PROFESSIONAL SPORTS MARKET IN THE USA

By

Mark Faust
Market Size

- Measured in Personal Consumption Expenditure (PCE)

- One of the most resilient industries in America

- Reached $22.4 Billion Dollars in 2011

- Year-After-Year increases in revenue
Major Professional Sports

- National Football League
- National Basketball League
- Major League Baseball
- National Hockey League
National Football League

- $8.4 Billion Dollar Market
- Average season home attendance 535,626
- Player lockout in 2011 almost lead to cancellation of the entire season
National Basketball League

- $3.8 Billion Dollar Market

- The ‘Decision’
  - Economic Impact
    - Lebron James accounted for $100 million of the Cavaliers $426 million team value
    - Would have paid $1.5 million in state taxes
    - Affected job security of many workers in Cleveland
Major League Baseball

- $6.2 Billion Dollar Market
- Highest Annual Salary
  - Alex Rodriguez – $32,000,000 per year
- America’s #1 pass time
National Hockey League

- 2.9 Billion Dollar Market
- Made up of teams in United States and Canada
- Smallest total fan base and the least amount of sponsorship
Rivalries

- **#1 Red Sox vs. Yankees**
  - Length 100+ years

- **#2 Lakers vs. Celtics**
  - Length 53 years

- **#3 Cowboys vs. Redskins**
  - Length 52 years
What it says about our culture

- **Competition**
  - We are taught since we are young to be very competitive

- **Tradition**
  - Long lasting rivalries

- **Passion**
  - For the love of the game

- **Socializing**
  - Watching with friends and family

- **Loyalty**
  - Supporting our team
Why is the market so big?

- Broadcasting rights
- Sponsorships
- Apparel
Future of Sports Market

- Fans turn to sports in strong and weak economic times out of loyalty, passion, and the need for entertainment.
- The market is dynamic and growing rapidly.
The End
Thank You
References