



CRITICAL ANALYSIS OF THE ECONOMIC EFFECT OF COVID-19 ON SPORTS INDUSTRY: A COMPREHENSIVE VIEW OF PAKISTANI SPORTS GOODS

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ABSTRACT

The goods industry is a key contributor to the advancement of society as whole, economy, exports and financial services. Goods industry has potential to be the backbone of society's infrastructure, an engine of economic growth, creation of jobs, and a producer of essential goods and services for businesses and households. The purpose of the present study was to evaluate the economic effect of covid-19 on sports industry crisis due to pandemic and introduce their resilience solutions. This research was qualitative by nature and convenient sampling technique was used to conduct it. The researchers used close ended online questionnaire through WhatsApp for data collection in which had 25 statements. The data was analyzed through SPSS 20.0 version and the state indicates that the formulated hypothesis was accepted and the result shows that here was negative effect of covid-19 on sports sector in Pakistan having mean of the tasting variable was 2.7106, SD was 0.43188 and sig difference was 0.071. The findings of the study stated that covid-19 has negative effect on sports sector and the study linked with another that COVID-19 pandemic affected all economic activities and crashed stock markets across the globe (Şenol, Z., & Zeren, F. 2020). According to the available evidence in this pandemic situation, there is no practical and complete planning, even after several months of the COVID pandemic. Therefore, planning to solve the economic problems of sports sector obviously requires time to gather information, conferences and plan. In addition, sports business owners expect that in such a situation, appropriate facilities will be provided for taxes and other possible facilities.

Key words: Covid-19, Economy, Sports Industry, Sports Goods

I. INTRODUCTION

The athletic goods industry is one of the numerous businesses whose tendency has declined as a result of COVID-19, as was previously indicated. The global market was closed for months during the epidemic, which caused widespread unemployment, extreme poverty, the closure of factories and businesses, and disruption of the social order.

An important sector of the state's economy is the sporting goods industry. Similarly, a number of South Asian nations, including Bangladesh, Sri Lanka, and Pakistan, are regarded as the world's top exporters of sporting goods (Sahoo, P. 2013). This study solely focuses on the sporting goods sector and its socio-economic effects on sports sector in Pakistan. The sporting goods sector is a vital component of the Pakistani economy, and Sialkot is one of the places that has prospered and enhanced the country's reputation.

Pakistan earns a substantial income from the export of sports goods that are produced within its borders. Pakistan might be considered the global centre of sports due to the large volume of orders it receives from well-known worldwide sports businesses (Andreff, M., & Andreff, W. 2009). Many international sports brands source their products from Pakistan's sporting goods industry, which in the end helped the nation's economy remain sustainable (Khattak, A., & Stringer, C. 2017). However, in recent times, the emergence of Covid-19 has deteriorated the industry's substantial growth. It's intriguing to observe how the epidemic has altered company perspectives and opened up new paths and dimensions for them (Al Amri, T., & Marey-Perez, M. 2020).

In contrast to certain organizations that terminated half of their workforce upon noticing a low attendance rate, thus the athletic goods industry has begun operating at minimum capacity in pandemic period (Nhamo, G., et al 2020). Many people are now unemployed as a result of the massive drop in the global supply chain. Reports state that Pakistan lost one third of his revenue on exports as a result of the corona outbreak (Shafi, M., Liu, J., & Ren, W. 2020). It's interesting to learn that Pakistan has made \$1 billion by selling footballs to European countries (Tanveer, M. A., et al

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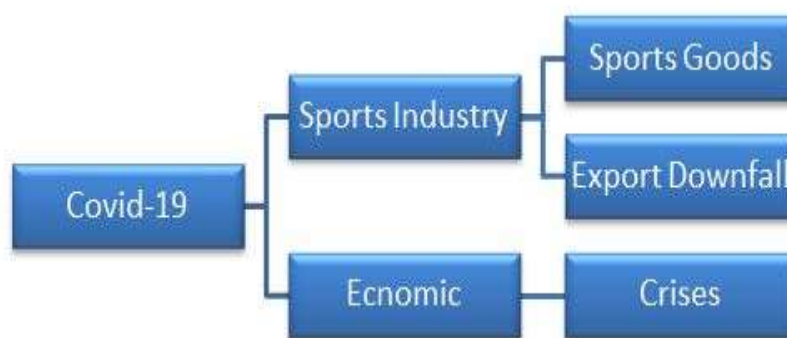
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2012). The suspension of all sports activities owing to restrictions connected to the coronavirus has resulted in the loss of over 80% of our regular consumers (Triantafyllidis, S. 2020). The country's industries supply capital goods and everyday necessities. Additionally, the goal of this research is to identify new business opportunities and dimensions following the COVID-19 pandemic. Those with the greatest number of industries worldwide are all at the top. The study came to the conclusion that industrial development is essential to a nation's growth and that a nation cannot flourish without it. As a result, every nation in the world works to expand its industrial zone. Pakistan's industry was quite weak when it was founded on August 14, 1947, but it progressively grew. The flood brought on by climate change indicates that the economy would slow down considerably in the near to medium future, even though the demand destruction caused by it may not be as severe or widespread as that caused by the worldwide pandemic. The fact that sports manufacturers are already "temporarily" closing their facilities because to declining demand in era of Covid-19 (Sheptak, R. D., & Menaker, B. E. 2020).

I.I. SPORTING GOODS INDUSTRY AND POST-COVID REGIME

The athletic goods industry is one of the numerous businesses whose tendency has declined as a result of COVID-19, as was previously indicated (Weston, M. A. 2020). The global market was closed for months during the epidemic, which caused widespread unemployment, extreme poverty, the closure of factories and businesses, and disruption of the social order (Barua, S. 2020). These include unclear political environments and government policies, high raw material tariffs and tax rates, a shortage of skilled labor and modern technology, power outages, difficult circumstances for competing in the global economy, and, last but not least, the recent Covid-19 incident, which turned out to be a catastrophic event for economies and industries worldwide (Jenny, F. 2020).



I.II. OBJECTIVES OF THE STUDY

- to assess the economic effect covid-19 on sports industry in Pakistan

I.III. HYPOTHESIS OF THE STUDY

- There is no significance difference regarding the economic effect of covid-10 on Sports industry in Pakistan

II. METHODOLOGY

The researchers were implemented Quantitative research approach in this study. Descriptive survey design was selected to collected data from the different owners of manufacturing factories of Sialkot, which are metropolitan city of Sports goods in Pakistan. Due to fear of covid-19 and pandemic situation the researcher collect the data through online Google survey by using convenient sampling technique. The study was delimited to Sialkot, Pakistan.

III. RESEARCH INSTRUMENT

The researchers used close-ended validated as a research instrument to collect data from the respondents. Creswell (2014), stated that closed ended questions are quickly compiled and go straight to the code, and do not unnecessarily discriminate based on how clearly respondents express themselves. The five likert-type scale (symmetric) questionnaire ranged from "Strongly agree" (SA), "Agree" (A), Neutral (N) "Disagree" (D) to "Strongly Disagree" (SD) was designed as it is the widely used technique for descriptive survey researchers (Boone & Boone, 2012 ; Joshi, Kale, Chandel & Pal, 2015). The questionnaire comprised of 25 close-ended statement but only 8 were entertained in this study due to various factors.

IV. DATA COLLECTION AND DATA ANALYSIS PROCEDURE

The researchers used Google online form for questionnaire for data collection and also it was administered through social media platform i.e. WhatsApp to get the responses from the respondents. The total 37 respondents fill the questionnaire. The data were analyzed quantitatively and descriptive statistical analysis was done. The data were analyzed using SPSS version 20.0.

V. DATA ANALYSIS

Table 1 indicates that the mean of the tasting variable is 2.7106 and the SD is 0.43188. The $t(36) = 41.521 = P\text{-value} .000$ which is greater than to the alpha level 0.05. Statistically ($0.05 < 0.071$) which indicates that hypothesis is accepted and the result shows that here is negative effect of covid-19 on sports industry in Pakistan.

Table 1: One sample t-Test showing the significance knowledge regarding diet plan for elite athletes of Coaches.

Testing Variable	n	Mean	Std. Dev	df	T	Sig.
Effect covid-19 on sports sector in Pakistan	37	2.7106	.43188	36	41.521	.071

Table 2: Responses of the respondents regarding the statement

#	Statements	SA	A	N	DA	SDA
1	Cash flow is inadequate due to reducing time of banking sector	12 (32.4%)	10 (27.0%)	7 (18.9%)	6 (16.2%)	2 (5.2%)
2	Business operations is suffer due to transportation decreasing	14 (37.8%)	11 (29.7%)	6 (16.2%)	4 (10.8%)	2 (5.4%)
3	Workers are absent due to illness or government orders	18 (48.6%)	5 (13.5%)	5 (13.5%)	6 (16.2%)	6 (8.1%)
4	Suppliers are un able to provide raw materials	10 (27.0%)	9 (24.3%)	9 (24.3%)	6 (16.2%)	3 (8.1%)
5	Business partners are effected and not operating normally	12 (32.4%)	11 (29.7%)	8 (21.6%)	5 (13.5%)	1 (2.7%)
6	Customers have been affected due to illness and lockdown	15 (40.5%)	8 (21.6%)	7 (18.9%)	4 (10.8%)	3 (8.1%)
7	Demand of goods is lower than normal	12 (32.4%)	7 (18.9%)	10 (27.0%)	5 (13.5%)	3 (8.1%)
8	Working time is badly effected	17 (45.9%)	9 (24.3%)	10 (27.0%)	1 (2.7%)	0 (00.0%)

V. DISCUSSION AND CONCLUSION

The purpose of this study was to access the economic effect of covid-19 on sports industry in Pakistan.. On the basis of the statistical analysis, it was determined that Covid-19 had a negative effect on the sport industry. Although it was recognized as a global crisis and the COVID-19 pandemic negatively affects the globe. The findings of the study stated that covid-19 has negative effect on sports industry and the study linked with another that COVID-19 pandemic affected all economic activities and crashed stock markets across the globe (Şenol, Z., & Zeren, F. 2020). The statement business operations is suffer due to transportation decreasing also similar linked with that there are restrictions of travelling from one country to another country. During travelling, numbers of cases are identified positive when tested, especially when they are taking international visits (Chinazzi., et al 2020).

V.I. FUTURE RECOMMENDATIONS

According to the available evidence in this pandemic situation, there is no practical and complete planning, even after several months of the COVID pandemic. Therefore, planning to solve the economic problems of sports industry obviously requires time to gather information, conferences and plan. In addition, sports business owners expect that in such a situation, appropriate facilities will be provided for taxes and other possible facilities.

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