



Für beste Beziehungen.

THE POTENTIAL OF SPORT IN REGIONAL DEVELOPMENT

» THE KEY TO SPORTS-RELATED REGIONAL DEVELOPMENT LIES IN AN HOLISTIC BUT DIFFERENTIATED APPROACH OF LOOKING AT SPORTS.

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Black Baltic Sea Economic Forum, Sports and Economics

Klaipeda, October 25th, 2018

KEY QUESTIONS TRYING TO BE ANSWERED

Already empirically proven:

Sports is an important Economical Factor (GDP, Added Value, Employment)

Current Topic:

Does Sports have the Potential for Regional Development?

What value can sport add to regional development?

Main Thesis:

The key to sports-related regional development lies in an holistic but differentiated approach of looking at sports.

Methodology:

Implications from German SSA (national level) and Qualitative Case Studies

WHY IT IS IMPORTANT TO HAVE AN **HOLISTIC** VIEW ON SPORTS

AN HOLISTIC VIEW MAY CHANGE TRADITIONAL, OUTDATED ATTITUDES TOWARD SPORTS

Many positive outcomes of sports

Different types of organization

Sports is cross-sectional

Because sports is comprehensive

Different degrees of intensity

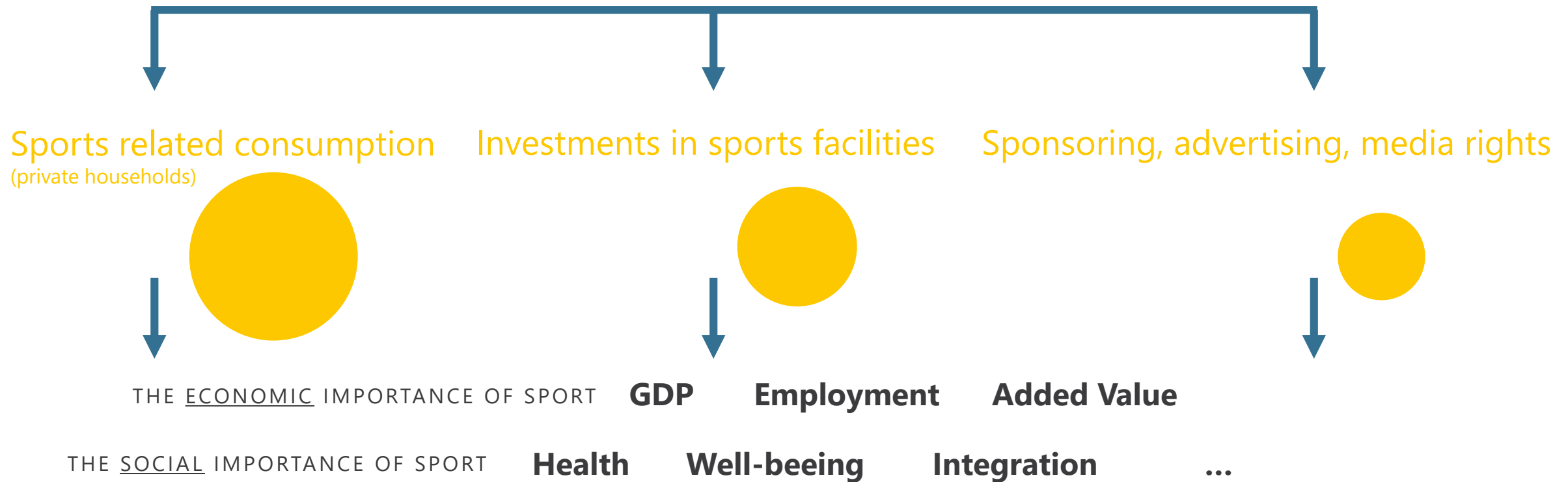
Many ways to invest in sports

Many ways to practice sports

Many ways to spend money for sport

POSITIVE OUTCOMES OF SPORT ACTIVITY

Active (and Passive) Sports



THE GERMAN SSA IS BEING DEVELOPED IN COOPERATION WITH



**Federal Institute of
Sport Science**



**Federal Ministry
for Economic Affairs
and Energy**

2HMforum.
Für beste Beziehungen.

GLIS

SPECIALISTS IN
EMPIRICAL ECONOMIC
RESEARCH

THE GERMAN SSA CONTAINS EXTENSIVE DATA



71 sports and sports clusters



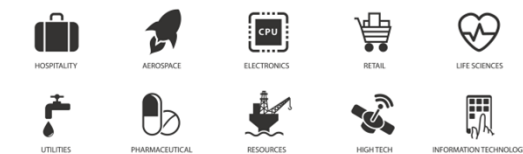
Differentiated age groups and sports intensities



75 Sports facilities & opportunities



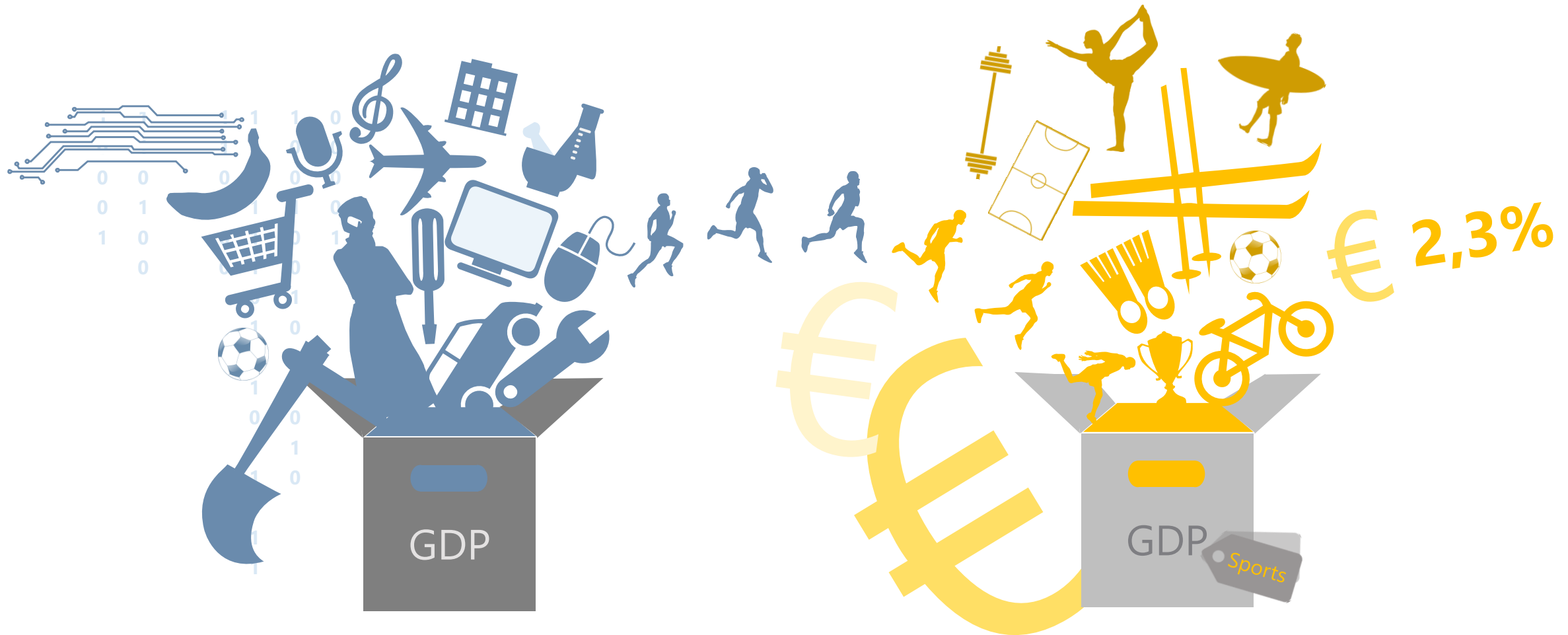
up to 88 sponsoring sectors



PUBLICATIONS OF THE SSA






THE ECONOMIC IMPORTANCE OF SPORT



SELECTED KEY FIGURES OF THE SSK

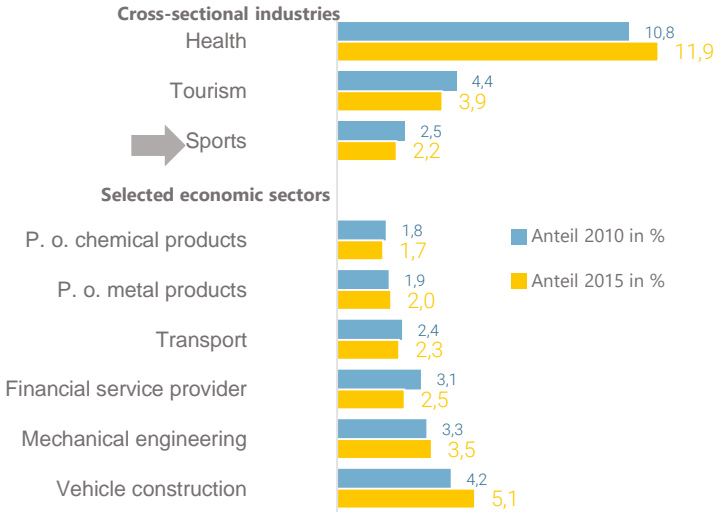
The economic factor of sport in Germany has grown from 2010 to 2015. However, the increase in the overall economy is below average.

Key Figures

		2010	2015	+/-
 GDP	Sportsrelated, bill. €	66,7	69,8	+4,0%
	% of Total	2,6	2,3	
 Added Value	Sportsrelated, bill. €	58,3	60,6	+3,9%
	% of Total	2,5	2,2	
 Employment	Sportsrelated, bill. €	1.372	1.242	-9,5%
	% of Total	3,3	2,9	

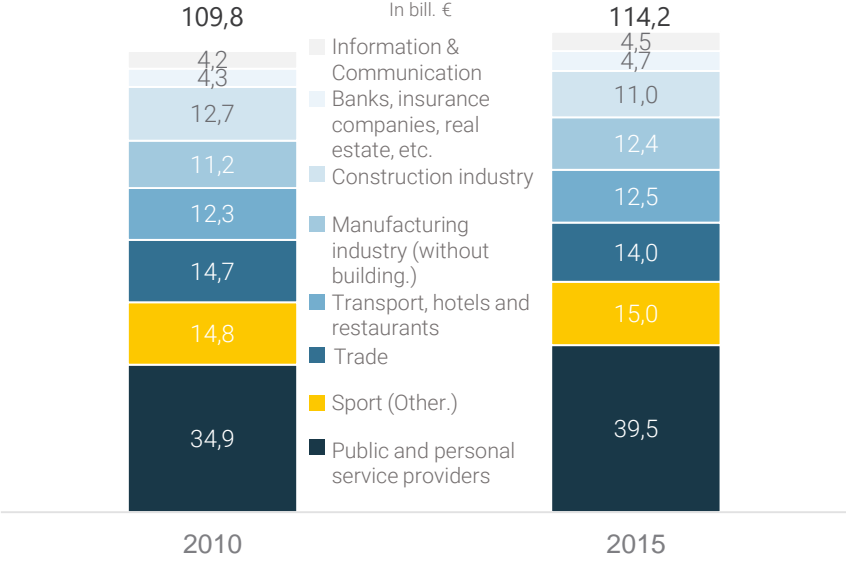
The economic performance of the cross-sectional industry Sport is comparable to the gross value added of the transport sector (total passenger and freight transport).

In Comparison



Sports-specific production in Germany will amount to around 114 billion euros in 2015. Services in particular have seen a sharp increase since 2010.

Grown

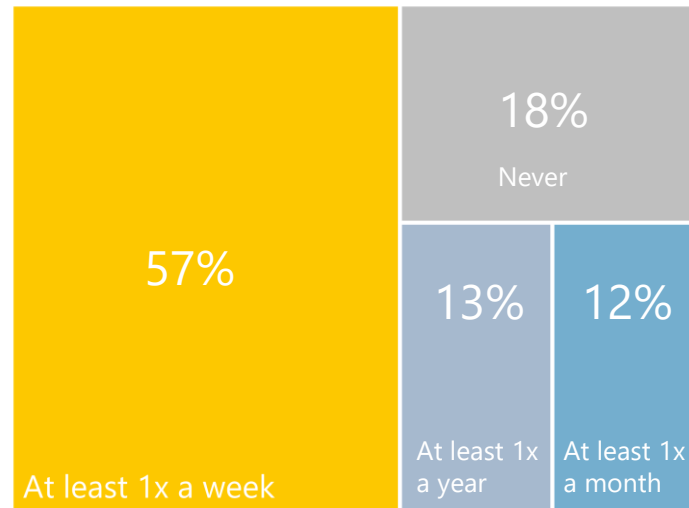


FREQUENCY AND STRUCTURE OF SPORTS ACTIVITIES

More than half of the population is practicing sports at least once a week, but 25 percent only occasionally engage in sports activities. 18% never.



High sports activity



The top 10 of the adult sports (16+ years).



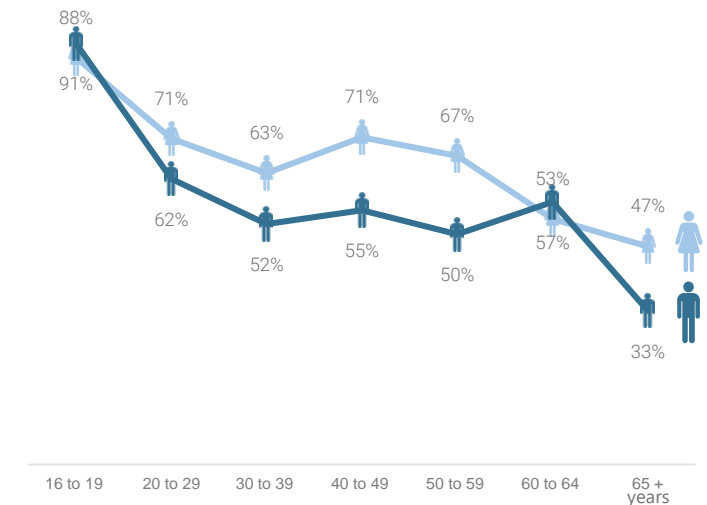
In many sports

2015			2010		
Ranking 2015	Active, population (16+ years) in %		Rang	Active, population (16+ years) in %	
1 Swimming	37%		2	31%	
2 Cycling	34%		1	34%	
3 Running/Jogging	25%		4	25%	
4 Hiking	24%		3	27%	
5 Fitness	24%		5	17%	
6 Bowling	20%		6	16%	
7 Gymnastics	17%		8	14%	
8 Soccer	14%		11	11%	
9 Health sport	12%		9	14%	
10 Dancing	12%		13	11%	

Men and women differ on the phases of their lives, in part clearly in their regular sporting activities.



And life phases



SPORT TAKES PLACE MAINLY AT A REGIONAL / LOCAL LEVEL

Swimming



Regional

Cycling



Regional / Holiday

Running/Jogging



Regional

Hiking



Day Trip/Holiday

Fitness



Regional

Bowling



Regional

Gymnastics



Regional

Soccer



Regional

Health sport



Regional

Dancing

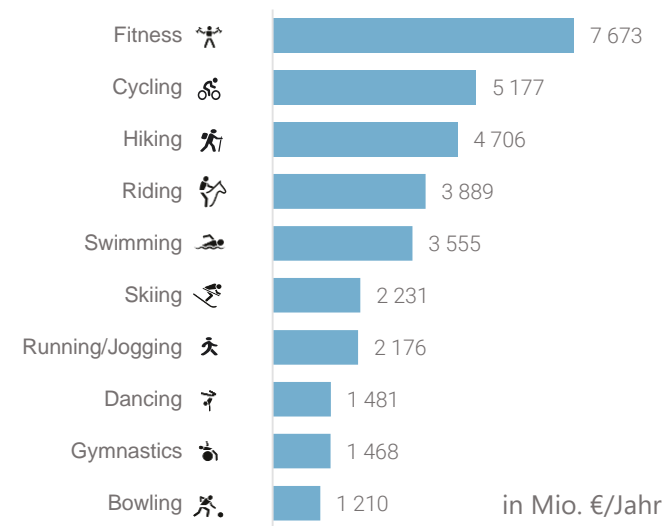


Regional

SPORTS WITH THE HIGHEST CONSUMPTION, CONSUMPTION PATTERNS & FANS

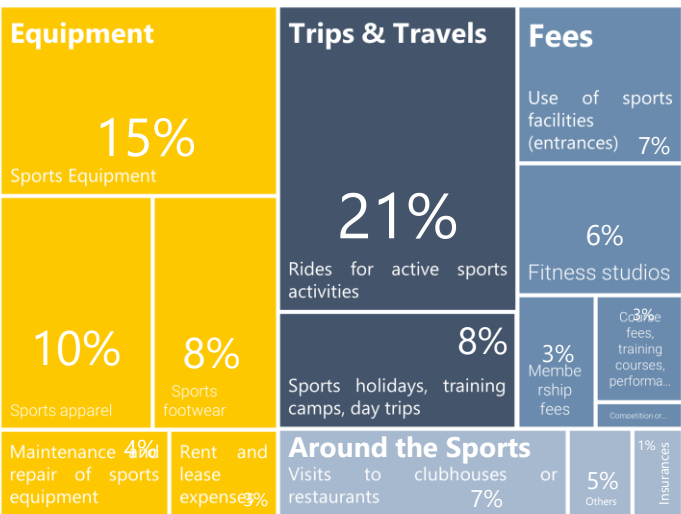
Adult sportswomen and sportsmen in Germany spend the most money for fitness sports in 2015.

Top Sports



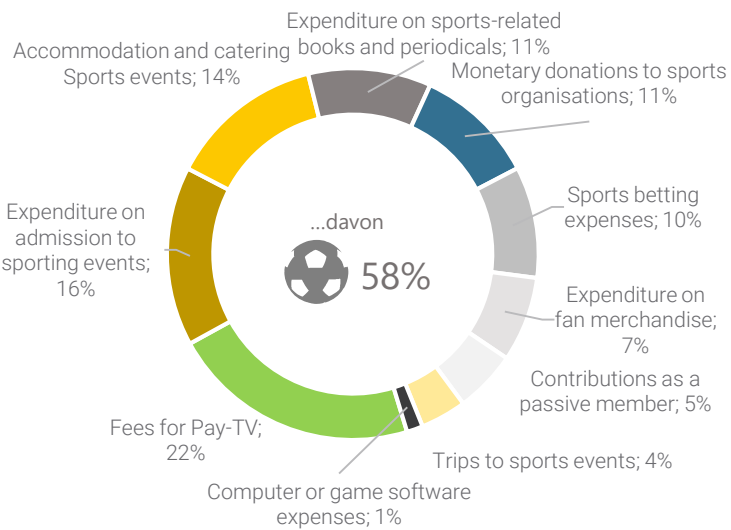
Sports consumption is diverse. 21 percent of the active sports consumption are accounted for by the journey to the Sport. Households spent a total of € 60 billion.

Sports expenditure: Consumption patterns



Expenses for sports interest: Become annual 9.1 billion euros were consumed for sports interest.

Fans

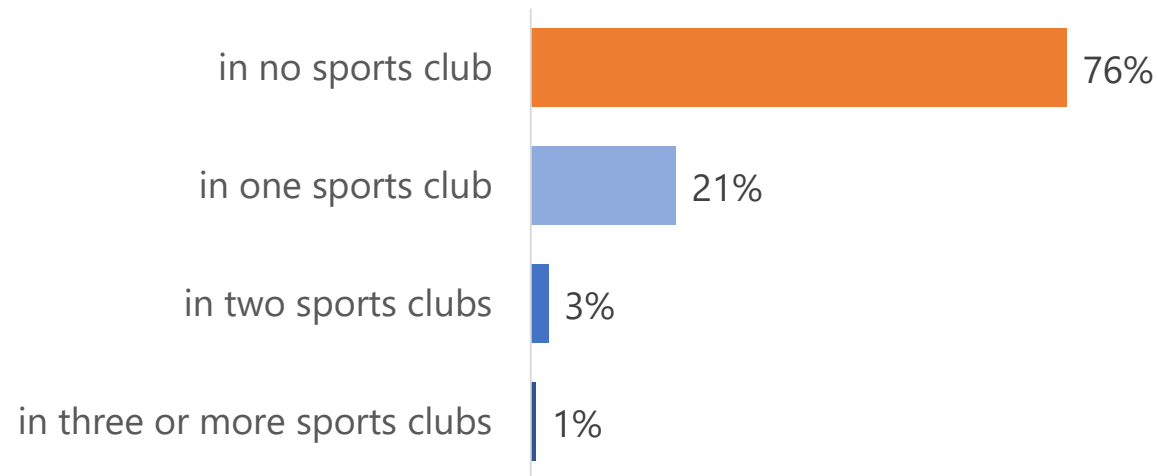


THE MOST EXPENDITURES FOR SPORT TAKE PLACE AT A REGIONAL LEVEL

Consumption Category (adults, 16+)	Expenditure amount	Place of expenditure (tendentially)
Sports Equipment	++++	Regional, Online
Sports Footwear	+++	Regional, Online
Sports Apparel	+++	Regional, Online
Sports food	+	Regional, Online
Products for prevention	+	Regional, Online
Books and magazines	+	Regional, Online
Computer, game software, video/audio material	+	Regional, Online
Insurances	+	Regional, Online
Competition or participation fees	+	Regional, National
Trips for Sport Competitions	+	Regional, National
Trips for Training	++++	Regional
Use of sports facilities (entrances)	+++	Regional
Fitness studios	+++	Regional
Expenditures in clubhouses or restaurants	+++	Regional
Membership fees in Sports Clubs	+	Regional
Course fees, self-financed trainings or performance diagnostics	+	Regional
Medical services	+	Regional
Care, repair, maintenance (Equipment)	++	Rather regional
Rental and lending expenses	+	Rather regional
Sports Competitions Accommodation	+	Rather National
Day Trips for sport	++	Rather National
Sport vacations, Training Camps	++	National

BY FAR THE MOST SPORTS IS SELF-ORGANIZED (AND GRASSROOT)

Do you actively practice one or more of your sports in a sports club?



2017; n=1,000, Population 16+

DEGREE OF ORGANIZATION – EXAMPLE OUTDOORSPORTS

REPRESENTING APPROX. 25% OF THE PRIVATE HOUSEHOLD EXPENDITURES FOR SPORTS, OUTDOORSPORTS IS NOT ORGANIZED AT ALL.

Mountaineering



6% of Population
At the club

7% Every Week
79% Less than 1x per month

Canoeing and kayaking



4% of Population
At the club

7% Every Week
69% Less than 1x per month

Climbing/Bouldering



3% of Population
At the club

15% Every Week
69% Less than 1x per month



Running/Jogging



25% of Population
At the club

3% Every Week
7% Less than 1x per month

Cycling



34% of Population
At the club

1% Every Week
15% Less than 1x per month

Hiking



24% of Population
At the club

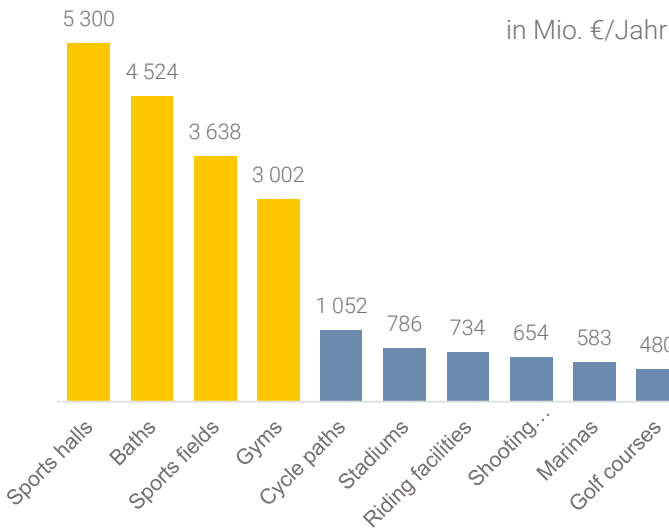
3% Every Week
47% Less than 1x per month

SPORTS FACILITIES: TOPS, FLOPS & INVESTMENTS

The TOP 10 sports facilities according to economic importance: municipal sports facilities and gyms are associated with the highest costs.



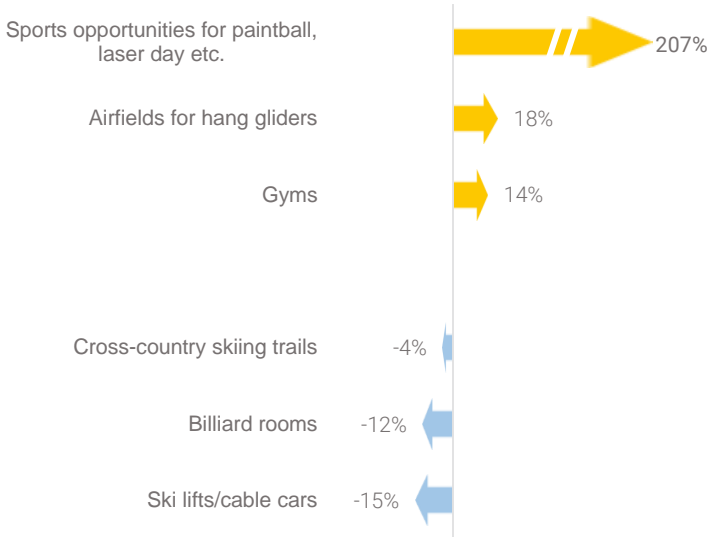
Evergreens



The number of sports facilities and sports opportunities is limited in the relatively constant overall in recent years. Strong developments was seen in laser tag facilities and fitness centers. Ski facilities and billiard rooms, on the other hand, declined.



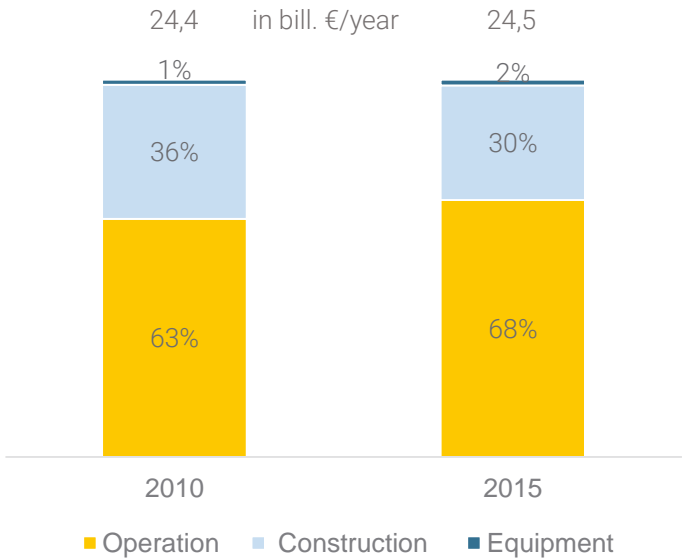
Trends



The economic importance of the sports facilities in Germany is stable at around 24.5 billion euros. However, operating costs increase and construction costs decrease.



Investments



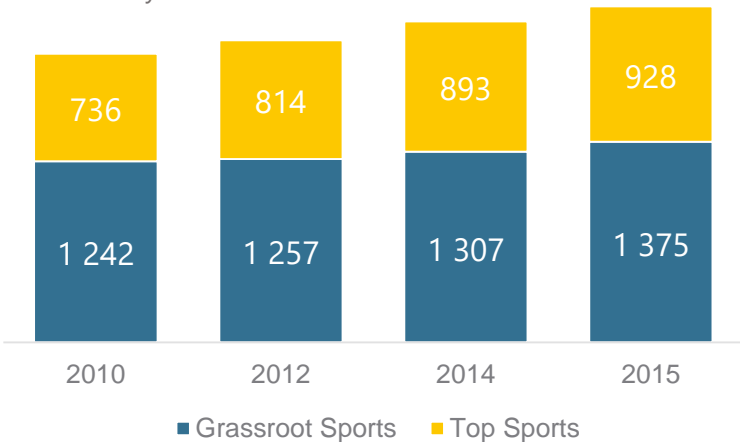
SPONSORING, ADVERTISING & MEDIA RIGHTS

The focus of sports sponsoring is on grassroots sports, is, however, increasingly shifting towards top-class sport.



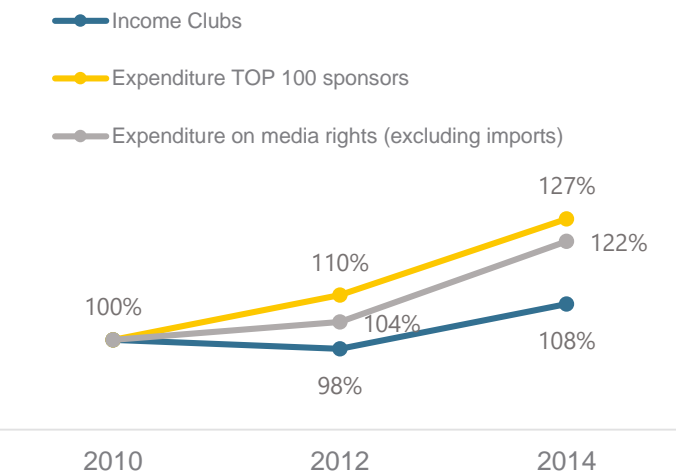
Increased sponsoring

in mill. €/year



Expenses in top sponsoring and for media rights were able to increase by more than 20 percentage points between 2010 and 2014. The popular sport sponsoring could not keep up with this increase.

Different degrees

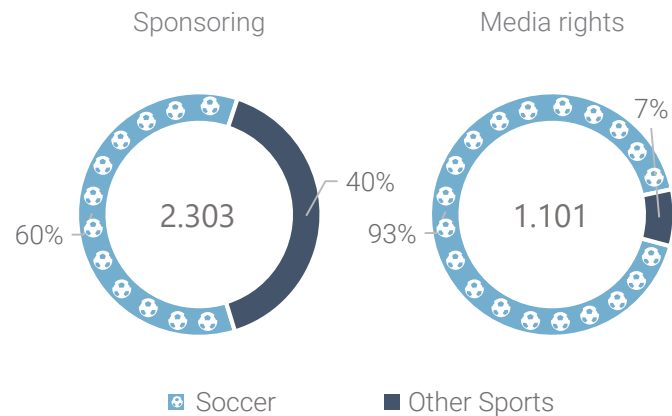


Soccer is the main recipient of expenditure.



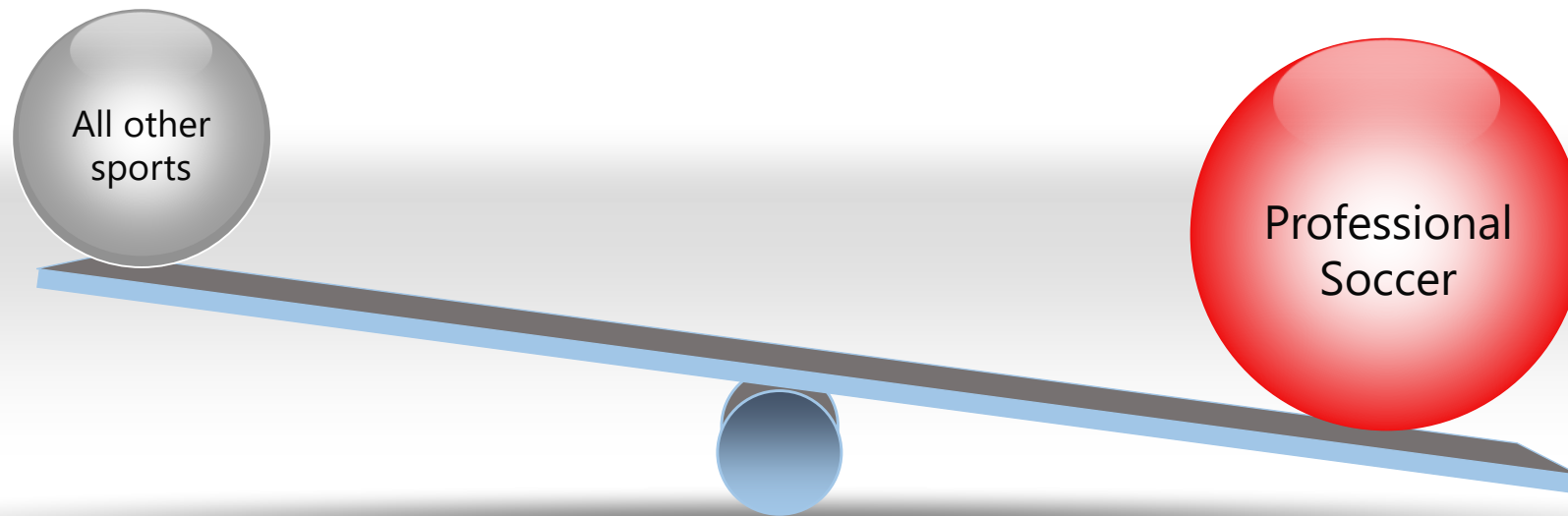
Soccer is booming

in mill. €/year



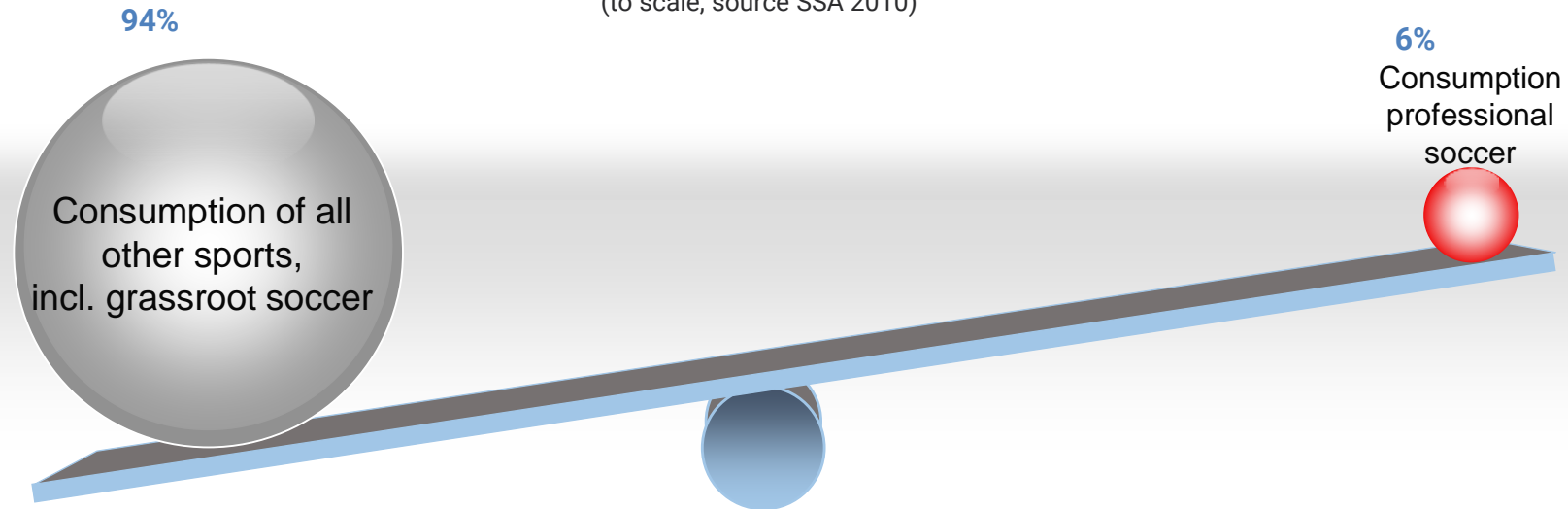
HOLISTIC APPROACH MAY BE EYE OPENING – EXAMPLE SOCCER

"Emotional" media perception of sport as an economic factor



HOLISTIC APPROACH MAY BE EYE OPENING – EXAMPLE SOCCER

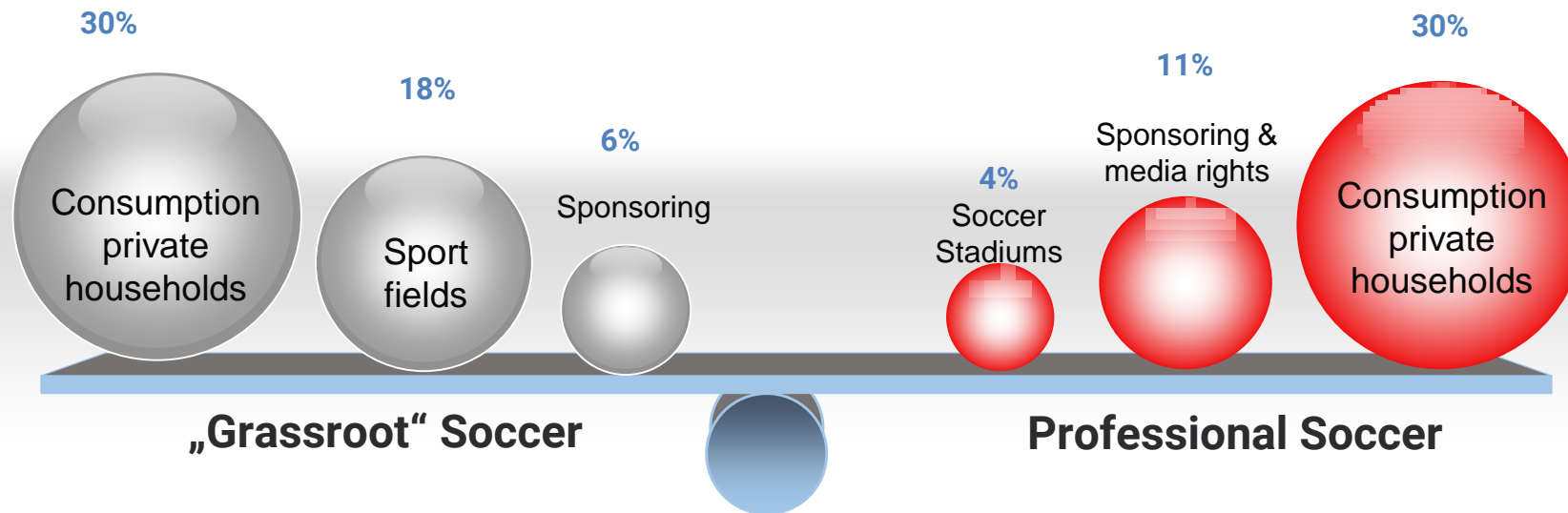
Economic Factor Soccer Sports Satellite Account Germany 2010 CONSUMING OF PRIVATE HOUSEHOLDS (to scale, source SSA 2010)



HOLISTIC APPROACH MAY BE EYE OPENING – EXAMPLE SOCCER

Economic Factor Soccer Sports Satellite Account Germany 2010

(to scale, source SSA 2010)



WHY IT IS IMPORTANT TO HAVE AN **DIFFERENTIATED** VIEW ON SPORTS

Many positive outcomes of sports

Different ages – different sports

Different stakeholder – different sports

Because sports is versatile

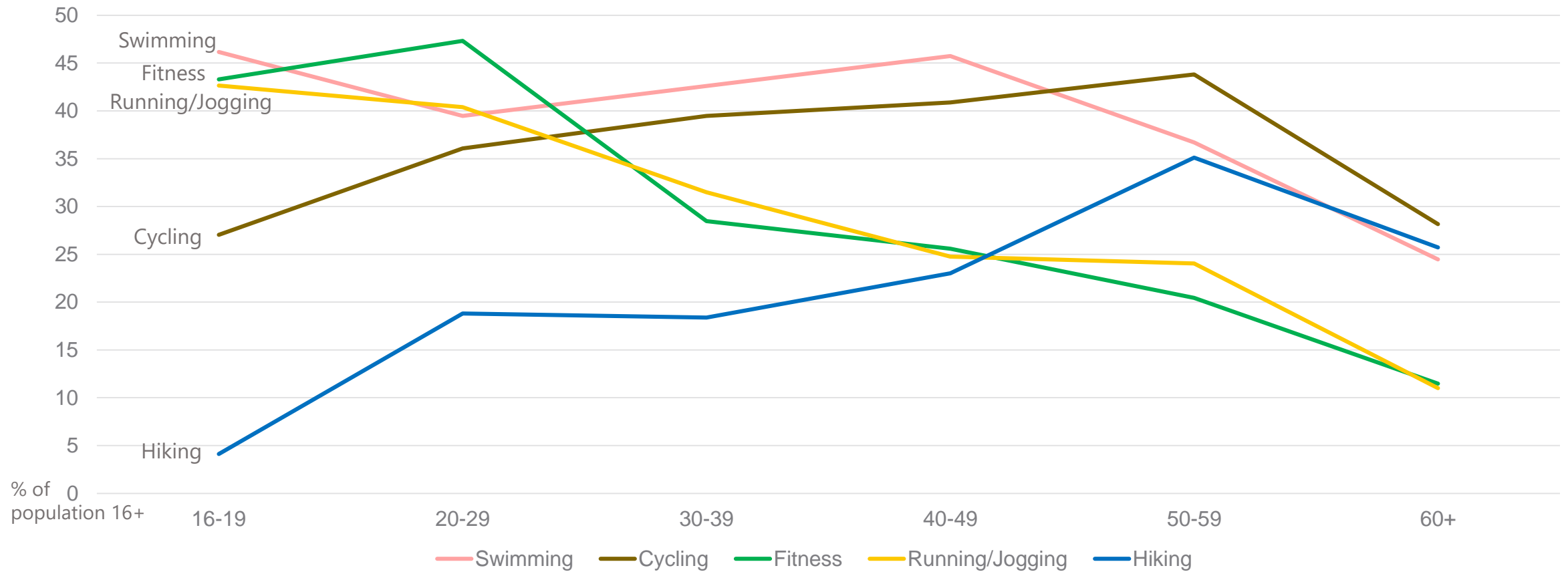
Different sexes – different sports

Different measurements – different sports

Different cultures – different sports

Different regions – different sports

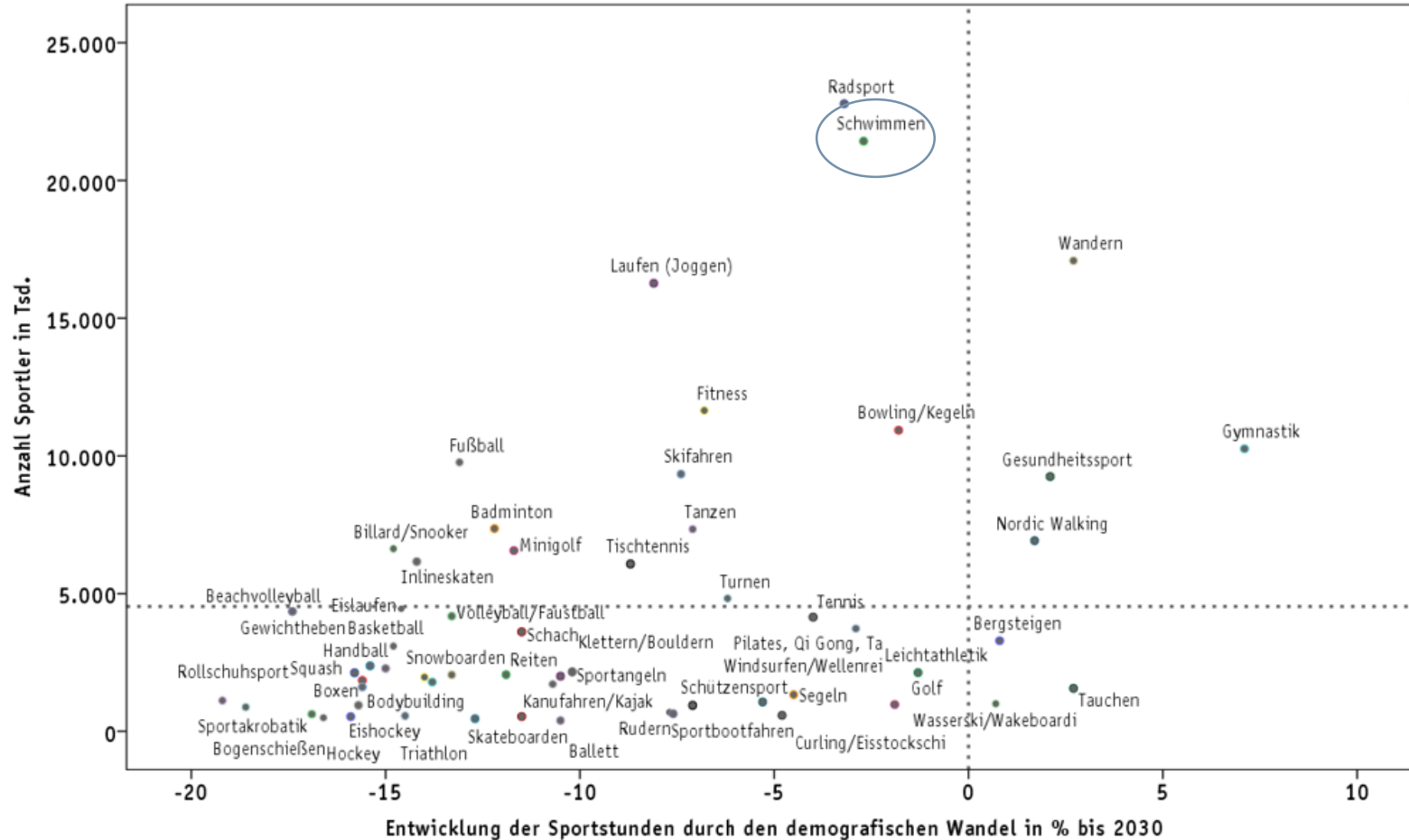
TOP 5 SPORTS BY AGE



TOP 5 SPORTS OF AGE GROUPS

20-29 years	40-49 years	60 years+
Fitness	Swimming	Cycling
Running/Jogging	Cycling	Hiking
Swimming	Fitness	Swimming
Cycling	Running/Jogging	Gymnastics
Soccer	Hiking	Health Sports

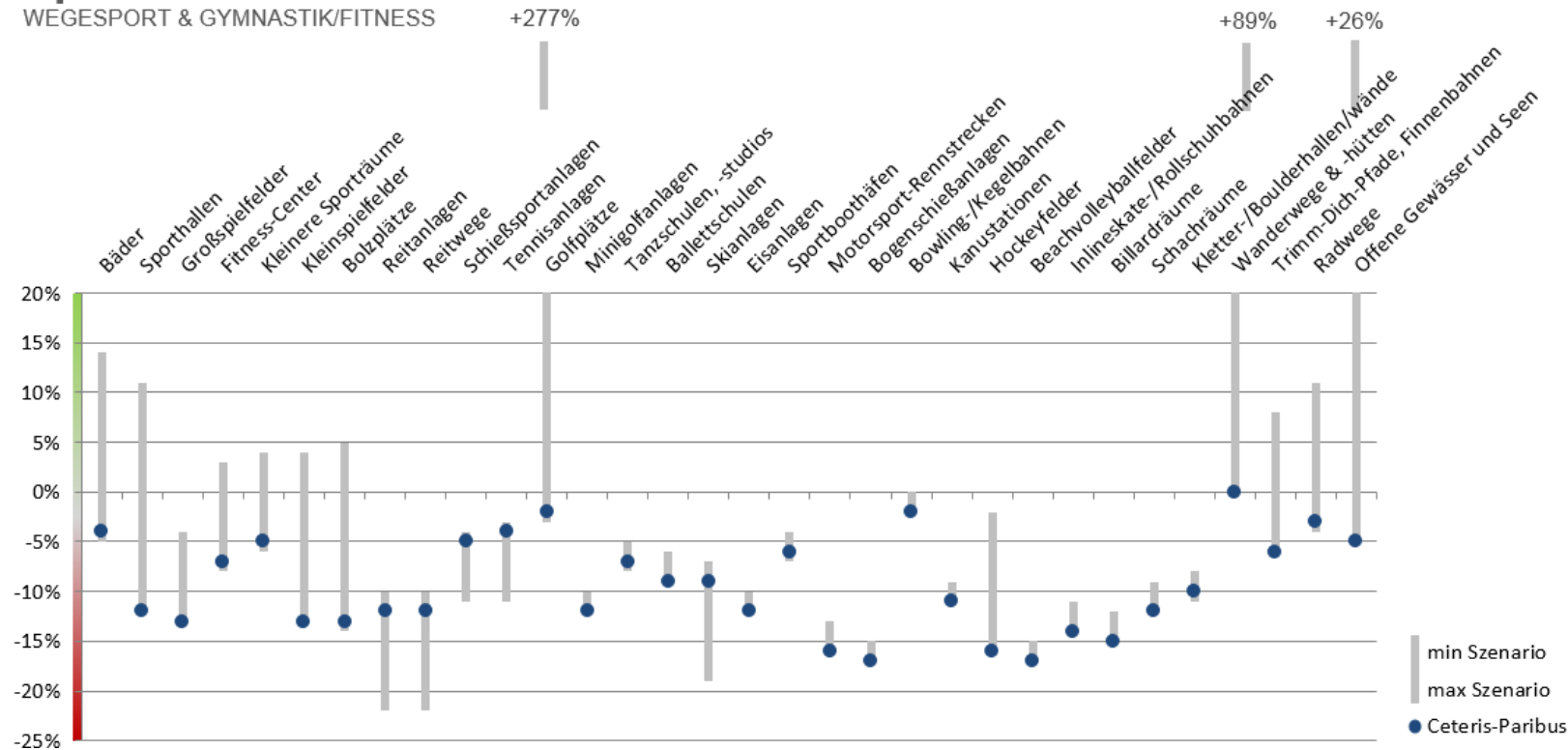
DEMOGRAPHICAL CHANGE MAY CHANGE SPORTS STRUCTURE



AND NEED FOR SPORTS INFRASTRUCTURE AS WELL

Sportstätten 2030

WEGESPORT & GYMNASTIK/FITNESS



SECONDARY LITERATURE



Study on the Contribution of Sport to Regional Development through the Structural Funds European Commission 2016

1. Direct Impacts on Employment
2. Innovation
3. Sports Infrastructure & Regional Strategy
4. Sport & Regional Strategy
5. Sport & Urban Regeneration & Development
6. Sport & Rural Development
7. Integration with Tourism Strategy
8. Integration with Cultural & Creative Industries
9. Training of Sport Stuff – Direct Skills Development
10. Employability & Transversal Skills
11. Contribution to health Improvements
12. Contribution to the Environment
13. Social Cohesion & Reconciliation

2007-2016: 229 sport and physical activity projects (33 Case Studies) across Europe

STUDY ON THE CONTRIBUTION OF SPORT TO REGIONAL DEVELOPMENT THROUGH THE STRUCTURAL FUNDS

Case 1: Bike Route of Friendship and Health

Integration with Tourism Strategy

Slovenia, Italy, Croatia

Goals (e.g.): promote active tourism, recreation and friendship among peoples and countries

Process: Transform former railway line running for 120 km from Trieste in Italy to Poreč in Croatia to create a cycling route;

- Annually 300.000 visitors of facilities, constantly growing (Croatia)
- Helped to promote the Istria region as a region of region of heritage, recreation and health
- New job opportunities in tourism services (accommodation, restaurants, domestic products, shops, souvenirs)

SUMMARY

Sport as **an economic factor** for regional development

Although effects of sports are often measured on a superior resp. national level, sports and related consuming as well as investments directly affects the sportsman's immediate environment.

Sport as a **social factor** for regional development

Concerning health or with regard to social integration, the potential of sport for regional development is even more evident.

What is needed

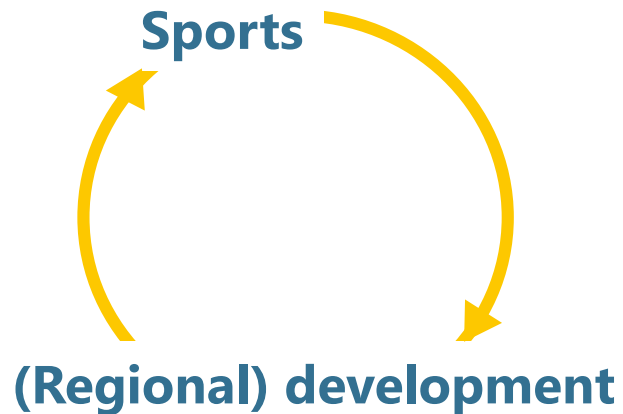
For getting the most out of sports as a factor for regional development, it is urgent to consider all facets of sport (wholistic approach).

Since sports ne sports and region ne region, it is on the other hand obvious, that regional individualities and strength have to be taken into account.

OPEN QUESTIONS

Causality

Does Sport lead to regional development, or does regional development influence Sports?



Effect strength

Quantitative empirical data concerning sports as an economic/social factor on regional level are rare.

Very likely:
Sports
effects
regional
development

But:
to what
extend?

And: Which
regional
level?

Need for research

Beyond the economical importance (measured by SSAs) the positive effect of sports is evident but specific

Knowledge about
regional specific
preferences
needs
structures
has to be achieved

Thank you very much!



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