

The relation between players and organizers of the ATP Tour tournament : An application of the tournament theory to professional tennis

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Introduction

Professional tennis has become very important all around the world in political terms as well as in economic one. The system of competitions obeys sportive and economic criteria. The fundamental changes of the *A.T.P. Tour* bespeaks a will to enforce a regulation system based on economic rationality and profit maximising. Decisions intended to the increase of benefits could be classified in three categories : 1) the ranking of players called the *A.T.P. Champions Race* has changed, and is now close to the formula one system and may be assimilated to a race starting in January and finishing at the end of the year, what is more understandable for the public than the previous system and avoids incoherent situations 2) changes in tournaments schedule aimed at clarifying the ATP Tour and increasing the interest of the public 3) Rules have also evolved for a more attractive show, the same way tie break was invented to avoid too long matches (the suppression of the break after the first game of each set intervened and a break was added at the end of the set, which accelerates the less interesting phases of the game, and makes possible broadcasting of spotlights at the moment where concentration of the T.V. spectator is at its top ; more flexibility in the scale of sanctions was introduced, disqualification being replaced by a game of penalty, and in case of additional fault, the sanction is at the appreciation of the umpire, what avoids stopping the match, disappointing spectators and economic partners).

The question is then how to share the economic rent between partners associated to production of the good and particularly how much should be allocated to players. The statement is that prize money have reached a high level (Australian open 10,257 ME, Roland Garros 13,044 ME, U.S.Open 16,638 ME, Wimbledon 13,245 ME) but began to decrease slightly for the first time in Professional Tennis history in 2003 with the diminution of private partners support. Nevertheless, the best tennis players are among the best paid sportsmen according to the ranking established by *Forbes Magazine* (the first tennismen, Andre Agassi appeared at the 13th place in 2001, preceded by few golfers, basket-ball players, boxers, and F1 drivers. The question we'll focus on is *a*) whether the global amount of money allocated to players is efficient in economic terms (the A.T.P. asking always increasing tournament money prices), and *b*) if the distribution of money from one round of a tournament to the other is rational.

Method

Few theories could be used to answer the question (the efficiency wage, human capital...) and a synthesis of studies and reports relying on these methods, in various individual sports, will be presented. We'll explain why the tournament theory is the most interesting approach as far as professional tennis is concerned : principles of the tournament theory seems to be enforced by sporting institutions as showed a study on the Grand Slam Tournaments, Tennis Master's Series tournaments, and International Series (for which prize money allocated is about the double from one round of the competition to the other). These principles are that motivation of players will be greater if the amount of money allocated is bigger (it explains notably why the global endowment was increased for women, in the Grand Slam tournaments, to virtually the same amount as for men), and if the amount of money distributed is decreasing very quickly from one round to the other : it motivates young players to train hard (on the medium term) and they are more combative during matches on the short turn). At the same time, the competition become more uncertain and attractive. In other words, in individualistic sports as tennis, one way of reinforcing competition between players and to produce a show of better quality is to maintain huge inequality in money prices distribution. This the same principle than for the bonus distributed to players of collective sport for a victory.

We analyse the effect of the global amount distributed on performances of the best players ranked in the first hundred at the A.T.P. In this way, we use the same protocol than M.T.Maloney & R.E.McCormick (M.T.MALONEY & R.E.McCORMICK, 2000) had implemented for foot races and R.Ehrenberg &

M.Bognano (R.EHRENBERG & M.BOGNANO, 1990) for golf. For testing econometrically whether the workers' effort responds to the wages paid to them, we use data on sporting results of professional tennismen in various tournament all over the year, these data being collected on magazines and official websites of professional tennis institutions.

Results and comments

Even if the best players have better results in tournaments well-endowed, and are participating more when prices are high, we'll see that other factors than money have to be taken into account to understand motivation of professional players : prestige of the competition (olympic tournament for example), A.T.P. allocation points... what could explain counter performances of better players to the Grand Slam Cup in the eighties...

Nevertheless, the main reason of the results of players could also be found in the specific organisation of tennis. Indeed, the system professional tennis relies on is very peculiar, with a powerful players' trade union called the Association of Tennis Professionals (A.T.P.), representative of tennis professional players, but at the same time, the A.T.P. is grouping together organizers of professional tournaments (except for the Grand Slam) and is de facto the decision maker of the World Professional Tennis Tour. These organisation of professional tennis, and the concentration of power in a single structure, is regularly criticised by players who consider that their interests are not defended enough (they have threaten to create a competing trade union), and could explain counter performances of players whose participation in the Tennis Masters Series Tournaments are compulsory...

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