have one important advantage in nurturing this partnership - the business sector is successful and respected. This city's development has been driven by a dynamic entrepreneurial spirit. A robust immigrant community has directed its energies primarily towards wealth creation. Taking care of material concerns - making money has been the natural priority for a generation who started out in Hong Kong with little or nothing.

With growing prosperity has come the opportunity and inclination for more leisure and recreation. People's desire to participate in sport for both fun and health has led to a government response in terms of new facilities, new sports organisations, and increased funding.

There's been a mushrooming of community sports facilities over the last decade, we now have over 400 sports complexes and swimming pools in Hong Kong.

In addition, Hong Kong now boasts major venues of top international standard, such as the 40,000 seater Government stadium, which hosted the World Cup Rugby Sevens recently. And the number of major events held in the territory has increased dramatically over recent years.

There has also been increasing focus on athletic excellence, largely owing to the ground-breaking work of the Hong Kong Sports Institute, founded in 1977. This initial structure was strengthened further in 1990 with the creation of the Hong Kong Sports Development Board, essentially to co-ordinate sports development policy in the territory. The two organisations were subsequently merged in 1994 in order to streamline resources and provide the community with an even more effective service.

In parallel with these administrative initiatives, Government funding for sport has also expanded substantially. In 1989-90, for instance, the total committed reached HK\$11 million.

On the establishment of the Sports Development Board in 1990 this sum had risen over 300% to HK\$46 million. For this financial year, it will top HK\$ 192.78 million.

This will result not only in increased funding for training, competitions and programmes, but also support a drastic growth in NSA staff- strengthening their administrative procedures and professionalising the development of sport.

In 1993 HK\$12 million was allocated to supporting full-time staff for the local National Sports Associations - this has already grown to HK\$26 million. And to celebrate the success of Hong Kong's first gold medallist at the Atlanta Olympics in 1996, the Government has set up the Hong Kong Athletes Fund. The Fund, which aims to support young sportsmen and women in their studies, is made up of HK\$8 million injection from the Government and to date has been matched by HK\$6 million raised from the private sector.

So it's clear to see much has changed, and quickly. Innovations the Sports Development Board has been able to undertake include work in the areas of administration, coaching, community sports, schools and the disabled.

For example, one outstanding symbol of the new status of sport is the purpose-built Sports House, which accommodates not only the Sports Development Board, but most of our National Sports Associations also. On the coaching side we have established the Hong Kong Coaching Committee, dedicated to raising standards. We have also seen the set-up of many community clubs, and of a highly successful Disabled Campaign.

And we have also initiated major development programmes, like the Hongkong Telecom sponsored GO/SPORT programme aimed at schools. Our policy has been to work throughout the sports "continuum", from the basic community, recreational level up to the highest standards of athletic excellence;

Such rapid growth of sports activities is set to continue after the change of sovereignty. In fact we feel very confident sport will benefit. Sport is important to the people of China and Olympic success is seen as essential for national pride.

For us in Hong Kong, this means the opportunity to utilise China's extensive sports resources - facilities, training camps, sports medical centres. We can also look forward to gaining from China's advanced knowledge in sports science and medicine.

So, you can see, much has been achieved in recent years in providing the facilities and structures for people from all walks of life to participate in and benefit from sport.

Of course, as in other places, this development has to be funded. In Hong Kong, we've not been able to rely only on extensive government handouts. Instead, we've put our efforts into bringing the private sector - business - into a constructive and mutually beneficial partnership with sport. Central to this effort has been the Sports Development Board's

Sports Sponsorship Advisory Service, or SSAS.

To explain our Hong Kong model of the business/sport partnership, I need to tell you more about this Service.

The service was established six years ago, at a time when the Sports Development Board identified one of its main challenges as changing social attitudes to sport. In general, sport did not rank high among Hong Kong people's priorities, and one way we sought to alter that mindset was by approaching those individuals and organisations for whom Hong Kong did clearly reserve considerable respect - namely, the business community.

From the outset, the Sports Sponsorship Advisory Service was designed as a match-maker between business, as sponsor, and sport. Its mission included the promotion of increasing awareness in both business and sports circles of the growing opportunities and advantages of sports sponsorship, and it supported the credibility of commercial sector involvement.

Since its creation in 1991, the Service has proved very effective, raising in total close to HK\$ 100M. It has brought together many partners from both sides into constructive and mutually beneficial agreements, and removed much of the doubt or suspicion that both sides often feel towards each other in private commercial negotiations.

How does it operate? First, it's important to note that we offer this service free of charge. Although it works in all respects like any other private sponsorship agency - bringing together prospective clients - we claim no fees or commissions. This gives us credibility as a neutral party with no direct stake in any agreement.

The Sports Sponsorship Advisory Service's first step, on both business and SpOItS sides of the equation, is to fully investigate and understand the organisation's sporting or business strategy. And as well as absorbing these plans and cultures, we aim to be pro-active in injecting our own ideas into the process. We would normally - through a detailed agenda of needs and wants - try to offer at each stage a range of options.

I would stress that we never try to "clinch deals" for their own sake, but would rather wait over the longer term if it means greater success for the partnership. And also, we try at all times to be sensitive to the human issues involved - the leading personalities in the respective organisations. This can be critical.

An important guiding principle is that we are not aiming to sell specific sports. Rather, our "product" is sport in the general sense. In some cases we do find a particular corporate target or strategy leads naturally to a specific sport it can adopt. There are many examples. Heng Seng Bank, a local bank, for instance, supports table tennis consistently. Coca Cola backs soccer.

But other, who have no need to focus on any special area, have found the solution in "cross-sport" initiatives. In this category we find Hongkong Telecom with its GO/SPORT

Programme for junior sports development, targeting schools. Hongkong Bank, meanwhile, is committed through its support for the Hong Kong Coach Education Programme. Both receive high profile media attention.

The key advantage we are able to offer to the process of match-making is our inside knowledge of local National Sports Associations, whom we also fund. This enables us to assess any particular event or programme accurately for prospective sponsors. It also means we can assist NSAs in drawing up effective marketing packages and appropriate proposals for their events.

Our policy is to spend time with all possible partners, for both business and sport, whether or not they reach immediate agreement. It's all part of the educating and networking which we feel brings dividends in the longer term.

Finally, I would point to the importance and value of good follow up. We put a lot of emphasis on this "after-sales" service. This means committing ourselves as cosignatories to agreements to lend authority. In that capacity we aim to ensure the sponsor delivers the support promised, and that the sports organiser also delivers what they have promised in terms of a professionally run event.

In addition, we contribute our own PR and promotional ideas and resources, with the object of maximising publicity value. We provide additional publicity through our own formal endorsement and acknowledgment. And we even provide an advisory role in case of disagreements. So, you can see, our involvement continues right through until the completion of the event or programme concerned.

The results of this Service have been encouraging. As well as measuring its effect through the additional financial input into sport, we can see a steady growth in the number of sponsors coming to us for recommendations and guidance. And as well as individual sponsors, we note a greater diversity of sponsorship enquiries - from advertising and PR agencies, to event management companies and marketing consultants.

Obviously, we are doing something right. We can say with justifiable pride that we have given strong impetus to the growing partnership between sport and business. This is a good sign for the future, for the government's careful fiscal policy of low taxation and low spending is set to continue, and sport will be left to its own resources to deal with fund-raising, if standards are to continue to rise.

How we judge the success of this partnership will depend on a number of fairly easily identifiable yardsticks. First, it's clear the government supports our efforts, for we received an additional subvention 34% and 80% in 1997/8 and 1998/9 figure respectively. This won't necessarily be repeated, however. Second, we shall be able to judge success from the increase in programmes and events of professional standing. Third, we can look at the actual amount of sponsorship committed by business.

These are the financial measurements. Equally important to us, though less tangible, is the rapport we create between sports bodies and business organisations. The trust and awareness we engender. And we also need to look at the media's attitude - how well and accurately it covers sport provides an important barometer of our success.

Finally, of course, it comes down to the public's attitude. Are they getting practical benefits from the sports/business partnership, in terms of recreation and participation opportunities? This is the bottom line - how does it benefit the community?

This only works within the context of high public awareness of the benefits and value of sport. Raising the profile of sport, then, will remain a priority mission for sports administrators and marketers in Hong Kong in the coming century.

I believe with governments everywhere having to be very cost conscious these days, sports people the world over will need to follow similar paths to ours in Hong Kong. And that means putting consideration effort and energy into cementing the relationship between business and sport. It is working for us in Hong Kong, and will continue to do so. I'm sure it will work for many others also.

Before leaving you, I should like to finish by showing a short video we have produced at the Sports Development Board. This is designed to highlight the benefits of sports sponsorship to both commercial sponsors and to the sports community. We've tried to make it colourful and entertaining also, as the world of sports should be, so I hope you find it fun!

Lee, Grace - Partnership between sponsors and sports

Desporto
Gestão
Partnership
Hong Kong

O Sports Development Board de Hong Kong, criado em 1990, dinamiza a actividade desportiva e a actividade física de recreação, promovendo projectos de investigação sobre desporto, o intercâmbio entre clubes e a participação em provas internacionais dos atletas locais. Para isso, obtém os fundos necessários para os diversos níveis de actividade desportiva, nomeadamente através de uma relação de partnership entre o SBD e a iniciativa privada de HK, projectada em várias iniciativas estruturais para o desenvolvimento desportivo local, e que se consubstancia em estudos, sem encargos para as associações desportivas ou empresas patrocinadoras, que avaliam as necessidades e condições efectivas de ambas, optimizando, assim, os apoios necessários e perspectivando o benefício efectivo da população visada.

Lee, Grace - 贊助者與體育運動的協作關係

運動
管理
協作關係
香港

1990年成立的香港體育發展理事會對活躍香港的體育運動和休閒鍛煉起到了積極作用，推動了體育運動的研究、俱樂部之間的交流以及香港運動員參與國際大賽。理事會通過與香港私人機構進行多層次的合作，獲得了發展各項體育事業所需要的資金。合作關係以具體研究為基礎，在不增加體育組織和贊助商的負擔前提下，集中分析雙方的實際條件和需求，從而在為一方爭取到最大支持的同時，也能夠展望另一方的實際收益。