

The Market Potential of a Club as an Indicator for the Size of a New Relocated Football Arena: The Case Kaa Gent in Belgium

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Abstract

In many cities throughout Europe sport has been used as a tool for economic regeneration. In the case of the Belgian city Gent we can ask ourselves the question whether that strategy is or is not going to be used. The old stadium was built in 1920 and despite the renewals in the 1980s it does not meet the new needs of modern professional football. The stadium is located in a residential neighbourhood and results, like a lot of other football grounds, in a lot of negative externalities to the surrounding area.

The idea of locating the stadium out of the residential areas and near main highways is typical in the relocation trend but the main difference between this case and a lot of other cases in the Dutch, German or English competition is that the stadium does not have a capacity restraint on match days. This means that the demand for professional football is not higher than the supply of seats and novelty effect combined with a good marketing strategy and good performances will be necessary to enlarge or deepen the service area. The place of Gent in the urban system is that of a regional city with high centrality. This means that consumer-oriented services with a high threshold, such as a professional football team, reach their threshold in the city. In the case of professional football a functional substitution has taken place and the top team is located in Brugge. The service area of Bruges reaches almost up to Gent and the E40 highway reduces the time-distance. The new location of the stadium is near the main highway and away from Lokeren, the location of another first division team with which KAA at one time wanted to merge. Dejonghe (2004,2007) already noticed that travelling "across" a city to visit a stadium is a psychological barrier, which means that in case of a merger the fans of SC Lokeren will ignore the new team. The relocation of the football grounds of Gent is a typical example of the recent movements of football stadiums.

The club and Gent are dovetailing this project with a growth strategy for KAA Gent and it can be considered as a form of community self-esteem, creating a local identity and toponymia. The club had an average attendance of 8,000 and a lot of football fans have been taking the main highway E40 to Bruges (FC Bruges) and to a lesser extent to Brussel (SC Anderlecht). The KAA Chairman aims to increase attendances to a stable 11,000 to 12,000 people. Research based on the dataset of the season ticket holders of all clubs in the Belgian highest division made it clear that KAA Gent has a local impact and that most of the fans are living in the neighbourhood of the old stadium. KAA Gent never had the emanation of a top team and suffered spatial competition from FC Bruges and SC Anderlecht. The data showed that the fans of KAA Gent are living in the urban working fringe and some communities in the morphologic agglomeration. In the suburban parts of the city and in the rural towns and cities KAAG will become less accessible and the main highway E40 is a corridor

for the two top teams. The novelty effect of the stadium is based on the potential market of the club. KAA Gent has a relatively low local consumption and has the possibility to deepen its existing service area and to have some spatial extension in the communities nearby the new location. The calculation of the market potential showed us that in the middle long term the average attendances can rise to 14,000 but this is still only 70% of the new capacity. Only when the major teams will visit the club is there a probability of a sold-out stadium.

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