

SPORTING GOODS

8.1 Market Assessment

The National Sporting Goods Association (NSGA, www.nsga.org) estimates consumer purchases of sporting goods in 2007 at \$53.7 billion, distributed as follows:

- Equipment: \$25.2 billion
- Athletic footwear: \$17.5 billion
- Sports apparel: \$12.3 billion

8.2 Sports and Recreation Equipment

NSGA estimated consumer equipment purchases by sport for 2007 as follows:

- Exercise: \$5.38 billion
- Golf: \$3.81 billion
- Hunting & firearms: \$3.80 billion
- Team goods sales: \$2.67 billion
- Fishing tackle: \$2.26 billion
- Camping: \$1.57 billion
- Optics: \$1.12 billion
- Billiards & indoor games: \$ 568 million
- Snow skiing: \$ 633 million
- Wheel sports: \$ 417 million
- Baseball & softball: \$ 402 million
- Tennis: \$ 441 million
- Skin diving & scuba gear: \$ 376 million
- Basketball: \$ 320 million
- Archery: \$ 410 million
- Snowboards: \$ 279 million
- Bowling: \$ 184 million
- Hockey & ice skates: \$ 143 million
- Football: \$ 105 million
- Soccer balls: \$ 79 million
- Water skis: \$ 45 million
- Volleyball & badminton sets: \$ 30 million
- Racquetball: \$ 39 million

8.3 Bicycles

According to the National Bicycle Dealers Association (www.nbda.com), retail

bicycle sales, including related parts and accessories, were \$5.8 billion in 2006. A total of 18.2 million bicycles (all wheel sizes) were sold, with 12.7 million of those 20" and above wheel sizes. Unit sales were distributed by category as follows:

- Mountain: 28%
- Road/700C: 17%
- Youth: 16%
- Comfort: 14%
- Hybrid/cross: 13%
- Cruiser: 6%
- Other: 3%

Approximately 75% of bicycle units were sold through the mass merchant channel in 2006, but this represented 37% of the dollars due to the low average selling price of \$72.

Specialty bicycle retailers, of which there are approximately 4,600, feature

The approximately 4,600 specialty bicycle retailers feature higher quality merchandise and added customer services such as bike fitting, expert assembly, and repair. This channel commanded approximately 17% of the bicycle market in terms of unit sales in 2006, and 49% of the dollars, a dominant dollar share. Price points generally start at around \$200, with the average at approximately \$422, though prices can range into the thousands.

Chain sporting goods stores sold approximately 5% of the bicycles in 2006, representing 8% of dollar volume sales.

8.4 Athletic Footwear

According to NSGA, walking shoes are the dominant shoe type in the athletic footwear market. Fitness shoes had the highest growth rate among shoe categories during the most recent five-year period for which sales data are available.

The following are 2006 sales figures and the 2001-to-2006 growth rate for athletic footwear categories:

	Sales	5-yr. Growth
• Walking:	\$4.1 billion	24%
• Gym shoes/sneakers:	\$2.4 billion	20%
• Jogging/running:	\$2.3 billion	35%
• Cross training:	\$1.5 billion	no change
• Hiking shoes/boots:	\$1.0 billion	11%
• Basketball:	\$ 964 million	27%
• Fashion sneakers:	\$ 889 million	n/a
• Sport sandals:	\$ 589 million	14%
• Tennis:	\$ 505 million	no change
• Fitness shoes:	\$ 474 million	44%

8.5 Fitness Apparel

Sports apparel is worn by many consumers as casual wear, causing variations in how various analysts define the category. The Sporting Goods Manufacturers Association (www.sgma.com), for example, does not include T-shirts or other apparel items that are worn as casual wear rather than in sports and fitness activities. Other analysts, such as Mintel (www.mintel.com), define the category more broadly.

While NSGA assesses the sports apparel market at \$12.3 billion, *Fitness Clothing: U.S.*, a recent report by Mintel, pegs the annual sales of fitness apparel at \$41.4 billion, representing 23% of the overall clothing market. Sales of fitness apparel are increasing at 6.7% annually, compared with a 4% growth rate for the overall apparel category.

“Crossover wear is clearly a significant driver behind the continued growth of fitness apparel sales compared to overall apparel sales. It encourages greater spending since the products can be used for more purposes and also encourages higher prices since style becomes more important.”

Retailing Today, 3/18/07

8.6 Used Sporting Goods Equipment

According to the NSGA, consumers spent \$1.0 billion in 2006 for the purchase of used sporting goods equipment. More than 800,000 treadmills and stationary exercise bicycles were purchased used.

“The purchase of used equipment is a two-edged sword. It may take away from new equipment purchases initially, but it also may provide the entry point for future purchasers of upgraded equipment.”

Thomas B. Doyle, V.P. Research
National Sporting Goods Assn., 7/07

SPORTS FANS

9.1 Favorite Sports

According to a January 2007 Harris Poll (www.harrisinteractive.com), favorite sports among adults (age 18 and older) are as follows:

- Professional football: 29%
- Baseball: 14%
- College football: 13%
- Auto racing: 9%
- Men's professional basketball: 7%
- Men's college basketball: 5%
- Men's golf: 4%
- Hockey: 4%
- Men's soccer: 2%
- Men's tennis: 2%
- Track and field: 2%
- Horse racing: 1%
- Boxing: 1%
- Women's tennis: 1%
- Bowling: 1%
- Women's golf: 1%
- Women's college basketball: 1%

In a June 2007 Gallup Poll (www.gallup.com), 54% of respondents said they were sports fans. Survey participants indicated their favorite sport to watch as follows:

- Football: 43%
- Basketball: 12%
- Baseball: 11%
- Auto racing: 4%
- Golf: 3%
- Figure skating: 3%
- Soccer: 2%
- Ice hockey: 2%
- Boxing: 2%
- Tennis: 1%
- Gymnastics: 1%
- Other: 3%
- None: 12%

Respondents in a 2006 ESPN Sports Poll (www.sportspoll.com), a survey of more than 26,000 consumers ages 12 and older, indicated they were fans of the following sports:

- NFL football: 69%
- College football: 59%
- MLB baseball: 59%
- NBA basketball: 49%
- College basketball: 48%
- Figure skating: 48%
- Extreme sports: 45%
- NASCAR: 42%
- Horse racing: 35%
- Boxing: 34%

9.2 Fan Base By Age

According to TNS (www.tnsglobal.com), the following are the favorite sports by age demographic, ranked by percentages of consumers in each age group:

Ages 12-to-17

- NFL football: 78%
- Extreme sports: 75%
- NBA basketball: 72%
- College football: 70%
- College basketball: 64%

Ages 18-to24

- NFL football: 75%
- Extreme sports: 66%
- NBA basketball: 63%
- College football: 62%
- Boxing: 60%

Ages 25-to-34

- NFL football: 70%
- MLB baseball: 57%
- Extreme sports: 56%
- College football: 55%
- NBA basketball: 53%

Ages 35-to-44

- NFL football: 70%
- MLB baseball: 60%
- College football: 55%

- NASCAR: 48%
- Extreme sports: 47%

Ages 45-to-54

- NFL football: 67%
- MLB baseball: 61%
- College football: 56%
- Figure skating: 50%
- NASCAR: 45%

Ages 55-to-64

- NFL football: 62%
- MLB baseball: 59%
- Figure skating: 56%
- College football: 53%
- College basketball: 45%
- Horse racing: 43%

Ages 65 and older

- MLB baseball: 63%
- Figure skating: 62%
- NFL football: 59%
- College football: 55%
- PGA Tour golf: 47%
- Horse racing: 45%

9.3 Fan Base By Gender

According to the ESPN Sports Poll, those considering themselves fans of various sports are distributed by gender as follows:

	Male	Female
• NBA basketball:	75%	25%
• College football:	72%	28%
• PGA Tour golf:	72%	28%
• NFL football:	72%	28%
• MLB baseball:	71%	29%
• X Games action sports:	65%	35%
• Tennis:	52%	48%

9.4 Female Fans

Surveys by Scarborough Sports Marketing (www.scarborough.com) have found that roughly 50 million women avidly follow sports.

According to Scarborough and *Sports Business Journal* (July 16, 2007), the percentages of women (ages 18 and older) who are fans or avid fans of various sports are as follows:

	Fan	Avid Fan
• Olympics:	60%	24%
• NFL football:	49%	15%
• MLB baseball:	43%	10%
• College football:	32%	9%
• NBA basketball:	31%	6%
• College basketball:	26%	7%
• NASCAR:	24%	8%
• Horse racing:	22%	3%
• PGA golf:	21%	4%
• Pro rodeo:	17%	3%
• NHL hockey:	16%	2%
• Pro bull riding:	16%	3%
• Minor league baseball:	16%	2%
• WNBA basketball:	15%	2%
• IndyCar Series racing:	14%	2%
• LPGA golf:	13%	2%
• Monster trucks:	11%	2%
• MLS soccer:	11%	2%
• PBA bowling:	10%	1%

A November 2007 survey by BIGresearch (www.bigresearch.com) found that women are more likely to regularly or occasionally watch televised sports than soap operas. Sixty percent (60%) of women responding said they watched sports regularly or occasionally on television compared with 42% who were regular or occasional soap opera viewers.

9.5 African-American Fans

According to Scarborough Sports Marketing and *Sports Business Journal* (April 30, 2007), the percentages of African-American men (ages 18 and older) who are avid fans of various sports are as follows:

• NFL football:	42%
• College football:	28%
• NBA basketball:	28%
• Olympics:	22%
• College basketball:	21%
• MLB baseball:	18%
• World Wrestling Entertainment:	12%
• NASCAR:	10%
• PGA golf:	9%

- WNBA basketball: 6%
- MLS soccer: 5%
- NHRA drag racing: 4%
- Pro bull riding: 4%
- AFL football: 4%
- Minor league baseball: 4%

9.6 Hispanic-American Fans

According to ESPN Deportes and *Sports Business Journal* (January 22, 2007), the percentages of Hispanic-Americans that are fans of various sports compared with all U.S. consumers are as follows:

	Hispanic- Americans	All Consumers
• Boxing:	62%	33%
• World Cup Soccer:	61%	n/a
• MLB baseball:	59%	58%
• NBA basketball:	56%	50%
• Mexican Soccer League:	56%	n/a
• NFL football:	50%	69%
• Action sports:	48%	45%
• NASCAR auto racing:	40%	43%
• NHL hockey:	24%	28%
• PGA Tour golf:	22%	36%

9.7 Youth Fans

The following percentages of children ages 7-to-11 responded in a recent ESPN Sports Poll that they were fans of the following sports:

- NBA basketball: 77%
- NFL football: 69%
- MLB baseball: 69%
- College basketball: 68%
- Alternative sports: 68%
- MLS soccer: 62%
- College sports: 60%
- NASCAR: 57%
- NHL hockey: 50%