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Recovery sport marketing for an unsuccessful Olympic bid

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Background

Recovery marketing can be defined as the actual or possible regaining, restoration, or improvement of something lost or taken away as a result of a significantly negative situation or event through the transfer of goods and services from producers to consumers (Schwarz, 2010). Recovery marketing is a prevalent concept in the world of marketing in business – especially the travel, tourism, and hospitality industries; however there has been little coverage in the realm of sport marketing management. The most prevalent coverage was in 2000, when Burton and Howard stated “for sport marketers, the concept of recovery entails returning a disaffected customer to satisfaction after a service breakdown – one that is often unexpected and unscripted”, with a broad focus on strikes, lockouts, illegal activities, poor performance, and misunderstood intentions that jeopardize brand equity. Since that time, the application of recovery sport marketing has expanded significantly. One such group that has needed to implement recovery marketing into their planning processes are municipalities that have sought and failed to secure the hosting rights to the Winter or Summer Olympics.

Objectives

The main objectives for this paper include:

1. Elaborating on the concept of recovery marketing historically and in terms of the sport industry
2. Explain how recovery sport marketing efforts have been utilized to recuperate from negative scenarios, with specific focus on recent unsuccessful Olympic bids in Europe:
 1. Madrid, Spain – 2012 and 2016 Summer Olympics
 2. Salzburg, Austria – 2010 and 2014 Winter Olympics
 3. Paris, France – 2012 Summer Olympics
3. Analyze if current bidders for the 2018 Winter Olympic Games are including recovery sport marketing within their plans
 1. Annecy, France
 2. Munich, Germany

Review of Literature

Much of the previous work on recovery marketing focused on crisis management, and market recovery and communications – specifically as related to communication during tourism crises, evaluating strategies for market recovery, and comprehending these issues from the viewpoint of

the destination management organization (Carlsen & Liburd, 2007). According to research by Dwyer and Sheldon (2006), the six main research categories related to crisis management and marketing recovery and communications are: (1) clarification of definitions, concepts, and typologies; (2) risk identification and assessment; (3) managing recovery and restoration; (4) marketing and promotion during and after the crisis; (5) rebuilding the destination; and (6) sustainable tourism development from a risk management perspective (Carlsen & Liburd, 2007).

Of most direct relevance to recovery marketing for unsuccessful Olympic bids is marketing and promotion during and after the crisis. Municipalities spend up to 10 years and millions of dollars on trying to secure a bid to host the Olympics, but come up short. In October 2009, Rio de Janeiro, Brazil was awarded the 2016 Summer Olympic Games, beating out Chicago, Illinois; Tokyo, Japan; and Madrid, Spain, each of which spent up to \$100 million US each on their losing bid (Smith, 2009). How does a city recover not only from being denied hosting the largest and most prolific sporting event in the world, but from the loss of money that could have been spent elsewhere?

Application to Practice

Sport marketing professionals who work with these municipalities need to be versed in the creation of a recovery marketing plan for the bid organization. Also, a positive relationship with the mass media is critical to the successful implementation of a recovery marketing plan with regard to quality information management and communication to stakeholders (Pforr & Hosie, 2007; Santana, 2004). The need for recovery marketing plans has come from the increased market-oriented strategies that are being implemented by businesses to maintain a competitive advantage through the portrayal of a business culture and organizational aptitude that puts customers first (Martin-Consuerga, Esteban, & Molina, 2007; Deshpande, Farley, & Webster, 1993). As such, these recovery marketing plans “place the highest priority on the creation and maintenance of superior customer value, and creating a competitive advantage in both the speed and effectiveness of their responsiveness to opportunities and threats” (Martin-Consuerga et al., 2007; Slater, 2001).

Methodology for Study (Work-in-Progress)

The first step will be the implementation and analysis of responses to a open-ended survey set to members of the Olympics bid committees from Madrid, Spain; Paris, France; and Salzburg, Austria to determine how the bid documents are being used by each city despite not securing the bid for the Olympic Games. Initial assumptions are that each municipality should be utilizing their bid documents to create and implement a recovery marketing plan to prove to their communities, external sporting organizations, and the world that their cities are top-notch destinations for major sporting, cultural, and social events in the future.

Then, using this research and the review of literature, the goal is to implement an open-ended survey to members of the bid committees from Annecy, France and Munich, Germany to determine the level of recovery marketing they are implementing in their plans in case they do not secure the bid for the 2018 Winter Olympic Games. The assumption is that the creation of a recovery sport marketing plan as part of the planning process for any Olympic bid, and the modification of that plan throughout the implementation, management, and evaluation process,

will be crucial in the event of an unsuccessful bid because the speed of recovery depends on the degree to which marketing communication and recovery plans have been integrated with strategies and plans (Rittichainuwat, 2006) for the future.

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No conflict of interest