Economic Impact of Sports Commissions in an Indiana Community

An Honors Thesis (SPST 490)

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Abstract

Many communities are strikingly unaware of the additional revenue sources than can be brought in through sports. While not all communities have the resources necessary to handle sporting events, many do and would benefit greatly from the added revenue. The current economic condition of the United States and around the world provides the basis for this research. Many communities are in need of additional revenue sources, and sports tourism is a practical way to bring in that much needed revenue.

There is currently a lack of knowledge in communities in regards to sports tourism. When an economy is suffering, many communities think of adding more stores or production facilities to increase the number of jobs in an area, but another area often overlooked is tourism. Sports tourism specifically has been growing in popularity since the late 1980s. This can be seen in part due to the growth in youth sports. There has been a shift from recreational sports in local communities to more travel based leagues moving throughout the region or country to compete against other youths. This creates an industry that can be greatly beneficial to a community in terms of providing additional revenues.

Most communities do not see the connection that exists between sports and the local economy, but the connection does exist and needs to be brought to light. The demand exists for this type of industry, but the supply is limited. This industry is in the growth stage, making this an ideal time for communities to utilize their resources in an effort to advance sports tourism in their region.

We have also seen areas of the country hosting sporting events separately from the community. This gap can be closed, and by doing so, communities can begin working with
sporting organizations to involve the community at large in the tournaments and events. As communities begin to see the impact that sporting endeavors can have on the local economy, they will begin taking pride in those events and working together to close the gap between the community and sports league. By combining sports leagues and the community in hosting a tournament, these events can grow and become a focus of the community instead of a random event.

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Rationale

Determining what project I would embark on for my Honors Thesis was a much more difficult task than I originally anticipated. I had taken countless classes within my major and minors, but was unsure as to how I was going to be able to incorporate those classes into a cohesive thesis topic. As I began to think through my coursework and internship experiences, I came to realize I had learned firsthand how to combine the areas of business and sports by interning with a sports commission. Gaining an understanding of sports management and marketing, economic development, and risk management, I had combined my major and minors before without realizing. Looking back on that experience it became apparent to me that the study of sports commissions within a community would be the ideal way for me to not only display what I had already learned throughout my college career, but expand upon that existing information, by applying it to a community in Indiana. My time as an intern was spent working with one of the most active sports commissions in the state, so through this project, I wanted to take the opportunity to look at a community not currently utilizing a sports commission and determine whether or not the addition of one would be feasible.

Plan (Research Design)

There were three main characteristics that needed to be analyzed within a community before I could choose that community as the research subject for this study. The first of these
was the number and types of sports facilities in the community. If there were not any sports facilities in the community, it would not be able to host sporting events. Similarly, if there were a few facilities, but needed updating or more facilities needed to be built, it may not be economically feasible to start a sports commission in that area. If there were a significant number of sports facilities in the area, I moved on to criteria number two: were there sports leagues in the area capable of hosting a tournament or event. Most tournaments will ask that a local league act as a host for the event. If there were not any sports leagues in the area, the community would not easily be able to host tournaments or events and adding a sports commission would not be feasible. If the first two criteria were met, I moved on to the third characteristic. That is, did the community have hotels and other shops, restaurants, and attractions at which spectators could spend money during their stay. If there were not any hotels to stay in, athletes and fans would only travel from short distances or would stay elsewhere, taking their money outside the community hosting the event. This would in turn, defeat the purpose of hosting the event, as visitors’ spending would be moved outside of the community. In order for a positive economic impact to be attained, athletes and spectators must be able to spend money in the community in which they are visiting for the tournament or event.

Introduction and Definitions

Prior to analyzing the three characteristics outlined above, I needed to develop an understanding of what a sports commission does, and why that would be beneficial within the
context of a community. The concept of sports commissions is fairly unknown in terms of what they are responsible for and what their purpose is in society. The truth is, sports commissions are a fairly untapped source of revenue for communities. Before we can look at why this is true, it is best to start with defining what sports commissions are and what their responsibilities are within a community.

What is a sports commission?

As stated in the Frequently Asked Questions section of the National Association of Sports Commissions’ website, the question is answered first with a brief history, “

For many years, in hundreds of communities throughout the United States, all promotional efforts for the area were conducted through the local chamber of commerce. Over time, these promotional efforts became so specialized that separate chamber divisions, or totally independent corporations were formed to handle these unique markets, such as industrial development and tourism promotion.

Today, one of the grandchildren of these first promotional efforts is the sports commission. Throughout the United States, these organizations have originated in several manners. Many had their beginnings as chamber of commerce committees. A large number were, (and still are), associated with the local convention and visitors’ bureau. Some have been formed as independent, non-profit entities. Formation aside, all across the nation, communities are
realizing the massive economic and public relations impact sports can have on a city. Capitalizing on this impact requires special people with unique insights into this market (FAQs).

The National Association of Sports Commissions defines sports commission as: “an organization created to support the creation and hosting of amateur sporting events in their community. May be born out of a chamber of commerce, convention and visitors bureau or be a department within a bureau” (National Association of Sports Commissions).

Sports commissions can be responsible for a number of different things depending on the community in which they are working. There are some commonalities among most sports commissions, but there can be some variation depending upon what is needed within each specific community. These responsibilities include but are not limited to: hotel reservations for teams, providing information regarding local sports facilities, tournament or event organization, information regarding local restaurants and attractions, and many other things.

Four Types of Sports Tourism (National Association of Sports Commissions, Appendix 3, slide 2)

1. Incidental Sports Tourism- not main purpose of trip
2. Nostalgia sports tourism- museums, stadium tours, fantasy camps
3. Spectator sport tourism- highest profile and highest investment
4. Participation sports tourism- lifestyle trips to “8 to 80” team events (main focus of sports commissions)
Listed above, we see that there are four different kinds of sports tourism, each differing in the type of events held and the types of tourists brought into the community. The first of these types is Incidental Sports Tourism. In this category, we place tourists who came to a given community for a certain purpose, for example a family vacation, but became a part of the sporting event taking place. They decided to attend the event after reaching their destination, considering the sporting event another tourist activity to experience during their trip (National Association of Sports Commissions).

The second type, Nostalgia sports tourism consists of sports experiences instead of tournaments and events. These experiences include visits to museums, tours of sports arenas and stadiums, and fantasy camps that provide an opportunity for adults to attend sports camps with some of their favorite players and childhood icons. This is a very specialized market of sports tourism, but one that can often be incorporated into the other types listed above. For instance, a family may visit a town because their son is playing in a tournament with his travel baseball team, which would be called Participation sports tourism. The son’s team wins their first game and finds out that they will not play until tomorrow when the winners’ bracket starts, so the family wants to find something to do for the rest of today. They visit the local visitor’s bureau and learn that there is a baseball museum in the town. Visiting this museum would be an example of Nostalgia sports tourism (National Association of Sports Commissions).

The third type of sports tourism is Spectator sport tourism. This type of sports tourism involves the highest level of investment on the part of the visitor of all forms of sports tourism. This category would include attending professional sporting events which are far more expensive than amateur events. Visitors planning to attend such events are deeply invested in
the trip and the experience, both financially and emotionally (National Association of Sports
Commissions).

The fourth type of sports tourism is the main focus of sports commissions: Participation
sports tourism. This type encompasses athletes who are competing and their parents, friends,
and family who attend the tournaments to see their favorite amateur athlete compete,
therefore spending money in the community. Parents are often more willing to invest money
in something their children are participating in, and will therefore often attend these
tournaments in support of their children. While deciding which tournaments to attend, many
coaches and parents decide to treat these tournaments as family vacations. They will invite
grandparents and bring the rest of their immediate family along for the trip. This mindset often
moves them to choose a location further away, as it will take the place of a traditional vacation
(National Association of Sports Commissions).

Outside Activities

When looking at participation sports tourism, there are many factors to consider
further. As the economy moved into a period of recession, many families found themselves in a
place of deciding whether to go on a family vacation in addition to attending their children’s
tournaments, or if it was only going to be feasible to take one of these trips during the year.
Many of these families are choosing to treat the tournaments as a family vacation in order to
cut costs that would be incurred by travelling twice. For this reason, it is extremely important
that the community hosting a tournament or event be aware of this. Awareness is simply the
first step of this process though, communities must also determine what types of activities and venues they have to promote to tourists. Maybe there is a shopping mall nearby or a waterpark, hiking trails and bike paths are often inexpensive ways for families to spend their free time during these tournament weeks. There are also museums, restaurants, and local festivals to promote to the sports tourists coming into an area.

It is important to note here that it is not enough for a community to simply know about these attractions and events. If a community is utilizing the work of a sports commission, they will want to contact these attractions to make them aware of the upcoming sports tournament or event, possibly securing discounts for tournament attendees or providing publicity for the attraction. They will also want to notify the teams and families planning to attend the tournament of the types of attractions and discounts available to them during their visit. This will allow them to plan ahead for their trip and help to make their overall experience more enjoyable.

While it is important for the community to have activities outside the realm of sports for tourists and tournament participants and fans to enjoy while taking part in a tournament or event, it is also necessary to note that sports tourism is not just for the tourists. There are also several benefits for the community and local residents to enjoy.

**Benefits to community**

While it is easy to look at the definition of sports commission, and look at what it is they are responsible for, it is also easy to look at the factors and disregard the benefit that could be had
on the community as a whole. The sports commission industry has been growing over the last several years, but is still underutilized in many communities. In 1988-1989, there were approximately 25 sports commissions, in June 2011, the National Association of Sports Commissions reported having over 550 members (National Association of Sports Commissions, Appendix 3, slide 4). The growth of this industry in the last twenty years has been extremely high. The number of sports commissions is not the only factor affecting this industry that has grown in the last twenty years, the number of amateur sporting events hosting by these sports commissions has also grown by about 10 percent each year (National Association of Sports Commissions, Appendix 3, slide 4). The direct visitor spending from these events is reaching the seven billion dollar mark (National Association of Sports Commissions, Appendix 3, slide 4). So while the term sports commission may not be well known in many communities, the option to ignore it will not be possible much longer based on the growth of events and the value of visitors’ spending. Below I have included a list of potential benefits to the community and local residents, including (National Association of Sports Commissions, Appendix 3, slide 8):

1. Economic impact through visitor spending

   When visitors come into a community for a sporting event or tournament, they are going to be spending money. Many of these visitors are travelling from out of town and will need to stay in a hotel or at local campground, they will need to purchase food either in a restaurant or at a local grocery store, and they will need to find a way to spend their time outside of the tournament often leading to visitors spending money at local attractions.

2. Positive media exposure
Sports tournaments and events can often provide positive public relations efforts for the community. Families spending time together, youth being active, and people coming from around the region or country all lead to positive media exposure. This media exposure can be utilized to promote not only the event, but the community in general. Visitor spending increases during the time of tournaments and other sporting events, but it can also increase during other times throughout the year and positive media exposure is an excellent way to increase awareness, in turn, increasing visitor spending throughout the year.

3. Quality of life

Hosting tournaments and events in a given community often leads local residents to have a sense of pride for their community. Tourists are travelling in to spend time in their town, often creating a sense of responsibility for locals as they strive to create an atmosphere that will draw people in. As more tournaments and events are being held, and more tourists are therefore coming into the community, improvements will be made to the town. These improvements will improve not only the quality of experience for tourists, but will also improve the quality of life for the local residents.

4. Extends use of existing facilities

In communities utilizing sports commissions and hosting several different sporting events throughout the year, usage of their existing facilities is increased throughout the year. Instead of having ten recreational league baseball games a month, for example, these communities realize they can play that many games, if not more, in one weekend by hosting a tournament and bringing outside teams into the community.
While there is additional work involved in order to extend the use of the existing facilities by planning these events, the community as a whole will be benefitted as they see these facilities being used more. When local residents are able to see these facilities being used, they are able to justify the original cost of building these facilities and the maintenance required year after year.

5. Helps local leagues and teams raise funds

Many regional and national tournaments require that a local team host the event. For this reason, local teams will be able to use these tournaments as a way to raise money not only through increased visitor spending in the community, but for their team as well.

6. Keeps some of your teams in town!

Hosting tournaments is not only a positive thing in the sense that money can be brought into the community based on visitor spending, but local teams are also given the opportunity to stay in town. These teams and their families are able to save the money they would have spent in another community, and instead spend some of that in their own communities. Athletes are also able to play on their own field or court, which often is beneficial for the team as a whole.

Practical Tips (Economic Impact of Sports Events)

Sporting events have always had an economic impact on the communities in which they are held. This impact has not always been utilized as a way to benefit the community, but today we
are able to see that this trend is beginning to take shape. Below are some practical tips about the economic impact of sporting events provided by Don Schumacher & Associates, In, Cincinnati, Ohio (Appendix 2):

- Sport has always been about keeping score
- Teams, cities, sports commissions, convention and visitors' bureaus, and state tourism bureaus all need to keep score
- Economic impact studies are designed to help keep score
- All economic impact studies are flawed
- To understand the number, first determine who paid for the study
- All sponsors of economic impact reports are not trying to mislead their audiences
- It is very difficult to know what did happen, and impossible to predict accurately what will happen
- Economic impact is what outsiders spend in your state or community...period
- Studies can be conducted by specialists or universities, or projections can be made with formulas
- The basic formula is the number of visitors time the number of nights of stay times the amount spent each day
- No one disputes the fact that a sports event produces economic impact. Issues arise when computing the impact, but visitor spending is real and benefits the local economy.
- Suspicion should be directed toward impact studies in support of a new facility. Intangible factors like achieving or maintaining "major league status" or projecting an
image of a “renaissance for downtown” or to project an image of a “town on the move” may ultimately play bigger roles than claims of significant economic impact.

Choosing a Community

As I began work on this project, I expected to complete a full economic impact study on a chosen community in Indiana. As I continued to do research, I was able to learn how one would complete an economic impact study, but came to realize that it is nearly impossible to estimate the economic impact that could be had on a community for an event or sports commission that does not exist. That being said, it is not impossible to look at the current assets of a community and determine how to better utilize the existing sports facilities and determine whether there is the possibility of hosting enough amateur events to create a need for the addition of a sports commission. This project took an unexpected turn, but the information developed is still useful, maybe even more than expected. While I was not able to provide an estimated dollar amount for what the addition of a sports commission would bring into the community, I was able to learn how many other factors are equally, if not more important than the estimated dollar figure of economic impact.

Chosen Community

When deciding which county in Indiana to analyze, I first wanted to consider what counties were already utilizing a sports commission of some sort. While there are several listed on the National Association of Sports Commission’s website, I was able to determine that the
more active sports commissions were located in Hamilton, Lake, and Monroe counties (NASC).

When choosing a community to analyze for this project, I wanted to look for a community located outside of these counties, as well as, far enough away to prevent excessive competition. While this did not narrow the field by very many locations, it did help me to determine a few areas that would have the potential to utilize a sports commission. I wanted to look next at what communities were already working to be active in the realm of amateur sports, but could use additional resources to make the most of their existing assets.

These reasons led me to look at New Castle, Indiana in Henry County. This county is home to the Indiana Basketball Hall of Fame, the world’s largest basketball gym, a gym used to film part of the movie *Hoosiers*, and a highly active Little League Baseball program. These factors along with the location led me to choose Henry County as the community to analyze for this project.

**Complications**

This project took many unexpected turns along the way. While I expected to be researching the specific economic impact a sports commission could have on Henry County, I quickly learned that the figures necessary to determine that value would not be available (Scott Martyn, et al. p 191, 193). The economic impact of a single sporting event can only be found if the event has taken place, but without having actually hosted events through a sports commission it would have been nearly impossible to determine the value created by a sports commission. While I could have tried to make an educated guess on these figures, the end
result I would have come to would not have been a valuable resource for Henry County to use in making their decision. Taking this into consideration, I instead decided to focus on the non-numerical factors to evaluate whether or not a sports commission would be a welcome addition to the Henry County community.

My original plan was also changed in the amount of direct contact I had with the community being analyzed. I had planned to work with the community extensively throughout the semester, but that was not the case. Due to extenuating circumstances with the Henry County Visitors’ Bureau employee it was recommended I speak with, I was unable to work with them as much as I would have liked. The Visitors’ Bureau employee I was able to speak with was very helpful in directing me to others in the community who would be able to provide me with the information I needed, but the relationship with the organization throughout the process was not such that I could present the findings of my research to them as the project came to a close. This was unfortunate, but I was able to learn so much more by doing the research myself than if I would have received additional support from the community.

Communication with Henry County

While my communication with members of the community did not go as I had originally planned, I think it is important to note what communication I did have. My brief interactions with members of the Henry County community were able to be used as a launching pad for the rest of my project. The Internet is an invaluable resource, but the advice and information that can be provided by someone within a specific focus area can be even more beneficial.
I called Henry County initially to ask for their permission to do this research on their community, and while they seemed to be unconcerned with my research, they were concerned with their ability to help me. The woman I was able to speak with was filling in for the man who typically works in that position while he was recovering from surgery. She was unsure how to help me, but was willing to provide me with any help she could. She spoke with members of the visitors’ bureau board of directors and suggested that I speak with one of them myself as I continued my research. She suggested I call Sharon Roberts who works for the Indiana Basketball Hall of Fame, as she would be able to provide additional information to include in my research.

Ms. Roberts was an extremely valuable resource to me during the research process of this project. She is the Assistant Director of the Indiana Basketball Hall of Fame in New Castle, Indiana, and therefore has access to several facts and figures associated with the existing sports facilities in Henry County that I was hoping to analyze. She was able to tell me what types of sporting events and tournaments were already being held and what types of responses the Indiana Basketball Hall of Fame had received from those events. Ms. Roberts was able to provide me with very helpful information as I began my research on the existing facilities in Henry County.

Henry County Sports Facilities

Before considering the addition of a sports commission in Henry County, I wanted to look at what types of facilities were available and what types of events, if any, we currently
being hosted in Henry County. If there were not any facilities currently existing, then the addition of a sports commission would not be feasible until facilities had been built. This would be an extremely expensive process, and one that I would not recommend in most circumstances. Henry County had existing facilities, so the research could continue.

The two main sports facilities in Henry County are the New Castle Fieldhouse and the Hoosier Gym. The first of these facilities, the New Castle Fieldhouse, seats approximately 9,325 people, making it the largest high school basketball gym in the world ("New Castle Fieldhouse"). The second of these facilities, Hoosier Gym, is much smaller than the first, seating only 700 people. This facility has its own claim to fame though, as it is a site where part of the well-known movie Hoosiers was filmed (The Historic Hoosier Gym).

New Castle, Indiana in Henry County is also home to the Indiana Basketball Hall of Fame. Basketball in the state of Indiana is extremely important, and for a community to be home to the Indiana Basketball Hall of Fame, but not utilize the resources of a sports commission, was interesting to me. The Hall of Fame does some of the work that a sports commission would do in other communities, but it is not their sole responsibility. They are able to plan one to two large tournaments each year, but they have many other activities to take care of in conjunction with the Indiana Basketball Hall of Fame.

Home to the Indiana Basketball Hall of Fame, the largest basketball gym in the world, and a gymnasium used to film part of the movie Hoosiers; it is apparent that basketball is the most popular sport in this community. Popularity and local high school sporting events will not bring in the large amount of visitors’ spending that is possible with large regional or national tournaments and events. I wanted to see how these facilities were being utilized throughout
the year to see if maximum usage and return on investment were being reached. I discovered through this process that while these facilities are located within Henry County, they are not necessarily open to being used for outside tournaments and events. The New Castle Fieldhouse, for example, is the home gymnasium for New Castle High School. Any tournament or event wanting to be held in that facility must be planned through the athletic director’s office. While this is not a problem, it does create an added level of difficulty in planning an event.

Each year, the Indiana Basketball Hall of Fame hosts a tournament at the New Castle Fieldhouse during winter break. High school teams from around the state must apply to participate in this tournament due to the large number of teams wishing to compete (Sharon Roberts, Assistant Director, Indiana Basketball Hall of Fame). We can see from this that teams want to compete in New Castle and are willing to travel to do so, but their opportunities are limited. Throughout the rest of the year, the facility is primarily used for local high school sporting events. Other events wishing to use the space contact the athletic director’s office directly to plan their event. A similar situation is found at the Hoosier Gym in Knightstown. This facility hosts a tournament each summer for the Indiana All-Stars, but focuses more on nostalgia sports tourism throughout the rest of the year. High school teams will come to practice at the famous facility, and tours are given throughout the year (The Historic Hoosier Gym).

Each of these facilities bring in tourists and fans from around the state and even around the world in the case of the Indiana Basketball Hall of Fame, but in order to justify the addition of a sports commission to the community, there would need to be the potential to host many
more events throughout the year. Due to the current local demands on the facilities, I do not think that this would be possible.

Basketball is not the only sport gaining notoriety in Henry County, Indiana though, the local Little League baseball team advanced to the Little League World Series in the summer of 2012 for the first time. There are also girls and boys softball and baseball leagues in Henry County. While these leagues exist in Henry County, there is no evidence of their ability to host a tournament. These teams are obviously participating in tournaments throughout the region, but likely do not have the experience necessary to host a large tournament of their own.

**Henry County Demographics**

Sports commissions are most effective in communities where citizens have a fairly substantial disposable income, and where families are common. These types of communities work well because parents with disposable incomes will often spend that extra money on their children, in many cases through the outlet of sports (National Association of Sports Commissions). For this reason, I needed to look at the demographic information for Henry County. Within the demographic information, I needed to look at how many youths (5-17 years old) were living in the county, and how many individuals or families were assisted by welfare, free and reduced lunch, or fall below the poverty line in terms of income.

In Henry County in 2011, 16.8 percent of the county fell into the 5 to 17 year old age bracket comprising approximately 8,277 people. This is one of the largest groups of people living in Henry County. The groups that are larger consist of 25 to 44 year olds and 45 to 64
year olds; both of these groups make up the population that would be the parents of the 5 to 17 year olds. While it cannot be assumed that all of the 8,000 plus youths living in Henry County will compete in sports, that number can be looked at as a positive sign that there are youths in the area who are either currently competing in sporting events, or would be interested if the opportunity presented itself ("InDepth Profile").

It was also crucial in this study to look at the poverty rate for Henry County. This number is useful in looking at the income level of community members due to the fact that youth sports are often not free events. If a large portion of the community falls below the poverty level in terms of income, it may not be wise to organize a sports commission within the county. In Henry County, the poverty rate in 2010 was 16.2 percent which is higher than the Indiana state average of 15.3 percent. This number is fairly high, and while it is not an automatic disqualifier for the addition of a sports commission, it is a number that will need to be considered further in light of the rest of this research ("InDepth Profile").

**Lodging Information**

If large sports tournaments and events were to be held in Henry County, one major area for improvement would be the number and quality of hotels in the area. There are currently very few hotels in the area, many of which receiving poor online reviews. While there are several larger cities located in a fairly close vicinity to Henry County, tourists will not want the added hassle of driving a large distance to get to the tournament, then driving even further each day to the actual venue. If the goal of hosting a sporting event or tournament is to
increase visitors’ spending, moving outside the county to find a hotel defeats the purpose. This is a major negative for Henry County in the eyes of a selection committee when choosing which community to host a regional or national tournament or event.

Additional Activity Information

The main activity in the community is the Indiana Basketball Hall of Fame. This museum located in New Castle, Indiana is open seven days a week, and charges a very reasonable admission fee. The cost is five dollars for teens and adults, three dollars for children ages five to twelve, and children under the age of five are admitted for free. This museum also offers group rates which would be ideal for teams and families travelling together (New Castle, IN). This educational, sports related activity is a tourist attraction of its own, bringing people from around the world into Henry County, but also creates an exciting activity for sports tourists to enjoy during their stay in Henry County.

Recommendation

When I began this analysis, I expected to find that whatever community I chose to research would in fact be able to utilize the addition of a sports commission. In choosing Henry County, I expected to recommend that a department specializing in the planning and organizing of sporting events in the community be added to their visitors’ bureau, but this is not the case. Based on my findings throughout this project, I have determined that it would not be a wise economic decision for Henry County to create a sports commission.
During my initial analysis, I looked at the facilities that would be available for hosting sporting events and tournaments. The basketball gyms were the most likely candidates for hosting these events, but I quickly learned that the size of the facility cannot be the only basis used in deciding to host an event or tournament at a particular location. Continued research revealed the fact that the two facilities in the community with the most potential for hosting events have extremely busy schedules already and do not have the capability to add many additional events to their existing schedules.

My original objective for this project was to successfully prove that a mid-sized community with an active sporting community would be able to successfully utilize a sports commission in their future sporting endeavors. When I discovered that this was not going to be the case for Henry County, I wanted to determine why the factors that often make sports commissions successful in different communities would not lead to success in Henry County. One of the main factors I discovered was the differentiation of current facilities in Henry County. The New Castle Fieldhouse is owned and operated by a local high school so all planning must go through the athletic director's office (Sharon Roberts, Assistant Director, Indiana Basketball Hall of Fame). The Hoosier Gym is often utilized as a nostalgia tourist destination to display the gymnasium used in the movie Hoosiers (The Historic Hoosier Gym). The Indiana Basketball Hall of Fame hosts one tournament each year, bringing in teams from around the state. While each of these venues and organizations is an asset to the greater community, they each have their niche. The addition of a sports commission would likely cause conflict between groups as it would work to funnel all activities through the sports commission. The other three facilities and organizations have determined what works for them and a sports commission would try to change that. While I do see benefits to combining the efforts of these organizations, I think it can best be done by flattening communication channels opposed to creating an entirely new division of sports tourism in Henry County.
As the research for this project came to a close, I still firmly believe that sports commissions can be valuable assets to a community. However, throughout this process, I have discovered that this is not always the case. The addition of a sports commission will not solve all of the financial struggles within a community, but when utilized correctly, can increase visitor spending and create a positive economic impact. While based on my research I do not believe this would be the case in Henry County, I do believe that other communities not currently utilizing a sports commission could find great success with this additional asset. I do not foresee the addition of a sports commission in Henry County any time in the near future, but as their footprint in the realm of sports tourism continues to grow, it may be wise to revisit this idea and consider it further.
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Glossary of Terms

This glossary contains commonly used terms and phrases that every sports event industry professional must know to be successful!

**Convention & Visitors Bureau** – A resource for sports event planners bringing events to their community. Provides services including but not limited to hotel & restaurant information, calendar of events, visitor guides, housing, attraction & shopping information.

**Economic Development** – Occurs at the state, regional, or municipal level, or in public-private partnerships organizations that may be partially funded by local, regional, state, or federal tax money. These organizations seek out new economic generating opportunities while working to retain their existing business wealth.

**Economic Impact** – Net change in an economy caused by activity involving the acquisition, operation, development, and use of sport facilities and services. Please see attached sheet for my suggestions.

**Event Management** – Process by which an event is planned, prepared and produced. Encompasses the assessment, definition, acquisition, allocation, direction, control and analysis of time, finances, people, products, services and other resources to achieve objectives.

**Event Manager** – Responsible for overseeing and arranging every aspect of an event, including researching, planning, organizing, implementing, and evaluating an event’s design, activities and production.

**Event Owner** – Youth, multi-sport, national governing bodies, grassroots programs and any other organization that owns events that are bid out and/or awarded.

**Facility Guide** – Document or online listing of sports facilities in the local area that can be utilized for hosting sporting events. Should include details of facilities including seating capacity, floor dimensions, lighting available, air/heating system, etc.

**Grassroot Event** – Low cost sports competition created by host organization in order to attract visitors into their community.

**“Heads in Beds”** – Occupying hotel rooms with guests.

**Host Organization** – Sports commissions, convention and visitors bureau, park and recreation departments, venues and any other organization who host sporting events.

**Local Organizing Committee (LOC)** – Group of individuals in the community who form an ad-hoc committee to manage the procurement and running of sports events.

**National Association of Sports Commissions (NASC)** – The leading not-for-profit association of sports event travel industry professionals that provides professional development, industry research, and networking opportunities; also the producers of the NASC Sports Event Symposium.

**National Governing Body (NGB)** – Any sport organization responsible for rules and regulations of one or several sport activities. Usually membership based and comprised of athletes, coaches, officials and a national staff dedicated to the promotion and growth of the sport through city, state, region or national level participation.

**Request for Proposal (RFP)** – A document that outlines the requirements to host a sporting event. Should include, at a minimum, requirements for the following: hotel rooms, bid fee, facility/fields, estimated # of participants, complimentary services, etc.

**Sports Commission** – Organization created to support the creation and hosting of amateur sporting events in their community. May be born out of a chamber of commerce, convention and visitors bureau or be a department within a bureau.

**Sports Event Travel Industry** – Niche of the tourism industry that uses the hosting of sporting events to attract visitors to communities in order to drive economic impact.

**“Stay to Play”** – Rule used by some events which requires participants to utilize certain hotels in order to be eligible to participate in competition.

**Supplier** – Hotels, sports publications, insurance companies, consulting and research firms, housing services and any other company that supplies products and services to the sports event industry.

**United States Olympic Committee (USOC)** – Non-profit organization recognized by the International Olympic Committee as the sole entity in the United States whose mission involves training, entering and underwriting the full expenses for the U.S. teams in the Olympic, Paralympic, Pan American and Parapan American Games. The USOC oversees the process by which U.S. cities seek to be selected as a Candidate City to host the Olympic and Paralympic Games, winter or summer, or the Pan American Games. In addition, the USOC approves the U.S. trial sites for the Olympic, Paralympic and Pan American Games team selections.
PRACTICAL TIPS  
ECONOMIC IMPACT OF SPORTS EVENTS

• Sport has always been about keeping score.

• Teams, cities, sports commissions, convention and visitors bureaus, and state tourism bureaus all need to keep score.

• Economic impact studies are designed to help keep score.

• All economic impact studies are flawed.

• To understand the number, first determine who paid for the study.

• All sponsors of economic impact reports are not trying to mislead their audiences.

• It is very difficult to know what did happen, and impossible to predict accurately what will happen.

• Economic impact is what outsiders spend in your state or community... period.

• Studies can be conducted by specialists or universities, or projections can be made with formulas.

• The basic formula is the number of visitors times the number of nights of stay times the amount spent each day.

• No one disputes the fact that a sports event produces economic impact. Issues arise when computing the impact, but visitor spending is real and benefits the local economy.

• Suspicion should be directed toward impact studies in support of a new facility. Intangible factors like achieving or maintaining “major league status” or projecting an image of a “renaissance for downtown” or to project an image of a “town on the move” may ultimately play bigger roles than claims of significant economic impact.

Don Schumacher & Associates, Inc, Cincinnati, OH.
Four Types of Sport Tourism

- Incidental sports tourism...not main purpose of trip
- Nostalgia sports tourism...museums, stadium tours, fantasy camps
- Spectator sport tourism...highest profile and highest investment
- Participation sports tourism...lifestyle trips to "8 to 80" team events (main focus)

Topics

- Size, value of industry
- Its ability to resist economic downturns
- Differences between sports events and conventions and meetings
- Benefits to the host community
- Benefits to the event owner
- Importance of ROI, before the bid!
- Growth in state organizations, funding

Appendix 3
Size, value of industry

- About 25 sports commissions in 1988-89
- NASC has 550+ members as of June 29, 2011
- The number of events has increased, too... by about 10% a year
- Economic impact of events approaching $7 billion in direct visitor spending
- Economic pressures have spotlighted our segment of the travel industry

Resists downturns

- Most events must take place each year
- Continued growth in new events and more homegrown events more than balance lost events
- Vacation travel is important for families
- The trip often becomes a "mini-vacation"
- Teams may shorten the distance or length of stay, but they will travel!

Table Discussion

- Key points learned
- Questions and comments from the table shared with group
Sports Events vs. Meetings

- When they say "yes," the work STARTS!
- Local Organizing Committee (LOC)
- Volunteers, volunteers, volunteers
- Community support, including funding
- Multiple facilities may be needed and must consider event requirements, facility condition, distance to other venues/hotels, etc.
- Complexes vs. individual fields/courts

Benefits to community

- Economic impact through visitor spending
- Positive media exposure
- Quality of life
- Extends use of existing facilities
- Helps local leagues and teams raise funds
- Keeps some of your teams in town!

Benefits to event owner

- Host community does some or all of the work
- Bid fees, guarantees in a competitive industry
- Choices between destinations
- Increases chances of optimum conditions for the competition
- Moving from city to city...variety for teams
Table Discussion

- Issues with local organizing committees
- Complexes vs. individual facilities
- What have we learned about economic impact?
- Reports from each table to group

Importance of ROI

- Every event should be evaluated BEFORE the bid!
- Assemble the team you will need for the event and have their help in evaluating
- Facilities are key, and may not be available when you want them (or not sufficient for the event)
- School systems, universities/colleges, and park and recreation departments have their own issues
- A "win-win" can be difficult to achieve

Growth in state organizations

Just to name a few . . .
- Arizona Sports Alliance
- Arkansas Sports
- Cities of the Big 12
- DFWATC – Sports Alliance
- Georgia Sports
- Michigan Sports
- Minnesota Sports
- Play Tennessee
- Ready, Set, Go Pennsylvania Sports
- Show Me Missouri Sports
- Sports Alabama
- Sports Illinois
- Sports Indiana
- Sports NC
- Sports Texas
- Sports Wisconsin
- Team Iowa
- Team Kentucky
- Washington Association of Sports Commissions
Growth in state organizations

- Structure
- Funding
- Coordination
- Partners
- Benefits

Issues

- Funding for events
- Room contribution systems
- "Stay to Play" systems
- Tracking room nights
- Housing services
- Issues with contracts, attrition clauses, etc.
- For you it's about (fill in the blank), but maybe not for them

More issues

- Importance of partnerships
- Commissions and bureaus have big roles when city has both
- Incubation within bureau of new commission
- NASC was founded to exchange information...it is the only place to learn what works /does not and why
- Economic impact issues
- "Hard dollars" vs. "soft dollars"

"Stay to Play"
- exemptions
- Stay in specific hotels or team can't play

hard dollars → actual money earned
soft dollars → visitor spending
Questions, observations, and discussion

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