

goods → (products and services)

Chapter One

THE SPORT BUSINESS INDUSTRY

"Know what you sell, and sell what you know."

—The Bottom Line to the Sport Business Industry

Sport business is one of the largest industries in the United States and in many regions of the world. Estimates vary on just how large it is because it is too large and varied for any one study to provide a single number. However, when one begins to consider all of the parts of the whole, one can easily recognize that this industry is massive—placing it among the top few largest industries in the world. The sport business industry consists of numerous segments, some of which include sports tourism, sporting goods (manufacturing and retail), sports apparel, amateur participant sports, professional sports, semi-professional sports, recreation, high school and college sports, outdoor sports, sports service businesses such as sport marketing firms, sport sponsorship management companies, and sport governing bodies.

In addition, each of the segments is comprised of a plethora of sub-segments. Examine, for instance, outdoor sports. How many outdoor sports can you name? How many involve mountains? How many involve water? How many involve vehicles? How many involve animals—horse racing, bull riding? How many involve competition? Additionally, how many outdoor sports events are held each year? How many of these are held weekly, monthly, or annually? If you really thought hard, you could potentially list thousands.

Take another segment—professional sports. How many sports have a professional league, event, or circuit? How many cities host professional sports teams or sports? How many facilities are built just for professional sports? How many individuals are involved in building professional sports facilities? How many

individuals work for professional sports—either for the actual team, league, or circuit; and how many work either full time or part time?

Jobs and careers in the industry are seemingly endless and are as varied as the segments and businesses. (It is an industry in which a person can often find success by linking an interest in sports with an interest in something else.) For example, a person interested in shoe engineering and sports can design sports shoes as a career. A person who writes computer programs and likes sports can design programs for exercise equipment, for use in athletic training, or for gauging the air drag of race cars, speed-skating suits, or bobsleds.

Segments of the Sport Business Industry:

- Sports tourism
- Sporting goods (manufacturing and retail)
- Sports apparel
- Amateur participant sports
- Professional sports
- Recreation
- High school and college athletics
- Outdoor sports
- Sport marketing firms
- Sports sponsorship industry
- Sports-governing bodies

semi-pro sport

sport service business

sport management = sport administration = sport business

With its size, variety, and flexibility, it is no wonder that sport management is one of the fastest growing, most popular college degree programs today. Because so many students want a career in the sport business industry, many colleges and universities are adding degree programs in sport management, (also called sport administration and sport business). Despite recent sport program additions, there are still too few programs and students in sport management to support the constantly growing industry. It will be several years before there are enough students trained in sport management programs to fill all of the available jobs. (Until employers in the industry begin to demand employees with the appropriate sport management education, people without a sport management background or a college education will fill the positions in the sport industry.) Therefore, it is important that colleges and universities continue to promote sport business management education.

It is important for all students in sport business management to know and understand as much as possible about their chosen career and industry. For example, it is vital that every sport management student have an understanding of sport marketing. The student must understand sport marketing fundamentals and how they can be used in every segment of the sport industry. (This knowledge will positively affect the student's success in a chosen career in any segment of the sport industry.) → **sport marketing**

The application of sport marketing fundamentals to the sport business industry is best accomplished when the student has full knowledge and understanding of the sport business industry and its segments. It is important to understand what this industry is, how it develops, how it grows, what feeds its growth, who its consumers are, and the nature of its linkages with society and culture.

In this first chapter, the student will learn about the sport business industry. Toward this goal, it is first essential to understand the "sport business industry" as it is being defined in sport business management today. To do this, it is important to understand the terms sport and industry individually and also as they are defined in sport management today.

is being defined
تعریف می شود

An "industry" is "a market in which similar or closely related products are sold to buyers." Some industries may contain only one product. It is more typical that an industry comprises a variety of product items sold to many existing or potential consumers who vary demographically and psychographically, and who may change in need, want, desire, or demand. The tennis racket industry is an example of a single-product industry. Within this industry, there are different variations of tennis rackets ranging in size, color, material, and price to meet the demands of the many different consumer markets. Additionally, the tennis racket industry is part of a multi-product industry, the sporting goods industry. The sporting goods industry is an example of an industry comprising many different but related products. It comprises all products sold as goods, equipment and apparel for use in sports, recreation, and fitness activities. This industry can be subdivided into several segments using different ways to define those segments. To see the many segments of the sporting goods industry, look inside a sporting goods store. There are departments, representative segments of the industry, for a variety of sports and activities, categorized according to their similarities such as water sports, camping activities, and

Industry

Product Examples in the Sport Industry Include:

- Participation
- Entertainment
- Equipment and Apparel
- Promotional Items
- Sports Facilities
- Sport Marketing Research
- Management Services

soccer apparel. Keep in mind, however, that your local sporting goods store doesn't carry goods for every sport that exists. For example, to find equestrian or rodeo equipment, you would have to go to a specialty store.

Within a department, the products can be further subdivided into groups of individual sports or closely related sports. In the water sports department, for example, you will find equipment, goods, accessories, and apparel for several different sports such as scuba diving, fishing, water skiing, snorkeling, and swimming. In the tennis department, you will find tennis rackets, from the single-product industry, but you will also find many other tennis products—tennis balls, shoes, socks, bags, towels, tennis ball holders, water bottles, caps, shirts, and many more. You will also find products not needed to play tennis. These are products that promote the sport of tennis such as tennis bumper stickers, key rings, jewelry, posters, and T-shirts. As you can see in the examples, an industry can be composed of one product or many products. Those products can be very closely related and similar in nature or very loosely related and dissimilar. Moreover, it is important to recognize that products can be goods, services, people, places, or ideas. An industry can be composed of one of these or a combination of them. Either way, the products are usually related in some way as defined by those involved in the industry.

Sport and Sport Business Management

"Sport" is defined in many different ways depending on the context in which it is used. In many fields such as sport sociology, physical education, and recreation, sport is used to denote sporting activities such as basketball, hiking, snowboarding, and boating. Sport sociology is the study of people and sport and society. Physical education involves teaching sports to people. The term *sport*, as used in the field of sport business management and in relation to the sport business industry, is a broad concept term used to denote all people, activities, businesses, and organizations involved in producing, facilitating, promoting, or organizing any activity, experience, or business enterprise focused on fitness, recreation, sports, sports tourism, or leisure. At some institutions, sport management is also often called sport administration, sport business, and sport business management. To classify an enterprise as a sport business, then, doesn't necessarily mean it is a business that sells sports. It might be a company in the business of sport marketing research, a sports tourism business that sells snow ski packages, a Web sport company that sells Women's World Cup souvenirs via the Internet, a sponsorship management business specializing in handling sports sponsorship packages, or a sporting goods company that manufactures mountain-climbing gear.

It is important to recognize that products can be goods, services, people, places, or ideas.

Notice that the title of this book is *Fundamentals of Sport Marketing* and not *Fundamentals of Sports Marketing*. Also note the use of the term *sport management* instead of *sports management*. The term *sport* has a very different meaning than *sports*. According to the North American Society for Sport Management (Parks and Zanger, 1990), "sports implies a collection of separate activities such as golf, soccer, hockey, volleyball, softball, and gymnastics—items in a series that can be counted" (6). This is the way most people define sports—as sports activities. This reflects primarily two things: first, exposure to sports in our schools and colleges; second, exposure to sports every day through the media. That is, what the average person sees

and hears through television coverage of sports events, the sports section in the newspaper, and the sports report on TV news broadcasts covers sports activities as they take place or a report of the outcome—the final score and who won. Therefore, sports management implies only managing sports activities. Sport, however, is a collective noun and a more all-encompassing concept. Therefore, the North American Society for Sport Management (NASSM), the professional association comprised of university academicians, students, and scholars in sport business management, chose the word *sport* as a term that more correctly identifies and defines the sport management field of study.

Sport business management implies a much broader concept. Therefore, the contemporary definition of sport business management is as follows: *Sport business management* is the study and practice involved in relation to all people, activities, businesses, and organizations involved in producing, facilitating, promoting, or organizing any product that is sport, fitness, and recreation related. Sport products can be goods, services, people, places, or ideas. This includes, for example, a company that manufactures sports equipment, clothing, or shoes; a person or company who offers promotion services for a sports organization; an organization charged with governing a sport; a person who represents a professional athlete as an agent; people who own and manage a sports facility; people who design and construct those sports facilities; a person who teaches golf; a company that manages the promotional merchandise and licenses for a sports event; and television companies that are involved in broadcasting sports events.

This is what *sport* means when used in the context of sport management, sport marketing, and the sport industry. It is an all-inclusive term representing every person and business involved in producing, facilitating, promoting, or organizing sports, fitness, play, leisure, or recreation activity and all related products.

Sport Management Defined:

Sport Management is the study and practice of all people, activities, businesses, or organizations involved in producing, facilitating, promoting, or organizing any sport-related business or product.

We may now define the term *sport business industry*. A variety of research provides descriptions of the many different products and businesses that comprise the sport industry. The products and businesses focus on sports, fitness, recreation, or leisure products. There are many different groups of consumers for these products, and they can be broadly categorized as either end consumers or business consumers.

Based on this research and the definitions of *sport* and *industry* presented earlier, the definition of *sport business industry* follows:

The *sport business industry* is the market in which the products offered to its buyers are sport, fitness, recreation, or leisure related and may be activities, goods, services, people, places, or ideas.

Here are some examples of the types of products offered in the sport industry:

- Sports are products and can be offered as a participation product such as participation in a women's recreational basketball league;

گروهی - ورزشی

Sports can be offered as an entertainment product, primarily for spectating, such as the offer to watch a field hockey game, a snow-boarding competition, or the X-Games;

تجهیزات

Equipment and apparel are sport products needed or desired to participate in sports and fitness activities such as softball uniforms, ice-hockey pads, body-building apparel, in-line skates, and bicycle helmets;

محصولات ورزشی برای ترویج تجارت ورزشی

Promotional merchandise is a sport product used to promote a sport business, a sports league, a sports event, or fitness activity such as logo caps and shirts, fitness club shirts or towels, stadium cushions and blankets with the company logo;

نیازمند برای تولیدات ورزشی

Sports facilities are sport products needed or desired for producing sport such as the construction of a new sport stadium or the remodeling of racquetball courts to accommodate wallyball; the design and the construction company for the facility are also products;

خدمات تجاری

Service businesses offer such sport products as sport marketing research, tennis racket stringing, or golf course care;

فعالیت های تفریحی

Recreational activities are sport products sold as participation products such as mountain bicycling, hiking, camping, horseback riding, boating, cross-country skiing, sailing, and mountain climbing;

Sport Industry Defined:

The sport industry is the market in which the businesses and products offered to its buyers are sport related and may be goods, services, people, places, or ideas.

Complete management and marketing professional services are sport products offered for a variety of markets such as the management of a large marathon, the promotion and management of a sports tourism package, or the management and marketing for an athlete; and

تجارت رسانه های ورزشی

Sport media businesses offer such products as magazines about specific sports such as *Runner's World* magazine and trade magazines targeted to industry business such as *The Boat Dealer*. There also are these products and companies: sports television companies, sports radio shows, and Internet sports companies.

The Size of the Sport Business Industry

The sport business industry has experienced phenomenal growth in a relatively short period of time. Although sports and recreational activities, events, and businesses have been around for a very long time, there has never been a period of explosive growth like that of the last 30 years. There are many reasons for this growth. Those are presented in the next section in this chapter. These changes represent both horizontal and vertical expansion. Horizontal growth involves the addition of new markets and new products such as new sport businesses like sport marketing research firms. Vertical growth involves the growth of existing markets and products such as the explosion of girls and women in traditional sports like basketball and volleyball.

A few studies have attempted to place a dollar value or economic impact number on the sport business industry. Although the studies were not conducted the same way and did not look at the same factors, they at least provide an estimate of the size of the industry and the various segments that have composed the industry since

1986. You may be surprised to learn that men's professional sports are not the largest segment of the industry even though there is a lot of money in some men's professional sports and some of them are the primary, and prime-time, focus of most media. However, as you will see in the tables, the largest segments of the industry are sports for the masses and sporting goods. When you give thought to what comprises these segments, then you see that it makes sense. Five studies on the size of the sport business industry offer an illustration of its size, segments and its growth over two decades. The first was a series of three studies about the industry in 1986, 1987, and 1988 (Comte and Stogel, 1990). A summary of the studies is presented in Table 1.1. In this sum-

Table 1.1
Two Decades of Growth in the Sport Industry.

Study	Year	Size of Industry	%Growth Annual/Between		Rank
1 st study	1986	\$47.3 billion	—		
2 nd study	1987	\$50.2 billion	+6.1		23 rd
3 rd study	1988	\$63.1 billion	+7.5		22 nd
4 th study	1995	\$152 billion	+13.0	+141.0	11 th
5 th study	1999	\$213 billion	+10.5	+40.1	6 th

Note: The results of these five studies cannot be compared. Although each study included similar segments of the industry, they included different segments. Moreover, methodologies were not similar. However, some general conclusions can be made.

- between 1986 and 1988, the annual increase averaged +6.8%
- from 1988 to 1995, the average increase was +13%
- from 1995 to 1999, the average increase was +10.5%

Note: Research in the first three studies was conducted by Sport Inc. and Sporting News with WEFA (Wharton Econometric Forecasting Association); the fourth study is from Meek, A. (1997). An estimate of the size and supported economic activity of the sports industry in the United States. *Sport Marketing Quarterly*, 6 (4), 15-21; the fifth study was conducted by *SportsBusiness Journal* and published in the December 20-26, 1999 issue (1999, volume 2, issue 35, pages 23-30).

Table 1.2
The Top Fifty Sport Industries in 1987 (in billions).

1. Real estate	\$519.3	26. Paper and allied products	39.5
2. Manufacturing	479.9	27. Auto repair garages	38.9
3. Retail trade	427.4	28. Security/commodity brokers	36.7
4. Regulated Industry	408.2	29. Primary metals	36.4
5. Manufacturing (non-durable goods)	373.6	30. Lodging	35.7
6. Wholesale trade	313.0	31. Personal services	34.4
7. Health services	223.7	32. Air transportation	34.2
8. Business services	179.3	33. Petroleum and related products	33.6
9. Communications	120.9	34. Rubber and plastics	29.9
10. Radio and television	108.3	35. Educational services	29.6
11. Insurance	101.3	36. Insurance agents and brokers	28.6
12. Miscellaneous professional organizations	86.4	37. Lumber	27.7
13. Electrical machinery	85.0	38. Stone, clay, and glass	27.5
14. Banking	84.8	39. Instrument manufacturing	26.9
15. Chemicals and allied products	77.1	40. Amusement and recreation services	24.0
16. Food and kindred products	74.0	41. Apparel	22.5
17. Insurance carriers	72.7	42. Textile mills	19.9
18. Trucking and warehousing	64.2	43. Credit agencies	17.0
19. Legal services	62.3	44. Holdings and other investment firms	16.2
20. Fabricated metals	60.3	45. Tobacco	15.5
21. Printing and publishing	58.2	46. Furniture and fixtures	14.9
22. Non-auto transportation equipment	56.0	47. Miscellaneous repairs	13.9
23. SPORTS	50.2	48. Miscellaneous manufacturing	13.9
24. Motor vehicles and parts	49.9	49. Telephone and telegraph	12.7
25. Social and membership organizations	45.3	50. Transportation services	12.0

Source: (Comte & Stogel, 1990).

فصل هفتم در رشد و ورزش از سال ۱۹۸۷ تا ۱۹۸۸ ← (سازمان صنایع بین‌المللی)
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 در هفت ورزش در ۱۰ سال، ۲۰۵٪ رشد کرده است.

Table 1.3
Rank of the sport industry in 1995 compared to other industries according to the Meek study (Meek, 1997).

Industry	Value in billions
1. Real estate	\$850.0
2. Retail trade	\$639.9
3. Wholesale trade	\$491.0
4. Health services	\$443.4
5. Construction	\$277.6
6. Business services	\$275.3
7. Depository institutions	\$225.9
8. Utilities	\$205.3
9. Other services	\$195.0
10. Telecommunications	\$156.0
11. Sports	\$152.0
12. Chemicals and allied products	\$141.0
13. Electronics and electrical equipment	\$138.5
14. Industrial machinery and equipment	\$123.3
15. Insurance carriers	\$115.4
16. Food and kindred products	\$113.3
17. Trucking and warehousing	\$100.6
18. Legal services	\$100.5
19. Printing and publishing	\$89.7
20. Motor vehicles and equipment	\$88.7
21. Fabricated metal products	\$86.0
22. Farms	\$85.0
23. Security and commodity brokers	\$75.6
24. Oil and gas extraction	\$62.7
25. Auto repair, services, and parking	\$60.5

mary, we see that from 1986 to 1988 the sport industry grew an average of 6.8% yearly. This is an important figure to note when comparing the sport industry to other industries that usually average a yearly growth of one to three percent. In the first edition of this textbook, we predicted that if the sport industry grew at the annual average rate of 6.8%, it would grow to \$139 billion by 2000 and would more than double in size. We admit we were wrong. The industry is much larger than the prediction! In 1995, a study showed the sport business industry to be a \$152-billion dollar industry and the 11th largest industry in the United States. That represents a 242% increase, indicating that the industry has grown almost 2½ times larger in a 10-year period. Tables 1.1, 1.2, 1.3, 1.4, and 1.5 show the information from those studies.

In 1999, a fifth study was conducted and reported by the *SportsBusiness Journal*. This study estimated the industry to be \$213 billion ("The Answer," 1999). Table 1.6 illustrates the size of the industry segments as reported in the *SportsBusiness Journal*. Table 1.7 shows the segments of the industry that were included in the *SportsBusiness Journal* study.

Table 1.4
Sport Industry Segments, 1987–88.

Segment	1987 (in millions)	1988	Percent change
Leisure and participant sports	\$21,599.5	\$22,789.3	+5.5
Sporting goods	18,069.3	19,012.8	+5.2
Advertising	4,058.6	4,388.5	+8.1
Net take from legal gambling	3,504.8	3,618.3	+3.2
Spectator sports receipts	3,050.0	3,240.0	+6.2
Concessions, souvenirs, novelties	2,100.0	2,348.1	+11.8
TV and radio rights fees	1,209.2	1,415.8	+17.1
Corporate sponsorships	1,012.0	1,140.0	+12.6
Golf course, ski area construction	542.3	946.9	+74.6
Sports insurance	722.0	830.0	+15.0
Magazine circulation revenues	658.6	773.0	+17.4
Royalties from licensed properties	584.0	735.0	+25.9
Athlete endorsements	520.0	585.8	+12.7
Trading cards and accessories	350.0	408.3	+16.7
Sports book purchases	241.0	330.7	+37.2
Stadium and arena construction	250.0	319.3	+27.7
U.S. Olympic Committee, NGB budgets	98.2	114.2	+16.3
Youth team fees	95.3	97.0	+1.8
Halls of fame	5.4	6.0	+11.1
Total	\$58,670.2	\$63,099.0	+7.5

Note: Several categories have been statistically adjusted with updated 1987 figures, which may vary from previous publication; sports insurance premiums include professional and amateur teams, and individual players, but not multi-purpose facilities.

Source: (Comte & Stogel, 1990).

Table 1.5**Sport Industry segment sizes in 1995 according to the Meek study (Meek, A. 1997).**

Segments	Estimated Value
1. Sporting goods, footwear, apparel	\$71 billion
2. Participant sports	\$32 billion
3. Sports medicine	\$18.5 billion
4. Construction	\$11.8 billion
5. Sponsorship, endorsements, radio, TV, newspapers	\$7.5 billion
6. Admissions (spectators)	\$5.3 billion
7. Trading cards, video games, tapes, books, magazines	\$3.5 billion
8. Concessions and souvenirs	\$3.4 billion
9. Betting	\$3.3 billion

When you compare these studies, you can see that the *SportsBusiness Journal* study included the fewest segments of the industry. Their study was limited to organized sports that they defined as "spectator sports" and their related industries.

In the most recent study of the sport business industry, PricewaterhouseCoopers looked at a portion of the industry globally. In their study, labeled "Global Entertainment and Media Outlook: 2005-2009," they found that the global sports market will reach sales of \$111.1 billion in 2009 at a 6.1% compound annual growth rate (CAGR) (Zimmerman, 2005).

PricewaterhouseCoopers is a company that serves as "accountant and business advisor to many of the world's leading entertainment and media companies" (<http://www.pwc.com>). Through this work, the company develops its analyses of several industries. Some segments of the sports industry are included in their work. Their definition of the "sports market" as

"... consisting of gate revenues for live sporting events; rights fees paid by broadcast and cable television networks and television stations to cover those events; merchandising, which includes the selling of products with team or player logos; sponsorships, which include naming rights and payments to have a product associated with a team or league, as well as, in Asia/Pacific, actual team ownership; and other packages with rights to sports events or programming. Concession revenues are not included, consistent with the definition of box office spending in the Filmed Entertainment chapter" (<http://www.pwc.com>). Therefore, they do not include all of the segments of the industry. However, it is beneficial to look at their numbers. Table 1.8 presents some of the information from their study.

Integral to determining the size of the sport industry is the study of individual industry segments. Although there may be some overlap, this can be used as an esti-

Table 1.6**Where the sport industry ranks compared to other industries in the *SportsBusiness Journal* study.**

1. Real estate	\$935 billion
2. Retail trade	\$713 billion
3. Health care	\$460 billion
4. Banking	\$266 billion
5. Transportation	\$256 billion
6. Sports business	\$213 billion
7. Communications	\$212 billion
8. Public utilities	\$210 billion
9. Agriculture	\$132 billion
10. Mining	\$121 billion
11. Motor vehicles and equipment	\$85 billion
12. Motion pictures	\$31 billion

Source: *SportsBusiness Journal*, December 20-26, 1999.

gate revenues

باجه بلیط فروش

rights fees

حق پخش (تلویزیونی)

merchandise

فروشنده (پوشاک)

sponsorship

حانی

Table 1.7
Estimated Value of Various Spectator Sports Segments.

Spectator Sports Segment	Estimated Value	% of Total
1. Travel transportation, accommodations, meals of spectators, colleges, the 'big four' leagues, other	\$44.47 billion	20.92
2. Advertising telecasts, cable, regional, print, signage, radio	\$28.25 billion	13.29
3. Equipment, apparel, footwear sportswear in competition	\$24.94 billion	11.73
4. Gate receipts admission, concessions, merchandise, parking	\$22.56 billion	10.61
5. Team operating expenses 'big four' player salaries and operating expenses; colleges; others	\$19.23 billion	9.05
6. Legal gambling wagers, horses, dogs, jai alai, internet	\$18.55 billion	8.73
7. Licensed goods apparel, footwear, housewares, media, miscellaneous	\$15.1 billion	7.10
8. Professional services agents, sport marketing firms, facility management, financial, legal, and insurance services	\$14.03 billion	6.60
9. Media broadcast rights 'big four,' college, other, radio telecasts	\$10.57 billion	5.0
10. Sponsorships events, teams, leagues, broadcasts	\$5.09 billion	2.40
11. Medical treatment baseball, football, basketball, soccer, softball, other	\$4.1 billion	1.93
12. Facility construction stadium, track, arena construction	\$2.49 billion	1.17
13. Publications/videos magazines, videos, video games, books	\$2.12 billion	1.0
14. Endorsements value of top 80 athletes and coaches	\$730 million	.34
15. Internet revenue from advertising and access fees	\$300 million	.14

Note: The study by the *SportsBusiness Journal* included only these few segments of the industry. The methodology included selected organized sports; those that are defined as 'spectator sports' and their related industries, as listed above. Further, the study does not reveal which sports organizations are included and which are left out. Note that this study does not include such segments as participant sports, recreational sports, or others that are listed in other tables here in Chapter one (*SportsBusiness Journal*, December 20–26, 1999).

Table 1.8
Estimated growth of entertainment sports gate revenues, rights fees, merchandising, sponsorships as defined by PricewaterhouseCoopers (www.pwc.com).

Country	2004	2009 projected
United States	\$42.1 Billion	\$57.4 billion
Europe, Middle East, & Africa	\$24.9 billion	\$32.9 billion
Asia/Pacific	\$12.7 billion	\$17 billion
Latin America	\$2.82 billion	\$3 billion
Canada	\$440 million	\$878 million

mate of the size, as well as the variety, of the sport industry. Tables 1.9 and 1.10 present lists of some of the many different sport business segments and sports events in the United States and their estimated economic value. You can easily see that the sum of just a few of these segments of the sport industry exceeds the reported 1999 \$324-billion-dollar size of the industry in the *SportsBusiness Journal*. (Note: No studies are available since 1999.)

Using studies and reports about numerous different industry segments might be a better way to study the sport industry. Each sport management student will work in an industry segment and must continuously monitor the research about that segment as well as the entire sport industry.

This information can be found in a variety of such resources as the following:

- **Industry publications:** These include, for example, trade or business magazines, journals, newsletters, and Internet sites.
- **Sport business conventions and exhibitions:** These include such annual convention and trade shows as the Snow Sports Industries of America and the National Sporting Goods Association's Super Show.
- **Sport management or marketing research businesses:** There are numerous companies that specialize in conducting research. Some of these include Joyce Julius and Associates and Simmons Market Research Bureau.
- **Local or national news publications:** Much can be learned about sport industries from published articles in newspapers and magazines. Local papers carry information about local sports businesses, and national papers provide articles with a more national focus about individual sport-related businesses and whole industries.

Another way to help us determine the size and especially the depth and breadth of the sport industry is to look at the factors that have affected growth and development of the industry and at what exists in the industry.

Table 1.9

Examples of Sports Business Industry Segments and Their Values.

Sport Business Segment	Value
The New York Yankees	\$1.026 Billion
The Boston Red Sox	\$617 Million
Golf Equipment, Apparel, & Footwear	\$5.8 billion
Indianapolis, Indiana Sports Industry Impact	\$3 Billion
Atlanta, Georgia Sports Industry Impact	\$4.5 Billion
Global—Sporting Goods Industry	\$150 billion
USA—Sporting Goods Industry	\$25.6 billion
Segments: Equipment	\$10 billion
Sportswear	\$8 billion
Footwear	\$7.8 billion
Global—Tourism 2004	\$4.5 Trillion
Segment—USA—Tourism from abroad	\$93.5 billion
USA—General Tourism	\$462.2 billion
USA—Sports Tourism 2005	\$69.33 billion
Canada—Sports Tourism 2005	\$2.4 billion
Sports Sponsorship	\$24.8 Billion
Sports Licensed Products 2005	\$13.23 billion
NASCAR Licensed Products	\$2 billion
Canada—Sport Travel	\$1.17 billion
Online Sports Advertising	\$4 billion
U.S. Winter Sports 2005 season	\$2.25 billion
Golf Charitable Giving Impact Estimate	\$3.25 billion
Golf Industry	\$62.1 billion
Golf Facilities	\$20.5 billion
Angling (fishing)	\$35.6 billion
Corps of Engineer Lakes & Surrounding Area	\$5.6 billion
Spectator Sports Expenditures	\$8.1 billion
(pro & amateur; racetracks)	
Outdoor Recreation	\$350 billion
Winter Sports (2004–05 season)	\$2.25 billion

Sources: <http://www.sportbusiness.com>; <http://www.marketresearch.com>.

You can keep up with the latest in your industry by

- Reading trade or business magazines, journals, newsletters, and Internet sites
- Attending sport business conventions or exhibitions
- Obtaining research from sport marketing firms
- Reading local or national news publications

Table 1.10
Examples of Sports Events and Facilities and Their Values
(Usually in Economic Impact).

Sports Event	Value (Economic Impact)
Men's World Cup Championship (2002)	\$260 Million
Arizona Cardinals New Stadium	\$455 Million
Triple Crown Brighton Baseball Bash (a high school baseball tournament)	\$1 Million
AAU Junior Olympic Games	\$60 Million
Tour de Georgia—impact on one town	\$2 Million
Nextel All-Star Challenge, a NASCAR race	\$94 Million
CIAA Basketball Tournament (Central Intercollegiate Athletic Assoc.)	\$15 Million\
Florida State High School Association	
Boys & Girls State Basketball Tournament	\$7 Million
NASCAR NEXTEL Cup event—2004	\$146 Million
NCAA Division I-AA Football Championship 2003	\$1.1 Million
Super Bowl XXXVII, Houston 2005	\$367 Million
Nokia Sugar Bowl 2005	\$210 million
Capital One Bowl	\$42.3 million
Mississippi State Games	\$5.5 million
Bank of America PGA Classic 2005	\$25 million
Alamo Bowl 2004	\$35 million
Opening Day Baltimore Orioles	\$4 million
World Golf Championship 2004	\$24 million
USA Volleyball Junior Olympics 2005	\$27 million
Atlanta Football Classic 2005	\$28 million
NCAA Women's Final Four 2003	\$34 million
Chick-Fil-A Peach Bowl 2004	\$35 million
National Field Hockey Festival 2004	\$3 million
WIBC (bowling) Championship	\$40 million
Honolulu Marathon 2005	\$90 million
New York City Marathon 2005	\$130 million
2010 Winter Olympic & Paralympic Games: Vancouver, British Columbia, Canada	\$8.4 billion (est.)
2006 NFL Super Bowl Championship Game	\$300 Million
2006 IIHF World Junior Hockey Championship	\$36.7 Million
Gay Games VI, 2002, Sydney, Australia	\$116.8 million
Super Cross event Atlanta	\$12 million
Men's NCAA Div. I Regional Basketball Tournament—Atlanta	\$23.4 million
Professional Bull Riders—2005 single event	\$5.9 million

Sources: <http://www.sportbusiness.com>; <http://www.azcentral.com>; <http://www.SGMA.com>.

Studying the factors that influence the sport industry can reveal what types of jobs are available and help you decide on a future career.

FACTORS INFLUENCING THE GROWTH AND DEVELOPMENT OF THE SPORT BUSINESS INDUSTRY

The sport business industry is large and diverse. There are numerous kinds and types of businesses and organizations. Your career in the sport industry will be greatly enhanced if you understand why the industry is so large and diverse and what drives its growth. To gain this understanding, it is important to understand the factors that have influenced the growth and development of the industry in the past, those that affect it currently, and those that will have an influence in the future (see Table 1.11).

The sport business professional must constantly analyze what is affecting the industry because such influences may affect the success or failure of a product or business. If the sport businessperson studies and understands how the factors affect the product or business, he or she can develop decisions and strategies that will lead to success.

The factors that influence the industry are grouped into the following categories: people; sports activities and events; sporting goods; facilities, sports medicine, and fitness training; commercialization and marketing; service businesses; education; and media. Factors within these categories have been among the many causes for the growth of the industry in the past and will continue to affect growth in the future.

Additionally, studying these factors can help us identify the number and types of jobs and careers in the industry. As you read about the factors listed and explained in this section, think about the number and types of jobs necessary in that area. You just might discover your future career.

Table 1.11

Factors That Influence the Sport Business Industry—Why the Sport Business Industry Is So Large and Diverse.

I. People

1. Constant Human Interest in Sport and Recreation
2. Increase in Sport Business Among Diverse Market Segments

II. Sports Activities and Events: Sports, Recreation, Fitness, Leisure, Sports Tourism

1. Constant Increase in the Number of New and Different Sport, Recreational and Fitness Activities, and Events
2. Constant Growth in the Offering of Traditional Sports
3. Constant Increase in the Number and Type of Professional Level Sport, Fitness, and Recreational Activities
4. Increase in Sports Tourism and Adventure Travel Products

III. Sporting Goods

1. Increase in Sporting Goods and Apparel Designed for the Diversity of Markets and Their Demands
2. Influence of Technology on Sport-Related Goods, Services, and Training

IV. Facilities, Sports Medicine, and Fitness Training

1. Increase in Number and Type of Sports Facilities and Events
2. Movement of Facilities From Single-Purpose to Multi-Sport and Full-Service Facilities
3. Constant Increase in the Amount and Type of Sports Medicine and Fitness Training Services

V. Commercialization and Marketing of Sport

1. Packaging of Sport as an Entertaining Product
2. Increased Marketing and Marketing Orientation of the Sport Industry
3. Increased Understanding and Knowledge of Customers of the Sport Business Industry
4. Promotion Perfection as the Goal of Sport Marketing Professionals
5. Growth of Corporate Sponsorship
6. Increased Endorsements
7. Growth in Importance of Licensing and Merchandising

VI. Sport Industry Professional Service Businesses

1. Extraordinary Growth in Service Businesses for the Sport industry

VII. The Sport Industry, Media, and Sport Media

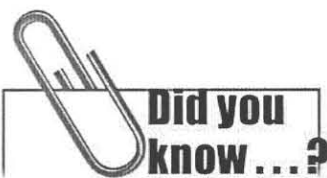
1. Sport Industry Benefits Greatly From Mass Media Exposure
2. Sports Activities and Events as a Popular Entertainment Product
3. Constant Increase of Television and Radio Coverage
4. Increase in the Number and Variety of Magazines, Trade Magazines, and Academic Journals Devoted to Sport
5. The World Wide Web

VIII. Sport Industry Education

1. Increase in Sports and Sport Business Education for Executives, Administrators, Athletes, and Other Personnel
2. Increase in Competency of Sport Management Professionals
3. Increased Prevalence of Sport Management as an Academic Discipline and as a Career

I. People

People are the reason sports and the sport business industry exists. If it were not for people's interest in and demand for sports, recreation, fitness, adventure travel, and sports tourism, the industry would not survive. Sports activities, for example, do not exist until individuals play them. That is, a basketball game does not occur



There is a sports fans organization. The Sports Fans of America Association claims to be an advocacy group for sports fans. On their website at <http://www.sportsfansofamerica.com> they state that their GOAL is to "Improve the Quality of Sports from a Fan's Perspective." Issues such as: Accountability of Quality Officiating, Affordable Tickets, etc. . . .

They also state a mission statement and it is: *Our Mission is to promote the "Value of the Fan" by:*

- providing sports fans with a representative organization of their needs and desires to the sports leagues and associations,
- build critical mass by establishing a multi-million fan membership base and sports fan network,
- promote the sports fan bill of rights and
- offering discounted rates on sports-related products and services to its membership by leveraging the association's mass.

until individuals get together and play the sport. Further, a lot of people are fascinated with sports and recreational activities of all kinds. Additionally, when people become bored with one sport they change to a new one. Here are some factors relating to people and the sport business industry.

1. Constant Human Interest in Sports and Recreation

A look at the studies presented earlier in this chapter on the size of the sport business industry shows that participant sports constitute the largest segment of the industry. People participating in sports, recreation, and fitness activities are the primary reason the sport industry exists. It is people who drive the growth of the sport industry because they are the consumers of sports, recreation, fitness, tourism, and leisure products.

Millions of individuals participate in such activities. They play, run, climb, scoot, ride, and perform numerous other skills for a variety of reasons, including, to have fun, to compete, to improve, to lose weight, to socialize, to have a good workout, and to learn a new sport. Moreover, they invent new activities. As you will learn, new and different sports and activities are invented almost daily. These millions of people spend billions of dollars to participate in sports, recreation, fitness, travel, and leisure activities annually. The majority of this money includes the cost of admission to the activity, which carries such labels as entrance fee, registration fee, membership fee, greens fee, and league fee. To get an idea about how much money can be spent on sports activities, try to find out how much money people in your city spend on entering and participating in some of the sports activities such as softball, basketball, and golf offered by the city parks and recreation department.

Another large portion of the dollars spent on sports is the millions spent for items needed or desired in order to participate such as equipment and apparel. For example, to play softball, the player needs a softball glove and a bat. This player might also want to use other products that are produced for a variety of reasons. These might be batting gloves, cap, helmet, special softball shoes, specialized socks, sunglasses, customized uniform shirts, undershirts, pants or shorts, and a customized softball bag to carry it all in. Finally, many players will want merchandise that speaks to their identity as a softball player such as funny softball T-shirts, a softball-glove key ring, and a tiny softball glove and bat to hang on their car's rearview mirror.

Moreover, this continuous interest in sports and recreation activities influences many other segments of the sport industry. Consider this: For every coed basketball league, there must be many people and products in order for that league to exist—a basketball facility, basketball officials, scorekeepers, score sheets, facility managers, facility maintenance people, facility groundskeepers, a league director, a league on-site supervisor, staff people for such jobs as paperwork, record keeping, registration and other forms, a certain number of teams registered, coaches, team managers, uniforms, shoes, socks, water bottles, towels, a coach's note pad, officials' evaluation forms, rulebooks, pens and pencils, and basketballs.

There are many different companies needed to supply all of these people and to create and produce all the necessary products. Further, if the basketball league is the WNBA or the NBA, many more businesses are needed to provide additional

items or services needed or desired to produce just one game. Some of those are special officials, statisticians and other specialized people, reporters, radio, television, facility security, concessions and concession stand staff, office staff, hospitality staff, promotions and promotions people, parking facilities and parking lot staff, and trophies and awards.

It is easy to see that because so many people participate in sports, fitness, and recreation activities, the sport industry is especially affected. People who participate are the primary reason the industry exists and is so large and diverse. Additionally, they are the reason that the industry has so many other segments.

2. Increase in Sport Business Among the Range of Diverse Market Segments

The sport business industry is a vast multi-business and multicultural industry. It always has been and always will be. What is perhaps different is that there has been significant growth, development, and commercialization of the multitudes of sports activities and organizations that are created for and managed by the many different populations of people who live in the United States. Table 1.12 illustrates some of the categories of different sports events. As diverse market segments such as people who are African-American, Asian-American, Jewish, Hispanic, lesbian and gay, young and old, and disabled grow and emerge as viable markets, two things are happening. First, existing sports companies are targeting them and courting them as potential consumers either for existing products or potential products.

Table 1.12

Examples of Diverse Market Sports Events and Organizations.

Geographical Regions:	African Games Asian Games Pan American Games National Games of India
States:	Alabama State Sports Festival Southeastern Sports Festival Rocky Mountain State Games (Colorado) Empire State Games (New York)
Disabilities:	Special Olympics Paralympics World Games for the Deaf Disabled Swimming O & P Extremity Games
Religious Affiliation:	Maccabi Games (Jewish Olympics) Athletes in Action (Christian sports)
Career/Profession:	Police Games World Student Games U. S. Corporate Games Australian Corporate Games
Sexual Orientation:	Federation of Gay Games: Gay Games VII, Chicago, USA, July, 2006; Gay Games VIII, Cologne, Germany, 2010. The European Gay & Lesbian Sports Championships: EuroGames International Gay and Lesbian Aquatics Gay and Lesbian Rowing Federation ForeUS Lesbian Golf Tour International German Gay and Lesbian Golf Championships International Gay and Lesbian Ice Hockey Association (IGLIHA) Commonwealth Games International Sports Initiatives, U.S. Department of State Men's & Women's World Cup (soccer) The Olympic Games North American Indigenous Games World Games for Indigenous Peoples Cherokee Nation Youth Fitness Camp Colorado Indigenous Games NDN Sports: First Nation Golf Association National Brotherhood of Skiers (African American) National Association of Black Scuba Divers (NABS) Northwest Hispanic Soccer League Sacramento Asian Sports Foundation Seattle Asian Sports Club National Senior Games Association National Youth Soccer Championships National Youth Bowling Championships U.S. Masters Swimming World Masters Weightlifting Pan Pacific Masters Games World Youth Athletics Championships
Political Affiliation:	
Race/National Origin:	
Age:	

courting
معاشرت کردن

Second, many of these groups are creating their own sports companies and industries. Here are some examples:

- The National Brotherhood of Skiers Association (NBSA) for African American snow skiers has over 14,000 members. The NBSA hosts over 800 events each year. One annual event can reach an estimated economic impact of \$10 million. Go to www.nbs.org for more information.
- The Women's World Cup was created by FIFA to meet the demands of women's soccer worldwide. After the first tournament, in 1991, tournaments have been held every four years. The media and fan attention has grown at an extraordinary rate since 1991; and at the World Cup of 1999 and 2003, there was a record breaking number of spectators at the games and a record breaking number of people watching on television. Go to www.fifa.com for more information.
- There is a gay and lesbian sports organization, business, league, or team in almost every city in the United States. These organizations offer tens of thousands of sports and recreation events each year for the lesbian and gay sports market. The events range from archery to equestrian to rodeo to snow sports to volleyball. The top event, the Gay Games, held every four years, is a major sports event and festival. Go to www.GayGames.com for more information.
- Master's swimming organizations offer swimming opportunities, events, and competitions for a variety of age-groups from 20 to 90 years of age. People of different ages compete in groups of their ages only. Go to www.usms.org for more information.
- The ESPN X Games were invented specifically for an age-group—18 to 34—labeled the Generation X. There are now Summer and Winter X Games; and sports include skateboarding, downhill and aggressive in-line skating, bicycle stunt racing, street luge, snowboarding, snow mountain biking, and skysurfing. Started in 1995, the 1998 X Games boasted over 400 athletes, \$450,000

Table 1.13

Some Events Offered by Disabled Sports USA During 2005–2006.

BlazeSports Ability Games	BlazeSports Quad Rugby
First Swing Golf clinic	STRIDE Swimming
Desert Challenge Games	National Sports Center for the Disabled Rock Climbing
Michigan Association of Blind Athletes Sports Education Camp	Adaptive Adventures' Adaptive Cycling
2006 Women's Wheelchair Basketball National Championship Tournament	Adaptive Adventures Rafting Experience
STRIDED Wounded Warriors Weekend	DS/USA Far West Water-Skiing
Maine Handicapped Skiing's 21 st Anniversary Ski-A-Thon	Disabled Sports Eastern Sierra Adventure Cycling/Mountain Biking
25 th Anniversary Windsor Classic Indoor Games	National Sports Center for the Disabled Therapeutic Horseback Riding
Ladies with Abilities Winter Adventure & Ski Camp	Source: http://www.dsusa.org .

boasts

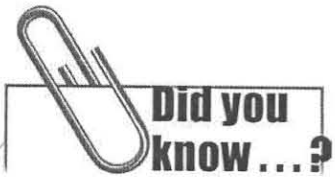
in prize money, 225,000 spectators, and a proclaimed economic impact of \$20 million. Having grown in popularity, today the X Games boasts EXPN.com, EXPN radio, official X Games sporting goods and X Games merchandise, EXPN Podcasts and more. Go to <http://expn.go.com> for more information.

- The Paralympic Games are Olympic-style Games designed for people with physical disabilities. Disabled Sports USA, established in 1967, offers nationwide sports programs, activities, and events to anyone with a permanent disability. Table 1.13 shows a few of the many events offered during the year 2005. Go to www.dsusa.org to find out more about this organization.

One of the reasons so many groups of people create their own sports businesses and organizations is to socialize and participate in sports with individuals with similar backgrounds and interests.

A second reason is that as populations fight for and gain civil rights, new legislation brings about increased opportunities in sport, fitness, or recreational activity. For some populations, the increase in sports opportunities has almost paralleled the fight for civil rights. The involvement of the African-American population in sport, fitness, and recreation activity increased as their struggle for civil and equal rights progressed. Women and girls gained more opportunities in organized high school and collegiate athletics because of legislation aimed at stopping discrimination based on gender in educational institutions. The number of women and girls participating in sports and athletics has increased significantly since the early 1970s.

A third reason is that people like to enjoy sports activities with their friends. Typically, a person wants to be around and do activities with people they like, who have similar characteristics, who enjoy the same things, who share the same culture, and



NASCAR-licensed products generates \$2 billion in annual sales.

Table 1.14
Facts about the Gay Games.

Gay Games Event	Participants	Countries	Sports	Economic Impact
Gay Games I San Francisco, 1982	1,300	12	16	not known
Gay Games II San Francisco, 1986	3,482	22	17	not known
Gay Games III Vancouver, Canada, 1990	7,300	28	31	\$30 million
Gay Games IV New York City, 1994	10,864	40	31	\$112 million
Gay Games V Amsterdam, 1998	14,864	78	31	\$300 million
Gay Games VI Sydney, Australia, 2002	15,000	70	31	\$116 million
Gay Games VII Chicago, USA, 2006	12, 000	50	30	not known

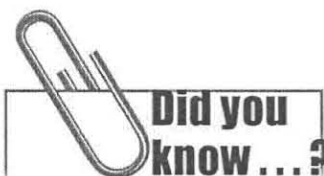
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Gay Games VII Chicago, USA, 2006	12, 000	50	30	not known

with whom they are most comfortable.) It is no surprise that most groups of people with common interests organize their own sports activities and businesses. For example, the number of sport businesses, organizations, and events for the lesbian and gay population has grown at a very fast rate (Pitts, 1997, 1999). The event that exemplifies the growth of sport in the lesbian and gay population is their Olympic sporting event, the Gay Games. The Games are held every four years; and the number of events, participants, sponsors, and spectators has grown at an extraordinary rate. (The number of participants increased 1200% from the first Gay Games in 1982 to the fifth Gay Games in 1998.) Over 14,000 athletes from over 70 countries competed in 1998. Table 1.14 shows the growth and size of the Gay Games since 1982.)

Laws and other legislation have been passed to stop discrimination against the handicapped population. (The passage of the Americans with Disabilities Act of 1990 has helped in the increased opportunities in sports and fitness activity for the handicapped and has had a significant impact on forcing the accessibility of sports facilities for the disabled.) The Paralympics receives major sponsorship today. In addition, there are now numerous sports organizations and equipment designers for people with disabilities.

II. Sports Activities and Events: Sports, Recreation, Fitness, Leisure, Sports Tourism

The creation, management, marketing, and production of sports, recreation, fitness, leisure, and sports-tourism activities and events offer a world of opportunities to people. Many sports activities are created specifically for a particular group. For example, the popularity of the sports has led to the creation of state games such as the Bluegrass Games (Kentucky), the Sunshine State Games (Florida), and the Big Apple Games (New York). These events are multisport festivals designed for recreational athletes who live in a particular region.

Table 1.15 shows some of the many different sports and recreational activities today and the changes in participation rates over a period of time as compiled by the Sporting Goods Manufacturers Association (SGMA). Indeed, the SGMA believes that participation figures are the most important information in defining the size of a market. According to the SGMA, "sports participation defines the size, composition, and ultimately the trend of the product market and is, in effect, the 'gold standard' to which all markets eventually return" ("Sports Participation Trends," 1999, p. 4).

1. Constant Increase in the Number of New and Different Sports, Recreational, and Fitness Activities and Events

Since the middle 1970s, the United States has experienced a consistent and fast growth in the number and type of new sport—fitness, or recreation-related activities and events—offered to a variety of sport market consumers. Consider the following examples. In the late 1970s, a seemingly new way to get fit was offered. This was called aerobics—exercising to music. Today, there are hundreds of different kinds of aerobics offered to a wide variety of consumers. Some of these programs are soft aerobics, hard aerobics, jazzerobics, elderobics, and baby-robics.

goods → (products and services)

Chapter One

THE SPORT BUSINESS INDUSTRY

"Know what you sell, and sell what you know."

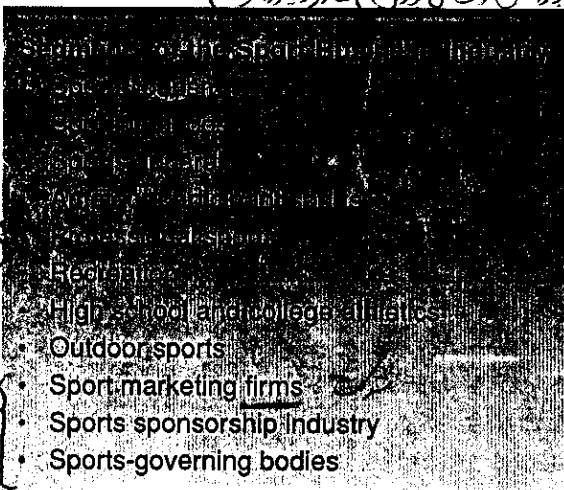
—The Bottom Line to the Sport Business Industry

مناطق Sport business is one of the largest industries in the United States and in many regions of the world. Estimates vary on just how large it is because it is too large and varied for any one study to provide a single number. However, when one begins to consider all of the parts of the whole, one can easily recognize that this industry is massive—placing it among the top few largest industries in the world. The sport business industry consists of numerous segments, some of which include sports tourism, sporting goods (manufacturing and retail), sports apparel, amateur participant sports, professional sports, semi-professional sports, recreation, high school and college sports, outdoor sports, sports service businesses such as sport marketing firms, sport sponsorship management companies, and sport governing bodies. In addition, each of the segments is comprised of a plethora of sub-segments. Examine, for instance, outdoor sports. How many outdoor sports can you name? How many involve mountains? How many involve water? How many involve vehicles? How many involve animals—horse racing, bull riding? How many involve competition? Additionally, how many outdoor sports events are held each year? How many of these are held weekly, monthly, or annually? If you really thought hard, you could potentially list thousands.

①

semi-professional sport

sport service business



Take another segment—professional sports. How many sports have a professional league, event, or circuit? How many cities host professional sports teams or sports? How many facilities are built just for professional sports? How many individuals are involved in building professional sports facilities? How many individuals work for professional sports—either for the actual team, league, or circuit; and how many work either full time or part time?

کادر - بی ریاک Jobs and careers in the industry are seemingly endless and are as varied as the segments and businesses. (It is an industry in which a person can often find success by linking an interest in sports with an interest in something else.) For example, a person interested in shoe engineering and sports can design sports shoes as a career. A person who writes computer programs and likes sports can design programs for exercise equipment, for use in athletic training, or for gauging the air drag of race cars, speed-skating suits, or bobsleds.

مناسب

sport management = sport administration = sport business

With its size, variety, and flexibility, it is no wonder that sport management is one of the fastest growing, most popular college degree programs today. Because so many students want a career in the sport business industry, many colleges and universities are adding degree programs in sport management, (also called sport administration and sport business). Despite recent sport program additions, there are still too few programs and students in sport management to support the constantly growing industry. It will be several years before there are enough students trained in sport management programs to fill all of the available jobs. (Until employers in the industry begin to demand employees with the appropriate sport management education, people without a sport management background or a college education will fill the positions in the sport industry.) Therefore, it is important that colleges and universities continue to promote sport business management education.

It is important for all students in sport business management to know and understand as much as possible about their chosen career and industry. For example, it is vital that every sport management student have an understanding of sport marketing. The student must understand sport marketing fundamentals and how they can be used in every segment of the sport industry. (This knowledge will positively affect the student's success in a chosen career in any segment of the sport industry.) → sport marketing

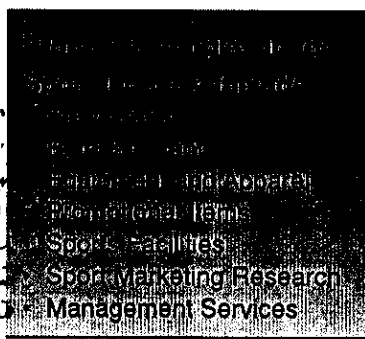
The application of sport marketing fundamentals to the sport business industry is best accomplished when the student has full knowledge and understanding of the sport business industry and its segments. It is important to understand what this industry is, how it develops, how it grows, what feeds its growth, who its consumers are, and the nature of its linkages with society and culture.

In this first chapter, the student will learn about the sport business industry. Toward this goal, it is first essential to understand the "sport business industry" as it is being defined in sport business management today. To do this, it is important to understand the terms sport and industry individually and also as they are defined in sport management today.

is being defined
تعریف شده است

Industry

An "industry" is "a market in which similar or closely related products are sold to buyers." Some industries may contain only one product. It is more typical that an industry comprises a variety of product items sold to many existing or potential consumers who vary demographically and psychographically, and who may change in need, want, desire, or demand. The tennis racket industry is an example of a single-product industry. Within this industry, there are different variations of tennis rackets ranging in size, color, material, and price to meet the demands of the many different consumer markets. Additionally, the tennis racket industry is part of a multi-product industry, the sporting goods industry. The sporting goods industry is an example of an industry comprising many different but related products. It comprises all products sold as goods, equipment and apparel for use in sports, recreation, and fitness activities. This industry can be subdivided into several segments using different ways to define those segments. To see the many segments of the sporting goods industry, look inside a sporting goods store. There are departments, representative segments of the industry, for a variety of sports and activities, categorized according to their similarities such as water sports, camping activities, and



soccer apparel. Keep in mind, however, that your local sporting goods store doesn't carry goods for every sport that exists. For example, to find equestrian or rodeo equipment, you would have to go to a specialty store.

Within a department, the products can be further subdivided into groups of individual sports or closely related sports. In the water sports department, for example, you will find equipment, goods, accessories, and apparel for several different sports such as scuba diving, fishing, water skiing, snorkeling, and swimming. In the tennis department, you will find tennis rackets, from the single-product industry, but you will also find many other tennis products—tennis balls, shoes, socks, bags, towels, tennis ball holders, water bottles, caps, shirts, and many more. You will also find products not needed to play tennis. These are products that promote the sport of tennis such as tennis bumper stickers, key rings, jewelry, posters, and T-shirts. As you can see in the examples, an industry can be composed of one product or many products. Those products can be very closely related and similar in nature or very loosely related and dissimilar. Moreover, it is important to recognize that products can be goods, services, people, places, or ideas. An industry can be composed of one of these or a combination of them. Either way, the products are usually related in some way as defined by those involved in the industry.

Sport and Sport Business Management

"Sport" is defined in many different ways depending on the context in which it is used. In many fields such as sport sociology, physical education, and recreation, sport is used to denote sporting activities such as basketball, hiking, snowboarding, and boating. Sport sociology is the study of people and sport and society. Physical education involves teaching sports to people. The term *sport*, as used in the field of sport business management and in relation to the sport business industry, is a broad concept term used to denote all people, activities, businesses, and organizations involved in producing, facilitating, promoting, or organizing any activity, experience, or business enterprise focused on fitness, recreation, sports, sports tourism, or leisure. At some institutions, sport management is also often called sport administration, sport business, and sport business management. To classify an enterprise as a sport business, then, doesn't necessarily mean it is a business that sells sports. It might be a company in the business of sport marketing research, a sports tourism business that sells snow ski packages, a Web sport company that sells Women's World Cup souvenirs via the Internet, a sponsorship management business specializing in handling sports sponsorship packages, or a sporting goods company that manufactures mountain-climbing gear.

Notice that the title of this book is *Fundamentals of Sport Marketing* and not *Fundamentals of Sports Marketing*. Also note the use of the term *sport management* instead of *sports management*. The term *sport* has a very different meaning than *sports*. According to the North American Society for Sport Management (Parks and Zanger, 1990), "sports implies a collection of separate activities such as golf, soccer, hockey, volleyball, softball, and gymnastics—items in a series that can be counted" (6). This is the way most people define sports—as sports activities. This reflects primarily two things: first, exposure to sports in our schools and colleges; second, exposure to sports every day through the media. That is, what the average person sees

and hears through television coverage of sports events, the sports section in the newspaper, and the sports report on TV news broadcasts covers sports activities as they take place or a report of the outcome—the final score and who won. Therefore, sports management implies only managing sports activities. Sport, however, is a collective noun and a more all-encompassing concept. Therefore, the North American Society for Sport Management (NASSM), the professional association comprised of university academicians, students, and scholars in sport business management, chose the word sport as a term that more correctly identifies and defines the sport management field of study.

Sport business management implies a much broader concept. Therefore, the contemporary definition of sport business management is as follows: Sport business management is the study and practice involved in relation to all people, activities, businesses, and organizations involved in producing, facilitating, promoting, or organizing any product that is sport, fitness, and recreation related. Sport products can be goods, services, people, places, or ideas. This includes, for example, a company that manufactures sports equipment, clothing, or shoes; a person or company who offers promotion services for a sports organization; an organization charged with governing a sport; a person who represents a professional athlete as an agent;

people who own and manage a sports facility; people who design and construct those sports facilities; a person who teaches golf; a company that manages the promotional merchandise and licenses for a sports event; and television companies that are involved in broadcasting sports events.

This is what sport means when used in the context of sport management, sport marketing, and the sport industry. It is an all-inclusive term representing every person and business involved in producing, facilitating, promoting, or organizing sports, fitness, play, leisure, or recreation activity and all related products.

Sport Management Defined:

Sport Management is the study and practice of all people, activities, businesses, or organizations involved in producing, facilitating, promoting, or organizing any sport-related business or product.

The Sport Business Industry

We may now define the term sport business industry. A variety of research provides descriptions of the many different products and businesses that comprise the sport industry. The products and businesses focus on sports, fitness, recreation, or leisure products. There are many different groups of consumers for these products, and they can be broadly categorized as either end consumers or business consumers. Based on this research and the definitions of sport and industry presented earlier, the definition of sport business industry follows:

The sport business industry is the market in which the products offered to its buyers are sport, fitness, recreation, or leisure related and may be activities, goods, services, people, places, or ideas.

Here are some examples of the types of products offered in the sport industry:

- Sports are products and can be offered as a participation product such as participation in a women's recreational basketball league;

• Sports can be offered as an entertainment product, primarily for spectating, such as the offer to watch a field hockey game, a snow-boarding competition, or the X-Games;

• Equipment and apparel are sport products needed or desired to participate in sports and fitness activities such as softball uniforms, ice-hockey pads, body-building apparel, in-line skates, and bicycle helmets;

• Promotional merchandise is a sport product used to promote a sport business, a sports league, a sports event, or fitness activity such as logo, caps and shirts, fitness club shirts or towels, stadium cushions and blankets with the company logo;

• Sports facilities are sport products needed or desired for producing sport such as the construction of a new sport stadium or the remodeling of racquetball courts to accommodate wallyball; the design and the construction company for the facility are also products;

• Service businesses offer such sport products as sport marketing research, tennis racket stringing, or golf course care;

• Recreational activities are sport products sold as participation products such as mountain bicycling, hiking, camping, horseback riding, boating, cross-country skiing, sailing, and mountain climbing;

• Complete management and marketing professional services are sport products offered for a variety of markets such as the management of a large marathon, the promotion and management of a sports tourism package, or the management and marketing for an athlete; and

• Sport media businesses offer such products as magazines about specific sports such as *Runner's World* magazine and trade magazines targeted to industry business such as *The Boat Dealer*. There also are these products and companies: sports television companies, sports radio shows, and Internet sports companies.

Sport Industry Defined:

The sport industry is the market in which the businesses and products offered to its buyers are sport related and may be goods, services, people, places or places.

The Size of the Sport Business Industry

The sport business industry has experienced phenomenal growth in a relatively short period of time. Although sports and recreational activities, events, and businesses have been around for a very long time, there has never been a period of explosive growth like that of the last 30 years. There are many reasons for this growth. Those are presented in the next section in this chapter. These changes represent both horizontal and vertical expansion. Horizontal growth involves the addition of new markets and new products such as new sport businesses like sport marketing research firms. Vertical growth involves the growth of existing markets and products such as the explosion of girls and women in traditional sports like basketball and volleyball.

A few studies have attempted to place a dollar value or economic impact number on the sport business industry. Although the studies were not conducted the same way and did not look at the same factors, they at least provide an estimate of the size of the industry and the various segments that have composed the industry since

1986. You may be surprised to learn that men's professional sports are not the largest segment of the industry even though there is a lot of money in some men's professional sports and some of them are the primary, and prime-time, focus of most media. However, as you will see in the tables, the largest segments of the industry are sports for the masses and sporting goods. When you give thought to what comprises these segments, then you see that it makes sense. Five studies on the size of the sport business industry offer an illustration of its size, segments and its growth over two decades. The first was a series of three studies about the industry in 1986, 1987, and 1988 (Comte and Stogel, 1990). A summary of the studies is presented in Table 1.1. In this sum-

Table 1.1: Growth in the Sport Industry

Study	Year	Size of Industry	%Growth Annual/Between	رتبه Rank
1 st study	1986	\$47.3 billion	—	
2 nd study	1987	\$50.2 billion	+6.1	23 rd
3 rd study	1988	\$63.1 billion	+7.5	22 nd
4 th study	1995	\$152 billion	+13.0	11 th
5 th study	1999	\$213 billion	+10.5	6 th

Note: The results of these five studies cannot be compared. Although each study included similar segments of the industry, they included different segments. Moreover, methodologies were not similar. However, some general conclusions can be made.

- between 1986 and 1988, the annual increase averaged +6.8%
- from 1988 to 1995, the average increase was +13%
- from 1995 to 1999, the average increase was +10.5%

Note: Research in the first three studies was conducted by Sport Inc. and Sporting News with WEFA (Wharton Econometric Forecasting Association); the fourth study is from Meek, A. (1997). An estimate of the size and supported economic activity of the sports industry in the United States. *Sport Marketing Quarterly*, 6 (4), 15-21; the fifth study was conducted by *SportsBusiness Journal* and published in the December 20-26, 1999 issue (1999, volume 2, issue 35, pages 23-30).

Table 1.2: The Top Fifty Sport Industries in 1987 (in billions)

1. Real estate	\$519.3	26. Paper and allied products	39.5
2. Manufacturing	479.9	27. Auto repair garages	38.9
3. Retail trade	427.4	28. Security/commodity brokers	36.7
4. Regulated Industry	408.2	29. Primary metals	36.4
5. Manufacturing (non-durable goods)	373.6	30. Lodging	35.7
6. Wholesale trade	313.0	31. Personal services	34.4
7. Health services	223.7	32. Air transportation	34.2
8. Business services	179.3	33. Petroleum and related products	33.6
9. Communications	120.9	34. Rubber and plastics	29.9
10. Radio and television	108.3	35. Educational services	29.6
11. Insurance	101.3	36. Insurance agents and brokers	28.6
12. Miscellaneous professional organizations	86.4	37. Lumber	27.7
13. Electrical machinery	85.0	38. Stone, clay, and glass	27.5
14. Banking	84.8	39. Instrument manufacturing	26.9
15. Chemicals and allied products	77.1	40. Amusement and recreation services	24.0
16. Food and kindred products	74.0	41. Apparel	22.5
17. Insurance carriers	72.7	42. Textile mills	19.9
18. Trucking and warehousing	64.2	43. Credit agencies	17.0
19. Legal services	62.3	44. Holdings and other investment firms	15.2
20. Fabricated metals	60.3	45. Tobacco	15.5
21. Printing and publishing	58.2	46. Furniture and fixtures	14.9
22. Non-auto transportation equipment	56.0	47. Miscellaneous repairs	13.9
23. SPORTS	50.2	48. Miscellaneous manufacturing	13.9
24. Motor vehicles and parts	49.9	49. Telephone and telegraph	12.7
25. Social and membership organizations	45.3	50. Transportation services	12.0

Source: (Comte & Stogel, 1990).

مجلس ورزش و تفریح از سال ۱۹۸۷ تا ۱۹۸۸ ← ۱۳۶۸ (سازمان صنایع بین المللی)
 صنعت ورزش یا تفریح صنعت بزرگ ایالات متحده است.
 رشد صنعت ورزش در ۱۰ سال، ۲۰۵٪ بوده است.

Table 1.3
Rank of the Sport Industry in the U.S. compared to other industries according to the Market Study (March 1997)

Industry	Value in billions
1. Real estate	\$850.0
2. Retail trade	\$639.9
3. Wholesale trade	\$491.0
4. Health services	\$443.4
5. Construction	\$277.6
6. Business services	\$275.3
7. Depository institutions	\$225.9
8. Utilities	\$205.3
9. Other services	\$195.0
10. Telecommunications	\$156.0
11. Sports	\$152.0
12. Chemicals and allied products	\$141.0
13. Electronics and electrical equipment	\$138.5
14. Industrial machinery and equipment	\$123.3
15. Insurance carriers	\$115.4
16. Food and kindred products	\$113.3
17. Trucking and warehousing	\$100.6
18. Legal services	\$100.5
19. Printing and publishing	\$89.7
20. Motor vehicles and equipment	\$88.7
21. Fabricated metal products	\$86.0
22. Farms	\$85.0
23. Security and commodity brokers	\$75.6
24. Oil and gas extraction	\$62.7
25. Auto repair, services, and parking	\$60.5

mary, we see that from 1986 to 1988 the sport industry grew an average of 6.8% yearly. This is an important figure to note when comparing the sport industry to other industries that usually average a yearly growth of one to three percent. In the first edition of this textbook, we predicted that if the sport industry grew at the annual average rate of 6.8%, it would grow to \$139 billion by 2000 and would more than double in size. We admit we were wrong. The industry is much larger than the prediction! In 1995, a study showed the sport business industry to be a \$152-billion dollar industry and the 11th largest industry in the United States. That represents a 242% increase, indicating that the industry has grown almost 2½ times larger in a 10-year period. Tables 1.1, 1.2, 1.3, 1.4, and 1.5 show the information from those studies.

In 1999, a fifth study was conducted and reported by the *SportsBusiness Journal*. This study estimated the industry to be \$213 billion ("The Answer," 1999). Table 1.6 illustrates the size of the industry segments as reported in the *SportsBusiness Journal*. Table 1.7 shows the segments of the industry that were included in the *SportsBusiness Journal* study.

Table 1.4
Sport Industry Segments, 1987-88

Segment	1987	(in millions)	1988	Percent change
Leisure and participant sports	\$21,599.5		\$22,789.3	+5.5
Sporting goods	18,069.3		19,012.8	+5.2
Advertising	4,058.6		4,388.5	+8.1
Net take from legal gambling	3,504.8		3,618.3	+3.2
Spectator sports receipts	3,050.0		3,240.0	+6.2
Concessions, souvenirs, novelties	2,100.0		2,348.1	+11.8
TV and radio rights fees	1,209.2		1,415.8	+17.1
Corporate sponsorships	1,012.0		1,140.0	+12.6
Golf course, ski area construction	542.3		946.9	+74.6
Sports insurance	722.0		830.0	+15.0
Magazine circulation revenues	658.6		773.0	+17.4
Royalties from licensed properties	584.0		735.0	+25.9
Athlete endorsements	520.0		585.8	+12.7
Trading cards and accessories	350.0		408.3	+16.7
Sports book purchases	241.0		330.7	+37.2
Stadium and arena construction	250.0		319.3	+27.7
U.S. Olympic Committee, NGB budgets	98.2		114.2	+16.3
Youth team fees	95.3		97.0	+1.8
Halls of fame	5.4		6.0	+11.1
Total	\$58,670.2		\$63,099.0	+7.5

Note: Several categories have been statistically adjusted with updated 1987 figures, which may vary from previous publication; sports insurance premiums include professional and amateur teams, and individual players, but not multi-purpose facilities.

Source: (Comte & Stogel, 1990).

Segments

Estimated Value

1. Sporting goods, footwear, apparel	\$71 billion
2. Participant sports	\$32 billion
3. Sports medicine	\$18.5 billion
4. Construction	\$11.8 billion
5. Sponsorship, endorsements, radio, TV, newspapers	\$7.5 billion
6. Admissions (spectators)	\$5.3 billion
7. Trading cards, video games, tapes, books, magazines	\$3.5 billion
8. Concessions and souvenirs	\$3.4 billion
9. Betting	\$3.3 billion

When you compare these studies, you can see that the *SportsBusiness Journal* study included the fewest segments of the industry. Their study was limited to organized sports that they defined as "spectator sports" and their related industries.

In the most recent study of the sport business industry, PricewaterhouseCoopers looked at a portion of the industry globally. In their study, labeled "Global Entertainment and Media Outlook: 2005-2009," they found that the global sports market will reach sales of \$111.1 billion in 2009 at a 6.1% compound annual growth rate (CAGR) (Zimmerman, 2005).

PricewaterhouseCoopers is a company that serves as "accountant and business advisor to many of the world's leading entertainment and media companies" (<http://www.pwc.com>). Through this work, the company develops its analyses of several industries. Some segments of the sports industry are included in their work. Their definition of the "sports market" as

... consisting of gate revenues for live sporting events; rights fees paid by broadcast and cable television networks and television stations to cover those events; merchandising, which includes the selling of products with team or player logos; sponsorships, which include naming rights and payments to have a product associated with a team or league, as well as, in Asia/Pacific, actual team ownership; and other packages with rights to sports events or programming. Concession revenues are not included, consistent with the definition of box office spending in the Filmed Entertainment chapter" (<http://www.pwc.com>).

Therefore, they do not include all of the segments of the industry. However, it is beneficial to look at their numbers. Table 1.8 presents some of the information from their study.

Integral to determining the size of the sport industry is the study of individual industry segments. Although there may be some overlap, this can be used as an esti-

Table 1.8 Major U.S. sport industry, 1999, compared to other industries in the *SportsBusiness Journal* study

1. Real estate	\$935 billion
2. Retail trade	\$713 billion
3. Health care	\$460 billion
4. Banking	\$266 billion
5. Transportation	\$256 billion
6. Sports business	\$213 billion
7. Communications	\$212 billion
8. Public utilities	\$210 billion
9. Agriculture	\$132 billion
10. Mining	\$121 billion
11. Motor vehicles and equipment	\$85 billion
12. Motion pictures	\$31 billion

Source: *SportsBusiness Journal*, December 20-26, 1999.

gate revenues

باصطلاحاً فروش

rights fees

حق پخش (تلویزیونی)

merchandise

خرید و فروش (محصولات)

sponsorship

حامی

Table 7
Estimated Value of Various Spectator Sports Segments

Spectator Sports Segment	Estimated Value	% of Total
1. Travel transportation, accommodations, meals of spectators, colleges, the 'big four' leagues, other	\$44.47 billion	20.92
2. Advertising telecasts, cable, regional, print, signage, radio	\$28.25 billion	13.29
3. Equipment, apparel, footwear sportswear in competition	\$24.94 billion	11.73
4. Gate receipts admission, concessions, merchandise, parking	\$22.56 billion	10.61
5. Team operating expenses 'big four' player salaries and operating expenses; colleges; others	\$19.23 billion	9.05
6. Legal gambling wagers, horses, dogs, jai alai, internet	\$18.55 billion	8.73
7. Licensed goods apparel, footwear, housewares, media, miscellaneous	\$15.1 billion	7.10
8. Professional services agents, sport marketing firms, facility management, financial, legal, and insurance services	\$14.03 billion	6.60
9. Media broadcast rights 'big four,' college, other, radio telecasts	\$10.57 billion	5.0
10. Sponsorships events, teams, leagues, broadcasts	\$5.09 billion	2.40
11. Medical treatment baseball, football, basketball, soccer, softball, other	\$4.1 billion	1.93
12. Facility construction stadium, track, arena construction	\$2.49 billion	1.17
13. Publications/videos magazines, videos, video games, books	\$2.12 billion	1.0
14. Endorsements value of top 80 athletes and coaches	\$730 million	.34
15. Internet revenue from advertising and access fees	\$300 million	.14

Note: The study by the *SportsBusiness Journal* included only these few segments of the industry. The methodology included selected organized sports: those that are defined as 'spectator sports' and their related industries, as listed above. Further, the study does not reveal which sports organizations are included and which are left out. Note that this study does not include such segments as participant sports, recreational sports, or others that are listed in other tables here in Chapter one (*SportsBusiness Journal*, December 20-26, 1999).

Table 8
Estimated growth of entertainment sports gate revenues, rights fees, merchandising, sponsorships as defined by PricewaterhouseCoopers (www.pwc.com)

Country	2004	2009 projected
United States	\$42.1 Billion	\$57.4 billion
Europe, Middle East, & Africa	\$24.9 billion	\$32.9 billion
Asia/Pacific	\$12.7 billion	\$17 billion
Latin America	\$2.82 billion	\$3 billion
Canada	\$440 million	\$878 million

Table 1-10
Examples of Sports Events and Facilities and Their Value
(Usually in Economic Impact)

Sports Event	Value (Economic Impact)
Men's World Cup Championship (2002)	\$260 Million
Arizona Cardinals New Stadium	\$455 Million
Triple Crown Brighton Baseball Bash	\$1 Million
(a high school baseball tournament)	
AAU Junior Olympic Games	\$60 Million
Tour de Georgia—impact on one town	\$2 Million
Nextel All-Star Challenge, a NASCAR race	\$94 Million
CIAA Basketball Tournament	\$15 Million\
(Central Intercollegiate Athletic Assoc.)	
Florida State High School Association	
Boys & Girls State Basketball Tournament	\$7 Million
NASCAR NEXTEL Cup event—2004	\$146 Million
NCAA Division I-AA Football	\$1.1 Million
Championship 2003	
Super Bowl XXXVII, Houston 2005	\$367 Million
Nokia Sugar Bowl 2005	\$210 million
Capital One Bowl	\$42.3 million
Mississippi State Games	\$5.5 million
Bank of America PGA Classic 2005	\$25 million
Alamo Bowl 2004	\$35 million
Opening Day Baltimore Orioles	\$4 million
World Golf Championship 2004	\$24 million
USA Volleyball Junior Olympics 2005	\$27 million
Atlanta Football Classic 2005	\$28 million
NCAA Women's Final Four 2003	\$34 million
Chick-Fil-A Peach Bowl 2004	\$35 million
National Field Hockey Festival 2004	\$3 million
WIBC (bowling) Championship	\$40 million
Honolulu Marathon 2005	\$90 million
New York City Marathon 2005	\$130 million
2010 Winter Olympic & Paralympic Games:	\$8.4 billion (est.)
Vancouver, British Columbia, Canada	
2006 NFL Super Bowl Championship Game	\$300 Million
2006 IIHF World Junior Hockey Championship	\$36.7 Million
Gay Games VI, 2002, Sydney, Australia	\$116.8 million
Super Cross event Atlanta	\$12 million
Men's NCAA Div. I Regional Basketball	\$23.4 million
Tournament—Atlanta	
Professional Bull Riders—2005 single event	\$5.9 million

Sources: <http://www.sportbusiness.com>; <http://www.azcentral.com>; <http://www.SGMA.com>.

Types of jobs are available and help you decide on a future career.

FACTORS INFLUENCING THE GROWTH AND DEVELOPMENT OF THE SPORT BUSINESS INDUSTRY

The sport business industry is large and diverse. There are numerous kinds and types of businesses and organizations. Your career in the sport industry will be greatly enhanced if you understand why the industry is so large and diverse and what drives its growth. To gain this understanding, it is important to understand the factors that have influenced the growth and development of the industry in the past, those that affect it currently, and those that will have an influence in the future (see Table 1.11).

The sport business professional must constantly analyze what is affecting the industry because such influences may affect the success or failure of a product or business. If the sport businessperson studies and understands how the factors affect the product or business, he or she can develop decisions and strategies that will lead to success.

The factors that influence the industry are grouped into the following categories: people; sports activities and events; sporting goods; facilities; sports medicine, and fitness training; commercialization and marketing; service businesses; education; and media. Factors within these categories have been among the many causes for the growth of the industry in the past and will continue to affect growth in the future.

Additionally, studying these factors can help us identify the number and types of jobs and careers in the industry. As you read about the factors listed and explained in this section, think about the number and types of jobs necessary in that area. You just might discover your future career.

عوامل

عوامل مؤثر بر

تنوع

بسیار زیاد

در حال حاضر

آدمش می آید
(ربا بازی، رود)

طبیعی است

شکست

بازرگان

طبقه - دسته

امکانات

آموزش، کتاب، انعام

تجارت کردن

بازرگان کردن

کسب و کار

علاوه بر این

تجارت

دقت

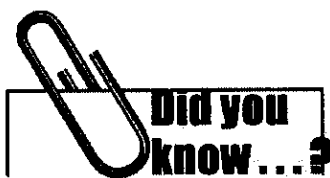
منطقه
حوزه

Table 1.1 Factors Contributing to the Growth of the Sport Business Industry (A Sample)

I. People	
1. Constant Human Interest in Sport and Recreation	ثابت (دامی و شامل ...)
2. Increase in Sport Business Among Diverse Market Segments	افزایش - رشته
II. Sports Activities and Events: Sports, Recreation, Fitness, Leisure, Sports Tourism	
1. Constant Increase in the Number of New and Different Sport, Recreational and Fitness Activities, and Events	
2. Constant Growth in the Offering of Traditional Sports	رشته (در ادامه) ورزش های سنتی
3. Constant Increase in the Number and Type of Professional Level Sport, Fitness, and Recreational Activities	
4. Increase in Sports Tourism and Adventure Travel Products	محصولات تفریحی و ماجراجویانه
III. Sporting Goods	
1. Increase in Sporting Goods and Apparel Designed for the Diversity of Markets and Their Demands	
2. Influence of Technology on Sport-Related Goods, Services, and Training	نیازها - تخصصی
IV. Facilities, Sports Medicine, and Fitness Training	
1. Increase in Number and Type of Sports Facilities and Events	
2. Movement of Facilities From Single-Purpose to Multi-Sport and Full-Service Facilities	
3. Constant Increase in the Amount and Type of Sports Medicine and Fitness Training Services	
V. Commercialization and Marketing of Sport	
1. Packaging of Sport as an Entertaining Product	تورژن بازاریابی
2. Increased Marketing and Marketing Orientation of the Sport Industry	
3. Increased Understanding and Knowledge of Customers of the Sport Business Industry	
4. Promotion Perfection as the Goal of Sport Marketing Professionals	رشته بازاریابی
5. Growth of Corporate Sponsorship	شرکت های حامی
6. Increased Endorsements	افزایش تأییدیه
7. Growth in Importance of Licensing and Merchandising	تجارت
VI. Sport Industry Professional Service Businesses	
1. Extraordinary Growth in Service Businesses for the Sport industry	فرق با خدمات
VII. The Sport Industry, Media, and Sport Media	
1. Sport Industry Benefits Greatly From Mass Media Exposure	مزایای صنعت ورزش با حضور رسانه های جمعی
2. Sports Activities and Events as a Popular Entertainment Product	فعالیت های ورزشی و رویدادها به عنوان یک محصول سرگرمی محبوب
3. Constant Increase of Television and Radio Coverage	افزایش مداوم پوشش (تلفاز و رادیو)
4. Increase in the Number and Variety of Magazines, Trade Magazines, and Academic Journals Devoted to Sport	افزایش در تعداد و تنوع مجلات، مجلات تجاری، و مجلات علمی تخصصی ورزش
5. The World Wide Web	جهان گسترده وب
VIII. Sport Industry Education	
1. Increase in Sports and Sport Business Education for Executives, Administrators, Athletes, and Other Personnel	افزایش در آموزش ورزش و کسب و کار ورزشی برای مدیران، مدیران، ورزشکاران، و سایر پرسنل
2. Increase in Competency of Sport Management Professionals	افزایش در صلاحیت
3. Increased Prevalence of Sport Management as an Academic Discipline and as a Career	افزایش در شیوع مدیریت ورزشی به عنوان یک رشته دانشگاهی و به عنوان یک شغل

I. People

People are the reason sports and the sport business industry exists. If it were not for people's interest in and demand for sports, recreation, fitness, adventure travel, and sports tourism, the industry would not survive. Sports activities, for example, do not exist until individuals play them. That is, a basketball game does not occur until individuals play them. That is, a basketball game does not occur until individuals play them. That is, a basketball game does not occur until individuals play them.



There is a sports fans organization.

The Sports Fans of America Association claims to be an advocacy group for sports fans. On their website at <http://www.sportsfansofamerica.com> they state that their GOAL is to "Improve the Quality of Sports from a Fan's Perspective." Issues such as: Accountability of Quality Officiating, Affordable Tickets, etc. . . .

They also state a mission statement and it is: Our Mission is to promote the "Value of the Fan" by: a) providing sports fans with a representative organization of their needs and desires to the sports leagues and associations, b) build critical mass by establishing a multi-million fan membership base and sports fan network, c) promote the sports fan bill of rights and d) offering discounted rates on sports-related products and services to its membership by leveraging the association's mass.

until individuals get together and play the sport. Further, a lot of people are fascinated with sports and recreational activities of all kinds. Additionally, when people become bored with one sport they change to a new one. Here are some factors relating to people and the sport business industry.

1. Constant Human Interest in Sports and Recreation

A look at the studies presented earlier in this chapter on the size of the sport business industry shows that participant sports constitute the largest segment of the industry. People participating in sports, recreation, and fitness activities are the primary reason the sport industry exists. It is people who drive the growth of the sport industry because they are the consumers of sports, recreation, fitness, tourism, and leisure products.

Millions of individuals participate in such activities. They play, run, climb, scoot, ride, and perform numerous other skills for a variety of reasons, including, to have fun, to compete, to improve, to lose weight, to socialize, to have a good workout, and to learn a new sport. Moreover, they invent new activities. As you will learn, new and different sports and activities are invented almost daily. These millions of people spend billions of dollars to participate in sports, recreation, fitness, travel, and leisure activities annually. The majority of this money includes the cost of admission to the activity, which carries such labels as entrance fee, registration fee, membership fee, greens fee, and league fee. To get an idea about how much money can be spent on sports activities, try to find out how much money people in your city spend on entering and participating in some of the sports activities such as softball, basketball, and golf offered by the city parks and recreation department.

Another large portion of the dollars spent on sports is the millions spent for items needed or desired in order to participate such as equipment and apparel. For example, to play softball, the player needs a softball glove and a bat. This player might also want to use other products that are produced for a variety of reasons. These might be batting gloves, cap, helmet, special softball shoes, specialized socks, sunglasses, customized uniform shirts, undershirts, pants or shorts, and a customized softball bag to carry it all in. Finally, many players will want merchandise that speaks to their identity as a softball player such as funny softball T-shirts, a softball-glove key ring, and a tiny softball glove and bat to hang on their car's rearview mirror.

Moreover, this continuous interest in sports and recreation activities influences many other segments of the sport industry. Consider this: For every coed basketball league, there must be many people and products in order for that league to exist—a basketball facility, basketball officials, scorekeepers, score sheets, facility managers, facility maintenance people, facility groundskeepers, a league director, a league on-site supervisor, staff people for such jobs as paperwork, record keeping, registration and other forms, a certain number of teams registered, coaches, team managers, uniforms, shoes, socks, water bottles, towels, a coach's note pad, officials' evaluation forms, rulebooks, pens and pencils, softballs.

There are many different companies needed to supply all of these people and to create and produce all the necessary products. Further, if the basketball league is the WNBA or the NBA, many more businesses are needed to provide additional

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items or services needed or desired to produce just one game. Some of those are special officials, statisticians and other specialized people, reporters, radio, television, facility security, concessions and concession stand staff, office staff, hospitality staff, promotions and promotions people, parking facilities and parking lot staff, and trophies and awards.

It is easy to see that because so many people participate in sports, fitness, and recreation activities, the sport industry is especially affected. People who participate are the primary reason the industry exists and is so large and diverse. Additionally, they are the reason that the industry has so many other segments.

2. Increase in Sport Business Among the Range of Diverse Market Segments

The sport business industry is a vast multi-business and multicultural industry. It always has been and always will be. What is perhaps different is that there has been significant growth, development, and commercialization of the multitudes of sports activities and organizations that are created for and managed by the many different populations of people who live in the United States.

Table 1.12 illustrates some of the categories of different sports events. As diverse market segments such as people who are African-American, Asian-American, Jewish, Hispanic, lesbian and gay, young and old, and disabled grow and emerge as viable markets, two things are happening. First, existing sports companies are targeting them and courting them as potential consumers either for existing products or potential products.

Table 1.12 Diverse Market Sports Events and Organizations

Geographical Regions:	African Games Asian Games Pan American Games National Games of India
States:	Alabama State Sports Festival Southeastern Sports Festival Rocky Mountain State Games (Colorado) Empire State Games (New York)
Disabilities:	Special Olympics Paralympics World Games for the Deaf Disabled Swimming O & P Extremity Games
Religious Affiliation:	Maccabi Games (Jewish Olympics) Athletes in Action (Christian sports)
Career/Profession:	Police Games World Student Games U. S. Corporate Games Australian Corporate Games
Sexual Orientation:	Federation of Gay Games: Gay Games VII, Chicago, USA, July, 2006; Gay Games VIII, Cologne, Germany, 2010. The European Gay & Lesbian Sports Championships: EuroGames International Gay and Lesbian Aquatics Gay and Lesbian Rowing Federation ForeUS Lesbian Golf Tour International German Gay and Lesbian Golf Championships International Gay and Lesbian Ice Hockey Association (IGLIHA) Commonwealth Games International Sports Initiatives, U.S. Department of State Men's & Women's World Cup (soccer) The Olympic Games North American Indigenous Games World Games for Indigenous Peoples Cherokee Nation Youth Fitness Camp Colorado Indigenous Games NDN Sports: First Nation Golf Association National Brotherhood of Skiers (African American) National Association of Black Scuba Divers (NABS) Northwest Hispanic Soccer League Sacramento Asian Sports Foundation Seattle Asian Sports Club National Senior Games Association National Youth Soccer Championships National Youth Bowling Championships U.S. Masters Swimming World Masters Weightlifting Pan Pacific Masters Games World Youth Athletics Championships
Political Affiliation:	
Race/National Origin:	
Age:	

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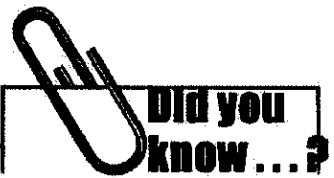
Second, many of these groups are creating their own sports companies and industries. Here are some examples:

- The National Brotherhood of Skiers Association (NBSA) for African American snow skiers has over 14,000 members. The NBSA hosts over 800 events each year. One annual event can reach an estimated economic impact of \$10 million. Go to www.nbs.org for more information.
- The Women's World Cup was created by FIFA to meet the demands of women's soccer worldwide. After the first tournament, in 1991, tournaments have been held every four years. The media and fan attention has grown at an extraordinary rate since 1991; and at the World Cup of 1999 and 2003, there was a record breaking number of spectators at the games and a record breaking number of people watching on television. Go to www.fifa.com for more information.
- There is a gay and lesbian sports organization, business, league, or team in almost every city in the United States. These organizations offer tens of thousands of sports and recreation events each year for the lesbian and gay sports market. The events range from archery to equestrian to rodeo to snow sports to volleyball. The top event, the Gay Games, held every four years, is a major sports event and festival. Go to www.GayGames.com for more information.
- Master's swimming organizations offer swimming opportunities, events, and competitions for a variety of age-groups from 20 to 90 years of age. People of different ages compete in groups of their ages only. Go to www.usms.org for more information.
- The ESPN X Games were invented specifically for an age-group—18 to 34—labeled the Generation X. There are now Summer and Winter X Games; and sports include skateboarding, downhill and aggressive in-line skating, bicycle stunt racing, street luge, snowboarding, snow mountain biking, and skysurfing. Started in 1995, the 1998 X Games boasted over 400 athletes, \$450,000.

Table 1.1 Some Events Offered by Disabled Sports USA during 2005-2006	
BlazeSports Ability Games	BlazeSports Quad Rugby
First Swing Golf clinic	STRIDE Swimming
Desert Challenge Games	National Sports Center for the Disabled Rock Climbing
Michigan Association of Blind Athletes Sports Education Camp	Adaptive Adventures' Adaptive Cycling
2006 Women's Wheelchair Basketball National Championship Tournament	Adaptive Adventures Rafting Experience
STRIDED Wounded Warriors Weekend	DS/USA Far West Water-Skiing
Maine Handicapped Skiing's 21 st Anniversary Ski-A-Thon	Disabled Sports Eastern Sierra Adventure Cycling/ Mountain Biking
25 th Anniversary Windsor Classic Indoor Games	National Sports Center for the Disabled Therapeutic Horseback Riding
Ladies with Abilities Winter Adventure & Ski Camp	Source: http://www.dsusa.org .

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in prize money, 225,000 spectators and a proclaimed economic impact of \$20 million. Having grown in popularity, today the X Games boasts EXPN.com, EXPN radio, official X Games sporting goods and X Games merchandise, EXPN Podcasts and more. Go to <http://expn.go.com> for more information.



NASCAR-licensed products generates \$2 billion in annual sales.

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- The Paralympic Games are Olympic-style Games designed for people with physical disabilities. Disabled Sports USA, established in 1967, offers nationwide sports programs, activities, and events to anyone with a permanent disability. Table 1.13 shows a few of the many events offered during the year 2005. Go to www.dsusa.org to find out more about this organization.

One of the reasons so many groups of people create their own sports businesses and organizations is to socialize and participate in sports with individuals with similar backgrounds and interests.

1) A second reason is that as populations fight for and gain civil rights, new legislation brings about increased opportunities in sport, fitness, or recreational activity. For some populations, the increase in sports opportunities has almost paralleled the fight for civil rights. The involvement of the African-American population in sport, fitness, and recreation activity increased as their struggle for civil and equal rights progressed. Women and girls gained more opportunities in organized high school and collegiate athletics because of legislation aimed at stopping discrimination based on gender in educational institutions. The number of women and girls participating in sports and athletics has increased significantly since the early 1970s.

A third reason is that people like to enjoy sports activities with their friends. Typically, a person wants to be around and do activities with people they like, who have similar characteristics, who enjoy the same things, who share the same culture, and

Gay Games Event	Participants	Countries	Sports	Economic Impact
Gay Games I San Francisco, 1982	1,300	12	16	not known
Gay Games II San Francisco, 1986	3,482	22	17	not known
Gay Games III Vancouver, Canada, 1990	7,300	28	31	\$30 million
Gay Games IV New York City, 1994	10,864	40	31	\$112 million
Gay Games V Amsterdam, 1998	14,864	78	31	\$300 million
Gay Games VI Sydney, Australia, 2002	15,000	70	31	\$116 million
Gay Games VII Chicago, USA, 2006	12,000	50	30	not known

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در نهاد آموزش و پرورش پایه گذاری شدند
سلبرموند

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with whom they are most comfortable.) It is no surprise that most groups of people with common interests organize their own sports activities and businesses. For example, the number of sport businesses, organizations, and events for the lesbian and gay population has grown at a very fast rate (Pitts, 1997, 1999). The event that exemplifies the growth of sport in the lesbian and gay population is their Olympic sporting event, the Gay Games. The Games are held every four years; and the number of events, participants, sponsors, and spectators has grown at an extraordinary rate. (The number of participants increased 1200% from the first Gay Games in 1982 to the fifth Gay Games in 1998.) Over 14,000 athletes from over 70 countries competed in 1998. Table 1.14 shows the growth and size of the Gay Games since 1982.)

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Laws and other legislation have been passed to stop discrimination against the handicapped population. (The passage of the Americans with Disabilities Act of 1990 has helped in the increased opportunities in sports and fitness activity for the handicapped and has had a significant impact on forcing the accessibility of sports facilities for the disabled.) The Paralympics receives major sponsorship today. In addition, there are now numerous sports organizations and equipment designers for people with disabilities.

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در دسترس
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II. Sports Activities and Events: Sports, Recreation, Fitness, Leisure, Sports Tourism

The creation, management, marketing, and production of sports, recreation, fitness, leisure, and sports-tourism activities and events offer a world of opportunities to people. Many sports activities are created specifically for a particular group. For example, the popularity of the sports has led to the creation of state games such as the Bluegrass Games (Kentucky), the Sunshine State Games (Florida), and the Big Apple Games (New York). These events are multisport festivals designed for recreational athletes who live in a particular region.

Table 1.15 shows some of the many different sports and recreational activities today and the changes in participation rates over a period of time as compiled by the Sporting Goods Manufacturers Association (SGMA). Indeed, the SGMA believes that participation figures are the most important information in defining the size of a market. According to the SGMA, "sports participation defines the size, composition, and ultimately the trend of the product market and is, in effect, the 'gold standard' to which all markets eventually return" ("Sports Participation Trends," 1999, p. 4).

1. Constant Increase in the Number of New and Different Sports, Recreational, and Fitness Activities and Events

Since the middle 1970s, the United States has experienced a consistent and fast growth in the number and type of new sport—fitness, or recreation—related activities and events—offered to a variety of sport market consumers. Consider the following examples. In the late 1970s, a seemingly new way to get fit was offered. This was called aerobics—exercising to music. Today, there are hundreds of different kinds of aerobics offered to a wide variety of consumers. Some of these programs are soft aerobics, hard aerobics, jazzerobics, elderobics, and baby-robics.