

Is there a Boris Becker Effect? A Dynamic Panel Analysis on the External Drivers of Membership Numbers in Sport Clubs

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Sport systems in many countries are organized like a pyramid (Eady, 1993). At the top of the system are the elite sport and elite athletes who represent the country at international sport events and are supported financially by governments (Houlihan & Green, 2008). At the middle layers are various sport governing bodies that facilitate the transition to the elite level. The basis of the pyramid is formed by local nonprofit sport clubs that provide programs for mass participation and also pathways for young talents (Sotiriadou, Shilbury, & Quick, 2008). Recent research indicates that these sport clubs experience problems regarding the recruitment and retention of members (e.g., Allison, 2001; Taylor, Barrett, & Nichols, 2009). These problems represent financial challenges for the organized sport system for several reasons. First, members make important financial contributions to the club by paying a yearly or monthly membership fee. Those revenues represent the most important income source of nonprofit sport clubs (for an overview see Wicker, Breuer, & Hennigs, 2012). Second, government subsidies for sport clubs are often related to the number of club members (Voigt, 2006). Third, decreasing membership numbers in sport clubs influence the financial situation of governing bodies because sport clubs pay membership fees to them based on their membership numbers. Similarly, higher membership numbers in sport clubs are associated with higher revenues for governing bodies and ensure the financial stability of the sport system.

Therefore, the question arises what factors determine the membership numbers in sport clubs. Generally speaking, membership numbers can be influenced by the sport clubs themselves and by external effects. Sport clubs can increase their marketing and promotion activities to attract more members to the club (Shilbury, Quick, Westerbeek, & Funk, 2009). In addition to internal efforts, membership numbers can be subject to effects that are external to clubs, but nevertheless inherent in the sport system.

The purpose of this study is to examine external drivers of membership numbers in sport clubs. The study has the following main research question: Which external drivers affect membership numbers in nonprofit sport clubs? The theoretical framework is based on the concept of the trickle-down effect which suggests that participation numbers can be influenced by three effects at the elite level (sporting success, personality of athletes, and hosting of major sport events). The research context for the analysis is Germany where sport clubs experience difficulties in recruiting and retaining club members (Breuer & Wicker, 2011).

A comprehensive dataset was put together containing the development of membership numbers in twelve sports from 1970 to 2011 and information about various external drivers (superstars, home events, GDP, work time, population, income). Dynamic panel regression models show that the significance of external drivers differs among age-groups and that some effects are time-lagged. Significant effects of superstars were found for young members. If Germany hosts a major sport event, the junior memberships in that specific sport increase by 3.3% on average and senior memberships by 2.3% in the same year. If the real time at work of an average German employee decreases by 1%, the rate of senior memberships increases by 0.87% which indicates that the work reduction is almost completely substituted by sport. A 1%-increase in GDP affects the club memberships positively by 0.49%. The study helps identifying whether predominantly elite sport or the sport clubs themselves should be supported to increase mass participation in sport clubs and achieve related policy goals.