CONTEMPORARY ISSUES AND CHALLENGES OF PROFESSIONAL AND AMATEUR SPORTS IN INDIA

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Abstract: The purpose of the article is to focus future issues and challenges in the emerging sports sector in the country. It includes one game nation, cultural influences in the society, labour issues and its management, developing new revenue streams, Meeting new technology challenges and dealing with globalization. Current era is a phase of transformation from old to new, amateur to professional, narrow to broad. Soon India’s name will be appearing higher in the medal tally in Olympics.

Keywords: contemporary issues and challenges, professional and amateur sports, India

1. Introduction

Today India is on the focus of the world due to many reasons including boom in the sports industry. The number of start-ups in sports sector has been tremendously increased in last decade including new leagues (Professional & Amateur sports), Health and Fitness Industry, Sporting Recreation and many more. This era is eliminating the myth of “Kheloge Kudoge banoge Kharab”

According to Vice President (Asia) of Repucom, ‘From the commercial point of view sports industry has grown in leaps and bounds in India, favourable socio-economic dynamics and growing middle class with disposable income has generated a huge demand for live sports entertainment content leading to emerge of new sports leagues. Cricket is the first sports in India with huge resources comparing to other professional sports. At the same time yet cricket is not a part of Olympic Games. The Olympic game is something that doesn’t quite cut the mustard commercially’ he further added.
Indian sport industry has huge potential to perform on global events. Indian sports industry is facing numerous management and administrative issues and challenges. Management is utmost importance in today sports. In modern day of keen competition success depends upon management skills which lead to higher productivity with responsibility. Management execution and implementation for the sake of attaining pre-determined objectives of the sports organisations and associations like sports federations and AIU.

The global sports sector is estimated to be worth between $480-620 billion. However, in India, sport is yet to be recognized as an economic sector, mainly due to the fact there has been little or no comprehensive study done on the industry’s size, potential, and on the available opportunities that are on offer.

The sports industry sector may include several different segments such as sports tourism, sporting goods (in manufacturing and retail), sporting garments, and the available opportunities in sporting management and sponsorship. It is seen across the globe that sports as a full-fledged industry can and may contribute about 1 to 5 percent of the country’s GDP.

However, a lack of sporting culture has held back the growth of a similar industry in India in the past, despite the growing awareness and interest in various different sports besides cricket. Hence, due to a lack of industry status along with a lack of sporting culture, corporate investments in India’s sports have traditionally been limited to only non-profit corporate social responsibility activities and initiatives, while the scope for exploring profit-related activities under the sports industry have not been explored in vast depth.

Sport is regarded as one of the largest industries worldwide in terms of generating employment and revenue. Sports are a multi-billion dollar global industry propelled by enormous consumer demand. According to Vinit Karnik, national director for sports and live events at Group M ESP, in the past, sports was seen as loss-making affair. However, with the formation of newer leagues and successful franchises, “the sports industry has grown by up to 10 percent by the year 2014” Karnik says.

New initiatives such as the establishment of Indian Premier League (Cricket), Hockey India League, Indian Badminton League, Pro Kabaddi League, and Indian Super League (Football) are indeed changing the face and the identity of Indian sports. The sports industry has indeed grown extensively — from Rs. 43.7 billion in 2013 to Rs. 48 billion ($713 million) in 2015 — mainly due to the emergence of new sporting leagues according to CVL Srinivas, CEO of GroupM South Asia. Srinivas further went on to state that India has moved forward from a single sport nation to a multi-sport country, and is witnessing a boom that will benefit the sports business in the years to come.

All in all, the sports industry in India has tremendous business potential, especially in the fields of marketing, management/sponsorship, exporting of goods or apparel, and sports medicine and tourism. Therefore, the time is ripe to facilitate investment mobility so that corporate houses that are already engaging in sports can upgrade to for-profit sporting ventures, while business houses that are not involved in
sports so far may consider this sector as an ideal avenue for CSR activities. It’s time to find out whether the sports industry can in fact be the next big thing for India’s economy.

Here issues and challenges have been categorized in labour management, developing new revenue streams, emerging new technology and globalization.

1.1 Labour Management

Labours in Indian sports industries are never highly paid before especially in sports Goods industry. Labour matters includes many things as pay and perks, compensations and insurance and other facilities for the players, Coaches, officials and other sport supporting personnel’s. The whole sports were majorly considered as amateur industry. It has affected the growth of the sports sector. According to a survey by TCS on labour standard in sports good industry with special reference to child labour. 30% of sports goods industries are using child labour in their factories, the current minimum daily wages is 82.08 for unskilled labour in Punjab. In order to achieve grand success in Olympic Games the labour should be well managed and paid in terms of the their contribution in the industry.

1.2 Developing new revenue streams

The increased salaries of professional athletes Coached and Officials affected the business of sport. To fund continued increases, team owners are looking for new revenue streams or ways to enhance existing revenue streams. Technological advances, such as the virtual signage and satellite television opportunities have already provided significant new revenues to leagues and teams. Such quests for revenue enhancement are likely to continue in the future, and technology will probably be involved. Think for a minute about how our world is shrinking because of technology. Professional sport crosses international barriers with increasing regularity.

In fact, globalization, along with branding of a sponsor name on team uniforms, is the largest revenue frontier yet to be crossed by sport teams and leagues like IPL based in the World.

1.3 Meeting Technology Challenges

New technologies are also helping spread professional sport across international boundaries. Thanks to this, Japanese fans can watch Yu Darvish play for MLB’s Texas Rangers and Spanish fans can watch Ricky Rubio play for the NBA’s Minnesota Timberwolves. Similarly, new means to facilitate the spread of sport across international boundaries are emerging every day. The NFL has played exhibition and regular season games in Mexico City, London, Toronto, Tokyo, and Berlin. The NBA sent the Orlando Magic and the Cleveland Cavaliers to China in 2007 to participate in the China Games, and the 2013 - 14 NBA pre-seasons included eight games in Brazil, the Philippines, Spain, England, Turkey, and China.

The same technologies that have helped spread the popularity of professional sport and increase revenues have also created the most competitive entertainment and
leisure landscape ever. Twenty-five years ago, people could access four or five TV channels. Today, they can access hundreds of channels and choose from a wide variety of entertainment without leaving their homes. Further, think about all the other leisure options that compete with the consumption of sporting events. Video games, movies, numerous outdoor activities, e-mail, texting, social media, and other activities occupy people’s time as never before. Couple this with the fact that new sports and sporting genres such as action sports appear to be here to stay, and you can clearly see how fiercely professional teams have to compete for consumers’ attention and money. This competition is likely to continue in the future.

Technology will also present challenges to the traditional business models employed by professional sport. For example, digital video recorders (DVRs) such as TiVo allow people to consume sporting events and shows at their leisure and view them more quickly because they can skip through commercials. This practice may significantly affect the broadcast advertising models that are currently in place. Similarly, the streaming of video content to handheld devices such as cell phones creates a new way for athletes, teams, and leagues to deliver broadcasts. While this potentially creates a new opportunity for revenue generation, the challenge is to determine what consumers want and how to provide it. Further, at the league level, the emergence of such new sources of revenue will challenge traditional league revenue-sharing concepts.

1.4 Dealing with Globalization
By globalization, we currently mean any or all of the following activities: Sales and distribution of broadcast and other media rights outside of their country of origin; Merchandise sales occurring outside of the country of the respective team identified on the merchandise; Corporate partnerships that can be activated outside of the country of origin of the corporate entity; Exhibition contests, regular season games, and tours played outside of the continental United States and Canada by U.S. based professional leagues and teams and also by college conferences and their respective teams; Extending social media content outside the national boundaries of the country of origin producing the content; Most of the activities described in the preceding list, as well as those in the following, are already occurring throughout Europe and other continents primarily in the sport of football.

Today, sport’s contribution to India’s total employment is just .05%. The great initiatives such as Indian Premier League (Cricket), Hockey India League, Indian Badminton League, Prokabbadi, Indian Super League (Football) and professionalization of Heritage sports events such as Goti, Gilli Danda, Lagori, Kilithatt, Gatta Gusthi are changing the old face of Indian sports. Once, we believed that only cricket will succeed in India. But the above mentioned initiatives have shown Indians, a world of sports beyond cricket. These initiatives prove that sports have a future in India as a business.

The success of any sports depends mainly on some factors like management, organization and administration. Management is utmost importance in this arena. Management indicates execution and implementation for the sake of attaining
predetermined objectives of sports and fitness industry. It also concerns with policy formulation, maintenance of discipline, coordinating activities, performance growth check on regularity basis and also maintaining standard quality of sports and fitness. Inequality in financial funding is also major problems as people invest lots of money to Cricket rather than any other sport. Enterprising, marketing branding etc should be well executed to other sports to so that we get sponsorship ultimately going to improve infrastructure on other arena. I would rather urge to 100% FDI.

Evolution of the new culture sports there is need of hour to change the mindset of individual and parents. Sports associations and marketers need to step up professionally in making it huge success. Discipline is major problems in past and even today scenario that results Doping, biased selection procedures even match fixing etc. So, there is need for live disciplinary committee who regular have eye on such issues. Hoping positive #Tokyo2020.

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