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### A Critical Analysis of the 2011 Rugby World Cup

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### **Abstract**

The Rugby World Cup 2011 took place in New Zealand between 9<sup>th</sup> September and 24<sup>th</sup> October 2011. For rugby fans, the opening ceremony was a truly dazzling affair and was most certainly a world apart from the comparatively low-budget, inaugural tournament launched by the International Rugby Board ("IRB") in 1987. This article will examine various significant aspects of the planning of the Rugby World Cup, the identification of risks associated with such an event and the control thereof both in the lead up to and during the event. In particular, the article will question whether the spectacle at Eden Park was a true reflection of how well the tournament had been planned or whether it was simply a lavish attempt to cover up cracks developing behind the scenes at the beginning of the tournament. The article will conclude by arguing that it is ultimately the identification, assessment and control of the risks affecting a major event which determines its success (or otherwise).

Keywords: Event Management, Risk Management, Rugby World Cup, Infrastructure, Spectators

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#### **INTRODUCTION**

The Rugby World Cup 2011 ("RWC 2011") took place in New Zealand between 9<sup>th</sup> September and 24<sup>th</sup> October 2011.<sup>1</sup> The tournament commenced with a:

"Joyous opening ceremony featuring hundreds of dances and singers as well as a reported three tonnes of pyrotechnics [which] helped mark the start of the country's biggest ever sporting event."<sup>2</sup>

For rugby fans, the opening ceremony of the RWC 2011 was a truly dazzling affair and was most certainly a world apart from the inaugural tournament launched by the International Rugby Board ("IRB") in 1987,<sup>3</sup> the 2011 event being described as "a far cry from the low-budget affair 24 years ago."<sup>4</sup> Clearly the dawn in 1995 of the professional era in rugby<sup>5</sup> has had many ramifications, including the need to attract more supporters and spectators in order to fund the game, and so one can accept the need for higher levels and wider breadths of "entertainment" within the sport. However, the question needs to be asked whether this spectacle at Eden Park was a true reflection of how well the tournament had been planned or whether it was simply a lavish attempt to cover up cracks developing behind the scenes at the beginning of the tournament - perhaps indicating a sign of things to come during the event.

This piece will examine various significant aspects of the planning of the RWC 2011, the identification of risks associated with such an event and the control thereof both in the lead up to and during the event.

Ultimately it is the identification, assessment and control of risk appertaining to any given factor affecting a major event which determines its success or otherwise since, as Parent and Swann point out: "it's ultimately about the experience." And, if this philosophy is developed, then it is the recognition and control of risks which are the decisive factors as to the success of any major event, for, without the process of detection and management of risk properly having been undertaken, the event and its organisers are exposed to potential disaster – commercial and physical. Risk, one of the key components of event planning and handling, is capable not only of destroying the normal progress of an event, but can also cause harm to prospective economic benefits and social benefits of a whole community. Furthermore, the success - or lack of it - can enhance (or destroy) the reputation of a community; and, on the world stage, albeit the RWC, as a single sport event, is not of the same standing as say the Olympic Games, the risks inherent in hosting mega sporting events can even damage the political image of the host country. Therefore success has to be secured by analysing beforehand the pitfalls appertaining to the running of a major event and mitigating or avoiding them.

<sup>&</sup>lt;sup>1</sup> See details and statistics of the RWC 2011 on the BBC website : [http://news.bbc.co.uk/sport1/hi/rugby\_union/7759155.stm]

<sup>&</sup>lt;sup>2</sup> Daily Mail Reporter, 'It's all kicked off Down Under! Kiwis host dazzling fireworks display to open World Cup – now can England rugby match it?' *Daily Mail online* (9 September 2011) [http://www.dailymail.co.uk/news/article-2035587/Rugby-World-Cup-2011-Opening-ceremony.html]

<sup>&</sup>lt;sup>3</sup> For a brief history of RWC see the ESPN website: [http://www.espn.co.uk/2011-rugby-world-cup/rugby/series/worldcup/timeline/1987.html]. Most notably the inaugural tournament featured 16 teams who had been invited by the IRB to compete: there was no qualifying tournament. South Africa, a leading rugby nation, was excluded because of apartheid.

<sup>&</sup>lt;sup>4</sup> Daily Mail Reporter, 'It's all kicked off Down Under! Kiwis host dazzling fireworks display to open World Cup – now can England rugby match it?' *Daily Mail online* (9 September 2011) [http://www.dailymail.co.uk/news/article-2035587/Rugby-World-Cup-2011-Opening-ceremony.html]

<sup>&</sup>lt;sup>5</sup> Small change for most Rugby Union players, *The Guardian* (28 August 1995), 3

<sup>&</sup>lt;sup>6</sup> MM Parent & S Smith-Swann, Managing Major Sports Events: Theory and Practice (2013 Routledge, London) 353

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#### **RISK MANAGEMENT - RWC 2011**

It is perhaps important to note that Leopkey and Parent consider risk management as a process that involves:

"Assessing all possible risks to the event and its stakeholders by strategically anticipating, preventing, minimizing and planning responses to mitigate those identified risks."

They list fifteen risk issue categories, although inevitably there is some degree of overlap between the categories.<sup>8</sup> In undertaking this analysis of the RWC 2011, the article will focus in particular on the key financial, operations, participation, threats and visibility risks. Categories similarly articulated by Parent and Smith-Swan as being critical to the production of a successful major sports event:

- "Efficient and effective transportation;
- Proper (meeting established standards) venues, facilities, infrastructure, and services (e.g. food and beverages, dignitary lounges, and seating);
- Proper security and risk management;
- Preceding the sports event with other events (e.g. torch relay), attractions (e.g. culturally themed
  activities) to galvanise the host region and country, to build momentum and pride in the local and
  national spectators/residents;
- Having gathering places (e.g. live sites, celebration sites) with appropriate but not excessive security for locals; and
- Satisfying key stakeholders' (e.g. event owner, IF/NSF, host governments, and sponsors) expectations."9

### THE BID - BEFORE AND AFTER

In beating Japan and South Africa, New Zealand was selected as Host Nation for the RWC 2011 in Dublin on 17<sup>th</sup> November 2005.<sup>10</sup> As a result, the New Zealand Rugby Union ("NZRU") and the Government announced the formation of an Establishment Board to take the initial planning forward. The tournament organiser Rugby New Zealand 2011 Ltd ("RNZ 2011") was established in June 2006 and was therefore responsible for delivery of the RWC 2011 on behalf of its shareholders, the NZRU and the New Zealand Government.<sup>11</sup> For the sake of completeness the circumstances surrounding the bid are given since this information provides the backdrop for assessing the success or otherwise of the RWC 2011 - in short, this assessment determines whether the delivery lived up to the promises and predictions made in the first instance. The feasibility of New Zealand playing host and the requirements for lodging a successful bid were investigated by a joint bid office comprising the New Zealand Rugby Union ("NZRU") and government agency, Sport and Recreation New Zealand ("SPARC"). Sport and Recreation minister Trevor Mallard said the government was

<sup>&</sup>lt;sup>7</sup> B Leopkey & MM Parent, *Risk Management issues in large-scale sporting events: A stakeholder perspective* (2009) European Sport Management Quarterly 187, 199

<sup>8</sup> ibid, 200

<sup>&</sup>lt;sup>9</sup> MM Parent & S Smith-Swann, Managing Major Sports Events: Theory and Practice (2013 Routledge, London) 331

<sup>&</sup>lt;sup>10</sup> *ibid.* For an entertaining guide to the New Zealand Rugby Union ("NZRU") bid for the RWC 2011 see: Jock Hobbs, Keynote address: Winning the bid for the 2011 Rugby World Cup – obstacles overcome and challenges ahead. ANZSLA conference 2008 [http://www.anzsla.com/content/past-conference-papers]. Hobbs was the NZRU Chairman at the time of the bid.

<sup>&</sup>lt;sup>11</sup> See International Rugby Board website: [http://www.rwc.2011.irb.com/destinationnewzealand/aboutrnz]

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supportive of New Zealand hosting the tournament, provided it was possible to produce a compelling bid document for the International Rugby Board: "Like a lot of Kiwis, I am very excited about the prospect of having a Rugby World Cup in New Zealand again," he was quoted to have said.<sup>12</sup> The subsequent bid was based on the premise that the event would be hosted in New Zealand's "Stadium of Four Million" and that it would be an "ALL RUGBY" experience for everyone involved.<sup>13</sup> Specific reference was made to New Zealand being a country that was "welcoming and safe, having superb broadcasting coverage and a commercially successful tournament to be developed by a unique partnership between Rugby and the NZ Government."<sup>14</sup> The budget was a conservative one, promising to deliver the "most commercially successful tournament ever; the clean stadia requirements ensured exclusivity for major sponsors."<sup>15</sup> This last (highly sensitive) point will be discussed in due course.

#### **VISIBILITY**

It seems sensible to begin with this subject because within this category of risk falls ambush marketing, brand, image reputation and support for the event. Much has been written in recent years about the phenomenon that has been termed "ambush marketing" which has been defined by Sandler and Shani as:

"a planned effort (campaign) by an organization to associate itself indirectly with an event in order to gain at least some of the recognition and benefits that are associated with being an official sponsor." <sup>16</sup>

Sandler and Shani state that the purpose of ambush marketing is to create consumer confusion, thus allowing the ambusher to gain the benefits of association without paying for the rights to do so, and weakening the impact of a competitor being the exclusive sponsor of an event.<sup>17</sup> Thus the main consideration for the organisers of major events is the provision of exclusivity to official sponsors, in the main this would be obtained by "clean" venues. It should be recognised that the NZRU had experienced bitter disappointment when it failed to secure co-hosting rights to the 2003 Rugby World Cup. In awarding the role of sole Host to the Australian Rugby Football Union the IRB noted that the NZRU had failed to guarantee "clean" stadia.<sup>18</sup> Like the International Olympic Committee, the IRB was *militant* in its objective to close promotion loopholes which the rivals of official sponsors might exploit.<sup>19</sup> To this end in October 2007 the *Major Events Management Act 2007 ("MEMA")* was brought into force in New Zealand.

Throughout the world, of course, there has been a plethora of legislative instruments to protect the commercial sponsorship of *specific* major sporting events, most notably in the UK the *London Olympic Games and Paralympic Games Act 2006 ("the 2006 Act")*. However, Johnson highlights the position in New Zealand where the MEMA is seen to be wider in the sense that it can apply to *any* event in New Zealand,

[http://www.rugbyworldcup.com/mm/Document/Tournament/Destination/02/04/73/69/RWC2011FactSheet-TheBid.pdf]

<sup>&</sup>lt;sup>12</sup> New Zealand Herald reporter, 'NZRU and government plan World Cup bid' (1 April 2005) (online) [http://www.nzherald.co.nz/nz/news/article.cfm?c id=1&objectid=10118199]

<sup>&</sup>lt;sup>13</sup> See Rugby World Cup website RWC 2011 fact sheet

<sup>14</sup> ibid

<sup>15</sup> ihio

<sup>&</sup>lt;sup>16</sup> D Sandler & D Shani, 'Olympic Sponsorship vs "ambush" marketing: Who gets the gold?' 29 Journal of Advertising Research 9

<sup>17</sup> ibid

<sup>&</sup>lt;sup>18</sup> See (n12)

<sup>19</sup> ibid

<sup>&</sup>lt;sup>20</sup> Other pieces of legislation were Sydney 2000 Games (Indicia and Images) Protection Act 1996 and the Olympic Arrangement Act 2000 for the Sydney Olympics

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sporting and otherwise, as long as the event meets the criteria set out in the Act.<sup>21</sup> MEMA has, like the 2006 Act, been the subject of criticism,<sup>22</sup> not least because of its failure to maintain a balance between individual freedoms, the public interest and state coercion. Corbett and Van Roy argue that MEMA "places unreasonable limits on the human rights to freedom of speech and association that are not justifiable in a free and democratic society."<sup>23</sup>

A critical review of MEMA and similar legislation in other jurisdictions is beyond the scope of this essay; however, what can be said in this context is that, the enactment of MEMA or the promise thereof was *identified* as absolutely crucial to the securing of New Zealand as Host nation for the RWC 2011 and was seen as a joint effort by the NZRU and New Zealand Government. For the purposes of clarification and definition, in 2010 the Ministry for Economic development, in the run-up to the RWC 2011, published a 20-page Guide to MEMA "to prevent unauthorised commercial exploitation and to ensure the smooth running of RWC 2011". As regards occurrences during the event itself, it can be seen that a tough stance was taken on those who had potentially fallen foul of the provisions of MEMA: a Wellington Lingerie store owner was told to remove her "All black lingerie sign" and the Mermaid strip bar was threatened with enforcement action and warned that its staff could face NZ\$150000 in fines in the first official case of RWC 2011 ambush marketing. The organisers were subjected to criticism for their hard-line approach to "a cheeky play on words", and were warned to "think twice before coming down on small businesses that are simply pushing the envelope a little for the six weeks of the Rugby World Cup." It was further advocated that a

"misguided zero tolerance approach that includes heavying anyone who even uses the term 'all black'...is likely to end up damaging the very brand the union is so keen to protect."<sup>29</sup>

Regardless, therefore, of whether one adopts the position of those with a vested interest in protecting the brand and the sponsors who have paid to associate with the brand (who will naturally adopt a negative slant towards ambush marketing) or whether, on the other hand, one sees the concept as opportunistic, creative and 'cheeky', it has to be recognised that the very fact that these non-sponsors received disproportionate air-time fulfilled their objective to have increased marketing during RWC 2011. Given the significantly short lifecycle of the RWC 2011, any action taken by the authorities could potentially have caused outcry and created adverse publicity, thus negatively impacting upon the event itself.

It is arguable that MEMA may not have afforded sufficient protection within the clean zones against ambush marketing "by air". There was one reference to advertising on or by means of an aircraft contained within

<sup>&</sup>lt;sup>21</sup> [2008] 2/3 International Sports Law Review 24

<sup>&</sup>lt;sup>22</sup> S Corbett & Y Van Roy, 'Events management in New Zealand: one law to rule them all?' [2010] Journal of Business Law 2; see also: O Morgan, 'Ambush Marketing: New Zealand is in search of events to host,' (2008) European Intellectual Property Review 454

<sup>&</sup>lt;sup>23</sup> Ibid, S Corbett & Y Van Roy, 3

<sup>&</sup>lt;sup>24</sup> Ministry of Economic Development, 'A Guide to the Major Events Management Act 2007'" (2010, Wellington) [http://www.rugbyworldcup.com/mm/Document/Tournament/Destination/02/03/72/63/2037263 PDF.pdf]

<sup>&</sup>lt;sup>25</sup> L Nichols, 'Wellington Retailers Defy All Blacks Ad ban', *The Dominion Post* (28 September 2011) (online) [http://www.stuff.co.nz/dominion-post/news/5694387/Wellington-retailers-defy-All-Blacks-adban?comment msg=posted#post comment]

<sup>&</sup>lt;sup>26</sup> L Nichols, 'Strip Bar warned over RWC Tactics', *The Dominion Post* (30 September 2011) (online) [http://www.stuff.co.nz/dominion-post/news/5707640/Strip-bar-warned-over-RWC-tactics]

<sup>&</sup>lt;sup>27</sup> Editorial, 'Hard line on brand counterproductive' *The Dominion Post* (28 September 2011) (online) [http://www.stuff.co.nz/dominion-post/comment/editorials/5694449/Hard-line-on-brand-counterproductive]

<sup>&</sup>lt;sup>28</sup> ibid

<sup>&</sup>lt;sup>29</sup> ibid

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MEMA<sup>30</sup> in distinction to other similar legislation<sup>31</sup> which made widescale provision for what has the potential to be a major threat of intrusion by way of aerial advertising or advertising on vessels. MEMA appears to have concentrated only on advertising on land. In addition it would appear that as regards images and logos, MEMA made vague reference to "ambush marketing by association" whereas, for example, the *Major Sporting Events Act 2009*<sup>32</sup> makes detailed provisions for authorisation to use logos and images in association with the event.<sup>33</sup>

The two significant points which have to be made regarding visibility, however, are that the apparently draconian nature of the legislation went some way to ensure that the IRB granted the hosting rights to New Zealand in the first place; secondly the prosecution of Terry Lung Chang who was charged under MEMA in April 2010, some 18 months before the RWC 2011, for importing 1000 counterfeit t-shirts and his subsequent conviction and fine of NZ\$20000 could be said to have had a significantly deterrent effect on would-be counterfeiters.<sup>34</sup> Clearly Judge Greg Davis of the Auckland District Court was a rugby fan!<sup>35</sup>

#### **FINANCIAL ISSUES**

In this category, Leopkey and Parent place sponsorship, ticketing and attendance, economic impacts/tourism, government support and return on investment (ROI). The earlier comments made with respect to ambush marketing have a very clear relevance to sponsorship issues because, without the necessary protections in place, large sponsors will not show willing to be associated with an event. It would appear that the event received significant sponsorship<sup>36</sup> and was successful in that it did not raise any difficult issues, so the focus here will be on the ticketing aspects of RWC 2011.

In September 2006 RNZ 2011 announced that NZ\$1.15 billion would be generated in total economic activity with more that NZ\$ $\frac{1}{2}$  billion being pumped into the NZ economy. In terms of visitors, it was predicted that approximately 95000 international supporters (although initially this figure was thought to be around  $60000^{37}$ ), 2500 international media and up to 2500 corporate and VIP guests would be in attendance. With any major event, ticketing (or lack of control of risks relating to ticketing) can spell potential disaster. As Parent and Smith-Swan note, there are a combination of aspects which impact fan behaviour and ultimate

<sup>&</sup>lt;sup>30</sup> See s.19(2) MEMA 2007 [http://www.legislation.govt.nz/act/public/2007/0035/latest/DLM411987.html]

<sup>&</sup>lt;sup>31</sup> See for example the *Major Sporting Events Act 2009* enacted by the Victorian parliament which has a whole part dedicated to aerial advertising: see Part 8 [http://www.austlii.edu.au/au/legis/vic/consol\_act/msea2009262/]

<sup>32</sup> ibid

<sup>&</sup>lt;sup>33</sup> See *Major Sporting Events Act 2009*, Part 3, Divisions 1 and 2.

<sup>34</sup>See the Official Rugby World Cup website: [http://www.rugbyworldcup.com/home/news/newsid=2037000,printer.htmx]

<sup>&</sup>lt;sup>35</sup> Author uncited, 'World Cup T-shirts fine applauded' *The New Zealand Herald* (10 September 2010) (online) [http://www.nzherald.co.nz/nz/news/article.cfm?c\_id=1&objectid=10672480]

<sup>&</sup>lt;sup>36</sup> Official Sponsors were Brancott Estate and Toshiba, Worldwide partners were Emirates, Mastercarde, Heineken, ANZ and DHL; see detail at p. 22 in Ministry of Economic Development, 'A Guide to the Major Events Management Act 2007' (2010 Wellington) [http://www.rugbyworldcup.com/mm/Document/Tournament/Destination/02/03/72/63/2037263 PDF.pdf]

<sup>&</sup>lt;sup>37</sup> [http://www.rugbyworldcup.com/mm/document/tournament/0/09-02-09\_1000daystogosnapshot\_final\_6863.pdf] and Sue Irwin Ironside, 'New Zealand's Major Event Management Act' *Baldwins* (29 June 2010) (online) [http://www.baldwins.com/new-zealand-s-major-events-management-act]

<sup>38</sup> See: RWC 2011 factsheet

<sup>&</sup>lt;sup>39</sup> MM Parent & S Smith-Swann, Managing Major Sports Events: Theory and Practice (2013 Routledge) 255

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attendance: pricing, scope of the offer, purchasing mechanisms, technology use, ethics, service quality, and brand fit perceptions of ticket distribution partners. And significantly, Smith finds that host organisations need to be careful in managing the ticket distribution process and partners so as not to alienate potential spectators.<sup>40</sup>

For the RWC 2011, provision was made under s. 25 of MEMA in relation to ticketing where "scalping," as it was colloquially named, would render the transgressor liable to a fine of up to NZ\$5000. It is commendable that the provisions were brought into force to outlaw "touting"; however it would appear that this was one area where more could have and should have been done to prevent unlawful sales at the RWC 2011. By way of contrast, the Major Sporting Events Act 2009 ("MSEA"), brought into force in Victoria, 41 had substantial provision for approved ticketing schemes as well as creating an offence of selling a ticket otherwise than in accordance with the ticket conditions under s. 166; this latter provision was attractive because it was allencompassing and flexible to meet with the individual requirements of any major event organiser. This is in stark contrast to MEMA which provided for one distinct situation of on-selling tickets to others. MEMA made no provision for approved ticketing schemes which proved to be the specific problem at RWC 2011. It was reported during RWC 2011 that Final tickets were being offered on eBay for \$NZ4300 despite having a much lower face value. 42 While the intentions of MEMA were well-placed, it would therefore appear that the reality bore out very significant difficulties in enforcing its ticketing provisions. Approximately six months before the event the local New Zealand online auction site TradeMe had removed scalped tickets from its website but international auction site eBay was allowing "scores of tickets" to be sold on its site. 43 The absence of an effective ticketing scheme<sup>44</sup> led to numerous sales of tickets way over and above the original ticket price<sup>45</sup> since MEMA extended no further than New Zealand's own boundaries. As indicated, there was no provision for approved ticketing schemes (particularly in the secondary ticket market which has traditionally been perceived as a negative phenomenon<sup>46</sup>) which would have gone some way towards addressing this issue and the objective of gaining capacity crowds at every match. Whilst RNZ 2011 issued warnings of tough action against ticket scalpers and indicated that it was monitoring specific sites in attempts to collate information with a view to closing those sites, 47 this did not happen. The gap was in the lack of an approved ticketing scheme: clearly RNZ 2011 had considered the potential of a black market as it saw fit to issue warnings in this regard, but it then failed, unlike the position adopted by the Rugby Football Union in RFU v Viagogo Limited<sup>48</sup> to take any positive steps to protect its position or the position of genuine fans. The MSEA 2009, in contrast, devotes a whole Part to sports event ticketing including a ticketing

<sup>&</sup>lt;sup>40</sup> KA Smith *The Distribution of Event Tickets* (2007) 10 Event Management 185

<sup>&</sup>lt;sup>41</sup> Available at: [http://www.austlii.edu.au/au/legis/vic/consol\_act/msea2009262/]

<sup>&</sup>lt;sup>42</sup> M Duff, '\$4300 for a single Rugby World Cup final ticket' *Stuff.co.nz* (21 September 2011) (online) [http://www.stuff.co.nz/sport/rugby/fan-central/5658280/4300-for-a-single-Rugby-World-Cup-final-ticket]

<sup>&</sup>lt;sup>43</sup> Paul Harper, RWC scalpers still on eBAY after TradeMe crackdown, *The New Zealand Herald* (15<sup>th</sup> February 2011) (online) [http://www.nzherald.co.nz/nz/news/article.cfm?c\_id=1&objectid=10706391]

<sup>44</sup> ibid

<sup>45</sup> See (n40)

<sup>&</sup>lt;sup>46</sup> See for example: J Drayer & NT Martin *Establishing legitimacy in the secondary ticket market: A case study of an NFL market* (2010) 13 Sport Management Review 39

<sup>&</sup>lt;sup>47</sup> Author uncited, 'Ticket Scalpers warned of tough action' *TVNZ* (21 September 2010) (online) [http://tvnz.co.nz/rugby-world-cup/ticket-scalpers-warned-tough-action-4412017]

<sup>&</sup>lt;sup>48</sup> [2012] UKSC 55. The RFU stipulated on its tickets that purchasers would be in breach of contract if they sold on their tickets at more than face value. Tickets were being sold on the Viagogo site and so the RFU sought and obtained an order for disclosure of those individuals who were selling the tickets on the Viagogo website in breach of the terms of sale. The RFU successfully argued that it was its objective to prevent the re-sale of tickets above face value so as to ensure that it could promote rugby by allowing tickets to be sold at affordable prices. The Supreme Court found that this was in the interests of those wishing to attend matches and was crucial to the development of the sport.

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scheme proposal, ticketing guidelines and enforcement powers. It could be argued therefore that RNZ 2011 failed to manage the ticket distribution process for the reasons outlined above. Accounts of fans being "made to feel like criminals" did nothing for the reputation of the event. RNZ 2011 could have avoided or at least greatly mitigated the risks in this area of the event by establishing a secondary ticket sales market which would have served both spectator and organiser alike.

Significantly also, there were concerns regarding the actual volume of sales six months before the event. As was noted by Cutler, tickets were still available with a week to go before the launch of RWC 2011. This tends to suggest that more ought to have been done by way of marketing (and raising visibility) and distribution at an earlier stage. Indeed one could argue that an official secondary ticket market could have been established even after scalping had been discovered so as to bring an end to that practice: even during RWC 2011, tickets were being sold at a heavily discounted price, one fan stating that the price he paid on eBay was more affordable that on the official website. Hat is significant is that it was reported that whilst eBay had been contacted by RNZ 2011 in 2010 in order to address the problem of resale of tickets on eBay New Zealand, it transpired that RNZ 2011 subsequently did not communicate further with eBay regarding this issue. This motif of poor communication on the part of RNZ 2011 with its partners and with the general public appears to have played a part not only in the area of ticketing but also in matters relating to accommodation and transport during the event (as will be discussed in the next section).

### **OPERATIONAL RISK**

Leopkey and Parent, amongst others, recognise that the *overarching* risk issue area is operational risk, with over double the number of mentions than any of the other categories in their research. This is logical as many of the potential risks would arise during the event (i.e. in the operational phase) and the category containing popular and important sub-components, such as security, crowd management and logistical concerns, as well as venue/facility management, safety, health and well-being. An examination of some of the factors in this area affecting RWC 2011 will be undertaken.

### **Accommodation**

Given the predicted influx of visitors, RNZ 2011 recognised the difficulty with a potential lack of accommodation relatively early on.<sup>53</sup> An Official Accommodation Bank ("OAB") was established in 2007 so that it could be ascertained as precisely as possibly where any deficit in accommodation lay. It was predicted in December 2008 that "despite the success so far of this initiative, it still seems likely that OAB demand will exceed land-based supply."<sup>54</sup> It should be remembered that the Pool stages of the tournament were to be played in a number of venues<sup>55</sup> and so the crucial period in terms of accommodation issues was the final two weeks of the tournament. To that end in 2008 RWC 2011 commenced investigating the use of

<sup>&</sup>lt;sup>49</sup> See (n47)

<sup>&</sup>lt;sup>50</sup> M Cutler, 'Rugby Organisers still confident over ticket sales' *SportBusiness* (31 August 2011) (online) [www.sportbusiness.com/news/184224/rugby-world-cup-organisers-still-confident-over-ticket-sales]

<sup>&</sup>lt;sup>51</sup> See (n47)

<sup>52</sup> ibid

<sup>53</sup> See: [http://www.rugbyworldcup.com/mm/document/tournament/0/09-02-09 1000daystogosnapshot final 6863.pdf]

<sup>54</sup> ibid

<sup>&</sup>lt;sup>55</sup> There were 13 venues in total. Because Christchurch was devastated by an earthquake six months before the RWC 2011 (see later) the matches allocated to Christchurch were re-allocated in the main to Auckland. See the IRB website for the initial proposals: [http://www.rwc2011.irb.com/destinationnewzealand/news/newsid=2030165.html#match+schedule+venues+announced]

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cruise ships for the final two weeks of the tournament when the finals were to be staged. The semi-finals, third-place play off and final were played at Eden Park, Auckland whose capacity was 60000 spectators.

Despite attempts earlier in the planning to secure accommodation under the OAB incentive it appeared that this attempt was failing when it was reported in 2010 that hoteliers were hiking up prices to the irritation of the organisers<sup>56</sup> but nonetheless workable solutions emerged when three RWC-dedicated cruise ships were found<sup>57</sup>: this concept had been used to good effect during the 2000 Olympics when ten cruise ships were docked in Sydney Harbour. Plans were also put in place for use of motor-homes, caravans and other "non-conventional supplementary accommodation"<sup>58</sup> and all host cities were to put in place inner-city facilities to accommodate extra demand. The crucial findings relate to Auckland since it was there that the finals were played: the Evaluation Report produced by Auckland Council<sup>59</sup> indicated that whilst, in the approach to RWC 2011, there were concerns regarding accommodation or lack of it,

"key messages conveyed in the media which inadvertently created the perception that Auckland was "full" and "expensive" (e.g. accommodation rates), particularly in and around the pool games prior to the key business end of the Tournament whereas up until the Final phase there was plenty of occupancy and conference space available."<sup>60</sup>

It would appear that capacity was reached during the Finals fortnight; however, the Evaluation report demonstrates that use of the media was not maximised in order that the true position be reflected. It may be the case that RNZ 2011 failed to fully update the media of the latest position, perhaps a recurring theme, given what was said in relation to ticketing above. In general, however, it could be said the one of the most significant risks was identified and minimised for the event, despite that fact that Christchurch, one of the major venues, had to be ruled out completely from hosting any matches because of the earthquake<sup>61</sup> in February 2011 and the stadium owner could not guarantee that all necessary repairs could be done in time to ensure a safe and secure facility, not forgetting the lack of accommodation as a result.<sup>62</sup>

### **Transport**

In relation to transport, issues were recognised relatively early: these related to domestic air and land transport. It was further recognised that resources were limited so "marshalling and excellent management of existing resources" was essential. The Auckland region was the subject of considerable focus and, as of December 2008, solutions had not been found, the Chief Executive of RNZ, Martin Snedden stating that "whilst the transport issues within the Auckland region have been the subject of considerable focus, the

<sup>&</sup>lt;sup>56</sup> Cleary M, '2011 Rugby World Cup Organisers more concerned by high prices than earthquakes' *Telegraph* (8<sup>th</sup> September 2010) (online) [http://www.telegraph.co.uk/sport/rugbyunion/international/newzealand/7990383/2011-Rugby-World-Cup-organisers-more-concerned-by-high-prices-than-earthquakes.html]

<sup>&</sup>lt;sup>57</sup> See: [www.rwc2011.irb.com/destinationnewzealand/news/newsid=2036701.html]

<sup>58</sup> ibid

<sup>&</sup>lt;sup>59</sup> Auckland Council, Rugby World Cup 2011: Evaluation Report 2011

<sup>[</sup>http://www.aucklandcouncil.govt.nz/SiteCollectionDocuments/aboutcouncil/governingbody/governingbodyagitem15attA18201112 22.pdf]

<sup>60</sup> See (n59), 141

<sup>&</sup>lt;sup>61</sup> Christchurch suffered an earthquake of over magnitude 7 in September 2010, a number of aftershocks and then another major earthquake of magnitude 6.3 on 22<sup>nd</sup> February 2011. Christchurch's infrastructure was badly affected and almost 200 people lost their lives.

<sup>&</sup>lt;sup>62</sup> Reuters, 'Rugby World Cup announces venue changes after Christchurch earthquake', *The Guardian* (Wednesday 30<sup>th</sup> March 2011) (online) [http://www.theguardian.com/sport/2011/mar/30/rugby-world-cup-venues-christchurch]

<sup>63</sup> See (n53)

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solutions to these have not yet been finally agreed."<sup>64</sup> It was at least recognised that the influx of supporters, both domestic and international, would be significant.

As for the opening night of the tournament, the organisers predicted that possibly 30000 – 50000 supporters would attend the regenerated Queen's Wharf area of Auckland: as it transpired, it was estimated that 200000 fans crowded the area. Clearly this raised a number of issues:

- Safety of attendees
- Insufficient/delayed transportation buses, trains and ferries
- Fans missing the opening ceremony due to crowding and/or delayed transport services
- Lack of Contingency planning
- Communications, both prior to and during the event.

As noted above, the focus on the opening night was on Auckland, whose transportation system "struggled to cope with a large estimated crowd of 200000... with trains, buses and ferries being stretched or even having to be cancelled."65 In three reports released by the Council, Auckland Transport, and Auckland Tourism, Events and Economic Development ("ATEED"), the focus was on public transport and the overcrowding on the waterfront.<sup>66</sup> Trains were cancelled, stations became so full because of lack of accuracy in the predicted volume in attendance that there was a risk of people spilling onto the tracks. Passengers collapsed within trains, travelled on the outside of trains and used emergency stop buttons, because of crowded conditions and, in so doing, caused even further delays. To exacerbate matters there was a lack of communication to passengers in order to explain or direct them during these difficulties. Buses were poorly co-ordinated with trains and were too few to clear up the backlog of passengers at the main station. The downtown ferry terminal had to be closed down because of "severe crowd control problems." As for the overcrowding problems on the waterfront, this appeared to be due to the lack of any kind of ticketing system for the Queen's Wharf area; the overcrowding was compounded by a failure of two large screens at one end (another operational risk which was, quite simply, not identified before the event) which resulted in the crowds gravitating towards the other end, causing very serious safety issues. A further problem was the lack of public lavatories and bins, adding to the chaos. Indeed, up to 2000 fans missed the opening ceremony, part of the match, or the entire match at Eden Park because of the transport problems.<sup>67</sup> This latter aspect would have significant negative impact upon "the experience" as referred to by Leopkey and Parent. 68 To rectify this to some degree it was suggested by the CEO of Auckland Council that fans should be compensated by getting free tickets to either an All Black quarter- or semi-final.<sup>69</sup>

As a result of the chaotic scenes of 9<sup>th</sup> September 2011, Auckland Transport commissioned an urgent independent report by law firm Meredith Connell<sup>70</sup> which concluded that the organisers had predicted up to

<sup>&</sup>lt;sup>64</sup> ibid

<sup>&</sup>lt;sup>65</sup> M Cutler, 'McCully calls for Action after Transport Chaos on Rugby World Cup Opening Night' *SportBusiness* (2011) (online) [www.sportbusiness.com/news/184289/mccully-calls-for-action-after-transport-chaos-on-rugby-world-cup-opening-night]

<sup>&</sup>lt;sup>66</sup> Davison I, 'First night Rugby World Cup failures laid bare' *The New Zealand Herald* (15<sup>th</sup> September 2011) (online) [http://www.nzherald.co.nz/news/print.cfm?objectid=10751884&pnum=1]

<sup>67</sup> ibid

<sup>&</sup>lt;sup>68</sup> See (n7)

<sup>&</sup>lt;sup>69</sup> I Davison, 'First night Rugby World Cup failures laid bare' *The New Zealand Herald* (15<sup>th</sup> September 2011) (online) [http://www.nzherald.co.nz/news/print.cfm?objectid=10751884&pnum=1]

<sup>&</sup>lt;sup>70</sup> C Moore, Urgent independent inquiry into public transport performance in Auckland for Rugby World Cup events on Friday 9 September 2011 (Meredith Connell Barristers and Solicitors 22<sup>nd</sup> September 2011)

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50000 would attend the waterfront celebrations and as a result, Auckland Transport put in contingency for double that figure. The report was critical of the event organiser attributing to it responsibility for the "greatest single contribution"<sup>71</sup> to the transport difficulties. It went on to say "regardless of how capable the programming, timetabling and trial runs may have been, none of this planning could survive the actual number of 200000 people who are believed to have attended."<sup>72</sup> Interestingly in a later report<sup>73</sup> this figure was said to be around 120000 – 150000 fans, calling into question whether the conclusions of the original inquiry were correctly apportioned. The transport authorities did not escape unscathed, however, the urgent report concluding that Veolia could have acted more proactively in the face of the difficulties encountered.<sup>74</sup>

What is significant about the difficulties surrounding the opening night transport difficulties and the consequent overcrowding and health and safety issues were the "physical limitations of the Britomart station...and its dead end [which] created capacity restraints....it is almost certain that the levels of rail service delays experienced...would not have been so severe with a through link station." The Auckland transport system did feature in the thoughts of the organiser during the planning process: in fact it would have been highly surprising if it had not. However two issues arise: first it would appear that the transport authorities had not been given a final plan for the fanzone on the opening night. Secondly (and perhaps more importantly), it would appear that insufficient care was taken in terms of the development of the infrastructure with the result that the system was always going to fail in the absence of a through station: passengers were heading both to the fan zone Queen's Wharf and to Eden Park and to get to their destinations both sets of fans were having to change trains at Britomart station! The fact that the opening match was on a weekday added to passenger volume and this was further compounded by the fact that school-children would have been travelling at the peak time for travelling rugby fans, thus adding a further burden to an already overloaded system. One other vital factor was the lack of an appropriate crowd control management plan and sufficient human resources to implement such a plan.

The "lessons learned" in relation to transport made by the Auckland Council evaluation report<sup>80</sup> were:

"To deliver events as large and complex as RWC 2011 requires having the capacity to deal with the unexpected or unforeseen. Given the difficulties in forecasting likely attendance numbers and potential technical failures, contingency arrangements need to be in place. This contingency planning needs to be coupled with a clear escalation decision-making process on the day to enable contingency arrangements to be put into operation if need be. It also needs to be clear when rules are rules and when rules can be guidance and modified as appropriate – such as the provisioning of some facilities such as toilets and bins at sites."

<sup>&</sup>lt;sup>71</sup> Ibid, page 32 (para. 11.1)

<sup>&</sup>lt;sup>72</sup> Ibid, page 32 (para. 11.1)

<sup>&</sup>lt;sup>73</sup>Rugby World Cup 2011 Evaluation report Auckland Council Group (December 2011), 107

<sup>&</sup>lt;sup>74</sup> C Moore (n70), 23 [7.16(f)]

<sup>&</sup>lt;sup>75</sup> C Moore (n70), 5, [3.7]

<sup>&</sup>lt;sup>76</sup> See (n64). See also C. Moore (n70) 7, [4.6]

<sup>&</sup>lt;sup>77</sup> C Moore (n70), 7 [4.6]

<sup>&</sup>lt;sup>78</sup> C Moore (n70), 23 [7.16(d)]

<sup>&</sup>lt;sup>79</sup> C Moore (n70), 7 [4.3 - 4.4]; 23 [7.16(c)]

<sup>&</sup>lt;sup>80</sup> Rugby World Cup 2011 Evaluation report Auckland Council Group (December 2011)

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These remarks having been made, it has to be acknowledged that, for the remainder of the event, there were no further transport issues. In fact the initial inquiry did not report by the date first contemplated by Auckland Transport so that by the time of reporting a further weekend of rugby matches had taken place and the interim corrective measures which had been put in place had been shown to effect the changes necessary for smoother running transportation and crowd control. Despite the advances in technology and developments in communication in the late 20<sup>th</sup> and early 21<sup>st</sup> centuries, it is clear that the age-old question of managing crowds at large-scale events, whether they be sporting or otherwise, in the Coliseum in Roman times or Eden Park in the modern age, requires careful planning, identification of risks and implementation of sheer old-fashioned crowd control mechanisms! What is true of RNZ 2011 and its partners is that they worked extremely hard during RWC 2011 to rectify the problems which arose on the opening night. Why and how the estimated figures were so wrong is anyone's guess – as there was never a separate inquiry as to why and how ATEED and its hired consultants made such a significant mistake — but the real difficulties and disappointments suffered by fans on the open night, not forgetting the potential for serious injury or death because of the overcrowding, places the emphasis on getting the very basics right even in single sport events – otherwise the consequences can spell disaster.

### **CONCLUSION**

To return to the question of the fan's "experience", it is trite to say that one negative experience, without the appropriate level of compensation or rectification, so can significantly impact upon fans' lasting impressions of an event. Given the potentially disastrous consequences of the opening night of RWC, the shaky start could have led to a poor event overall. However it would appear that financially and reputation-wise RWC 2011 was a success for the Host Nation (on and off the pitch): for its stakeholders, organisers, fans and thus, ultimately, the sport itself.

<sup>81</sup> C Moore (n70), 1-2, 27-32

<sup>&</sup>lt;sup>82</sup> Jon C, *Train Fail Report Blames Organisers*, Auckland Transport & Urban Design Issues & Debate (2011) (online) [http://www.aktnz.co.nz/2011/09/27/train-fail-report-blames-organisers/]

 $<sup>^{83}</sup>$  Compensatory measures were put in place, as suggested, for fans who missed the opening night at Eden Park

<sup>&</sup>lt;sup>84</sup> IRB, RWCL welcomes RNZ 2011 financial results, *IRB website* (31 May 2012 ) (online) [http://www.rugbyworldcup.com/home/news/newsid=2062338.html]

<sup>&</sup>lt;sup>85</sup> RNZ 2011, '2011 – thanks for the memories' *Official RWC 2015 website* (online) [http://www.rugbyworldcup.com/archive/season=2011/index.html]

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