How Sporting Events Can Score Big on Sustainability

By Ben Fulton (MBA'23D) and L. Felipe Monteiro, INSEAD

The Rugby World Cup and other global tournaments can set the stage for both sporting excellence and sustainability.

As rugby fever sweeps France, fans around the world have been united by a common passion in the past weeks. In an increasingly divisive global climate, there are few occasions that have the ability to connect and resonate with a diverse audience on such a scale.

An estimated five billion people – almost two-thirds of the global population – engaged in some way with the FIFA World Cup 2022. As such, the global influence of international sporting events cannot be overstated.

Just look at the widespread outrage sparked by the “kiss scandal” that followed Spain’s victory at the recent FIFA Women’s World Cup 2023. The incident banded sportswomen, sportsmen, governing bodies and fans together in taking a stand against misogyny and sexual abuse. More importantly, it was a #MeToo moment in Spanish football and led to some serious soul-searching across the sporting world.
The bigger question is: To what extent are athletes, teams and governing bodies using their influence strategically to lend support to important causes such as diversity, equity and inclusion (DEI) or sustainability?

**Under pressure to perform**

Sports organisations are facing increased scrutiny regarding the sustainability of the international tournaments they host. In fact, these concerns now go beyond mere carbon emissions to encompass environmental, social and governance (ESG) themes. And organisations are certainly listening. A PwC sports survey in 2021 revealed that stakeholder pressure is the primary driver for 84 percent of sports industry leaders to engage in social and environmental sustainability.

Sports organisations have good reasons to become more sustainable. First, governments and councils are increasing guidance and laws related to environmental and social sustainability. This means that non-compliance may no longer be an option. Second, they can potentially reduce costs and better attract funds and sponsors, leading to bigger revenue streams and better economic outcomes. Third, displaying commitment towards positive environmental and social change could ensure long-term viability and resilience in a highly competitive field. To this end, high-profile international sporting events are the perfect platforms. Finally, companies can use these global showcases with millions of viewers to drive positive change.

On the other hand, failure to act sustainably or convince stakeholders of their commitment and ability to do the right thing can present significant risks. Global sporting events are increasingly affected by the impacts of extreme weather, ranging from heat stress to flooded pitches and cancelled matches.

Moreover, headlines are no longer solely focused on sporting action, but also the high carbon footprint of putting together such international events, from the construction of mega stadiums to increased air travel by athletes and fans. In fact, a study found that the ecological footprint of the average sport attendee is seven times greater than a person going about normal, everyday activities. Sports organisations can no longer ignore these signs without incurring reputational and economic risks.

**How the Rugby World Cup scores on sustainability**
The Rugby World Cup 2023 (RWC 2023) aims to be a tournament “with a positive impact”. So how does it really fare in terms of sustainability? We examined its sustainability strategy across nine dimensions: structure, breadth, depth, aspiration, alignment, engagement, precision, measurement and execution.

Structurally, the tournament's sustainability strategy is commendable – simple enough for fans to understand, yet sophisticated enough to address the complexities of integrating sustainability into a major event. It takes a holistic approach, with a scope that covers environmental, social and human capital. However, a notable gap exists in addressing emissions arising from air travel by fans (Scope 3 emissions), which typically represent a substantial proportion of tournament emissions.

RWC 2023 aligns its objectives with 12 of the 17 United Nations' (UN) Sustainable Development Goals, which displays an awareness of its broader impact. The organiser’s commitment to leveraging attention on the sport for positive change shows its aspiration, but this could be further enhanced if it tied sustainability to the tournament’s definition of success.

Precision of project details is strong, but measurement is lacking, without clear and actionable KPIs and targets. While World Rugby has implemented tactical initiatives such as reducing 64 percent of broadcasting-related emissions through renewable electricity, the tournament lacks holistic targets that encompass Scope 1 and Scope 2 emissions. Taking a leaf from the music scene, one of the most successful elements of Coldplay’s sustainability strategy for their “Music of the Spheres” tour is a precise emissions reductions target: 50 percent less carbon dioxide equivalent emissions (CO2e) than their last tour. Such a target could also serve World Rugby well.

In addition, creating a full-time position dedicated to sustainability strategy means an individual could see initiatives through from conception to implementation and help improve outcomes. Consider the Paris 2024 Summer Olympics, which has a full-time Director of Impact and Legacy, as well as a Director of Environmental Excellence to drive the sustainability agenda. With a dedicated person in charge of sustainability, World Rugby could explore new initiatives in future editions, including the declaration of emissions arising from travel (in particular, air travel) and offset of remaining emissions through dedicated Rugby World Cup legacy reforestation projects.
Overall, developing a holistic sustainability strategy and communicating it effectively puts World Rugby on the right track. But clear and actionable measures and targets, driven by a dedicated individual responsible for the sustainability of the entire event, is what will align the organisation towards a common goal.

**Three steps for more sustainable events**

Sporting event organisers have huge potential to embrace sustainability more effectively. Yet, a one-size-fits-all solution clearly does not exist. This is why becoming more sustainable requires individual organisations to review their operations and stakeholders and determine what really matters.

In other words, the first step is to understand what is material to the organisation. Putting together international sporting events entails many decisions: venues, accommodation, catering, merchandise, ticketing and so on. With so many moving parts, it is important to focus limited resources on areas that can make a real difference.

For instance, focusing on sustainable approaches to the construction of FC Barcelona’s new **Barça stadium** ensures energy efficiency and more sustainable mobility, while maintaining the cultural and social embeddedness of the facility. This delivers more substantial impact than mere token actions. With this knowledge, organisations should set a clear strategy and communicate it effectively with all stakeholders, from administrators to coaches, players, sponsors, suppliers, fans, government and facilities managers.

Second, make sure sustainability is integral to the overall strategy. Set measurable goals and foster a culture of accountability. Global utilities company **ENEL**, for instance, integrated sustainability with innovation by creating a new function called “Innovability”, with the Chief Innovability Officer reporting directly to the company’s CEO and sitting on the company’s investment committee. To ensure full integration with the company’s operations, Innovability team members permeated all business units.

Third, to successfully run a global tournament and do it sustainably is no mean feat. No one can do it alone – neither should they. Solutions may not already exist, so organisers should be prepared to work with innovative individuals and companies to develop more sustainable solutions. They should not be afraid to use global tournaments as innovation labs to test new
initiatives. Just look at how the London 2012 Summer Olympics pioneered the ISO 20121, an international standard for sustainability management systems for events, and how the FEI World Cup Jumping Show, a horseracing event in Helsinki, was fully powered by horse manure.

**Teaming up to put sustainability on the world stage**

Beyond the ability to connect fans, sporting events are a unifier for different sectors of the economy and society. In the case of World Rugby, it could look to partner more closely with other sporting governing bodies like the International Olympic Committee and UN Sports for Climate Action, or lead a coalition-style working group. This could help ensure that organisations work together to leverage one another’s strengths and share knowledge, experience and resources for how best to combat challenges such as the climate crisis.

By embracing innovation to develop sustainable solutions, sporting companies and their partners are in a good position to use the sporting arena to showcase their impact to a global audience. Sports organisations like World Rugby have great power due to their highly engaged global audience. They have a responsibility to use that power for the betterment of society and the environment.

Find article at
https://knowledge.insead.edu/responsibility/how-sporting-events-can-score-big-sustainability

**About the author(s)**

**Ben Fulton** is an MBA student at INSEAD in Fontainebleau. Before pursuing his MBA, he spent the last three years working for BCG, primarily in the Climate & Sustainability sector. His internship with World Rugby allowed him to combine his passion for sports, sustainability, and strategy.

**L. Felipe Monteiro** is a Senior Affiliate Professor of Strategy at INSEAD. He is also the Academic Director of the Global Talent Competitiveness Index. He is the Programme Director for INSEAD’s partner programme with Fundação Dom Cabral, Advanced Management Program (PGA).