# Perceived Impact of Hosting a Sport Event in a Destination: A Case Study of the Hong Kong Rugby Sevens

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## Abstract

Hong Kong is regarded as a shopping paradise and a place where east meets west. Although tourism plays a major role, lack of diversity in tourism products and low awareness of existing event activities are viewed as barriers to the full development of the potential to attract visitors to Hong Kong. This research examines the perceptions of local residents and visitors toward the Hong Kong Rugby Sevens and investigates the impact of the event. Findings reveal that the significant impact on a destination goes far beyond the original contemplated viewpoints on economic, environmental, and cultural factors. Moreover, considering the different perspectives of the constituents is necessary to understand the impact of an event. Consequently, this understanding will create sustainable event management practices and provide insights to event marketers.

Keywords: special event, sport event, local residents, visitors and destination

#### 1. Introduction

Hong Kong, which belongs to the Special Administrative Region of China, is an international cosmopolitan city, a global financial hub, and has one of the most liberal economies in Asia (Ying, 2001). Based on the visitor arrival statistics of the Hong Kong Tourism Board, roughly 20,209,797 visitors traveled to Hong Kong in 2015 (Hong Kong Tourism Board, 2015). In a densely populated city of more than 7.24 million people made famous by its skyscrapers and fast-paced lifestyle (Hong Kong Government, 2015), the large number of tourists and visitors presents enormous opportunities and complex challenges. Tourism is one of the main pillars in Hong Kong. Hong Kong holds major events annually to capture all the arriving visitors.

In recent years, the development of a wide variety of "special events" has become a principal feature of the promotional strategy of numerous tourist destinations to retain tourist appeal. Held annually in March, the Hong Kong Rugby Sevens is a special event that highlights football and draws a substantial amount of worldwide attention. As one of the most anticipated international sport events, the competition has made Hong Kong a popular destination, and the Hong Kong Rugby Sevens is considered a major special event (Horne & Manzenreiter, 2004).

# 1.1 Definitions

A special event refers to a large-scale leisure event that is held over a relatively short period, but has long-term consequences for the destination (Roche, 1994). Getz (1991) defines a special event as a one-time or infrequently occurring event outside the normal range of choices or beyond everyday experiences. He developed a typology of event tourism, which includes touring attractions and community festivals as well as business, sports, education, religious, and political events. Local events that chiefly draw residents and local people are at the bottom of the hierarchy, whereas regional events with drawing power to entice both local residents and overseas visitors are on the middle of the scale. Given its great attractiveness, a special event has a "powerful image make and [is a] development catalyst" (Getz, 1991).

Previous research has investigated different events with a primary focus on the impact of events on a city, particularly on issues that deal with tourism and recreation (Kim & Walker, 2001). Other scholars have attempted to measure economic gains from hosting a mega-event (Fourie & Gallego, 2011). Recently, research has expanded into a deeper analysis of events by delving into both tangible and intangible benefits and returns to the host destination. Key advancements in studies of this nature include various non-quantifiable gains, such as

national pride, patriotism, and destination branding (Kesenne, 2006). The present study distinguishes itself from the traditional scholastic approach of investigating tangible gains by focusing on the perceptions of two interest groups on a particular event. In-depth interviews were conducted with residents and visitors concerning their views on the impact of the Hong Kong Rugby Sevens.

## 1.2 Background

Local and international tourism is among the leading industries in the international service trade, which is promulgated by the economies of scale of low cost travel, globalization, and other factors (Roche, 2000). Similarly, the tourism industry is one of the economic pillars of the Hong Kong economy.

However, Hong Kong heavily relies on its tourist attractions of large shopping malls and brands to sustain its tourism industry. Much of the tourism depends on visitors coming from the Chinese Mainland. In 2003, the Individual Visit Scheme (IVS) was created to allow residents of designated Mainland cities to visit Hong Kong as independent travelers without joining group tours. The Hong Kong Tourism Board Statistics has shown that under IVS, more than 47.2 millions of tourists arrivals from Mainland China have visited Hong Kong in 2014 (Hong Kong Tourism Commission, 2015). This figure has been largely supported by the Hong Kong government, which has promoted Hong Kong as a "Shopping Paradise." The continuous focus on one consumption industry carries the risk of creating seemingly homogeneous city dynamics that are basically indistinguishable to other limits of the competitiveness and destination branding of Hong Kong (Ritzer, 2004). With overwhelming trends in globalization, Hong Kong is not alone in facing this risk. The promotion of a sport event in a destination can capture repeat customers and provide sustainability to the tourism industry. Such healthy development can create brand identify for a destination.

## 1.3 Rationale of the Study

The annual Hong Kong Rugby Sevens draws the attention of potential local and visitors, as the international sport event is highly anticipated in Hong Kong. Hence, sport development is regarded as part of a city's cultural and leisure capital to reinforce destination branding as a "place to play" (Esinger, 2000) and provide support for consumption-based tourism development (Bourdieu, 1997; Euchner, 1999; Gospodini, 2006). The event serves as one of the primary sport events that Hong Kong uses to build its international branding as a "place to play." Asian cities continue to re-image themselves to remain more competitive than other Asian destinations. Furthermore, re-imaging can capture different segments of visitors and minimize overdependence on a single market as well as reliance on shoppers to support the tourism industry. However, staging events intensifies the strain on a densely populated city and induces an influx of international tourists, which could threaten long-term sustainability and benefits. These benefits include intangible gains, such as social cohesiveness, inclusive participation for local residents, decrease in crimes and anti-social behavior, etc. The attitudes and perceptions of local residents are equally important as the viewpoints of tourists and should always be considered when identifying any impact because local residents have reciprocal relationships with local tourism activity (Weaver & Lawton, 2013; Fischer, 2000).

Addressing the need for achieving optimum balance to maximize tangible and intangible gains from local residents and visitors will ensure the long-term sustainability and continued development of Hong Kong tourism. Thus, this study seeks to attain the following objectives:

- 1) To identify the perceptions of Hong Kong residents and visitors toward Hong Kong Rugby Sevens;
- 2) To evaluate the various effects of Hong Kong Rugby Sevens on Hong Kong; and
- 3) To examine the barriers and facilitators in Hong Kong for promoting the success of a sport event in a destination.

The main research questions are as follows:

- 1) What are your overall opinions/comments on staging a sport event in a destination?
- 2) What will be the effects (social, economic, and environment) of the sport "event," such as the Hong Kong Rugby Sevens, on Hong Kong as a destination?
- 3) What are the barriers that hinder Hong Kong from promoting such sport events to capture destination image?

# 1.4 Significance of the Study

Several studies in tourism, sport management, and hospitality journals have discussed the impact of stakeholder perception on hosting sport tourism events (Gursoy, Jurowski, & Uysal, 2002; Kim et al., 2006; Kim & Petrick,

2005). Numerous scholars have focused on how host community residents shape their perceptions of events based on the expected benefits from hosting. For instance, some scholars have indicated that local residents who reside in the host region tend to form their event perceptions by evaluating the anticipated opportunity before the exchange (Kim et al., 2006). This exchange leads to an investigation if the residents are not agreeable with the event, thus instigating negative perceptions and unsupportable behavior for future events. Conversely, if residents are happy with the event, then they will benefit and support future events (Kim et al., 2006; Kim & Petrick, 2005). Therefore, exploring the perceptions of residents regarding the social impact of hosting a large-scale sport is important.

This research is based on the viewpoints of visitors, who further elaborate their perceptions and comments about the sport event and its effects on visitor destination.

Studies in tourism and sport and hospitality management have examined the perceived impact of stakeholders on hosting sport tourism events (Gursoy, Jurowski, & Uysal, 2002; Kim et al., 2006; Kim & Petrick, 2005). In sport event management, theory has been used to emphasize how host community residents shape their perceptions of events based on the expected benefits from hosting (Gursoy et al., 2002; Kim & Petrick, 2005). Similar studies are scarce in the Hong Kong context. The present research investigates a variety of factors that influence the evaluations of residents and visitors of the possible benefits and costs of event hosting. For example, residents generally form their perceptions of hosting based on prior experiences (Baloglu & McClearly, 1999) and sociodemographic information (Kim & Petrick, 2005; Ritchie et al., 2009; Waitt, 2003). If residents and visitors perceive benefits from the event, they would be supportive of hosting in the future. Conversely, if residents experience an unsatisfactory exchange after the event, then they might revise their perceptions toward future hosting endeavors (Fredline & Faulkner, 2002). Hence, analyzing the perceptions of residents regarding the social, economic, and political effects of a large-scale sport event is important to generate support for sport tourism events. In addition, study results may provide destination marketers with insights into designing more special events to enhance the competitiveness of the tourism industry.

## 2. Literature Review

Sport events are not a new phenomenon, as these activities have received increased attention in recent years due to economic development and strategy (Crompton, 1999). From an economic standpoint, destinations ranging from metropolitan cities to rural tourist destinations have been deploying sport events to increase the destination's marketing profit and boost local economies (Kim & Chalip, 2004). This practice reflects conventional wisdom; however, conducting an objective assessment on the actual net positive economic, social, and political effects induced by a sport event is crucial.

# 2.1 Social Impact and Destination Image

The approaches adopted by social impact studies are classified into extrinsic and intrinsic (Faulkner & Tideswell, 1997; Fredine et al., 2000). The extrinsic approach explores high-level impact and assumes that the communities involved are homogenous. Social impact studies that employ the extrinsic approach adopt this notion to produce an analysis focusing on the social impact on the population. By contrast, the intrinsic approach considers that communities are differentiated among each other and explains the impact of the same event on different social groups. By evaluating the subjective perceptions of residents and tourists across the board, this study employs the intrinsic approach for analyzing social impact. Social impact analysis is more helpful in view of the fact that the event caters to different demographic and social groups. This approach is particularly crucial because previous studies have indicated that residents have become increasingly cautious in their attitudes and perceptions as well as experienced alienation from tourism, as tourism becomes heavily dominant in the local industry (Jafari, 2001).

The concept of "destination image" is part of social impact analysis and has extensive consequences for the destination (Stets & Burke, 2000). Destination image refers to the subjective interpretation of reality made by tourists (Bigne et al., 2001) or the totality of impressions, beliefs, and feelings toward a destination over time (Kim & Richardson, 2003). Hence, destination image continues to play an important role in the decision making and traveling patterns of tourists (Baloglu & McCleary, 1999).

In this context, research has addressed the concept of tourist loyalty, which is intricately linked to destination image as a whole, whether in relation to travel motivation, satisfaction, service quality, perceived value, and destination image (Chen & Chen, 2001). The city image perceived by visitors arguably holds higher value than the perception of residents because tourists spread the brand of a city beyond its local population (Baloglu & Mccleary, 1999). Nevertheless, previous research is inconclusive on the relationship between destination image and the value of loyal tourists (Bosque & Martin, 2008). The difficulty lies in limitations, such as sample size, as

well as the wide variety of measurements of tourist loyalty, such as intention to recommend and dissatisfaction, and inherent difficulties in comparing case studies (i.e., tracking social and behavioral sciences) (Hunter, Schmidt, & Jackson, 1982).

Therefore, given the difficulties in the broad application of "tourist loyalty" and the vast number of published related research, this study focuses on the subject of "destination image" from a tourist's perspective toward a Hong Kong international sport event and from the perspective of local residents. The choice of having two viewpoints is crucial because an annual international sport event affects local residents and attracts an annual audience of 21,391 (Chan, 2012) overseas tourists. By having both tourists and residents as key constituents, a "destination image" can be highly promoted compared with a one-sided tourist attraction. Without the interest of local residents in an event, sustainability of the event will suffer from a lack of local talents and sponsorship.

### 2.2 Variable Impact Analysis

Impact analysis of events has been used for several decades to evaluate the extent to which an event can affect a city or destination. Previous scholars used a common approach for analyzing financial inflow from tourists to the destination as a measure of impact of an event, which is known as the direct economic impact measurement (Baade & Matheson, 2004). In this regard, studies have indicated that for small-scale tourist events, economic benefits tend to outweigh costs (Gratton, Dobson, & Shibli 2000) chiefly due to the fact that the expenditure of events is relatively low (i.e., existing facilities and the labor of local residents are utilized) (Fredline, 2005). The major sources of income from most sport events are derived from hotels, food and beverage, and ticket sales. Studies have argued that key to the sustainability of these sport events is the development of an event portfolio for the community hosting the event on a regular basis, thereby ensuring a consistent flow of tourists and consumers (O'Brien & Chalip, 2008). Indeed, the destination subject of the current study aims to use the event as one of the primary features of its event portfolio to attract tourists, and this study will explore its impact on the residents and tourists.

However, with regard to an event similar to the event in question, the economic benefit is often not as clear-cut. In most cases, governments are eager to host such events due to the conventional wisdom that the GDP will increase and the quality of life of the population will inevitably improve in the long term (Dwyer et al., 2004). Consider a recent example involving China. China is one of the many international countries that have excessively spent US\$2.4 billion on Olympic venues and a further US\$35 billion to US\$40 billion on the city to upgrade its infrastructure for a mega-event such as the Olympics (*The Strait Times*, 2005). Even from a purely economic standpoint, such a positive conclusion can only be drawn after an in-depth assessment on a case-by-case basis (Li, Blake, & Thomas, 2012).

Although the preceding studies focus on the economic aspect, they are deficient in other critical areas of impact created by an event, and this study aims to address such a gap. The benefits of holding a successful event in a destination possibly extend to a longer term in various areas, such as destination image (as previously discussed), repeat visitation of spectators, and increased capital investment (Cochrane et al., 1996). The present study conducts an in-depth investigation on a multi-dimensional level beyond the economic impact.

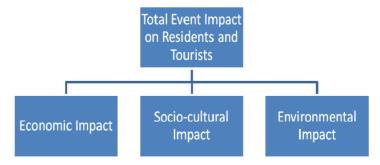


Figure 1. Measurement model describing the total impact using a qualitative approach from the perspectives of residents and tourists

Source: Andersson and Lundberg (2012).

Recently, growing interest has broadened the perspectives of "impact," which currently allows for a more

in-depth analysis using various subcategories, such as economic, social, cultural, environmental, and technological. One multi-dimensional method is the "Sustainable Tourism Livelihood Approach," which measures different types of capital assets based on sociology, political science, and economics (Bourdieu, 1973). The event impacts are subsequently discussed in terms of investments in or depreciation of capital assets. This view has the advantage of providing a universal concept to the analysis of both quantitative and qualitative impacts. However, this approach has the disadvantage of potential bias and arbitrary valuations of intrinsically unquantifiable qualities, such as "perceived images" and emotional attachment to a destination.

# 2.3 Historical Context of the Previous Studies

Table 1. Previous studies related to sport events

Author	Title	Abstract and limitation
Yuen, 2008	Sport and Urban development in Singapore	Explores the relations between sport and urban development. It looks specifically to how Singapore, as a city of business, is turning towards sports development and mega events.  Limitations: The journal focuses on the business prospects of benefits towards a city while hosting sports events, rather than look at the sports event as social impact for the city.
Kim & Walker, 2011	Measuring the social impacts associated with Super Bowl	Heavily focused on social impacts from the Super Bowl and specifically targets the concept of "psychological benefits" as used in the field of human resource management.  Limitations: The journal is a specialized study on one aspect of social impact only and does not address other critical areas of impact such as economic, environmental and general social impact. Further, the study is not focused on tourism but rather a domestic mega-event in the U.S.A.
Parent, Easkerud, & Dag Vidar Hanstad, 2011	Brand creation in international recurring sports events	Background: The journal covers the international branding as a marketing concept and the brand creation process.  Limitations: The case studies used in the journal are all related to the US or Canada and all look closely at the creation of a brand rather than how social impact can create a brand.
Li, Blake, & Thomas, 2012	Modelling the economic impact of sports events: The case of the Beijing Olympics	Focused on economic impact (e.g. Gross domestic product) and financial Modeling on a macro and industry level.  Limitations: Highly specialized financial analysis on the Beijing Olympics which does not attempt to address other areas of impact.
Masayuki Yoshida et al., 2012	Sport event innovativeness: conceptualization, measurement and its impact on consumer behavior	The journal focuses on the measurement of consumer behavior during a sports event, while using two studies from a consumer perspective. The study also focuses on players prospective.  Limitations: The focus is on consumer behavior in connection with different aspects of sports events, such as player performance and fan community.

The review of the aforementioned literature in Table 1 shows that existing research can be broadly divided into two segments, namely, social and economic impact studies. On the one hand, social impact studies, such as Kim and Walker (2011), explore a highly specialized area of social impact in terms of "psychic income", and Parent, Easkerud, and Dag Vidar Hanstad (2011) investigate the branding of a destination as a marketing tool. Although these studies perform a qualitative analysis, they focus on particular niches of social impact and do not evaluate the social impact of a sporting event as a whole nor emphasize the subjective perspectives of constituents toward such events. By filling in this research gap, this study aims to generate findings that can directly impact the benefits and woes as experienced by key constituents of the event, namely, the residents and visitors.

On the other hand, economic impact studies, such as Li, Blake, and Thomas (2012), provide insightful but one-dimensional findings on the financial returns of investing in the Olympics, and Yuen (2008) explores the opportunities for urban development as a result of holding mega events. Exploring the financial returns of mega events in isolation poses dangers of ignoring critical considerations, such as sustainability, community wellbeing,

and destination image.

Overall, the literature review arguably shows a sizeable research gap in studies. Using a direct methodology that can immediately produce tangible results can translate into better synergy in the community (residents and tourists alike). This study addresses this gap using qualitative research methods and analysis as detailed in the Methodology section. Previous studies are limited in measuring core areas as mostly being economic and financial areas that only reflect a small portion of how an event can impact a destination. Although the preceding studies attempted to measure impact, they only covered one key area either from the perspective of residents or visitors. Hence, research has yet to combine the two major perspectives. When conducting research based on "impact," all perspectives of parties who will be affected by the impact of an event should be examined (Jackson, 2008).

The present study covers all three major areas, namely, social-cultural, economic, and environmental. This method allows measurement and generation of conclusion while still addressing the viewpoints of residents and visitors

## 3. Methodology

Three different types of methodologies are commonly used to assess the impact of an event on a country or region. These methods are input—output analysis, cost—benefit analysis, and computable general equilibrium modeling (Andersson, Armbrecht, & Lunnderg, 2008). Given that this study concerns the multiple aspects of impact, we used a different methodology to estimate and measure the impact when hosting an event. The impact analysis of events and festivals has been the central theme in event studies for decades. Recently, interest in wide perspectives has increased, and these factors of interest go beyond the purely economic impact. Greater attention has been paid to the social—cultural and environmental effects. Several studies have examined both the tangible and intangible impacts of an event (Deery & Jago, 2010).

However, instead of using a monetary metric to measure all of the preceding factors, including the tangible and non-tangible elements of social—cultural impact, this study used a qualitative research instrument.

A qualitative researcher embraces the ontological assumption of multiple truths, multiple realities (i.e., persons understand reality in different ways that reflect individual perspectives). Qualitative study allows and provides freedom to receive unexpected ideas during research and increases the opportunities for one's investigation (Conger, 1998; Bryman, Bresenes, Beardsworth, & Keil, 1998, Alvesson, 1996). This proven model of research is appropriate in this case because the present study aims to examine the perspectives of local residents and visitors toward the event. Their subjective viewpoints will reveal methods for maximizing the positive tangible and intangible gains from the event for each constituent.

This study used both primary and secondary data. With regard to secondary data, this study utilized the following sources:

- Academic journals published by universities and other academic institutions;
- Publications by government organizations, such as the Hong Kong Tourism Board; and
- Industry research reports published by management consultancy agencies, tourism associations, and think tanks.

A descriptive research design in a case study is essentially self-explanatory, as this method uses descriptions as the data source without attempting to make accurate factual predictions. This study employed in-depth interviews to obtain qualitative data. The responses were subsequently transcribed for accurate presentation. Open-ended questions were used and data were analyzed using the grounded theory framework. Purposive sampling resulted in inviting 14 interviewees for in-depth interviews, and the point at which information saturation is to be reached is expected (Webber & Huxley, 2007). The interviews took one hour, and each interview was audio-recorded and fully transcribed.

Conducting the primary research involved the following steps:

- (1) Adopting purposive sampling: The sampling size recruited 14 interviewees (7 local residents and 7 visitors). Interviewees were contacted by email or by phone to arrange their schedules for in-depth interviews. The sample size was determined by "theoretical saturation."
- (2) Audio-recording interviews: Interviews lasted for 60 minutes and were audio-recorded and fully transcribed.
- (3) Transcribing the interviews: The transcribed interviews employed back-to-back translation and with bilingual versions of the questions produced in English and traditional Chinese.

(4) Performing content analysis: Content analysis was used in discussing the results. The study selected interviewees who had experience in watching the Hong Kong Rugby Sevens from different aspects (e.g., locals and visitors). All of the interviews were conducted at the event site, specifically in a safe and quiet restaurant. Interviews were conducted for two weeks, from the end of March to early April 2014.

Data were summarized and organized according to the themes generated by the documentary review. Summaries of the interviews were prepared to highlight the major impact that emerged and to set the context for the quotes to be selected and used as examples in the research report.

Data analysis and coding were conducted at different stages. The generated codes were categorized and presented in themed charts. A domain analysis was used to describe and analyze each theme separately. The coding results at different levels were compared to explore differences in opinions and recommendations.

#### 4. Result and Discussion

This study followed the theoretical saturation of Strauss and Corbin (1998) when no additional new findings were presented. The current study interviewed 14 participants comprising 11 males and 3 females. Seven participants were local residents and the other seven were overseas visitors. Table 2 shows the profile of the interviewees. Most of them have visited Rugby Sevens from one to six times. The age group ranged from 25 to 54 years. The average spending was from HK\$2,000 to HK\$28,000. The findings also demonstrated that visitors were willing to spend more in the events compared with local residents.

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Participants	Age	gender	Visitors/residents	Number of visit to Rugby Seven	Average spending this event
P1	25	M	Resident	5	HK\$ 5,000.00
P2	49	M	Resident	2	HK\$ 2,000.00
P3	51	M	Visitors	6	HK\$ 28,000.00
P4	27	M	Resident	5	HK\$ 3,500.00
P5	27	M	Resident	2	HK\$ 2,000.00
P6	32	M	Resident	1	HK\$ 2,000.00
P7	27	F	Visitors	5	HK\$ 21,000.00
P8	26	M	Visitors	7	HK\$ 18,000.00
P9	28	M	Visitors	2	HK\$ 20,000.00
P10	54	M	Resident	4	HK\$ 3,000.00
P11	30	M	Visitors	2	HK\$ 18,000.00
P12	32	F	Visitors	2	HK\$ 20,000.00
P13	33	M	Visitors	2	HK\$ 22,000.00
P14	27	F	Visitors	2	HK\$ 18,000.00

#### 4.1 Perceptions of the Rugby Sport Event

Both visitors and residents confirmed that the Hong Kong Rugby Sevens is a great sport event and agreed that the sporting spectacle undeniably generates economic benefits for Hong Kong tourism. Spending increased during the staging of this event. Most interviewees (visitors and local residents) believed that the event can bring enjoyment and learning about the different cultures of various attendees. However, a common perception was the trend toward the commoditization of the entire event and the difficulty in accessing of the masses. Furthermore, local residents confirmed that the event is viewed as more suitable for expatriates and local professionals who have high spending power. Locals and visitors were more likely to spend on food and beverages during the sport event. Local residents claimed that people who do not fit into these demographics experience difficulty in enjoying the sport event for the sport itself. For example, people who enjoy the sport events are more likely to belong to the younger generation. More importantly, the findings revealed the clear distinction between expatriates and locals during the Hong Kong Rugby Sevens as well as a general perception that the event was designed for the younger generation.

# 4.2 Impact of the Event

## 4.2.1 Social-Cultural Impact

An event is not limited to creating financial gain, but is also about the social and cultural elements it brings. Local interviewees acknowledged that the sport event can gather people together and unite different cultures into

one place. Furthermore, the Hong Kong Rugby Sevens injects both team and national team spirit to the games. People from various countries follow their team around the world and support their country in each Rugby Sevens match. Therefore, their presence allows for a multi-cultural city, which creates an international atmosphere without cultural barriers during events. The balance between locals and visitors having fun is rare for some people in Hong Kong. Residents who enjoy this type of event simultaneously experience cultural exchange while attending the games.

In addition to cultural exchange, interviewees mentioned that a sport event can enhance the existing infrastructure and resources to adapt to the added strain of the event. Rugby Sevens engenders a positive social impact on the city itself and generates benefits for local residents. Other interviewees, such as visitors who claimed that they had attended different sport events in overseas, stated that many sport events have failed due to poor infrastructures that are insufficient in scope. As Hong Kong Rugby Sevens allows attendees easy accessibility by local transportation to the urban area, organizers have provided a successful link to this event.

Some residents mentioned that the preparation for the required infrastructures in the city allows for it to cope with the challenge. With the proper prerequisites and sufficient preparation, a sport event can foster diversity, encourage passion, enliven team spirit, and bring together different cultures. The event thus becomes a great source of pride for local residents and creates a talking point for residents and tourists.

All of the interviewees had agreed that Hong Kong Rugby Sevens can gather people together and generate a new vibe in Hong Kong. The event is an opportunity for local residents to interact with tourists over a mutual passion. Numerous local residents view the event as oriented toward the western community; however, many people also regard the event as a spectacle in which "east meets west."

The dark side of the event was addressed by local residents as they noted the large amount of alcohol consumed during the event. Consequently, people misbehaved after getting drunk during the event. However, excessive binge drinking on a large scale has been watered down by organizers. Beyond the event, many local residents believe that staging such events creates social problems for the community. To a certain extent, a number of locals have grown more accepting of the reality that during the events, thousands of people in Hong Kong will become rowdy and drunk.

# 4.2.2 Environmental and Destination Image

Rugby Sevens is an international game that is followed by fans from all over the world. The well-known sport event engenders the positive reputation of Hong Kong and attracts various visitors, such as sports fans who provide various cultural experiences and excitement to a destination. Although Hong Kong has promoted international sport events, it has been criticized for its lack of environmental support. All events generate waste, and the drive for sustainability and low carbon footprint is the responsibility of the event organizers and the Hong Kong government. Local interviewees claimed that during such an event with more than 40,000 attendees per day over a three-day period, enormous amounts of waste are generated. During the event, no recycling program or any similar support to the environment was implemented. Local interviewees suggested a portion of the ticket fee should be allocated to waste management, which can create a cleaner environment.

Some visitors indicated that the event adds noise, smell, light, and waste pollution, whereas others agreed that Hong Kong is already generating excessive waste, such that a three-day event would create a negligible impact on the environment relative to the economic gains it has to offer.

Interviewees emphasized the need for education during such an event in Hong Kong. For education issues, local and visitors should be instructed on how they can maintain a sustainable environment during this event. In addition to providing enjoyment, such sport events should focus on environmental issues, including recycling waste and reducing noise and lights pollution. The government should assume roles in education and leadership, specifically in reducing pollution and disturbances for local residents.

## 4.2.3 Economic Impact

During a large event such as the Hong Kong Rugby Sevens, consumer spending is high, particularly due to the added attention from the event being held on an annual basis only. The spending comes from visitors and local residents, and the major spending is found in food and beverage and the hospitality industry. In the hospitality industry, the majority spend on hotel accommodation and retailing. Various products, such as T-shirts, magazines, and rugby jerseys, are available during sport events. Most overseas attendees are willing to buy the merchandise of the annual event. Based on the sharing of visitor interviewees, they spent HK\$2,000 to HK\$ 28,000 on such merchandise. Aside from the high spending from visitors, local residents demonstrated high consumption in alcohol and food. Compared with local residents and visitors, the consumption of overseas visitors was

significantly higher, even if some of them had attended the events several times. This finding indicated that sport events provide high value to tourism business in a destination. Given the international nature of the event, many people would focus on tourists coming to Hong Kong, as a result of the positive destination image brought about by this sport event. According to the industry report in 2012, the Hong Kong Rugby Sevens event attracted more than 20,000 affluent international visitors to Hong Kong, who generated economic benefits and obtained an extremely positive impression of Hong Kong as "Asia's world city" (Hong Kong Sevens, 2012). Visitors coming to Hong Kong during the three-day event will help develop and support different industries from which the community will benefit. The gains can extend to several small- and medium-sized enterprises as well.

On average, overseas visitors will spend more than HK\$12,000 on accommodations, shopping, dining, and transport. The spending delivers economic benefits to Hong Kong amounting to more than \$282 million (Spectator survey at Hong Kong Sevens, 2011).

As a testament to the value of Rugby Sevens in the eyes of the residents, an astounding 98% of local resident spectators considered the event to be effective in promoting the tourism industry. The event is perceived to enhance the image and reputation of the city (Spectator survey at Hong Kong Sevens, 2011).

#### 4.3 Barriers and Facilitators

The interviews clearly revealed that the Hong Kong Rugby Sevens had encountered major barriers in promotion and event brand image. The promotion strategies were chiefly through word of mouth. Many local residents were unaware of the sport event until two weeks prior to the staging, when tickets were already sold out for months. The marketing strategies principally depended on the sponsors to conduct the advertisement. Advertisements were based on the efforts of sponsors and were placed near the event site; however, they did not generate awareness for ticket selling information. Billboards were used in the local transportation, such as Mass Transit Railway and local buses. Numerous overseas visitors commented that they were unaware of the event unless they booked with the sponsorship of the airlines. This arrangement increased the difficulty in obtaining tickets even if one were situated in Hong Kong.

Ticket distribution was another problem. Many interviewees raised the problem that ticketing was conducted through a ballot system. Locals who became aware of the system primarily through word of mouth had to go online for tickets. However, locals still had to depend on the luck of draw in securing a ticket. The number of tickets allocated to local residents had decreased each year due to higher demand from corporations and sponsors. The ballot distribution system for tickets arguably favored high net worth individuals and large corporations as well as touts seeking to quickly derive financial gain. Meanwhile, visitors are able to obtain tickets earlier than local residents as they will have to book flights, hotels, and ticket packages with travel agencies. These arrangements allowed visitors to obtain premiums on tickets. The lack of packages provided to local residents did not offer any advantage as tickets were sold out within hours due to high demand and lack of a reservation system provided for local residents.

Finally, one of the negative effects found in this study was that most attendees primarily focused on the drinking and socializing aspects more than the health, cultural, and educational benefits of the sport event. Some local residents claimed that the image of the Rugby Sevens gravitated toward excessive binge drinkers and the younger generation who can tolerate three days of constant partying. The organizer ought to carefully consider the negative impact of such brand image and its perception as a major barrier toward promoting the balanced interest of local residents and visitors and the sport itself.

The significant findings of this study are as follows. Interviewees recommended the adoption of technology and provision of education as crucial factors in facilitating sport events. Most of the interviewees recommended investing in the technological aspect of advertising and ticketing issues. The technologies include Quick Response Code (QR code) and related apps. This strategy can reduce the environmental impact by shifting from billboards and printed copies to electronic communications. Social media, such as Facebook, Twitter, and YouTube, should be adopted for promotion. Increasing public awareness is required for ticketing selling opportunities. Furthermore, the creation of Rugby Seven apps could help reduce waste and minimize the use of paper tickets, which can create a green environment for the future. Social media can raise awareness of healthy drinking culture along with the sport and health aspects of the event.

Adopting educational strategies in a sport event can enhance the positive image for a destination, such as culture exchange. Therefore, marketers need to provide relevant information, such as health benefits from the sport event. Promotions may not be limited to carnival-type advertising, as promotions can enhance the cultural experience and create positive word of mouth. Consequently, strategies can lead to sustainable events for larger capacity with reduced pollution and disturbances of local residents.

# 5. Implication and Conclusion

Based on the interviewees, the responses cited that the sport event generates economic benefits to the local community, companies, and business operations. The involvement of residents increases sustainable support and is critical to the success and long-term economic viability of events (Gursoy & Kendall, 2006). The findings revealed that visitors provided high expenditures. Although visitors had attended the sport events several times, they are more likely to return and are regarded as loyal tourists of the sport event.

The government can justify the event based on the quantifiable increase in GDP, which, according to conventional wisdom, will improve the living standards of the population (Dwyer et al., 2004). The results indicated that increased spending in Hong Kong during the time of the sport event was not limited to visitors, as residents felt the need to participate in the local event and follow the trends set by outsiders.

Aside from the positive economic impact, visitors enjoyed Hong Kong as a tourist destination, as the experience allowed them to understand other cultures and strengthen the ties between east and west (Kime et al., 2006). However, the results revealed the negative impact of the social and cultural effects of large events. These effects are primarily attributed to alcohol consumption and behavioral misconduct. Alcohol consumption is a function of social dynamics, environmental context, and individual preference (Graming, 2000). High alcohol consumption in the sport event will affect the image of a sport event.

Moreover, research has indicated the dearth of environmental care during the event. The lack of recycling, increased traffic congestion, and noise or light pollution may not necessarily create noticeable increases in related disturbances any more than usual. Thus, marketers can provide relevant sport event management, increase support for recycling, and reduce harm to the local community. Furthermore, providing education to the locals and attendees creates positive word of mouth and increases the competitiveness of a destination.

To improve services and facilitate the needs of the locals and visitors, marketers should provide more relevant strategic marketing and promotion. As promoting a positive event image is crucial, marketers should be concerned about the needs of local residents. For example, although visitors had high expenditure, reducing pollution and disturbances is important for local residents. If residents are happy with the event, then they will support future events.

Technology is a major area for improvement in event management. The use of social media creates awareness of events in the community. Therefore, marketers can use the right platform to increase public awareness of ticketing opportunities, and not simply rely on the ballot system. Strategies could help build a brand for a city and event as well as capture local or visitors for repeat purchase of the said sport event.

For marketers, the promotion of this event can expand the different segment groups and ensure that the market is not limited to young people. For example, event organizers can promote an enjoyable sport event or a carnival and target the promotion to different age groups.

Moreover, marketers can use social media platforms and educate attendees. Recycling message, reducing waste, and behaving properly during the events can be relayed during the event. With the cooperation of everyone, the sport event can achieve a positive image.

The most significant contribution of this study is an improved understanding of the major impact of the Hong Kong Rugby Sevens. Significant findings have highlighted technology and education as principal areas for improvement for the event. The findings of this study suggest several practical implications for the event marketer. The study conducted an in-depth examination on the perspectives of city residents and visitors and took a step further to explore other additional elements that can facilitate the sport event in the destination. Examining the event management, in addition to the social, cultural, economic, and environmental concerns, is crucial. Specifically, education and technologies can provide support for sport events and help maintain sustainability. Consequently, proper marketing can enhance the competitiveness of a destination. Further research opportunities may include expanding the geographical areas of study to include other areas in China and cross analyzing the findings in different cities to obtain additional insights into different effects within a country.

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