

True Economic Impact of a Regional NCAA Division-I University's Fall Sport Teams

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The purpose of this study was to estimate the actual economic impact brought to the community by the fall sport teams of a regional state institution in Kentucky. The researchers randomly survey 172 visiting spectators (86 males and 86 females) who traveled to support the institutions' opponents. All of the participants were randomly selected from five football, 11 soccer, and 14 volley home games for the 2009 season (from late August to early November). The numbers of selected participants from all of the football, volleyball, and soccer games were 72, 44, and 56 respectively. The average attendance of a football, volleyball, and soccer game was 4,752, 358, and 276. The participants reported their demographic information and their total expense for attending the athletic events by completing the NCAA Economic Impact Analysis Worksheet (Mullins, Hardin, & Sutton, 2002). The following formulas were used for calculation of economic impact: (1) Incomes = (Average total expense of an individual per event) x (Average attendance of visitors) x (Total number of home games). (2) The economic impact = (Total incomes from all three sports) x (Selected multiplier).

According to the results, the average expense for each individual surveyed participant was \$212.90. It was estimated that the institution's fall sport teams generated a total of \$ 160,747, which would created an economic impact of \$266,840 (with a coefficient multiplier of 0.4). However, if this study adopted the method practiced by many other studies used by counting the spending of all attendees, then the projected economic impact could be as large as \$2.2M-9.6M.

Apparently, the economic impact generated by the institution's fall sport teams was relatively small as compared to the data of past research (Baade, Baumann & Matheson, 2007; Matheson & Baade, 2003). Large economic impact can only be created by certain mega sport events or programs of certain powerful flagship institutions (i.e., the Ohio State, Georgia, and Michigan, etc.).

This study showed a large discrepancy in the estimated economic impact of fall sports by adopting different key variables (i.e., multiplier and attendance number) in calculation. This implies the result of an economic impact study could be easily manipulated and inflated. The conclusions of the study may inspire future researchers to reexamine the accuracy of impact calculation and the traditional view on economic benefits of college sports.