ANALYSIS OF TRENDS AND STATE CONTROL OF SPORTS INDUSTRY DEVELOPMENT IN UKRAINE

Abstract. The analysis of the development of the sports industry in Ukraine made it possible to identify national and global trends, consider regional features, identify problems and determine priorities for its development.

Modern trends in sports and health activities testify to their significant impact on social relations, the formation of human potential and economic growth. The popularity of sports is growing, which is reflected in the increase in the number of people engaged in professional or recreational sports, actively training and participating in sports and health activities. The market of the sports industry also shows significant growth, and the introduction of innovative technologies in this area contributes to economic development, international integration and the universalization of world cultural values.

Thus, sports and recreational activities are important factors of civilizational development that have a systemic impact on various spheres of society.

Ukraine faced problems in the development of professional sports, despite the high potential of its athletes. Insufficient financial support from the state and local authorities leads to stagnation in this field. Most sporting events are only possible thanks to sponsorship, and many regions lack the necessary training facilities due to outdated infrastructure, high energy costs and underpaid coaches. Young people's choice of sports is limited, and access to sections is often conditioned by a fee, making it difficult for children and youth from low-income families to participate. These problems, together with systemic deficiencies related to the state of socio-economic systems in the country, led to the loss of Ukraine's position on the international sports arena, the outflow of talented athletes and coaches abroad, and the deterioration of the country's overall image.

Keywords: sports industry, development trends, management, state regulation.
АНАЛІЗ ТЕНДЕНЦІЙ ТА ДЕРЖАВНИЙ КОНТРОЛЬ РОЗВИТКУ СПОРТИВНОЇ ІНДУСТРІЇ В УКРАЇНІ

Анотація. Проведений аналіз розвитку спортивної індустрії в Україні дозволив виявити національні та глобальні тренди, розглянути регіональні особливості, виявити проблеми та визначити пріоритети її розвитку.

Сучасні тренди в спортивній і оздоровчій діяльності свідчать про їх значущий вплив на суспільні відносини, формування людського потенціалу та економічне зростання. Популярність спорту зростає, що відображається в збільшенні кількості людей, зайнятих професійним або рекреаційним спортом, активно тренуються та беруть участь у спортивних та оздоровчих заходах. Ринок спортивної індустрії також демонструє значний ріст, а впровадження інноваційних технологій у цій сфері сприяє економічному розвитку, міжнародній інтеграції та універсалізації світових культурних цінностей.

Таким чином, спорт і оздоровча діяльність є важливими факторами цивілізаційного розвитку, які мають системний вплив на різні сфери життя суспільства.

Україна зіткнулася з проблемами у розвитку професійного спорту, незважаючи на високий потенціал своїх спортсменів. Недостатня фінансова підтримка з боку держави та місцевих органів влади призводить до стагнації в цій галузі. Більшість спортивних заходів можливі лише завдяки спонсорській підтримці, а багатьох регіонах бракує необхідних умов для тренувань через застарілу інфраструктуру, високі витрати на енергоносії та недостатню оплату тренерів. Вибір молодих людей у сфері спорту обмежений, а доступ до секцій часто обумовлений платою, що ускладнює участь дітей та молоді з малозабезпечених сімей. Ці проблеми, разом з системними недоліками, пов’язаними зі станом соціально-економічних систем в країні, призвели до втрати позицій України на міжнародній спортивній арені, відтоку талановитих спортсменів і тренерів за кордон та погіршення загального іміджу країни.

Ключові слова: спортивна індустрія, тренди розвитку, управління, державне регулювання.

Formulation of the problem. In the modern stage of development of civilization, the sports industry has become one of the main industries on which national economies focus their attention. It is becoming a popular social and cultural trend, as well as an important image factor for countries. In global practice, physical education, sports and related fields of activity, which contribute to the development of a healthy lifestyle, receive extensive state support.

Without a doubt, sports and health activities are one of the leading civilizational trends that have gained importance during the last 10 years. In developed economies, many national and regional programs have been developed to encourage citizens to
lead an active lifestyle and engage in sports. Since 2010, statistics have been kept not only in the field of high sports achievements, but also in the field of physical activity of the population, taking into account different age and social groups, etc. Many studies are aimed at finding relationships between sports and the economy, social development, politics, health care and other areas of human life.

The development of the sports industry has a high priority in the system of social and economic development of most civilized countries. The health care system is essentially associated with sports activities, as it has a significant impact on the health of the nation. Along with the personal responsibility of a person for his health, there is also the state responsibility, because the development of the sports and health sector is one of the most important priorities of the state policy. Every country should strive to ensure the health not only of the current generation, but also of future generations, for which it is necessary to develop a system of sports and health activities built on the basis of an individual approach to ensuring the health of each individual person (adherence to the regime, playing sports and monitoring indicators health).

**Analysis of recent research and publications.** The question of the development of the sports industry is in the field of scientific interest of many domestic and foreign scientists, experts of relevant ministries and departments, state and public organizations. Among the researchers we can name: Arbu Mihai, Constantin Răzvan, Burcea George [1], S. Vavreniuk [2], S. Dombrovsk [2], Ya. Leonov [3], O. Shevchuk [4], V. Palyuk [2], S. Romanenko [5], N. Tanklevska [6], S. Tsymbalyuk [7,8] and others.

The conditions of military aggression and hostilities on the territory of Ukraine lead to the decline of the development of the sports industry, relegating it to the background. The enemy caused serious damage to a large part of the sports infrastructure, stopped training and holding competitions, which threatens the loss of the country's sports potential. The industry has experienced a significant reduction in funding and incurred heavy losses. Recent studies show that there is currently a lack of systematic scientific and practical developments regarding the development of the sports industry in the conditions of growing crisis phenomena, armed aggression and the post-conflict period. This requires finding ways to modernize the strategic development of the sports industry in modern realities and the need for a mechanism to regulate its development in Ukraine.

**The purpose of the article** – The purpose of the research is to analyze the trends and state control of the development of the sports industry in Ukraine, which will allow the delimitation of powers in the sphere of management in the sphere of the sports industry, to adapt individual sectors to changing environmental conditions.

**Presenting main material.** Ukraine recognizes the right of citizens to health care and provides the opportunity to engage in physical culture and sports at the
state level. However, it is important not to diminish the importance of the duty of every citizen to take care of his health, avoid harm to others and create conditions for a healthy life of future generations. Reasonable and balanced exercise and regular medical examinations are ways to preserve health and improve the health of the population, and in the situation of the Covid-19 pandemic, adherence to the vaccination schedule becomes an additional tool for maintaining health.

According to Eurostat data [9], between 2015 and 2020, the share of the population aged 18+ who are physically active (doing at least one physical exercise per week) increased by 27% on average in European countries. The highest percentage of people involved in mass, professional and other types of sports and physical education (more than 70%) is observed in the Scandinavian countries, while the lowest rate (less than 10% of the population) is recorded in Turkey, Bulgaria and Romania.

According to a study [10], the global sports market reached almost 388.3 billion dollars in 2020, which corresponds to a growth of 3.4% since 2015. In 2020, the market volume decreased by 15.4% compared to the previous year 2019, reaching $388.3 billion. The decrease in volumes is mainly due to the introduction of quarantine restrictions and social distancing in various countries during this period, as well as the decline in economic activity caused by the COVID-19 pandemic and related measures. Despite these challenges, the market is expected to adapt and grow to $599.9 billion by 2025 and reach $826.0 billion by 2030.

"According to research by the McKinsey company, in 2021 there is a significant recovery in the sporting goods market. Globally, the sportswear market in 2021 almost fully recovered to pre-Covid-19 sales, driven by consumers in China (23% growth compared to 2020) and the US (15%). In general, 14% annual growth is observed in 2021, which is more than double the average annual growth rate in the period from 2015 to 2019 (5%)" [11].

Ukraine faced stagnation in the development of professional sports, despite the high potential of its population. One of the main reasons is insufficient financial support from the state and local authorities, which leads to the limitation of sports events, which are possible only thanks to sponsorship support. Many regions lack the necessary training conditions (outdated infrastructure, high energy costs, low level of payment of coaches), which limits the opportunities for youth to develop in various sports. Most sports sections require a fee to participate, which makes them inaccessible to children and youth from low-income families. Quarantine restrictions introduced to combat the spread of COVID-19 were also an important factor that influenced the development of professional sports in Ukraine, as well as in other countries.

"In today's global economy, sport plays a significant role in economic development and can be used as a tool to create new types of economic activity that contribute to innovation and social change. Given its motivational power for various
individuals and groups, sport and physical activity can have significant economic and social impact. This is especially true at the local and regional levels, subject to effective management of this sector." [12].

The mass of sports has a direct impact on the achievements of athletes of the highest category, this is confirmed by world experience. Especially in popular sports, the results of leading athletes are an effective tool for promoting active physical education and sports activities among the general population. [13, p. 70].

Ensuring the development of sports and physical culture is one of the priorities of state policy at various levels in many countries of the world. In countries with a developed economy, the management system of sports and health activities is part of the state functions, which is carried out by the relevant authorities. However, countries may differ in the level of decentralization of management, focus of powers at the regional level, classification of activities in the sports and health sector, and level of state funding.

These differences are important in the formation of the legislative framework, development of regulatory mechanisms, financial, material and technical and personnel provision of institutions and organizations in the field of physical culture and sports. Achieving effective public administration in this field depends on balancing the interests of various market participants, making optimal decisions, the functionality of relevant bodies and services, economy, flexibility and efficiency of management structures.

The state acts as the main factor in the development of sports and health activities in any country, creating and supporting the sports industry, determining priorities and policies, developing a legal framework and coordination mechanisms between sports organizations of various levels, as well as determining the country's role in the international sports community.

In European countries, local authorities play an important role in the development of physical culture and sports, even if this function is not mandatory by law. Local authorities often provide significant financial support for the development of mass sports. However, the amount of such support depends on the management's attitude towards the sport, which can be a disadvantage. But the high level of support for sports from citizens contributes to the policy of its development.

Ukraine is characterized by a low level of physical activity of the population, which leads to the fact that Ukrainians are considered one of the most inactive nations in Europe. Only 17% of Ukrainians engage in regular physical activity, which is insufficient compared to other European countries. The low level of development of the sports and recreation sphere and the physical activity of the population negatively affect the economy of Ukraine. According to experts' estimates, during 2010-2020, the low level of development of sports and physical activity led to the loss of 73 billion dollars of GDP. Thus, the important role of sports and health activities and the development of related areas in the economy of Ukraine is significantly underestimated.
According to scientists Leonova Yu. and A. Bondar, state regulation of the development of physical culture and sports in Ukraine is characterized by the following problems:

- Insufficient attention paid by the state to this industry.
- Low implementation of constitutional guarantees regarding citizens' access to sports.
- Decrease in importance of moral and patriotic values.
- Insufficient development of personnel potential and material and technical base, especially in rural areas.

Lack of sports infrastructure that would provide sports for children and youth, as well as daily physical activity of the population, which threatens to decrease the level of health and working capacity of the population as a whole. [14, p. 194].

Analyzing the indices of the growth of services in the field of sports, it can be noted that the trends observed in Ukraine and the European Union (EU) in general are similar. A sharp increase in the volume of services in 2016 compared to 2015 was typical for both Ukraine and EU countries. At the same time, the growth rate in the EU was positive during almost the entire period from 2016 to 2020, the total increase was almost 88%. Ukraine also saw rapid growth in 2016, but in 2017 there was a contraction (-7% compared to the previous period), and in 2018 growth resumed by 58%. The COVID-19 epidemic had a significant impact on the development of sports and health activities, which led to a decrease in the market of sports services by 14% in Ukraine and by 24% in EU countries in 2020. During 2021, the trends to strengthen the market of sports services and industries gradually recovered, thanks to the work carried out on vaccination of the population, which made it possible to gradually open sports facilities, sections, hold games and various sports events for citizens. This had a positive effect on the growth of the sports market. At the same time, changes are taking place in the field of sports, which were a consequence of the pandemic period and became a kind of trigger for the further development of this industry.

The main task facing the sports industry in Ukraine today is to build an effective system of state regulation and planning of relations in this field, which would meet the current conditions on the Ukrainian market.

The current legislative acts do not sufficiently take into account the role of public physical culture and sports associations, which bear the main burden on the development of mass physical culture and health work and the preparation of the sports reserve. Also, the issues of economic support of these associations from commercial and public non-commercial organizations, as well as citizens, have not been resolved.

Therefore, at the current stage, it is necessary, first of all, to ensure rational management of state property. This can be done by creating a complete register of state and regional property, which will regulate the educational and training process,
conducting sports events and scientific and methodological aspects of training the country's national teams. Special attention should be paid to optimizing the management of state shareholdings.

State control in the field of the sports industry, physical culture and sports organizations, sports facilities and sports industry enterprises is carried out in accordance with target programs for the development of physical culture and sports at all levels. These programs are approved in accordance with the established procedure by the Government of Ukraine, executive authorities and other physical culture and sports organizations.

The state exercises control over activities in the sports industry through legal regulation of physical culture and sports relations and providing economic and other support to objects of the system of physical culture and sports, regardless of their form of ownership. This support can include budget financing, soft loans, tax breaks and other measures. The state also controls and does not allow monopoly in the field of sports. Through the implementation of the investment policy, the state aims to achieve proportional, uniform and sustainable development of both high-achieving sports and mass sports, physical and recreational activities and tourism in different regions of Ukraine. It also provides assistance in the employment of physical culture, sports and tourism to socially less protected categories of the population, such as the disabled, pensioners and minors. The main task of the regional administration in the field of sports and health activities is to ensure the effective implementation of state policy and the Strategy for the development of physical education and sports in a certain territory, taking into account regional factors and peculiarities. Regional management carries out balancing between historical experience and modern innovative trends.

- The main priorities of the regional (municipal or UTC policy) in the field of development of the sports industry should be the following areas:
  - Ensuring effective cooperation between physical culture and sports management bodies, as well as sports associations and public organizations.
  - Creation of favorable conditions and development of infrastructure for citizens to practice sports, including bicycle paths, stadiums, sports halls and swimming pools.
  - Using budgetary financing of mass sports as a way of attracting additional financial resources to the industry.
  - Development of planning of land plots for the construction of sports infrastructure, in particular in places accessible to citizens.
  - Organization of mass competitions, introduction of non-traditional sports and active recreation.
  - Activation of marketing activities in sports.

**Conclusions.** After studying the specifics of the development of the sports industry in Ukraine and the world, several common features and trends can be identified:
The general spread of the culture of sports and a healthy lifestyle, which encourages the population to engage in physical activity and sports, contributes to the growth of demand for quality sports services. This leads to the development of sports sections, clubs and fitness centers.

The growing role of sports in social relations and the prestige of sports-related professions.

Activation of the activities of state bodies in support of the development of sports infrastructure.

Increasing popularity of sports tourism.

Thus, there are general trends towards active participation in sports, support of sports infrastructure and development of sports tourism both in Ukraine and around the world.

To achieve optimal results with the least costs in the field of physical culture and sports movement, it is suggested to be guided by a number of principles that contribute to the optimization of state regulation and the structure of financial resources, depending on the form of ownership of the subjects of the sports movement. These principles include the following:

- State support that promotes the development of sports and physical education.
- Orientation to solving priority tasks, which allows you to direct resources to the most important areas of development of the sports industry.
- Respecting the interests of all participants in the sports and physical culture process, which ensures fairness and equality in the distribution of resources.
- Responsibility, which involves the effective use of financial resources and the achievement of maximum results.
- The social significance of the functions, which takes into account the importance of sports for society and ensures adequate financing of this area.
- Competitiveness, which stimulates the development of sports organizations and the creation of quality sports services.

Due to the fact that the sports industry in Ukraine has not reached a sufficient level of development, and the development of sports organizations is not economically profitable, it is important to improve the legislation and regulate issues related to the involvement of various sources of funding. In many countries with a developed economy, in addition to budget financing and the attraction of public funds, sports clubs, institutions and other institutions are financed from various additional sources, such as the sale of lottery tickets, bookmaking activities, sponsorship, the provision of additional services and the creation of specialized funds. Ukraine also uses similar sources of funding, but due to the lack of clear legal norms, their use is not transparent and is often accompanied by corruption.

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