



Olympics optimism fading away

Economic expectations surrounding Games slumps

With UK consumer confidence heading ever closer to its record low of July 2008, hopes are this summer's London Olympics will give a much needed boost to sentiment and to the economy.

The JGFR/GfK NOP 2012 Olympics Barometer has tracked attitudes towards the London Olympics since June 2005 and seen distinct shifts. In early August, just after the final year's countdown to the opening ceremony began there was more enthusiasm about the impact of the Games than in any of the previous eight surveys.

Then, 40% of adults believed that winning the Olympic bid had boosted their confidence about the prospects for the UK economy, up from 33% of adults in March, and above the previous highest in June 2005 (37%), shortly before the bid was won.

In the latest survey* carried out in December the mood is more pessimistic with just a quarter of adults feeling that the Olympics would give a boost to the economy and with big falls in optimism in many regions. In the 3 surveys undertaken during 2011 in March, August and December on average those in Northern Ireland and the Midlands were the most optimistic. In the current survey optimism is highest in Northern Ireland (32%) and the South East (30%).

Fewer adults believe the Olympics will bind the country together and make us feel happier

Just under a half of the public (46%) believe that the London Olympics will bring the country together, little changed on March, but well down on 54% in August. Compared to March and August, fewer under 40s now believe the Games will make us feel happier and in most regions fewer people expect the Games to bring the country together than they did in the summer.

Majority of Britons believe that the Olympics will boost sports participation and leave an Olympic sporting legacy

Two keenly watched aspects of the impact of the London Olympics will be the level of sports participation and the sporting legacy left by the Games. Slightly fewer adults (64%) than in March (66%) expect higher levels of sports participation as a result of the Olympics, just under the 65% average of the four surveys in which the statement has featured.

Sport and health are closely interlinked. Last March 66% of adults believed the NHS should use the London Olympics to promote sport / exercise suggesting a need for joined up approaches across the various Government departments and agencies at national and regional / sub-regional levels.

Such an increase in sports participation should help to ensure a sporting legacy. In the latest survey 56% of adults expect there to be a sporting legacy, down from 62% in August but above the 54% in March and around the 5-survey average.

With sport now becoming viewed as a catalyst for developing life skills in disadvantaged and disabled young people, the UK should be very well placed to build a leading position in the growing global sport for development industry.

Much of this sport for development work is being carried out through charities and foundations. In August, 61% of the public agreed they would support a charity that makes a difference to young peoples' lives through sport. The BBC Sport Relief weekend this March is likely to see greater participation and funds raised than in 2010 when 46% of adults said they would support the Sport Relief appeal and £44 million was raised.

Great demand from public to view the London Olympics

Support from the UK public to 'being there' at an Olympics event has never been in doubt. In previous surveys consumers were asked about their intentions to purchase Olympics tickets. Demand averaged around 17% of adults in the four surveys the question was asked – far more people wanted tickets than there were tickets available. Indeed there is some survey evidence that such was the demand for tickets – particularly in London and the South East - that this may have resulted in substantial funds being tied up in ticket applications that is likely to have reduced discretionary spending in Q2.

In the latest survey only some 6% of adults have got tickets to the Olympics or Para-Olympics with the highest proportions living in the South East and South West (both 10%).

Public demand for corporate sponsor tickets

The role of corporate sponsors is likely to come increasingly under the spotlight in the coming months given the public's demand for tickets. Some 5% of the public intend to try to obtain tickets through corporate sponsors, down from 8% in August.

While a minority of the public will seek to obtain tickets through a corporate sponsor, the proportion of consumers who are likely to switch to / purchase from / regularly use a brand that is sponsoring the Olympics has declined – down from 14% in August and 11% last March – to 9%, well below the 5-survey average of 13%. Corporate sponsors will need to review how to use the Olympics sponsorship to best effect.

Fall in people intending to help in events / activities at / surrounding the Olympics

Despite the imminence of the Olympics and the announcement of the route of the Olympic Torch enabling more detailed local event planning and involvement, fewer people (7%) now intend to help in events / activities / at or surrounding the Games compared with 11% in March and 14% in September 2010. All regions apart from the South East and South West have experienced declines since March with intentions among Londoners slumping – from 28% in September 2010 to 22% last March and down to 8% in December. Disappointment with the ticketing policy may be a likely cause.

Around a quarter of people expect the London Olympics will be the greatest sporting event of their lifetime

In the past four years around 27% of the public expects the London Olympics to be the greatest sporting event of their lifetime. The results in all six surveys, starting in March 2007, have been in a narrow range between 26%-30%. In the latest survey 26% agree with the statement, down from 28% last March. Despite being promoted as a Games for the young, currently more of the over 50's (30%) than other age groups believe the London Olympics will be their most treasured sporting memory. More women (30%) than men (23%) expect the London Olympics to be their best sporting memory – a trend found in many of the other nine GfK NOP / JGFR surveys. Such a finding might reflect a male preference for the Football, Rugby and Cricket World Cups.

Commented John Gilbert, Chief Executive, JGFR

“With the strong probability of the economy falling back into recession in the first half of 2012, the London Olympics will be a key driver in boosting confidence and generating growth in the second half of the year. A reduction in the public’s expectation of the economic impact of the Games, coupled with a decline in intentions to help in events / activities at/or surrounding the Olympics suggest that the boost to confidence and consumer spending on the Games may be less than expected. On the positive side a majority believe that the Olympics will improve sports participation and create a sporting legacy with greater longer term benefits to the nation’s health and that sports development will become an industry sector in which the UK can play a leading role”

Notes:

The JGFR / GfK NOP Olympics Barometer is a periodic survey of consumers attitudes towards the 2012 London Olympics and has been undertaken on 9 separate occasions – 2005 (1), 2007 (1), 2008 (2), 2009 (1), 2010 (1) , 2011 (3). In most cases the sample size is 1,000 adults aged 16+ representative of the UK population.

JGFR / GfK NOP has also asked consumers periodically about their attitude towards giving to charities supporting sport.

*The most recent survey was undertaken between 9-11 December among 1,000 adults aged 16+

A report on Consumer Attitudes towards the London Olympics will be published in February. For details of the Contents of the report and our datasets please contact John Gilbert at JGFR (+44 (0) 208 944 7510 / +44 (0) 7740 027968 or email j.gilbert@jgfr.co.uk

