

'Race to the Line' Business Survey

Overall Summary



With only months to go before the London 2012 Olympic Games and Paralympic Games, BT's latest research on organisations' preparedness has found a sharp divide between those poised to take advantage of the opportunities that almost a million extra visitors to the country will bring and those relying on luck to see them through what promises to be a unique moment for the British economy.

Involving 1,200 organisations, insight gained from the BT 'Race to the Line' research suggests that if they do not act quickly, many organisations could miss out on the opportunities – and profits – that their peers and competitors are set to prosper from.

1. Varying Levels of Engagement

Many organisations are embracing the opportunity to get involved in London 2012:

- More than one in four organisations (28 per cent) say they are **involved in London 2012**, with over half (54 per cent) saying they are supplying products or services to the Games.
- Overall, 58 per cent of organisations expect to be **affected by London 2012** in one way or another. One in five expects to be directly affected – most likely in the transport and travel sector (43 per cent) and the London area (27 per cent).
- Only one in ten smaller organisations (with less than 1,000 employees) believe they will be **directly affected**, whilst nearly a third (28 per cent) of organisations with more than 1,000 employees think they will be directly affected.

2. Time to Act

Businesses have a short window of opportunity at the start of 2012 to push themselves into thinking beyond their experience and put preparations in place, or potentially risk losing out:

- Organisations have been spending an average of **19 months preparing** for London 2012. Transport and travel companies have been preparing for longest (an average of 29 months).
- The majority think preparations should be done at least **six months before** London 2012. However, almost two in five (38 per cent) think three months or less is enough time. This may be a problem, because businesses involved in the Vancouver 2010 Winter Olympic Games spent an average of 18 months preparing and still almost half thought they could have done better.
- In anticipation of increased business, more than half of organisations with a call centre are looking at solutions to deal with an **increased number of calls**. This is encouraging as 42 per cent of Vancouver organisations experienced higher call volumes and 16 per cent said they should have increased their capacity.
- A significant number of organisations plan to **improve flexible working facilities** for staff as a way of lessening the impact of disruption. More than a quarter are looking to hire temporary staff, but nearly 30 per cent have no plans to deal with staffing disruption.

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3. Service Confidence

Businesses see no major concerns about maintaining productivity and service levels during London 2012, but this confidence may be misplaced:

- Four out of five organisations are **confident of maintaining service and security** during London 2012, despite the fact only 34 per cent have assessed the impact of risks such as a cyber attack.
- Nearly a quarter (23 per cent) of Vancouver businesses had issues with their network during the 2010 Winter Games due to a surge in demand and more than a third wished they had increased their capacity. For London 2012, 32 per cent of private sector and 18 per cent of public sector organisations are looking to **increase network capacity**.

4. Knock-on Effects

Whilst the challenges around London have been widely recognised, organisations across the country need to give thought to the potential knock-on effects:

- 87 per cent of organisations in the private sector believe they will experience some form of **disruption** to their business as a result of London 2012. The public sector is less concerned, but 65 per cent still expect some form of disruption.
- Over 40 per cent of private sector organisations say they have **customers in London** who will be affected and this will impact their organisation. Four in ten say they will experience problems with staff wanting time off or not being able to get to work. Other concerns include increased travel costs and staff being late due to congestion.
- 72 per cent of organisations are expecting their supply chain to be **disrupted** in some way, with a quarter of them (19 per cent) seemingly prepared to put up with the consequences because they are not planning to do anything about it.

5. Benefits for Business

Many businesses are looking forward to taking advantage of the widely predicted £1 billion uplift in UK economic output associated with the Games*:

- 65 per cent of organisations believe London 2012 has the potential to be a catalyst for **positive change in the economy** if Team GB does well.
- 73 per cent expect to prosper as a result of London 2012. More than twice as many large organisations expect **commercial benefits to their bottom line** compared with smaller ones, and there are greater expectations in London and the South East.
- The most anticipated benefit in the private sector is **increased revenue** as a result of the predicted uplift in economic activity, whilst public sector organisations are looking forward to improvements in the quality of their services as they adapt to increased or changing patterns of demand.
- Almost half of organisations believe that they will receive more **international business** during or after the Games. This is highest in London (52 per cent) and the transport and travel sector (68 per cent).
- 38 per cent of organisations say they expect **benefits from London 2012 to last longer than 12 months**. More than twice as many large organisations say they will continue to enjoy benefits from London 2012 a year or more after it has finished compared to smaller ones. This is also highest in London (35 per cent) and the telecoms sector (46 per cent).

Despite the tough economic climate, this research shows London 2012 presents a strong opportunity for organisations to benefit. Experience from the Vancouver 2010 Winter Olympic Games suggests those who are better prepared will enjoy bigger benefits.

* A Golden Opportunity: London 2012 Olympic and Paralympic Expenditure and Economic Impact, Visa Europe, July 2011

There is still time to prepare, but with less than seven months to go,
the time to act is now.