

Segment 1: industry analysis

Business



Segment Industry Analysis of Sporting Goods Industry in the U. S The sporting goods industry in the U. S involves trading in goods such as fitness/exercise equipment, bicycles, camping gear, footwear, and sporting apparel. Once obtained from sportswear manufacturers these goods are sold directly to the public. The stakeholders in this industry's supply chain include wholesalers of who are the supply industries and the demand industry, which is represented by individuals, health and fitness clubs, and hotels, and ski resorts (Schmidt, 2012). The key drivers of the industry are the youth, sporting events, and citizens' disposable income. The other vital related industries working with the sporting goods sector are department stores, used goods stores, equipment repair and dealerships, and shoe/sportswear stores (Schmidt, 2012). Included in the main activities in the industry in the U. S are athletics, exercise/fitness, diving, golfing, fishing and other sporting activities. Statistically, the industry has revenue of 39. 8 billion dollars, having recorded an annual growth of 0. 6% between 2007 and 2012 and is expected to grow annually by 2. 1% between 2012 and 2017 (Schmidt, 2012). For the 2007-2012 periods, the wages for the industry were 4. 2 billion dollars while sporting goods businesses are expected to reach 36, 528 in the 2012-2017 periods (Schmidt, 2012). Of all the services and products offered in the industry, sporting equipment accounts for 46% while athletics apparel accounts for 20% of the total product segment. On the other hand, sporting footwear accounts for 34% of the product segments (Schmidt, 2012).

The other aspects of the industry worth mentioning are low capital intensity, light regulation, low technology change, and mature life cycle. Generally, the sporting goods industry in the U. S. has recorded considerable growth since <https://assignbuster.com/segment-1-industry-analysis/>

2007, propelled by increasing consumer awareness of the importance of fitness, wellbeing, and body/mind health. With this increased awareness and participation in sporting and fitness activities, the industry is expected to record more growth in the future (Schmidt, 2012).

Reference

Schmidt, D. (2012). Sporting goods stores in the U. S. IBIS World Industry Report.