

Impact of the Sports Economy on the Textile Economy – The Role of Profit Potential Assessment on TBV (Total Brand Value)

Ivan Novak

Professor, University of Zagreb Faculty of textile technology, ZDTO, Economy department, Croatia

Abstract:

This paper is focused on research on the role of profit potential assessment on TBV (total brand value). The sports economy has a profound impact on the textile economy, primarily through demand-driven innovation, branding synergies, and supply chains expansions. The relationship between the two sectors is reinforced by the growing global interest in sports, fitness culture, athleisure fashion and other leisure trends connected to sport and textile. By examining literature and studies, key Impacts of the Sports Economy on the Textile Economy are (1) Increased Demand for Performance Textiles (2) Branding and Market Expansion (3) Sustainability and Innovation (4) Other not mentioned impacts. Also, the sports industry drives the demand for specialized textile materials, based on mass productions for masses involved in competitive sport, sports recreation, school sport, sport of disabled persons and athleisure. So, Branding and Market Expansion should be based on the assessment of the profit potential in target markets, and should be structured differently, encompassing several key procedures: 1. Assessment of total market potential on the supply side 2. Assessment of the company's market potential 3. Assessment of total market potential on the demand side 4. Determination of the average gross profit margin in the industry 5. Evaluation of the industry's long-term attractiveness. The paper suggests that the role of profit potential assessment has a significant role in TBV (total brand value), not only because of the crucial role of profitability assessment of the company's market potential in determining a brand's total value but other explored (outside) factors, too. Also, the paper shows that the sports economy and textile economy are deeply interconnected. So, the companies that successfully integrate performance textiles with strong brand positioning will continue to dominate both sectors.

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Keywords:

Sports economy, textile economy, TBV (total brand value), profit potential assessment.