Michał Marcin Kobierecki*

The role of professional sport in territorial marketing.
The case of Polish local administrative units

Introduction

In contemporary, global world, it is characteristic that an all-embracing competition is moves into new areas, such as the activities of local authorities. Municipalities and other local administrative units strive to attract tourists, investors and potentially new inhabitants and employees\(^1\). Such competition is conducted with the use of typical strategies and marketing techniques and encompass a number of areas. If promotional activities are considered, commercials in the media or billboards encouraging to invest in the region or to visit the most characteristic touristic attractions are the most common techniques.

The article is aimed to investigate one of the ways Polish cities promote themselves, thus enhancing their image\(^2\) and visibility – with the use of professional sport. The issue has been quite deeply analysed worldwide, while the

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\(^1\) E. Chrzan, Charakterystyka marketingu terytorialnego, [in:] Kreowanie wizerunku miejsca w koncepcji marketingu terytorialnego, red. K. Łozorko, A. Niedzielska, Częstochowa 2011, p. 17.

\(^2\) Some authors express doubts over the effectiveness of such advertising. See: A. Smith, Sporting a new image? Sport-based regeneration strategies as a means of enhancing the image of a city tourist destination, [in:] Sport in the City. The Role of Sport in Economic and Social Regeneration, ed. C. Gratton, I. P. Henry, London 2001, p. 144.
activities of Polish units in this field, most of cities, have not been investigated in detail so far. The research is directed at indicating the most typical ways of using professional sport for the sake of branding by Polish local authorities, as well as the potential benefits in terms of image that sport may provide. This should allow to verify a hypothesis stating that it is in fact very common that Polish local administrative units employ sport in order to promote themselves.

The research is basically empirical and based on deductive reasoning. Hermeneutics has been employed in order to interpret cities’ engagement in sport from the perspective of territorial marketing and the possible branding benefits. Basic quantitative analysis has been used in order to indicate how commonly professional sports teams are supported by local authorities in Poland. The data has been acquired in various ways and the main sources included existing elaborations on territorial marketing, media coverage, reports concerning organization of sports events, official websites of Polish professional sports teams and direct observation by the researcher.

Before moving to the main analysis, it is important to clarify the meaning of the term territorial marketing, which refers to a market-driven approach to the territorial units. The emergence of territorial marketing is linked to the increase of competition between cities and other local administrative units. It encompass a whole range of objectives, activities and strategies, such as shaping the characteristics of infrastructure, preparing the administration and ordinary people to the contacts with guests with the use of special procedures, shaping positive image and organizing one-off or periodical events of various types. From the perspective of this research, the two last types are obviously the most interesting, particularly the last one which is also described as the event marketing. Its aim is most of all to make the city or other unit more visible in the media in respect to a positively perceived event – cultural, sports, political, etc.

Another form of cities’ engagement in sport that has been taken into consideration in the research refers to sponsorship and supporting sports teams based on their territories. By doing so, a local authority indirectly contributes towards the organization of sports events, thus conducting an event marketing.

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6 E. Chrzan, op. cit., p. 10.
Nevertheless, activities encompassing sports sponsorship concerning either sports events and sports teams or non-governmental organizations is situated rather within other form of territorial marketing – public relations. As it appears, event marketing and public relations of cities appear to be the main forms of territorial marketing pursued by territorial authorities with the use of sport.

Organizing sports events

Local authorities use sport for the sake of promotion in various ways. Organizing or supporting the organization of sports events appears to be the most spectacular. Events in general offer the cities or regions, regardless their size, the attraction of media, tourists, participants, as well as the local population. In the short term events attract attention, while in the long term, especially when the event is periodical, they contribute to shaping a desirable image of a city or region. As a consequence, sports events may bring a number of benefits: touristic, economical, technical, physical, social, cultural, psychological and political. Material gains encompass economic growth, proceeds from tourism, new jobs, whereas the immaterial benefits include pride of the local people, prestige, global status and promotion.

In respect to the branding role of sport, both concerning the whole state and the local administrative unites, the most important appear to be the biggest sports events, which as a matter of fact are often held in more than one place simultaneously. If Poland is considered, the European football championships UEFA EURO 2012, co-hosted with Ukraine, should be regarded as the most spectacular. Polish cities fiercely competed for the status of the host-cities of the tournament. When in 2006 six cities were in the short-list with four spots to be awarded, some of them even started advertisement campaigns. In the end, Warsaw, Wrocław, Poznań and Gdańsk were selected as the Polish EURO 2012.

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host-cities. However, the final selection did not bring the end to the competition between Polish cities concerning the championships, as they began to strive for the status of one of the 20 accommodation centres that national teams participating in the event could later select to reside. 200 Polish cities have expressed their interest\textsuperscript{11}. In the end, 13 teams have chosen to stay in Polish cities during the tournament: Wrocław, Serock – Legionowo, Warszawa, Warszawa – Sulejówek, Kołobrzeg, Kraków, Gdańsk, Opalenica, Warka – Sielanka, Gniewino, Sopot – Gdynia, Wieliczka – Kraków, Kraków\textsuperscript{12}.

An enquiry may appear concerning the reason that authorities of a number of Polish cities have put so much attention to have the possibility to participate in organization of the biggest sports event in the history of Poland? Such engagement obviously means the need to spend substantial sums of money for the preparations, which encompass infrastructural investments, building sports venues, providing security etc. All those expenses at least to some extent were covered by the budgets of local authorities. If the costs are known, what may be the benefits? According to the report on the effects of the organization of the UEFA EURO 2012 to the Polish host-cities prepared by Deloitte, there were three categories of benefits related to hosting the matches of the European football championships: financial, social-branding and administrative-organizational. Financial benefits were derived from most of all incomings from the sponsors of the event and the expenses of the visitors. The administrative-organizational benefits were related to the development of local authorities and the municipal services engaged in organization of the event. From the perspective of the research and its aims the last category of benefits is the most important. According to the report, the images of the four Polish cities that hosted the championships have changed, thus affecting their recognisability both in Poland and abroad. What is more, the pace of infrastructural investments has increased, a base of volunteers was created and a civic society was further developed. The branding gains of the cities in respect to higher presence in the media worldwide was assessed as follows: Warsaw 450 mln PLN, Poznań

\textsuperscript{11} R. Stępowski, 

130 mln PLN, Gdańsk 400 mln PLN and Wrocław 200 mln PLN. It should also be noted, that hosting sports mega-events usually has long-term consequences in respect to the positive image of a city as a tourist destination. The branding benefits are therefore the main element of promotion of cities by hosting sports events. Local authorities hope that as a result their cities would become more present in the media worldwide and therefore more attractive, in various ways. Apart from the media attention, it is usually raised that visitors coming to such cities for the purpose of watching sports often serve as the advocates of such places and recommend visiting them when they are back in their countries.

World Championships in volleyball, which were organized by Poland in 2014, were in many ways similar to the case of UEFA EURO 2012, although smaller in scale as a result of lower global popularity of the sport. The selection of host-cities was easier then, as both Poland and Polish cities are very experienced in organizing volleyball events in international level. For example Poland was the host of women’s European championships in 2009, co-host (with Denmark) of men’s European championships in 2013, there are also World League matches being played in Poland annually. What is more, most of the cities interested in hosting the championships matches had sports venues already built, and as Poland was an exclusive host of the tournament, more venues could be selected. As a result, the following cities were hosting the matches: Bydgoszcz, Gdańsk/Sopot, Katowice, Łódź, Cracow, Wrocław and Warsaw, where the opening match was played on the National Stadium.

The case of Łódź is worth noting in respect to the volleyball world championships. The authorities of this third biggest city in Poland were criticised for not engaging in the EURO 2012 strongly enough. As a result, the city did great effort in order to benefit from the fact of hosting the volleyball championships. Advertising of the event began already in 2011, while it was intensified in 2013 and 2014. The campaign was pursued both abroad and in Łódź, for exam-
ple with the use of billboards\textsuperscript{16} (see picture 1). More original marketing techniques were also employed. Shortly before the start of the championships, numerous volleyball nets with the information about the event were hung across Piotrkowska street – the most famous street of the city. Information about the championship was also placed on city buses.

Globally, there are many cities that highlight sports issues in their marketing activities, such as Sheffield in England\textsuperscript{17}. In a way Łódź appears to take on such marketing strategy partly, although in its case a greater stress is put on the issues of culture and creativity. In relation to sport, marketing activity of Łódź includes promotion of cultural and recreational tourism, which is connected to organizing sports events\textsuperscript{18}. It is now too early to assess the effectiveness of such strategy, but the engagement of local authorities in this field is noticeable.

Another example of Polish local authorities supporting the organization of big sports events for the sake of promotion that is worth mentioning is related

\textsuperscript{16} O promocji MŚ w siatkówce mężczyzn, \url{http://www.uml.lodz.pl/samorzad/aktualnosci/?news=25929} (31.07.2014).
\textsuperscript{18} P. Pożycka, Sektor kreatywny Łodzi, \url{http://kreatywna.lodz.pl/data/dataPublicator/sektor_kreatywny_w_lodzi__patrycja_pozy.pdf} (14.01.2015); \url{http://www.kreatywna.lodz.pl/page/14,glowne-zalozenia.html} (14.01.2015).
to beach volleyball tournaments, that had been hosted in a tiny village of Stare Jabłonki in the Warmia – Mazury region annually between 2004 and 2014. Most of the years the event had the status of World Tour or Grand Slam, while in 2013 the world championships were held there\textsuperscript{19}. The events were supported by a number of local authorities in the region. Their motivation is best described by the statement of Jacek Protas, the Marshall of the Warmia – Mazury region, which said that “sport is the greatest medium for the promotion of the region”\textsuperscript{20}.

\begin{figure}[h]
\centering
\includegraphics[width=0.5\textwidth]{Picture2.jpg}
\caption{World Tour Stare Jabłonki
Source: www.fivbheroes.com}
\end{figure}

It is worth mentioning, that the beach volleyball event in Stare Jabłonki corresponded with a new tendency in territorial marketing, according to which sports venue is strongly bound with the historical or environmental surround-


ing of the city or region\textsuperscript{21}, thus strengthening the marketing benefits. Therefore, the matches in Stare Jabłonki were played in direct neighbourhood of a lake and forests (see picture 2). This way not only the visitors, but also the television viewers have can see the cultural or natural heritage of the area of sports event.

In considering territorial marketing of Polish local administrative units with the use of sport, one cannot ignore the abandoned initiative of Cracow to host the Olympic Winter Games in 2022. Organization of such event is both a chance for the city and the region, but also a challenge in respect to enormous costs of building the required infrastructure and sports venues. Typical positive effects of such undertaking is creating new jobs, building the recognisability of a region as a tourist and investment destination and a general enhancement of infrastructure. The negative effects encompass rise of prices, the risk of negative effects on the image of the place in the situation of low organizational level of the event, degradation of environment, economic exploitation of local population in order to fulfil the ambitions of political elites\textsuperscript{22}. Those were the exact arguments of the people opposing the organization of the Games, who most of all raised the issues of enormous costs and destruction of the Tatra National Park\textsuperscript{23}. Worth noting, that according to various estimates the cost of organizing the Olympics varied between 13 and 21 bln PLN\textsuperscript{24}.

In the local referendum concerning the Olympic Winter Games in 2022, the people of Cracow rejected the initiative to host the event, even though initially the support for the idea was estimated as very high\textsuperscript{25}. The issue was pointed most of all in order to draw attention to the fact, that organizing sports events, despite obvious benefits, is not always successful from the perspective of the host and its population, what the people of Cracow were apparently aware of. The Olympic Summer Games in Montreal in 1976 are often cited as the key example of such unsuccessful event, as financially the Games ended with a loss

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\begin{itemize}
\item \textsuperscript{22} E. Oldenboom, \textit{Costs and benefits of major sports events}, Amsterdam 2006, p. 37.
\item \textsuperscript{23} 5 razy nie dla igrzysk w Krakowie!, http://www.krytykapolityczna.pl/artykuly/kraj/20131107/5-razy-nie-dla-igrzysk-w-krakowie (4.08.2014).
\item \textsuperscript{25} M. Kursa, B. Piłat, Odrzucone krakowskie igrzyska. Zawinili politycy?, http://krakow.gazeta.pl/krakow/1,44425,16060141,Odrzucone_krakowskie_igrzyska__Zawinili_politycy_.html (4.08.2014).
\end{itemize}
\end{footnotesize}
of 2.7 bln USD\textsuperscript{26}, nor have Montreal gained in terms of territorial marketing as some of the venues were not finished on time and the Games were not remembered as an organizational success.

Organization of sports events, especially the mega-events, is supposed to leave a legacy in the country, region or city where it is organized\textsuperscript{27}. Such legacy can be regarded in various ways, both materially and immaterially. The immaterial dimension has already been mentioned and encompass inter alia the shaping of a brand of a city or a region. The material legacy on the other hand can be bound with the sports and general infrastructure, construction of which is by the way the most costly aspect of hosting sports events. Local authorities in Poland, besides few exceptions, take on at least some of the costs of such investments, which are usually very high. In respect to the EURO 2012, the construction of the National Stadium in Warsaw cost 1,914,631,000 PLN, while the costs of other championships stadium were as follows: in Gdańsk 862,300,000 PLN, in Wrocław 901,254,025 PLN, in Poznań 675,561,985 PLN\textsuperscript{28}. Apart from the National Stadium, the expenses were covered in one third by the cities\textsuperscript{29}. EURO 2012 was a strategic undertaking nation-wide so the aid from central authorities was considerable, however on other occasions the financial engagement of local authorities is even greater, for example most of the costs of constructing the arenas of volleyball world championships were covered by the host-cities\textsuperscript{30}.

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Apart from the construction cost, an issue of maintenance cost of such venues is often raised, as some of the venues require financial aid from the municipality after the event. On the other hand, such venues enrich the city’s offer in the area of sport. They can be used by local sports organizations and by local population in general. For instance football clubs Lech Poznań and Śląsk Wrocław play their home matches on the EURO 2012 stadiums, while volleyball club Budowlani Łódź plays at the Arena Łódź sports hall. What is more, non-sports events like concerts and fairs can be hosted in basically sports facilities. Cultural events, similarly to sports, can also be used in territorial marketing, both on the basis of media event and as a factor of shaping particular image. This was also a case of Łódź, which exposed the great number of cultural events that were taking place there, very often in sports hall Arena Łódź, within the campaign under the slogan ‘weekends in Łódź greet the whole Poland’ (see picture 3).

![Weekends in Łódź Greet the Whole Poland](source: lodz.naszemiasto.pl (31.07.2014)).

If sports infrastructure is considered, it is important to mention that the availability of sports infrastructure is also an important dimension of territorial marketing. One of the objects of territorial marketing are the potential inhabitants of the local unit. Of course there are many reasons for choosing new place to live and different people have different personal preferences. Still, to some

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the availability of sports infrastructure may be important. However, this issue will not be further elaborated as such sports infrastructure is rather an element of sport for all policy, while the article is about the use of professional sport in territorial marketing.

In this part only few examples of international sports events that were organized in Polish cities have been presented. The cases have been selected in order to be up to date. The objective was to show in what ways local authorities can promote distinctive territorial units with the use of sports events and that it is very common that Polish local authorities desire to host sports events. The benefits in terms of the image seem indisputable, as long as the event does not end as organizational failure. Such events, as has been pointed, usually leave a legacy, both material and immaterial, which also correspond to the promotion of the local administrative unit.

**Support of professional sport by Polish local authorities**

Support that local authorities provide to organization of sports events is not the only way they can pursue territorial marketing with the use of professional sport. Promotional activities of local municipalities can also encompass supporting the most gifted athletes representing it, as well as local sports teams. The issue is difficult to investigate as financing and co-financing of local sport by the local authorities from one point can be regarded as promotional activity, while from the other as a general support of sport in the local community, regardless the formal way of providing the aid. Therefore, if the support of a local sports organizations is not connected to a planned strategy of territorial marketing, it should not be regarded as a promotional activity of a municipality even though in an unintended way it can influence its image. Such situation causes problems in interpretation of the purpose of particular cases of supporting local sports by cities.

Local authorities in Poland can support local sport on the basis of the Act on Sport from June 25, 2010, which allowed cities to promote sports activity through direct subsidies. This should not confused with supporting massive participation in sport among young people, which is the obligation of a municipality. As a result, municipalities can own shares in companies operating in sport, which in return are allowed to advertise them during their games\(^3\). What is more, local authorities can support sports organizations operating on their

territory by granting subsidies, as long as such organizations does not act in order to gain profit, and by granting athletes and coaches scholarships\textsuperscript{33}. However, it appears that from the perspective of territorial marketing and the promotion of municipalities and regions, supporting sports clubs remains the most important.

Within the research, an overview of the lists of supporters and sponsors of sports teams playing in Polish major leagues has been made. It proved how commonly they are supported financially by local authorities. As has been indicated (table 1), vast majority of professional sports teams in Poland receive funding from local governments, most often their home cities.

Table 1: Local governments’ support to Polish sports teams playing in top leagues of the most popular sports

<table>
<thead>
<tr>
<th>League</th>
<th>Number of teams with local governments’ support</th>
<th>Number of clubs without local governments’ support</th>
<th>No data</th>
<th>Aggregate number of teams in the league</th>
</tr>
</thead>
<tbody>
<tr>
<td>T-Mobile Ekstraklasa (football, men)</td>
<td>11</td>
<td>5</td>
<td>0</td>
<td>16</td>
</tr>
<tr>
<td>Plusliga (volleyball, men)</td>
<td>8</td>
<td>4</td>
<td>0</td>
<td>12</td>
</tr>
<tr>
<td>Orlenliga (volleyball, women)</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>10</td>
</tr>
<tr>
<td>Tauron Basket Liga Mężczyzn (basketball, men)</td>
<td>7</td>
<td>4</td>
<td>1</td>
<td>12</td>
</tr>
<tr>
<td>Tauron Basket Liga Kobiet (basketball, women)</td>
<td>8</td>
<td>2</td>
<td>0</td>
<td>10</td>
</tr>
<tr>
<td>PGNiG Superliga Mężczyzn (handball, men)</td>
<td>12</td>
<td>0</td>
<td>0</td>
<td>12</td>
</tr>
<tr>
<td>PGNiG Superliga Kobiet (handball, women)</td>
<td>9</td>
<td>3</td>
<td>0</td>
<td>12</td>
</tr>
<tr>
<td>In total</td>
<td>65</td>
<td>18</td>
<td>1</td>
<td>98</td>
</tr>
</tbody>
</table>

Source: own study based on sports teams’ websites as per 2014.

\textsuperscript{33} Ustawa z dnia 25 czerwca 2010 r. o sporcie, DzU 2010, art. 28, 30, 31.
The analysis encompassed all the teams playing in the top Polish professional leagues in the most popular team sports. Data that has been acquired concerned 97 teams. 65 out of them were receiving some kind of support from the local governments, which is 67 percent. This implies that the local authorities’ engagement in supporting professional sports teams is relatively high. It may be assumed, that one of the main reason for such a common support to sports teams by local authorities, most often municipalities, but also counties and regions, is the desire to advertise - by greater presence in media. Sports successes can raise the recognisability of particular cities or regions and at the same time increase the local solidarity of people. However, it must once again be stressed, that not all of the cases of local authorities supporting professional sport should be regarded purely as promotional activity.

Conclusions

The results of the research that have been presented in the article revealed how commonly Polish local authorities engage in professional sport. Cities are interested in hosting sports events - international, but also domestic although this dimension has not been included in the research. What is more, the level of support to professional sports teams by the local administrative units is considerable. As has been shown, their motivation encompass, although not exclusively, self-promotion. Local authorities hope that thanks to sport they may become more present and visible – nationally and worldwide – and therefore more attractive. All those arguments speak for the confirmation of the hypothesis stating that it is very common that Polish local administrative units employ sport for the sake of territorial marketing, in order to promote themselves.

As has been presented, there is a number of possible benefits local authorities may gain from sport, but at the same time a number of challenges and risks. The case of hosting sports events is particularly important in this matter. They obviously leave a legacy, both material and immaterial, and are a powerful tool of territorial marketing, but at the same time are often very costly. Therefore it is very important to calculate the possible benefits and necessary costs, in order to avoid a scenario of the Olympics in Montreal in 1976.

34 K. S. Schimmel, Political Economy. Sport and Urban Development, [in:] Sociology of Sport and Social Theory, ed. E. Smith, Champaign 2010, p. 56.
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Ustawa z dnia 25 czerwca 2010 r. o sporcie, DzU 2010.

Internet source

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Summary

The role of professional sport in territorial marketing.  
The case of Polish local administrative units

The aim of the article is to investigate the issue of territorial marketing activities that Polish local administrative units undertake with the use of professional sport. There are two main dimensions of such activities: organizing sports events and supporting professional sport. Their aim is to enhance the visibility and global presence of such units and therefore to promote them. According to the main hypothesis of the research, Polish local administrative units very commonly employ sport for the sake of promotion.

Keywords: territorial marketing, sport, local administration, organizing sports events