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Analysis: London's old-school competence makes for a shining Games

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Four years ago, the Beijing Games ended with the city's mayor handing an Olympic flag to the relatively unknown mayor of London, the mop-headed Boris Johnson. The flag tangled around him, and viewers worldwide, having just watched a polished closing ceremony that made Cirque du Soleil look like a three-ring circus, collectively wondered how London and its unkempt mayor could follow in China's exacting footsteps.

The answer came over the last few weeks when the city and its Olympic organizers hosted one of the most comfortable and logistically sound Games in the last decade. In doing so, they reminded the world that a Western nation and established city not only can host an increasingly complex and expensive event, but also get out of the way and let sports shine.

The Olympics, it turns out, don't have to be a nation-building exercise. They don't have to be used as a megaphone to announce a new superpower like China's arrival, or a vehicle to attract investment from around the world for an emerging nation like Russia or Brazil.

By delivering venues on time and avoiding major issues, London 2012 showed that the Olympics can be about Usain Bolt or Michael Phelps, Jessica Ennis or Allyson Felix. And in doing so, they set a high bar for organizers in Russia and Brazil, who are already facing questions about hotels, security and flexibility in working with the international sports business community.

"London put sport back at the forefront of the Olympic Games," said Terrence Burns, president of Atlanta-based Helios Partners, a strategic sports marketing agency. "This is not about China. This is not about Russia. It was about sport, and it just happened to take place on the fantastic palate of London. There was a fear the Olympics had strayed from that."



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Former Visa executive Michael Lynch said that returning the focus to sport made it the “best Games of our lifetime.”

Jeff Diskin, Hilton Worldwide senior vice president of global customer marketing, put it this way: “China was such an over-the-top event, you had to wonder how any city could follow. London has shown its best colors. It has been a remarkable atmosphere. I always have high expectations for the Olympics, but everything about [London] exceeded my expectations. It has been overwhelmingly positive the feeling you see among everyone in every place. I’m happy for everyone who works in the Olympic movement.”

Britons didn’t make drawing that conclusion easy.

The four years leading up to the Games were clouded by austerity measures, dampened by three months of rain, overwhelmed by despair over traffic and doubts about London’s public transport system and, finally, obscured by news that a security contractor failed to fulfill its agreement.

But those issues and the pessimism that came along with them faded once the opening ceremony began. The quirky and distinctly British show directed by Danny Boyle won over a skeptical nation and reminded millions of viewers worldwide what the Brits had contributed to literature and pop culture.

The sporting performances that followed swept them away. Great Britain won more medals than it had since 1908, the first time it hosted an Olympics. The nation, and the world, also saw legendary, encore performances by Michael Phelps, who became the most decorated Olympian of all time, and Usain Bolt, who electrified the world with his speed and outsized personality.

But it wasn’t just the winners who set this Olympics apart. International Olympic Committee President Jacques Rogge saw his patience rewarded and his strategy validated when Saudi Arabia, Qatar and Brunei sent female athletes to the Games for the first time.

All of those stories dominated the front pages because the organizers of the Games overcame many of the issues that prognosticators thought would plague them. After a slow start, public transportation ran smoothly. Getting in and out of Olympic Park, even on the most crowded of days, never took longer than 15 minutes. And in an era of heightened security at the Games, the Olympic Park buzzed with the energy of more than 150,000 spectators each day.

That’s not to say organizers didn’t err.



With relatively few problems concerning venues and logistics, the London Games allowed the on-field exploits of its stars to dominate the conversation.

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The London Olympic Organizing Committee never got a handle on ticket sales. The website it developed with Ticketmaster failed to update inventory, leaving many Britons and international fans frustrated when they discovered that tickets that appeared to be available had already been sold. And empty seats re-emerged as a major Olympic issue during the opening days of competition when many accredited seats went unfilled, which only compounded that frustration.

Sponsors, agencies and Olympic officials won't forget the buses that didn't show up to transport them to the opening ceremony or the over-reliance on a GPS system that rendered BMW's VIP cars worthless.

But those issues were outweighed by LOCOG's nimbleness and good fortune. It included Tube passes with all of its tickets, which gave hospitality hosts an immediate plan B when buses didn't arrive, and public transportation ran so smoothly that even Rio 2016 CEO Leo Gryner gave up on the BMWs and opted for the Tube.

"The first two days were really rough," said Jan Katzoff, executive vice president of Radiate Group, which works with 18 Olympic sponsors. "To their credit, they helped us attack the [transport] problem and fix it. From that point on, for our clients, it's been one of the best operations I've ever seen."

Among the things organizers got right was its selection of venues. It placed sports at a host of iconic locations around the city, from Lord's Cricket Ground to Wimbledon. Its biggest success was putting beach volleyball at Horse Guards Parade, where women in bikinis and spandex tights played late into the night on the doorstep of the prime minister's home at No. 10 Downing St.

LOCOG also showed that it's possible to build temporary venues like a blow-up basketball arena that don't damage competition but do eliminate white elephants and control the skyrocketing costs of hosting an Olympics.

"For me, one of LOCOG's achievements is the way sustainability and legacy were built into the DNA," said IOC member Denis Oswald of Switzerland.

The city of London made for some of the most successful hospitality programs at an Olympics in years. Guests could spend a morning at Buckingham Palace, an afternoon at diving, dine at world-class restaurants like Mosimann's and then walk through Trafalgar Square to watch beach volleyball.

Sponsors, who used the Beijing Games to penetrate the Chinese market, showed they could still get value out of an Olympic sponsorship when the Games go to a mature market. Worldwide Olympic sponsor GE did \$100 million in infrastructure sales, and IOC sponsor Procter & Gamble expected a \$500 million jump in sales related to the Olympics. London 2012 partner Adidas chipped away at Nike's lead in the U.K.

"We're really pleased with our business results," said Marc Pritchard, P&G global brand building officer, who pointed out that the company was getting a 5 percent to 20 percent lift from Olympic displays in stores from the U.S. to Egypt to Russia. "The Olympics are working."

"The [business-to-business] play and [business-to-government] play continues to grow in a huge way for these companies," said Rob Prazmark, CEO of 21 Marketing, who has worked on every Olympics since 1988. "From a business perspective, these Games may be the best I've encountered."

Sponsors and agency executives were quick to acknowledge that the issues they ran into in London were

high-class problems compared with what the next four years might hold.

Neither Sochi nor Rio have the hotel infrastructure necessary to host the number of hospitality programs that take place at an Olympics. And questions already have emerged about both organizers' ability to manage the 2014 and 2016 Games, respectively.

Sochi built a huge showcase in London's Hyde Park for its sponsors and then charged spectators nearly \$30 to enter. After few people visited the first week, organizers eliminated the tickets and made the venue free. But that was only after misjudging the appetite of consumers and limiting the exposure of its sponsors.

Similarly, Rio 2016 organizers arranged a news conference to mark the date it will open the Summer Games in four years. It started 30 minutes late, one of the presenters wasn't there and only Portuguese was spoken.

Traffic and security also will be question marks in Brazil. Marketers who have already relocated to Rio spoke in London of 2 1/2-hour commutes to work and family members being held at gunpoint by masked criminals.

All of that has created a sense of unease in the Olympic business community, which last week enjoyed one of its easiest Games to date.

"No one should underestimate what a challenge this is," said Darryl Seibel, the former U.S. Olympic Committee executive who oversaw the British Olympic Association's communications department in London the last two years. "It's a massive undertaking. Any city that goes into this has to do it with eyes wide open. Just how big an undertaking this has become has got to be something the IOC looks at."

What transpires in Sochi and Rio the next four years will go a long way to determining whether the IOC will.

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