

Sports Product Market Dynamics in Europe: Consumption and Production Insights

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Abstract

This paper examines the evolution of the sports industry in Europe through an analysis of three critical dimensions: consumption patterns, government expenditure, and employment and production trends. It investigates the growing demand for sports-related goods and services, highlighting shifts in consumer behavior driven by an increasing focus on health, wellness, and the cultural significance of sports. The study also explores government spending on the sports sector, revealing consistent public investment, which underscores the importance of sports in national economic and social policies. Additionally, employment trends and the production of sports-related goods are analyzed to assess the sector's expanding economic impact, demonstrating the sports industry's role in job creation and economic output. The findings indicate a general upward trend in engagement with the sports sector across Europe, with higher consumption rates observed in wealthier nations. However, the overall trend shows increasing participation and consumption in lower-income countries as well. The paper concludes that the sports industry is emerging as a significant economic and cultural force in Europe, with its continued growth likely to influence future public policies, economic strategies, and consumer behaviors.

Keywords

Consumption, market dynamics, production, sport product

Introduction

Consumption in modern societies has reached unparalleled levels, marking a defining feature of contemporary economic systems, particularly under capitalism. This heightened consumption is not a passive occurrence, but rather, it is strategically orchestrated by the structures of production that fuel the capitalist market. The relationship between production and consumption is cyclical: increased consumption leads to heightened production, which in turn drives further economic growth. This interaction, at the core of capitalist economies, results in both economic expansion and the entrenchment of consumerism across all sectors. Such a phenomenon is not only observable in basic goods and services but also within sectors that were traditionally outside the sphere of commerce, such as sports. The economic landscape of sports has also evolved considerably, with marked growth across multiple domains, including industrial organization, public economics, and labor economics. These areas underscore the intricate and multifaceted nature of sports economics as both an academic discipline and a practical field (Leeds et al., 2022). The increasing interconnectedness of sports with broader economic systems reflects its dual role as a cultural phenomenon and an economic driver.

Over the 20th century, sports have been increasingly commodified, evolving into a highly profitable sector under the influence of capitalism and reflecting the broader transformation of leisure into a market-driven pillar of consumer culture (Resis et al., 2020). Sports, which once functioned primarily as leisure activities or recreational pursuits, have grown into major economic enterprises, intertwining entertainment with commerce in ways that were previously unimaginable. By the early 21st century, sport had become an integral part of the dominant consumer culture, a pervasive force that shaped not only the economic landscape but also cultural and social patterns of consumption (Horne, 2006).

Additionally, technological advancements also changed the structure of sport products. Nanotechnology has profoundly transformed the design and functionality of sports equipment, leading to significant enhancements in key attributes such as durability, resilience, flexibility, stain resistance, and antibacterial properties. These technological advancements have been widely integrated into various sports products, including swimsuits, running shoes,

yoga mats, golf clubs, golf balls, tennis balls, bowling balls, badminton rackets, tennis rackets, hockey sticks, archery equipment, bicycles, and numerous other items (Türkmen & Mutlutürk, 2014). By incorporating nanotechnology, these products not only achieve superior performance standards but also provide athletes with enhanced reliability and a more optimized sporting experience. This progress exemplifies how cutting-edge scientific developments directly contribute to athletic performance and consumer satisfaction.

Moreover, the industry's expansion and its ability to capitalize on mass consumer participation have cemented its status as a key player in the global economy. One of the key aspects of the growing economic importance of sports is the extension of economic interests beyond professional leagues and elite competitions. As pointed out by Gratton (1998), the economic implications of sport transcend professional sports leagues, reaching into areas such as grassroots participation, amateur sports, sports tourism, and media consumption. These varied facets contribute to a broad and diversified economic footprint. Individuals' engagement in sports, whether through passive consumption (e.g., watching a sporting event) or active participation (e.g., playing recreationally or as part of a sports team), produces substantial economic benefits. Notably, this involvement generates direct economic activity through purchases of sports equipment, tickets, merchandise, and media subscriptions, as well as indirect activity through tourism, hospitality, and local business development. Moreover, the benefits derived from these activities are not solely financial but also hold intrinsic value in the form of personal satisfaction and well-being, which in turn sustains demand for continued participation and engagement with sports (Humphreys & Humphreys, 2008).

In this context, the cultural entrenchment of certain sports further fuels their economic significance. As noted by Whannel (1993), sports such as cricket in England, cycling in France, baseball in the United States, and football (soccer) in much of the world have become deeply embedded in national identities and daily life. These sports are not just widely followed or played; they have developed into social rituals, cultural practices, and sources of collective identity. The rituals and traditions associated with these sports are integral to the lives of the people who participate in and consume them, reinforcing their cultural relevance and enhancing their economic value. The passion and

loyalty that such sports inspire create a market for goods and services that goes beyond basic consumption, turning sports into cultural commodities that are both celebrated and bought. Moreover, the economic footprint of the sports sector extends well beyond the revenues generated from game-day ticket sales or sponsorships. The role of sport in broader economic systems is significant, contributing to employment generation, the development of infrastructure, and the stimulation of various ancillary industries such as marketing, media, broadcasting, and retail. Meek (1997) emphasizes that the sports sector plays a pivotal role in stimulating job creation and economic production, acting as a driving force in many economies. This effect is particularly pronounced when considering the industries surrounding sports, such as the manufacturing of sports equipment, apparel, and merchandise, all of which contribute to a growing global industry. According to Crawford (2004), the global nature of sports has expanded the scope of economic activity tied to sports production, with the sale and marketing of sports-related goods and services becoming one of the largest revenue streams in the global economy.

The globalization of sports, in particular, has played a key role in expanding the economic impact of the industry. As sports have gained international popularity, they have fostered the development of a global market for sports-related goods, services, and media content. This globalization has had profound implications not only for the economies of countries with established sports leagues but also for emerging markets, where sports can act as catalysts for broader economic development. For instance, in China, the confluence of a sophisticated and affluent consumer base and the entry of international brands following the country's accession to the World Trade Organization (WTO) has created a highly competitive and flourishing sportswear market (Tong & Hawley, 2009). Rising affluence has further amplified interest in sports, leisure activities, and branded goods that resonate with self-expression. This cultural and economic shift has not only expanded consumer markets but has also spurred innovation and competition within the global sportswear industry.

Gratton and Taylor (2000), as well as Taks and Késenne (2000), highlight the role of sports in driving employment and growth within the wider economy. For instance, major international sporting events such as the Olympics and the FIFA World Cup generate substantial economic benefits for host cities and countries, from increased tourism and hospitality spending to

infrastructural development and long-term business opportunities. As the sports industry continues to expand, its contribution to national and global economies grows in parallel.

The increasing commercialization of sport, alongside the continuous production of sports content for a global audience, underscores the profound economic value of this sector. In addition to the direct economic impact, the sector's role in shaping cultural and social trends reinforces its integral place in capitalist economies, where cultural and commercial forces converge. This transformation is indicative of the broader commodification of leisure and recreation in a consumer-driven world, where consumption is not only an economic activity but a core component of individual identity and social life.

Furthermore, the sports industry has played a transformative role in reshaping the structural and economic landscapes of cities, positioning itself as a critical driver of urban development and regeneration. Across the globe, numerous cities have strategically leveraged sports to stimulate economic renewal, foster community engagement, and promote long-term socio-economic growth. This approach is particularly prominent in the United Kingdom, where urban centers have embraced sports as a pivotal sector in their efforts to revitalize local economies and enhance urban environments (Gratton, Shibli, & Coleman, 2007). These initiatives underscore the multifaceted value of sports, extending beyond its entertainment and recreational aspects to serve as a powerful tool for economic and social transformation. By hosting major sporting events, investing in sports infrastructure, and cultivating sports-related industries, cities have been able to generate employment opportunities, attract tourism, and stimulate local business activity

Consumption Dynamics of Sport Products

Government, educational organizations, health agencies, community groups, and sports authorities have collectively played a significant role in actively promoting greater participation in sports over time. These efforts have resulted in a consistent increase in engagement with sporting activities. This trend is clearly demonstrated in Table 1, which highlights the evolution of time dedicated to sports-related pursuits over the years. Regional and cultural variations in sports engagement, which reflect differing attitudes toward sports, economic conditions, and the availability of recreational infrastructure, offering valuable insights into factors that drive the growth of the sports

industry in specific regions. By linking participation to consumption, the dataset also has economic significance, revealing the potential market for sports-related goods and services in countries with higher engagement levels, while also indicating untapped potential in regions with lower participation.

Table 1. Time spent, participation time and participation rate in the main activity (Sports and outdoor activities except walking and hiking) in 2010

Countries	Total	From 15 to 20 years	From 20 to 24 years	From 20 to 74 years	From 25 to 44 years	From 45 to 64 years	65 years or over
Belgium	1:50	2:04	2:02	1:50	1:48	1:49	1:37
Germany	1:38	1:56	1:53	1:40	1:51	1:35	1:24
Estonia	1:26	2:13	1:41	1:24	1:39	1:22	0:44
Greece	1:41	1:53	1:55	1:38	1:31	1:45	1:28
Spain	1:37	1:54	1:51	1:37	1:38	1:31	1:21
France	2:04	2:26	3:02	2:03	1:54	1:55	1:40
Italy	1:42	1:49	1:47	1:42	1:36	1:45	1:42
Luxembourg	1:44	1:55	1:37	1:43	1:45	1:40	1:54
Hungary	1:39	1:35	1:29	1:40	1:37	1:53	1:30
Netherlands	1:40	2:14	1:53	1:37	1:37	1:33	1:33
Austria	1:46	1:51	1:46	1:48	1:51	1:57	1:22
Poland	1:30	1:42	1:37	1:31	1:30	1:31	1:14
Romania	1:45	1:59	1:40	1:37	1:42	1:28	1:12
Finland	1:30	2:01	1:40	1:31	1:24	1:32	1:18
Norway	1:39	1:47	1:31	1:37	1:36	1:37	1:40
UK	1:31	1:42	1:41	1:29	1:20	1:37	1:34
Serbia	1:37	1:41	1:51	1:37	1:33	1:37	1:17
Türkiye	1:32	1:40	1:44	1:30	1:27	1:29	1:06

Source: European Union (2024)

The dataset provides an analysis of the average time spent, participation time, and participation rate in sports and outdoor activities (excluding walking and hiking) across various European countries in 2010. The data is segmented by age groups, offering insights into how engagement in these activities varies throughout different life stages.

On average, France stands out with the highest overall participation time at 2 hours and 4 minutes, particularly among the 20 to 24 age group, where engagement peaks at 3 hours and 2 minutes. This trend indicates a strong cultural inclination toward sports and outdoor activities in younger demographics. Belgium, with an overall average of 1 hour and 50 minutes, shows relatively consistent participation across all age groups, while Estonia, at 1 hour and 26 minutes overall, exhibits a sharp decline in participation among those aged 65 and over (44 minutes). Germany and Greece show similar overall averages of approximately 1 hour and 38-41 minutes, with peak participation times among the 20 to 24 age group (1 hour and 53-55 minutes). Conversely, participation times in older age groups, particularly those over 65, tend to decrease significantly. For example, in Germany, the participation time for individuals aged 65 and older drops to 1 hour and 24 minutes.

Italy, Luxembourg, and Hungary exhibit averages in the range of 1 hour and 39-44 minutes. Luxembourg displays a slightly higher participation rate in older age groups compared to other countries, with a modest increase among individuals aged 65 and above (1 hour and 54 minutes). Meanwhile, Austria maintains relatively consistent participation times across all age groups, with a peak of 1 hour and 57 minutes in the 45 to 64 age range.

Countries like Poland, Finland, and the United Kingdom, with average participation times ranging from 1 hour and 30 minutes to 1 hour and 31 minutes, exhibit similar patterns of declining engagement with increasing age. For instance, Poland's participation time decreases from 1 hour and 42 minutes in the 15 to 20 age group to 1 hour and 14 minutes for those 65 and older. Romania and Serbia demonstrate comparable overall averages (1 hour and 37-45 minutes), with Romania showing a gradual decline in participation with age, culminating in 1 hour and 12 minutes for individuals over 65. Türkiye, at 1 hour and 32 minutes overall, reflects one of the lowest participation times among older individuals, with just 1 hour and 6 minutes for those aged 65 and above.

These findings suggest that younger age groups, particularly those between 15 and 24, engage more intensively in sports and outdoor activities across most countries. However, participation times decrease significantly in older age brackets, highlighting potential opportunities for targeted interventions to encourage greater involvement among older populations. Cultural factors, accessibility to facilities, and societal attitudes toward active lifestyles likely contribute to these variations. The data underscores the importance of fostering inclusive recreational opportunities to promote lifelong engagement in sports and outdoor activities.

Table 2. Mean consumption expenditure of private households on sporting goods and services by purposes

	Total	Sports goods and services	Major durables for outdoor recreation	Major durables for indoor recreation	Maintenance and repair of other major durables for recreation and culture	Equipment for sport, camping and open-air recreation	Equipment for sport	Equipment for camping and open-air recreation	Repair of equipment for sport, camping and open-air recreation	Recreational and sporting services	Recreational and sporting services - Attendance	Recreational and sporting services - Participation
Belgium	30.906	349,1	128,2	3,7	14,6	39,2	29,4	9,5	0,3	163,4	17,9	145,6
Bulgaria	13.181	24,1	0,2	0	0,3	4	3,4	0,6	0	19,6	1,4	18,2
Czechia	17.132	259,4	3,9	0,4	4,1	75,6	51,4	22,8	1,4	175,4	15	160,4
Denmark	30.284	409,6	138,2	0	22,8	69,7	49,9	14	5,8	178,9	23,4	155,5
Germany	32.116	526,4	69,6	4	9,4	85,8	69,7	16,1	0	357,6	70,5	287
Estonia	17.683	244,7	3,9	0	0,2	49,1	-	-	-	191,4	12,1	179,4
Greece	22.530	120,2	82,9	0,1	2,1	11,9	11,7	0,2	0,1	23,1	3,3	19,8
Spain	27.683	170,4	6,4	5	4,5	34,1	29	2,7	2,3	120,5	11,7	108,8
France	28.961	413,4	68,1	1,5	2,3	43,2	34,4	7,9	0,9	298,3	58,9	239,5
Croatia	21.902	125,8	6,7	0	2,2	17,2	16	0,9	0,3	99,7	16,3	83,4
Italy	27.283	195,3	16,3	0,4	2,9	36,4	26,4	9,2	0,8	139,3	5,5	133,8
Cyprus	34.177	298,1	7,6	0,2	0	11	10,3	0,6	0,1	279,2	62,5	216,8
Latvia	16.576	248,8	6,2	0,3	0	69,6	58,4	11,2	0	172,7	27,4	145,3
Lithuania	17.448	87,1	23,7	0	1,7	11,7	7	3,5	1,1	50	10,5	39,5
Luxembourg	49.524	627,9	183,5	23,3	2,6	41,3	30,2	10,4	0,7	377,1	267	110,2
Hungary	21.937	101,7	0,4	0	0,4	20,8	19,8	0,8	0,1	80,2	1,5	78,7
Malta	26.528	333,5	64,2	0	31,3	40,1	24,4	15,1	0,6	197,9	77,5	120,4
Netherlands	33.134	621,7	112,4	3,2	43,2	65,9	45,1	20,6	0,3	397	45,9	351,1
Austria	34.729	619,8	86,8	8	18,3	144,6	137	5	2,7	362,1	37,2	324,9
Poland	17.178	94,8	13,3	2,8	4,3	17,5	11,3	5,7	0,5	56,9	0,7	56,2
Romania	14.625	-	-	-	-	-	-	-	-	-	-	-
Slovenia	26.153	396,8	31,6	7,8	19,4	74,3	60,8	12,2	1,3	263,7	25,5	238,1
Slovakia	15.692	66,2	1,7	0,2	0,2	28	25,1	2,8	0,1	36,1	5,3	30,9
Montenegro	14.929	24,8	4,4	0	0,4	9,8	8,2	1,6	0	10,2	-	-
Serbia	14.285	52,6	1,9	0,7	0,1	20,8	12,1	8	0,6	29,1	0,3	28,9

Source: European Union (2024)

The dataset offers a detailed analysis of mean consumption expenditure by private households on sporting goods and recreational services across European countries in 2020, measured in Purchasing Power Standards (PPS). By accounting for price-level differences, this metric enables an equitable comparison of household spending patterns. The data reveal significant disparities among countries, reflecting differences in income levels, cultural values, and access to recreational infrastructure. Luxembourg stands out as the highest spender, with a total expenditure of 49,524 PPS, far surpassing other countries. This is driven by substantial investments in sports goods and recreational services, suggesting a strong cultural emphasis on leisure and high disposable income levels. Austria and the Netherlands also allocate considerable resources to sports-related goods and services, with Germany following closely in total expenditures. Belgium, Denmark, and France exhibit similar trends, emphasizing the role of recreation in their cultural and social priorities. Moderate levels of spending are observed in Spain, Malta, Italy, and Slovenia, which allocate resources in a balanced manner to sports goods and recreational services, indicating steady but less pronounced attention to leisure. Conversely, lower-income countries such as Bulgaria, Serbia, and Romania display significantly constrained spending, with minimal allocations to sports and recreational activities, reflecting limited disposable incomes and underinvestment in infrastructure. Across all countries, expenditures on sports equipment and recreational services constitute key areas of spending, with variations indicating cultural and economic priorities. For example, Germany's significant investment in recreational services points to an emphasis on organized sports, while Austria's preference for camping and sports equipment highlights its outdoor activity culture. Luxembourg and Cyprus demonstrate robust engagement with recreational activities, while countries like Bulgaria show limited participation due to economic challenges. These regional disparities underline the influence of socio-economic and cultural factors, as high-income Western and Northern European countries allocate more resources to leisure compared to their Eastern and Southeastern counterparts. Nevertheless, some moderate-income countries, such as Cyprus, display a disproportionately high focus on recreation, emphasizing cultural priorities despite financial limitations. The findings suggest that household recreational spending reflects broader economic and social conditions, offering opportunities for policy interventions.

In wealthier nations, higher expenditures are supported by developed infrastructure and cultural norms, whereas lower-income countries could benefit from targeted investments in sports programs and public recreational facilities. These measures could enhance access to leisure activities, promote community well-being, and stimulate economic growth. Recreational spending also presents economic opportunities in manufacturing, infrastructure development, and event organization, which could drive job creation and public health improvements, particularly in lower-income regions.

Table 3. Mean consumption expenditure of private households on sporting goods and services by income quintile

Countries	Total	First Quantile	Second Quantile	Third Quantile	Fourth Quantile	Fifth Quantile
Belgium	349	-	85	346	391	844
Bulgaria	24	-	-	-	21	83
Czechia	259	-	-	-	-	-
Denmark	410	112	143	267	-	1.494
Germany	526	126	259	383	633	1.221
Estonia	245	-	60	166	307	646
Greece	120	36	19	86	136	324
Spain	170	52	88	122	202	388
France	413	96	174	367	498	932
Croatia	126	-	-	113	180	272
Italy	195	-	-	-	-	-
Cyprus	298	-	104	226	408	714
Latvia	249	-	-	123	229	851
Lithuania	87	-	-	-	91	262
Luxembourg	628	-	327	988	541	1.097
Hungary	102	-	-	48	98	315
Malta	334	-	-	275	766	497
Netherlands	622	179	270	475	749	1.422
Austria	620	162	298	497	787	1.355
Poland	95	32	25	44	102	271
Slovenia	397	72	186	324	474	927
Slovakia	66	17	49	84	78	103
Montenegro	25	-	-	-	-	-
Serbia	53	-	-	26	54	168

Source: European Union (2024)

The dataset, "Mean consumption expenditure of private households on sporting goods and services by income quintile," offers a comprehensive analysis of household spending patterns across different income levels in European countries for 2020, measured in Purchasing Power Standards (PPS). The data reveal significant disparities in spending on sports and recreational services, reflecting the influence of income levels and broader economic contexts. Overall, the total expenditure varies considerably across countries, with Luxembourg, the Netherlands, and Austria exhibiting the highest average spending (628, 622, and 620 PPS, respectively), while Bulgaria and Montenegro demonstrate the lowest levels of expenditure (24 and 25 PPS, respectively). These figures suggest that wealthier countries allocate greater resources to sports and recreation, potentially reflecting stronger infrastructure, higher disposable incomes, and cultural prioritization of leisure activities.

An examination of spending by income quintiles highlights a consistent trend: higher-income households allocate substantially more to sports and recreational services than their lower-income counterparts. In affluent countries such as Luxembourg, the Netherlands, and Austria, households in the fifth quintile outspend those in the lowest quintile by more than tenfold. For example, in Luxembourg, the wealthiest quintile spends 1,097 PPS, while data for the lowest quintiles are either minimal or unavailable, underscoring the significant disparities. Similarly, in the Netherlands, the fifth quintile's expenditure reaches 1,422 PPS, compared to 179 PPS in the first quintile. This pattern suggests that access to leisure activities is predominantly income-driven, even within countries with higher overall spending levels.

In contrast, lower-income countries such as Bulgaria, Montenegro, and Serbia exhibit not only low overall expenditures but also minimal differences between income groups. For instance, in Bulgaria, the highest quintile spends only 83 PPS, far below the lowest quintile of wealthier nations. Middle-income countries, such as Slovenia and Greece, demonstrate intermediate trends, with moderate spending levels that increase across income quintiles but remain constrained compared to wealthier nations.

The findings emphasize the pervasive economic disparities that shape access to sports and recreational services across Europe. In wealthier countries, higher-income households benefit from significant opportunities to engage in leisure activities, while lower-income groups often face barriers to

participation. In contrast, in less affluent nations, even the wealthiest households allocate limited resources to such activities, reflecting broader economic challenges. These disparities underline the need for policy interventions, particularly in lower-income countries, to promote equitable access to recreational opportunities. Measures such as public investment in sports infrastructure and targeted subsidies for lower-income households could mitigate these inequalities and encourage broader participation. The data also highlight the role of cultural and infrastructural factors in shaping spending patterns, with nations that prioritize recreational activities potentially serving as models for others seeking to enhance access and participation.

Government Expenditure on Recreation and Sport

The role of government in the development and management of the sports sector is as significant as its involvement in other major industries. Governments play a crucial part in promoting sports through policy development, infrastructure investment, and the creation of opportunities for participation at all levels. Consequently, government expenditure on sports has become a critical area of analysis, as it reflects the prioritization and support given to this sector. Examining trends in public spending on sports over time provides valuable insights into how governments allocate resources to foster physical activity, improve public health, support professional sports, and enhance societal well-being. Understanding these expenditure patterns is essential for assessing the effectiveness of government policies and identifying areas that may require further investment to maximize the economic, social, and cultural benefits of the sports industry.

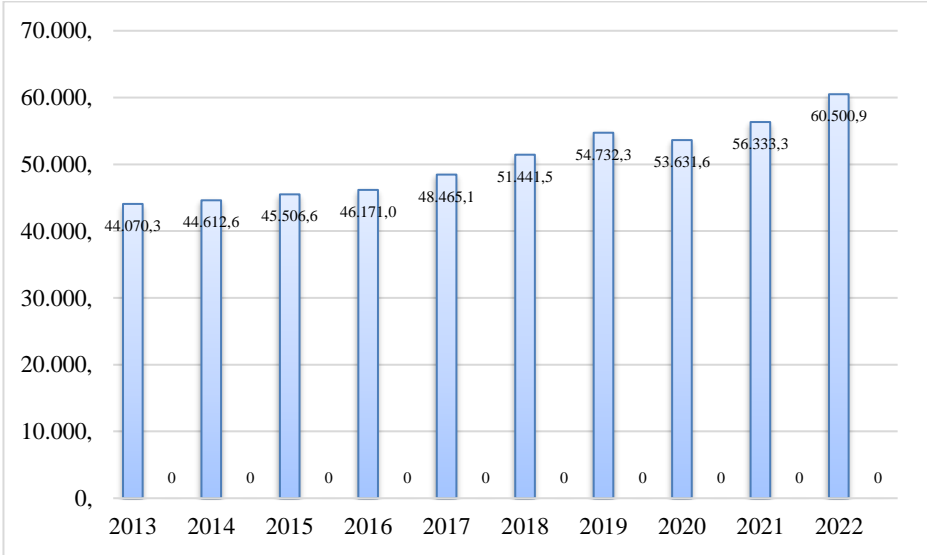


Fig 1. General government expenditure on recreation and sport
(Source: European Union, 2024)

The figure 1 provides annual data on the expenditure of the European Union's general government sector, specifically for recreational and sporting services, measured in million euros. The data covers the years 2013 to 2022 and follows the COFOG classification system, which organizes government expenditure by function across the 27 EU member countries. From 2013 to 2022, the expenditure on these services steadily increased, starting at 44,070.3 million euros in 2013 and reaching 60,500.9 million euros by 2022. This gradual rise in expenditure suggests a consistent prioritization of recreational and sporting services within the EU's public spending. Notably, the data shows a significant spike in spending between 2020 and 2021, likely influenced by the effects of the COVID-19 pandemic, which could have prompted increased government intervention in this sector. Overall, this dataset illustrates the trends in EU government investment in recreational and sporting services, reflecting both ongoing policy priorities and the influence of extraordinary events such as the global health crisis.

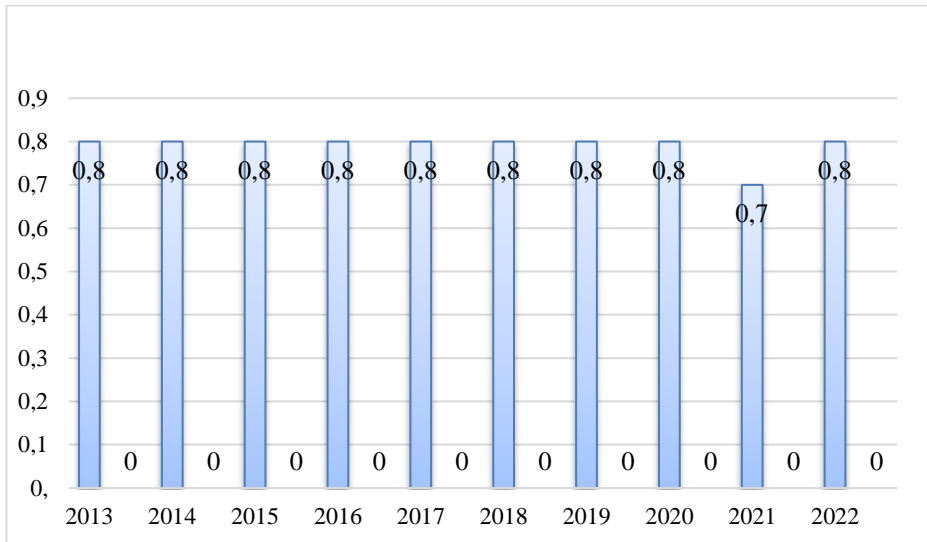


Fig 2. General government expenditure % GDP on recreation and sport
(Source: European Union, 2024)

The figure 2 provides annual data on the proportion of total government expenditure dedicated to recreational and sporting services within the European Union. This dataset is presented as a percentage of the total general government expenditure across the 27 EU member countries with figures recorded for each year from 2013 to 2022. Unlike the previous dataset, which measures expenditure in absolute values (million euros), this dataset expresses expenditure as a percentage of total general government spending. The values for each year are consistent, with a minor fluctuation observed between 2020 and 2021. The percentage of total government expenditure allocated to recreational and sporting services has remained at 0.8% in most years, except for 2020, where it slightly dropped to 0.7%. In 2022, the percentage returns to 0.8%. This suggests that while the absolute amount of spending on recreational and sporting services has increased over time, the relative share of total government expenditure allocated to this sector has remained largely stable, with a minor dip in 2020. The first dataset presented expenditure in absolute terms (million euros), showing a steady increase from 44,070.3 million euros in 2013 to 60,500.9 million euros in 2022. This increase indicates a growing financial commitment to recreational and sporting services.

On the other hand, the second dataset, which expresses expenditure as a percentage of total government spending, reveals that the proportion of government expenditure dedicated to this sector has remained relatively stable at 0.8%, with only a slight drop to 0.7% in 2020. The comparison highlights that, although the absolute expenditure on recreational and sporting services has increased over time, its share of total government expenditure has not experienced significant growth, with the percentage generally holding steady. This contrast suggests that while governments are spending more money in absolute terms on these services, their relative priority within the overall budget has remained constant, apart from the brief dip during the pandemic in 2020.

Sport Industry Dynamics

Government spending in the sports industry, alongside consumption patterns, provides critical insights into the structure and performance of the sector. These factors serve as indicators of the industry's economic dynamics and its evolving significance within broader economic systems. The growing importance of the sports industry can be attributed to its multifaceted impact, encompassing contributions to economic growth, employment generation, and societal well-being.

To assess this importance, available data allows for analysis from two primary perspectives: employment and sold production. Employment within the sports sector reflects its capacity to create jobs, spanning areas such as manufacturing, services, event management, and professional sports, thereby contributing to labor market stability and economic diversification. On the other hand, sold production serves as a measure of the industry's output, illustrating its contribution to gross domestic product (GDP) and its role in trade and consumer spending. Together, these metrics provide a comprehensive understanding of the sports industry's economic footprint and underline its increasing relevance in modern economies.

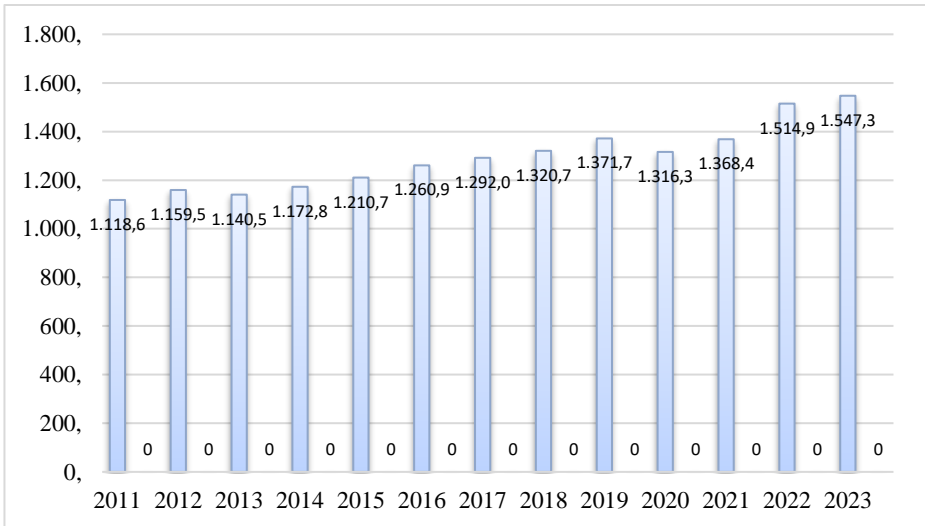


Fig 3. Employment in sport industry
(Source: European Union, 2024)

The figure 3 offers detailed annual data on the total number of individuals employed in the sports sector across the European Union from 2011 to 2023. The data is presented in thousands of persons, providing a clear picture of employment trends in the sports industry throughout this period. Starting at 1,118.6 thousand persons in 2011, the employment figures steadily rise each year, culminating in 1,547.3 thousand persons in 2023. This reflects a consistent growth in employment within the sports sector across the EU, indicating an expanding industry. The most notable increase in employment occurred between 2020 and 2021, where the total number of employed persons grew from 1,316.3 thousand to 1,368.4 thousand. This surge can likely be attributed to the recovery phase of the sports industry following the widespread disruptions caused by the COVID-19 pandemic. During the pandemic, many sports-related activities, events, and facilities were either canceled or closed, leading to a significant reduction in employment in the sector. As the industry began to recover, employment figures rebounded, reflecting a resurgence in sports events, participation, and related services. From 2022 to 2023, the data shows another significant increase in employment, from 1,514.9 thousand persons to 1,547.3 thousand persons.

This continued growth may be driven by several factors, including a stronger post-pandemic recovery, an increase in sports participation, and continued investments in sports infrastructure and events. The rise in employment could also be linked to the expansion of sports-related industries such as sports media, marketing, and sports tourism.

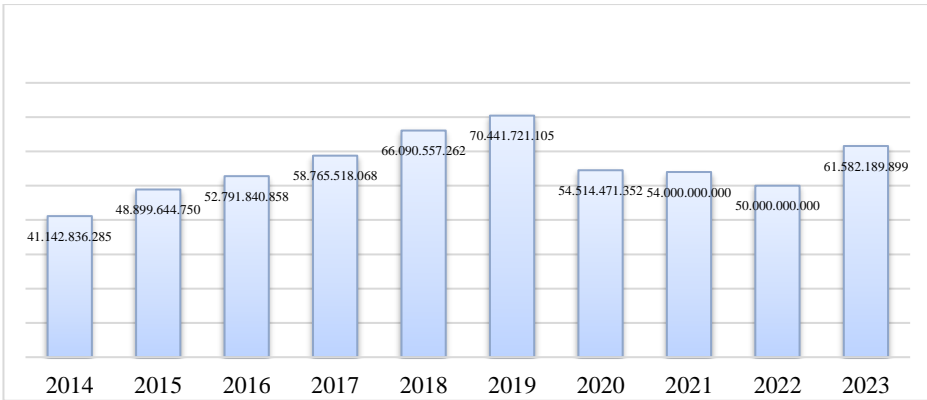


Fig 4. Sold production, exports and import in sport industry
(Source: European Union, 2024)

The figure 4 provides annual data on the economic activities within the sports sector across the European Union (EU27) from 2014 to 2023. Reported in monetary terms, the dataset captures the value of goods and services produced, exported, and imported within the sports industry, offering insights into its contribution to the economy and trade. Over the period from 2014 to 2019, the data shows steady growth in sold production, exports, and imports, suggesting an expanding sports sector driven by factors such as increased consumer interest, investments in sports infrastructure, and the organization of major sporting events. However, the COVID-19 pandemic caused a significant downturn in 2020, with all three indicators-sold production, exports, and imports-declining due to disruptions in sporting activities and trade networks. The sector experienced a partial recovery in 2021 and 2022, but the figures remained below pre-pandemic levels. The rebound observed in 2023, with values approaching those seen before the pandemic, signals a recovery in the sports sector, supported by a combination of renewed consumer demand and investment.

Conclusion

This paper seeks to provide a comprehensive analysis of the evolution of the sports industry by examining three critical dimensions: consumption patterns, government spending, and employment and production within the sector. First, it explores the consumption patterns of sports-related goods and services, providing a detailed analysis of how consumer demand has evolved across Europe. This aspect is crucial for understanding the broader societal trends influencing the sports industry, as shifts in consumer preferences often reflect changes in lifestyle, health awareness, and the role of sports in modern society. Over the years, there has been a notable increase in the consumption of sports products, driven by rising interest in fitness, recreational activities, and professional sports. Such patterns suggest a growing recognition of sports as both an economic commodity and a cultural necessity.

The second aspect addressed in this paper is government spending on the sports industry, which plays a pivotal role in shaping its growth and accessibility. Government expenditures on sports serve as a key indicator of how public policy and financial investments support the development of sports infrastructure, promote physical activity, and facilitate international sporting events. Over time, these expenditures have become an essential component of national economic strategies, reflecting a broader societal commitment to the promotion of health and well-being. The paper investigates how the share of government spending on sports as a percentage of GDP has remained relatively stable, despite fluctuations in national budgets, suggesting that sports continue to receive consistent support across European nations. This stability in government funding further highlights the growing importance of the sports sector as a driver of social, economic, and even political agendas. The third aspect explored is the employment and production of goods within the sports industry, which is essential for understanding its broader economic impact. Employment in the sports sector includes a wide range of roles, from athletes and coaches to those involved in manufacturing, event management, and marketing. Employment trends within the industry provide valuable insights into its capacity to create jobs and stimulate economic activity. Moreover, the production of goods sold within the sports sector, such as equipment, apparel, and technological innovations, reflects the industry's ability to generate economic value.

This paper examines how production levels have evolved in parallel with consumption patterns, illustrating a clear upward trajectory in the value of goods produced and sold, further solidifying the economic significance of the sports industry.

In conclusion, by investigating these three aspects in detail, the paper demonstrates that the sports industry is experiencing accelerated growth across Europe. While wealthier nations tend to consume more sports products and services, lower-income countries are gradually increasing their engagement with the sector, reflecting a more inclusive trend. Government expenditure remains a stable contributor to the industry's development, and both consumption and production in the sports sector are expanding in tandem. These findings underscore the increasing role of the sports industry not only as a driver of economic activity but also as a key component of contemporary culture and society. The paper argues that, as this industry continues to evolve, it will increasingly shape economic policies and consumer behaviors, making it an essential area of study for understanding modern economic and social dynamics.

Author contributions

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Ethical statement

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