

# [The development of sport tourism industry tourism essay](https://assignbuster.com/the-development-of-sport-tourism-industry-tourism-essay/)

## 1. 0 Introduction

Tourism and sports are the emerging trend in today’s culture. These trends had been influenced by human social attitudes, technological advancement, economic and political circumstances. Both sport and tourism activities are organized all over the world regardless of national borders.

## 1. 1 Definition of Sport tourism

Sport tourism is a prevalent and growing phenomenon. According to Gibson (2006), sport tourism is defined as ‘ leisure-based travel that takes individuals temporarily outside of their home communities to participate in physical activities [Active Sport Tourism], to watch physical activities [Event Sport Tourism], or to venerate attractions associated with physical activities [Nostalgia Sport Tourism]’.

## 1. 2 Development of sport tourism industry

During the late nineteenth and early twentieth centuries (1880-1910), development of sport took place. Sports were transformed through such developments as the codification of rules, bureaucratization (the development and regulation of competitions), specialization of player roles, quantification (measurement of performance) and the maintenance of records of achievement (Guttmann, 1974, in Higham, 2005). Competitive sports were contested in local, regional or national leagues.

In 1970s and 1980s, second period of dynamic change in the development of sport took place. (Halberstam, 1999, in Higham, 2005) examines the emergence of cable television and the broadcast of live sport initiated by ESPN in 1978. The development of commercial and medial interests in sport together with the emergence of new forms of sport celebrity brought about a dominant feature in sport tourism. This had resulted in a growing market for holidays filled with sports content.

Sport, sport teams, sport events and sport facilities had been transformed into tourism industry. Sport is an important expression of culture at a tourism destination. The prominence of sports and sports people in the national and international media is such that sport has become a powerful tool in destination marketing (British Tourist Authority, 2000, in Higham, 2005)

## 1. 3 Overview of the sport tourism industry

According to Standeven & De Knop (1999), sport tourist are categorize as active or passive. Active sport tourists engage in sport activity holidays. Sport is the main purpose of the trip. Passive sport tourist can be grouped according to how important sport is the purpose of the trip. They are those who have extensive passive involvement and are discriminating in the sports activity they watch as spectators or facilitators.

Today, many people participate in or watch sports across the world. Due to an increase in media attention, people are becoming more aware of the health and recreational benefits that sport tourism provide. There had been a growing number of travel companies that print brochures to advertise on sports and adventure holidays, for example, scuba diving in Kenya, mountain climbing in Sabah.

## 2. 0 Market Analysis

Over the years, we can see an increase in tourist arrivals all around the world. It is seen to be an important phenomenon that will engage and excite people at the same time. Throughout this report, the focus will be on sport tourism in Australia. Sport tourism contributes significantly to Australian economy.

Australia is recognised internationally as a nation that is very involved with sports. According to Australian Government (2008), itemised consumption for recreation, cultural and sports services was $2 953 million. In 2008-2009, Australian government had invested $3. 8 billion into arts and recreation service. This shows that they are continuously improving the recreation services to meet the demand of sports tourist and players.

The hosting of the Sydney 2000 Olympics had provided Australia with a unique opportunity. It allows Australia to showcase the world as a tourism destination and as a country with the ability to stage such major events. According to The Independent (2010), it states that during the Sydney Olympics held in 2000, Australian Bureau of Statistics (ABS) said 4. 94 million people made short-term visits to Australia. This is an increase of 11% or 480 000 people from the previous record in 1999. The increase was due mostly to a dramatic surge in tourist arrivals in the month of December, a rise of 23% on the same month in 1999.

Sports had become part of Australian lifestyle. It plays a vital role in Australian culture. This experience is a motivating factor that attracts international visitors to Australia. According to a survey conducted by ABS (2005-2006), 66% of the population aged 15years and above (10. 5million people) participated as a player at least once during the 12 months prior to interview in one or more sports or physical recreation activities. Participation rate was highest for the 25 to 34 year age group (75%) then declined with age to 49% for people aged 65 years and above.

In order for marketers to reach out to the target segment successfully, here are some of the marketing strategies adopted by Australia to promote sports tourism. It is important that sports marketers consider how each of the marketing mix elements is integrated and related to each of the other elements. For example, if sport products are not priced correctly, it will result in a major impact on how consumers view the organisations.

## 2. 1 Product

In sports tourism, the product will be the game itself. For example, during Sydney Olympic Games 2000, the product will be the games played. Products can be differentiated into tangible and intangible product. The tangible elements of a sports product are the participants who play the sports, the type of competition or game played, merchandising (T-shirts, equipment, souvenirs etc), and venue facilities. The intangible elements are the impressions, expressions, emotions that people have about the sports whether they are participants or spectators. (Summers et al, 2005a)

Sports products are similar to the characteristics of services. They are perishable, inseparable, heterogeneous and intangible.

Perishable – once event of the game had ended, there will not be any ‘ live’ competition anymore

Inseparable – sports products are produced and consumed simultaneously when participants, officials and fans create the event

Heterogeneous – each sporting event and experience is different for everyone

Intangible – many of the elements for sports product are intangible

## 2. 2 Price

In the context of sports tourism, price refers to the purchase of tickets to watch the sporting event. Differential pricing strategy is common for many sports products. It meant that different price are allocated for different seats, or different privileges included in the ticket. According to Morgan & Summers (2005), for most professional stadium-based sports, the revenue from the ticket price is less than the revenue expected from media rights and corporate hospitality sales.

For example, the Melbourne Commonwealth Games 2006, the price range are categorized into A, B, C, D and Family.

Price category A – ticket price $590

Price category B – ticket price $420

Prize category C – ticket price $250

Prize category D – ticket price $100

Family category – ticket price range from $300 to $525

The organizing committee had price the ticket into different category so that it can reach out to different market segment. Spectators who purchased category A tickets would have a better and closer view of the competition. Family category tickets target at parents who wanted to bring their children to watch the competition together. It is priced slightly cheaper so as to encourage family bonding and to motivate these children to watch the competition. From the Australian Bureau of Statistics, it reveals that there was a 15% increase in the number of international arrivals to Australia in September 2000, the month of the Games, compared to the previous year.

## 2. 3 Place

Place refer to the distribution channel where spectators can buy the tickets to watch the competition and the location where the competition takes place.

Now, with the current advancement of technology, we are able to purchase the tickets to watch any competitions held in any part of the world. We can log in to the official website and purchase the tickets online conveniently.

Australia had developed the country to host many major sporting events such as Sydney Olympics Games 2000, IRB Rugby World Cup 2003, Melbourne Commonwealth Games 2006, etc. According to Higham (2005a), the stadium Australia Trust, together with the Olympic Co-ordinating Authority and the Sydney Organizing Committee for the Olympic Games, identified Homebush Bay as the location for the majority of the sporting venures for the Olympic Games. This included the 110 000 capacity Stadium Australia (at a cost of $A 480 million, and now the Telstra Stadium, host to the 2003 Rugby World Cup Final), the State Hockey Centre, and Novotel and Ibis Hotels.

## 2. 4 Promotion

Promotion is an effective tool to communicate with the selected target tourists. It can build and creates identity for the country. Australia Sports Commission had work on promotion strategy to market itself to sports tourist. The vision is to continue to be recognised as the world leader in developing high performance and community sport. This will create a positive image for sports tourist and contribute to the uniqueness of destination.

According to Australia Sports Commission (2006a), one of the strategies adopted is to actively contribute to international community sport development programs, increase understanding of international trends in sports. They provide funding, innovative support services, in partnership with national sporting organisations. This way, it allows them to enhance high performance programs and to ensure sustained international high performance success. They had promoted more effective pathways into high performance development for talented individuals who aspire to compete at higher level.

SWOT analysis is an acronym for strengths, weaknesses, opportunities and threats. It provides an effective framework for analysing internal resources and external trends.

## 2. 5 Strengths

Australia has a proud tradition and culture in sports tourism. The national sports system, its delivery mechanisms and its program are widely regarded as world leaders. This will boost the reputation in the sports tourist industry.

According to Australia Sports Commission (2006b), Australian Government together with Australian Sports Commission provides unprecedented levels of support for Australian sport. Strong leadership and momentum through a comprehensive range of programs and initiatives shows the governmental support for sport tourism industry. With the strong support, it will lead to an increase in tourist arrivals for any sports event held in Australia.

According to a report on Sydney 2000 Olympics, there were more than ten thousand athletes travelled to Australia from 199 countries to compete in twenty-eight sports. There was a total of 6. 7 million Olympic tickets sold, more than four and a half million fans passed through the gates at Sydney Olympic Park to witness the games. From this figure, we are able to identify the success of Sydney Olympic Games.

## 2. 6 Weaknesses

After looking at the strength, we will explore on the weaknesses of sports tourism. It is not easy for a country to host mega event such as Olympic. Government and organising committee had to work closely together to ensure that the event goes smoothly and successfully.

During the Sydney Olympic Games in 2000, there was concern that many tourist will not want to choose Australia as a holiday destination. They want to avoid the crowd going for the Games, the uncertainties such as traffic congestion, crowding, security issues and etc. Thus, Australia government will have to look into this particular sector of tourism so that they are not being neglected. If this area is managed well, Australia will be an idea destination for all types of tourist even during the period where the Game is going on.

## 2. 7 Opportunities

The hosting of Sydney Olympics had created a lot of opportunities for Australia sport tourism industry. Sydney 2000 Olympics had left a legacy of expertise in a range of sports- tourism related fields. Now, Australia has more opportunities to hold sports events at the international, national and regional levels. This will results in an increase in gross domestic product and employment rates for Australia.

Sports manager have to continuously develop new sport product to enhance the status of the sport as a tourist attraction. This will help to generate new tourism market or expand on existing tourism markets. The development or upgrading of sport facilities is an effective strategy to reach out to the new market segment for sports tourism. Sport marketers can develop creative marketing techniques to embrace international tourists visiting the destination as a causal consumer of sports (Hingh & Higham, 2004)

## 2. 8 Threats

Sport tourism is a threat to the natural environment. In order to cater to the large demand of spectators and participants, sport venue and infrastructure have to be improvised. During the process of upgrading these facilities, ecosystem is being damaged. Ecosystem consists of different type of species, flora and fauna. This will become a threat to biodiversity and greenhouse effect. In the long run, it will become a permanent and irreversible environmental damage.

According to Higham (2005b), long term impacts include degradation of natural landscapes. Due to extremes of altitude and climate, tourism in alphine ecologies require extended recovery and regeneration timeframes, long term monitoring and appropriate management interventions.

## 3. 0 Factors That Motivate Tourists

Sport tourism entails a set of motivations. The classic theories of motivation commonly applied to understand leisure, sport and tourism behaviour are Murray’s (1938) Needs Theory of Personality and Maslow’s (1943) Hierarchical Theory of Needs.

## 3. 1 Murray’s Needs Theory of Personality

Murray (1938) developed a theory of personality that was organized in terms of motives, presses and needs. It is explained that ‘ A need is a stimulus – a force pushing an individual in a certain direction or to behave in a certain way’. He identified 12 physiological needs and 28 psychological needs. Physiological needs, viewed as primary needs, include air, water, food and security. Psychological needs, viewed as secondary needs, are related to mental or emotional satisfaction – including achievement, autonomy and satisfied.

## 3. 2 Maslow’s Hierarchical Theory of Needs

Maslow’s (1943) Hierarchical Theory of Needs suggests that people are motivated to fulfil basic needs before they move on to other needs. Maslow’s theory and Murray’s theory are similar, in the sense that both propose that people’s behaviour is driven by both physiological and social-psychological needs. However, Maslow developed a more structured hierarchical order to the activation and satisfaction of needs. He suggested that an individual has to satisfy the lower order of needs before working on the higher order of needs. The top of the hierarchy is the need for self-actualization, which is an opportunity for individuals ‘ to become everything that one is capable of becoming’. The needs become more psychological and social as one progress up the pyramid. Maslow found that vacation satisfaction was associated with the degree to which the needs for self-actualisation, belongingness and physiology were met by the experience.

In sport tourism, the relationship between needs and activity choice is complex. Hence, it is not sufficient to pair a set of needs with an activity. The same activity may be motivated by different needs at different times for one individual. In another case, one activity may represent different meanings to another individual at the same time (Crandall, 1980). Despite the complexity of the relationship, motivation theory still provides insights into why people choose to take part in certain activities.

In the context of sport tourism, push factor is the need to need to match an individual’s motivations and pull factor is the expectation regarding a vacation with the attributes of a particular destination.

## 3. 3 Push factor

Push factor are unique to each tourist. They are determined by the personality and attitude of individual. To a certain extend, sport tourist may be motivated by push factor. They want to escape from daily routine, explore other form of sports, interact and build friendship with people. This group of tourist want to gain new exposure and achieve something from the trip.

## 3. 4 Pull factor

Pull factor is an extrinsic factor. They include price, destination image, marketing and promotion of the host country. According to Higham (2005) destination image is an important attribute that formulate the expectation of the country. Physical attributes include attractions, activities, sporting facilities and physical landscapes. Abstract attributes are atmosphere, crowding, safety and ambience. These attributes are essential to foster a distinct destination brand and advantageous destination imagery. If the country is perceive as a cohesive nation, that is safe and secure for any form of sports to take place, tourist will travel to that country to enjoy the competition. In this way, tourist arrival and expenditure will increase.

## 4. 0 Future Challenges

Sport and tourism phenomena are dynamic and fragile. Sport tourism industry will face some future challenges. If these challenges are managed well, sport tourism industry will attract more sports tourist visiting the country.

## 4. 1 Technology advancement

With technological advancement, people are able to watch the Games played through the use of sports reporting media such as interactive television and Internet. Now, the question to us: will sports tourists want to travel out of their comfort zone to experience a totally different happening where sounds, sights and ambience can be virtually created? Is there any desire for them to travel to another country if they can watch the Games in the comforts of their home?

According to a report on Sydney 2000 Olympics, it show that Sydney 2000 was broadcast in 220 countries and generated more than 36. 1 billion television viewing hours. Nine out of ten individuals in the world with access to television watched some part of the Olympics – ranging from an average four hours per viewer to more than 37 hours per viewer in Japan. From this statistics, we are able to know that there are many people who do not need to travel to Australia but they are still able to enjoy the Games played.

## 4. 2 Trends in Winter Sport Tourism

Winter tourism is an important source of income for many alpine areas. Hence, they are highly dependent on satisfactory snow conditions. Skiing, snowboarding are some of the sports activities that are highly depend on snow. Recently, due to an impact of climate change and weather conditions, the lack of snow during winter season poses a challenge for various countries such as Canada, Australia, New Zealand, Austria and etc.

Winter tourism depends on good snow conditions. Hence, sport tourism developer and event organizers should focus on ways to improve the situation of this area so as not to lose the ski market tourism.

## 4. 3 Growth of sports tourist seeking alternative sports

It is seen as a common trend for sport participants to seek alternative sports and new ways to do sports. They have taken a great interest to play other sports that will bring them more excitement. According to Higham (2005c), unique sport subcultures have emerged in association with alternative sports.

The growth of alternative sports will pose as a challenge for any country. A country that wants to develop these alternative sports must invest a substantial sum of money. New, advance infrastructure and facilities has to be built to cater to this group of sport tourists seeking alternative sports. It will be very difficult for a country that does not have the necessary sports resources and expertise to develop alternative sports.

## 5. 0 Conclusion and Recommendation

Sport is ubiquitous as a form of popular culture. There are some ways that sport tourism developer can adopt to minimize the future challenges of sports tourism. Once these challenges are manage well, there will be a steady increase in sport tourist arrivals to the country.

## 5. 1 Invest in snow-making

Due to climate change and global warming, sport tourism developer has taken a future step to look at the invention of snow making. According to Higham (2005d), snow making is a technological development that lengthened the ski season in the snow-belt states. It also made sport possible in areas where natural snowfall was less than abundant.

Although snow making is an expansive investment, it is seen as an essential way to ensure sport tourism activities take place. Many countries are willing to spend millions of dollar to make artificial snow so that they will capture tourists who want to enjoy the ski facilities and resort.

## 5. 2 Sustainable sport tourism

According to (Butler 1993, in Hinch and Higham, 2004), sustainable tourism is tourism in a form which can maintain its viability in an area for indefinite period. The achievement of sustainable sport tourism requires a balance between social goals, economic goals and environmental goals.

Sustainable tourism is one of the goals for many sport tourism countries. In order to reach this goal, sport tourism should enhance the social/cultural dimension of the community. Mega-events such as Olympics can include cultural factors of the country. Sport tourist can watch the Games and learn about the culture of the nation at the same time.

## 5. 3 Market diversification

Market diversification is a tool that marketers of sport tourism organisation can adopt. It is an effective way to segment the market and reach out to them. The targeted segment will be people who are not tied down to traditional vacation structures. They are more likely to travel during shoulder and off-season period. This group of people are conference delegates, incentive travellers and special interest group.

Marketers can consider cross-leverage sport and tourism across the entire marketing mix to attract them. They have the power to spend on any sport activities as they have the luxury of time. According to Higham (2005e), Canmore in Canada is counting on the ageing baby boomers to help eliminate the shoulder season. There are plans drawn up for a health and wellness resort offering a myriad of traditional and non-traditional health services.

All in a nutshell, the field of sport and tourism are dynamic industries. Sport tourism organizers and destination managers have to understand and respond to these growing trends in an effective manner. This is so as to achieve a competitive advantage in the sport tourism field. In mega event or small-scale event, organizing committee has to plan and manage all type of activities in sport event in an orderly manner. The success of the event will results in a positive image of tourism destination. It will gain the fame and attract more tourists to the destination to participate or enjoy the sports activities.