

BY  
VEN SREENIVASAN

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# GOLF PROVIDES A UNIQUE MARKETING PLATFORM FOR COMPANIES

MBC's decision to support the Singapore Open for another three years has provided a much welcome lifeline to Asia's oldest Open. While no numbers were revealed, it is believed that hosting a tournament of this size normally requires an outlay of some \$3 million to \$4 million, including prize purse.

The relief is understandable given the Singapore Open's somewhat tumultuous history.

Founded in 1961, the Tour was staged annually until 2001 after which it was cancelled for lack of sponsorship. In 2005 it was resuscitated by the Sentosa Leisure Group with a prize purse of US\$2 million, making it the richest tournament on the Asian Tour at the time. This purse increased to US\$3 million in 2006.

In May 2006, Barclays Bank decided to back the tournament as title sponsor for five years, raising the prize purse to US\$4 million in 2007. By 2011, the prize purse was a whopping US\$6 million. Between 2009 and 2012, the event was co-sanctioned by both the Asian and European tours.

After a brief one-year support by EFG Bank in 2012, the tournament was suspended from 2013 to 2015 due to lack of sponsors.

Sumitomo Mitsui Banking Corporation came in as the title sponsor in 2016, signing on for three years. So this year – where Masters champion Sergio Garcia lifted the trophy – would have been the end of SMBC's involvement if not for the extension announced just days ahead of the tournament.

One of the loudest sighs of relief must have come from Asian Tour CEO Josh Burack who, despite having been at this job for just over a year, is perplexed as to why many Asian corporates, and Singapore companies in particular, fail to see the synergies between golf and business.

"Yes, tourwide partnerships are somewhat thin-



Sergio Garcia crushed the opposition to win the 2018 SMBC Singapore Open.

ner in Asia than in the US and Europe," acknowledged Burack, somewhat guardedly.

This despite the fact that golf provides premium platform for sponsors, enabling them to enjoy a unique level of engagement and hospitality which few other mass participation sports can provide, he added.

"Just look at what a four-day event like the SMBC Singapore Open involves," Burack said. "You have at two pro-ams of about five hours each before and after the competition, where your clients play side by side with the world's leading golfers. You host hospitality marquees and numerous fringe events where you have opportunities to relax and network. And worldwide broadcast exposure. No other event gives you a week of continuous huge exposure."

Indeed, the SMBC Open attracted some 40,000 spectators over the four days, and generated global TV coverage on key sports and news networks.

It is something global multinationals seem to acknowledge.

Global corporate spending on the sport has grown by between 4.5 per cent and 5 per cent annually over the past decade and hit some US\$1.82 billion. While the numbers for 2017 are still being tabulated, most industry insiders expect it to be in the region of US\$1.9 billion.

The US is of course the biggest market, with beverage companies, banks, insurance players, professional services providers and automotive giants leading in spending. While the numbers for Asia are not readily available, many industry insiders believe it could account for about 10 per cent of the global total – not much given the fast-paced growth of the sport around the continent.

Meanwhile luxury goods players like watch companies are also active in the game.

Rolex, for example, has been associated with the game of golf for half a century, sponsoring top level players, the main professional tours and govern-

ing bodies around the world. Meanwhile, Omega bears the name of one of the world's most prominent professional golf circuits. AP and Richard Mille are also sponsoring selected players. German carmaker BMW has been a staunch supporter of the Singapore Open for over a decade.

Patrick Joyce of sports events specialist Lagardere Sports, which organises the SMBC Singapore Open, points out that the benefits accruing to partnering corporates goes well beyond just brand awareness,

"It's also how a company wants to align its brand," he said. "It's about brand values. Golf inherently reflects high values. It is very individual. It requires mental toughness. It's about honesty. It's about integrity. It's all those aspects of the game that have been developed over more than 100 years of the game which have appeal for corporations."

So why haven't Singapore companies been more actively involved in golf?

As Burack and Joyce note, many Singapore companies tend to instinctively associate with mass participation sports like cycling or running.

"There are so many sports on offer that it sometimes makes the decision on which sports to align with that much more difficult," Joyce added. "In Singapore many corporates feel a need to align with sports that are all inclusive. But while these other sports are more accessible to the masses, they may not serve some purposes that a company might want to fulfil."

Still, the Asian Tour's Mr Burack is undaunted.

"On our part, we have to continue ensuring we present a quality product, with players and organisation that is attractive to companies. We already have many global top names on the Asian Tour."

• Ven Sreenivasan is Executive Editor of SPH Radio, whose latest station, MoneyFM, goes to air on Jan 29 morning.

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