

Determinants of Sports Expenditures: Evidence from a Developing Country ¹

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Abstract

The aim of this study is to determine the factors affecting sports expenditures of individuals living in Turkey. We obtained the primary data of 3555 individuals interviewed in 28 provinces of Turkey between 1 September 2015 and 1 July 2016. We estimated a sports demand equation derived from a simple consumption function. Estimating this demand function by using the least squares method results in a sample selection bias due to the incidental truncations in our dependent variable. For this reason, the two-stage Heckman (1979) selection model is used to eliminate the sample selection bias. According to the estimation results, there is a statistically significant and positive impact of income and education on sports expenditure. Sports expenditures of a retired person is lower than the others. The results show that as age and leisure time increases, the probability of consuming sports goods and services decreases. Moreover, women and married people are less likely to consume sports products compared to men and single. While having a chronic disease decreases the probability of sports consumption, smoking seems to have no impact on sports expenditures.

Keywords: Sports economics, sports expenditures, Heckman, Turkey.

Jel Codes: Z20, E21, C24

¹ This study is a part of project BAP-1506E521 supported by the Scientific Research Commission of Anadolu University, Eskişehir, Turkey.

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