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**THE INFLUENCE OF THE EXCEPTIONAL PUBLIC INTEREST EVENTS'
FISCAL BENEFITS**

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Resume

Events of exceptional public interest (EEPI) are increasingly becoming a decisive factor for arranging companies' Marketing Budget distribution. The title is not easily gained, but once an event is named of exceptional public interest, companies that sponsor this kind of events have some tax benefits as a consequence.

Since the Law 49/2002 of 23 of December on taxation is the main Spanish Law that regulates patronage nowadays, it will be described and explained along the thesis. This law stipulates the characteristics under which an event can be labelled of exceptional public interest; being subject to the international importance on the sportive scope they have, as well as its economic, social and media impact (Gobierno de España; Ministerio la Presidencia, 2004).

EEPI interest will be the context on which to base this thesis. Once what they do consist on is explained, a specific case will be studied: The Real Club de Polo de Barcelona, which hosts an exceptional public interest event. The study will consist on analyzing the economic, social and media impact of the event in the city of Barcelona, for concluding whether hosting EEPI has a positive or negative influence on the entities.

Key words

Law 49/2002 on taxation (Boletín Oficial del Estado núm. 307, 2002): its objective is to encourage the private sector in promoting and collaborating with general interest events, as well as protecting and support non-profit activities, whose main end is of general and public in nature.

Events of Exceptional Public Interest: events (more often sport events, but that can also be cultural exhibitions, educational programs, etc.) which carry some fiscal benefits for the companies that sponsor them. The fiscal benefits consist on a percentage deducted from the total tax amount.

CSIO: It is an Equestrian Jumping Show celebrated by the Real Club de Polo de Barcelona, and it is the main reason why a group of cultural, educational, health and sport activities are considered of exceptional public interest.

Sponsor (Collins Dictionary): a commercial organization that pays all or part of the cost of putting on a concert, sporting event, etc.; a person who donates money to a charity when the person requesting the donation has performed a specified activity as part of an organized fund-raising effort.

Patronage: Patronage is defined as the money and support that is given to an artist, organization, or event (Gobierno de España, Ministerio de Educación, Cultura y Deporte), chosen by companies depending on their communication strategy.

Tax deduction: Thanks to the fiscal incentives that the events of exceptional public interest provide to investors, the total tax amount can be reduced in a percentage.

Essential and non-essential costs: To be essential is understood as the way of advertising which is merely promoting the event, meaning that the expenses incurred are essential for the diffusion of the event. As a consequence, the total amount (the 100%) of money spent on the event promotion will be considered to be the base for deduction.

To be non-essential means that the technical characteristics for being considered essential are not filled. Nevertheless, the logo of the event has to have a specific size, to be visible, etc. to be considered non-essential. In this case, only the 25% of the cost incurred in promoting the event will be considered the base for deduction

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1 INTRODUCTION

Events of exceptional public interest are increasingly becoming a decisive factor for arranging companies' Marketing Budget distribution. The title is not easily gained, but once an event is named of exceptional public interest, companies that sponsor this kind of events have some tax benefits.

As it will be explained, the fiscal benefits consist on deducting a percentage over the total tax amount. This percentage will vary depending on whether the sponsors decide to invest money and promote the event inserting its logotype on different assets, or they just invest money. Furthermore, there are two types of assets: essential and non-essential.

To be essential is understood as the way of advertising that consists on promoting the event, meaning that the expenses incurred are vital for the diffusion of the event. As a consequence, the total amount (the 100%) of money spent on the event promotion will be considered to be the base for deduction.

To be non-essential means that the technical characteristics for being considered essential are not filled. Nevertheless, the logo of the event has to have a specific size, to be visible, etc. to be considered non-essential. In this case, only the 25% of the cost incurred in promoting the event will be considered the base for deduction.

The main Spanish Law that regulates patronage nowadays is the Law 49/2002 of 23 of December on taxation (Gobierno de España; Ministerio la Presidencia, 2004) which stipulates specific characteristics under which an event can be labelled of exceptional public interest. They are subject to the event's international importance on the sportive scope, as well as its economic, social and media impact.

One of the consequences of the law is that companies are investing larger amounts of money – or at least they are not ending agreements – in the cultural, educational, sporting, events that fit its characteristics, because of the tax benefits it carries. That is what this thesis is about: to show how being classified as an event of exceptional public interest encourages sponsors to continue investing money in these type of events as a way of advertising, and allows entities and sports to keep on celebrating big competitions¹.

Based on the above objective of this thesis is to analyze the positive influence of the title given to programs or events that fill the required criteria and its resulting fiscal benefits for investors; "Events of Exceptional Public Interest". In this case, the analysis will be about

¹ <http://libros-revistas-derecho.vlex.es/vid/fiscalidad-mecenazgo-patrocinio-deportivos-39648056>

the Barcelona World Jumping Challenge, the Real Club de Polo's event of exceptional public interest, regarding the impact it has on the city of Barcelona, and also its media impact.

The remainder of the thesis is organized as follows. First, the theoretical background will be explained, where the two main topics of the document are summarized: sponsorship and event of exceptional public interest. In the next section, a brief description of the Real Club de Polo de Barcelona and the CSIO is provided. Then, the analysis that was carried out by PricewaterhouseCoopers is described, which consists on approximating the economic impact of the event (increase in rooms booked, RCPB's investments, employment), the impact on teams participation, and the impact on media. Finally, a conclusion is written to sum up and tell all the reasons that prove that hosting an event of exceptional public interest encourages sponsors to continue investing money in these types of events as a way of advertising, and allows entities and sports to keep on celebrating big competitions.

2 BACKGROUND

In order to let the reader know what will be the thesis focused on, a brief summary of the two main topics of the document has been done, and which will represent the foundation to understand the whole project.

2.1 *Sponsorship*

The concept of sponsorship is a wide thought. It can be classified according to many criteria: how many companies do sponsor the same cause or event (one, two or more, etc.); what is the scope of the event (local, international, and so on); whether a company is sponsoring an only person, a collective group or event (tennis player, basketball team, specific concert or the champions league, for instance), and so on (Rodríguez Ardura, 2007)².

Although going deeper in the sponsorship concept might be interesting, this thesis will just focus on one of its divisions or types: sports sponsorship. In order to do that, an analysis of the relation between companies and sports will be performed, as well as an analysis of the reasons why companies may support sports.

First, it is important to clarify something: in order not to be constantly repeating the word sponsorship, the word patronage will be used as a synonym as many authors do. It is true that for many other authors, their meanings are not strictly the same. According to Inma Rodríguez (2007), many authors agree on stating that patronage is a more charitable action, and that sponsorship takes place when there are commercial interests; in this case there will be something in return.

Moreover, sponsorship is understood as a concept related to sports, and patronage, to cultural activities and as the activities that companies do as part of their social responsibility actions (Rodríguez Ardura, 2007)³. However, to understand patronage as a complete non-lucrative activity might be wrong, and that is why the actual law in force 49/2002 defines, on its first article, which is its object and its scope, including a specific notion in patronage. As a consequence, this wide concept is defined as the “private participation in general interest activities (Oliver Cuello, 2008)”.

² http://descuadrando.com/Patrocinio#Tipos_de_patrocinio

³ http://books.google.es/books?id=-6B6ZSWQ11YC&printsec=frontcover&chl=es&source=gbs_ge_summary_r&cad=0#v=onepage&q=mecenazgo&f=false

2.1.1 *Sports Sponsorship*

Sport is becoming more important as the time goes by, being part of the society's daily life. Its presence on television is larger than almost any other program, and this is one of the reasons why companies are trying to create through or relate their corporate image to sport.

The objectives of building a tie between the companies and sports are, on the one hand, creating or helping to improve a company's corporate image and helping them gain a place on consumers' mind, on the other hand. The linkage with sports – patronage – gives the company a responsible social and cultural dimension, creating a climate of trust (Palencia-Lefler Ors, 2007)⁴.

Companies should not choose a random sport for developing their communication strategy or plan; they have to be sure about which is the public they want to target, how they can get to them for getting a positive reaction, and how to differentiate themselves. In order to find it, a deep analysis has to be performed: on which segment they should focus, which the best strategy to reach consumers is, and so forth.

Once the target has been settled, there are many strategies a company can use to reach it: through the press, advertisements, institutions and so on, but the one that is taking advantage over the rest is the patronage or sponsorship.

Patronage is defined as the money and support that is given to an artist, organization, or event (Gobierno de España, Ministerio de Educación, Cultura y Deporte), chosen by companies depending on their communication strategy. Firms tend to choose, on the one hand, influential people, opinion leaders (Moragas M. , Carroggio, Jones, Gutiérrez, & García, 2003) or individuals with a high purchasing power, since they will have more impact on the society compared to an anonymous. On the other hand, they prefer events where you can find their public target. This way, the audience is reached in a relaxed atmosphere, and it gradually starts relating the brand to the feelings and emotions it feels while enjoying the event.

Television has been determinant in the increasing importance of sponsorship. The evolution can be corroborated by comparing how important it was the sponsor with respect to the budget for the events. According to Carroggio (2003), by the time sponsorship started, it consisted of a humble financial aid that only represented the 1% of

⁴ <http://eprints.rclis.org/15884/1/article%20analisi.pdf>

the total amount needed. Companies used to give free products to the sportspeople, in exchange for the promotion on television, but patronage started to become a universal business: the constant emission of the matches revalorized the assets of the Sporting Clubs, and then every company wanted to be part of it (Moragas, Carroggio, Jones, & M^a y García, 2003). As it can be seen in the appendix A, the audience of, for example, football matches and Formula 1 competitions, is over the 50% in some cases, and TV series on the other hand, do not exceed the 30% (FormulaTV, 2014). Having an audience that represents the 40 or the 50% corresponds to a very large amount of population in a short period of time, and that is one of the reasons why companies look for sponsoring their brands through sports.

It has to be said that companies do not focus only on sponsoring sports, but also sponsoring what should be understood for Culture: all the matters related to the Spanish Fine Arts, Cultural Heritage, Archives and Libraries, Education, Culture and Sports (Gobierno de España; Ministerio de Educación, Cultura y Deporte).

The concept of Patronage, indeed, is related to taking care of and improving the Cultural Legacy, according to the Ministry of Education, Culture and Sport (Gobierno de España). It is thanks to this type of private donations that the Cultural Legacy can be conserved and restored, since despite the increasing amounts of Public Administrations Budget allocated to it, the amount of public money is not enough for offsetting the expenses of the different events (Equipo de Redacción IESPORT, 2010 - 2013).

Sponsorship turned out to be not just a way of advertising, but a way for companies to position themselves in the society through the direct contact with their target. Firms use patronage for showing and highlighting their values, and transmitting their image to the audience. The range of sponsored events became wider: for instance, Spanish companies do not just sponsor locally, but also internationally, and not just sports but any event that has impact on the society. Patronage has become so important, that in many cases it represents more than the 50% of the amount needed for the event development (Moragas M. , Carroggio, Jones, & M^a y García, 2003).

Nowadays, Patronage itself is a concept within which many categories can be found: donations, contributions and financial participations given to non-profit entities, the Estate, Provinces, etc. according to the article 16 of the Law 49/2002 of 23rd December on the taxation of non-profit entities and tax incentives for patronage. The thesis will be, however, just focused on the articles from the 25th to the 27th, specifically the type of patronage

defined as “Supportive programs of Events of Exceptional Public Interest (Gobierno de España; Ministerio de Educación, Cultura y Deporte)”.

2.2 *Events of Exceptional Public Interest*

Events of Exceptional Public Interest are those generally celebrated in Spain and those which are considered appropriate to promote and support (Marín & Amado Guirado, 2008)⁵. This is why Events of Exceptional Public Interest are subject to some fiscal benefits for those willing to invest in them. The Law 49/2002 of 23rd December on the taxation of non-profit entities and tax incentives for patronage aims to encourage sponsorship initiatives and promote the participation of civil society in defending the city cultural and sport heritage in two ways:

- Increasing fiscal incentives to patronage
- Improving the taxation of the nonprofit organizations

This law has been modified many times: since 2007, the types of investments that allow companies benefit from deductions have been reduced. Then, what are the programs *allowed* to be labeled as programs that support the Events of Exceptional Public Interest? According to the article 27.1 of the Law 49/2002 on taxation, the set of specific fiscal incentives that can be applied to the actions taken for ensuring the correct development of the events determined by law (Gobierno de España - Ministerio de la Presidencia, 2002).

Moreover, according to the article 27.2 of the Law 49/2002 of 23rd December on the taxation, there is a minimum requirement on the law to regulate these programs (Subdirección General de Ordenación Legal y Asistencia Jurídica, 2011).

- The length of the program must be three years maximum.
- The existence of a Consortium or administrative entity is needed. With the Consortium, Public Authorities and Treasury are represented. It will be in charge of confirming that the expenses incurred are according to the process of achieving the goals and programs for celebrating the event. Moreover, the Consortium will decide which types of advertising costs are considered essential and which ones non-essential.

⁵ http://books.google.es/books?id=LnlfviX-lnIC&pg=PA1&dq=acontecimientos+de+excepcional+interes+publico&hl=es&source=gbs_selected_pages&cad=3#v=onepage&q=acontecimientos%20de%20excepcional%20interes%20publico&f=false

- To be essential is understood as the way of advertising which is merely promoting the event, meaning that the expenses incurred are essential for the diffusion of the event.

As a consequence, the total amount (the 100%) of money spent on the event promotion will be considered to be the base for deduction.

- To be non-essential means that the technical characteristics for being considered essential are not filled. Nevertheless, the logo of the event has to have a specific size, to be visible, etc. to be considered non-essential. In this case, only the 25% of the cost incurred in promoting the event will be considered the base for deduction.

As it has been said, one of the functions of the Consortium is to confirm that the expenses incurred follow the process of achieving the goals and programs for celebrating the event. For a better comprehension, what are the expenses taken as promotion expenses and which ones are not needs to be explained. The expenses included in advertising expenses – those defined as essentials – are: the production and edition of graphic material or audiovisual for promoting or informing the audience, meaning leaflets, posters, guides, or other objects that are freely distributed and can be a communication media⁶. On the other hand, when the promotion of the event is done through the addition of publicity to any asset, what costs are directly related to the promotion of the event will have to be defined, since only these will be considered as an advertising cost, and so within the amount for computing the **base deduction**.

- The Public Entities are the ones in charge of checking whether the requirements and the process are correctly followed, and according to the regulation.
- Of course, the process for the application of the fiscal benefits will be according to the law that regulates the programs supporting the events of exceptional public interest.

2.2.1 Example

There is, still, something that has not been explained. There are some restrictions that limit the amount of money that can be subtracted from the base deduction, according to article

⁶ Support the process of advertising the event and spreading the word out

3 of the Law 49/2002 on taxation, since otherwise companies would take advantage of it for paying fewer taxes. Explaining it theoretically might be a mistake, because the main ideas can be misunderstood. For a better comprehension, it will be clarified with an example.

What the article states is that the maximum fiscal benefits established for each program are the following⁷:

- Those companies are allowed to deduct from the income tax total amount, the 15% of the essential advertising and promotion expenses that fit the plans and activities established by the Consortium or the specific Administrative Institution.
- That amount (the 15% of the advertising and promotion expenses) cannot exceed the 90% of the investments on the Events of Exceptional Public Interest. These are classified as donations when they are given to a Consortium, an Administrative Institution or any other entity established by the article 2 of the Law 49/2002 on taxation.
- The differentiation between essential and non-essential advertising or promotion expenses has to be taken into account, since depending on which one is incurred, the base deduction will be the total amount of expense or the 25% of it, respectively (art 27.3, BOE⁸).
- Another situation can happen: an arena in which a company may want to invest in an event, but does not want to spend money on making extra promotion of it. This company will be allowed to deduct *just* the 40% of the total amount. Of course, the deduction will be effective if the donation is invested in a nonprofit entity with an event of exceptional public interest.
- There is a document called “Manual de Marca” which objective is to determine the standards of the events of exceptional public interest’s image and logotype, as well as establishing the criteria for the economic quantification of the different fiscal benefits that can be applied according to the actual law, so that the correct development of the event can be supported.

⁷ <http://www.boe.es/buscar/act.php?id=BOE-A-2002-25039>
http://noticias.juridicas.com/base_datos/Fiscal/149-2002.t3.html

⁸ <http://www.boe.es/boe/dias/2002/12/24/pdfs/A45229-45243.pdf>

3 REAL CLUB DE POLO DE BARCELONA: CSIO AND ITS EVOLUTION TOWARDS BARCELONA EQUESTRIAN CHALLENGE

After having explained the article of the Law on taxation that explains the application of the deduction to the programs supporting Events of Exceptional Public Interest, its characteristics and so on, the range of information is going to become narrower, focusing on a company that actually hosts one of these events: the Real Club de Polo de Barcelona. In the following section, there will be a brief explanation of the Club, and their event of exceptional public interest.

3.1 Real Club de Polo de Barcelona

The “Real Club de Polo de Barcelona” (RCPB, from now on) is a nonprofit sportive club that exists since 1897; more than a hundred years ago. There are 10.900 high and medium – high class members enjoying the facilities of the Club, in addition to the more than 300 events celebrated along the year. Thanks to it, the Club welcomes a million visitors every year.

The 29 acres that conform the RCPB allow it to host five different sportive sections (paddle, hockey, horse jumping contests, polo, tennis), out of which the most important event, for being of international scope, is the “Concurso de Saltos Internacional (International Jumping Show Event, known as the CSIO). As it will be explained in the next section, the CSIO is Tournament hosted by the Barcelona World Jumping Challenge (known under the commercial name Barcelona Equestrian Challenge - BECH), which is an event of Exceptional Public Interest.

3.2 Barcelona Equestrian World Challenge

3.2.1 Beginnings – CSIO: International Jumping Show Event

In contrast with other Events of Exceptional Public Interest, Barcelona Equestrian Challenge (BECH) was not born as the very huge event it is nowadays. It was first born as the International Jumping Show Event (CSIO), and it is now the main part of the BECH. However, it is not the only part: the RCPB created a group of activities for the city of Barcelona around the CSIO; cultural activities, educational and health- and art-related, for getting the privilege of being named event of exceptional public interest since, as it has already been explained, been an event of exceptional public interest means that it has a

positive economic, social and media impact on the society and it is important on the international sportive scope.

As it has been already explained, any event named of exceptional public interest needs a Consortium or a Public Entity for it to make sure the requirements and the process are correctly followed, and according to the regulation. In this case, the Consortium is formed up by the Education, Culture and Sports Ministry, the Ministry of Treasury and Public Entities and the City Council of Barcelona.

3.2.2 Barcelona Equestrian Challenge

According to an Official Brochure of the BECH, “it integrates a variety of activities related to horses, of sporting, cultural and social interest. All of these actions will have a significant economic impact on Barcelona, generating excitement and hope in difficult times, helping to strengthen the international presence” in the city of Barcelona. This major world event will be structured around four pillars: sports, education, health-related and culture (Real Club de Polo de Barcelona, 2012)⁹

As it has been already explained, the Barcelona CSIO is the main part of the BECH, and it is destined to become "the world's most important International Jumping Final Competition when it hosts the Furusiyya FEI Nations Cup Jumping Final".

3.2.3 Sports

It is the section around which all the Barcelona Equestrian Challenge has been built. Continuing with the information provided by the Official brochure of the BECH, the CSIO is an equestrian tournament that consists of a big event that lasts only four days, but that has a large impact on the city of Barcelona – economically and socially – as it has been explained. The international Jumping Event hosts more than 15 countries, representing all the continents, which compete in the Tournament to establish themselves as the undisputed leader of this challenging and exciting discipline.

The CSIO is not the only sport event included in the sports section of Barcelona Equestrian Challenge, the Barcelona Polo Challenge Negrita Cup is part of it as well. Moreover, besides these two major events, BECH includes competitions ranging from beginners to advanced competitions.

⁹ http://www.rcpolo.com/BarcelonaEquestrianChallenge/brochure_english.pdf

3.2.4 Education

The educational branch is becoming more important as the time goes by, thanks to the Pony Park created in the city. It is aimed to the youngest participants, and consists of the equestrian center of the highest quality where many schools attend to, allowing children to "help instill in them respect and love for animals and nature" (Real Club de Polo de Barcelona, 2012). Moreover, the equestrian world has been proven to be favorable for people with mental or physical diseases, and that is the reason why the Pony Park will also host this type of activities.

3.2.5 Health

The structure of the Pony Park will also allow the development of equine therapy courses, which is an integrated and complementary method that uses the horse as a means of rehabilitation and education for special needs individuals, or those with disabilities (Real Club de Polo de Barcelona, 2012).

The underlying principle that makes Animal Therapy particularly beneficial for patients is that interaction with a gentle, friendly animal; it brings lots of positives in their overall health. It has been observed that such activities can result in lowering of blood pressure, treat depression due to loneliness, improve physical and mental stimulation, and brighten the emotional outlook (WorldwideHealth.com)

This great project also includes the promotion of training, the suitability of equestrian centers adapting their facilities to the practice of equine therapy, and the advancement of research and dissemination.

3.2.6 Culture

Culture activities will consist of photography rally, baking and dessert competitions, street performers, storytelling and popular festivals and some others related to the Sant Jordi Diada.

4 ANALYSIS

Once the background and the main topics' explanations have been written, it is time to address the principal focus of the thesis: the influence on host entities of the title given to programs or events that fill the required criteria and its resulting fiscal benefits for investors; "Events of Exceptional Public Interest".

Before any conclusion is given, there will be a brief analysis of the influence of the Spanish crisis on the patronage, as well as some examples that show the decreasing amount of money invested in sponsorship. Later, there will be a comparison of these cases with the one of the RCPB – the Barcelona Equestrian Challenge (BECH).

4.1 Spanish crisis and its influence on companies sponsoring events

The crisis Spain is currently suffering has carried many negative consequences with it: apart from the large percentage of unemployed people, governmental budget cutbacks have worsened many aspects of the Spaniards daily lives: education, health etc. Moreover, private and public entities have also seen their budgets reduced, what entails many strategic changes on the sponsorship area (Torres, 2010).

The economic crisis has negatively affected the number and quantity of cultural sponsorship agreements. According to María José Salgueiro, the Council of Culture and Tourism, who claims that since private investments are decreasing, associations are trying to offset patronage losses getting close to Public Entities (González Burgos, 2009). Receiving extra help from Public Entities might be a hard task because, on the one hand, the budget of the Ministry of Education, Culture and Sports has decreased in a 40% since 2013 approximately, as it can be seen in the Table 1; and on the other hand, checking the appendix B, it can be appreciated that this Ministry does not weight heavily on the budget of the Public Entities compared to others that have increasingly gained importance along the years. This means that other areas than education, or sports or culture are being favored.

Table 1

	Budget		Variation 2013/2014	
Ministry	2013	2014	Variation per Ministry	% Variation per Ministry
Chairmanship	130.000	820.613	690.613	82061200,00%
Cooperation and Ministry of Foreign Affairs	125.000	87.120	-37.880	8711900,00%
Justice	0	0	0	-
Defense	3.224.000	1.880.000	-1.344.000	187999900,00%
Treasury and Public Entities	1.573.600	2.893.600	1.320.000	83,88%
Ministry of Interior	10.330.031	11.606.326	1.276.295	12,36%
Ministry of Development	2.651.000	1.663.000	-988.000	-37,27%
Ministry of Education, Culture and Sport	1.718.000	1.030.090	-687.910	-40,04%
Ministry of Employment and Social Security	2.751.780	2.731.740	-20.040	-0,73%
Ministry of Industry, Energy and Tourism	8.109.925	15.356.784	7.246.859	89,36%
Ministerio of agricultura, Food and Environment	926.629	1.367.150	440.521	47,54%
Ministry of Economy and Competitiveness	5.000	5.000	0	0,00%
Ministry of Health, Social Services and Equality	1.521.000	1.665.000	144.000	9,47%
TOTAL	33.065.965	41.106.423	8.040.458	24,32%

Source: Translated from the Advertising and Institutional Communication Commission, Spanish Government, Ministry of the Chairmanship

Jose Antonio Gutiérrez, the Director of the InfinitC consultancy, states that “the reduction of the advertising budgets of some companies because of the crisis is obvious, especially on the construction, banking, insurance and automobile sectors. However, the price fall of the sponsorships may attract companies which consider the investment attractive”. Moreover, Mr. Gutiérrez believes that the advertising market saturation, television segmentation and the new technologies incorporation make sponsorship an effective alternative that, if well-chosen and implemented, gives companies soul.

Few organizations are able to motivate and enjoy such an involved and compromised audience apart from sports; it is associated to the absence of fashions, crisis... and actually, if the Spanish different sport competitions are analysed, it can be said that Spaniards are experiencing their Golden Age (Appendix C) not only masculine but also feminine competitions (González, 2013). Conversely, if sports and sponsorship are compared, a completely opposite scenario is found: while almost every Spanish team is experiencing a glorious period (football, tennis, swimming, etc.), patronage is suffering its worst period.

For instance, General Motors cut its budget in a 30% between 2008 and 2011, or the \$50 million cut in United States National Football League budget, as well as the large decreases on minority sports like athletics.

Many studies conclude that events sponsored receive decreasing amounts of money; INFOADEX¹⁰ is one of them. INFOADEX studied the decrease in patronage, comparing 2012 against 2011, and it showed up that patronage was reduced in an 18, 3%. Moreover, focusing on sports sponsors, the same research proved that it diminished a 20, 4% (see table 2) (Sánchez Revilla, 2013)¹¹.

Table 2

Unconventional Media Channels	2012	%12/11	2011	2010	2009	2008	2007
Patronage, sponsorship, social marketing and CSR	397,7	-18,3%	486,8	537,3	500,3	569,5	495,1
Sports Sponsorship	335,0	-20,4%	420,9	465,60	436,3	457,60	623,4
Animation at the point of sale	70,9	3,2%	68,7	62,10	64,9	67,50	69,9
Directories, guides and directories	156,3	-9,0%	171,7	387,80	485,9	609,90	638,6
Mailshot / brochures	641,6	-10,6%	717,7	791,30	832,9	852,50	823,6
Catalogs	49,3	-11,3%	55,6	112,50	120,0	144,10	193,7
Fairs and exhibitions	64,2	-11,1%	72,2	86,10	80,8	109,00	200,7
Promotional Games	27,9	-9,7%	30,9	39,30	44,7	50,30	55,9
Custom mailing	1881,6	-1,7%	1914,1	1971,30	1927,0	1976,40	1939,5
Mobile Marketing (excluding Internet)	30,2	-17,5%	36,6	22,00	20,7	19,10	11,7
Telephone marketing	1157,7	1,5%	1140,6	1103,10	1121,0	1100,60	1058,6
Merchandising, signs and banners	1285,3	0,7%	1276,3	1263,70	1197,8	1548,80	1538,0
Magazines, newsletters, reports (Company)	22,1	-2,6%	22,7	25,30	23,7	32,50	53,3
Advertising gifts	80,1	-29,4%	113,5	125,20	175,6	227,00	388,0
Loyalty cards	28,9	3,2%	28,0	41,80	46,4	48,10	45,9
TOTAL	6.229	-5,0%	6.556	7.034	7.078	7.813	8.136

Source: INFOADEX - Study of the Investments in Publicity, Spain 013

The crisis, together with the negative reputation that some sectors gained because of their activity, makes it necessary to create a tie with sports for citizens to build up a positive image about them. The banking sector might be a good example for this situation.

Banks are nowadays understood as companies that do not practice a fair play, do not behave ethically and whose image is not related to the respect for the rules at all, especially now after the banking sector rescue. This is the reason why the linkage with sports is crucial: for maintaining or creating new relationships with clients, thanks to the values sports bring. Many examples can be named to prove it (masteronlinerrpp, 2012): BBVA has the naming right of the First and Second Football Division (Liga BBVA and Liga Adelante), is the official bank of the National Basketball Association (NBA), and other sponsorship agreements in Latin America, USA and China; Banco Santander is an official

¹⁰ INFOADEX is the leader in control of the advertising activity in Spain, carrying an exhaustive daily monitoring of it and providing investment information, insertions, occupation and creativities, either through their InfoIO and Mosaic 2 tools, either by production studies, ad hoc reporting and analysis

¹¹ <http://www.marketingdirecto.com/actualidad/publicidad/INFOADEX-en-medios-no-convencionales-el-marketing-movil-se-desplomo-un-175-en-2012/>

sponsor of Formula 1; Banco Popular sponsors Pau Gasol, and Sabadell Atlántico gives its name to the “Torneo Conde de Godó – Open Banc Sabadell – (BBVA, 2014)”.

For concluding this section, it can be said that two situations can be found within the Spanish patronage *market*: companies that have reduced or ended their sponsorship agreements, and organizations (like banks) that even if they are experiencing a complicated economic situation, they need from the sponsorship agreements for cleaning their images, which can be one of the only reasons why, like banks, many other companies continue their sponsorship programs. This might be the cause why that percentage is not even lower.

4.2 RCPB’s Event of Exceptional Public Interest and the Crisis

On the following section, the opposite side of the situation just described will be explained. Here, the main focus of the analysis will be how the Barcelona Equestrian Challenge affects the investments on the Real Club de Polo de Barcelona event (its event of exceptional public interest). This is, to check whether the crisis is affecting the investments on its events.

The information provided by the RCPB consists of a comparison of the investments of their sponsors along 2012 and 2013: the years when the entity did not host an event of exceptional public interest versus the years when they did and where the fiscal benefits were applicable.

For preserving the privacy of the different sponsors, instead of their real names the letters of the alphabet will be used. That is why the references will be written as follows: Company A, Company B, and so on.

Table 3 and 4 report this comparison: Table 3 shows the monetary increase on the amount invested by the different companies, and Table 4 shows the same increase in percentage. The biggest increases have been highlighted in bright yellow.

It can be concluded that there has been a total increase of more than 200.000€ on the amount received from sponsors, what represents a growth of the 17.41% compared to 2012.

In 2013, the RCPB signed three new agreements where the other party can apply the fiscal deductions. These are: sponsor Q for an amount of 333.000€ (consisting on a three-year

lasting contract: one million euros for 2013, 2014, 2015), G for 500.000€ for three years (166.000€ per year), S for 45.000€ and T 20.000€

Table 3

Sponsors	Income 2012 without tax deductions	Income 2013 with tax deductions	Income 2013 without tax deductions
A	42.000,00	46.620,00	46.620,00
B	27.000,00	27.000,00	27.000,00
C	60.000,00	60.000,00	60.000,00
D	15.000,00	15.000,00	15.000,00
E	25.500,00	36.220,00	36.220,00
F	100.000,00	100.000,00	100.000,00
G	27.500,00	166.000,00	27.500,00
H	80.000,00	120.000,00	120.000,00
I	112.750,00	116.800,00	116.800,00
J	100.000,00	100.000,00	100.000,00
K	140.000,00	150.000,00	150.000,00
L	21.000,00	35.000,00	35.000,00
M	50.000,00	0	0
N	105.900,00	20.000,00	20.000,00
O	100.000,00	100.000,00	100.000,00
P	253.920,00	45.000,00	45.000,00
Q	38.000,00	333.333,00	38.000,00
R	65.000	65.000,00	65.000,00
S	-	45.000,00	45.000,00
T	-	20.000,00	20.000,00
Total Income	1.363.570,00	1.600.973,00	1.102.140,00

Table 4

Sponsors	Variation 2012 vs 2013 with tax deductions	Variation 2012 vs 2013 without tax deductions
A	11%	11%
B	0%	0%
C	0%	0%
D	0%	0%
E	42%	42%
F	0%	0%
G	504%	0%
H	50%	50%
I	4%	4%
J	0%	0%
K	7%	7%
L	67%	67%
M	-100%	-100%
N	-81%	-81%
O	0%	0%
P	-82%	-82%
Q	777%	0%
R	0%	0%
S	100%	100%
T	100%	100%
	17,41%	-19,17%

Source: RCPB

Two extra tables have been done, basing on Tables 3 and 4. They sum up what sponsors have ended their activities, have not increased their participation, or have increased it. Table 5 summarizes year 2013 without tax deductions. In this arena, a 40% of the sponsors increase their collaboration amount, a 45% remains the same, and a 15% does not extend their contract. On the other hand, Table 6 resumes year 2013 with tax deductions. Broadly speaking, it can be said that the 50% of the agreements did increase from 2012 to 2013; the 35% did remain the same and that only the 15% did not renew their agreement.

Table 5

Income 2013 without tax deductions	sponsors		
Increase	2	8	40%
Same	1	9	45%
Drecrease	0	3	15%
		20	100%

Table 6

Income 2013 with tax deductions	sponsors		
Increase	2	10	50%
Same	1	7	35%
Drecrease	0	3	15%
		20	100%

What can be concluded, is that even if the decreasing percentage of sponsors in both scenarios is the same, those companies that continue investing money in the RCPB, make larger investments (is the 50% that increases the amount) than if the tax deductions could not be applied. Moreover, the economic difference between both scenarios (with fiscal benefits and without) leads to a difference of 433.833€, remaining the circumstances equal.

These conclusions might take readers to the wrong conclusion: the RCPB and the parties signing the contracts are not the ones benefiting from the law 49/2002 on taxation from the 23 of December, but also the city of Barcelona, Cataluña as a whole. For proving it, an economic impact analysis was done by PricewaterhouseCoopers.

4.3 Economic Impact of the Event

PricewaterhouseCoopers (PwC) was in charge of developing an economic study for the RCPB, where the economic impact of performing the BECH was done. It consisted of two main points:

- Analysing the impact of the investments and expenses incurred by the RCPB for carrying out the event along the three years (2013-2015). Meaning costs of building bleachers for the audience, of renting the different technical services needed, etc.
- Analysing the impact of the assistants to the event: how much money they spend during their stay, where it is spent, and so on.

More over, PwC did an analysis of the impact on television: what the investment was, whether the investment on television was offset by later increasing audience, and so forth.

As it will be seen, both impacts have a positive influence on the economic activity of the sectors and companies involved on it.

PwC made the analysis throughout the Input – Output Model¹², and three impacts were rated:

¹²It is a matrix of raw economic data collected by companies and governments to study the relationships between suppliers and producers and the economic impact of the import or export producer goods to meet consumer demand. Of particular interest to economists is the extent that the outputs of one industry become the inputs to another (BusinessDictionary.com).

- Direct Impact: in terms of production and employment generated by the sectors that will be directly benefited from the investments and expenses of the entity (RCPB) and the expenses of the public.
- Indirect Impact: generated as a consequence of the increase in the activity by the sectors directly benefited in the chain of production and distribution of products and services (i.e. food and drink suppliers).
- Induced Impact: generated by the increase in income and, consequently, by the cost incurred by the employees working at the companies that are directly or indirectly benefited by the BarcelonaWorld Jumping Challenge.

It has to be taken into account that the study is mainly focused on estimating the gross economic impact of the Barcelona World Jumping Challenge in the city of Barcelona, not from the cost-benefit analysis point of view. In order to do that, the event cash flow will be analyzed in three sections:

4.3.1 Attendance, stay and average expenditure

Thanks to the data provided by the RCPB, PwC was able to calculate the total average expenditure that the audience of the events would incur, or putting it in another way, the cash flow during the event celebration.

The study was based on different hypothesis: approximated number and origin of people coming to the event (RCPB estimations) and average days of stay and expenditure of them (according to the Spanish National Statistics Institute – INE), as it can be seen on the tables 7 and 8.

Table 7

Number of assistants to the principal event	2013	2014	2015
General Public	100.000	120.000	150.000
Teams	450	450	450
Sponsors /VIP guests	10.000	11.000	11.500
Institutions	110	110	120
Press	500	500	600
Staff and suppliers	700	720	740

Source: RCPB

Table 8

Stay and average expenditure of the assistants to the principal event	Cataluña	Rest of Spain	Foreigners
Average stay (days)	-	4	7
Average expenditure (€ per day)	6,5	136	136

Source: RCPB, National Institute of Statistics and PwC

The quantity of public coming to the event was distributed into three different origins: from Cataluña, from the rest of Spain, and foreigners (coming from overseas). The estimation sets that those coming from Cataluña (same region where the event is performed) will make a daily average expenditure of 6,5€; being a conservative hypothesis that is equal to the daily average expenditure of the assistants to the RCPB, and that would correspond to an expenditure of any *Catalan* coming to Barcelona not specifically for the event.

The rest of Spain would represent a total spending of 136€ per day and an average stay of 4 days according to the data provided by the INE for tourists that stayed in a hotel during 2010, in constant prices of 2013. However, there is an estimation consisting of a guesstimate number of days that Spaniards will assist to the event. This is, out of 4 days, it is expected that a 20% will not come any day; the next 20% will assist only 1 day, and so forth.

Finally, *foreigners* coming to the CSIO were expected to stay for 7 days on average and have a daily average expenditure of 136€ (the same as the Spanish that do not live in Cataluña). Their visit is longer because, in general terms, when the public is attending to a sport event, they are likely to extend it for enjoying the city.

The conclusion that PwC got based on this study is that the average aggregate spending of the public assisting to the event will be between 23.06 and 34.19 million euros, according to the percentages of attendance established.

4.3.2 Investments and expenses of RCPB

In the following subdivision, all the costs of celebrating the event are taken into account. Looking at the table 7, it can be appreciated that the costs are divided by their origin, this is, the reason why they would be incurred.

Table 9

Investments and Expenses in the organization of the Barcelona World Jumping Challenge	2013	2014	2015
Principal Event:	2.000.000	2.130.000	2.280.000
* Final access to the TOP league	500.000	550.000	580.000
* Barcelona World Jumping Challenge	1.500.000	1.580.000	1.700.000
Secondary sport events	520.000	540.000	560.000
Social and Cultural Events	550.000	600.000	800.000
Prizes Barcelona World Jumping Challenge	800.000	1.200.000	3.000.000
General expenses	210.000	83.000	85.000

Source: RCPB

On the one hand, the costs of hosting the CSIO (main event of the BECH) are analyzed. They are made up of all the investments and expenses needed for building up the infrastructures of it (village, stands, *tents*, etc.), as well as for hiring professional services. PwC expects a higher costs for the next three years comparing to past events (330.000€>325.000€ per day, respectively).

The costs referring to the secondary sport events, and the social and cultural events correspond to the programs built around the CSIO for creating the BECH, the event of exceptional public interest.

On the other hand, it is important to clear that the *prizes* division represents the probability of having a winning Spanish team on the event, calculated taking into account the number of Spanish teams that take part on the competition out of the total number of teams.

Summing up, and taking into account all the expenses detailed above, it can be said that PwC expects higher costs for the next three years comparing to past events (330.000€>325.000€, respectively), what will necessarily mean an increase in employment and production as a consequence of the increase in the services demanded by the RCPB.

4.3.3 Impact on production and employment

Regarding the impact on production and employment, two arenas can be appreciated: compared to PwC's opinion, the RCPB expects a lower increase in affluence of people from the rest of Spain and foreigners between the years 2013 and 2015. As a consequence, PwC decided to analyze two different situations: RCPB's conservative perspective, and PwC's alternative viewpoint. The difference between them is that the RCPB expects a lower growth of people attendance:

The conservative perspective expects an increase of the 2% (from 10 in 2013 to 12% in 2015) of people coming from the rest of Spain over the total public attending to the event, and a 3% increase of assistants coming from overseas (from 5% in 2013 to 8% in 2015).

The alternative perspective expects an increase from a 10% in 2013 to 20% in 2015 of people from the rest of Spain, and from 5% up to a 10% increase of assistants coming from overseas (from 5% in 2013 to 8% in 2015).

Applying the Input – Output model, the direct impact is equal to the expected expenditure of the public, added to the investments and costs of the RCPB for celebrating the event, minus the purchases of products and services made to other countries than Spain. The sum of indirect and induced impacts is the result of multiplying multiplier effects times the

direct impact. The total impact will correspond to the total gross production of the affected sectors.

In obedience to the two scenarios explained above, these are the monetary results obtained once the study was finished (Appendix D):

- Conservative arena: The total impact amount corresponds to 57.24 million euros, out of which the 90% (51.53million euros) would remain in Cataluña.
- Alternative arena: The total impact amount is 75.38 million euros, out of which 68.01 million euros would stay in Cataluña.

Comparing the total impact against the direct one, an average multiplier value of 1.69 is obtained, which is equivalent to the average of the accommodation, catering and sport activities. The conclusion that can be obtained from this value is that for every euro invested in the Barcelona World Jumping Challenge, 1.69 euros of gross production along the value chain are generated.

Taking into account the impacts on production already mentioned and the average production per employee in the related sectors¹³, the impact on employment was also calculated by PwC.

On the one hand, under the conservative arena, a total of 591 full time equivalent employments would be needed, out of which the 89% would remain in Cataluña. On the other hand, from the alternative perspective, up to 785 hires would be needed in Spain, out of which 701 would stay in Cataluña.

As said on the section above, as a consequence of the increasing demand by the Real Club de Polo de Barcelona for the event, production and employment increase too.

4.4 Impact on Teams Participation

The increase in importance of the CSIO led to some necessities: the more countries taking part on the event, the more accommodation needed.

According to Daniel García Giró (2014), the Director of the CSIO, the increase of the number of participants (from 8¹⁴ countries in 2011 to 18¹⁵, in 2013) led to an increase in the number of rooms booked for them to stay: 500 instead of 220 in 2011.

¹³ Ratios obtained from the INE and the Statistics Institute of Cataluña.

¹⁴ Western Europe and North America

Many countries were keen on participating in the CSIO, which was clear evidence of how many people is interested in this kind of events. Yet, not only is the increase in participants a proof of it, but also the number of appearances in television, press and Internet broadcasts all over the world, as it will be explained in the next section.

4.5 Impact on Television/Media

The RCPB was concerned about how large the event’s communication scope was, about how many equestrian fans were they able to reach. This is the reason why they contacted “acceso”. Acceso is a service company specialized in measuring other firms’ communication, which has presence in Spain and Latin America. It does not only focus on the communication scope, but it also offers to the main multinationals and governments from different countries the possibility of managing their communication strategy (Picas, 2014).

The RCPB already knew that the press accreditations had increased considerably: from 137 of ten different nations in 2011, 182 in 2012, to 400 accreditations from 27 different nations¹⁶. However, what the results presented was impressive: they showed how the evolution of the presence in media channels was positive. An evidence of it is the fast evolution of the television along the years:

Table 10

Año	Mass Media	Nº. Informations	Time	Economic Quantification	EQ Distribution %	Audience	Promedio Contactos / Informaciones	EQ Leader
2008	Televisión	34	17:24:11	1.783.313 €	100%	2.104.000	61.882	Teledeporte
2009	Televisión	66	26:11:25	3.138.474 €	100%	4.947.000	74.955	Teledeporte
2010	Televisión	30	13:05:37	1.281.112 €	78%	2.876.000	95.867	Teledeporte
2011	Televisión	33	15:03:49	2.585.123 €	83%	5.847.000	177.182	Teledeporte
2012	Televisión	46	12:39:53	1.923.313 €	83%	34.314.000	745.957	Teledeporte
2013*	Televisión	167	160:08:16	6.340.402 €	82%	10.208.000	61.126	Teledeporte

*Furusiyya FEI Nations Cup

Source: RCPB

¹⁵ 2 from North and 2 from South America, 7 from the Western Europe and 3 from the East Europe, 1 from Australasia, 2 from the Middle East, and 1 from Africa

¹⁶ Differs from the data of the tables because the tables are estimations, and these data has been said by Isabel Suter (2014), from the Communication Department in charge of the CSIO

It can be appreciated how in five years the increase of the information broadcasted is more than five times larger in 2013 than in 2008, as well as the increase in audience. However, as the event is of international scope, it was interesting to divide the data by country of emission in order to make a deeper analysis. In this case, for making it simple, it was distributed by international and national media.

As it can be seen, Spain has reached 318 broadcasts, out of which Internet is the leader with 167 broadcasts. Internet is the leader in terms of audience as well, with nearly 82 million readers/viewers, being “Mundo Deportivo” and “La Vanguardia” the Digital Medias that informed the most, and where the highest return on investment was obtained. However, the television is the one leading the economic quantification with 2.3 million euros.

On the other hand, the international scope has also been positively influenced with regards to television: in 2013, the event was emitted in 18 countries (table 11), with a total of 125 times broadcasted, an audience close to 2.6 million people and an economic value of more than 4 million euros. France and Mexico are the countries that broadcast the highest amount of hours, consisting on the event broadcast live or recorded. Nevertheless, television is not the media with the highest audience on the international scope, but the Sports Magazines, with 160.000 viewers.

Table 11

COUNTRY	MEDIA	BROADCASTS	# COUNTRIES	TIME/SPACE	ECO. QUATIFICATION	AUDIENCE
SPAIN	TV	42	1	14:29:36	2.309.812,00 €	7.618.000
	PRESS	109	1	49,73	675.293,00 €	55.624.856
	ONLINE	167	1	-	537.462,00 €	81.732.382
	TOTAL	318	3		3.522.567,00 €	144.975.238,00 €
INTERNATIONAL	TV	125	18	145:38:40	4.030.590,00	2.590.000
	PRESS	151	17	-	-	-
	ONLINE	246	19	-	133.583,00 €	16.721.997
	TOTAL	522	54		4.164.173,00 €	19.311.997

Source: adapted from Acceso, 2013

Comparing to the National scope, the online media is much smaller: even if it is now over 19 countries, it has reached 17 million internet users, and has broadcasted 246 times online. Basing on this study of “Acceso”, the Marketing Department of the RCPB along with the Communication Department analyzed the evolution of the event’s presence in different media channels since 2008 (Table 12). The international and national divisions were

deleted, being the main points to study the different media channels. The most impressive point to highlight is the increase in the number of appearance along the years, rising up to 167 times in television against the 34 in 2008, 260 times in press and 413 on the Internet versus the non-appearance in these two media in 2008. Moreover, comparing the CSIO of 2008 against the one of 2013, there is an increase of the 331% on the economic quantification of the event media emissions (from 1.783.313 to 7.686.740 €).

Besides, from 2008 to 2013, the audience reached suffered a large increase, rising up to 164.287.235 million people, what represents a growth of the 7708%. This growth might possibly be thanks to the spread of the event on the different media channels, mainly on television, where the screen time is higher every year.

Table 12

Year	Mass Media	Nº. Informations	Time	Economic Quantification	Distribution % E.Q.	Audience	Audience average	Leader in terms of E.Q. Distribution
2008	Televisión	34	17:24:11	1.783.313 €	100%	2.104.000	61.882	Teledeporte
	Prensa	-	-	-	-	-	-	-
	Internet	-	-	-	-	-	-	-
	TOTAL	34	-	1.783.313 €	100%	2.104.000	61.882	-
2009	Televisión	66	26:11:25	3.138.474 €	100%	4.947.000	74.955	Teledeporte
	Prensa	-	-	-	-	-	-	-
	Internet	-	-	-	-	-	-	-
	TOTAL	66	-	3.138.474 €	100%	4.947.000	74.955	-
2010	Televisión	30	13:05:37	1.281.112 €	78%	2.876.000	95.867	Teledeporte
	Prensa	71	35,24	356.206 €	22%	25.373.000	357.366	eEconomista
	Internet	-	-	-	-	-	-	-
	TOTAL	101	-	1.637.318 €	100%	28.249.000	279.693	-
2011	Televisión	33	15:03:49	2.585.123 €	83%	5.847.000	177.182	Teledeporte
	Prensa	145	46,14	536.572 €	17%	65.505.600	451.763	eEconomista
	Internet	-	-	-	-	-	-	-
	TOTAL	178	-	3.121.695 €	100%	71.352.600	400.857	-
2012	Televisión	46	12:39:53	1.923.313 €	83%	34.314.000	745.957	Teledeporte
	Prensa	94	23,12	384.288 €	17%	35.097.000	373.372	La Vanguardia
	Internet	-	-	-	-	-	-	-
	TOTAL	140	-	2.307.601 €	100%	69.411.000	495.793	-
2013*	Televisión	167	160:08:16	6.340.402 €	82%	10.208.000	61.126	Teledeporte
	Prensa	260	-	675.293 €	9%	55.624.856	213.942	eEconomista
	Internet	413	-	671.045 €	9%	98.454.379	238.388	MundoDeportivo
	TOTAL	840	-	7.686.740 €	100%	164.287.235	195.580	-

*Furusiyya FEI Nations Cup

Source: RCPB Marketing and Communication Department

With all these data provided by both the study of “acceso”, added to the analysis of the RCPB’s Marketing and Communication Department, it can be concluded that the event is gaining importance not only national- but also internationally. The growing presence in the media makes it easier for the countries to get to know the tournament, and so make people feel the need to attend to the event. As a consequence, the more people goes to the CSIO, the more economic impact it has, the more interesting it is for the sponsors and the easier it is for the RCPB to improve when celebrating the event.

5 CONCLUSION

In order to clarify all the research and findings done; this section highlights the most interesting results in form of a brief conclusion.

The objective of this thesis was to analyze the economic evolution that the Real Club the Polo, or more specifically the Barcelona World Jumping Challenge, experienced as a consequence of being named event of exceptional public interest.

Along the document, two situations were compared: the first situation is the one in which many studies conclude that patronage evolution is negative, what means that companies are decreasing the monetary amounts of budget designated to sponsoring; against the second situation, which is the case study of the RCPB.

On the one hand, organizations like INFOADEX or InfinitC consultancy concluded, basing on proper studies, that patronage and more specifically, sports patronage monetary amounts are being reduced and that Public Entities' budget dispensed to sponsorship is becoming smaller, respectively.

However, if the *sport world* is analyzed, it can be seen that many companies still bet for the sport sponsorship. Banks for example, since they are understood as companies that do not practice a fair play or do not behave ethically want to strengthen their linkage with sports for maintaining or creating new relationships with clients, thanks to the values sports bring.

Regarding this matter, the conclusion is that the crisis together with the negative reputation that some sectors gained because of their activity, made it crucial to create a tie with sports for citizens to build up a positive image about them. As a consequence, it can be said that two situations can be found within the Spanish patronage *market*: companies that have reduced or ended their sponsorship agreements, and organizations that even if they are experiencing a difficult economic situation, they need from the sponsorship agreements for cleaning their images, which can be one of the reasons why, like banks, many other companies continue their sponsorship programs.

On the other hand, the case study of the RCPB showed a completely opposite situation: an arena in which the patronage amounts not only do not decrease, but increase instead. Analysing the entity's sponsoring amounts resulted on highlight-able conclusions: a total increase of more than 200.000€ on the amount received from sponsors compared to 2012, what represents a growth of the 17.41%.

Moreover, taking into account the companies that had an existent agreement with the RCPB in 2012, and tracking its evolution to the two scenarios settled (2013 with or without tax deductions) it can be said that even if the sponsors that ended or did not renew their contracts in both scenarios is the same, those companies that continue working with the RCPB, make larger investments than if the tax deductions could not be applied. Moreover, the economic difference between both scenarios (with fiscal benefits and without) leads to a positive difference of 433.833€, remaining the circumstances equal.

Lately, an analysis was carried out so as to check whether the events of exceptional public interest were also having some kind of influence on the increasing attendance of the audience, on the increasing team participation or increasing media presence. This is the reason why the analysis was performed: for making an economic quantification of all those factors that may impact on the city of Barcelona, as well as in the event.

PricewaterhouseCoopers made an estimation of the increasing attendance of audience, press, staff, teams, etcetera as well as the individuals' average stay and expenditure. The results obtained were astonishing: the average aggregate spending of the public assisting to the event will be between 23.06 and 34.19 million euros, according to the percentages of attendance established. This amount will directly affect (positively) the accommodation, food catering and commercial sectors, especially for the costs incurred by people coming from overseas and the rest of Spain.

With respect to the costs incurred by the Real Club de Polo de Barcelona, the host, become higher as the event becomes more international: the more teams and public coming, the more presence in media, the better infrastructures have to be built and the higher number of services has to be contracted.

Taking into account not only the costs for celebrating the principal event, but also those for celebrating secondary events, paying the prizes, general expenses and so on, PwC expects higher costs for the next three years comparing to past events, what will necessarily mean an increase in employment and production as a consequence of the increase in the services demand by the RCPB.

Regarding the impact on production and employment, two arenas were settled, since compared to PwC's opinion, the RCPB expected a lower increase in affluence of people from the rest of Spain and foreigners between the years 2013 and 2015. As a consequence, the results were a total impact amount of 57.24 million euros in the Conservative arena, out of which the 90% (51.53 million euros) would remain in Cataluña; and a total impact

amount of 75.38 million euros in the Alternative arena, out of which 68.01 million euros would stay in Cataluña.

Based on the above, and on the Input-Output Model, an average multiplier value of 1.69 is obtained, which is equivalent to the average of the accommodation, catering and sport activities. The conclusion that can be obtained from this value is that for every euro invested in the Barcelona World Jumping Challenge, 1.69 euros of gross production along the value chain are generated.

As it has been said before the more teams and public coming to the event, the more presence in media channels; actually, the most impressive point to highlight is the increase in the number of appearance along the years, rising up to 167 times in television against the 34 in 2008, 260 times in press and 413 on the Internet versus the non-appearance in these two media in 2008. Besides, from 2008 to 2013, the audience reached suffered a large increase, rising up to 164.287.235 million people, what represents a growth of the 7708%. This growth might possibly be thanks to the spread of the event on the different media channels, mainly on television, where the screen time is higher every year.

For summing up, it can be concluded that the event is gaining importance not only national- but also internationally. The growing presence in the media makes it easier for the countries to get to know the tournament, and so make people feel the need to attend to the event. As a consequence, the more people goes to the CSIO, the more economic impact it has, the more interesting it is for the sponsors and the easier it is for the RCPB to improve when celebrating the event, and what is more important: the RCPB can keep on doing sport events.

Basically, what it is been said is that thanks to the title given to the CSIO because of filling the required criteria (“event of exceptional public interest”) and its resulting fiscal benefits for investors, not only the RCPB and the sponsoring brands are benefiting from this situation, but also the traders and retailers of the city of Barcelona, Hotels, public transport, restaurants, etcetera. In all, any piece of the supply demand chain is benefiting itself thanks to the Spanish Law 49/2002 of 23rd December on the taxation of non-profit entities and tax incentives for patronage. As a consequence, what can be strongly concluded is that the title “events of exceptional public interest” do have a positive influence on the events’ environment, in addition to helping the host organization in charge of celebrating the event and encouraging companies to sponsor events that promote the culture, sports and education.

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APPENDIX

Appendix A

Las películas más vistas de Marzo de 2014

	Película	Fecha	Espect.	Share
1	🔥 Al límite El películón	02/03/2014	4.219.000	21,8%
2	🔥 Marvel, Los Vengadores El películón	16/03/2014	4.157.000	24,0%
3	🔥 Un sueño posible El películón	09/03/2014	3.672.000	20,6%
4	📌 La sombra del poder La película de la semana	30/03/2014	3.231.000	15,8%
5	🔥 Love Happens El películón	23/03/2014	2.985.000	16,6%
6	🔥 Sherlock Holmes: juego de sombras El películón	08/03/2014	2.726.000	16,5%
7	🔥 La amante del pastor Multicine	01/03/2014	2.715.000	18,7%
8	🔥 El asesino Cine	14/03/2014	2.715.000	15,0%
9	🔥 Sigo como Dios El películón	29/03/2014	2.702.000	15,5%
10	🔥 Sherlock Holmes El películón	01/03/2014	2.660.000	15,8%
11	🔥 The mechanic Cine	07/03/2014	2.631.000	14,4%
12	🔥 El cambio El películón	22/03/2014	2.608.000	14,6%
13	🔥 Un asesino entre nosotros Multicine	16/03/2014	2.592.000	20,3%
14	🔥 La cazarrecompensas El películón	30/03/2014	2.580.000	12,4%
15	🔥 Flor de pasión (2010) Multicine 2	30/03/2014	2.554.000	18,2%
16	🔥 El secuestro de Sophie Multicine	02/03/2014	2.514.000	17,4%
17	🔥 Justicia para Natalee Multicine	30/03/2014	2.464.000	16,9%
18	🔥 Oficial y asesino Multicine	22/03/2014	2.393.000	17,2%
19	📌 Australia La película de la semana	16/03/2014	2.290.000	12,6%
20	🔥 Expediente 39 El películón	15/03/2014	2.277.000	13,6%

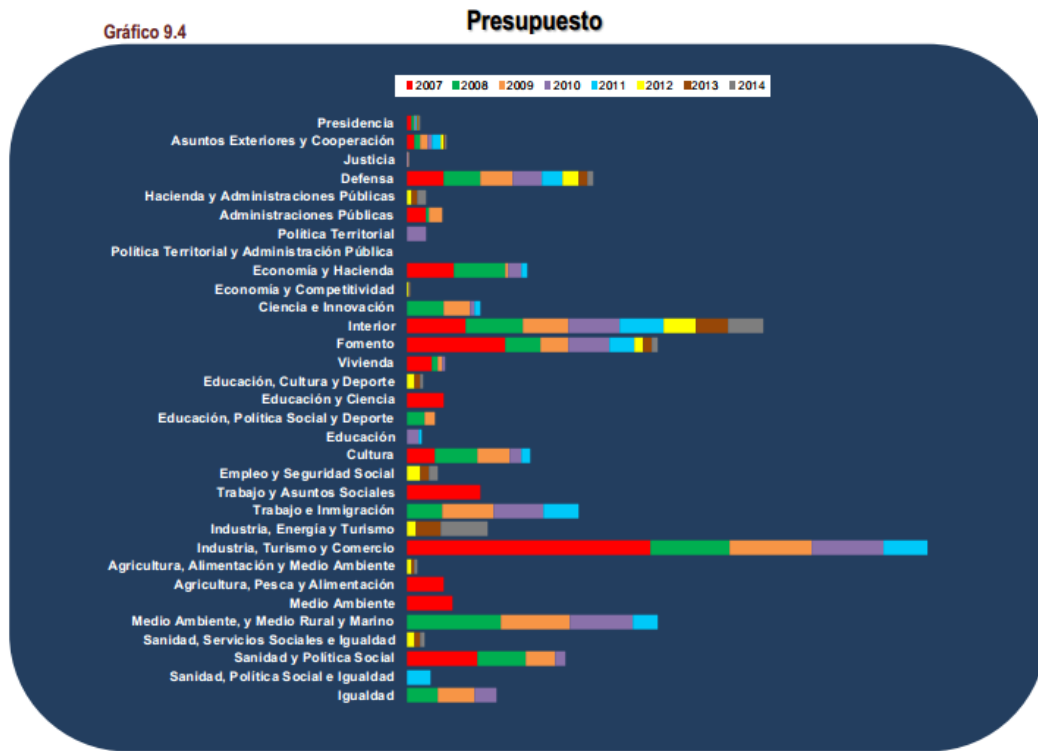
Los eventos deportivos más vistos de Marzo de 2014

	Retransmisión	Fecha	Espect.	Share
1	5 Fútbol: amistoso España - Italia	05/03/2014	6.994.000	34,4%
2	1 Fútbol: Champions League At. Madrid - Milán	11/03/2014	5.333.000	27,5%
3	1 Fútbol: Champions League R. Madrid - Schalke 04	18/03/2014	5.031.000	27,0%
4	• Fútbol: Europa League R. Betis - Sevilla	20/03/2014	3.651.000	18,2%
5	• Prórroga Fútbol: Europa League R. Betis - Sevilla	20/03/2014	3.595.000	16,9%
6	🔥 Fórmula 1 G.P. Malasia	30/03/2014	2.754.000	43,4%
7	• Fútbol: amistoso España - Alemania: Sub 21	04/03/2014	2.174.000	11,9%
8	5 Motociclismo: Mundial: MotoGP G.P. Catar	23/03/2014	1.762.000	15,0%
9	• Fútbol: Liga española Villarreal - Ath. Bilbao	17/03/2014	1.711.000	8,3%
10	🔥 Fórmula 1: Sesión clasificatoria G.P. Australia	15/03/2014	1.671.000	17,6%
11	🔥 Fórmula 1 G.P. Australia	16/03/2014	1.438.000	59,0%
12	🔥 Fórmula 1: Sesión clasificatoria G.P. Malasia	29/03/2014	1.430.000	13,6%

Source: *Formulatv.com*¹⁷

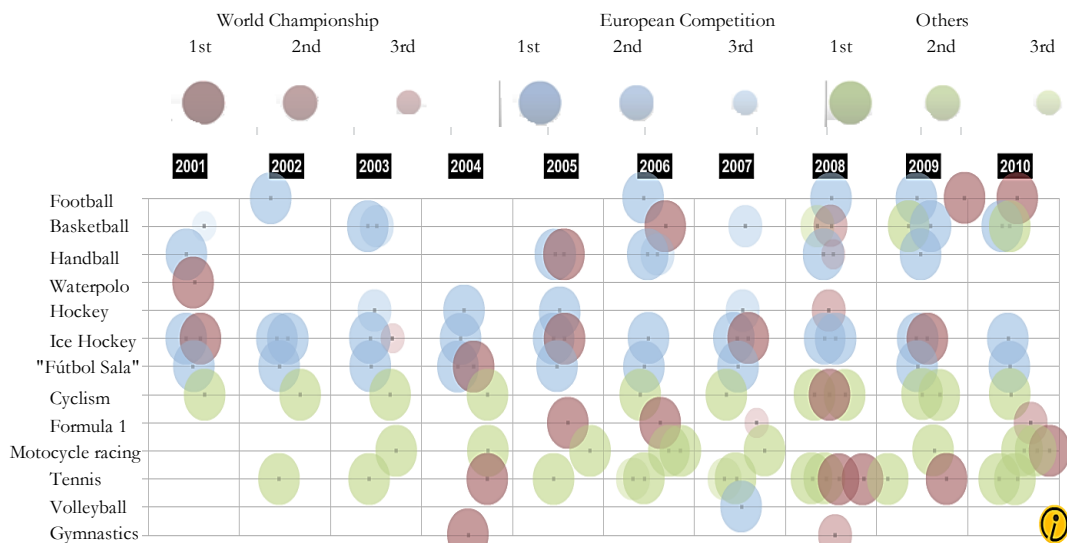
¹⁷ <http://www.formulatv.com/audiencias/ver/deportes/>
<http://www.formulatv.com/audiencias/ver/cine/>

Appendix B



Source: (Comisión de Publicidad y Comunicación Institucional, Ministerio de la Presidencia, Gobierno de España, 2014)

Appendix C



Source: Adapted from "La Edad de Oro del deporte español" (lainformacion.com, 2010)

Appendix D

	Direct	Indirect	Induced	TOTAL
Cataluña	30.863.334	14.657.400	6.007.843	51.528.577
España	2.984.664	1.937.102	800.559	5.722.325
TOTAL	33.847.998,00 €	16.594.502,00 €	6.808.402,00 €	57.250.902

	Direct	Indirect	Induced	TOTAL
Cataluña	40.660.078	19.493.470	7.860.122	68.013.670
España	3.851.661	2.479.446	1.039.292	7.370.399
TOTAL	44.511.739	21.972.916	8.899.414	75.384.069

Appendix E

TV	# CHANNELS	# NEWS
AUSTRALIA	2	3
BELGIUM	2	3
BRAZIL	1	1
DENMARK	1	2
FINLAND	1	3
FRANCE	2	25
GREAT BRITAIN	5	30
HOLLAND	2	4
ITALY	1	10
MEXICO	1	6
MIDDLE EAST	1	2
NEW ZELAND	2	12
NORWAY	1	3
PAN AFRICA	2	4
SOUTH AFRICA	1	3
SPAIN	42	-
SWEDEN	3	6
SWITZERLAND	2	3
USA	1	5

PRESS	# INFORMATION
AUSTRIA	5
BELGIUM	2
CANADA	4
CHILE	15
FRANCE	7
GERMANY	32
GREAT BRITAIN	22
HOLLAND	13
IRELAND	2
ITALY	3
JAPAN	4
KAZAJISTAN	4
SAUDI ARABIA	15
SPAIN	109
SUWEDEN	20
SWITZERLAND	1
UNITED ARAB EMIRAT	1
USA	1

ONLINE	VIEWERS/READERS
ARGENTINA	3
AUSTRIA	2
BRAZIL	14
CHICLE	3
COLOMBIA	8
FRANCE	3
GREAT BRITAIN	7
IRELAND	1
ITALIA	26
PORTUGAL	4
SAN MARINO	1
SPAIN	167
SWITZERLAND	38
USA	2

Source: adapted from Acceso, 2013

FIGURE 1

