

Make Singapore Sports Hub the region's concert central



By hosting hugely profitable concerts, the \$1.3 billion Singapore Sports Hub looks set to fulfil its potential as a world-class entertainment hub after a rocky start in earlier years. PHOTO: LIANHE ZAOBAO

Electrifying performances and the allure of pop stars have seen huge crowds from across the globe fill the National Stadium for consecutive nights. It's just what the Singapore Sports Hub needs.



Terence Ho

If economists' estimates are anything to go by, Taylor Swift's six sell-out concerts in Singapore could generate anywhere between \$300 million and \$500 million in tourism receipts. The concerts have seen a surge in airline and hotel bookings, with prices skyrocketing in tandem.

These eye-catching sums have attracted attention from other countries, particularly those in our neighbourhood. Thailand's Prime Minister, a Philippines legislator and Malaysian politicians are among those who have weighed in on Singapore's deal to bring in the American superstar.

But it's not just Swift. It has been concert season in Singapore with Swift's tour following gigs by Coldplay and Ed Sheeran, and Bruno Mars set to perform in April.

That Minister for Culture, Community and Youth Edwin Tong personally led a multi-agency team to help bring Swift to Singapore suggests that concerts and live entertainment are a part of Singapore's economic strategy that is being championed from the very top.

By hosting these hugely profitable concerts, the \$1.3 billion Singapore Sports Hub looks set to fulfil its potential as a world-class entertainment hub.

The Sports Hub must, of course, continue to serve its purpose as a premier venue for top sporting events. But considering the well-documented struggles of the facility in its earlier years – from the state of the grass pitch to the high cost of staging events – the hub's success in hosting major international concerts is particularly welcome.

Positioning itself as concert central – an essential stop in Asia for leading bands and artists – is a sound strategy for the Sports Hub, even as it continues to bring in sports and other live entertainment events.

THE ALLURE OF LIVE CONCERTS

International concerts are hardly

new to Singapore, so why the fuss about them now? The old national stadium, after all, played host to Michael Jackson, Stevie Wonder, Jon Bon Jovi and Mariah Carey, among the most popular artists of their day.

At a time when music videos are freely available on YouTube and entire concerts are streamed on Netflix, the demand for live performances is greater than ever before.

For many fans, watching a performance on 4K television screens with surround sound cannot substitute for the experience of a concert – the chance to see their idol in the flesh alongside throngs of fellow devotees whose cheering, singing, screaming and dancing make up a vital part of the atmosphere.

Celebrity culture is alive and well. Proximity to a star is precious because of its rarity; diehard fans may queue for hours for a glimpse of a star whose videos and pictures can be downloaded at the touch of a button. Besides, human beings are social creatures. In the age of Instagram, a post from a concert can rack up likes quickly, enabling us to revel in the envy-tinged admiration of friends.

Compared with the past, concert economics is of a different scale today because of the greater spending power of fans. Many think nothing of shelling out several hundred dollars for a ticket, not to mention the cost of air tickets and accommodation for those jetting in from abroad.

The fast-expanding middle class can be counted on to feed demand for concerts in South-east Asia and beyond. Furthermore, demand is not limited to the most committed fans; well-heeled locals with only a nodding acquaintance of the artist may attend a concert just to get in on the action or to accompany their friends.

Within our dense social networks, we can expect Fomo, or the fear of missing out, to be a key driver of demand.

CONCERTS V SPORTS EVENTS

For Singapore, concerts may well have the upper hand over sports in terms of ability to generate buzz and revenue through live entertainment.

Our country doesn't have the



It has been concert season in Singapore of late, with Taylor Swift's Eras Tour concerts (left) following gigs by Coldplay and Ed Sheeran (middle), while Bruno Mars (bottom) is set to perform in April. PHOTOS: ST FILE, LIVE NATION LUSHINGTON



scale to host the Olympic Games or the FIFA World Cup by ourselves. Neither are we eligible to host the Uefa Champions' league final, which is a European contest, or any of the four tennis Grand Slams. This leaves us with lower-profile sporting tournaments, along with football friendlies.

Less glamorous events rely on superstars to draw in the crowds – the likes of footballers Cristiano Ronaldo and Lionel Messi, or tennis players Novak Djokovic

and Serena Williams. The allure of these stars often surpasses that of their teams or the events they participate in, as seen from the fan backlash when Messi did not play during a recent football friendly in Hong Kong. However, even Messi's presence was not enough to fill the stadium when he subsequently played in Japan.

In Singapore, too, concerts are packing the stadium more easily than football matches. Barely over half the 55,000-seat Sports Hub was filled when Liverpool

played Leicester City there last July, while only around 25,000 fans turned up for Tottenham Hotspur's match against the Lion City Sailors a few days earlier.

Looking at sports events beyond Kallang, a rough comparison between the impact of the Singapore Grand Prix and Swift's Eras Tour is illuminating.

Both events attracted scores of overseas visitors. Around 40 per cent of the 90,000 spectators each race day were from abroad, while up to 70 per cent of the

300,000 who attended Swift's concerts here were visitors to Singapore.

The Government foots 60 per cent of the \$135 million to \$150 million in race costs each year to host the Singapore Grand Prix while the public grant for all six of Swift's concerts was reportedly in the US\$2 million to US\$3 million range. Given these figures, the return on investment in Swift's concerts certainly looks high.

That said, the comparison between the two events is not like-for-like as the Singapore Grand Prix also brings wider benefits to Singapore. Formula One is a standout event on Singapore's international sporting calendar and as a staple event until 2028, it enables Singapore to attract a number of high-profile meetings, incentives, conventions and exhibitions (Mice) events in September each year.

Furthermore, the grand prix is broadcast to nearly a billion viewers around the world, burnishing Singapore's profile as a vibrant global city. It is worth noting that concerts by top bands and artists are also part of the draw of this event.

All things considered, it would not be surprising if the cumulative heft of concerts outweighs that of sporting events for Singapore as a tourism and entertainment hub.

CAPTURING VALUE WITH SEAMLESS VISITOR EXPERIENCE

While concert revenue and tourism receipts are projected to be large, the question is how much Singapore stands to benefit. Beyond revenues, it is worth getting a more disaggregated picture of the spillover benefits to local businesses and citizens.

Naturally, a large portion of ticket revenue will go to the artist, band and concert promoter. Still, the boost to Singapore's tourism industry is expected to be considerable, especially for major gigs such as Coldplay's Music of the Spheres Tour and Swift's Eras Tour.

The key will be to get tourists to stay longer in Singapore and check out other attractions here when they come for a concert. With a strong pipeline of high-profile concerts, local tour operators, restaurants and retailers can develop products and strategies to capture greater spend from visitors.

Singapore's excellent infrastructure and logistics strengthen our attractiveness to international bands and artists.

Likewise, everyone involved, from regulators to concert promoters, ought to consider how to make a trip to Singapore the best possible experience for a visiting concertgoer. The process should be as seamless as possible, and more thought should be given to containing the scourge of scams.

Marketing Singapore as the perfect getaway for a concert would bring considerable benefits to the tourism ecosystem here. If successful, the product would no longer just be Swift's Eras concerts, but Swift's Eras concerts in Singapore.

DIVERSE PROGRAMMES STILL NEEDED

Profitable as concerts are, the Sports Hub cannot put all its eggs in one basket. There are only so many A-list acts of the scale of Swift and Coldplay.

And as other countries vie for a share of the concert pie, there is a risk of future bidding wars that could make the business case less certain or profitable.

Besides concerts and sports, other forms of entertainment also feature on this year's calendar. These include Jerry Seinfeld's comedy tour as well as Disney on Ice, which will appeal to families, particularly those with young children.

But true to its mission to promote sports, the Sports Hub should continue to bring in sporting events that can inspire our young and help our sportsmen and women to raise their game.

The ongoing Smash Singapore, a world table tennis marquee event, is an example of a major international tournament that the Sports Hub is hosting, along with the Rugby Sevens later this year.

The Sports Hub must continue to serve the community and local athletes as the home of Singapore sport.

Strong revenues powered by A-list concerts will certainly help it in its mission.

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