



## **OPTIMAL TICKETING AND HOSPITALITY STRATEGY FOR TWICKENHAM**

### **Ticketing and Hospitality Review**

In September 2014 the RFU embarked on a comprehensive review of ticketing and hospitality arrangements at Twickenham with a view to developing the 'Optimal Ticketing and Hospitality Strategy for Twickenham'.

### **Purpose of Review**

Revenue from International matches at Twickenham is the key driver of the RFU's ability to invest in the game throughout England. Twickenham is also the showcase for England Rugby and the environment in which the rugby family comes together to watch England play. It is therefore essential that a clear long term strategy is in place to ensure that Twickenham delivers the optimal experience, showcase and revenues. In undertaking this review the RFU was motivated by:

- A concern that the customer experience at, and the overall presentation of, Twickenham were below the levels to be expected of the world's leading rugby stadium and were not consistent with the brand values being developed for England Rugby.
- A concern that as the stadium ages and customer satisfaction declines, the profitability of Twickenham would decline and restrict the RFU's ability to invest in the game.
- A belief that there is significant potential to improve the performance of Twickenham as a key driver of the RFU's ability to invest in the game.

### **The Review Process**

The RFU appointed International Stadia Group (ISG) to assist in the review and in developing the strategy. ISG is the market leader in the planning and execution of strategies which combine the creation of the best spectator experience with the generation of optimum revenues from premium and general admission stadium seating.

The guiding principle in the work undertaken by ISG has been to respect the traditions and ethos of the game. ISG has worked in close collaboration with the International Rugby Ticketing Sub-Committee (IRTSC) and the RFU senior executive group. The IRTSC is an advisory body which includes volunteers who represent clubs from throughout the country, and is chaired by a member of the RFU Council. It reports to the RFU Board and Council on all ticketing matters and hence ensures the view points of the clubs are taken into account

**The priorities** advocated by the IRTSC and delivered by the ISG strategy are:

- 1. More seats to be available to club members.**
- 2. Club members to be seated in no worse locations than previously.**
- 3. Club members to pay similar prices to those paid previously.**
- 4. The ability for clubs to monetise part of their ticket allocation to be preserved.**

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The RFU Council has been briefed consistently on the project and will decide whether or not to proceed with the various recommendations. The paramount consideration, as always, is the greater good of the game. Several recommendations were approved at each of the April and June Council meetings. Further key resolutions will be formulated following feedback from the clubs as a result of this consultation process and will be considered by the RFU Council on **4 September 2015**.

ISG conducted extensive market research and surveys of key stakeholders and customers including club ticketing officers and club members in order to assess the:

- status quo in terms of how tickets are allocated, distributed and used, and how hospitality is delivered and sold.
- ‘market’, including a detailed understanding of the desires and behaviour of all categories of consumer based on an extensive research and data collection process.
- optimal structure to ensure delivery of the best experience for all in the stadium.

ISG has developed a strategy to deliver the best return from Twickenham on match days, both from a revenue perspective to enable investment in the game, and from a brand perspective.

### **Optimal Ticketing and Hospitality Strategy: Overview of Recommendations**

The strategy recommended by ISG involves a complex and interrelated matrix of measures across many areas of operations at Twickenham, including match categorisation and seat categorisation, ticket allocation, ticket systems and ticket pricing, debentures, hospitality and capital investment.

***The IRTSC has been involved at each step of the process and has had significant input into the ultimate strategy.***

At their meetings in April and June the RFU Council approved the necessary resolutions relating to match and seat categorisation, and short term ticket pricing. At their meeting on 4 September, Council will consider the necessary resolutions relating to hospitality and ticket allocations, including a major change in respect of the Official Licensed Operators (OLOs), which are the final resolutions required to implement the recommended strategy.

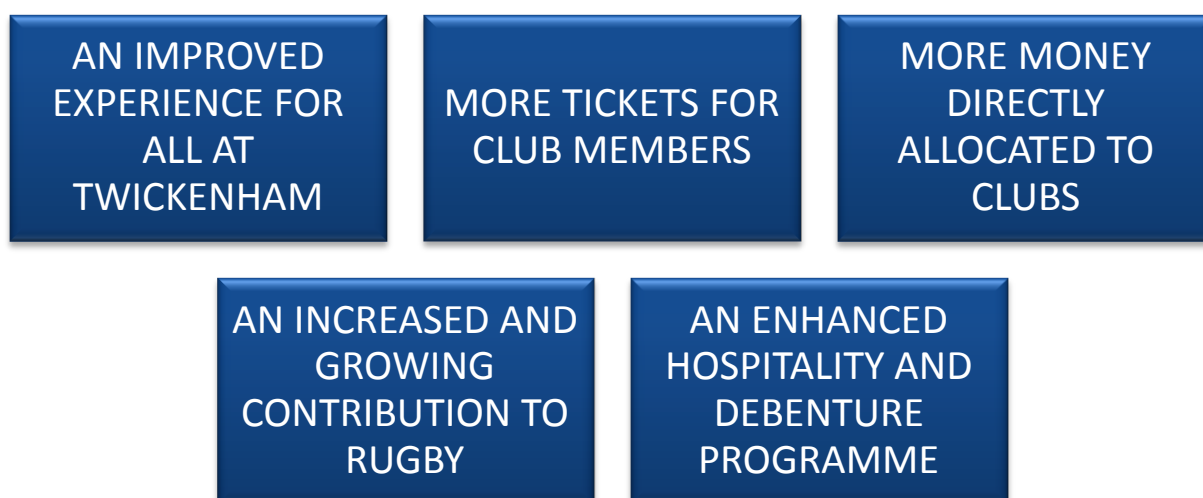
### **Changes to the OLO Scheme**

Hospitality at Twickenham remains a vital source of revenue for the RFU and our on-going ability to invest in the game. It is essential that the hospitality offerings are shaped to maximise revenue and optimise the RFU’s share of those revenues.

ISG’s advice is that the existing OLO scheme is unsustainable in the medium to long term, as evidenced by the downward trend in both the number of clubs selling tickets to OLOs and the prices being paid by OLOs for tickets. The RFU is therefore intending to move to a new OLO scheme to protect and ultimately increase the revenues delivered both directly to clubs and the RFU for reinvestment in the game

## Overall Impact of Recommended Strategy

The projected impact of implementing the strategy is to deliver:



### Impact for Clubs

As indicated above, the overriding principle has been to respect the traditions and ethos of the game of rugby union. **Fundamental to this is that the position of the clubs as the ultimate ‘owners’ and guardians of the game is sacrosanct.** This is reflected in the impact which adoption of the recommended strategy will have for the clubs, as follows:

- Clubs will continue to receive **50%** of the available seats at all England international matches at Twickenham. Clubs will no longer be able to sell tickets to OLOs – tickets for the OLO programme will be sourced direct from the RFU and from the ‘other’ 50% of available seats.

**More tickets will therefore be used by club members. The ability for clubs to monetise tickets through sale to OLOs will be replaced and the overall position of the clubs will be improved (see below).**

- **The quality of tickets allocated to Clubs will not be materially affected.**
- **Club members will pay broadly the same price as previously on average.**
- **Twickenham will remain accessible to all.**
- Clubs that cannot use their allocation or wish to monetise their allocation will be able to sell them to other club’s members through a new, easily accessible ticket exchange. The difference between the purchase price paid by the club and the price at which the tickets are sold through the exchange creates an **‘Exchange Premium’**, guaranteed by the RFU, which the selling club will automatically receive.
- This has the added benefit of enabling verified club members throughout the country who were not successful in their club ballot, to secure match tickets at Twickenham.
- A new ring-fenced fund (the **‘Supplemental Club Pot’**) will be created for the clubs from non-rugby family ticket sales at internationals.
- Overall, clubs will receive direct cash payments from ticketing which are forecast to be approximately **3 times the total cash benefit** received through the current OLO programme.
- **Consideration is being given to the possibility of adopting at Twickenham the ticket allocation and distribution process adopted successfully for the Rugby World Cup.** The survey responses show that this process has been well received by Clubs as it reduces their workload while maintaining their control of their allocations.

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## Club Consultation Process

A roadshow comprising a series of meetings with clubs is being arranged around the County to explain the proposed changes set out above. There will be a particular focus on explaining and receiving feedback from clubs on the proposed changes to the Official Licensed Operator Scheme, the subsequent alteration in how tickets are allocated to Official Licensed Operators and the proposed new structure for the monetisation of International tickets for the benefit of Clubs.

A nationally representative range of Clubs will be specifically invited to try to ensure that all sizes and levels are present and all views heard. **Any Club that wishes to attend is welcome to do so.**

The roadshows will be taking place on the following dates in the locations listed below:

Date	Location	Venue	Meeting Time
03/08/15	Manchester	Sedgley Park RUFC Park Lane Whitefield Manchester M45 7DZ	7.30pm to 9.00pm
04/08/15	Basingstoke	Basingstoke RFC Down Grange Pack Lane Kempshott, Basingstoke Hampshire RG22 5HH	7.30pm to 9.00pm
04/08/15	Twickenham	Twickenham Stadium Members Lounge 200 Whitton Road Twickenham Middlesex TW2 7BA	7.30pm to 9.00pm
06/08/15	Doncaster	Doncaster RFC Castle Park, Amphthorpe Road Doncaster South Yorkshire DN2 5QB	7.30pm to 9.00pm
10/08/15	Bristol	Avonmouth RFC, Barracks lane, Shirehampton, Bristol BS11 9NG	7.30pm to 9.00pm
10/08/15	Sevenoaks	Sevenoaks RFC Knole Paddock Plymouth Drive Sevenoaks Kent TN13 3RP	7.30pm to 9.00pm
11/08/15	Exeter	Topsham RFC Bonfire Field Topsham Exeter EX3 0LY	7.30pm to 9.00pm

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Date	Location	Venue	Meeting Time
11/08/15	Coventry	Broadstreet RFC The Ivor Preece Field Rugby Road Binley Woods Coventry West Midlands CV2 2AY	7.30pm to 9.00pm
17/08/15	Newcastle	Newcastle Falcons Platinum North Suite Level 2 Kingston Park, Brunton Road, Kenton Bank Foot Newcastle Upon Tyne NE13 8AF	7.30pm to 9.00pm
18/08/15	Luton	Luton RFC Newlands Newlands Road Luton Bedfordshire LU1 4BQ	7.30pm to 9.00pm

Please click on the following link [www.englandrugby.com/roadshow](http://www.englandrugby.com/roadshow) to confirm if your Club would like to attend one of the Club consultation roadshow events. The deadline for confirming attendance is as soon as possible, and no later than 5 working days before each event.

Clubs that cannot take part in the roadshows can still provide feedback by contacting the RFU via [clubroadshow@rfu.com](mailto:clubroadshow@rfu.com)

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