

EVOLUTION AND DEVELOPMENT IN SPORTS TOURISM

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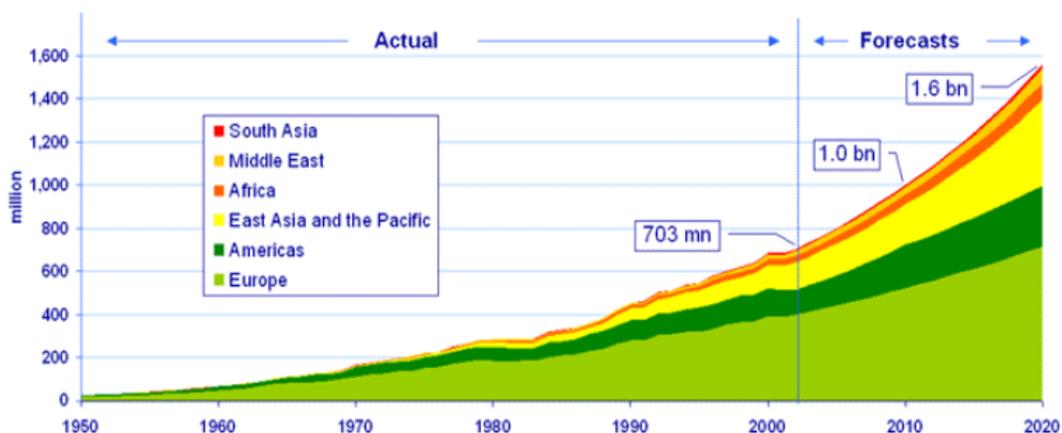
What is sports tourism?

Sports Tourism is defined as a specific travel outside of the usual environment for either passive or active involvement in competitive sport where sport is the prime motivational reason for travel and the touristic or leisure element may act to reinforce the overall experience.



Another definition worth noting explains sport tourism as a combination of sports activities and travel. From a sport marketing and sport management perspective, it consists of two broad categories of products: a) sports participation travel (travel for the purpose of participating in a sports, recreation, leisure or fitness activity); and b) sports spectatorial travel (travel for the purpose of spectating sports, recreation, leisure or fitness activities or events). (Pitts 1997, p31)

With its remarkable growth, the World Tourism Organization (WTO) recognizes that sports tourism is now an emerging market. Indeed, over the past twenty years, the interest in sport especially elite sporting events has grown at a phenomenal rate. Sports tourism events at the international, national and regional levels have a double-barreled effect – the



direct effect of the attendance of the competitors and/or spectators and accompanying persons, and the indirect effect of the marketing of the destination which lead to the subsequent tourism flows. This indirect effect can be very large – most of the tourism benefits of big sporting events are expected to be of this nature.

United Nations Secretary-General Kofi Annan announced last November 11, 2004 that the UN General Assembly has proclaimed 2005 to be the “International Year for Sport and Physical Education” and encouraged all Member States to cultivate the International Year to show the value of sports for peace and development.

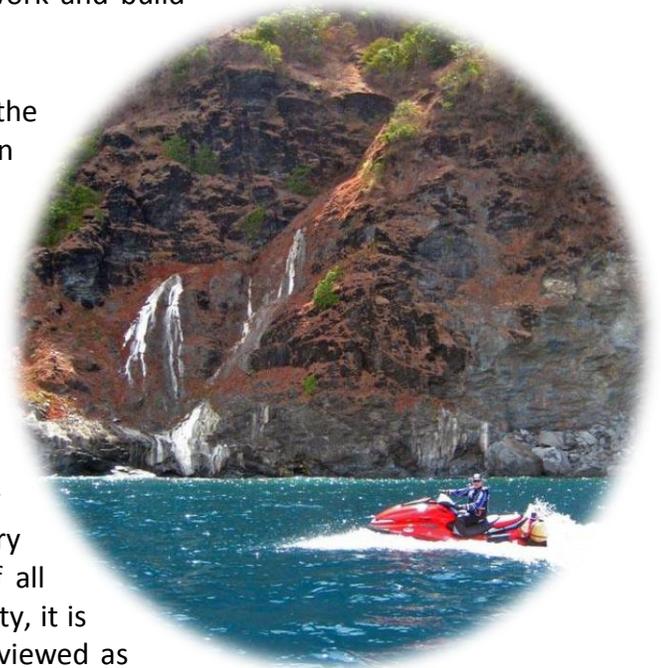
According to Secretary-General Annan, providing access to physical education may cultivate them in learning the ideas of teamwork and tolerance through experiencing real exhilaration. Objectives of the Millennium Development Goals of the United Nations have given focus on achieving sports that would help work and build peace.

This UN Proclamation must have inspired the Philippines’ hosting of the Southeast Asian Games in 2005, serving as catalyst to the various activities that were undertaken to insure successful participation among our athletes and support by our people.

Sports tourism: A Fast Growing Niche in the Tourism Market

Today, tourism is the world’s number one industry while sports is regarded as the number one industry in the leisure sector. Sports is an integral part of all culture, and while often viewed as a separate activity, it is inextricably linked to tourism. Sports can now be viewed as an attraction within the broader tourism industry.

Sports Tourism is emerging as a key component of tourism supply. Major tourism destinations are developing tourism product concepts revolving around pleasure sports. These concepts enable destinations to stand out amongst their competitors and increasing their competitive edge in the international arena, attracting consumers who are keen on getting in touch with nature, and interacting with the community to enjoy more healthy and interactive holidays.



Leap for the multi-billion dollar business in sports tourism

Sports Tourism is a multi-billion dollar business, one of the fastest growing areas of the \$4.5 trillion global travel and tourism industry. It has become a vast international business attracting media coverage, investment, political interest, traveling participants and spectators.

By 2011, travel and tourism is expected to be more than 10 percent of the global domestic product. The economies of cities, regions and even countries around the world are increasingly reliant on the visiting golfer and skier or the traveling football, rugby or cricket supporter. In some countries, sport can account for as much as 25 percent of all tourism receipts. Thus, Sports Tourism has started to earn its reputation to be a multi-million dollar business.

Trends in tourism over the last decade have shown that sports tourism is emerging as a very significant segment of the global tourist market. While tourism industry in the Philippines continues to grow, a significant expansion in the worldwide sports and recreation industry has also been felt. These industries come together in the sports tourism sector and with the emergence of niche markets as a major factor in tourism development, the potential for growth in the sector is considerable.

A unison of vision of two world organizations, WTO and IOC

No less than the World Tourism Organization (WTO) and the International Olympic Committee (IOC) recognize sports and tourism as living forces for mutual understanding, culture and development of society through a cooperation agreement forged in 2001. Through this, it jointly asserts both industries as interrelated and complementary and powerful forces for development, stimulating investment, sustainable economic growth, and further creation of employment and generation of revenues.



The worldwide phenomenon in sports tourism

To date, sports and active recreation have become very large and successful industries worldwide. A 1994 European Commission Report of the European Community and Sport estimated that sports industry is responsible for 2.5 percent of world trade.

Over the last 10 years, the global sports industry has seen rapid changes and innovations fuelled by a range of driving factors such as the increase in leisure time and spending, the appetite for spectacle and participation, new distribution methods and the deregulation of the broadcast industry. This resulted to travel worldwide mainly for sports purposes.

Sports tourism is now a multi-billion dollar business - one of the fastest growing areas of the \$4.5 trillion global travel and tourism industry. By 2011, travel and tourism is expected to be more than ten (10) percent of the global domestic product. The economies of cities, regions and even countries around the world are increasingly reliant on the visiting golfer and skier or the traveling football, rugby or cricket supporter. In some countries, sport can account for as much as 25 percent of all tourism receipts.

An analysis by The Bureau of Tourism Research recently published in *Sports Tourism: an Australian Perspective* states that 6 percent of day trips and 5 per cent of overnight trips taken by Australians in Australia, were taken with sport as the primary motivation. This corresponds to expenditure of \$1847 million by domestic sports tourists, of which \$461 million was spent on day trips and the remaining \$1386 million on overnight trips.

In a separate study in Australia, sports tourism sector accounts for about 55% of the total tourism market. Across both international and domestic tourism, sports tourism in Australia account for annual expenditure of about \$3 billion per annum.

In 1998, 37% of Canada's 73.7 million domestic trips were for sports tourism purposes. In Canada, sport tourists are defined as individuals who traveled and in doing so participated in or attended a sports event during the reference period. Sport tourists account for between 2.5 and 5 million individuals from June to September, July and August being the most popular months for sport tourist activities (15% and 18%). (Statistics Canada - 1998 Canadian Travel Survey) (*Note that this does not mean that 37% of tourism activity was sports tourism – rather which 37% of travelers traveled at least once for sports purposes*).

While sport tourism in South Africa is yet to be established, sports tourism (spectator and participant) makes up four percent (4%) of its domestic tourism market. This appeared following the launching of South Africa Sports Tourism (SAST) by the Ministry of Environmental Affairs and Tourism, and the Ministry of Sport and Recreation in October 1997, (Swart, 1998; Standeven & DeKnop, 1999) after it specifically identified sports tourism as an avenue for the development and promotion of tourism in its study.

In the case of the United States of America, the Travel Industry Association of America found that in the past five years, 38 percent of US adults attended an organized event, competition or tournament as a spectator or participant, while on a trip of 50 miles or more.

The British Tourist Authority and English Tourism Board claim as many as 20 percent of tourist trips are for the prime purpose of sports participation, while up to 50 percent of holidays include incidental sports participation. This level of activity is broadly consistent with Canadian data, with the 1998 Canadian Travel Survey finding that 37% of domestic trips that year were for sports-related purposes.

Based on the 2005 Annual Survey of Philippine Business Industry (ASPBI), sporting and other recreational establishments generated the highest revenue amounting to Php44.7 billion or 45.4 % of the total revenue.

The challenge to go the distance in Philippine sports tourism is on ...

No less than Hong Kong-based Action Asia declares the Philippines as having all the ingredients to become one of the world's great adventure travel destinations. The Philippine landscape is a natural haven for adventure activities and sports tourism. Our 7,107 islands boast and offer every imaginable way for adventure seekers. Yet, the country is still an unknown quantity outside Asia.



While the country has already started to realize that sports tourism is one ideal avenue to spur tourism growth in the country, it has not yet done its homework of developing the said sector.

As an initial step to raise awareness on the opportunities sport tourism may bring to the country, the Philippine Convention and Visitors Corporation (PCVC), supported by the Philippine Olympic Committee (POC) and Philippine Sports Commission (PSC) and participated in by the country's sports and travel trade suppliers organized in November 7-30, 2003 the 1st Sports Tourism and Adventure Travel Show. Nevertheless, no concrete plan or follow-up has been done to sustain its development mainly due to lack of financial support.

The Philippine Department of Tourism (DOT), which is the country's lead agency tasked to develop the tourism industry in the Philippines, has neither the policy nor operational influence over the policies or programs of the sports industry being administered by the Philippine Sports Commission (PSC), much less the Philippine Olympic Committee (POC), an autonomous entity that sanctions the country's participation in international competitions.

The Philippines has played host to a number of international sporting events. Sadly, sports tourism opportunities, and especially the tourism benefits, are sometimes lost or not maximized in all these hosted events because the linkages between the sports and tourism sectors are not yet established. Sporting activities, especially events, have historically been organized by sporting organizations for purely sporting purposes. Maximizing the tourism potential of the events has often not been a major consideration for the organizers, representing a potential failure of the market. Further, many sporting organizations rely on volunteers, and may not have well developed business or organizational skills or experience. Both of these factors can lead to lost tourism opportunities. To overcome this, better linkages need to be established between the sporting and tourism groups at all levels – regional and national.

Senator Richard Gordon, former tourism secretary, has seen the need to strengthen this sector. In his proposed bill, SB 1834, entitled "An Act Declaring and Implementing a National Policy for Tourism as the Primary Engine of Investment, Employment, Growth and National Development, And Providing Necessary Incentives Therefore," the realignment of the Philippine Sports Commission under the Department of Tourism is proposed. It underscores the importance of sports competition in promoting tourism.

Like many niche tourism sectors, the sports tourism sector suffers from a lack of reliable data on which to base strategic decision-making. Even data, which might help measure the size of the sector, is not readily available. The Arrival/Departure Survey Card, a research tool used by the Department of Tourism in ascertaining arrivals and factors associated to tourism for its decision-making, does not still consider sports in its checklist. Thus far, the country has no existing data on the extent or magnitude of the sports tourism and the economic impact it brings. Even the Philippine Sports Commission has no data on the extent of the sports industry, how many it employs and how much it contributes to the economy.

Certainly, there are still a lot of issues and impediments which need to be addressed, namely: coordination of the sports tourism industry, education and training, regulatory issues (e.g. visas, customs) on the industry, infrastructure requirements of the industry, research and data collection requirements and evaluation of the economic benefits of sports tourism.

The Philippines, by all means, can do so much in terms of developing the said market. Concrete mechanisms are yet to be institutionalized to maximize the sports tourism market.

While other countries have started and in the process of developing strategies for their respective sports tourism industry, the country is still at a standstill in one niche market where we have all the potentials to compete. After all, the tourism industry is more than just destinations but innovative marketing as well.

Recognizes sports tourism as a catalyst for growth in the Philippines

The Philippine government, under the administration of President Gloria Macapagal-Arroyo, firmly recognizes and establishes the importance of sports tourism as a catalyst for growth.

On the other hand, sports have always been an integral part of the nation's life and it is increasingly being recognized that sporting events and activities have the potential to be a major tourism draw card.

In October 2009, President Arroyo posed a challenge to the DOT and to both the sports and tourism sectors to continue maximizing efforts and resources of an archipelagic country like the Philippines to go the distance. A complete message sent to the DOT is read as follows:

"In 2001, the world has finally opened access to previously restricted opportunities in sports and tourism when the World Health Organization (WHO) and the International Olympic Committee (IOC) hosted a major international conference in Barcelona, Spain to define the development issues and challenges faced by the fusion of sports and tourism.

This global breakthrough has inspired the Department of Tourism to launch sports tourism in the Philippines in 2002. A 3-week celebration through the 1st Sports and Adventure Travel Show held at the Intramuros Clamshell signaled the packaging and promotion of the Philippines as a one-stop-action-destination.

Play Philippines!

From then on, the Department of Tourism initiated a number of programs and activities to cater to a strong tourist demand for sports experiences. Indeed, there are now a high number of travelers seeking active and passive involvement in sports.

The expanding demand to cater to this phenomenon is now a challenge that the Department of Tourism has to seriously consider.

With the magnificent topography of Philippine archipelago, there is no reason "Play Philippines!" will not go the distance on a global scale."

More tasks are yet to be done in Philippine sports tourism development

As it is, however, there appears to be not enough effort between the sports sector/industry and the tourism sector/industry that might lead to significant development and merger of the sports tourism sector. For all practical purposes, significant relationship between sports and tourism is yet to be established at either the policy or operational level.

Impact of Sports Tourism in the Philippines

Both the tourism and sports industries have recognized sports tourism as a catalyst for economic and tourism growth. It can play a crucial role in:

1. Making known to people worldwide and nationwide that the Philippines have an array of magnificent islands with breathtaking landscapes and wonderful terrains that are very conducive to sports, adventure and recreational activities. That, in the Philippines, they can:

- Learn diverse kinds of sports
- Play and experience sports for recreation and leisure
- Host high-level sports tournaments
- Organize friendly games
- Hold sports and adventure boot camps
- Conduct sports conference and other educational gatherings
- Advance sports professional and academic competencies

2. Persuading visitors to travel to a particular destination;
3. Stimulating visitation at particular times of the year;
4. Encouraging visitors to stay longer;
5. Facilitating repeat visitation;
6. Generating media coverage and promotional opportunities for a destination; and
7. Broadening perceptions of a destination.