The Impact of the Recession on Youth Sport Programs in a Local Community

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Economics Abstract 2011-018

Thursday, June 2, 2011
10:35 AM
20-minute oral presentation
(Room 35)

In 2008, Canada endured a recession where various industries were highly influenced by the alternating environment. When a recession occurs, the relationship between consumers and organizations begins to change. Individuals feel less secure in their jobs, resulting in the alteration of their consumption patterns. Consumers change their preferences for the various products being created by companies. Also, consumers begin to purchase fewer luxury items and start spending more time shopping to ensure that they receive the best bargains (Ang, Leong & Kolter, 2000; Zurawicki & Braidot, 2005).

Due to this alteration in the relationship between businesses and consumers, management within organizations has to change strategies to ensure survival. The strategies that businesses engage in during positive business cycles may be less efficient and effective during a recession (Ang et al., 2000). The implementation of different strategies within organizations will depend on the manager’s vision, values and mission statements. Some managers may focus more on the product, whereas others may lower their prices (Ang et al., 2000).

There is a lack of understanding as to how a recession affects sport participation as a particular form of consumer behaviour. The few studies that have examined the affects of the recession on sport participation come up with conflicting results. Some studies have shown that sport participation increased during an economic downturn, while others stated that it decreased. Long (1987), for instance, conducted a study on the 1979-1983 recession and the impact it had on the skiing industry in Blaine County. Through this study, Long discovered that there was a positive impact since the participation rate increased by 10%. Rutemiller (2008) also determined that an economic downturn has a positive impact on participation for swimming in the United States. However, Stuller (2009) discovered that the golf industry in the United States suffered during the 2008 recession where 106 golf courses closed nationally due to financial strain. The purpose of this study is to investigate the impact the 2008 recession had on youth sport participation by examining the affect on youth sport programs offered by the public and the voluntary sectors in a local community in a medium sized city in the province of Ontario (Canada). The city was selected because it was highly affected by the 2008 recession. In May 2009, the unemployment rate was 10.8% and only 60.5% of the population, 15 years of age and older was employed (Statistics Canada, 2009e; Statistics Canada, 2010d).

Fifteen semi-structured interviews are conducted with individuals who were engaged or involved in implementing or managing community sport programs during the 2008/2009 season. Initially, four individuals are selected and contacted from the city’s website and/or the city’s activity guide. Subsequently, a snowballing technique is used to identify the other participants. The sport programs under investigation, whether offered through the public or voluntary sector include golf, hockey, figure skating, aquatics, soccer, basketball and baseball. These programs were chosen to determine whether certain sports and/or programs were more or less affected by the recession than others.

The interview questions examine the perceptions of sport providers regarding the impacts of the recession on their sport programs, as well as potential strategies that were implemented to deal with the recession. The interviews are transcribed and coded for analysis. The data for this study are collected between October and December 2010. The results will be available for presentation during the 2011 NASSM conference.

From a theoretical perspective this study will further the understanding of how a recession affects youth sport participation as a particular form of consumption, by focusing on the supply, or business side (i.e., sport program providers) of the consumer-business relationship. During a recession, as previously stated consumers eliminate the consumption of luxuries, which can include sport, but there has been indication that Canadians are viewing sport more as a necessity due to the health benefits (Williams, 2009). Based on the sport providers’ perspectives, this study will inform us whether or not consumers evaluate sport participation or certain forms of sport participation as a normal good, an inferior good or a luxury good. The way in which the consumer evaluates sport participation will determine the demand during a recession (Parkin & Bade, 2006). Changes on the demand side, requires adaptations from the supply side. This study will also reveal how the recession may have steered the decision making processes in the public and voluntary sports sectors and whether or not youth sports are recession proof. Some sports may have benefited from the recession and should try to capitalize on their success. Others sport programs may have suffered and need to determine strategies that keep youth participating in their programs.