



Corporate games



Business on the bike.

Modern business is increasingly conducted outside the office, as big corporations spend big dollars schmoozing their major clients in corporate boxes at the football, at the races, or on the golf course. But does all the glitz and glam pay off when it comes to clinching the deal? **Sidney Newman** reports.

Corporate entertaining has come a long way since the first marquees were erected at Flemington during the Melbourne Cup Carnival in the early 1980s. Today major companies are striving for the latest and most exclusive invitation, from the race course to the stadium boxes and any activity in between, to impress clients or business partners.

Sometimes it is the historic nature of the gathering that creates the extra kudos. For instance, this summer's Ashes tour by England has seen corporate tickets in hot demand.

Match Point, a company selling corporate packages to the Ashes, says anyone looking to entertain guests at the Boxing Day Test should budget for \$500 a head per day.

Of course that is a fraction of the budget spent by some companies on their Bird Cage marquee during the Melbourne Cup Carnival. Emirates Airlines, considered to have the largest and most luxurious marquee during the carnival, is believed to invest around \$250,000 each year in its hospitality set-up alone – or the equivalent of an average house in suburban Australia.

Emirates don't like to talk openly about the return on their investment in the Cup Carnival – that now extends to naming rights of the most famous horse race in Australia – but insiders say it comes down to brand recognition and the importance of a foreign airline supporting such an iconic Australian event.

Of course having the airline's most important gold card frequent flyers sipping champagne in the marquee helps keep them as valued customers as well.

With plenty of money being splashed about, it's pertinent to ask does all this schmoozing pay off? Mark Baylis, Managing Director of Match Point, says that the key to entertaining a client or business partner in the modern business environment is to generate what he calls "bragging rights".

"You want your clients to turn to others and say, 'I've been invited to the Ashes' or 'I've been invited to the Rugby World Cup.' Corporate guests don't want to just go along to the same old boring stuff; they want the big-name events; they want a day out with their partner at the Melbourne Cup or the Commonwealth Games earlier this year in Melbourne," he said.

Another corporate adviser in the hospitality sector summed it up this way: "It's about creating the wow factor. It isn't just having the corporate box at the MCG, it is also tailoring the audience in

the box to fit the game, like being a supporter of one of the teams competing on the day or offering some guests that extra special tour of the players' rooms after the game."

Stepping away from the booze-laden race track or corporate box, the contemporary schmooze with clients has taken on a healthier slant. Increasingly a corporate get together might involve taking clients out on a planned weekend cycling circuit. Sometimes these groups begin informally among a few business friends and grow in size and organisation as more members join. Cycling allows the participants to chat while on the bikes, although the real networking is often done at the café or pub at the end of the ride.

Corporate entertaining is synonymous with sport, but the arts are also becoming an important entertaining vehicle. The major sponsors of the latest Picasso exhibition ('Love & War 1935–1945') at the National Gallery in Melbourne have each been given exclusive sponsor nights that allow them to invite guests, offer a meal and then enjoy an exclusive no-waiting tour of the exhibition.

Encouraging invited guests to participate in a corporate event and not just be a spectator can create an even more lasting memory for customers or business partners – but there are some risks in this strategy. Take the corporate golf day – which is something to excite enthusiasts, but can be a turn-off to those who don't play the sport.

As a result, golf days have changed. Companies undertake adequate checks to ensure that only interested players are invited and the most sophisticated make sure certain players are competing for something more memorable than just their pride.

Recognising the need to broaden the appeal beyond just 18 holes of golf, Sanctuary Lakes and Sandhurst Club – who have

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Corporate tents at the races are a popular place to strengthen business relationships.



Corporate golf is recognised for its value in team building.

the advantage of offering more than a golf course and clubhouse – are introducing a new concept. Businesses can choose to also incorporate golf lessons, swing analysis and game strategy using video feedback of players' games. There's also tennis and other recreation activities available to clients, allowing companies to invite a greater range of clients than just golfers.

For example, the annual BMW Golf Cup International attracts more than 3500 golfers across Australia, competing against each other and their own golf handicaps in over 30 tournaments in all states. The event is part of the largest amateur golf series in the world and is run in conjunction with similar BMW tournaments being played across the globe, involving 120,000 golfers. The finalists receive an all-expenses-paid trip to the international play-off staged at a different course each year.

Golf in general remains the most popular pastime of many business leaders and a key networking opportunity for company get togethers and hospitality. One investment-banking golf enthusiast was quoted recently in the Australian press on why he uses the golf course to close deals: "You can go to one of the clubs and have lunch for an hour but you can't discuss business. So you then have to arrange another meeting. With golf you can walk alongside a captive audience for five hours and you can tell a lot about someone's demeanour on a golf course."

There are also now MBA courses in the United States that are incorporating golf classes in the curriculum. According to the people running those courses, "America's future corporate heavyweights don't want to make fools of themselves on the golf course in front of the boss some day."

IMG Hospitality says the most effective corporate hospitality is all about creating quality time with clients and leaving a lasting, positive impression to open doors in the future. [\[3\]](#)

PROS AND CONS OF DOING BUSINESS OUTSIDE THE BOARDROOM

BENEFITS

1. Most business leaders enjoy sport, so an invitation is most likely to be warmly received.
2. Activities such as golf or cycling allow you to network or build relationships over a long period.
3. The process can be a strong bonding experience. Participants will align their enjoyment of the activity to the company they shared it with.
4. It allows you to assess business partners away from the normal corporate environment and better understand their character.
5. It is easy to build into a corporate sports day other attractive hospitality features such as lunch or drinks.

DRAWBACKS

1. Not everyone enjoys sport – so check first whether your clients are regularly active and what their preferred game is.
2. Some executives do not like to mix business and pleasure, so assess quickly whether they like to talk business in between golf swings.
3. Sport can sometimes bring out the worst competitive spirit in people, which might not be conducive to talking business.
4. Sports days have been traditionally seen as a male get together, so female participants will need to be warmly encouraged.
5. Some businesses do not allow their staff to be tantalised by corporate junkets.