

IMPORTANT LEISURE-SPORT MARKETS AND THEIR CHARACTERISTICS

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Introduction – aim, research question

Sports play an increasingly important role in both society and the economy. Yet when it comes to the study of sports economics, most literature focuses on professional athletics; the topic of leisure sports receives scant attention on either a theoretical or practical level. I therefore set out to write a paper that analyses leisure sports and their related markets. My research question was: “**What kinds of markets for leisure sports exist in Hungary and what are their characteristics?**”

Theoretical background, literature review

In my understanding, a leisure sport can be any physical recreational activity performed during one’s free time, at regular or irregular intervals, the purpose of which is maintenance or restoration of health, recreation, amusement, or achieving a feeling of physical and spiritual well-being, both during and after the exercise. People may participate in leisure sports at a variety of locations: at fitness centres that provide equipment and services on a for-profit basis; at facilities run by state governments, municipalities or communities; in public parks; with civil-society groups (organizations); or even at home. Up until now, academic literature has generally focused on professional sports. András [2003, 2004] interprets consumers, players, sponsors, the media, and makers and distributors of merchandise as markets for professional sports organizations, she defines football-related markets as all resources that generate revenue for companies that operate football teams. My paper seeks to determine Hungary’s **leisure sports markets** – markets that generate revenue for companies that operate in leisure sports industry – based on the models of Gratton-Taylor [2000] and Parks et al. [2007], as well as the works of András [2003, 2004].

Methods, data analysis

Following a review of relevant academic literature, this paper will review the results of 31 qualitative in-depth interviews that I conducted in 2011. The selection of samples in the qualitative research is based on theoretical intention, not representation. When selecting my interviewees, I employed the “criterion,” “opportunistic” and “snowball” methods. I interviewed three representatives from the Hungarian government, 10 people from civil society, 12 from the corporate sphere, and six university experts who specialised in sports business and economics or sport sociology. During these in-depth interviews, each of which lasted roughly an hour and a half, I explored different answers to my research question: “What kinds of markets for leisure sports exist in Hungary and what are their characteristics?” I analysed the interviews with Nvivo9 software. I interpreted the text through a mostly realist, literalist (naturalist) reading, meaning I took the interviewees’ words at face value and “regarded them as truth.” Data collection and data analysis took place in a parallel, iterative manner, continuing until the point of theoretical saturation – that is, until further interviews and data would not contribute much to the study or enrich its understanding.

In theory, leisure sports comprise five distinct markets. In Hungary, there are only four, because the merchandising market essentially does not exist. Of course, every market has room for development. My interviewees mostly talked about the **consumer and sponsorship markets**. Using the Nvivo9 programme, I analysed 164 paragraphs on the consumer market and 195 paragraphs on the sponsorship market; 105 paragraphs regarding the **market for sports professionals**; 56 on the **sports equipment and sportswear market**; and only three paragraphs on the **merchandising market**. My presentation will review the results in detail.

Results, discussion, conclusion

My conclusions are: sponsorship of leisure sports is minuscule compared to sponsorship of professional sports. Typically, companies sponsor leisure-sport events with the goal of popularising their products, building their image, creating positive impressions, or demonstrating corporate responsibility. Corporations sponsor leisure sports as a means of getting closer to their target groups while they are participating in athletic events. In general, sponsorship of leisure sports occurs on a local level, not on a nationwide basis. It also entails lower risk than sponsorship of professional sports. Many times, leisure-sport sponsorship occurs in the form of barter deals. The sponsorship market could grow if leisure-sports organisations paid more attention to the sponsors’ needs and dealt with them in a more professional manner. Sponsors expect professionalism, both in terms of the event and the service. They also expect to reach a broad target group; to have continuity in their sponsorship (beyond just a single event); (local) media coverage; and exclusivity. My paper will describe all five leisure-sport markets (consumer, sponsorship, merchandising, market for sports professionals and for sports equipment and sportswear) in detail.

The number of consumers involved in leisure sports needs to be increased in Hungary. Market increases are being held back by the non-dynamic growth on the demand side. As many potential consumers as possible should be turned into effective consumers. **An increase in consumer demand would bring growth in the markets for sports equipment, sportswear, sports professionals, sponsorship and merchandise.**

References

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