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SEARCH

SPORT EDUCATION FOR ACTIVE
AND RESPONSIBLE CITIZENSHIP
THROUGH HEALTH CARING



MODULE 4

Economic induction related to sport

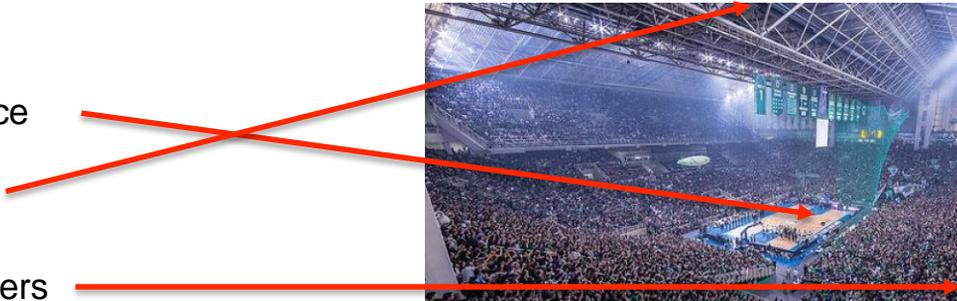


SEGMENT 2

Sport and Macroeconomics

Professional sports have an orthodox bond, which is expressed in every production process and consists in the relationship between work and capital. In this way the workforce (athletes, managers, coaches and staff in general) is "combined" with the other factor, namely capital (sports field, equipment...) to develop a "product" to be offered and sold to consumers, which in this case are the audience.

Workforce
Capital
Consumers



Undoubtedly, a valid sports team has a strong appeal for different types of investments related to its competitive activity.

However, precisely in accepting the assumptions of Keynes, if there are *animal spirits*, based on positive expectations, the investment must in any case be made, for a return in terms of employment and income which can be earned. As a consequence of these considerations, the operational intervention, which can be implemented at headquarters, is fully justified.

- **Investments and infrastructure**

One of the first macroeconomic indications is the evidence of how, in Keynesian terms, even the investment in sports represents a boost to the economy through various multiplier indices. One of the most important and which will be analyzed in further detail in the following paragraphs and modules is the one related to sports facilities.

Building a new facility is a response to the needs of professional clubs or sports and fan communities but, at the same time, it helps to increase the company's real estate assets. At the same time, it represents an endowment of real wealth better able to guarantee the possible participation of shareholders.

- **Cultural and museum sector**

Another macro-economic impulse is linked to the expenditure and the income generated by the museum attraction activity. Large Spanish sports associations (Barcelona, Real Madrid) are indeed extraordinary examples of how they invented the business.

During the 2016/17 season, nearly two million visitors visited the museum dedicated to the Barcelona club, a museum with a turnover of "45 million".

According to several studies, even in situations where the driving force of a team, a federation, a sports structure is reduced, creating a museum could represent a touristic alternative, accessible to a large number of people (including not only enthusiasts) who could be tempted by mere curiosity or widespread interest to discover some of the sporting peculiarities of the place, which are also typical of its customs and traditions.

Managing the cultural and museum activities related to sport differs from the other features of sports-related activities. Even as regards museum and cultural entertainment activities totally depending on a sports company, the latter from an economic-legal point of view can be distinguished according to the subject who owns the objects collected (public or private) and according to the function of the subject who manages them (public or private).

This feature makes this sector particularly interesting at a macroeconomic level, as the revenues have a widespread effect in social and economic fabric of the context. Economic and employment benefits of such activities are usually shared between sports clubs and communities.

The policy followed by the museum for ancillary products, such as catering services, sale of catalogues, souvenirs..., could be aligned by the public authority with the prevailing criteria, which are part of the contract, to be granted to private companies. Since pioneering initiatives, for which it is difficult to evaluate profitability (even though several companies, especially sports companies, might be interested in sponsoring them), the problem could be overcome by a procurement of services in a single package.

Keywords

Workforce

Capital

Consumers

Animal spirits

Sports facilities

Sponsorships



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