

After the Sochi Olympics

By [Robert Shepherd](#)

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Russia was thrust into the world's spotlight after it was named host of some of the world's most renowned sporting events: the Sochi 2014 Winter Olympic, Paralympic Games and the FIFA World Cup in 2018.

Now the real question: Is Russia truly prepared and able to welcome its guests and show itself in its finest colors?

It goes without saying that a host country is keen to demonstrate itself at its best when preparing for one of the world's leading sporting events, such as the Olympics or World Cup, and will commit resources to investing in state-of-the-art facilities for such events.

But it is equally imperative to consider the long-term prospects, function and capability of such facilities and services. Those nations that have neglected this wider perspective in the past have done so to their own cost.

Yet it is a challenge that investors and developers, local authorities and the local community

are well placed to address. Investors and developers are keen to get a stable return on their investment.

Local authorities welcome the opportunity to attract more leisure and business travelers to the area and, in the long term, increase investment flow into the region. The local community rightly cares deeply about the advancement of its city and country and how it is perceived by visitors.

Unlike the Games themselves, which will be over before we know it, the legacy of an international sporting event is the measure of a host nation's success. This will determine whether the sporting events are a burden on the economy for years to come or a significant contribution to an essential and profit-generating infrastructure.

This is true of the hospitality industry as much as any other.

To achieve a profitable, long-standing hospitality infrastructure, the following two factors should be taken into consideration:

1. The level of investment should correlate directly with the scale of the project. Governments do not need to invest in an upmarket hotel when they know that those who regularly visit the area only really need an overnight stay with somewhere to rest their head for the night and a hot breakfast in the morning.

Even during big sporting events, organizers will have a segment of spectators who are looking for exactly the same: high quality but not necessarily luxury.

2. Developing the right hotel infrastructure will encourage the development of local business. Mid-scale hotels are relatively easy to manage, require fewer resources and fewer overheads. They prove that hotel assets can result in a rewarding investment that can be successfully developed by local businesses, not just by major players who do not necessarily have the long-term interests of the region in mind.

Yet it is not just investment in construction and infrastructure that lays the foundation for growth of a host nation. Profitable hospitality relies not just on hiring a large number of people for temporary works but on investing in people who will be able to provide high-quality services now and in the future.

With the right investment, hospitality infrastructure, as well as a commitment from the tourism industry and the government, international sporting events can provide a significant long-term boost to a country's tourism and hospitality sectors.

Robert Shepherd, Chief Development Officer, Europe, InterContinental Hotels Group.

The views expressed in opinion pieces do not necessarily reflect the position of The Moscow Times.

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