

Unlocking the potential of Sport to Drive Local Economic, Social Transformations, Markets and Sustainable Growth through Organising Sporting Events

Dr. Ashish Pratap Singh

Professor, Department of Physical Education,
K.S. Saket (P.G.), College, Ayodhya

Dr. Arvind Bahadur Singh

Assistant Professor, Department of Physical Education,
D.A.V (P.G.), College, Lucknow, Associated University: Lucknow University, Lucknow
E-mail: arvindsssingh007@gmail.com (Corresponding Author)

Abstract: Sports have been an integral part of human culture and society for centuries, transcending geographical and cultural boundaries. The importance of sports extends far beyond the playing field, impacting individuals, communities, and societies on multiple levels. In this article, we explore the multifaceted significance of sports and why they are essential for personal development, community cohesion, and societal well-being. In summary, these initiatives highlight India's dedication to nurturing a dynamic sports ecosystem, stimulating economic prosperity, and enriching athletic progress.

Keywords: Sports, Economic, Social transformations, Markets and Sustainable Growth

Introduction

Sports have been an integral part of human culture and society for centuries, transcending geographical and cultural boundaries. The importance of sports extends far beyond the playing field, impacting individuals, communities, and societies on multiple levels. In this article, we explore the multifaceted significance of sports and why they are essential for personal development, community cohesion, and societal well-being. Sport can be a powerful catalyst for social development, transcending mere physical activity to address multifaceted societal challenges. The preamble to the Sustainable Development Goals (SDGs)² recognises the key role that sport plays in contributing to solving the most pressing issues globally: “Sport is also an important enabler of sustainable development. We recognize the growing contribution of sport to the realization of development and peace in its promotion of tolerance and respect and the

contributions it makes to the empowerment of women and of young people, individuals and communities as well as to health, education and social inclusion objectives". UNESCO's International Charter of Physical Education, Physical Activity and Sport acknowledges that sport, when appropriately organised, taught, resourced and practised, can have distinct contributions towards a wide range of benefits to individuals, families, communities and society at large.

Sports industry is a potent force shaping our modern economy and driving growth, not confined to mere games but recognized as one of the most dynamic contributors to emerging aspects of the economy. Understanding the connection between sports and our economy is vital, as it significantly impacts our nation's progress. Therefore, to foster the flourishing of our country's sports economy, we need to go beyond financial gains and utilize economic benefits for positive societal changes. This requires careful management of the interests involved, necessitating a well-organized structure covering diverse aspects like the sports goods market, labor market, talent market, audience market, information market and advertising market. Developing a comprehensive sports market that functions cohesively can propel rapid growth in the sports economy, ultimately contributing to the overall development of our modern economy.

The sports industry in India is diverse, encompassing various sports and recreation activities, as well as economic pursuits. It includes grassroots participation, high-performance athletes, and professional competitions. However, the industry's multifaceted nature, including services like administration, training, equipment manufacturing, technology distribution, and sports medicine, has been largely undefined.

Given the sports industry's significant impact on our economy, studying and understanding their connection is crucial. Therefore, this study holds the key to unlocking sports' full potential as a driving force behind our economic progress. Delving into the complexities and connections between the sports industry and broader economic development is not just important but essential for our country's future growth.

Analysis and views:

Data were collected through an in-depth analysis of national-level policy documents, conceptions, and programs, coupled with an extensive review of pertinent theoretical literature.

Received: 25.08.2024

Accepted: 10.09.2024

Published: 11.09.2024



The adopted approach was comprehensive, meticulously examining policy frameworks, conceptual foundations, and programmatic content at the national level. Moreover, the research methodology extended to a nuanced exploration of theoretical literature, ensuring a thorough and rigorous analysis. By synthesizing these varied components, the study aimed to offer a robust, comprehensive, and scholarly understanding of the subject matter, thereby making a substantive contribution to academic discourse.

- 1. DIRECT ECONOMIC CONTRIBUTIONS:** The sports Industry in India which is the combination of Professional Sports, Sports Good, Sports Retailing, Fitness Training, Sports Tourism, Amateur and Recreation Sports and Sports Medicine is experiencing an impressive annual growth rate of approximately 11% which is accumulated to 60% in 2023, as reported by GroupM ESP Sporting Nation Report 2024. The report unveiled that the Indian sports industry now stands at a valuation of Rs. 15,766 crore, marking a nearly quadruple increase from its value a decade ago. in the overall sports landscape.
- 2. EMPLOYMENT GENERATION AND SKILL DEVELOPMENT :** Sports, beyond its entertainment value, has reaches far beyond just providing entertainment. It emerges as a substantial catalyst for job creation across diverse sectors. The multifaceted and dynamic nature of the sports industry not only entertains but also significantly contributes to a broad spectrum of employment possibilities, thereby setting off a ripple effect in the economy. As outlined in a FICCI report of 2018, the anticipated demand for sports professionals in India is noteworthy. It is projected that in the coming years, approximately 4.3 million individuals will be required to actively contribute to the sports industry. This projection highlights the growing need for skilled individuals within the sector. To emphasize the escalating demand, the Indian Premier League (IPL), over the past decade, has played a crucial role not only in creating numerous employment opportunities but has also been instrumental in generating jobs for over 15,000 professionals. This illustrates the transformative impact of sports on job markets, show casing its ability to contribute significantly to employment figures. Despite the fact that the sports industry's current contribution to overall employment in India stands at a modest of 0.5%, compared to the 2-4% observed in developed nations, experts remain

optimistic about an imminent paradigm shift of rapid upswing in this percentage in the coming years. The evolving landscape of the sports industry, driven by changing consumer preferences, increased investments, and a burgeoning sports culture, is expected to result in a more substantial socio-economic impact through increased job opportunities. Metropolitan cities like Delhi, Mumbai, and Bangalore have played a crucial role in boosting the sports job market in India. Fuelled by factors such as a conducive business environment, the presence of professional sports clubs, cutting-edge fitness centers, sports-centric educational institutions, big sports events and robust sports infrastructure, these cities have become hotspots for job creation in the sports industry. Additionally, the burgeoning e-commerce sector has amplified growth, offering employment opportunities in areas like online retail, marketing, and logistics. This dynamic environment has not only enriched these cities but also contributed significantly to the overall expansion of the sports job market, promising diverse opportunities across different states and regions. Here's a state wise break-up of the jobs market share.

- 3. INFRASTRUCTURE DEVELOPMENT:** The sports industry in India plays a crucial role in influencing infrastructure development across various dimensions. This impact is affecting not only the physical landscape but also contributing to economic, social, and cultural aspects. However, the nation possesses a flourishing sporting culture, with numerous efforts from both the government and the private sector aimed at advancing sports infrastructure. Introduced in 2018, the Khelo India scheme stands as a significant governmental initiative to foster grassroots-level sporting infrastructure development. The primary objective is to establish a comprehensive sports ecosystem within the country, offering a dedicated platform for young athletes to showcase their talents. This initiative goes beyond by providing crucial financial support for training and development, proving instrumental in the identification and nurturing of sporting talent across 24% 20% 15% 8% 8% DELHI MAHARASHTRA KARNATAKA TELANGANA TAMIL NADU Percentage Share. The sports industry in India plays a crucial role in influencing infrastructure development across various dimensions. This impact is affecting not only the physical landscape but also contributing to economic, social, and

cultural aspects. However, the nation possesses a flourishing sporting culture, with numerous efforts from both the government and the private sector aimed at advancing sports infrastructure. Introduced in 2018, the Khelo India scheme stands as a significant governmental initiative to foster grassroots-level sporting infrastructure development. The primary objective is to establish a comprehensive sports ecosystem within the country, offering a dedicated platform for young athletes to showcase their talents. This initiative goes beyond by providing crucial financial support for training and development, proving instrumental in the identification and nurturing of sporting talent across. Sports Authority of India (SAI) oversees diverse sports facilities while also providing extensive training and coaching to athletes nationwide. To nourish sports at the grassroots level, the organization has established various regional centers and academies with the aim of promoting different sports and cultivating talent.

The support for sports infrastructure comes through two distinct pipelines:

- i. **National Investment Pipeline (NIP):** Presently, over 90 NIP projects dedicated to stadiums and sports complexes are in progress. Approved sporting projects valued at \$1.49 billion include a 21% participation from the private sector in NIP projects' implementation. A notable NIP project, the Vishakapatnam Sports City, valued at US\$ 129 million, is slated for completion by August 1, 2024.
- ii. **National Monetization Pipeline:** Two National Stadiums and two SAI regional centers are earmarked for monetization in the fiscal years 2022-2025. The indicative monetization value for these assets stands at \$1431.25 million. The chosen mode of monetization involves an Operation, Management, and Development Agreement (OMDA) model, wherein a private concessionaire receives a 30+30 years grant from SAI, involving an upfront premium, revenue share, and annual fees.

CONCLUSION AND RECOMMENDATION

The Indian population stands out as one of the youngest sports enthusiasts globally, particularly among the youth. However, despite this fervour, a mere 1% of the 62% of young individuals interested in sports opt for it as a career. Nonetheless, there's a widespread

interest across age groups in pursuing sports professionally. Recognizing the limitations of on-field opportunities, many Indian youths are now exploring careers in sports from behind the scenes, as coaches, instructors, administrators, or managers, contributing to the overall growth of the sports industry. Projections from the Sector Skill Council of FICCI indicate a significant surge in job opportunities within the sports sector in years to come. Nevertheless, breaking into this industry remains challenging due to its relative closedness. Success requires exceptional skills and performance, making entry into the sports industry easier said than done. To address the current situation effectively and foster sustainable growth in the sports industry, a strong approach is needed. This entails implementing a comprehensive strategy that encompasses various initiatives aimed at enhancing talent development, industry infrastructure, and business opportunities. Here's a breakdown of the steps needed to address the current scenario in the sports industry in India:

- i. **Government Collaboration and Knowledge Exchange:** Encouraging partnerships with foreign governments is crucial for nurturing the exchange of expertise and best practices in sports management and development. By establishing joint programs and initiatives, both nations can engage in mutual learning and capacity building across various facets of the sports industry, ensuring sustainable growth and global collaboration.
- ii. **Specialized Training Programs for Youth:** Implementing specialized training programs customized to introduce Indian youth to elite-level sports practices, focusing on a comprehensive approach to skill development through both on-field and off-field training. These initiatives would offer exposure to advanced techniques and methodologies, fostering a well-rounded development pathway for aspiring athletes.
- iii. **Networking and Industry Connections:** Encourage interns to proactively connect with professionals in the sports industry to cultivate networks and relationships. Facilitate networking avenues via events, seminars, and mentorship initiatives. Emphasize the significance of networking in securing permanent roles and fostering career progression within the sports sector.

- iv. **Leveraging Existing Infrastructure:** Leveraging India's robust infrastructure and proficiency in interconnected domains such as marketing, management, and healthcare presents a prime opportunity to bolster the expansion of the sports sector. By recognizing synergies between sports.
- v. **Economic Stimulus:** Major sporting events, facilities, and associated activities contribute significantly to the economy. The construction and maintenance of sports infrastructure generate employment opportunities, boost local businesses, and stimulate economic growth. Investments in stadiums, training facilities, and related amenities contribute to the overall development of the construction and hospitality sectors.
- vi. **Urban Planning and Development:** Hosting international and national sporting events often requires extensive urban planning and development. Cities invest in upgrading transportation systems, building modern stadiums, and enhancing overall infrastructure to meet the requirements of these events. This not only improves the host city's facilities but also leaves a lasting impact on the urban landscape.
- vii. **Tourism Promotion:** High-quality sports infrastructure attracts tourists and sports enthusiasts, contributing to the tourism industry. Iconic stadiums and well-equipped sports facilities become tourist attractions, further necessitating investments in hospitality, transportation, and entertainment infrastructure.
- viii. **Health and Well-being:** The emphasis on sports and physical activity necessitates the development of recreational infrastructure. Public parks, community sports complexes, and jogging tracks are essential components that contribute to the overall health and well-being of the population. This, in turn, requires investments in urban and community infrastructure.
- ix. **Technological Advancements:** Advancements in sports technology impact the design and construction of sports facilities. From state-of-the-art stadiums to training centers equipped with the latest technologies, the sports industry often drives innovation and modernization in infrastructure development.

- x. Cultural Impact: Sporting events and infrastructure contribute to the cultural fabric of a nation.

REFERENCES

1. Brunet, F. An economic analysis of the Barcelona '92 Olympic Games: Resources financing and impact. In *The Keys to Success: The*
2. Social, Sporting, Economic and Communications Impact of Barcelona; Autonomous University of Barcelona: Barcelona, Spain, 1995; pp. 203–237.
3. Pereira, V. (2024). Exploring the nexus of business and sport and its impact on society. *Sport in Society*, 1–6. <https://doi.org/10.1080/17430437.2024.2368359>
4. Rabindra Bharati University Journal of Economics ISSN : 0975-802X Vol. : XXVIII, No:19, 2024 103
5. Song, C.; Ranelli, E. Reading the major economic indicators to examine the impact of the Olympic Games on Beijing economy. *J. Bus. Issues* **2008**, 1, 37–54.
6. Blake, A. *The Economic Impact of the London 2012 Olympics*; Nottingham University Business School: Nottingham, UK, 2005.
7. Kasimati, E. Economic aspects and the Summer Olympics: A review of related research. *Int. J. Tour. Res.* **2003**, 5, 433–444. [CrossRef]
8. Szymanski, S. *The Economic Impact of the World Cup*. In *Football Economics and Policy*; Palgrave Macmillan: London, UK, 2010;
9. pp. 226–235.
10. Yamamura, E.; Tsutsui, Y. The Impact of Postponing 2020 Tokyo Olympics on the Happiness of O-MO-TE-NA-SHI Workers in Tourism: A Consequence of COVID-19. *Sustainability* **2020**, 12, 8168. [CrossRef]
11. 19. Baade, R.A. Professional Sports as Catalysts for Metropolitan Economic Development. *J. Urban Aff.* **1996**, 18, 1–17. [CrossRef]
12. Golovkina, M.S.; Korean Tourism Sector in Blues Despite World Cup. *Forbes*, 19 June 2002. Available online: [https://www.](https://www.forbes.com/newswire/2002/06/19/rtr636036.html)
13. [forbes.com/newswire/2002/06/19/rtr636036.html](https://www.forbes.com/newswire/2002/06/19/rtr636036.html) (accessed on 20 June 2002).

14. Brown, S.J.; Warner, J.B. Using daily stock returns: The case of event studies. J. Financ. Econ. **1985**, 14, 3–31. [CrossRef]
15. Ziming, L. I. U. "THE IMPACT OF SPORTS INDUSTRY ON ECONOMIC DEVELOPMENT." Економіка та суспільство 39 (2022).
16. Sports Industry Economic Analysis; Exploring the size and growth potential of the Sport Industry in Australia. Retrieved
<https://www.health.gov.au/sites/default/files/documents/2020/05/sportsindustry-economic-analysis.pdf>