



The future of Australian sport summary

Megatrends shaping the sports
sector over coming decades



Exploring the future

Australians love sport. It always has been and will continue to be part of our cultural identity. From playing catch in the backyard to the Olympic and Paralympic podiums, the majority of Australians play, watch and enjoy sport.

The Australian Sports Commission (ASC) has partnered with Australia's peak science agency, the Commonwealth Scientific and Industrial Research Organisation (CSIRO), to jointly conduct research into the future of Australian sport.

The sports played in Australia, as well as how and why we play them, are changing over time. The research findings from *The Future of Australian Sport* report (the Report) will play an important role in shaping long-term

policy, investment and strategic planning within government, the sport sector and broader community.

The Report highlights six sports megatrends that may redefine the sport sector over the next 30 years.

A megatrend is defined as a major shift in environmental, social and economic conditions that will substantially alter the way people live. Megatrends occur at the intersection of multiple trends. A trend is defined as an important pattern of social, economic or environmental activity that will play out in the future.

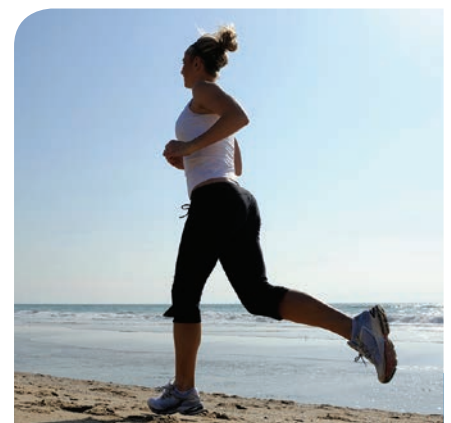
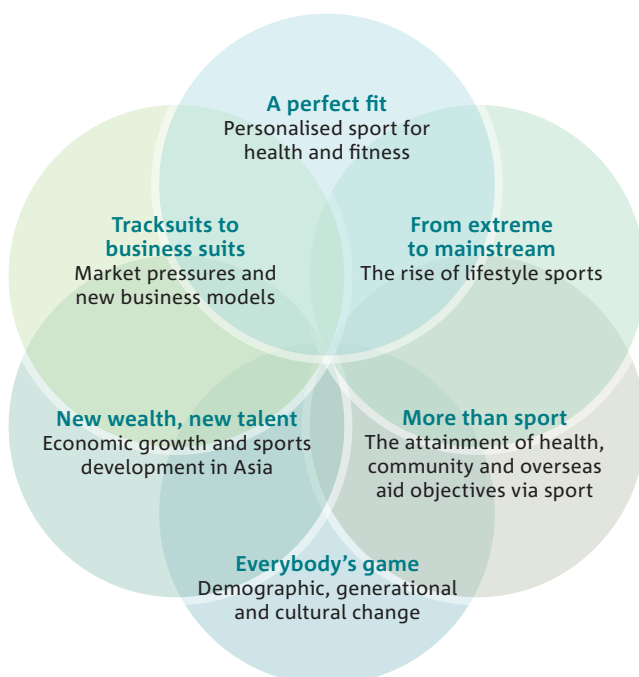
Six megatrends have been identified within *The Future of Australian Sport* report, which will impact on the makeup of sport in Australia over the next 30 years.

A Perfect Fit

Individualised sport and fitness activities are on the rise (Standing Committee on Recreation and Sport, 2010). People are fitting sport into their increasingly busy and time-fragmented lifestyles to achieve personal health objectives.

Participation rates in aerobics, running and walking, along with gym memberships, have all risen sharply over the past decade, while participation rates for many organised sports have held constant or declined (Standing Committee on Recreation and Sport, 2010). People are increasingly opting to go for a run with headphones and a music player when the opportunity arises rather than commit to a regular organised sporting event.

Expenditure on healthcare as a proportion of total expenditure has been and is forecast to continue rising (Australian Government, 2010). Australians are becoming more health conscious. We are increasingly playing sport to get fit rather than getting fit to play sport.



As we become increasingly time poor, sport is being tailored to meet personal needs. This is largely being influenced by the increased use of online tools and applications to individualise sport. Health, rather than competition, is becoming a major driver for participation in sport.

From Extreme to Mainstream

This megatrend captures the rise of lifestyle, adventure and alternative sports which are particularly popular with younger generations. These sports typically involve complex, advanced skills and have some element of inherent danger and/or thrill seeking. They are also characterised by a strong lifestyle element and participants often obtain cultural self-identity and self-expression through these sports. These sports are likely to attract participants through generational change and greater awareness via online content (e.g. YouTube, Facebook, Twitter).

There is strong viewer demand for extreme sports videos on the internet and television. These sports are also finding their way into the Olympic Games with the most recent addition being BMX cycling introduced at the 2008 Beijing Olympics. International associations for skateboarding and rock climbing are making substantial efforts to have these included as Olympic sports in the future.



Lifestyle, adventure and alternative sports are becoming popular with Australians particularly young Australians, with participation being driven by widespread exposure through digital media.

More than Sport

The broader benefits of sport are being increasingly recognised by governments, companies and communities. Sport can help achieve mental and physical health, crime prevention, social development and international cooperation objectives (Cameron & MacDougall, 2000; Schmitz *et al.*, 2004).

Sport for children and adults is an effective means of helping to reduce the rising rates of obesity and chronic illness. If managed appropriately, it can be an effective mechanism to help achieve social inclusion for marginalised groups and reduce crime rates. Sport can also build bridges to other countries and achieve overseas aid, peace, development and foreign policy objectives.



There is an increased focus on the broader benefits derived from participation in sport, including physical and mental benefits, crime prevention and social inclusion.

Everybody's Game

Australia and other countries of the Organisation for Economic Cooperation and Development (OECD) face an ageing population. This will change the types of sports we play and how we play them. There are indications that Australians are embracing sport into their old age. To retain strong participation rates, sports of the future will need to cater for senior citizens. They will also need to cater for the changed cultural make-up of Australia. Australian society has become, and will continue to be, highly multicultural. Different cultures have different sporting preferences and recreation habits. Sporting organisations will be challenged with capturing the interest and involvement of diverse cultures.



The types of sports Aussies are likely to play will shift as demographics, including cultural landscapes, change. There are indicators Australians are embracing sport in older age resulting in the need for sport to cater for senior citizens to participate in sport.

New Wealth New Talent

Population and income growth throughout Asia will create tougher competition and new opportunities for Australia both on the sports field and in the sports business environment. Asian countries are investing heavily in sports capabilities and, especially in the case of China, have rapidly improved gold medal outcomes at the Olympics over recent decades (Hong *et al.*, 2005). As disposable incomes grow, the populations of Asian countries are becoming more interested in sport. This may create new markets for sports television, sports tourism, sports equipment, sports services and sports events.



Population growth in developing countries, specifically Asia, increases athlete competition within the sport landscape. This may result in emerging new sporting markets for television, social media, sports equipment, services and events.

Tracksuits to Business Suits

Market forces are likely to exert greater pressure on sport in the future. In some sports, elite athletes have had considerable pay rises and large sponsorship deals. This has not occurred in other sports (McMillan, 2011). Sports with high salaries may draw athletes away from those with lower salaries. Loosely organised community sports associations are likely to be replaced by organisations with corporate structures and more formal governance systems in light of market pressures. The cost of participating in sport is rising and this is a participation barrier for many people.



Market forces are likely to put pressure on sport in the future drawing athletes away from sports which have lower salary bases. In addition, the administration of sport may transition from community-based organisations to corporate structures as they face increased accountability.

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The full list of references can be found in the full report, *The future of Australian sport*.