Olympic organizers will no longer allow foreign spectators—what should marketers consider?

Article



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On Saturday, Olympic organizers announced that foreign spectators will not be allowed into Japan to attend the delayed Olympic games in Tokyo this summer. The decision, made to prevent the further spread of the coronavirus, has been described as "very unfortunate" yet "unavoidable" given the state of the outbreak in Japan. For context, the Olympic Games postponed last year are now scheduled to occur from July 23 to August 8.

For marketers, two potential questions to consider are:

Will the decision to ban foreign spectators hurt marketing around the Olympics?

- There is a low chance that this decision will do anything to quell most fans' excitement for the event or broader viewership. Approximately 1 million tickets had been sold to fans outside of Japan, while 4.45 million were sold to residents of Japan, according to figures cited by Variety. So, about a fifth of potential attendees will be affected by this decision, which is also a negligible share of the larger audience of more than 3.5 billion fans of the Olympics.
- However, the decision highlights the remaining challenge of hosting a full-audience event, which in turn could influence viewership: Past surveys have shown that the presence of a live physical audience can influence attitudes toward watching sporting events. An April 2020 Seton Hall poll found that about 16% of US sports fans were less interested in watching games without fans present.
- It will also adversely impact travel brands who have traditionally launched a flurry of promotions to capitalize on the event. Hotel chains, airlines, and other travel-related services have regularly targeted travelers to the host country. While much fewer people are still traveling this year, this announcement likely throws a wrench into any plans to target would-be attendees of the Olympics.

If the event is to be especially local this year, what is the state of media habits in Japan?

- TV remains the dominant source of media consumption in Japan: According to our April 2020 estimates, time spent with TV will continue to grow this year, rising 0.6% to about 3 hours, 28 minutes. That accounts for 44.9% of the average time spent with media, which is a slight downtick from 2020's 45.5%.
- But digital channels are accelerating at a fast pace and combined will account for an equal share of people's time as TV. Time spent with both mobile and desktop will both grow faster than TV this year at 6.3% and 2.2% respectively. Together, these devices will account for an equal share of people's time at 44.9% of the average time spent with media in Japan.

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Share of Average Daily Time Spent with Media in Japan, 2018-2022

% of total

	2018	2019	2020	2021	2022
TV*	46.3%	45.8%	45.5%	44.9 %	44.3%
Digital	42.5%	43.2%	44.0 %	44.9 %	45.6%
—Mobile (nonvoice)	26.2%	27.3%	28.0%	28.9%	29.4%
Desktop/laptop**	16.3%	16.0%	16.0%	16.0%	16.3%
Radio*	6.0%	5.9 %	5.7%	5.6 %	5.5%
Print*	5.2%	5.0%	4.8%	4.7%	4.6 %
-Newspapers	3.7%	3.5%	3.4%	3.3%	3.2%
—Magazines	1.5%	1.5%	1.4%	1.4%	1.4%
Total	7:17	7:23	7:36	7:44	7:52

Note: ages 18+; time spent with each medium includes all time spent with that medium, regardless of multitasking; for example, 1 hour of multitasking on desktop/laptop while watching TV is counted as 1 hour for TV and 1 hour for desktop/laptop; numbers may not add up to 100% due to rounding; *excludes digital; **includes all internet activities on desktop and laptop computers

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