

## Entrepreneurship in sports

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### Abstract

Entrepreneurship in sports, as an emerging and potential field, by combining innovation, creativity and change, seeks to create new values and sustainable development in the sports industry. The increasing growth of sports management and entrepreneurship disciplines has provided a suitable platform for the formation of new approaches in sports management and development. This research was done with the aim of investigating the relationship between entrepreneurship and sports and explaining its role in the development of sports management. By studying the related literature and examining successful examples of entrepreneurship in sports, we came to the conclusion that sports entrepreneurship can act as a driving engine for creating new job opportunities, attracting investment, increasing income, and improving the status of sports in society. In addition, sports entrepreneurship has been proposed as a solution to reduce the dependence of sports on government budgets and create sustainable sources of income. Also, this research has pointed out the importance of identifying innovative opportunities, risk management and creating strong networks in the success of sports entrepreneurship. Finally, this research seeks to create a road map for researchers and those interested in this field by providing suggestions for the development of entrepreneurship in sports.

**Keywords;** Sports entrepreneurship, innovation, creativity, sports management, sustainable development, economic opportunities, attracting investment, reducing dependence on the government budget.

## **State the problem**

Today's world is a fast-paced and competitive world in which innovation and creativity are considered as a requirement for business success. Sports, as one of the largest and most popular industries in the world, is no exception to this rule.

In recent years, sports have been recognized as the sixth income-generating industry in developed countries. (1) This has attracted the attention of many managers and prompted them to seek to create new values in this industry by using innovation and creativity.

As Kodkhodaei et al. point out, the success of organizations depends on the vision, insight and ability of managers to innovate and take risks. In the dynamic world of sports, organizations must constantly look for new ideas and creative solutions in order to maintain their competitive advantage. (2)

Sports entrepreneurship, as a new approach, helps managers and activists in this field to provide innovative products and services by identifying new opportunities. This approach not only helps the growth and development of sports businesses, but also leads to the improvement of athletes' performance and the improvement of the audience's experience. (3)

Wolcott and Lippitz believe that entrepreneurship is a path for managers who are looking to improve performance and achieve better results. In fact, sports entrepreneurship is a combination of management, marketing, and innovation knowledge that is used to create value and growth in the sports industry. (4)

Overall, innovation and entrepreneurship are two key elements for success in the sports industry. By taking advantage of these two factors, it is possible to help create sustainable businesses, increase income, and improve the status of sports in society.

Today's world is a fast-paced and competitive world in which innovation and creativity are considered as a requirement for business success. Sports, as one of the largest and most popular industries in the world, is not an exception to this rule. In recent years, sports has been recognized as the sixth income-generating industry in developed countries. (1) This has attracted the attention of many managers and prompted them to seek to create new values in this industry by using innovation and creativity.

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Sports entrepreneurship can be defined as the creation of new ideas and business opportunities in the field of sports. This process, beyond creating new jobs, seeks to create transformation in the sports industry, create social and economic values and sustainable development in this field. Sports, as one of the biggest industries in the world, has a high potential for growth and development of entrepreneurship. The close connection of sports with society and social structures has provided unique prospects for creating innovative businesses. Sports entrepreneurship is an interdisciplinary field that was formed by combining the concepts of management, marketing,

economics and sociology. This field seeks to answer challenging questions such as how to create sustainable businesses in sports, develop innovative sports products and services, and increase social participation in sports. The development of new technologies has also strongly influenced sports entrepreneurship. Social networks, e-commerce and big data have provided new opportunities to create technology-based sports businesses. Entrepreneurship as a driving force is inextricably intertwined with sports management and brings many competitive advantages to individuals and organizations active in this field. The rapid changes in the business environment, especially in the field of sports, make the necessity of adopting entrepreneurial approaches even more obvious. The rapid development of technologies such as the Internet and digital television has led to significant changes in sports marketing. Sports marketers are forced to adapt their strategies to these changes.

In addition, economic fluctuations do not affect the sports industry and marketers must constantly review their strategies. Entrepreneurship is known as a driver for increasing economic productivity. Promoting entrepreneurship, especially in the field of sports, can help create employment and economic prosperity. Entrepreneurs contribute to the development of the economy by identifying new opportunities and accepting risk. (5, 6, 7)

In adverse economic conditions, entrepreneurship can act as a coping mechanism. Economic crises often lead to the emergence of new and innovative businesses. Entrepreneurship also contributes to regional economic growth and job creation. (8)

Sports entrepreneurs are usually people who seek new opportunities and have a high risk tolerance. They help develop the sports industry and improve the fan experience by creating innovative businesses.

All in all, sports entrepreneurship plays a very important role in the growth and development of the sports industry. By adopting an entrepreneurial approach, it is possible to help create sustainable businesses, increase revenue and improve performance in this industry.

## **The role of entrepreneurship in the transformation of the sports industry**

Entrepreneurship is known as one of the most important factors of economic growth in developed countries. Research shows that entrepreneurs play a central role in the economic development of countries. However, studies in the field of sports entrepreneurship have received less attention compared to other industries.

Borgel and Murray believe that most researches in the field of entrepreneurship are focused on emerging and technology-oriented industries, and the sports sector has taken a small share of these studies. However, studies such as Hall show that major sports events are closely related to urban entrepreneurship. Also, Spiling has proved the entrepreneurial nature of sports by examining large sporting events. Ball also emphasized the importance of entrepreneurship in the sports industry

and believes that entrepreneurship can help change consumer demand and increase innovation. (9, 10, 7)

In scientific journals, a sports entrepreneur refers to a person who organizes, manages and accepts risks in sports-related businesses.

The importance of entrepreneurship in sports is for the following reasons:

- Economic development: sports entrepreneurship can help create employment, increase income and economic growth.
- Innovation: Sports entrepreneurs help to improve sports products and services by providing new and creative ideas.
- Increasing competition: the entry of new entrepreneurs into the sports market increases competition and leads to improved service quality.
- Adapting to changes: Sports entrepreneurs are able to adapt quickly to environmental and technological changes.

As a result, sports entrepreneurship is a new and essential approach for the development of the sports industry. Considering the increasing importance of sports in people's lives and the high potential of this industry, investing in sports entrepreneurship can help create added value and sustainable development in this field.

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### **The importance of entrepreneurship in sports**

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## **Sports entrepreneurship; a creative force for transformation in sports**

Sports entrepreneurship is a concept that is formed by combining the main features of entrepreneurship such as innovation, pioneering and risk-taking in the field of sports. This concept is not limited to championship sports and is also used in general sports. In other words, whenever a sports institution, whether an individual, an organization or even a society, to respond to a new opportunity and create value, creates a business or an innovative activity in the field of sports, it can be said that sports entrepreneurship is in progress. (11)

### **Key features of sports entrepreneurship**

**Innovation:** Creating new ideas and ways to deliver sports products, services or experiences. For example, developing online sports programs, holding new sports events or designing smart sports equipment are examples of innovation in sports.

**Pioneering:** Being at the forefront of changes and new trends in the sports industry. Sports pioneers are people who identify new opportunities, target emerging markets and create new standards in this industry.

**Risk taking:** Accepting the risks associated with creating new sports businesses. Sports entrepreneurs are willing to take financial, time and even social risks to realize their ideas. (12)

### **The importance of sports entrepreneurship**

Sports entrepreneurship plays an important role in the development and growth of the sports industry. Some of the most important benefits of sports entrepreneurship are:

**Creating new job opportunities:** Creating innovative businesses in the field of sports helps to create new job opportunities.

Increasing the attractiveness of sports: Offering innovative products and services makes sports more attractive and helps attract more people to sports.

Economic growth: sports entrepreneurship can help the economic growth of a region or country.

Social development: sports can play an important role in social development and improving the health of society. (13)

## **Solutions of sports entrepreneurship**

Creating sports applications: developing applications for home exercise, tracking sports activities and analyzing sports performance

Holding new sports events: designing and implementing new and exciting sports competitions, such as electronic sports competitions (e-sports).

Development of smart sports equipment: production of sports equipment equipped with new technologies, such as smart sports watches and smart shoes

Creating specialized sports centers: building specialized sports centers for specific sports, such as rock climbing centers, rock climbing walls and skateboard tracks. (14)

## **Risk taking in sport: From the pitch to the boardroom**

In the exciting world of sports, risk-taking is not only a distinctive feature of athletes, but also a key element in the economic and social structure of this global industry. From athletes who put their lives on the line to investors who spend billions to get a piece of this hot market, everyone deals with risk in some way. In this article, we will examine the different dimensions of risk taking in sports, from physical risks to financial and social risks. (15)

Physical vulnerability: Athletes in different disciplines face different levels of physical danger. From high-impact sports such as football and hockey to extreme sports such as water skiing and mountain climbing, each of them endangers the lives of the athletes in some way. Thrill-seeking and the desire to conquer the peaks lead athletes to physical risks.

Financial risk: In the world of professional sports, money comes first. Clubs and federations incur huge costs to attract the best players and organize big events. Investing in sports, like any other investment, involves risk. Market volatility, poor team performance and sudden changes in rules can all lead to financial losses for investors.

Social risk: sport is a social phenomenon, and for that reason, it is associated with social risks. The use of drugs and alcohol in sports, violence in stadiums, and ethical issues such as doping are all social risks in sports that can damage the image of sports.

Risk of innovation: Sports, like other industries, seeks innovation. Creating new leagues, using new technologies and developing new business models all involve risk. The success or failure of these innovations can have a significant impact on the future of sports. (16)

Risk taking in sports is a multifaceted phenomenon that affects from athletes to club owners and federations. While risk-taking can help the sport grow and develop, it can lead to serious injuries if not managed properly. In order to reduce risks, one should look for suitable solutions in various fields, including financial risk management, promotion of sports ethics and development of infrastructures. (17)

## **Conclusion**

Due to its multifaceted nature, the sports industry has the ability to take advantage of the existing potentials to provide suitable opportunities for the development and advancement of its goals in the context of various aspects, including political, social, and economic.

One of the fields that has been able to establish a good link with this industry is the field of entrepreneurship. In order to promote sports-related businesses, it is necessary to provide background conditions with the aim of helping the fertility of innovations, which will ultimately cause competitive advantages in businesses. In order to promote the business of their sports organizations, managers need to have sufficient awareness and knowledge about entrepreneurial strategies in order to increase their organizational performance. On the other hand, according to the interdisciplinary approach of sports entrepreneurship, the concentration of the academic community and their mastery over different aspects of the subject can help to reduce the gap between the application of sports entrepreneurship and its theoretical development. And in this way, to solve the problems in the world of sports from the point of view of entrepreneurship, and provide the basis for economic development and social growth of the society through sports, employment and business. Sports entrepreneurship is a driving force that can transform the sports industry and lead it to a dynamic and innovative future. By identifying new opportunities and creating innovative businesses, it is possible to help develop sports and improve the quality of people's lives.

Sports and entrepreneurship are two seemingly different fields that are actually closely related to each other. Entrepreneurship in sports not only helps to create new businesses, but also leads to innovation in sports products and services. This approach also helps economic growth by creating new job opportunities and developing sports infrastructure. In addition, as a social phenomenon, sports play an important role in people's lives, and sports entrepreneurship can help promote health and improve people's quality of life.

Sports entrepreneurs have given a new life to the sports industry by presenting new and creative ideas and adapt it to the needs and tastes of new audiences. In addition to creating employment, sports entrepreneurship also contributes to economic growth and can become a driving engine for the development of local communities.

Sports as a social phenomenon plays an important role in people's lives. Sports entrepreneurship can help to improve health, increase social participation and create a sense of belonging to the society. Despite the great potential, sports entrepreneurship is also associated with challenges such as intense competition, rapid technological changes and the need for investment. Due to the growing interest of people in sports and the support of governments for the development of this industry, the future of sports entrepreneurship is very promising.

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