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Economic impact of COVID-19 on sports and live events

SPORT & ENTERTAINMENT INSIGHTS

26 MAY 2020



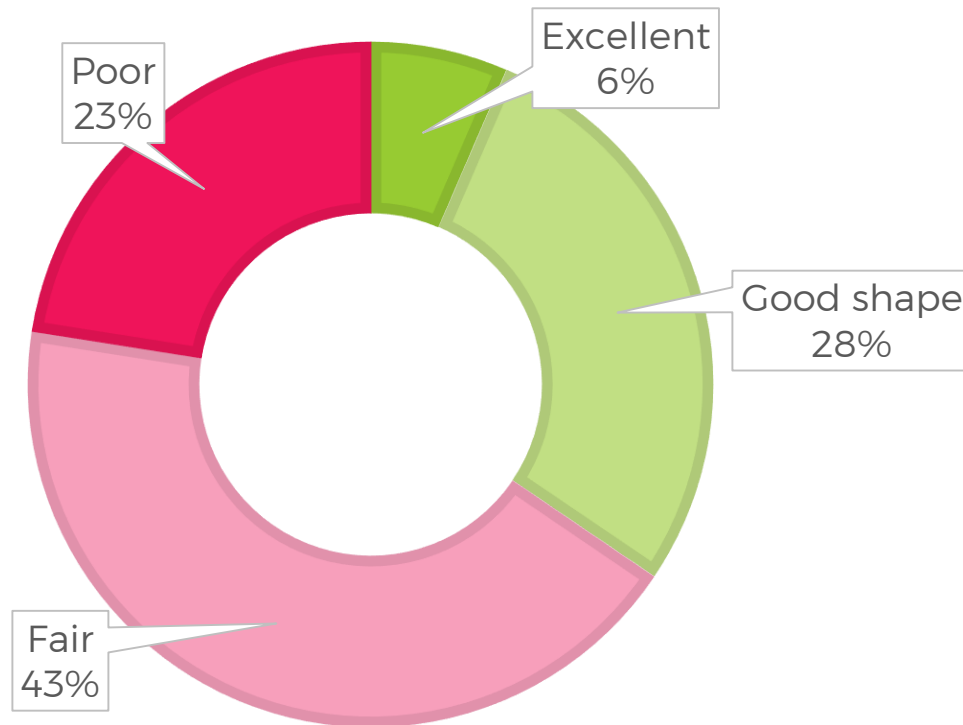
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GEMBA'S LATEST CONSUMER RESEARCH SHOWS THE PERSONAL FINANCIAL IMPACT OF THE COVID-19 PANDEMIC. SPORT, ENTERTAINMENT AND EATING OUT ARE GOING TO TAKE A BACK SEAT TO HIGHER ORDER REQUIREMENTS FOR NOW.

SPORT AND EVENT PROMOTORS MAY WISH TO CONSIDER DROPPING TICKET PRICES TO REFLECT LOWER SPENDING POWER IN THE SHORT TERM.

Two thirds of Australians describe their financial situation today and over the next 12 months as fair to poor

PERSONAL FINANCIAL SITUATION



Recent Australian consumer confidence levels are similar to those seen during the Global Financial Crisis, and only eclipsed by the late 80's / early 90's recession. A rebound in May to 88.1 is still well below pre-COVID levels.

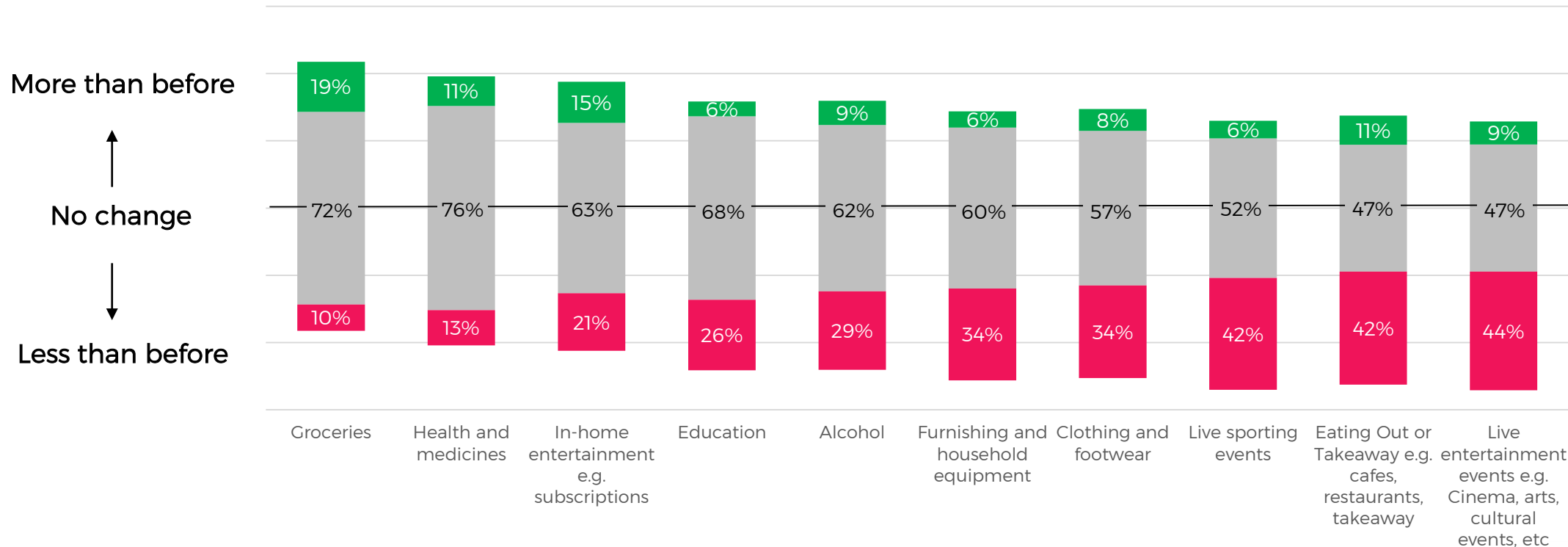
Consumer Confidence Index:

May 2020: 88.1
April 2020: 75.6
May 2019: 101.3 (pre-COVID)
July 2008: 79.1 (GFC)
November 1990: 64.6 (recession)

Q Thinking about today and the next 6-12 months, how would you describe your personal financial situation?
Source: Gemba Insights; <https://tradingeconomics.com/australia/consumer-confidence>

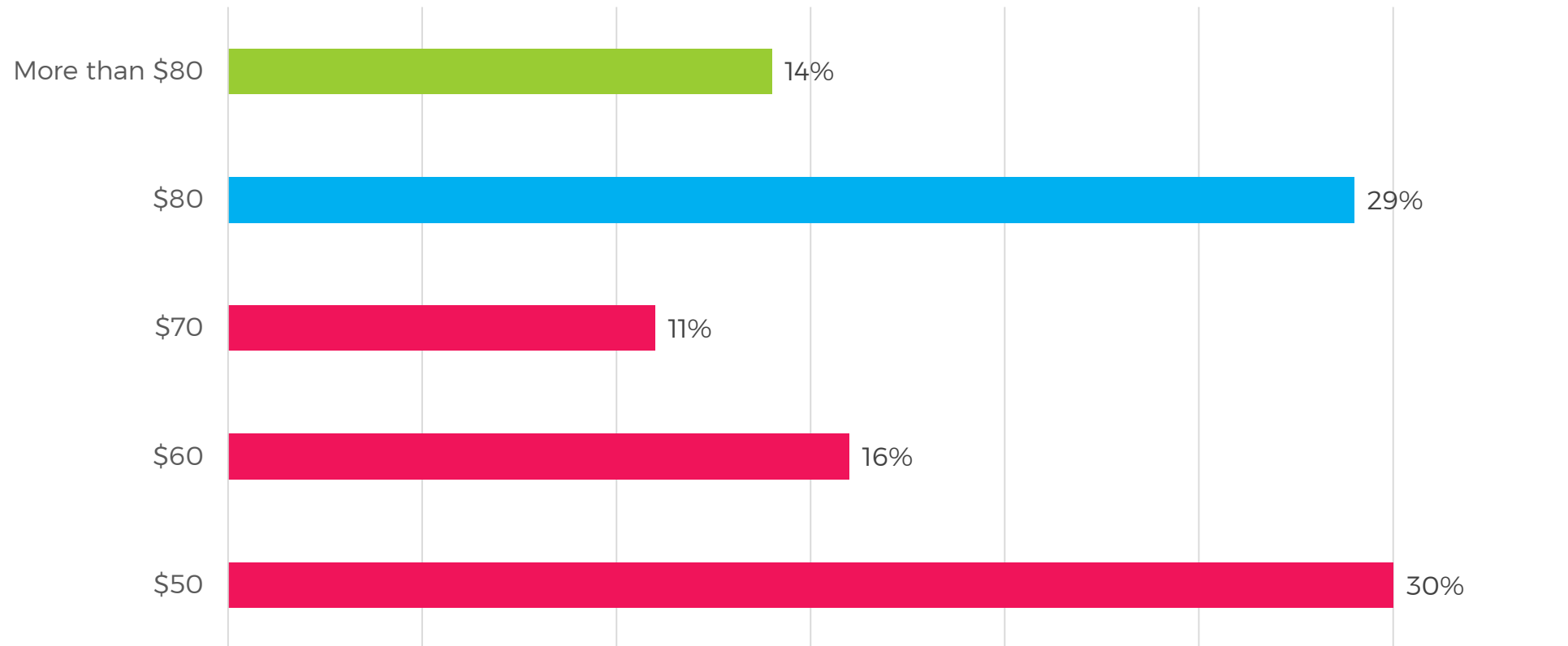
Reflecting the drop in confidence, consumers anticipate lower spend on discretionary items such as live sports and entertainment products

EXPECTED CHANGE IN SPENDING HABITS POST COVID-19



More than half of attendees of sporting events expect reductions in ticket prices, with a third anticipating cuts of \$30 on an \$80 ticket

ANTICIPATED PRICE FOR AN \$80 TICKET IN POST-COVID ENVIRONMENT



Q Consider a post-COVID world when you can attend live sporting events again. Consider that you were buying a ticket for a sporting event such as an AFL or NRL game or tennis match, for instance, and that previously that ticket cost \$80. What would you expect to pay for the same sporting event in a post-COVID world?

Download our other COVID-19 research reports here
<http://thegembagroup.com/news/free-covid-19-sports-entertainment-insights/>

- Gemba conducted this poll of Australians over 22-23 May 2020
- Nationally representative sample n=302

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