

Playing the numbers game

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It's that time again - the best talent in world rugby has been on show. The organisers were hoping for a worldwide TV audience of 4 billion, exactly where they got that number from I don't know, but I know for certain that the Rugby World Cup now has a massive audience. The first game of this World Cup had guaranteed advance ticket sales income of nearly £10m. Clearly the game has come a long way from when it was first played 20 years ago in front of a handful of journalists and a half empty stand. But how does this huge tournament affect the average rugby club and the game in general?

At their August media briefing, the RFU said that on the back of the Rugby World Cup it aims to bring 6,000 more adults into the game through the Go Play Rugby recruitment campaign. Community rugby director, Andrew Scoular spoke about a cinema advert and a promotional package that you may now have seen screened in Odeon cinemas. The RFU announced that during the summer hundreds of club and leisure rugby events were taking place and 192 individual recruitment events have also been taking place at clubs since early July. Personally I haven't seen or heard of one and it will be interesting to see the results: later this year apparently. I have heard that since the successful 2003 World Cup, 3,000 new adults have taken up rugby - so despite the size and attraction of this World Cup, 6,000 is an ambitious target.

How will your club benefit?

This campaign will maximise the attractions of playing rugby in general but how will your club, in particular, benefit? At the community level rugby clubs have to appeal to individual members – both playing and non-playing. The RFU has started the campaign to attract people into rugby, and committed a lot of time and effort, but the clubs have to do their bit as well – and it is a marvellous opportunity. However, come November and December, when (if the bookies prediction is accurate) England is no longer the world champion it is you the clubs that will have to have a focused campaign to attract your fair share of new players, members and supporters.

Many clubs have several hundred members of which approximately one hundred are regular playing adults. They are also likely to have a band of fairly regular stalwarts both members and supporters. In most cases, these people contribute a great deal of the income. When cash flows need boosting, it is so often the same people who are encouraged to attend functions or make donations.

The result of professionalism is that there are an increasing number of clubs that have to pay people that in the old days they did not. Many of them also have a commitment to promotion or staying in a particular league. They recruit their on field resources with inadequate attention to how the finances will pan out. This close season I saw a few reports about 2006/07 club finances; one club reported a £68,000 loss compared to the previous year where there was a profit of £18,000. Others have reported losses of £30,000 or £40,000. Most clubs could not sustain these sort of results for very long, yet from the figures available after two weeks of the new season, crowd numbers vary tremendously.

The figures show that some clubs have crowds approximately ten times those of others, and success on the field does not automatically result in higher gates. It is therefore well worth the effort of the committee to look at marketing the games to the local community so that the same old pockets are not financing the club all the time. If you could add a few hundred to your regular supporter numbers, your finances would be in much better shape. After all, increasing supporters does not have a huge impact on costs.

Set sufficient time aside to promote your games

One club in particular is a good example. London Scottish, who may have the benefit of being a famous old club that many do not, successfully marketed its games with Richmond over the last few years and boasted crowds nearer to three than two thousand. That match clearly had special factors but the point is that hard work and focussed marketing can make your treasurer a much happier person. To do this takes effort and if you want the supporter to become a regular you need to make him/her feel welcome so that they want to come back. Whether you are an out of town club, a local community club or a centre of town club, it is imperative to find a method of attracting people, and there could be no better time than now having had a World Cup in Europe.

Maximise the use of your club

Another revenue generating area that some clubs have developed is that of hiring out the club at times when there is no club activity. Some clubs have developed their facilities so that they can even have Saturday evening functions separate from the after match Saturday socialising. This aspect needs careful thought. If you let the facilities during the day, what impact will it have on wear and tear and the requirement to finance painting and redecorating?

Sponsorship

Sponsorship is another area to which inadequate attention is often paid. I do not need to spend too much time on this subject as there was an article in the last issue. My advice concerns two aspects. The first is that to obtain true sponsorship you have to offer something and demonstrate to the target what you can do for them, and not ask what the sponsor can do for the club, as one allegedly did.

The second aspect is that to generate sponsorship income requires hard work, merely placing a note on your website saying 'sponsor needed' is unlikely to result in you fulfilling your potential.

You need to examine sponsorship from a VAT case. Apparently, one rugby club claimed that sponsorship income as well as gate receipts were in fact member donations. Perhaps they argued it that way to try and get off the VAT assessment but if a club has in its mind that sponsorship is donational, it will not, in my mind, maximise its revenue potential.

Review opportunities for your club

So, in England the RFU and the World Cup have provided a good opportunity for you to review the income that you derive outside the traditional sources of playing, subscriptions and the bar. Seek out opportunities to recruit new members and increase your profile in the local community.

