

# Module 4. Situation Analysis

In the previous modules, we have seen why it is essential to have strategic planning, the steps in that process and the approach to building a successful strategic planning team. In this last module, we will cover the importance of knowing the environment of a sports organization.

Strategic planning plays a crucial role in the success of sports organizations. To develop an effective strategic plan, it is essential to understand the organization's situation and environment. This involves identifying internal and external factors that impact the business, including industry dynamics, competitors, customers, suppliers, the regulatory environment, and economic conditions. In this module, we will explore the relevance of knowing the organization's situation and environment for strategic planning in sports organizations.

Understanding the organization's situation and environment offers several key benefits. Firstly, it helps identify opportunities and threats that can shape the organization's strategy. By leveraging strengths and addressing weaknesses, the organization can develop strategies that align with its goals. Secondly, it enables informed decision-making based on accurate and up-to-date information about the organization's environment. This ensures that strategies are effective and relevant to the organization's situation. Thirdly, understanding the environment allows for effective resource allocation, ensuring that time, money, and personnel are allocated strategically to achieve objectives. Lastly, it facilitates the organization's ability to anticipate and adapt to changes in the environment, enabling the proactive development of strategies to address emerging challenges.

In the following sections, we will delve into the recommendations for creating a strategic plan, including market analysis, competitor analysis, customer and athlete feedback, data analytics, and analysing the competitive landscape. These steps provide a comprehensive framework for gathering essential information and insights to inform the strategic planning process in sports organizations. By following these recommendations, organizations can enhance their understanding of the market, competitors, and customers, ultimately leading to the development of a well-informed and effective strategic plan.

In the following figure, you can see where we are in the process.



Figure 1: Strategic Planning 5 Steps Methodology, Situation Analysis



Source: Own source.

## Unit 4.1 The relevance of knowing your situation

Before taking key decisions on the strategy for the company, it is worth taking the time to identify where the company stands. Knowing your environment as a company is essential for success. This means understanding the internal and external factors that impact your business, such as your own company. Your industry, competitors, customers, suppliers, regulatory environment, and economic conditions.

Understanding the situation and environment is vital for sports organizations' strategic planning process. Here are some reasons why it is relevant:

- **It helps identify opportunities and threats:** A thorough understanding of the organization's environment helps identify opportunities that the organization can take advantage of and threats that it needs to mitigate. By understanding the environment, the organization can develop strategies that leverage its strengths and address its weaknesses to achieve its goals.
- **Make informed decisions:** A strategic plan should be based on accurate and up-to-date information about the organization's environment. Without this information, decisions may be made based on assumptions that are not accurate or relevant to the organization's situation, which can lead to ineffective strategies.

- **Allocate resources effectively:** By understanding the organization's environment, the organization can allocate its resources (such as time, money, and personnel) effectively to achieve its strategic goals. This includes identifying where to invest resources for the greatest impact and where to cut back resources that are not producing results.

- **Anticipate and adapt to changes:** The environment of an organization is constantly changing, and understanding these changes can help the organization anticipate and adapt to them. By anticipating changes, the organization can proactively develop strategies to address them rather than reacting to them after they have occurred.

Overall, understanding the organization's environment is essential to developing a strategic plan that is effective in achieving the organization's goals. It helps to ensure that the plan is based on accurate and relevant information and that the organization can allocate its resources effectively to achieve its objectives.

## Unit 4.2 Recommendations to implement the situation analysis

Now, how do we recommend getting the job done? Here are some key steps:


- Market analysis
- Competitor analysis
- Customer feedback
- Employee feedback
- Executive feedback
- PEST analysis

All that information leads to creating and meaningful SWOT (Strengths, Weaknesses, Opportunities, Threats) of the company. It can be hard to make further decisions if everyone does not agree on the SWOT. It might seem trivial, but it will help further in the process. Up next, we will explain in detail each of these elements. Nonetheless, in the following figure, you can see a summary of this.



Figure 2: Keys to create the strategic plan

KEYS TO CREATE THE STRATEGIC PLAN	
1. Market analysis	It is the process of examining and evaluating the market and its various components to understand better its characteristics, trends, opportunities, and challenges.
2. Competitor analysis	This is the process of gathering information about the strengths and weaknesses of your competitors to gain insights that can be used to improve your own business strategy.
3. Customer & Athlete feedback	Getting customer and athlete feedback is crucial for businesses to understand the needs, preferences, and opinions of their customers and athletes.
4. Employee feedback	It refers to the information and opinions provided by employees about their work environment, job satisfaction, performance, and overall experience working for a company.
5. Executive feedback	Before building a strategic plan, it is important to engage with the organization's executives to gather their input and insights.
6. PEST Analysis	It is a strategic planning tool that helps to identify the external factors that can impact an organization's business environment.



Source: Own source.

## 4.2.1 Market analysis

Market analysis examines and evaluates the market and its various components to better understand its characteristics, trends, opportunities, and challenges. Market analysis aims to gather information and insights that can help inform business decisions related to product development, pricing, promotion, and distribution.

Here are the steps to make a market analysis:

- **Define your target market:** Determine your target market's demographics, psychographics, and behaviour. This includes factors such as age, gender, income, education level, interests, values, and purchasing behaviour.
- **Research the industry:** Gather data on the industry you operate in, including market size, growth rate, and market trends. You can use industry reports, market research studies, and other sources of information to help you understand the industry.
- **Analyse the competition:** Identify your competitors and analyse their strengths, weaknesses, opportunities, and threats. This includes factors such as their market share, pricing strategy, marketing tactics, and customer service.
- **Determine your unique selling proposition (USP):** Identify what makes your product or service unique and how it can meet the needs of your target market. This includes features such as quality, price, convenience, or brand reputation.

- **Assess market demand:** Determine the level of demand for your product or service in the target market. You can use data such as sales figures, customer feedback, or surveys to understand the market demand.

- **Determine market potential:** Estimate the size of your potential market based on the target market size and demand. This will help you determine the potential revenue and growth opportunities.

- **Develop a marketing strategy:** Based on your market analysis, develop a marketing strategy that addresses the needs of your target market, highlights your unique selling proposition, and differentiates you from the competition.

Through performing a market analysis, you can better comprehend your intended market and the current trends within your industry. This enables you to devise a customised strategy that caters to your customer's specific requirements. This, in turn, assists you in making well-informed business choices, optimising resource allocation, and ultimately enhancing your prospects of achieving success in the marketplace.

#### 4.2.2 Competitor analysis

Competitor analysis is the process of gathering information about the strengths and weaknesses of your competitors to gain insights that can be used to improve your own business strategy. Here are the steps to implement a competitor analysis:

- **Identify your competitors:** Determine your main competitors in the market. This includes direct competitors offering similar products or services, and indirect competitors offering alternatives that can satisfy the same customer needs.

- **Gather information:** Collect information about your competitors using a variety of sources, including their websites, social media profiles, marketing materials, financial reports, customer reviews, and industry reports. Some key areas to focus on include their product or service offerings, pricing strategy, marketing tactics, customer service, and overall reputation in the market.

- **Analyse the data:** Once you have gathered the data, analyse it to identify your competitors' strengths, weaknesses, opportunities, and threats. Look for patterns and trends that can help you understand their business strategy and how they differentiate themselves from other players in the market.

- **Compare with your own business:** Compare the strengths and weaknesses of your competitors with your own business to identify areas where you can improve your own strategy. This includes looking for opportunities to differentiate yourself from your competitors and improve your own competitive advantage.



By incorporating a competitor analysis, you can attain a deeper comprehension of your rivals and their operational approaches and employ this knowledge to enhance your own business strategy. This enables you to maintain a competitive edge within the market and, ultimately, accomplish your business objectives.

### Analysing the competitive landscape

When analysing the competitive landscape for a sports organization as part of a strategic plan, several areas should be considered:

- **Other teams in the same league:** This includes analysing the performance of other teams in the same league as the organization, including their strengths, weaknesses, and strategies.

- **Other sports leagues:** This includes analysing other professional sports leagues that may compete for fans and revenue, as well as amateur leagues and local sports organizations.

- **Emerging competition:** This includes analysing new entrants into the sports market, such as new teams or leagues, as well as emerging technologies that may change the way sports are consumed or delivered. Esports, for example, can be an emerging competitor that has the potential to draw a younger demographic and compete for viewership and sponsorship dollars with traditional sports.

- **Sponsorship competition:** This includes analysing the organizations that sponsor competing teams or leagues, as well as other brands that may be competing for the same sponsorship dollars.

- **Fan engagement competition:** This includes analysing the other forms of entertainment and leisure activities that compete for fans' time and attention, such as movies, music, and video games.

By analysing the competitive landscape in these areas, a sports organization can better understand the market, its competitors, and potential threats and opportunities. This can help inform the development of a strategic plan that considers the organization's strengths, weaknesses, and position in the market.

### **4.2.3 Customer and athlete feedback**

Getting customer and athlete feedback is crucial for businesses to understand their customers' needs, preferences, and opinions. Here are some ways to get customer feedback:

- **Surveys:** Surveys are a common way to gather customer and athlete feedback. You can conduct surveys online, through email, or in person. Surveys can be designed to gather



specific information about customer satisfaction, product or service feedback, or general opinions.

- **Focus groups:** Focus groups are small groups of customers who are brought together to provide feedback on a product or service. Focus groups allow for more in-depth discussions and insights into customer preferences and behaviour.

- **Customer and athlete service feedback:** Encourage customers to provide feedback on their experience with your customer service team. This can be done through email, phone, or chat support. This feedback can be used to identify improvement areas and improve overall customer satisfaction.

- **Social media:** Social media can be helpful for gathering customer and athlete feedback. You can use social media platforms to ask customers for their opinions, or to monitor mentions of your brand to gain insights into customer sentiment.

- **Website feedback forms:** Website feedback forms can be added to your website to gather customer and athlete feedback on the user experience, product or service feedback, or any other relevant information.

- **Online reviews:** Online reviews can provide valuable feedback from customers and athletes on their experience with your product or service. Encourage customers and athletes to leave reviews on platforms such as Yelp, Google, or Facebook.

By gathering customer and athlete feedback, businesses can gain valuable insights into the needs and preferences of their customers. This information can be used to improve products or services, enhance the customer and athlete experience, and ultimately drive business success.

Here is an example of customer feedback on the stadium experience:

- "I had a great time at the stadium, but the lines for food and drinks were too long. It would be great if there were more vendors or better crowd control to manage the lines".

- "The atmosphere was amazing, and the stadium staff were helpful and friendly. However, the seats were uncomfortable, and I had a hard time seeing the action on the field from my seat".

- "The pre-game entertainment was fantastic, but the half-time show was underwhelming. It would be great if there were more engaging activities during half-time".

- "I enjoyed the game, but the parking situation was chaotic, and it was difficult to find my car after the game. It would be helpful if there were clearer signage or parking attendants to direct traffic".

Overall, customer feedback on stadium experience can provide valuable insights for a sports organization to improve the overall fan experience. Areas of improvement may include crowd management, seating comfort, entertainment offerings, parking and transportation logistics, and food and beverage options.

#### 4.2.4 Employee feedback

Employee feedback refers to the information and opinions employees provide about their work environment, job satisfaction, performance, and overall experience working for a company. This feedback can come in various forms, such as surveys, focus groups, one-on-one meetings with managers, and informal conversations.

Here are some ways to get employee feedback:

- **Surveys:** Conduct surveys to gather employee feedback on various topics such as job satisfaction, communication, and leadership. Surveys can be conducted online or in-person and should be designed to be easy to understand and answer.
- **Focus groups:** Organize small groups of employees to discuss specific topics in more depth. This can be a more interactive way to gather feedback, as participants can bounce ideas off one another and share their thoughts.
- **One-on-one meetings:** Schedule regular one-on-one meetings with employees to discuss their individual feedback and concerns. This can help build trust and provide more personalized feedback.
- **Suggestion box:** Place a suggestion box in a common area where employees can anonymously submit feedback or suggestions. This can be a viable option for employees who may not feel comfortable sharing their thoughts in person.
- **Exit interviews:** Conduct exit interviews with departing employees to gain insight into why they are leaving and what could have been improved. This can provide valuable feedback for improving employee retention.
- **Social media and messaging apps:** Utilise social media and messaging apps to gather quick and informal feedback from employees. This can be a good way to get real-time feedback on company initiatives or events.

Using a combination of these methods, you can gather employee feedback that can help.

#### 4.2.5 Executive feedback

Before building a strategic plan, it is important to engage with the organization's executives to gather their input and insights. Here are some steps you can take to get executive feedback before building a strategic plan:



- **Schedule a meeting:** Reach out to the executives and schedule a meeting to discuss the organization's strategic goals and objectives. Make sure to provide enough notice and share the purpose and objectives of the meeting.
- **Prepare an agenda:** Prepare an agenda for the meeting that outlines the topics to be discussed. This will help ensure that the discussion stays focused and productive.
- **Ask open-ended questions:** During the meeting, ask open-ended questions to encourage the executives to share their thoughts and ideas. For example, you might ask, "What do you see as the greatest challenges facing our organization in the next 3–5 years?", or "What do you think we need to do to achieve our long-term goals?".
- **Listen actively:** As the executives share their feedback, make sure to actively listen and take notes. Ask follow-up questions to clarify their points and demonstrate that you value their input.
- **Follow up:** After the meeting, follow up with the executives to thank them for their input and provide an overview of the key takeaways. This will help ensure that everyone is aligned on the organization's goals and objectives before moving forward with building the strategic plan.

By engaging with the organization's executives in this way, you can gather valuable input and insights that can help inform the development of a successful strategic plan.

#### 4.2.6 PEST analysis

PEST analysis is a strategic planning tool that helps to identify the external factors that can impact an organization's business environment. PEST stands for Political, Economic, Social, and Technological factors. An organization can gain a more in-depth understanding of the external forces that may affect its operations and identify potential opportunities and threats by conducting a PEST analysis before building a strategic plan.

Here are some reasons why conducting a PEST analysis is essential before building a strategic plan:

- **Helps to identify external factors:** A PEST analysis helps to identify external factors that can impact an organization's operations, such as changes in government policies, shifts in economic conditions, social trends, and technological advancements.
- **Provides a framework for analysis:** PEST analysis provides a structured framework for analysing the external factors that may impact an organization. This can help ensure that all relevant factors are considered in the strategic planning process.



- **Enables strategic decision-making:** By understanding the external factors that may impact the organization, leaders can make more informed strategic decisions and develop better strategies aligned with the external environment.

Here are the steps to conducting a PEST analysis before building a strategic plan:

- **Identify the external factors:** Identify the political, economic, social, and technological factors that may impact the organization's operations.

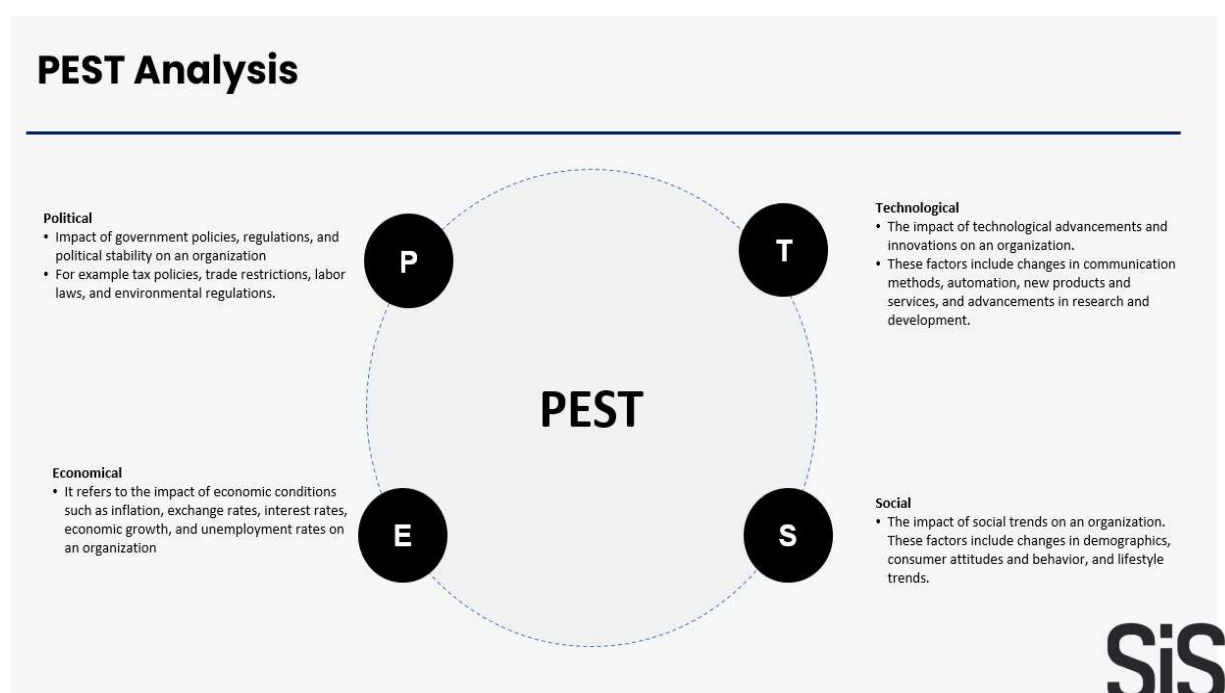
- **Gather data:** Conduct research to gather data on the external factors that have been identified. This may involve reviewing industry reports, conducting surveys, or analysing market trends.

- **Analyse the data:** Analyse the data to identify patterns, trends, and potential opportunities and threats.

- **Develop strategic recommendations:** Use the insights gained from the PEST analysis to develop strategic recommendations that are aligned with the external environment.

By conducting a PEST analysis before building a strategic plan, an organization can gain a more profound understanding of the external factors that may impact its operations and develop strategies that are better aligned with the external environment.

Figure 3: PEST analysis



Source: Own source.



## Example of PEST analysis for a sports organization

- **Political:** Government regulations related to sports, such as tax incentives for sports teams and funding for sports facilities. Changes in laws related to sports, such as those related to doping or athlete safety. Government funding for sports development programs.
- **Economic:** Trends in the economy that could affect consumer spending on sports events or merchandise. Changes in exchange rates that could affect international sports events or sponsorships. Economic disparities between different regions, which could affect access to sports programs or resources.
- **Social:** Demographic trends, such as changes in population size or age, which could affect the popularity of different sports. Changes in social attitudes towards sports, such as concerns over safety or concussion risks in contact sports. Trends in media consumption, which could affect the way sports events are broadcast or marketed.
- **Technological:** Advancements in sports technology, such as wearable devices or video review systems. Changes in broadcasting technology, such as the growth of streaming services or social media platforms. Developments in sports science, such as new training techniques or injury prevention methods.

All the resources dedicated to getting the right data (market analysis, competitor analysis, customer feedback, data analytics on the company, employee's feedback, executive feedback, and PEST analysis) leads to defining the SWOT of the organization.

**Figure 4: Example of PEST analysis of a sports organization**



Source: Own source.

## Unit 4.3 SWOT analysis

SWOT analysis is a strategic planning tool that can be used to identify the Strengths, Weaknesses, Opportunities, and Threats of a business or a project. Here are the steps to make a SWOT analysis; this could be a specific project or the business.

- **Identify strengths:** List the internal factors that give the business an advantage over its competitors. This could include things like a strong brand reputation, loyal customers, or talented employees.

- **Identify weaknesses:** List the internal factors that put the business at a disadvantage compared to its competitors. This could include things like poor management, outdated technology, or low employee morale.

- **Identify opportunities:** List the external factors that could help the business grow and succeed. This could include things like new market trends, changes in government policies, or emerging technologies.

- **Identify threats:** List the external factors that could negatively impact the business. This could include things like new competitors entering the market, changes in consumer behaviour, or economic downturns.

Once you have completed the SWOT analysis, evaluate the information you have gathered to determine the best strategies to pursue. This could include leveraging the company's strengths to take advantage of opportunities or addressing weaknesses to mitigate potential threats.

Remember, a SWOT analysis is only one tool in a larger strategic planning process. It should be used with other tools and data to make informed decisions.



Figure 5: SWOT analysis

SWOT Analysis			
Internal	Strengths	Weaknesses	SiS
	<ul style="list-style-type: none"><li>• Internal factors that give an organization an advantage over its competitors.</li><li>• These could be the company's unique selling proposition, a strong brand reputation, experienced and talented employees, or proprietary technology.</li></ul>	<ul style="list-style-type: none"><li>• These are the internal factors that could put an organization at a disadvantage.</li><li>• These could include a lack of resources, poor brand reputation, low employee morale, or outdated technology.</li></ul>	
External	Opportunities	Threats	
	<ul style="list-style-type: none"><li>• External factors that could provide an advantage to an organization.</li><li>• For example, changes in the market or regulatory environment, new technology trends, or expanding customer demand.</li></ul>	<ul style="list-style-type: none"><li>• These are external factors that could pose a risk to an organization.</li><li>• Such as new competitors entering the market, changes in consumer preferences, or shifts in the political or economic environment.</li></ul>	

Source: Own source.


### Example of a SWOT analysis for a football club

A SWOT analysis can help a football club to identify its internal strengths and weaknesses, as well as external opportunities and threats. By analysing these factors, the club can develop a strategy to leverage its strengths, address its weaknesses, take advantage of opportunities, and mitigate potential threats.



Figure 6: Example of a SWOT analysis for a football club

Example of a SWOT analysis for a football club	
<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Strong fan base and brand recognition</li> <li>• Experienced coaching staff and talented players</li> <li>• Successful history and tradition in the sport</li> <li>• Strong financial resources and sponsorship deals</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Inconsistent on-field performance in recent seasons</li> <li>• Aging stadium and facilities compared to competitors</li> <li>• Lack of investment in youth development</li> <li>• Limited international reach compared to other top football clubs</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Growing popularity of football globally, especially in emerging markets</li> <li>• Potential for increased revenue from sponsorships and merchandising</li> <li>• Expansion of domestic and international leagues and tournaments</li> <li>• Opportunity to invest in new technologies and analytics to improve performance</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• Intense competition from other top football clubs</li> <li>• Fluctuations in player transfer fees and salaries</li> <li>• Risk of player injuries and suspensions affecting team performance</li> <li>• Potential for negative media coverage and fan backlash</li> </ul>



Source: Own source.

### Tips in situation analysis

In the next table, there are some tips I recommend considering in the situation analysis.

Table 1: Tips in situation analysis

TIPS IN SITUATION ANALYSIS
1. Less is more when it comes to data. Having too much data can lower the efficiency of the data, which is the reason why it is key to know what you need to know before anything.
2. You may not have access to all the data you want, but make sure that the organization will be equipped in the future to have the right tools to track the relevant data, all year long, trying to make it automatic and not manual.
3. Limit this exploration phase in time. Understanding your sports organization environment is endless, and you have to limit time dedicated to focus on what matters most.
4. Make sure you agree with the strategic planning team on the conclusions, since conclusions are the foundations that you will use when developing the strategies. To avoid subjective conclusions, it is always easier to go back to data and its learnings.

Source: Own source.

### Conclusion



Understanding the situation and environment of a sports organization is paramount for successful strategic planning. It provides the foundation for identifying opportunities and threats, enabling informed decision-making, and allocating resources effectively. By conducting thorough market and competitor analysis, organizations can gain valuable insights into their target audience, competitive landscape, and industry trends. This information serves as a basis for developing a strategic plan that aligns with the organization's goals and positions them for success.

Moreover, incorporating feedback from customers, athletes, and employees is essential in refining the strategic approach. Customer and athlete feedback offer valuable perspectives on improving products, services, and overall experiences, leading to enhanced satisfaction and loyalty. Similarly, employee feedback provides insights into internal processes, organizational culture, and areas of improvement, contributing to a more efficient and cohesive strategy.

By embracing a comprehensive understanding of their situation and environment, sports organizations can make informed decisions, adapt to changes, and continually enhance their performance. The strategic planning process becomes an ongoing cycle of analysis, feedback integration, and adaptation, ensuring that the organization remains agile and responsive to the ever-evolving sports landscape.

### **Case study**

To illustrate the content of this module, we will see the case of the economic impact of the Rugby World Cup Japan 2019. We will do a situation analysis, a SWOT analysis and then some final thoughts about the event.

#### **Situation analysis**

- **Background:** The Rugby World Cup is a prestigious international rugby union tournament organized by World Rugby, held every four years. The 2019 edition was hosted by Japan, marking the first time the tournament was held in Asia. It featured 20 participating teams and attracted a global audience.

- **Host Country:** Japan has a vibrant sports culture and a rapidly growing economy. The country invested significant resources in infrastructure development, stadium upgrades, and hospitality services to successfully host the Rugby World Cup 2019. This event aimed to showcase Japan's capability to host major international sporting events.

- **Infrastructure Development:** Hosting the Rugby World Cup required substantial investment in infrastructure, including stadiums, transportation networks, accommodation, and event facilities. These infrastructure improvements provided long-term benefits by enhancing the country's tourism and sporting infrastructure.



- **Tourism and Visitor Expenditure:** The Rugby World Cup 2019 attracted many international visitors, resulting in a boost to the tourism industry. Tourists spent money on accommodation, transportation, food and beverages, souvenirs, and other leisure activities, contributing to the local economy and generating direct and indirect employment opportunities. Rugby World Cup 2019 was the first time the tournament was played in Asia, and it achieved a ticket sell-out rate of 99%, the highest ever in Rugby World Cup history. A total of 1.72 million tickets were sold (EY, 2019).

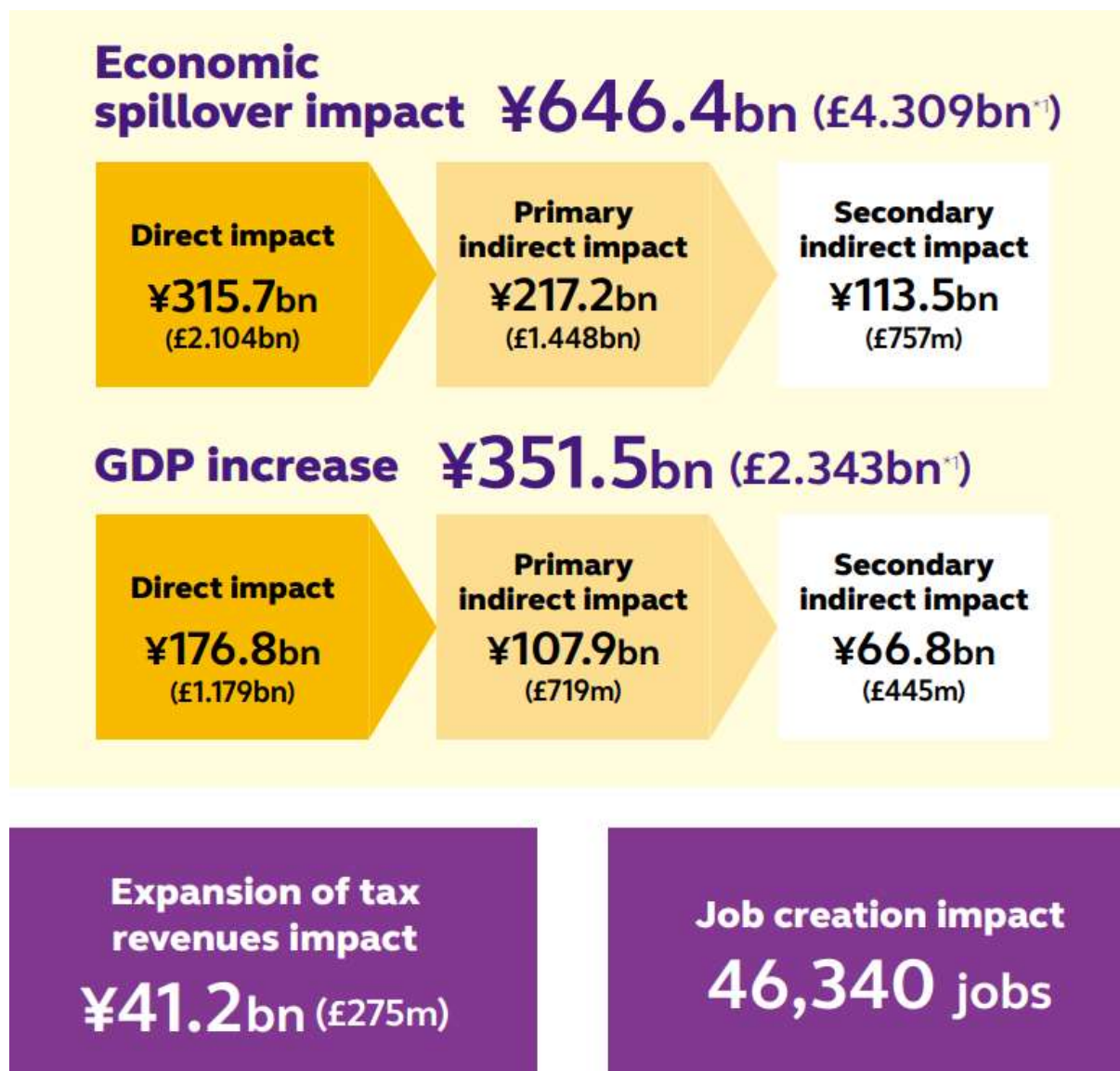
**Figure 7: Tourism and Visitor Expenditure**



Source: EY, 2019, p. 10.

- **Economic Impact:** The Rugby World Cup 2019 had a significant economic impact on the host country. It stimulated economic activity in various sectors, including tourism, hospitality, transportation, retail, and entertainment. The influx of visitors and increased consumer spending contributed to job creation, increased tax revenues, and economic growth. According to a report by EY (2019), the RWC 2019 was the most economically successful Rugby World Cup ever with nearly £4.3 billion generated in economic impact.

Figure 8: Economic impact



Source: EY, 2019, p. 5.

- **Branding and International Image:** Hosting a major sporting event like the Rugby World Cup provided an opportunity for the host country to enhance its international image and brand recognition. Positive media coverage, showcasing Japan's cultural heritage, hospitality, and organizational capabilities, helped attract tourists and potential investors in the post-event period.

- **Legacy Effects:** Major sporting events often leave a lasting legacy on the host country. In the case of the Rugby World Cup 2019, the infrastructure developments, improved transport networks, and upgraded stadiums continue to benefit Japan beyond the tournament. These legacy effects create opportunities for future sports events and contribute to the overall socio-economic development of the host country.

- **Stakeholder Collaboration:** The successful hosting of the Rugby World Cup requires collaboration among various stakeholders, including government agencies, sports organizations, local communities, and private sector partners. Effective coordination and cooperation are essential for strategic planning and resource allocation to optimise the economic impact of the event.

## SWOT analysis of the economic impact of the Rugby World Cup, 2019

### Strengths

- **Economic Boost:** The Rugby World Cup 2019 generated significant economic benefits for the host country, including increased tourism, job creation, and revenue generation in various sectors such as hospitality, retail, and transportation.

- **Infrastructure Development:** The event required substantial investments in infrastructure, leaving a lasting legacy of upgraded stadiums, improved transport networks, and enhanced tourism facilities for future use.

- **Brand Promotion:** Hosting a major international event like the Rugby World Cup provided an opportunity for Japan to showcase its cultural heritage, organizational capabilities, and hospitality, improving its international image and attracting future tourism and business opportunities.

- **Stakeholder Collaboration:** The successful hosting of the tournament required effective collaboration among government agencies, sports organizations, and private sector partners, fostering a sense of unity and shared purpose.

### Weaknesses

- **Cost Considerations:** Hosting a major sporting event comes with significant costs, including infrastructure investments, security measures, and promotional campaigns. The financial burden could be a potential weakness if not managed effectively, as it may strain public resources or lead to budget deficits.

- **Displacement of Regular Tourism:** While the Rugby World Cup brought in a surge of international visitors, it may have resulted in a temporary displacement of regular tourists due to increased prices and reduced availability of accommodation and services.

- **Over-reliance on Event Impact:** The economic benefits of hosting the Rugby World Cup may have been concentrated in the event period, potentially leading to a decline in tourism and economic activity once the tournament concluded.

### Opportunities



- **Long-term Tourism Growth:** The positive exposure and enhanced infrastructure resulting from the Rugby World Cup can position Japan as a desirable destination for future international events and attract a sustained influx of tourists, driving long-term economic growth in the tourism sector.

- **Sports Event Hosting Expertise:** The successful organization of the Rugby World Cup 2019 has established Japan as a capable host for future major sporting events, providing opportunities to attract additional tournaments and leverage its expertise in event management.

### Threats

- **Economic Downturn:** External factors such as global economic instability or a decline in travel demand could impact the anticipated economic benefits of hosting the Rugby World Cup and hinder the recovery of investments made.

- **Competitive Landscape:** Other countries and cities also strive to host major sporting events, creating competition for attracting international tournaments and potential visitors. Japan must remain competitive and continuously improve its offerings to maintain its position as a preferred host.

### Final Thoughts

The Rugby World Cup 2019 showcased the potential economic benefits of hosting a major international sporting event. Japan successfully leveraged the tournament to boost tourism, stimulate economic activity, and enhance its global image. The investment in infrastructure development and stakeholder collaboration demonstrated the country's ability to organize and manage large-scale events effectively.

However, careful consideration of costs, long-term sustainability, and legacy effects is crucial. Japan should continue to capitalize on the positive exposure and momentum generated by the Rugby World Cup, ensuring that the economic impact extends beyond the event period. By leveraging its experience and infrastructure, Japan can attract future sporting events, sustain tourism growth, and solidify its position as a sought-after host for major international tournaments.



Figure 9: Rugby World Cup Japan 2019



Source: EY, 2019, p. 3.

## References

EY. (2019). *The Economic Impact of Rugby World Cup 2019*. [https://assets.ey.com/content/dam/ey-sites/ey-com/ja\\_jp/news/2020/pdf/ey-the-economic-impact-of-rugby-world-cup-2019-en.pdf](https://assets.ey.com/content/dam/ey-sites/ey-com/ja_jp/news/2020/pdf/ey-the-economic-impact-of-rugby-world-cup-2019-en.pdf)