



# Racing in Times of Economic Adversity

Nick Attenborough  
Director of Consumer PR



Newmarket - 1825



Grand National - 1930



Global Recession

# The Challenges

- Declining betting revenues
- Reduced racecourse attendances
- Decreasing television coverage
- Dwindling racehorse ownership



# Our Customers



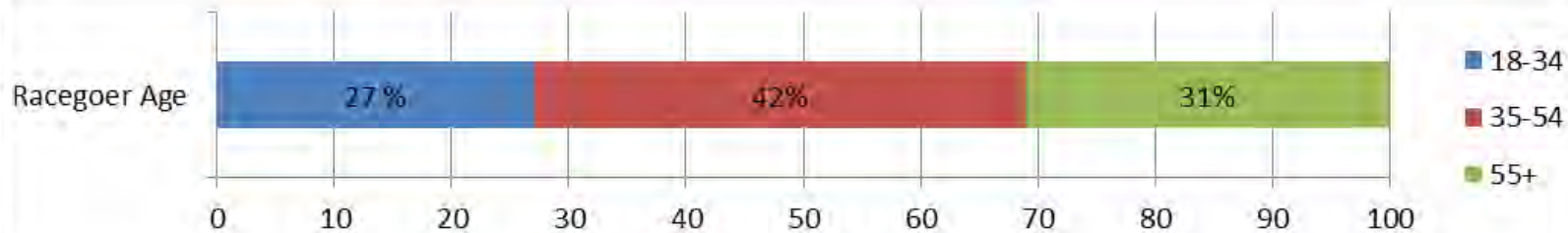
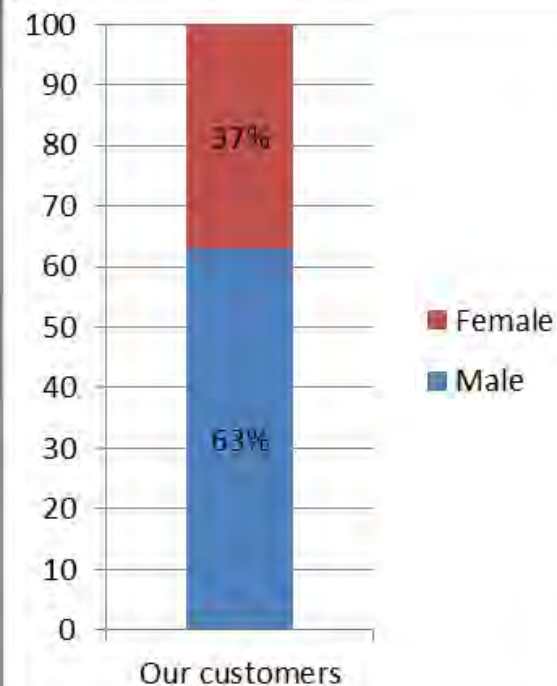
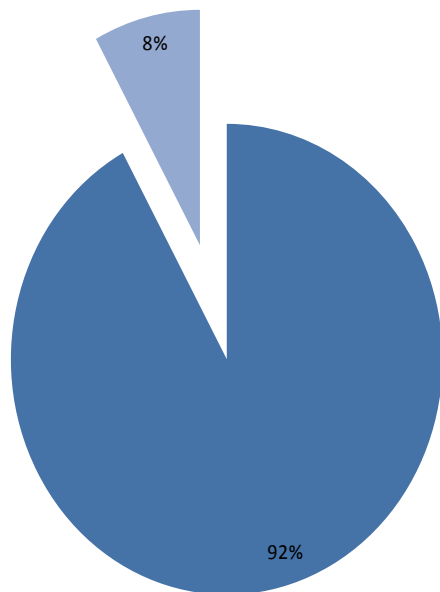
# Our Goal

- To broaden the appeal of British Horseracing, increasing participation and revenues.





# Racing's Customer Base



# Key Objectives

- Make racing more popular amongst the wide public
- Grow racecourse attendances
- Encourage gamblers to engage with horseracing
- Create more interest in racehorse ownership



# Key Issues

- Hard for newcomers to follow
- Challenging relationships with bookmakers
- Poor customer experience
- Telling our stories better

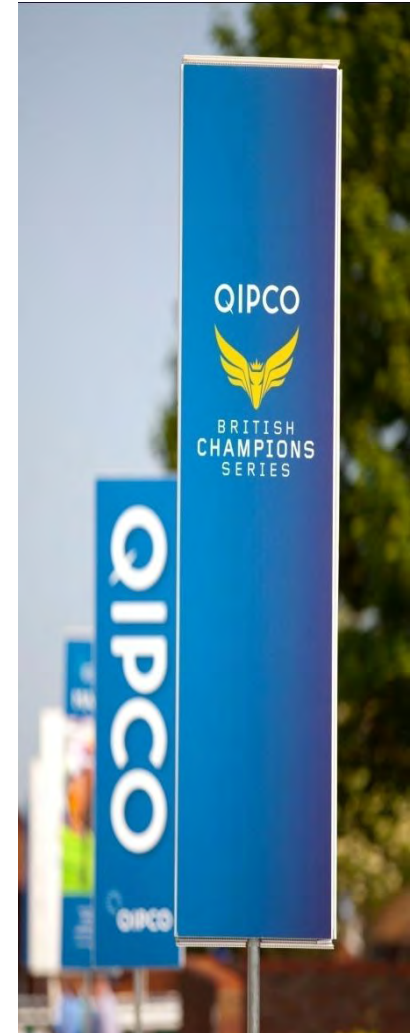


# Workstreams



- Premier
- Betting
- Raceday Experience
- Marketing
- Ownership

# Premier Sport



# Premier Sport



## This is the one that matters

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Be part of history at the explosive finale to our summer of sport  
at Ascot Racecourse

Saturday 20 October 2012


Your tickets are waiting

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Ascot 



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# Premier Sport



'The Season': Daily Telegraph supplement 19/ 05/ 2012

# Premier Sport



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# Premier Sport



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**This is the one  
that matters**

QIPCO BRITISH CHAMPIONS DAY  
Be part of history at the explosive finale to our summer of sport  
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Saturday 20 October 2012

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QIPCO  
BRITISH  
CHAMPIONS  
DAY

Ascot



# Premier Sport



# Premier Sport

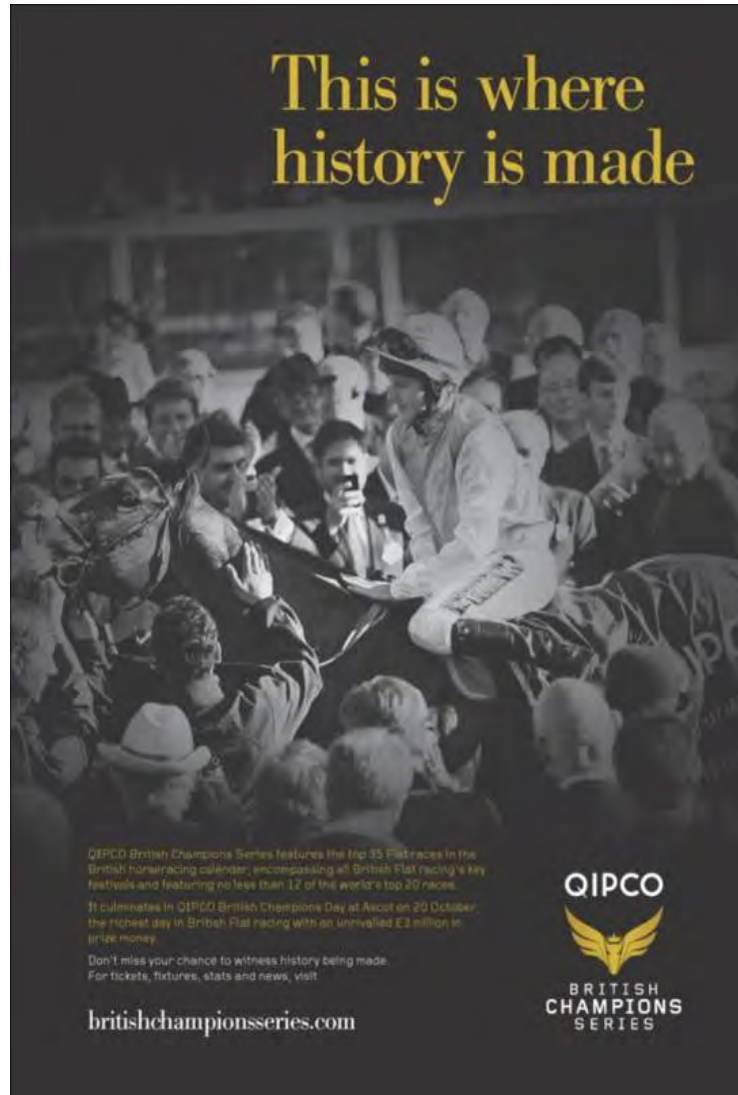




# Betting



# Marketing




This is where  
history is made

QIPCO British Champions Series features the top 35 Flat races in the British horse racing calendar, encompassing all British Flat racing's key festivals and featuring no less than 12 of the world's top 20 races.

It culminates in QIPCO British Champions Day at Ascot on 26 October, the richest day in British Flat racing with an unrivalled £3 million in prize money.

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For tickets, fixtures, stats and news, visit

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QIPCO  
  
BRITISH  
CHAMPIONS  
SERIES

# Publicity



Grazia



ZOO



Hello



Metro



Sunday Times



Men's Fitness

# PR Initiatives



# Free Week

# RACING POST

Monday, April 26, 2010 Issue 4011 £1.70

rac<sup>ing</sup>post.com

£1.70

THE START OF SOMETHING BIG

## FREE RACING WEEK

It's crunch time for Racing For Change as Wolverhampton joins Towcester (pictured) by opening its doors today without charge

►►Your indispensable guide to five days that could give racing's fortunes a boost, pages 4-6



## Hughes: Canford Cliffs flying again

By Jim Lane

RICHARD HUGHES was looking forward to the 2010 season as the best he has ever missed, Canford Cliffs suffered a surprise defeat at the hands of stablemate Dick Hogan when he won the 2010 Greenham Stakes nine days ago.

Despite being used by master trainer Norman Hemmings as the best he has ever missed, Canford Cliffs suffered a surprise defeat at the hands of stablemate Dick Hogan when he won the 2010 Greenham Stakes nine days ago.

According to Hughes, Canford Cliffs is still a contender for the 2010 Greenham Stakes.

RICHARD FAHEY



He is inside the paddock of the in-form trainer as he prepares to race with his horses.

►►Page 20-21

BORN TO RUN



The latest transformation of the racing scene, the latest horse, the latest horse, the latest horse.

FIGHT FOR THE TITLE

Latest version of the racing scene, the latest horse, the latest horse, the latest horse.

►►Page 20-21

WILLIAM HILL.COM  
GREYHOUND DERBY  
Draw and betting  
news, page 75

TODAY'S CARDS: Newcastle 30 • Towcester 30 • Wolverhampton 40 • Pinkney 40 • Windsor 50

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# PR Initiatives





# PR Initiatives



‘Black Cabiar’



‘Jockey Style’ – Youtube video

# Stars of the Turf



# Rock of Gibraltar & Sea The Stars



# British Champions Day



# Raceday Experience

## FIFTH RACE 4.05PM

### THE QIPCO CHAMPION STAKES (CLASS 1) (BRITISH CHAMPIONS MIDDLE DISTANCE) (GROUP 1)

ONE MILE ABOUT TWO FURLONGS (2,000 metres), for three yrs old and upwards  
Total prize fund £1300000

Owners Prize Money. Winner £579280; Second £237770; Third £118950; Fourth £59410; Fifth £29770; Sixth £14820. (Penalty Value £723230) A 55 BP

See page 95 for conditions of this race.

No	Horse	Draw	Jockey
1	<b>BULLET TRAIN (59)</b> B h Stader's Vets (USA) - Kind (IRE) (Daneshiri (USA)) Owner: Mr K. Abdulla Trainer: Sir Henry Cecil, Newmarket Breeder: Juddmonte Farms Ltd Owner: Darryl Quinlan	4	Tom Queally

STAR RATING: \*\*\*\*\* OFFICIAL BHA RATING 133

No	Horse	Draw	Jockey
2	<b>CIRRUS DES AIGLES (FR) (14)</b> B g Even Top (IRE) - Belle de Guespe (FR) (Sephora Ciel (USA)) Owner: Mr J. C. A. Dapson Trainer: Mrs C. Barandier-Duriez, France Breeder: M. Vignat-Lafont & M. Barot Deschamps Owner: Joe Garraughan	5	Oliver Potter

STAR RATING: \*\*\*\*\* OFFICIAL BHA RATING 130

No	Horse	Draw	Jockey
3	<b>FRANKEL (59)</b> B c Galileo (IRE) - Kind (IRE) (Daneshiri (USA)) Owner: Mr K. Abdulla Trainer: Sir Henry Cecil, Newmarket Breeder: Juddmonte Farms Ltd Owner: Darryl Quinlan	6	Tom Queally

STAR RATING: \*\*\*\*\* OFFICIAL BHA RATING 140



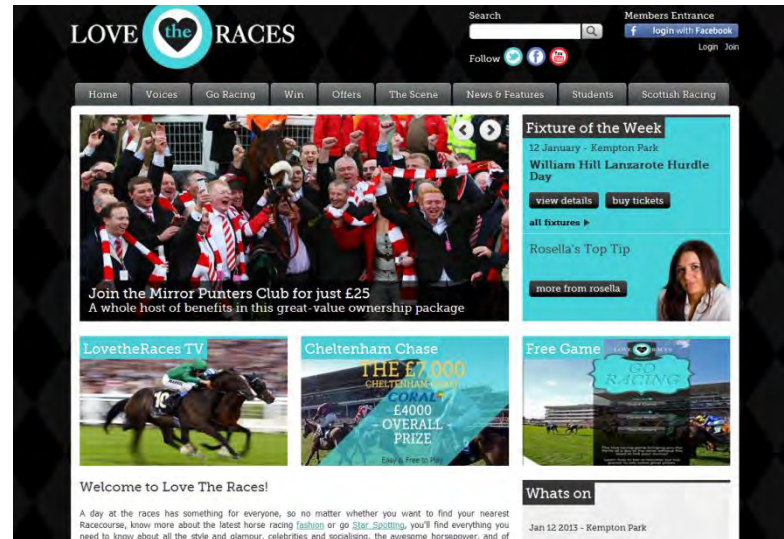
# Ownership





A jockey in light blue silks is riding a dark brown horse, likely a winner, with a person in a blue jacket leading the horse. The horse has a blue saddle cloth with "bgb" and "AP" logos. The jockey's silks also feature "bgb". The horse is walking on a red surface, and a white fence with a green banner is in the background.





# Results

- Attendances
- Betting
- TV Audiences
- Jockey Awareness



# European Opportunities





# Sharing Ideas



# Thank you



# RACING IN TIMES OF ECONOMIC ADVERSITY

Good afternoon.

Over the next few minutes, I'd like to tell you about some of the recent challenges we've been facing in British horseracing, how we're trying to tackle them and, most importantly, why we feel that working together across Europe can assist us **all** in the years to come.

The current recession isn't the **first** to hit horseracing.

\*When this picture of Newmarket was painted in 1825 you wouldn't have guessed that British banks were going **bankrupt**.

\*Likewise, these crowds at the Grand National in 1930 give no hint that the Great Depression had just **started**.

Historically, racing has been amazingly resilient during times of economic adversity but there may be reasons for thinking that we can't be so confident in the 21<sup>st</sup> Century.

\*For starters, this recession is affecting many more people globally and racing, as a sport, is certainly not immune from their financial hardships.

Nowadays, horseracing is in a much more competitive leisure marketplace where consumers have never been more fickle in their taste or so easily diverted by new entertainments. Just as worrying, the British betting customer has never had so

much choice or ease of access, 24 hours a day, 365 days a year.

Our mission, in these challenging times, is to ensure that we protect our share of their leisure spending and provide compelling reasons for customers to choose our sport over other activities.

When Racing for Change, the organisation I work for, came into being in the spring of 2009, it did so with the goal of improving the well-being of British racing.

At the time, we couldn't have predicted the severity of the current global downturn but we did know that British racing wasn't in great health.

\*In 2009, we were witnessing declining betting revenues on racing, reduced racecourse attendances, decreasing

television coverage and dwindling racehorse ownership.

\*To make matters worse, we had ageing customers and had done little in preceding years to market the sport to younger audiences - the race goers and punters of the future.

\*Racing for Change emerged three and a half years ago with an ambitious and wide-reaching campaign to modernise British racing and broaden its appeal.

This same campaign was also designed to make more of our assets – our major racing festivals, our stars of the show and, of course, the thrills of horseracing.

\*This should have been easy. British racing has a great many strengths.

For starters, we're a 52 week a year sport that's nationally televised on 88 days a year with race cards in every major national newspaper; we're the second largest spectator sport in Britain; we have 58 beautiful racecourses spread around the country; betting shops in every town; some of the best horses and horsemen in the world; the Grand National that's watched live by over 10 million people in Britain and, of course, patronage by Royalty.

But, when we started, there was still widespread belief by our traditional customers that the sport was in good health and should be allowed to continue unchanged.

In the beginning, we weren't always helped by the racing media who derided our efforts – **one described our work as dusting the deckchairs on the Titanic** - which wasn't helpful, especially as the global downturn was gathering momentum.

However, our effective lobbying of opinion formers, a few early successes and a fair bit of luck – **everyone in racing needs luck** – gave us encouragement.

So let me tell you a little about why change was so necessary.

\*In the UK, about 8% of the adult population now have an interest in racing with half of those being keen fans. In contrast, about half of all Brits follow football and there are stronger fan bases

for rugby, cricket, tennis and Formula One.

Racing might have a younger fan base than golf and cricket but it's still weak amongst the 18-24 year olds who are our future spenders. Like most sports, we have a strong following amongst men and about a third of our race goers are women but we still lack relevance to large parts of British society.

Racing's also a rather complex sport for beginners and children who can emulate their football heroes by kicking a ball rarely see a horse, let alone ride one.

When we started in 2009 we asked the British public one very simple question. One that I'm sure all of you would get right.

We asked one thousand adults to name three jockeys currently riding in Britain. Only 40 of them managed to get three names right.

\*Armed with this knowledge and major research across the industry, we set out to

- Make racing more popular amongst the wider public
- Grow racecourse attendances
- Encourage gamblers to engage with racing and
- Create more interest in racehorse ownership

\*The research also showed us that we needed to tackle four major issues that were reducing our chances of making progress.

The first of these was the fact that racing fans understood the sport perfectly but we made it hard for newcomers to follow and understand it.

Second, our relationship with the betting industry had not lent itself to innovation or for that matter co-operation.

Third, we discovered that there was much that could be done to enhance the customer experience on the racecourse.

And finally, we rarely took our stories beyond the racing pages of the media so we were never connecting with the wider public and interesting them in horseracing.

\*From these four issues we created five main work streams:

The first is what we called '**Premier**'. This work aimed to raise awareness and interest in our major races amongst all sports fans.

Second was about '**Betting**' and, in particular, a more proactive relationship between the racing and betting industries for both our benefits.

The third was '**Raceday Experience**'. This was about delivering a better experience for all race goers so they want to return.

The fourth was '**Ownership**'. Without owners we don't have a sport so we need to work harder to promote the thrill of owning.

And finally, there's '**Marketing**'. This revolves around telling our stories better

to more people, more often and in more engaging ways.

So **where** have we got to on the road to recovery?

\*On the '**Premier**' front, we've now launched the British Champions Series and British Champions Day – with a little help from **Frankel**.

What the Series does brilliantly is to signpost our best Flat races, making it far easier for us to engage with the wider media and, through them to the wider public.

The Series has also provided us with a marketing vehicle that suits sponsors and broadcasters, helping us to bring in much needed revenues that can then be

invested in prize money and the promotion of racing.

\*We've also tried to deliver a look and feel that will force lapsed fans and those uninterested in racing to reassess their views.

Through advertising, promotion and point-of-sale the imagery aims to tempt newcomers to learn more. Plus, we've also used the Series to engage with sports fans in ways more commonly seen in other sports.

\*For example, our Fantasy Game, run in conjunction with one of our national newspapers drew many of its game play elements from football and attracted over 20,000 participants.

\*And this media partner was one of several who helped us to take our messages to sports fans and the wider public.

The Series has also enabled us to innovate in other ways.

\*We are proving more adept at engaging with the online community. Exclusive content on our website received over 2 million unique visitors in 2012 and we're also doubling or trebling the number of Facebook, Twitter and YouTube interactions, year on year.

\*Marketing a Series has made us re-evaluate every touch point in the customer journey from ticketing to train ads.

\*Even the race card aimed to deliver a look and feel that would set Champions Day apart from other leisure experiences as, no doubt, this customer can **testify**.

\*Frankel clearly paid a huge part in ensuring a sell-out crowd on British Champions Day but ticket sales were already well-ahead of 2011 before he was confirmed as a runner.

\*What also pleased us was the fact that a significant number of race goers were new to Ascot or had not raced there during the past year and many were the younger customers we'd been targeting.

\*On the betting front we're also making progress, working with the major bookmakers on a number of partnership projects including this one with Coral who

promoted the British Champions Series in their windows.

Racing might be the core betting product in Britain but it can no longer expect to be the only one promoted. In fact, football, other sports and high-value casino games offer better margins so racing rarely features in shop windows.

But that's changing. Bookmakers now acknowledge that better promotion of the sport is creating a greater interest in horserace betting. And that should mean increased revenues for them and us.

However, that doesn't mean we have millions of pounds to promote ourselves out of economic trouble.

\*Unlike other major British sports, we have very limited funds so we've focussed

the bulk of our 'Marketing' efforts on PR and, in particular, the positive power of editorial.

Before Racing for Change started, there was no central marketing body actively promoting the sport to the wider world.

Three years ago that all changed and we're now using a range of tactics in order to encourage journalists and broadcasters to promote racing to their readers, listeners and viewers.

\*This free publicity for the sport is enabling us to get racing talked about in areas of the media that would have been unthinkable several years ago. The general mens and sports magazine market now covers racing regularly and we've also created greater editorial interest in the

womens titles and gossip magazines. However, a great deal of our effort is directed at taking racing into mainstream news.

Every month, we undertake stunts, surveys or news stories that aim to promote the positives of racing to the general public.

\*Here are just a few examples.

\*We've also undertaken initiatives to encourage the general public to try horseracing. Our 'Free Week' and 'Free Month' proved hugely popular, with two thirds of the visitors proving to be newcomers to the sport.

\*And we regularly create news stories – a trial of decimal odds made headlines around the globe. On other occasions we

capitalise on news – as was the case when Wayne Rooney joined Michael Owen as a racehorse owner.

\*We've also campaigned to promote the leading jockeys and trainers and provided them with media training so when they get interviewed, they speak in a language that makes sense to the wider population.

\*Stunts, such as our 'Black Cabiar' taxi and 'Jockey Style' Gangnam parody are also low-cost activities that have delivered substantial publicity.

I mention these to illustrate how cost-effective PR can be at taking racing out to the wider world.

However, at the heart of our PR effort is the horse and the sport of racing.

\*In 2012, we were blessed with several equine stars – Kauto Star, Camelot, Black Caviar – and, of course Frankel.

These horses make PR easier but we shouldn't forget that during the last decade British racing has witnessed other stars that concluded their careers with hardly a murmur from the wider media and wider public.

\*Sea The Stars and Rock Of Gibraltar are just two examples.

\*What we've learnt is that hyping these horses pays major dividends. Last year for the British Champions Series and Champions Day we received over 10,000 pieces of editorial coverage in the UK alone. In advertising terms, the equivalent

to us of having to spend £28 million – but we got it all for free.

You can probably sense that I'm a passionate believer in the power of PR to drive interest in racing and to keep our sport top of mind during the current economic downturn.

But, as all of you will know, interesting the customer is one thing, keeping them is a whole lot **harder**.

Hence, why we've put so much effort behind the **race day experience**.

If we're to keep customers during the current recession then we need to make sure that they get as good, if not a better day out, than at rival leisure attractions.

In the UK, this has means better signage, clearer race cards, more effective online promotion, more appropriate food and drink options and a real effort to connect to first-time customers.

\*We've also pushed through a number of small but significant changes that we believe will enhance people's day out.

Many of you might have been doing these for some time but it's taken us awhile to introduce larger numbers on number cloths, first names for jockeys and trainers in race cards, better photo-finish graphics, jockey autograph signing sessions and demonstration areas.

And finally, we haven't forgotten the owners and potential owners of the future.

\*First, we're looking into ways to enhance the ownership experience at racecourses in ways other than prize money. As an owner myself, I know well that the experience on the day is as important as the prize money in the overall pleasure of winning.

\*Second, we're trying to promote the thrill of ownership more effectively via editorial – we fund the loan of racehorses to media partners such as Sky and national newspapers in return for guaranteed publicity.

\*And we haven't forgotten the owners of the future. We help impoverished students to go racing and encourage them to set up racing clubs at their universities, communicating to them and other young

people through social media and our Lovetheraces website, in ways relevant to them.

So is any of this working? Well we think so.

Despite a bitter recession, British racing seems to be weathering the storm very effectively.

\*Racecourse attendances hit a record high in 2011 and would have done well last year if we hadn't lost so many fixtures to the wet weather.

Thankfully, our major racing festivals continue to prove incredibly popular. Last year, four of the Top 10 attended sporting events in Britain involved horseracing.

Betting on racing has begun to grow again, boosting prize money which is also benefitting from substantially higher revenues from media rights.

And it's not hard to see why when TV audiences are also growing. The Grand National has added an extra two million British viewers in the last couple of years and annual TV viewing figures for other race meetings are growing again – not just for Frankel's races but on almost every weekend.

This growth in TV viewers also helped to persuade Channel 4 to pay a high price recently for exclusive media rights, outbidding the BBC.

The wider media also tell us that they've noticed a positive difference, which helps

to reinforce the view that racing's relevant again.

And we're even doing better in our survey requiring the public to name three jockeys. Now, **over 6%** of people in the street can name **three current riders** with a third of the population getting at least **one name correct**.

However, we're still need to work harder to bring new owners into the sport and retain the ones we've got. There's no doubt that in times of economic adversity that the level of discretionary spending on high-ticket items, such as racehorses, comes under particular scrutiny, even by very wealthy individuals.

Which brings me neatly to the last point that I'd like to make.

**How** we can assist each other in protecting and promoting the sport during these tough financial times.

\*For starters, I think we can do more collectively to promote the **aspirations** of racehorse ownership which has to be one of the ultimate luxury goods.

The people who purchase yearlings are buying a dream not the flesh and blood, much as the Mercedes driver or Rolex owner is fulfilling an important aspiration – for there are certainly cheaper ways of **travel** or **telling the time**!

I'm certain that the global Casino industry has adopted a collective approach for the promotion of their business.

\*Why, otherwise, do we see glamorous Casino scenes in **every** James Bond

movie? I'm sure the Casinos pay handsomely for the privilege.

So, I believe horseracing needs to get smarter in this respect if we are going to continue to attract the high-net-worth individuals that are the life-blood of our sport.

\*And, there's also much more that we can do together to share ideas and experiences.

When I was in Ireland last year, I was particularly impressed with some of their recent initiatives including their success at engaging with the student population.

I'd also like to learn more from the French who appear to be doing a great job at promoting racing to families.

And we've heard earlier about some very creative initiatives in Spain.

\*By sharing our experiences, I believe that we can help each other to ride out the current recessionary storm and be better placed to capitalise when the good times return.

Many thanks.

\*Slides

