

ROUTLEDGE HANDBOOK OF SPORT MANAGEMENT

The *Routledge Handbook of Sport Management* is the most up-to-date and comprehensive guide to theory and practice in sport management ever published. It provides students and scholars with a broad-ranging survey of current thinking in contemporary sport management, exploring best practice in core functional areas and identifying important future directions for new research.

Key topics covered in the book include:

- Managing performance
- Marketing
- Human resource management
- The economics and finance of sport
- Strategy
- Managing change
- Governance of sports organizations
- Customer relations
- Branding and retail

With contributions from leading scholars and professionals from around the world, the book illustrates the global nature of contemporary sport business and highlights the opportunities and challenges for managers operating in an international marketplace. Representing a definitive survey of contemporary issues in sport management, this is an essential reference for all students, scholars and practitioners working in sport.

Leigh Robinson is Professor of Sport Management at the University of Stirling, Scotland. Her principal research interest is in the management and measurement of performance, governance and quality in Olympic sport organizations.

Packianathan Chelladurai is Professor of Sport Management at The Ohio State University, USA. He is an internationally recognized scholar of management science, specializing in organizational theory and organizational behaviour in the context of sport.

Guillaume Bodet is a lecturer in Sport Marketing and Management within the Institute of Sport and Leisure Policy, at the University of Loughborough, England. His research primarily deals with consumer behaviour regarding sport organizations, sporting events and sport brands.

Paul Downward is Director of the Institute of Sport and Leisure Policy, University of Loughborough, England. He is currently embarked on a study of the economic determinants and impacts of sports participation in the UK.

ROUTLEDGE HANDBOOK OF SPORT MANAGEMENT

*Edited by Leigh Robinson, Packianathan Chelladurai,
Guillaume Bodet and Paul Downward*

First published 2012
 by Routledge
 2 Park Square, Milton Park, Abingdon, Oxon OX14 4RN
 Simultaneously published in the USA and Canada
 by Routledge
 711 Third Avenue, New York, NY 10017

Routledge is an imprint of the Taylor & Francis Group, an informa business

© 2012 Leigh Robinson, Packianathan Chelladurai, Guillaume Bodet and Paul Downward
 First issued in paperback 2014

The right of the editors to be identified as the authors of the editorial material, and of the authors for their individual chapters, has been asserted in accordance with sections 77 and 78 of the Copyright, Designs and Patents Act 1988.

All rights reserved. No part of this book may be reprinted or reproduced or utilised in any form or by any electronic, mechanical, or other means, now known or hereafter invented, including photocopying and recording, or in any information storage or retrieval system, without permission in writing from the publishers.

Trademark notice: Product or corporate names may be trademarks or registered trademarks, and are used only for identification and explanation without intent to infringe.

British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

Library of Congress Cataloging in Publication Data

Routledge handbook of sport management / edited by Leigh Robinson

. . . [et al.].

p. cm.

1. Sports administration. 2. Sports—Management. I. Robinson, Leigh, 1965–
 GV713.R68 2012.

796.8—dc23

2011029795

ISBN: 978-0-415-58788-4 (hbk)

ISBN: 978-1-138-77725-5 (pbk)

Typeset in Bembo
 by RefineCatch Limited, Bungay, Suffolk

CONTENTS

<i>List of figures</i>	<i>ix</i>
<i>List of tables and boxes</i>	<i>xi</i>
<i>Notes on contributors</i>	<i>xiii</i>
<i>Preface: The field of sport management</i>	<i>xix</i>
PART I	
Managing the performance of sport organizations	1
Edited by Leigh Robinson	
1 Contemporary issues in the performance of sport organizations <i>Leigh Robinson</i>	3
2 From daily management to high politics: the governance of the International Olympic Committee <i>Jean-Loup Chappelet</i>	7
3 The contingent and standards governance framework for national governing bodies <i>Denis Mowbray</i>	26
4 The planned development of sport organizations <i>Brian Minikin</i>	42
5 Managing customer expectations of sport organizations <i>Leigh Robinson</i>	57
6 Approaches to managing performance in sport organizations <i>Peter Taylor</i>	69

7	Forecasting the performance of nations in elite sport <i>Simon Shibli, Veerle De Bosscher, Maarten van Bottenburg and Jerry Bingham</i>	86
8	Corporate social responsibility in sport <i>Stephen Morrow</i>	101
9	Theoretical approaches and practical strategies for change management <i>Peter McGraw, Tracy Taylor and Daniel Lock</i>	116
PART II		
Managing human resources in sport organizations		135
Edited by Packianathan Chelladurai		
10	Contemporary issues in the management of human resources <i>Packianathan Chelladurai</i>	137
11	Human resource management in sport: a service-based approach <i>Solha Husin</i>	145
12	Volunteer management in sport <i>May Kim and Hyejin Bang</i>	159
13	Sources of support for employees in sport organizations <i>Boyun Woo and Claudio Rocha</i>	178
14	Psychological contract in the context of sport organizations <i>Gonzalo Bravo, David Shonk and Doyeon Won</i>	193
15	Managing contingent workers in sport <i>Kyungro Chang</i>	214
PART III		
The marketing of sport		221
Edited by Guillaume Bodet		
16	Contemporary issues in sport marketing <i>Guillaume Bodet</i>	223
17	Consumer loyalty in sport participation services <i>Guillaume Bodet</i>	227

18	Relationship marketing: from theoretical issues to its application by sport organizations <i>Alain Ferrand</i>	238
19	Sport spectators' segmentation <i>Guillaume Bodet and Iouri Bernache-Assollant</i>	254
20	Sporting goods brands and retail store dramatization <i>Patrick Bouchet</i>	267
21	Sport promotion through communication: a mass media perspective <i>Daniel C. Funk and Kevin Filo</i>	281
22	Sport sponsorship: definitions and objectives <i>Pascale Quester and Charles Bal</i>	296
23	Ambush marketing <i>Benoit Séguin and Dana Ellis</i>	311
PART IV		
The economics of sport		325
Edited by Paul Downward		
24	Contemporary issues in the economics of sport <i>Paul Downward</i>	327
25	The economic analysis of sport participation <i>Paul Downward, Fernando Lera-López and Simona Rasciute</i>	331
26	Expenditures on sport products and services <i>Tim Pawlowski and Christoph Breuer</i>	354
27	Do sport clubs maximize wins or profits? And does it make any difference? <i>Stefan Kesenne</i>	373
28	International sport league comparisons <i>Helmut Dietl, Rodney Fort and Markus Lang</i>	388
29	Attendance and broadcast demand for professional team sport: the case of English league football <i>Babatunde Buraimo</i>	405

30	The labor market in professional team sport: the case of football players in Europe <i>Bernd Frick</i>	419
31	The economic benefits to cities from hosting major sport events <i>Chris Gratton</i>	441
32	The future of sport management <i>Leigh Robinson, Packianathan Chelladurai, Guillaume Bodet and Paul Downward</i>	457
	<i>Index</i>	462

FIGURES

2.1	Organization chart of the IOC	10
3.1	Governance lifecycle	27
3.2	Contingency model	32
4.1	Development assessment of Fiji Swimming	53
5.1	The management of customer expectations	62
6.1	Benchmarks and quartiles	82
6.2	Grid analysis of importance and satisfaction scores	82
7.1	Australia's performance in the summer Olympic Games (1976–2008)	90
7.2	The nine pillars used in elite sport development systems	91
7.3	China's performance in the Olympic Games (1984–2004)	94
7.4	Extrapolating China's gold medals in 2008 based on past performance	95
7.5	Host nation performance compared with the Games immediately prior to hosting	96
9.1	Schein/Lewin model	124
9.2	The Dunphy and Stace change matrix	125
10.1	Contingency approach to HRM practices	141
10.2	Three domains of sport	142
10.3	Vertical differentiation of three subsystems of an organization	143
12.1	Stages of volunteer management	173
14.1	Psychological contract analytical framework	198
18.1	Marketing strategies typology	241
18.2	The three categories of relationship	245
18.3	The steps in implementing the principles of relationship marketing in a sport organization	246
18.4	Direct and indirect relationships between BNL and Internazionali BNL d'Italia primary stakeholders	249
22.1	The sponsorship actors and their relationships	298
26.1	Results of the second survey for the Council of Europe	361
26.2	Results of miscellaneous surveys on private consumer spending on attending sport events	362

- Rosen, S. and A. Sanderson (2001) 'Labour Markets in Professional Sport', *Economic Journal*, 111, F47–F68.
- Rottenberg, S. (1956) 'The Baseball Players' Labor Market', *Journal of Political Economy*, 64, 242–58.
- Simmons, R. (1997) 'Implications of the Bosman Ruling for Football Transfer Markets', *Economic Affairs*, 17, 13–18.
- Simmons, R. and D. Berri (2009) 'Gains from Specialization and Free Agency: The Story from the Gridiron', *Review of Industrial Organization*, 34, 81–98.
- Sloane, P.J. (1971) 'The Economics of Professional Football: The Football Club as a Utility Maximizer', *Scottish Journal of Political Economy*, 18, 121–46.
- Speight, A. and D. Thomas (1997a) 'Arbitrator Decision-Making in the Transfer Market: An Empirical Analysis', *Scottish Journal of Political Economy*, 44, 198–215.
- (1997b) 'Football League Transfers: A Comparison of Negotiated Fees with Arbitration Settlements', *Applied Economics Letters*, 4, 41–44.
- Szymanski, S. (1999) 'The Market for Soccer Players in England after Bosman: Winners and Losers', in Jeanrenaud, C. and S. Késenne (eds.), *Competition Policy in Professional Sport: Europe after the Bosman Case*, Antwerp, Standard Editions, pp. 133–60.
- (2000) 'A Market Test for Discrimination in the English Professional Soccer Leagues', *Journal of Political Economy*, 108, 590–603.
- Szymanski, S. and T. Kuypers (1999) *Winners and Losers: The Business Strategy of Football*, London, Viking.
- Szymanski, S. and R. Smith (1997) 'The English Football Industry: Profit, Performance, and Industrial Structure', *International Review of Applied Economics*, 11, 135–53.
- Tervio, M. (2006) 'Transfer Fee Regulations and Player Development', *Journal of the European Economic Association*, 4, 957–87.
- ter Weel, B. (2006) 'Does Manager Turnover Improve Firm Performance? New Evidence Using Information from Dutch Soccer, 1986–2004', *Discussion Paper No. 2483*, Bonn, Institut Zukunft der Arbeit.
- UEFA (2010) *UEFA Champions League Zugangliste*, [online] available at: <<http://de.uefa.com/uefachampionsleague/accesslist/index.html>> (accessed 6 September 2011).
- Vincent, C. and B. Eastman (2009) 'Determinants of Pay in the NHL: A Quantile Regression Approach', *Journal of Sports Economics*, 10, 256–77.
- Wilson, D. and Y.-H. Ying (2003) 'Nationality Preferences for Labour in the International Football Industry', *Applied Economics*, 35, 1551–59.

31

THE ECONOMIC BENEFITS TO CITIES FROM HOSTING MAJOR SPORT EVENTS

Chris Gratton

Introduction

In the UK, in the 1970s and early 1980s, government expenditure on sport expanded considerably. The rationale for this increased expenditure was that sport made a considerable contribution to local communities in welfare terms. Following the publication of the White Paper on Sport and Recreation (Department of the Environment, 1975), it was established that sport should be regarded as part of the general fabric of the social services. Most of this additional expenditure was made by local government on indoor sports centres and swimming pools. In 1971, there were 12 indoor sports centres and 440 swimming pools in Britain. By 1981, there were 461 indoor sports centres and 964 swimming pools (Gratton and Taylor, 1991). This growth in expenditure came to an end in the mid-1980s with the public expenditure cuts of the then Conservative government.

At the same time as the investment in sport for welfare reasons started to decline, a second wave of sport investment began, but this time the rationale was economic regeneration. Investment in sport infrastructure in cities was not primarily aimed at getting the local community involved in sport but was instead aimed at attracting tourists, encouraging inward investment, and changing the image of the city. The first example of this new strategy was seen in Sheffield with the investment of £147 million in sporting facilities to host the World Student Games of 1991. There were also the Olympic bids of Birmingham and Manchester in the 1980s and 1990s. These did not immediately result in investment in facilities since the bids were unsuccessful, but substantial expenditure was required just to mount the bids. More recently, Manchester spent over £200 million on sporting venues in order to host the 2002 Commonwealth Games, with a further £470 million expenditure on other non-sport infrastructure investment in Sportcity in East Manchester.

In the British context, most of the cities following this strategy of using sport for economic regeneration were industrial cities, not normally known as major tourist destinations. The driver of such policies was the need for a new image and new employment opportunities caused by the loss of their conventional industrial base. In the USA, cities such as Indianapolis and Cleveland had adopted a similar strategy in the 1970s and 1980s, again following increased unemployment due to deindustrialization. However, in the USA sport-related regeneration strategies have tended to be focused on facilities for domestic professional team sport rather

than on hosting major international sports events. In the rest of Europe and Australia, we have seen similar strategies, most notably in Barcelona with the hosting of the 1992 Olympics, in Athens with the 2004 Olympics, and in Sydney with the 2000 Olympics. The difference between these cities and the British and American ones is that they were already major tourist destinations in their own right prior to hosting the Olympics and were not facing the same problems of industrial decline. The objective here was to transform the image of these cities and turn them into major world cities.

This chapter analyses the justification for such investments in sport in cities and assesses the evidence on the success of such strategies. The next section begins the discussion by examining the context of sport being used as a tool of economic regeneration. The remaining sections then critically review the theory and evidence associated with the potential benefits of hosting major sport events. There is an analysis of the summer Olympic Games, as the largest single major sporting event, followed by an examination of the impacts of investment in sport infrastructure more generally in both the US and UK respectively. The chapter then reviews the likelihood of longer-term benefits or legacies being derived from investment in hosting sport events.

Sport and urban regeneration

As Downward et al. (2009) argue, a variety of characteristics have been used to characterize what is meant by a sport event; including their regularity, scale, and their sporting and economic significance. Specific taxonomies also exist as, for example, those developed by the Sport Industry Research Centre at Sheffield Hallam University (see Gratton et al., 2000; Gratton and Taylor, 2000). However, because of their prestige and/or scale respectively, the study of hallmark events or mega-events initiated interest and became an important part of the tourism literature in the 1980s. Since then the economics of sport tourism at major sport events has become an increasing part of this event tourism literature.

Many governments around the world have adopted national sport policies that specify that hosting major sports event is a major objective. A broad range of benefits has been suggested for both the country and the host city from staging major sports events, including urban regeneration legacy benefits, sporting legacy benefits, tourism and image benefits and social and cultural benefits as well as the direct economic impact benefits which will be the main focus of this chapter. It is well known that cities and countries compete fiercely to host the Olympic Games or the football World Cup. However, over recent years there has been increasing competition to host less globally recognized sport events in a wide range of other sports where spectator interest is less assured and where the economic benefits are even less clear cut. In this chapter, we will analyse the benefits generated across a wide range of sport events from large spectator events staged as part of domestic professional team sport to World and European Championships. We will concentrate on the economic benefits generated but will also consider the broader benefits outlined above. To begin, we discuss the literature associated with hosting major sport events.

The literature on the economics of major sport events is relatively recent. One of the first major studies in this area was the study of the impact of the 1985 Adelaide Formula 1 Grand Prix (Burns, Hatch and Mules, 1986). This was followed by Brent Ritchie's in-depth study of the 1988 Calgary Winter Olympics (Ritchie, 1984; Ritchie and Aitken, 1984, 1985; Ritchie and Lyons, 1987, 1990; Ritchie and Smith, 1991). In fact, immediately prior to these studies it was generally thought that hosting major sport events was a financial liability to host cities following the large debts faced by Montreal after hosting the 1976 Olympics. There was

a general change in attitude following the 1984 Los Angeles Olympics which made a clear profit. For a specific event or organizing body simply to make its own profit or loss is, however, not the central issue in evaluating the hosting of sport events.

Mules and Faulkner (1996) point out that even with such mega-events as Formula 1 Grand Prix races and the Olympics, it is not always an unequivocal economic benefit to the cities that host the event. They emphasize that, in general, staging major sport events often results in the city authorities losing money even though the city itself benefits greatly in terms of additional spending in the city. Thus the 1994 Brisbane World Masters Games cost the city A\$2.8 million to organize but generated A\$50.6 million of additional economic activity in the state economy. Mules and Faulkner's basic point is that it normally requires the public sector to finance the staging of the event and incur these costs in order to generate the subsequent benefits to the local economy. They argue that governments host such events and lose taxpayers' money in the process in order to generate such multiplier effects as spillover effects or externalities.¹ Consequently, the hosting of major sport events is often justified by the host city in terms of long-term economic and social consequences, directly or indirectly resulting from the staging of the event (Mules and Faulkner, 1996). These effects are primarily justified in economic terms, by estimating the additional expenditure generated in the local economy as the result of the event, in terms of the benefits injected from tourism-related activity, known as economic impacts (Roche, 1992).

It is not a straightforward job, however, to establish this for a specific event. There are practical issues to consider such as delineating the area and timescale over which impacts are to be measured. For example, major sport events require investment in new sport facilities and often this is paid for in part by central government or even international sport bodies. Thus some of this investment expenditure represents a net addition to the specific local economy since the money comes in from outside this area. Of course, this may mean that within countries some localities may benefit at the expense of others if resources are transferred nationally. Expenditures from international sources, of course, may benefit one area specifically, but by implication this benefits the country as a whole. Also facilities remain after the event has finished and can act as a platform for future activities that can generate additional tourist expenditure (Mules and Faulkner, 1996). The life cycle of the investment thus needs to be considered. There are also technical issues to address, including how best to calculate the multiplier effects and other accounting qualifications such as allowing for inflation and changing interest rates on the value of monetary flows (for a discussion of these issues see Downward et al., 2009).²

Sport events are also increasingly seen as part of a broader tourism strategy aimed at raising the profile of a city and therefore success cannot be judged on simply economic criteria. Often the attraction of events is linked to a re-imaging process, and in the case of many cities is invariably linked to strategies of urban regeneration and tourism development (Bianchini and Schwengel, 1991; Bramwell, 1995; Collins and Jackson, 1996; Loftman and Spirou, 1996; Roche, 1994). Cities staging major sport events have a unique opportunity to market themselves to the world. Increasing competition between broadcasters to secure broadcasting rights to major sport events has led to a massive escalation in fees for such rights, which in turn means broadcasters give blanket coverage at peak times for such events, enhancing the marketing benefits to the cities that stage them.

Such benefits might include a notional value of exposure achieved from media coverage and the associated place marketing effects related to hosting and broadcasting an event that might encourage visitors to return in future, or alternatively have sport development impacts, which may encourage young people to get more involved in sport. Collectively these

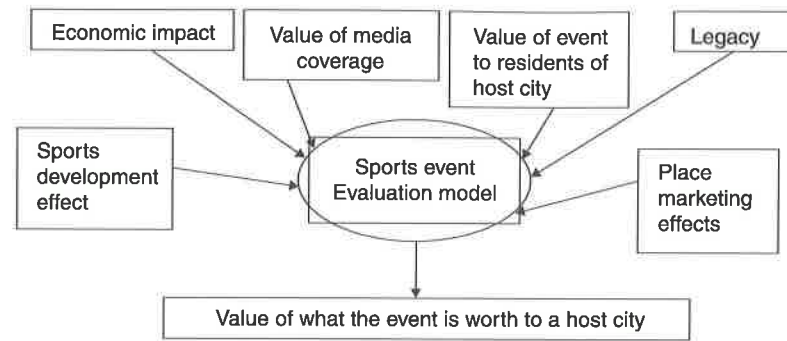


Figure 31.1 Towards an event evaluation model

additional benefits could be monitored using a more holistic approach to event evaluation as outlined in Figure 31.1.

The economic impact of the summer Olympic Games

Despite the huge sums of money invested in hosting the summer Olympics there has never been an impact study of the type described in Figure 31.1 to assess the economic benefits of hosting the event, and the economic impact studies that have been done have dubious characteristics.

Kasimati (2003) analysed all economic impact studies of the summer Olympics from 1984 to 2004 and found, in each case, that the studies were done prior to the Games, were not based on primary data, and were, in general, commissioned by proponents of the Games. It was found that the economic impacts were likely to be inflated since the studies did not take into account supply-side constraints such as investment crowding out existing economic activity, price increases due to resource scarcity, and the displacement of tourists who would have been in the host city had the Olympics not been held there. It is also a common error to include residents' expenditures in the analysis (see also Crompton, 2006).³

Although no proper economic impact study using primary data has ever been carried out for the summer Olympics, Preuss (2004) has produced a comprehensive analysis of the economics of the summer Olympics for every summer Olympics from Munich 1972 using secondary data, and employing a novel data transformation methodology which allows comparisons across the different Olympics.

Despite collecting a massive amount of secondary data, Preuss's conclusion on the estimation of the true economic impact of the summer Olympics is the same as Kasimati's:

The economic benefit of the Games . . . is often overestimated in both publications and economic analyses produced by or for the OCOG [Organising Committee of the Olympic Games]. . . multipliers tend to be too high and the number of tourists is estimated too optimistically

(Preuss, 2004: 290)

Preuss, however, does make some strong conclusions from his analysis. He shows, for instance, that every summer Olympics since 1972 made an operational surplus that the OCOG can

spend to benefit both national and international sport. Stories relating to massive losses from hosting the Olympics have nothing to do with the Games operational costs and revenues. Rather they are to do with the capital infrastructure investments made by host cities on venues, transport, accommodation and telecommunications. These are investments in capital infrastructure that have a life of 50 years or more and yet many commentators count the full capital cost against the two to three weeks of the Games themselves. Preuss points out that this is economic nonsense:

It is impossible and even wrong to state the overall effect of different Olympics with a single surplus or deficit. The true outcome is measured in the infrastructural, social, political, ecological and sporting impacts a city and country receive from the Games.

(Preuss, 2004: 26)

This indicates of course the importance of addressing the economic impacts of events properly, though estimating the true economic impact of the summer Olympic Games properly would require a huge research budget in addition to the other costs associated with the Games. Research needs to start several years before the Olympics and continue several years after they have finished. So far nobody has been willing to fund such research. However, there is increasing research output relating to other major sporting events.

Despite a strong theoretical case in favour of urban regeneration benefits from investment in sporting infrastructure in order to host major sport events, then, there are also strong arguments that the negative impacts of such investment may match or even outweigh these benefits. This has been particularly pronounced in US literature.

City sport strategies in North America

Over the last two decades many cities in the United States have invested vast amounts of money in sport stadia on the basis of arguments that economic benefits will accrue to the city from such investment. Most of these strategies have been based on professional team sports, in particular, American football, baseball, ice hockey, and basketball. Unlike the situation in Europe, professional teams in North America frequently move from city to city.

Since the late 1980s, cities have offered greater and greater incentives for these professional teams to move by offering to build new stadia to house them, costing hundreds of millions of dollars. The teams just sit back and let cities bid up the price. They either move to the city offering the best deal or they accept the counter offer invariably put to them by their existing hosts. This normally involves the host city building them a brand new stadium to replace their existing one, which may only be ten or fifteen years old.

Baade (2003) indicates how, since the 1980s, escalating stadium construction costs have increased the size of stadium subsidies:

the number of stadiums that have been built since 1987 to the present is unprecedented. Approximately 80 per cent of the professional sport facilities in the United States will have been replaced or have undergone major renovation during this period of time. The new facilities have cost more than \$19 billion in total, and the public has provided \$13.6 billion, or 71 per cent, of that amount. In few, if any, instances have professional teams in the United States been required to open their books to justify the need for these subsidies. Rather, teams have convinced cities that

to remain competitive on the field they have to be competitive financially, and this, teams claim, cannot be achieved without new playing venues.

(Baade, 2003: 588)

This use of taxpayers' money to subsidize profit-making professional sport teams seems to be completely inappropriate and particularly out of place in the North American context. The justification for such public expenditure is an economic one: the investment of public money is a worthwhile investment as long as the economic impact generated by having a major professional sport team resident in the city is sufficiently great.

Baade (1996), Noll and Zimbalist (1997) and Coates and Humphreys (1999), however, showed no significant direct economic impact on the host cities from such stadium development. Crompton (1995, 2001) also argues that economic impact arguments in favour of such stadium construction using public subsidies have been substantially exaggerated. However, he goes on to suggest (Crompton, 2001, 2004) that there are other possible benefits to cities from such developments: increased community visibility, enhanced community image, stimulation of additional development related to the stadium, and psychic income to city residents from having a professional team in the city. The first three of these focus on the ability of such stadium developments to influence external audiences which may lead to inward investment into the host city and generate similar benefits to economic impact. Psychic income relates to the social and psychological benefit local residents may feel by identifying with the resident professional team. Although sport researchers are well aware of such benefits they are notoriously difficult to measure effectively and no evidence currently exists to suggest these broader benefits justify the high levels of public subsidies to professional sport teams in the USA.

The question that arises therefore is why such subsidies have grown to these massive levels in recent years. Quirk and Fort (1999: 169–70) suggest an answer to this question:

As monopolies, sport leagues artificially restrict the number of teams below the number that would be in business if there was competition in the sport. By constantly keeping a supply of possible host cities – cities that could support a league team – on line, current host cities are in the unenviable position of being pressured to provide exorbitant subsidies to their teams or risk losing them.

Thus it is simply a problem of supply and demand and the market power lies with the professional sport teams. Most economists are agreed that this phenomenon is not an example of sport contributing substantially to economic regeneration. However, some American cities have gone beyond the professional sport team stadium game and taken a broader approach to using sport for economic regeneration. Indianapolis, Cleveland, Philadelphia, Kansas City, Baltimore and Denver are examples of cities that have adopted broader sport-orientated economic regeneration strategies and Indianapolis is perhaps the best example out of these.

Schimmel (2001) and Davidson (1999) analyse how sport has been used in Indianapolis for economic regeneration of the city. Indianapolis is a midwestern US city that in the mid 1970s was suffering from the decline of its heavy manufacturing base, in particular its car industry. Local politicians were keen to develop a new image for the city. As Schimmel indicates, the problem was not that the city had a bad image, but rather that the city had no image at all. The strategy was to target the expanding service sector economy in an attempt to redevelop the city's downtown area by using sport as a catalyst for economic regeneration. From 1974 to 1984, a total of \$1.7 billion in public and private resources was invested in inner-city construction (Schimmel, 2001), in which sporting infrastructure played a major role. The

strategy included investment in facilities in professional team sports but added to this a strategy of hosting major sport events in the city.

Between 1977 and 1991, 330 sport events were hosted by Indianapolis. Davidson (1999) attempted to measure the economic contribution of sport to the city in 1991. He found that in that year, 18 sport organizations and nine sports facilities in the city employed 526 employees. In addition, 35 sport events held in the city in 1991 generated additional spending of \$97 million. He estimated the total economic contribution of sport organizations, facilities and events in Indianapolis in 1991 to be \$133 million. In addition, other studies had shown that the sport strategy aimed at economic regeneration had resulted in other non-economic benefits, including increased sport participation by young people, increased pride in the city, and an enhanced image for the city, resulting in more convention tourism. Although Indianapolis was an early example, the strategy of using sport events as a catalyst for urban regeneration became popular in the UK in the 1980s and 1990s.

Sport and economic regeneration in cities and regions in the UK

Several cities in the UK (e.g. Sheffield, Birmingham and Glasgow) have used sport as a lead sector in promoting urban regeneration and these three cities were awarded National City of Sport status in 1995 partly because of this. They have all invested heavily in their sport infrastructure so that each has a portfolio of major sporting facilities capable of holding major sports events.

In addition to facilities, each city has a supporting structure of expertise in event bidding and management to ensure quality bids with a high probability of success and to guarantee high-quality event management. Events are a major vehicle for attracting visitors to the city and hence contributing to urban regeneration. However, these cities are also involved with developing sport in the cities through performance and excellence programmes (e.g. training, squad preparation, coaching) and in community sport development, so that the local population benefits from the investment in sport infrastructure.

These and other cities have made a specific commitment to public investment in sport as a vehicle for urban regeneration. However, the quantity and distribution of returns to such public sector investment in sport, predominantly from local government, have been largely under-researched and remain uncertain. Often such investment attracts criticism because of media attention on a specific event, such as the World Student Games in Sheffield in 1991, and there has been little research on the medium- and long-term returns on such investment.

In a report commissioned by UK Sport, *Measuring Success 2: the economic impact of major sport events* (UK Sport, 2004), the Sport Industry Research Centre presented an overview of the findings from 16 economic impact studies of major sport events undertaken since 1997, many of which took place in these three cities and all but three of which (Spar Europa Cup, World Cup Triathlon, World Indoor Athletics) were carried out by the Sport Industry Research Centre. This consolidated piece of research builds on the original *Measuring Success* (UK Sport, 1999a) document published by UK Sport in 1999, which recognized and demonstrated the potential of major sport events to achieve significant economic impacts for the cities that host them.

These sixteen studies have been conducted using essentially the same methodology as that published by UK Sport in 1999 entitled *Major Events: the economics – a guide* (UK Sport, 1999b). This therefore provides a dataset in which the events are directly comparable and we concentrate on these comparisons. Key findings from the research are outlined in Table 31.1, commencing with the impact of each event.

Table 31.1 Economic impact of 16 major sport events

Year	Event	Host city	Event days	Impact (£)	Impact per event day (£)
1997	World Badminton	Glasgow	14	2.22m	0.16m
1997	European Junior Boxing	Birmingham	9	0.51m	0.06m
1997	1st Ashes Test – Cricket England v Australia	Birmingham	5	5.06m	1.01m
1997	IAAF Grand Prix 1 Athletics	Sheffield	1	0.18m	0.18m
1997	European Junior Swimming	Glasgow	4	0.26m	0.06m
1997	Women's British Open Golf	Sunningdale	4	2.07m	0.52m
1998	European Short Course Swimming	Sheffield	3	0.31m	0.10m
1999	European Show Jumping	Hickstead	5	2.20m	0.44m
1999	World Judo	Birmingham	4	1.94m	0.49m
1999	World Indoor Climbing	Birmingham	3	0.40m	0.13m
2000	Flora London Marathon	London	1	25.46m	25.46m
2000	Spar Europa Cup – Athletics	Gateshead	2	0.97m	0.48m
2001	World Amateur Boxing	Belfast	8	1.49m	0.19m
2001	World Half Marathon	Bristol	1	0.58m	0.58m
2003	World Cup Triathlon	Manchester	1	1.67m	1.67m
2003	World Indoor Athletics	Birmingham	3	3.16m	1.05m

Overall the findings confirm that major sport events can have significant economic impacts on host communities. These impacts ranged from the £0.18m of additional expenditure attributable to the half-day IAAF Grand Prix Athletics staged on a Sunday in Sheffield in June 1997, to the £25.5m attributable to the Flora London Marathon in April 2000. Moreover, other events, most notably the World Cup Triathlon, World Indoor Athletics and Test Cricket attracted additional expenditure per day in excess of £1m. Junior events (e.g. European Junior Swimming and Junior Boxing) had the least significant daily impacts, mainly because they rarely attract considerable numbers of spectators. It is interesting to note that the two events generating the highest economic impacts, the London Marathon and a cricket Test Match, were domestic events that take place annually, do not need to go through a bidding process and do not require new sporting infrastructure investment.

Economic impact is not UK Sport's rationale for attracting major events to the UK but it is a useful device by which to justify funding an event in economic terms. The evidence suggests that as a general rule it is the expenditure by visitors to an event which contributes the majority of any additional expenditure, rather than spending by the organizers of an event.

Spectators contributed the majority of the additional expenditure at 10 of the 16 events, and such events are termed 'spectator driven'. Further analyses revealed a strong correlation between the number of spectator admissions and the absolute economic impact of an event, which suggests that the absolute number of spectators is the key driver of economic impact.

A typical competitor spends between £55 and £60 per day at an event, of which 82 per cent is spent on subsistence (accommodation, food and drink). Cricketers at the Test Match spent the most per day of all the competitors (£113), compared to athletes at the World Half Marathon who spent the least (£42). Typical daily spend of an official was £70, of which 80 per cent was attributable to expenditure on subsistence. Competitors spend relatively little on items other than subsistence, because their days are characterized by a cycle of preparation,

competition and rest, which leaves little time for interaction with the local economy. Similarly, officials work long hours to ensure that events run smoothly, and consequently they too have little time to get out and about locally. By contrast daily spend of a typical media representative was around £100 (and often much more for those on expenses), with 75 per cent of this attributable to spending on subsistence (usually commercial accommodation). Moreover, daily expenditure by media personnel on other items (around £25) almost doubled that spent by the typical competitor or official. Hence, not only do events benefit from the value of media coverage but they also benefit from the relatively high additional daily expenditure of media representatives.

The daily spending of spectators varies considerably across events, ranging from £86 at the European Junior Swimming (where parents spent money on behalf of and supporting their children) to less than £10 per day at the IAAF Athletics Grand Prix. Although the absolute number of spectators is the key driver of economic impact, the average spectator (at a little under £50) spends less per day than the other groups. This is because spectators are most likely to be day-visitors and least likely to make use of commercial accommodation (hotels and guest houses), as evidenced by only 59 per cent of their daily expenditure being attributable to subsistence. However, average daily expenditure of spectators is a function of the proportion staying overnight in the host area.

As discussed above, with such events, much of the economic impact referred to here is actually a redistribution of money around the UK economy, which has no lasting impact on overall GDP. However, expenditure by visitors from overseas is actually 'new' money to the UK economy in the form of invisible exports, as exemplified by the Flora London Marathon, which revealed a net export effect approaching £1.2m. Events that achieve this genuine inflow of funds arguably provide a better quality impact in the national interest than those associated with the recirculation of money within the UK economy. Notwithstanding this, the Local Organizing Committees of events such as the World Half Marathon or World Indoor Athletics are unlikely to worry from where any additional expenditure originates, as long as it is forthcoming. However, they may be interested in evidence suggesting that visitors from overseas stay longer and spend more than the average visitor.

The research has revealed high approval ratings from the public for continued support of events through the National Lottery. Moreover, based on evidence from 10 of the 11 part Lottery funded events, for every £1 of Lottery support, additional expenditure in host economies amounted to £7.23. However, Lottery support rarely covers the total costs associated with hosting an event, and as such the return on investment figure does not allow for the additional costs incurred by Local Organizing Committees. Consequently, the impact in host economies for every £1 invested at an event will be less than £7.23.

Additional benefits have been monitored at more recent events, as organizers look beyond the direct economic impact when evaluating their events following the balanced scorecard approach as indicated in Figure 31.1.

The public profile of the European Short Course Swimming Championships was measured by the analysis of the television coverage for the event. This monitoring of an event's television coverage has revealed some interesting and perhaps unexpected findings. The key finding is that the event achieved television audiences that were greater than those for some sports generally perceived as having larger audiences than swimming. Most notably, audiences for the European Short Course Swimming Championships exceeded those for some rugby union international matches as well as prestigious events in the rugby league and cricket calendars.

The European Short Course Swimming Championships achieved coverage in 18 programmes or programme segments lasting 1,087 minutes, which were broadcast in the UK and mainland Europe (Shibli and Gratton, 1999). A total of nearly eight million viewers across the UK and Europe watched coverage of the event. The highest audience share was achieved in the UK (23 per cent) and the highest TVR (television rating) was achieved in Finland, where 9 per cent of the country's population watched recorded highlights of the event.

The economic impact of the spending of visitors at this event was relatively small (around £300,000). However, the public profile achieved by the television coverage was worth substantially more than this to the host city, Sheffield, the event itself (owned by the international governing body LEN), and the event sponsor (Adidas).

The analysis of these events shows the wide variety of economic impacts generated by different events and how, for some events, other benefits can be greater than the economic impact. Some of the events generate relatively small economic impacts. Just because the event is a World or European Championship does not guarantee that it will be important in economic terms. The difficulty for cities trying to follow an event strategy for regeneration purposes is that it is difficult to forecast the economic impact of any event prior to staging it. However, cities such as Sheffield, Birmingham and Glasgow that now have a history of hosting a wide range of events do acquire the experience of being able to judge those events which generate the most significant benefits.

Case study

Commonwealth Games Manchester 2002

The Commonwealth Games held in Manchester in 2002 involved an investment of £200 million in sporting venues in the city and a further £470 million investment in transport and other infrastructure. This is by far the largest investment related to the hosting of a specific sport event ever to be undertaken in Britain prior to the Olympic Games. It was also the first time in Britain that planning for the hosting of a major sport event was integrated with the strategic framework for the regeneration of the city, in particular East Manchester.

In 1999, three years before the Games were held, the Commonwealth Games Opportunities and Legacy Partnership Board was established to manage the legacy of the Games. Legacy activities were funded under the 2002 North West Economic and Social Single Regeneration Board Programme, which operated from 1999 to 2004. This was the first time in Britain an ambitious legacy programme was designed around a major sport event. The objective was to ensure that the benefits of hosting the event would not disappear once the event was over but that rather there would be a long-term permanent boost to the local economy of East Manchester.

Despite the long-term planning for the Games and the legacy there was one major omission: no economic impact study was carried out during the Games in 2002 and so no primary data is available on the immediate economic benefit of the Games. Cambridge Policy Consultants produced a pre-event estimate of the economic impact in April 2002 and then revised it in November 2003 (Cambridge Policy Consultants, 2003) using secondary evidence available from the Games period. They estimated that the Games generated 2,900 full-time equivalent (FTE) additional jobs in Manchester. However, without any visitor survey data available for the Games themselves there must be serious doubts as to the validity of such an estimate.

A further study of the benefits of the Games was carried out for the North West Development Agency in 2004 by Faber Maunsell, in association with Vision Consulting and

Roger Tym and Partners (Faber Maunsell, 2004). The study used secondary sources and interviews with key stakeholders.

As part of the study they measured employment change in East Manchester between 1999 and 2002 as revealed by the Annual Business Inquiry (ABI) data. This showed a 1,450 increase in jobs (including both part-time and full-time jobs) or a 4 per cent increase over the 1999 level. However, this is annual data and therefore it is difficult to isolate how much of this increase was due to the Games. The distribution of the increase in construction (23 per cent increase), distribution, hotels and restaurants (14 per cent increase), and other services (24 per cent increase) is consistent with the Games having been the main generator of the increase in jobs. Also, out of the 210 new jobs in 'other services', 200 of them were in the 'recreational, cultural, and sporting' category, suggesting again a significant Games effect. However, 1,450 new jobs, which included part-time jobs, is considerably different from the 2,900 FTE jobs estimated by Cambridge Policy Consultants, although this figure relates to the effect on the whole of Manchester and not just East Manchester.

The net additional value of capital investment in the Games was estimated by Faber Maunsell at £670 million, of which £201 million was for the sporting venues, and £125 million was for transport infrastructure. Other major investment included an Asda-Walmart superstore occupying 180,000 square feet and employing 760 FTE staff.

Since no visitor survey was carried out during the Games, actual tourism indicators were difficult to obtain. Using annual tourism data from the UK Tourism Survey (UKTS) and the International Passenger Survey (IPS), Faber Maunsell (2004) indicate a 7.4 per cent increase of overseas residents visitors to Greater Manchester in 2002 compared to 2000. However, there was a 6.4 per cent decrease in UK resident visitors to Greater Manchester over the same period and a 2.2 per cent decrease in the number of nights overseas residents spent in Greater Manchester. Overall, though, there was a 21 per cent increase in UK resident expenditure and a 29 per cent increase in overseas residents expenditure in Greater Manchester in 2002 compared to 2000. Again, because these are annual figures it is impossible to isolate the influence of the Games on these figures but it is reasonable to conclude that they were the most significant factor.

The Faber Maunsell study does not give a detailed media analysis of the Games, indicating only that the opening and closing ceremonies had an 'estimated' worldwide audience of one billion. The Commonwealth Games is an unusual event in that it receives television coverage across most continents but is not a global event in the same way as the Olympics and the football World Cup are. There are key markets where there will be no coverage at all. These include the USA, the whole of the rest of Europe outside the United Kingdom, Japan and China. The event, therefore, is limited in its potential effect on the image and profile of the host city.

Some indication of the public profile benefits of the Games is indicated by Manchester moving up the European Cities Monitor from 19th in 2002 to 13th in 2003. The Monitor is a measure of the best European cities in which to locate a business, compiled by Cushman and Wakefield Healey and Baker. This is constructed from the views of Europe's 500 leading businesses on the top business locations in Europe and is used to indicate aspects affecting business location decisions. For Manchester it is an indicator of an improvement in the city's image from a business perspective and an indicator of greater potential for inward investment.

Despite the lack of hard evidence on the economic impact of the Commonwealth Games on Manchester in 2002, there is enough evidence to indicate that East Manchester has benefited considerably. Manchester City FC now use the City of Manchester stadium as their home ground and other sporting venues in East Manchester have become the English Institute of Sport and are used for the training

of elite athletes. Since much of the funding for the new investment for the facilities came from the National Lottery or central government, this is a clear economic boost for the area. We will have to wait and see whether the legacy benefits are as great as were hoped for but the indications are promising.

Longer term benefits of hosting major sport events

Although it is too early to assess the urban regeneration legacy benefits of Manchester 2002, it should be possible to assess the long-term benefits of events held ten or twenty years ago. Unfortunately, there are few research studies that attempt to measure systematically such long-term benefits. Spilling (1998) found he could identify no long-term economic benefits for Lillehammer from hosting the Winter Olympics in 1994. He concluded that:

If the main argument for hosting a mega-event like the Winter Olympics is the long-term economic impacts it will generate, the Lillehammer experience quite clearly points to the conclusion that it is a waste of money.

(Spilling, 1998: 121)

Spilling seems to question whether there can be any long-term effect for an area the size of Lillehammer, a city of 25,000 inhabitants situated 180 kilometres north of Oslo. The two Winter Olympics prior to the Lillehammer Games, in Calgary in 1988 and in Albertville in 1992, had been in larger regions and there was more evidence of a continuing benefit several years after the Games. In the case of Albertville, this was partly due to massive transport infrastructure investment which made access to the region by car substantially easier, although at a severe cost to the alpine environment. It is certainly the case that there is little evidence to support the argument that the Winter Olympics leave a substantial long-term benefit.

There is some evidence, however, that the Summer Olympics do generate a legacy benefit. One example that is often quoted to support the argument that there are long-term benefits of hosting major sport events is the case of the Barcelona Olympics in 1992.

Sanahuja (2002) provided evidence on the longer term economic benefits of hosting the Olympics in Barcelona in 1992. The paper analysed the benefits to Barcelona in 2002, ten years after hosting the games. Table 31.2 shows almost a 100 per cent increase in hotel capacity, number of tourists, and number of overnight stays in 2001 compared to the pre-Games

Table 31.2 Legacy benefits of the Barcelona Olympic Games

	1990	2001
Hotel capacity (beds)	18,567	34,303
Number of tourists	1,732,902	3,378,636
Number overnights	3,795,522	7,969,496
Average room occupancy	71%	84%
Average stay	2.84	3.17
Tourists by origin		
Spain	51.2%	31.3%
Europe	32%	39.5%
Others (USA, Japan, Latin America)	16.8%	29.2%

Sources: Turisme de Barcelona (Barcelona Tourist Board) and Sanahuja (2002)

position in 1990. Average room occupancy had also increased from 71 per cent to 84 per cent. In addition the average length of stay had increased from 2.84 days to 3.17 days. In 1990, the majority (51 per cent) of tourists to Barcelona were from the rest of Spain, with 32 per cent from the rest of Europe, and the remainder (17 per cent) from outside Europe. By 2001, the absolute number of Spanish tourists had actually risen by 150,000 but given the near doubling in the number of tourists overall this higher total only accounted for 31 per cent of the total number of tourists. The proportion of tourists from the rest of Europe went up from 32 per cent to 40 per cent (representing an absolute increase of around 800,000) and from the rest of the world from 17 per cent to 29 per cent (representing an absolute increase of around 600,000).

Overall infrastructure investment prior to the Games was \$7.5 billion compared to a budget of around \$1.5 billion for the Olympic Committee to stage the games. The Olympics in Barcelona were the most expensive ever staged. However, Barcelona's use of the Games as a city marketing factor is generally regarded as a huge success. This is evidenced by Barcelona's rise in ranking in the European Cities Monitor from 11th in 1990 to 6th in 2002.

Given the scarcity of evidence on the long-term urban regeneration benefits of hosting sporting events, the Department of Culture Media and Sport/Strategy Unit (2002) in their review of sport strategy in England were sceptical over the existence of such benefits:

Our conclusion is that the economic justifications for any future bids for mega-events must be rigorously assessed. If regeneration is intended as an explicit pay-off from hosting a mega event, then it must underpin the whole planning process to ensure that maximum benefit for the investment is achieved.

(Department of Culture Media and Sport/Strategy Unit, 2002: 68)

It is interesting, therefore, that very soon after this review was published in December 2002, the government decided to back the bid for London to stage the 2012 Olympics, which tends to support Roche's (1994) argument that in the end such decisions are political rather than part of a rational planning process.

Conclusions

Sport has the potential to generate substantial economic and social returns to local and regional government investment in the sport industry. The focus of research over the last decade, however, has been the national economic importance of sport. Although some evidence is available on the economic benefits of sport events, and sport tourism, many of the economic benefits to the local community have been poorly researched. Most of the serious gaps in knowledge over the broader economic benefits of sport can best be filled at the local level. Such research would allow more rational investment appraisal in new investments in sport infrastructure and sport programmes by local government.

It is clear from the discussion in this chapter, however, that in both North America and Europe the strategic thinking relating economic regeneration and sport has been dominated by the view that sport can only contribute to economic activity by attracting sport tourists, either spectators or participants, to the city or region. Such strategies have also been relatively easy to sell to taxpayers in the local economy since the economic argument has been reinforced by the additional generation of social and environmental benefits that such a sport-led economic regeneration can bring to local residents and taxpayers.

In North America, there is increasing questioning of the investment of public money into professional team sports that generate huge profits to their owners and athletes. In Europe, however, economic impact studies over the recent past have shown there is a small number of major sport events (including the Olympics, the World Cup and the European Championship in football) that generate an unequivocal economic benefit to host cities. There is another group of events (such as Wimbledon, the FA Cup Final, Six Nations Rugby Internationals) that also generate significant economic benefits but are not normally 'on the market' for competing cities to bid for (i.e. they always take place in the same venues each year). There are a large number of other events (National, European and World Championships across all sports) that have the potential to generate significant economic impact. The evidence provided in this chapter has shown the wide diversity in economic impacts generated from such events but also that a sport strategy based around events can deliver significant benefits to cities.

Whether such benefits justify the expenditure involved is, however, a difficult question to answer. When the money for sporting infrastructure investment is provided by local taxpayers, as it was for the World Student Games in Sheffield, the question arises of whether other projects might have provided better returns to the local community. When the money for investment comes primarily from outside the local community, as it did for the Commonwealth Games in Manchester, then it is an unequivocal benefit to the local community in economic terms but may not be the best use of the funds from a national perspective. At this point in time we simply do not have adequate evidence to make judgements of this type. The evidence that we do have relates to the immediate economic impact during the event and immediately afterwards. There is a need for research to concentrate on the longer term urban regeneration benefits that sport has the potential to deliver.

Notes

- 1 In economic language, multiplier effects represent the additional economic activity that is generated from an investment beyond that *directly* connected to the investment. These effects will have geographical and temporal boundaries. Multiplier effects are conceptually different from externalities and spillovers more generally as examples of market failure because the former derive from the re-employment of previously underemployed resources whereas the latter arise because activity directly affects the benefits or costs experienced by others despite their not being party to the economic activity concerned.
- 2 It should be noted too that, for many economists, focusing on economic impacts – as the *net* benefits – from an investment is inappropriate. The welfare associated with such investments and their evaluation with respect to the opportunity costs of alternatives in a cost–benefit analysis are considered more appropriate (see Downward et al., 2009; Kesenne, 2005).
- 3 As implied in the discussions above, economic impact refers to the total amount of additional expenditure generated within a host city (or area), which could be directly attributable to the staging of a particular event. Only visitors to the host economy as a direct result of an event being staged are eligible for inclusion in the economic impact calculations (i.e. the expenditure by people resident in the host area is not included, on the basis that they would spend money locally irrespective of whether an event is taking place).

References

- Baade, R.A. (1996) 'Professional Sport as Catalysts for Economic Development', *Journal of Urban Affairs*, 18(1) 1–17.
- (2003) 'Evaluating Subsidies for Professional Sports in the United States and Europe: A Public-Sector Primer', *Oxford Review of Economic Policy*, 19(4), 585–97.

- Bianchini, F. and Schwengel, H. (1991) 'Re-imagining the City', in Comer, J. and Harvey, S. (eds.) *Enterprise and Heritage: Crosscurrents of National Culture*, Routledge: London, pp. 214–34.
- Bramwell, B. (1995) 'Event Tourism in Sheffield: A Sustainable Approach to Urban Development?' Unpublished paper, Sheffield Hallam University, Centre for Tourism.
- Burns, J. P. A., Hatch, J. H. and Mules, F. J. (eds.) (1986) *The Adelaide Grand Prix: the impact of a special event*, Adelaide, The Centre for South Australian Economic Studies.
- Cambridge Policy Consultants (2003) *The Commonwealth Games 2002: A Cost and Benefit Analysis: Executive Update*, Cambridge, Cambridge Policy Consultants.
- Coates, D. and Humphreys, B. (1999) 'The Growth of Sport Franchises, Stadiums and Arenas', *Journal of Policy Analysis*, 18(4), 601–24.
- Collins, M.F. and Jackson, G.A.M. (1996) 'The Economic Impact of a Growing Symbiosis: Sport and Tourism', Fourth European Association for Sports Management (EASM) Conference, Montpellier, France.
- Crompton, J. L. (1995) 'Economic Impact Analysis of Sport Facilities and Events: Eleven Sources of Misapplication', *Journal of Sport Management*, 9(1), 14–35.
- (2001) 'Public Subsidies to Professional Team Sport Facilities in the USA', in Gratton, C. and Henry, I. P. (eds.) *Sport in the City: The Role of Sport in Economic and Social Regeneration*, London, Routledge.
- (2004) 'Beyond Economic Impact: An Alternative Rationale for the Public Subsidy of Major League Sport Facilities', *Journal of Sport Management*, 18, 40–58.
- (2006) 'Economic Impact Studies: Instruments for Political Shenanigans?' *Journal of Travel Research*, 45: 67–82.
- Davidson, L. (1999) 'Choice of a Proper Methodology to Measure Quantitative and Qualitative Effects of the Impact of Sport', in Jeanraud, C. (ed.) *The Economic Impact of Sport Events*, Neuchatel: Switzerland, Centre International d'Etude du Sport (CIES).
- Department of Culture, Media, and Sport/Strategy Unit (2002) 'Game Plan: a strategy for delivering Government's sport and physical activity objectives', London, UK Sport.
- Department of the Environment (1975) 'Sport and Recreation', HMSO, Cmnd 6200.
- Downward, P., Dawson, A. and Dejonghe, T. (2009) *Sport Economics: Theory Evidence and Policy*, London: Butterworth-Heinemann.
- Faber Maunsell (2004) 'Commonwealth Games Benefit Study: Final Report, Manchester', North West Development Agency.
- Gibson, H. J. (1998) 'Sport Tourism: a Critical Analysis of Research', *Sport Management Review*, 1, 45–76.
- Gratton, C. and Taylor, P. (1991) 'Government and the Economics of Sport', Harlow, Longman.
- (2000) 'Economics of Sport and Recreation', London, E. and F.N. Spon.
- Gratton, C., Dobson, N. and Shibli, S. (2000) 'The Economic Importance of Major Sport Events: A Case Study of Six Events', *Managing Leisure*, 5, 17–28.
- Kasimati, E. (2003) 'Economic Aspects and the Summer Olympics: a Review of Related Research', *International Journal of Tourism Research*, 5, 433–44.
- Kesenne, S. (2005) 'Do We Need an Economic Impact Study or a Cost-Benefit Analysis of a Sport Event?', *European Sport Management Quarterly*, 5, 133–42.
- Loftman, P. and Spirou, C. S. (1996) 'Sport Stadiums and Urban Regeneration: the British and United States Experience', paper presented to the conference, Tourism and Culture: Towards the 21st Century, Durham.
- Mules, T. and Faulkner, B. (1996) 'An Economic Perspective on Major Events', *Tourism Economics*, 2(2), 107–17.
- Noll, R. and Zimbalist, A. (eds.) (1997) 'Sport, Jobs and Taxes', Washington, The Brookings Institution.
- Preuss, H. (2004) *The Economics of Staging the Olympics: A Comparison of the Games 1972–2008*, Cheltenham, Edward Elgar.
- Quirk, J. and Fort, R. (1999) *Hard Ball: The Abuse of Power in Pro Team Sport*, Princeton, Princeton University Press.
- Ritchie, J. R. B. (1984) 'Assessing the impact of hallmark event: conceptual and research issues', *Journal of Travel Research*, 23(1), 2–11.
- Ritchie, J. R. B. and Aitken, C.E. (1984) 'Assessing the impacts of the 1988 Olympic Winter Games: the research program and initial results', *Journal of Travel Research*, 22(3), 17–25.
- (1985) 'OLYMPULSE II – evolving resident attitudes towards the 1988 Olympics', *Journal of Travel Research*, 23 (Winter), 28–33.

- Ritchie, J. R. B. and Lyons, M. M. (1987) 'OLYMPULSE III/IV: a mid-term report on resident attitudes concerning the 1988 Olympic Winter Games', *Journal of Travel Research*, 26 (Summer), 18–26.
- (1990) 'OLYMPULSE VI: a post-event assessment of resident reaction to the XV Olympic Winter Games', *Journal of Travel Research*, 28(3), 14–23.
- Ritchie, J. R. B. and Smith, B. H. (1991) 'The impact of a mega event on host region awareness: a longitudinal study', *Journal of Travel Research*, 30(1), 3–10.
- Roche, M. (1992) 'Mega-event Planning and Citizenship: Problems of Rationality and Democracy in Sheffield's Universiade 1991', *Vrijetijd en Samenleving*, 10(4), 47–67.
- (1994) 'Mega-Events and Urban Policy', *Annals of Tourism Research*, 21(1), 1–19.
- Sanahuja, R. (2002) 'Olympic City – The City Strategy 10 years after The Olympic Games in 1992.' Paper delivered to the conference, Sport Events and Economic Impact, Copenhagen, April 2002.
- Schimmel, K. S. (2001) 'Sport matters: urban regime theory and urban regeneration in the late capitalist era', in Gratton, C. and Henry, I.P. (eds.) *Sport in the City: The Role of Sport in Economic and Social Regeneration*, London, Routledge.
- Shibli, S. (2001). 'Using an understanding of the behavior patterns of key participant groups to predict the economic impact of major sport events', *Proceedings for the 9th EASM Congress*, Vitoria-Gasteiz, Spain, 294–98.
- Shibli, S. and Gratton, C. (1999) 'Assessing the Public Profile of Major Sport Events: A Case Study of the European Short Course Swimming Championships', *Sport Marketing and Sponsorship*, 1(3), 278–95.
- Spilling, O. A. (1998) 'Beyond Intermezzo? On the Long-term Industrial Impacts of Mega-events: the Impact of Lillehammer 1994', *Festival Management and Event Tourism*, 5, 101–22.
- UK Sport (1999a) *Major Events: the economics*, London, UK Sport.
- (1999b) *Major Events: the economics – a guide*, London, UK Sport.
- (2004) *Measuring Success 2: the economic impact of major sport events*, London, UK Sport.

32

THE FUTURE OF SPORT MANAGEMENT

*Leigh Robinson, Packianathan Chelladurai, Guillaume Bodet
and Paul Downward*

The previous four sections have set out issues of contemporary relevance in sport management which are the focus of practitioners and researchers in this field. It is clear that sport management is a diverse and vibrant research area and the organizations that deliver sport are increasingly competitive and effective. However, there are a number of factors in the operating context that will continue to require innovation and the ongoing development of sport management and these will need to be considered by researchers and practitioners alike.

The first of these is globalization, which means that sport markets are increasingly international, subject to diverse and complex laws, policies and cultures and increasingly competitive. Globalization also means that mega-events such as the Olympic Games and World Cups attract worldwide audiences and, consequently, the activities of the organizations that deliver these events are played out on an international stage. This means that the performance of these organizations will need to be acceptable to that international audience. Associated with this are customers who are expecting more for their money (Chapter 5) and are demanding increasingly personal and customized services, which are resource intensive and need to be delivered within a tough economic climate. Finally, sport is perceived to make a key contribution to society in terms of health, politics, social capital and urban regeneration and legacy (Robinson and Palmer, 2011) which are often used to justify state expenditure on sport and sport organizations.

So what does this mean for the future of sport management?

Identifying the future direction of a discipline is always a perilous exercise as we can never be sure that a trend is sustainable. It is also difficult to determine if theoretical research can be transferred to a practical situation and thus become part of the sport management environment. Consequently, it seems easier to identify issues in the context that may drive changes of practice and research and these are set out below under the four key themes of this *Handbook*.

The future of the performance of sport organizations

The principles of accountability, transparency and ethical behavior will continue to be of importance and indeed are likely to become of greater importance. The importance of good governance and thus models of good governance will continue to be a focus for the performance of sport organizations, both theoretical and practical. The challenge will be to identify