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# S-League: The case for privatisation



Home United's Stipe Plazibat (in red) fending off Garena Young Lions' Rusyaidi Salime during their S-League match. PHOTO: THE NEW PAPER

Corporate backing for all clubs would be the catalyst for overhauling the game's image

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Chua Siang Yee



The S-League, in its current form, is simply unsustainable. A review of the league is already under way, and while it is unclear how long it will take and when changes will be implemented, one thing is for sure - the status quo cannot remain.

The Sunday Times takes an in-depth look at what it will take for the beleaguered competition to revive its fortunes.

## CURRENT SITUATION

Most S-League clubs cover their operating expenses with funds from two sources - jackpot revenue and the Tote Board's funding.

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But this model does little to encourage clubs to seek alternative revenue streams, grow their brand and challenge the status quo.

Last year, even when Tampines Rovers' capture of former Arsenal and Liverpool star Jermaine Pennant clearly generated a buzz in the league, most clubs said they would not follow in the Stags' footsteps, arguing that such a move would break the bank.



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That no one said anything about finding the funds to do something potentially beneficial for the league sums up the prosaic mindset of club owners.



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#### TOO EARLY FOR PRIVATISATION

Our league is not sufficiently mature and there is no business case at this point in time. Some time has to be given for a new reinvigorated league to grow in stature and following. Only then can a realistic privatisation proposal be considered.

EDWIN TONG, FAS vice-president, on whether now is the time for privatisation.



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## LOOK AT THE BIG PICTURE

**For the privatisation to be successful, authorities need to think beyond the actual act of playing football. Take a step back and think of the broader picture – the club's identity, the relationships and interactions they want to have with fans, brands and other clubs.**

LEONARD LEE, NUS Business School associate professor of marketing.



## WHY PRIVATISATION WORKS

**Companies get exposure by sponsoring teams. And if they help to facilitate development of football in the country, this could lead to favourable attitudes.**

ZHANG KUANGJIE, assistant professor of marketing at NTU's Nanyang Business School.



## PART OF ENTERTAINMENT PACKAGE

**Once a decent-sized live stadium audience, and more importantly a TV audience (and of course, the inevitable betting audience around the region) is likely, sponsors would probably compete with each other to make the best offers to the league. And it is important to recognise that the game itself is only a part of a much bigger package of entertainment potentially – with pre-game contests, half-time concerts, post-game activities – that will expand the reach of the local league beyond the hardcore football fan.**

SESHAN RAMASWAMI, SMU associate professor of marketing education.



## ENGAGE TO CREATE EXCITEMENT

**S-League needs to engage the public more actively. Have their players go on road shows to shopping malls and schools to excite the crowd. Organise short-term football clinics in schools, some football moves demonstrations at shopping malls. These help to create excitement and awareness of S-League, as well as publicity for the sponsors.**

ANG SWEET HOON, NUS Business School associate professor of marketing.



## DON'T FORGET THE PLAYERS

In the end, what happens is that a big sum of money is poured into the league with little to no upside – crowds continue to dwindle, interest wanes and the quality of football remains mediocre.

## BACK TO SEMI-PRO?

One of the possibilities bandied about was for the league to return to its semi-professional roots. This would cut operating costs, making the league financially sustainable.

Yet, the idea is a firm “no-no” in the eyes of the fraternity. FAS vice-president Teo Hock Seng likened it to going back to black and white after watching colour TV.

It certainly seems counter-intuitive in an age when more and more athletes across all sports are training full-time.

Fellow FAS vice-president Edwin Tong said: “I feel it would be regressive. I feel strongly that a good, strong, competitive local league is the bedrock of developing good players for our national team.”

## ROAD TO PRIVATISATION?

One way forward, it seems, is for the league to be fully privatised – that is, having teams backed or owned by corporate sponsors.

This would give clubs the financial muscle to remain fully professional and to make big-name signings to attract the fans.

FAS vice-president Forrest Li alluded to this when he said the FAS is studying the Chinese Super League (CSL) model, in which the clubs, bankrolled by large corporations, have made a barrage of high-profile signings in recent years in a bid to stimulate interest.

But how can companies be persuaded to invest in local football? Unlike China, Singapore does not boast a massive domestic market which would appeal to potential sponsors.

The image of local football has also taken a battering in the last few years. Poor performances on the pitch coupled with negative headlines off it have eroded credibility and appeal.

Marketing experts told The Sunday Times that the key is to persuade potential investors to look beyond short-term financial gains. The league must attract investors with long-term partnerships and the creation of brand equity.

Malcolm Thorpe, vice-president of sports development and events at sports marketing agency Lagardere Sports, said: “Privatisation will need new owners with deep pockets and deep reservoirs of patience to stick with a plan over the long term.”

New owners must also be allowed to drive revenue through their own commercial and development strategies, Thorpe added.

Pointing to the CSL, Zhang Kuangjie, assistant professor of marketing at Nanyang Business School, Nanyang Technological University, added: “The most famous case is Guangzhou Evergrande.”

“Very few people knew about the Evergrande brand at first, but after they sponsored a team and signed famous players (like Jackson Martinez and Paulinho), they got a lot of exposure and free advertising.”

“In fact, some studies show that it is more cost effective than a traditional advertising campaign. It's a very smart business strategy and people had positive attitudes towards the brand because the team was very successful.”



**Creating heroes and role models would be a first step towards commercial success. This will depend to some extent on what happens on the pitch – success breeds success – but how and where those exploits and other personal attributes are presented is also key.**

**In the long term, a successful player development strategy has to be implemented as it is not viable to bring in all players from abroad. In any case, we need to nurture and grow the local audience base which can only be done by building emotional connections to a team with local roots – this means locally developed players.**

MALCOLM THORPE, vice-president of sports development and events at Lagardere Sports.



people come and watch? I'm sure some players would love to stay in Singapore for a year and we could use them to play in the league.

"It will definitely attract fans and allow for meet-and-greet sessions."

In the S-League's heyday, it had Iranian World Cup stars Mohammad Khakpour and Hamid Reza Estili drawing thousands of fans whenever they played. However, such signings have become the exception rather than the norm.

Pennant's arrival brought plenty of excitement, yet little thought was channelled towards building on the buzz. For instance, his debut took place on a Monday evening. That it still drew a crowd of 2,930 reflected the potential and profligacy of the episode.

Singapore Management University associate professor of marketing education Seshan Ramaswami emphasised: "Hardly any country, let alone one as small as Singapore is, can rely on just local talent for a sporting league to thrive financially. So that is step one - being able to attract some top players around the world."

#### GENERATING REVENUES

The benefit of having big names on board is twofold, said NUS Business School associate professor of marketing Leonard Lee.

While serving as celebrity endorsers, their fan base would also attract potential corporate sponsors.

Prof Lee said: "Joseph Schooling is an example. His success in swimming made him a symbol of national pride and he's now attracting all kinds of sponsors."

Beyond endorsement deals, SMU's Prof Ramaswami said: "Just like Formula One racing is not just about the race alone, the local league should also look to expanding the nature of the offering to the audience - both at the stadia and at home. Food, entertainment, contests, merchandising, licensing rights - all of which can also add to the revenues of the league."

#### BUILDING IDENTITY

While the signing of big names would provide an immediate boost, clubs must then engage the community to cultivate a loyal following.

National Institute of Education assistant professor and Institute on Asian Consumer Insight Fellow Leng Ho Keat said: "Spectatorship in football is not just about the level of competition, star players and skills. Spectators become fans when they share a connection with the club.

"The shared narrative between fans and clubs can be a powerful bond. Therein lies the opportunity for S-League."

NUS' Prof Ang suggested organising football clinics and demonstrations in shopping malls and taking part in charity events like [Children's Cancer Foundation's Hair for Hope initiative](#), while Prof Ramaswami said implementing rules such as fielding players from tertiary institutes could also give students "extra rooting interest".

He added: "You really need to have that - not just quality football, with great players, but rooting interests... (something) that connects with enough fans who want to follow a specific team's fortunes."

#### NEW MINDSET

As the league transforms, it is imperative that all stakeholders - players, coaches, officials - adopt a different mindset. Thinking about local football must go beyond the pitch.

"But anyone coming in must have a long-term plan. It takes many years for teams to be successful."

Mr Tong, who is also MP of Marine Parade GRC, agreed. He said: "Clubs cannot grow if they look short term. They must have a stable financial and operational platform from which to grow."

#### STAR POWER

Most experts also believe that, like the CSL, household names are needed to lift the ailing league.

Oscar, Axel Witsel and Martinez are among a clutch of stars who have moved to China recently, and it is players like them who will draw fans and sponsors to the league.

Ang Swee Hoon, associate professor at the National University of Singapore (NUS) Business School said: "To market itself and get sponsorships, the 'product' must have core competencies. In this case, it would be entertainment that draws people to watch the matches.

"To do that, the teams must have some star players that are crowd-pullers. Sponsorships will come when they see that there's a captive audience who watch the matches."

Former national player R. Sasikumar, now the managing director of sports marketing agency Red Card Global, said: "If Paul Scholes played for Tampines, wouldn't

NUS' Prof Lee said: "For the privatisation to be successful, authorities need to think beyond the actual act of playing football. Take a step back and think of the broader picture - the club's identity, the relationships and interactions they want to have with fans, brands and other clubs."

Clubs should be encouraged, not ridiculed, for pushing boundaries. Owners should take the lead and be bold and proactive.

Former Singapore international John Wilkinson, now a TV presenter with Fox Sports Asia, said any transition will definitely be rough but clubs must ride out the storm.

He said: "All the clubs look for right now is to make it to the next season. The people involved in it must look at it as more than a job."

"Singapore has moved more than any other South-east Asian country in the last 30 years. Football has to do the same and completely change."

#### • Additional reporting by John Pravin

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