

SEARCHING THE REVENUE PATHS FOR SPORTS CLUBS

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ABSTRACT

One of important challenges of sports clubs is revenue source to cover the clubs costs. The research methodology is descriptive and the instrument is researcher made questionnaire. Statistical society includes 18 sport clubs managers in Lorestan province, Iran. Questionnaire consists of media, advertisement, sponsorship, marketing and technical factors. Freedman test have used for Identify and rank the effective factors on sport clubs revenue. It was found that there are significant differences between the effective factors to revenue the sport clubs, according to this, the most important factors profitable for sport clubs in this regard include: Technical factors, and sponsorship, other factors like marketing, media, and advertisement, have located in lower rank. It was concluded with no doubt that development and promotion of sports fields process for each club needs funds and financial resources apart from Ratings assigned by state. For this reason technical factors and sponsorship have key role in clubs revenue.

Keywords: sports, clubs, revenue

INTRODUCTION

The sport is known as a factor to progress, understanding and mutual respect between nations which many participate in it (1). Synchronous with increase the tendency to sport, many changes have occurred in it as far as professional sport has changed to a big industry. One of important challenges of sport clubs is revenue source to cover the clubs costs. Some professional sport clubs have the sponsor, some plan for the federation financial sources, and others look for the ticket income. Today's the financing through sport goes to be a process, and some countries systematically do it. Corporations and big industries have known that investment in sport sector can help both the sport and use the commercial opportunities.

This is the administrator's duty to prepare the right economical atmosphere to attract appropriate investment to take needed revenue (2), and it is very important administrative affair to have right plan for it, so the sport clubs how doesn't have right strategy for revenue may face with problems. It's clear that routing help increasing the revenue. The common ways to revenue is sponsorship, advertisement and tickets (1). Commercial activities and TV broadcasting rights, created main revenue source for European sport clubs (3), but the recent way is not applied in Iran, because TV broadcasting rights is not applicable in this country because of TV centralized system.

Professional sport demand appropriate costs, and while there is no specified the right responsible to supply these costs, it is logical to own sport clubs to resourcefulness for it.

Despite research, it seems that special attention has not been to make money in sports clubs. As a rule it would be possible to have effective action to revenue if the most important effective factors be recognized, the far cities sport clubs have more problems, which shows the need for a solution.

METHODOLOGY

The research method is description and the instrument is researcher made questionnaire. Statistical society includes 18 sport clubs managers in lorestan province, which whole of them were studied as sample and researcher gathered the data by visiting them. Questionnaire included 45 questions and consists of media, advertisement, sponsorship, marketing and technical factors. Face and content validity of questionnaire's studied by sport management experts, and reliability was calculated with coronbach alpha test which showed 0.71 correlations that is good. As the data are in rank scale, so the freedman test have used for Identify and rank the effective factors on sport clubs revenue.

FINDINGS

The research question is there significant difference between the effective factors to revenue the sport clubs? The freedman test have used to analysis this question, the results is shown in table (1).

Table 1. Ranking the effective factors on sport clubs revenue

No	Factors	Ranking
1	Technical	4.99
2	Sponsorship	4,63
3	Marketing	4,42
4	Media	3,98
5	Advertisement	3,90
Chi square	35,71	
sig	0.0001	

As information shows, the significance level is ($p=0.0001$), that is less than 0.05, so the null hypothesis has rejected and concludes that there are significant difference between the effective factors to revenue the sport clubs, according to this, the most important factors profitable for sport clubs in this regard include: technical factors, and sponsorship, Other factors like marketing, media, and advertisement, have located in lower rank.

DISCUSSION

Results showed that the most important ways to sport clubs revenue is technical factor and the most effective factors are transfer athletes among clubs and establishing sport schools. This is an interesting result and shows new factors effecting on revenue sport clubs because enough attention to technical factor can cause promotion of sport clubs performance. The European center for legal and economy affairs of sports announced that transfer athletes among clubs is one of systematic and formal methods to sport clubs revenue which follows Regulations by Sports references like FIFA, and is a sure and warranted way to sport clubs

revenue in high level (4). Thomas wrote a commentary on exchanges in Europe and says that funds exchanged for transfer athletes among clubs is clear confirm, and given huge sums of funds to sports clubs which can be used for manage club affairs and promotion (5). Transfer athletes among clubs is accepted and regulated affair which have important performance in professional sport. There is no any official athlete transfer agency in Iran. So it is very important to see this result which can cause avoid some possible abuses in professional sport in addition to create financial value. The second factor is establishing sport schools; this is usual way in developed countries. Due to the potential it is reasonable for sport clubs to turn to the field, because it causes revenue and develops sport among young people.

Other findings showed sponsorship is second factor for sport clubs revenue. It is the usual way all over the world and many clubs look for revenue through this way. Ramezani (year) says sponsorship promotes the sport industry and football because it has two-way benefits for sport and corporations (6), Therefore, it is important that measures and good strategies be taken by sport federations. Barros stated that state and municipal helps should not be direct. He says business registration and ownership of the football clubs is one of economic obstacles to development football in Portugal (7). Financial support and grants of organizations is good way but it has a few problems for clubs away from the capital, because the agencies motivation is low in Intended cities.

CONCLUSION

There is no doubt that development and promotion of sports fields process for each club needs funds and financial resources apart from Ratings assigned by state. For this reason technical factors and sponsorship have key role in clubs revenue.

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