



NATIONAL ASSOCIATION OF
SPORTS
COMMISSIONS

April 2017

SPORT TOURISM

A State of the Industry Report

in collaboration with



OHIO
UNIVERSITY



KEY FINDINGS

MARKETING STRATEGIES

Respondents ranked the following items in order of importance to their organization's marketing strategy (1 = most important; 9 = least important):

1. Organization's website
2. Participation in event owner marketplaces
3. Personal selling
4. Social media
5. Exhibiting at conferences and trade shows
6. Digital advertising
7. Purchasing sponsorships at conferences and trade shows
8. Print advertising in sport tourism publications
9. Direct mail

HEALTH AND WELLNESS

NASC members are actively involved in community health and wellness initiatives, with a focus on youth-based programs. Twenty-nine organizations were involved with community-based health and wellness activities in 2016. Types of events ranged from road races, health expos, corporate challenge events, and after-school programs.

VISITOR SPENDING IS ON THE RISE

Estimated visitor spending associated with sports events was \$10.47 billion in 2016, an increase of 10% from one year ago (\$9.45 billion). Visitor spending has continued to increase for sports events over the past four years, signaling the health and strength of the sport tourism industry.

"STAY TO PLAY" IS STILL DECLINING

Over the past three years, organizations requiring "stay to play" has declined. In 2016, 53% of organizations required "stay to play," which is 7% less than one year ago.

EVENT OWNERSHIP

Of the respondents, 27% indicated that they owned their own sporting events. The top three reasons for owning sports events were:

1. To increase revenue
2. To promote the organization
3. To engage in the community

Other reasons listed included:

- To generate room nights
- To control all aspects of the event
- To increase national recognition
- To fill calendar voids
- To maximize visitor spending during slow hotel periods
- To control the calendar

Of the respondents that control their own sporting events, 72.5% operate less than six events per year. Individual events, such as road races, were more popular among respondents (54%) than team events (46%) in 2016.

“ Estimated visitor spending associated with sports events was \$10.47b in 2016. ”





GENERAL INFORMATION

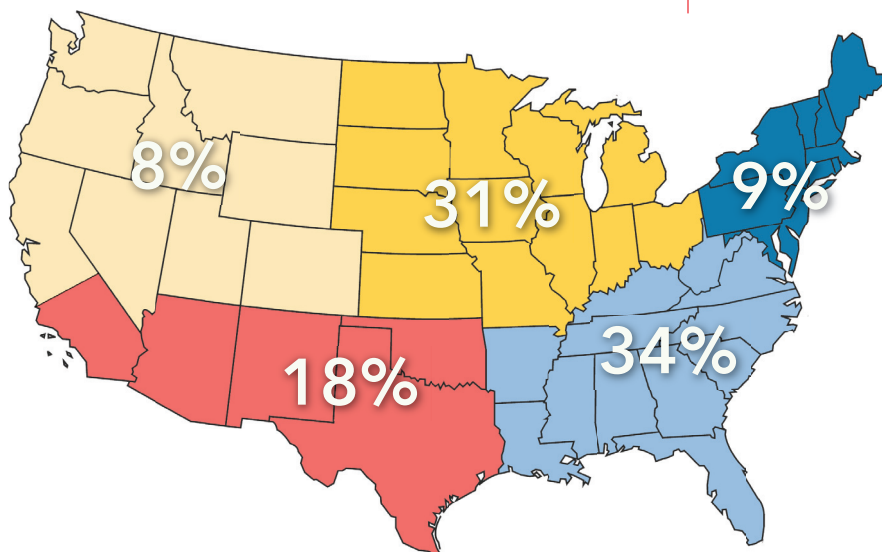
IDENTIFICATION

The overall response rate increased from 115 participants in 2015 to 226 participants in 2016. Not all respondents completed each question. Seventy percent of respondents classified themselves as a Convention and Visitors Bureau/Destination Marketing Organization, an increase of 8% from 2015. Other classifications included: nonprofit youth sports, parks and recreation, and city government organizations.

“ 26% of NASC members operated on a budget of \$100,000 or less in 2015. ”

LOCATION

For the first time in three years, the Southeast region had the largest response rate at 34%, followed closely by the Midwest at 31%. Other regions included: the Southwest at 18%, the Northeast at 9%, and the Northwest at 8%.



BUDGET

Twenty-six percent of NASC members operated with a budget of \$100,000 or less in 2016. These numbers are similar to the 2015 when budgets less than \$100,000 totaled 27% of respondents. The variance does not change more than 2% for any of the observed budgets between 2015 and 2016 data.



100,000 or less:	26%
More than 1,000,000:	23%
100,001 – 250,000:	19%
500,001 – 1,000,000:	17%
250,001 – 500,000:	15%

- Northeast
- Midwest
- Southeast
- Southwest
- Northwest

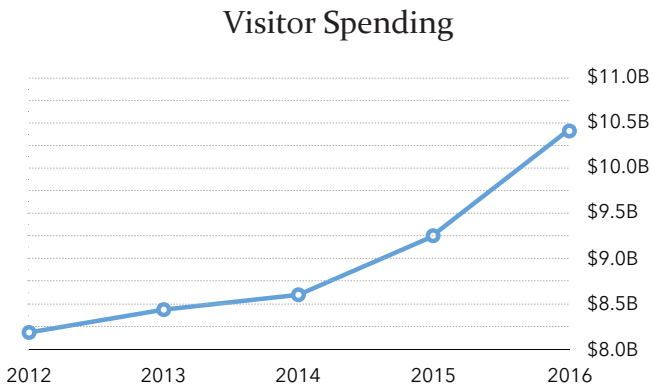


VISITOR SPENDING

SPENDING

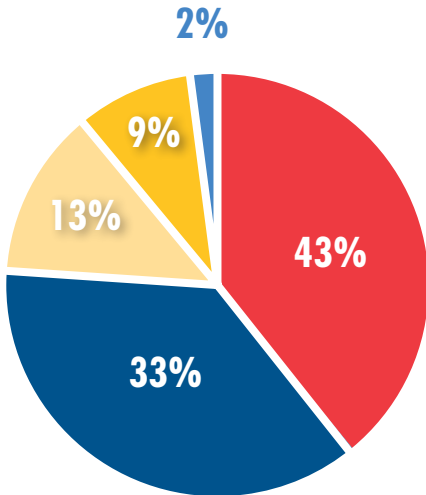
After removing outliers from the 2016 data, visitor spending associated with sports events was calculated to be \$10.47 billion, a 10% increase from 2015. Between 2012 and 2016, visitor spending in the United States has increased a staggering 26.1%, indicating the overall health of the sport tourism industry.

“ \$10.74b total visitor spending in 2016. ”



CALCULATION

Approximately 43% of respondents used an internal calculator to calculate visitor spending. This is a noticeable shift from the past two years where the largest percentage of organizations utilized an independent study. The second most popular calculation method used was the DMAI calculator (33%). In 2015, only 20% used the DMAI calculator. Using an alternative method were 13% of respondents, followed by 9% (25% in 2015) who used an independent study to calculate visitor spending. Those using the NASC Economic Impact Calculator dropped from 5% in 2015 to 2% in 2016.



- Internal Calculator
- DMAI Calculator
- Other Methods
- Independent Study
- NASC Economic Calculator





PERSONNEL

STAFFING

For DMOs and Chambers, only sports-specific personnel were accounted for in the following statistics. The average number of full-time staff reported in 2016 was 4 compared to 7 full-time staff members reported in 2015. Of the respondents in 2016, 82% have full-time staffs of 5 or fewer. The next largest full-time staff size, ranged from 6 to 10 members at 14%. Only 4% of responding organizations have more than 10 full-time staff members.

As in 2015, organizations continue to employ part-time staff in addition to their full-time personnel. Regarding part-time staff, 22% of respondents employed one part-time staff member. Organizations employing one to three part-time staff members comprised 7% of respondents, while 5% employed more than 5 part-time staff members. Of the organizations who employed interns, 45% reported at least one seasonal intern.



Respondents have full-time staffs of 5 or fewer



Respondents have full-time staffs from 6 to 10



Respondents have full-time staffs of 10 or more

“ 22% of respondents employed one part-time staff member. ”

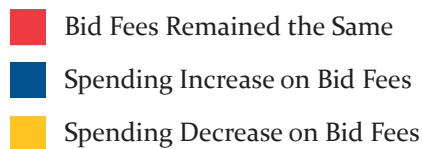
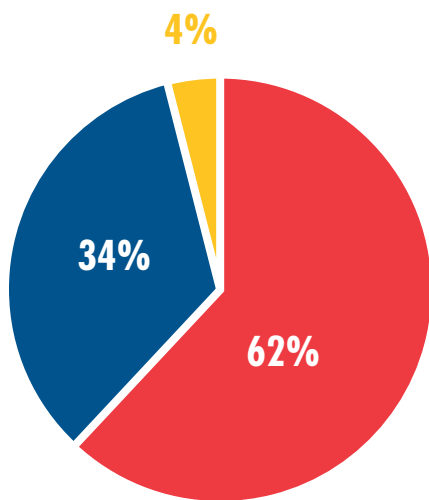
“ The average number of fulltime staff reported in 2016 was 4. ”



FUNDING

BID FEES

Seventy-nine percent of respondents reported that their organization paid bid fees, an increase of 6% since 2015. Of those that paid bid fees in 2016, 62% reported that bid fees remained the same from 2015, while 34% saw an increase in bid fees. The increase in bid fees has remained the same when compared to 2015. Only 4% of respondents indicated that spending on bid fees decreased between 2015 and 2016.



PUBLIC FUNDING

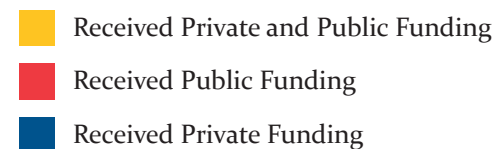
Organizations that need funding for improvements on facilities or venues do so by receiving public funding, private funding, or a combination of the two. 30% of respondents received public funding for various improvements, 9% received private funding, and 61% received a combination of private and public funding.

Of the 143 organizations that used public funding, private funding, or both, used it for a combination of improvements on current facilities. These improvements included:

- Lighting
- Accessibility
- Sustainability
- Guest amenities
- Restrooms
- Artificial turf
- Other renovations



A few organizations expanded and built new facilities to become more versatile. This enables these organizations to provide sports events for people with disabilities and creates multi-use venues that can host a variety of events. Other organizations included items such as improving signage or trails at their respective sites.





MARKETING

MARKETING STRATEGY

In 2016, marketing strategies for sport tourism organizations shifted from more traditional strategies to digital methods. In previous years, personal selling and trade shows were the top marketing strategies. However, in 2016, 41% of respondents indicated that their organization's website was important to their marketing strategy. Event owner marketplaces were labeled as "important" by 39% of respondents, while personal selling remains valued by 30% of respondents, down from 36% in 2015.

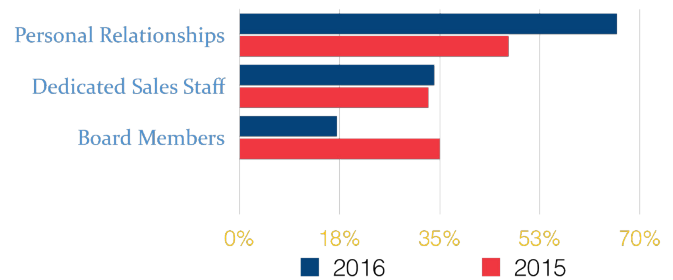
Social media was labeled as "important" to marketing by 29% of respondents, an increase of 12% from 2015.



SPONSORSHIP

Compared to 2015, 61% of respondents have seen consistent sponsorship revenue streams. In 2016, 36% of responding organizations have seen an increase in sponsorship revenues, while 3% have experienced a decline in revenue from sponsorship.

To secure sports sponsorships, 66% of respondents believe that personal relationships are key. The importance of a dedicated sales staff was noted by 34% of respondents, while 17% also relied on board members to aid in sponsorship sales. Forty percent of respondents stated that outside sales consultants were not important to securing sponsors for organizations.



“ 61% of respondents have seen consistent sponsorship revenue streams. ”





SOCIAL MEDIA

PLATFORMS

The sport tourism industry continues to expand their presence across various social media platforms.

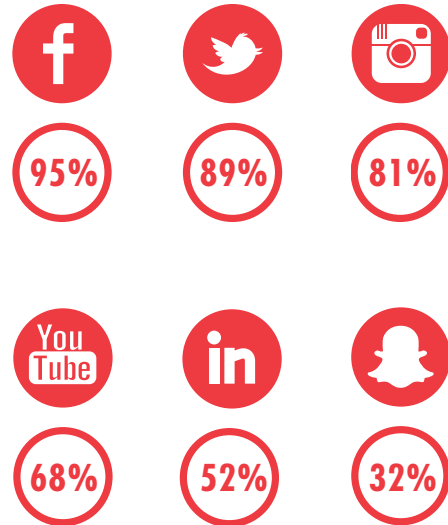
Facebook is the social media platform of choice, as 95% of respondents reported that their organization has a Facebook account. Forty-seven percent of organizations that use Facebook established their account in 2010 or earlier.

Twitter is the second favorite among sport tourism organizations, as 89% of respondents indicated that their organization has a Twitter account. Similar to Facebook, 41% of Twitter users established their account in 2010 or earlier.

Instagram usage became much more popular in 2016, with 81% of respondents using Instagram in 2016 as compared to 68% in 2015. A newer platform, 65% of Instagram-using organizations reported that the account had been created after 2014.

YouTube usage among sport tourism organizations currently sits at 68%. NASC membership is fairly evenly split on **LinkedIn** usage (52%). Moving forward, it will be important to keep identify and track usage of emerging platforms such as Periscope and Snapchat. **Periscope** usage remained the same as 2015 at 10%. The 2016 survey was the first to include **Snapchat**, which was used by 32% of respondents in 2016.

Sport Tourism organizations recognize the integral role that social media plays in marketing campaigns, as 79% of respondents indicated that their organization has a dedicated staff member that runs the organization's social media accounts. Sixty-four percent of these organizations have a full-time staff member responsible for social media, while the remaining 36% have a part-time staff member for social media.



“79% of respondents indicated that their organization has a dedicated staff member that runs the organization's social media accounts.”



FACILITIES AND EVENT OPERATIONS

EVENT OWNERSHIP

The 2016 survey included new questions about event ownership. Of the responding organizations, 27% indicated they own their own sports events. The top three ranked reasons for owning sports events were:

1. Increase revenue
2. Make the organization's presence known in the community
3. Engage in the community

Of the respondents that reported owning their own sporting events, 73% indicated that they own and operate five or fewer events per year. These organization owned events are made up of individual events, such as road races, which were slightly more popular among respondents at 54%, while the other 46% owned at least one team event in 2016.

EVENT OPERATIONS

Throughout 2016, organizations hosted an average of 53 sports events. This is an 18% increase from 2015's average of 45 sports events.

COMMUNITY WELLNESS

Also new in 2016, respondents were asked to describe their organization's role in community-based health and wellness activities. Of those respondents who involved in community health and wellness, a vast majority indicated that programs were youth-based. The following were the top ways that sports organizations supported community health and wellness in 2016:

1. Youth Festivals and After-School Programs
2. Partnerships with Parks & Recreation Departments for Community Runs and Walks
3. Financial and operational support for existing community events





METHODOLOGY

SURVEY OBJECTIVE

A research team from Ohio University Sports Administration worked with the National Association of Sports Commissions (NASC) to create the 2016 State of the Industry Report. The research team was tasked with creating and distributing a survey, collecting and analyzing the gathered data, and identifying current trends within the Sports Tourism Industry. Ultimately, 226 organizations began taking the survey, but not every organization responded to each question. Therefore, response rates vary per question and only those that responded were used for analysis.

SURVEY COORDINATION

Together, the NASC and Ohio University research teams reviewed and edited the 2015 survey. Once edited by both parties, the final 2016 survey was created and distributed.

SURVEY DISTRIBUTION

The survey was created using Qualtrics research system and distributed via e-mail to all NASC members. It was e-mailed by an NASC employee in December 2016 and closed in February 2017. All information was submitted anonymously and the Ohio University research only contacted NASC members in order to verify visitor spending figures.



In order to increase survey participation, the NASC offered the chance to win an Apple Watch to one respondent, chosen at random.

DATA ANALYSIS

The Ohio University research team exported the data into Microsoft Excel before sorting and organizing the information for analysis. The researchers cleaned the data, removed outlier data, and used descriptive analysis to provide actionable results to the NASC membership.



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