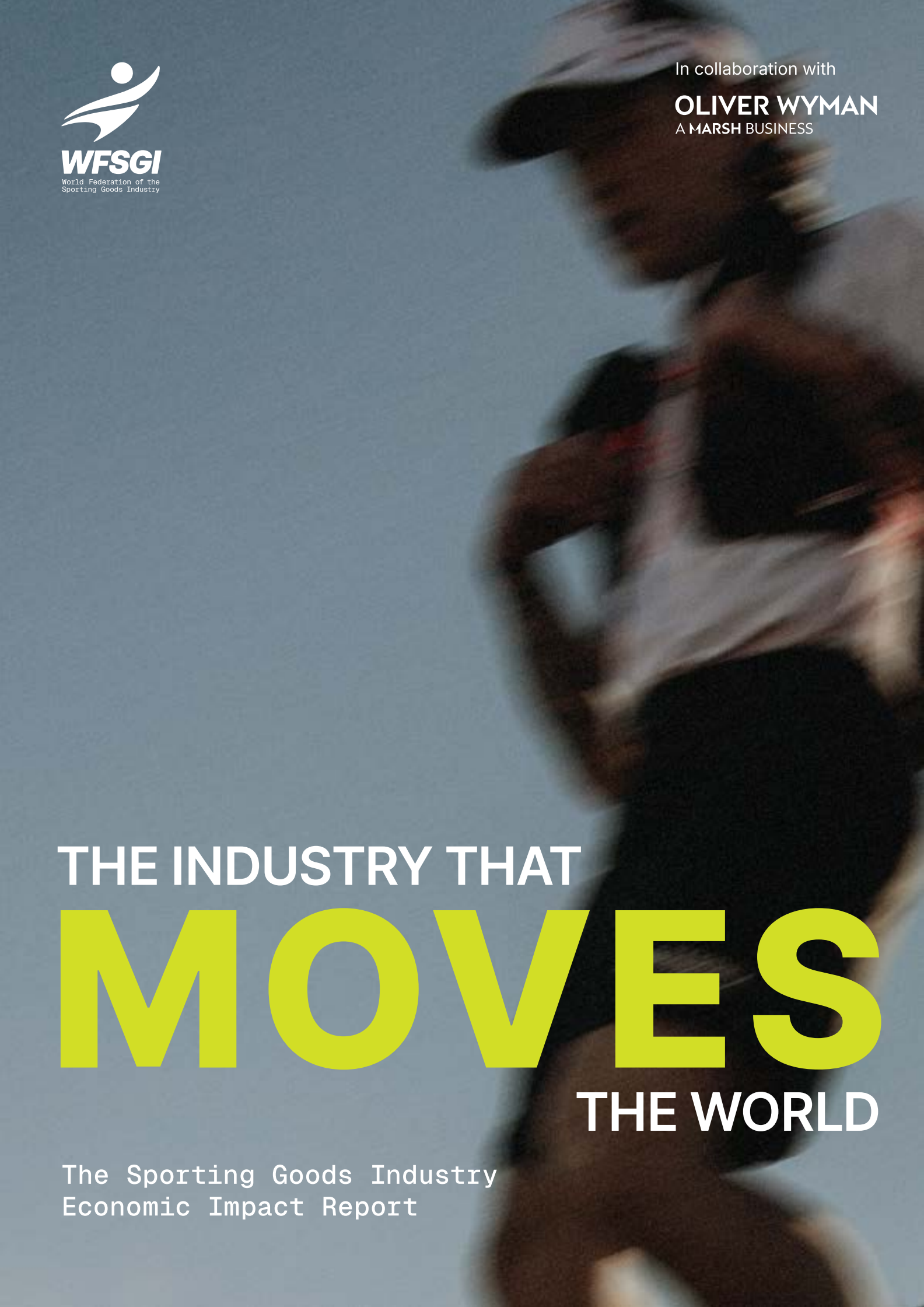




THE INDUSTRY THAT **MOVES** THE WORLD

The Sporting Goods Industry
Economic Impact Report

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FOREWORD



Sport is, at its core, an inspirational and unifying force across the world.

It inspires participation, aspiration and achievement. It brings people together across cultures, communities and generations. It remains one of the few truly universal languages, capable of transcending borders, political philosophies and social divides, and it has a unique ability to connect with, and inspire, young people around the world. This is what drives the sporting goods industry, and we are proud to showcase it in the first-ever Sporting Goods Industry Economic Impact Report.

The Industry That Moves the World report represents a significant milestone for our industry. For the first time, it quantifies the sporting goods sector's contribution to global economic growth, employment, innovation and societal development. It provides clear evidence of what many of us have long understood: our industry does far more than serve consumers by manufacturing and selling products. It enables participation, supports livelihoods and contributes to healthier, more productive societies.

As the world navigates economic uncertainty, geopolitical change and evolving public health challenges, sport has never been more important, and this is the industry that connects sport to the world.

The sporting goods industry supports over 28 million jobs worldwide, drives innovation at a pace that exceeds many sectors, and generates substantial economic value across a highly interconnected global ecosystem. Yet what truly distinguishes the sporting goods industry is its dual role as both an economic powerhouse and a crucial driver behind sport and participation. Every investment, every innovation and every product is intrinsically linked to a broader public good. When more people participate in sport, movement and physical activity, society benefits through improved physical and mental health, enhanced productivity and stronger communities.

As the industry that moves the world, we see this report as both a benchmark and a platform: a benchmark for understanding our impact, and a platform for advancing the partnerships, policies and investments that will enable even greater success for the global economy and society as a whole.

Jorge Casimiro
Chief Government & Public Affairs
and Public Policy Officer, Nike
Co-Chair, World Federation
of the Sporting Goods Industry

Dave Wheeler
Chief Operating Officer, New Balance
Co-Chair, World Federation
of the Sporting Goods Industry



For the first time, the sporting goods industry can quantify the scale of its contribution to the global economy and society. This report marks a defining milestone for WFSGI and for every member company, partner and contributor who helped make it possible.

For decades, the sporting goods industry has invested in innovation, enabled participation and performance, and supported economies, jobs and communities around the world. Yet until now, there has been no comprehensive assessment of the industry's global economic contribution and its broader role in shaping healthier, more active societies. This report changes that.

Developed through a unique collaboration between WFSGI, the Oliver Wyman, a Marsh business, our members and regional and national trade association partners, it provides the most complete picture to date of the scale, reach and impact of the global sporting goods industry. It quantifies our contribution to economic growth, employment, innovation and public health.

The findings also underline an important reality: the policy environment in which our industry operates matters. Sporting goods continue to face significant tariffs and other barriers in many markets, despite the fact that these products play a role in enabling people of all ages and backgrounds to be physically active. If governments, industry and society are serious about creating healthier, more active populations, we should be equally serious about keeping the barriers to participation as low as possible.

As a federation, we have always believed that our greatest strength lies in our ability to work together, focusing on collaboration over competition. This report is a powerful example of what that collective approach can achieve. More importantly, it gives our industry a stronger evidence base from which to engage governments, partners and policymakers on the conditions needed to enable business growth and a healthier, more active planet for all.

Emma Zwiebler
Chief Executive Officer,
World Federation of the
Sporting Goods Industry



Sport has a remarkable ability to connect people, communities and global economies. It's now recognised as a multi-trillion-dollar ecosystem spanning 210 global markets, one that brings together governments, investors, leagues, athletes, brands and businesses in a relationship of economic and cultural interdependence.

Yet its continued growth depends on something more than capital and competition: it depends on the health of people, the activation of communities and a sporting goods industry capable of supporting and economically contributing to global markets.

At this pivotal moment, there is a generational opportunity to redefine prosperity, integrating financial growth with societal health and well-being. It is with these opportunities in mind that the World Federation of the Sporting Goods Industry (WFSGI) and Oliver Wyman, a Marsh business, have developed this first landmark report, examining the size, contribution and shape of the global sporting goods economy.

What makes this industry truly distinctive is the convergence of scale, innovation and public good. Few industries combine this reach with the same pace of innovation. Yet unlike many industries of comparable scale, the sporting goods sector generates a measurable public health dividend. Its products are the enabling infrastructure of physical activity, and its commercial success is structurally aligned with getting more people moving more often.

Oliver Wyman, a Marsh business, brought deep sector knowledge and analytical rigour to every dimension of this work, drawing on structured stakeholder engagement and cross-market data synthesis to produce the most comprehensive mapping of the global sporting goods industry ever undertaken.

The opportunity is significant.

Tony Simpson
Partner, Global Sport
Industry Lead
Oliver Wyman, a Marsh business



EXEC

UTIVE SUM MA RY

The sporting goods industry powers more than sport: it fuels economic growth, creates jobs, drives innovation and helps build healthier, more productive societies. This report, developed by the World Federation of the Sporting Goods Industry (WFSGI) with Oliver Wyman, a Marsh business, provides the first-ever assessment of the sporting goods industry's contribution to economic growth, employment, innovation and societal development, and examines how trade, fiscal and development policy will determine how far that contribution can grow.

The findings show an industry whose economic weight ranks alongside the world’s most established global sectors. The sporting goods industry generates approximately \$614 billion in annual revenue through value chains spanning 62 manufacturing countries and 210 consumer markets.¹ Including the activity it sustains across its supply chains and through the wage-spending of its workforce, the industry contributes an estimated \$675 billion to global GDP each year — approximately 0.6% of global economic output, comparable to the entire annual GDP of Belgium or Sweden. It also supports an estimated 28 million jobs worldwide, roughly one in every 125 jobs on the planet. Around 10.5 million of these are direct jobs in manufacturing, retail, distribution and corporate operations, with the industry generating an estimated \$120 billion in annual tax revenues through direct channels alone — rising to approximately \$230 billion once taxes across its supply chains and through the spending of its workforce are included.¹

Few industries combine this scale with the same pace of innovation. Sports-related patent filings have grown at 7.6% annually over the past decade (more than 70% faster than patenting overall) as the industry invests in materials science, biomechanics and advanced manufacturing.² And unlike many consumer industries of comparable scale, the sporting goods industry generates a public health dividend: its products are the enabling infrastructure of physical activity, and its commercial success is structurally aligned with getting more people moving more often.

This is the industry’s distinctive economic position: its long-term growth and the public’s health are mutually dependent. Greater participation in sport and physical activity increases demand for sporting goods, which funds continued investment in innovation, production and participation initiatives — and when participation falls, both the industry and society lose. Today, 1.8 billion adults (more than the population of India or China) do not meet recommended physical activity levels.³ Adult inactivity rose from 26% in 2010 to 31% in 2022 and is projected to reach 35% by 2030.³ New cases of major noncommunicable diseases attributable to physical inactivity are projected to impose approximately \$300 billion in first-year healthcare costs between 2020 and 2030,⁴ while declining participation could place an estimated \$133 billion in future sporting goods revenue at risk by 2030.^{1,5}

Policy choices will determine which path is taken. The industry’s globally integrated value chains depend on the efficient movement of specialised inputs, products, knowledge and investment. Yet sporting goods face an average applied tariff of 14.1%, nearly three times the 5.2% average across all traded goods and more than seven times the roughly 2% applied to medicines,^{1,6} despite both being products that underpin health. Tariffs, consumption taxes and compliance costs accumulate along the value chain and feed directly into the price of participation, at a time when cost-of-living pressure is already a barrier, particularly for lower-income households.⁷ In effect, sporting goods are taxed like discretionary luxuries while delivering outcomes that governments prioritise and invest billions pursuing through health and related budgets. There is little economic logic in it: the entire global tariff take on sporting goods (an estimated \$8–15 billion a year)¹ is at most around half of the direct annual cost of inactivity to health systems (estimated at \$30–48 billion a year),^{4,8} and a rounding error against the \$314–446 billion in annual GDP available from meeting global activity targets.⁹

This is a question of policy coherence — because governments seeking healthier populations, stronger productivity and more resilient growth have a direct stake in the industry that supplies, finances and promotes participation. No government designed this trade-off deliberately; it is the accumulated result of trade, fiscal and health policies made in isolation from one another. This report’s core proposition is that aligning them is one of the most cost-effective growth and health interventions available to policymakers today.

**This report sets out
three priorities**

- Trade frameworks that support resilient global value chains and predictable market access
- Fiscal and regulatory treatment that recognises the relationship between affordability and participation
- Public–private cooperation that connects industry capabilities with national health, industrial and sporting objectives

The sporting
goods industry

Generates

\$614B
in annual revenue

Contributes

\$675B
to global GDP annually

Supports

28M
jobs worldwide

1 in 125
jobs on
the planet

The priorities

1

Trade
frameworks

that support resilient
global value chains
and predictable
market access

2

Fiscal and
regulatory
treatment

that recognises the
relationship between
affordability and participation

3

Public–private
cooperation

that connects industry
capabilities with national
health, industrial and
sporting objectives





POWERING THE GLOBAL ECONOMY

The sporting goods industry is one of the world's most substantial, and most underestimated economic engines. Through design, research, manufacturing, trade and retail, it generates approximately \$614 billion in annual revenue and contributes an estimated \$250-290 billion in direct gross value added to global GDP each year.¹ Once the activity it sustains across its supply chains and through the wage-spending of its workforce is included, the industry's total contribution rises to an estimated \$675 billion (around 0.6% of global GDP, comparable to the entire annual economic output of Belgium or Sweden) and an estimated 28 million jobs worldwide, roughly one in every 125 jobs on the planet.¹

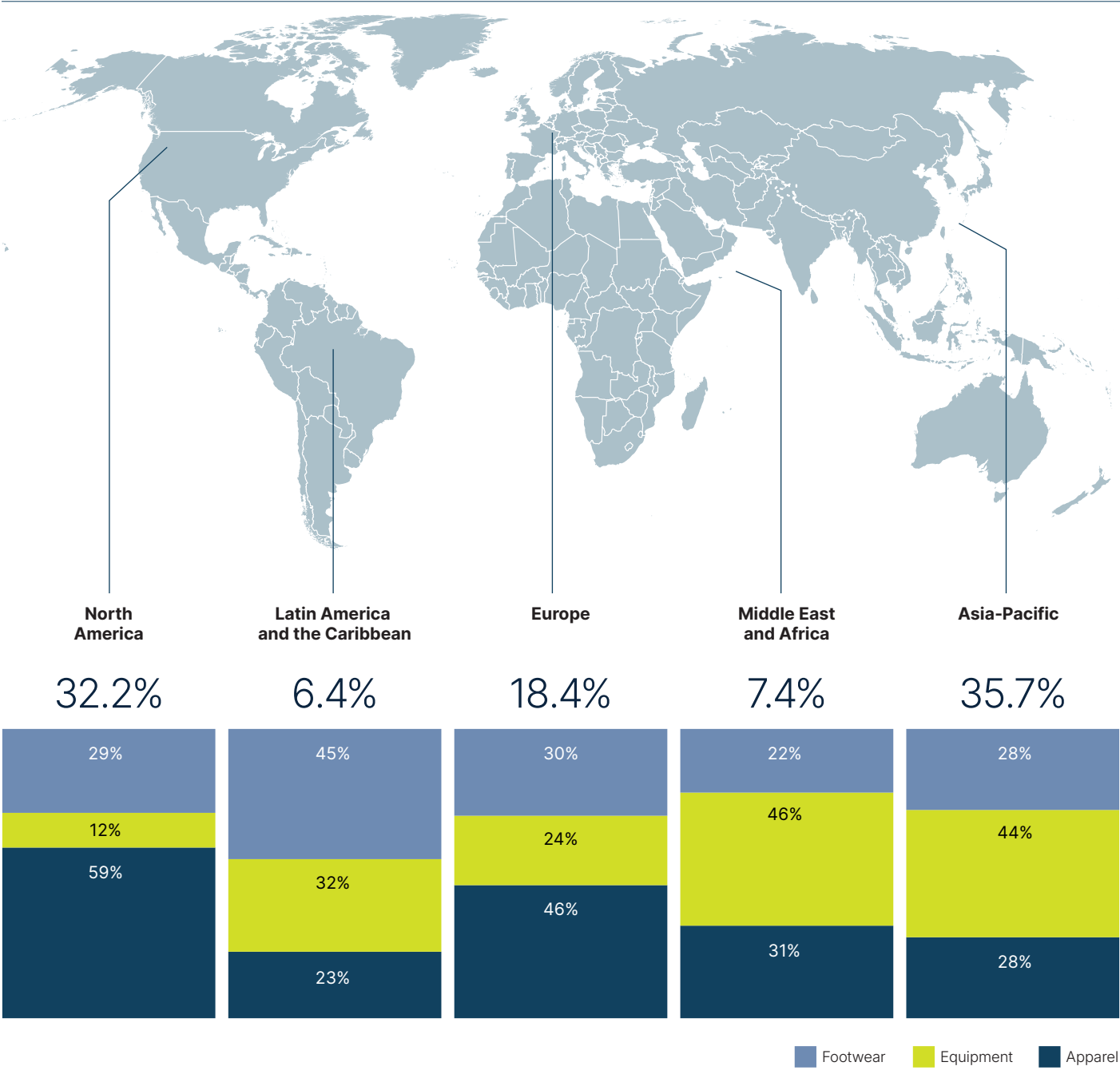
The industry also enables the wider sports economy. Every stage of physical activity and sport, from grassroots participation and professional competition to sports tourism, depends on the products and innovation the industry provides. Sporting goods account for around 30% of core-industry revenue within the global sports economy, a market worth \$2.3 trillion annually and projected to reach \$3.7 trillion by 2030 — a growth rate roughly twice the pace of the global economy.⁵

The sporting goods industry's significance and impact, however, is not confined to product sales. Instead, it creates additional value through other channels: sustaining the wider sports ecosystem through commercial investment while its globally integrated operations generate employment, investment, trade and innovation across the broader economy.

The industry does not merely participate in the sports economy — it underpins it. Revenue generated through sporting goods sales is reinvested in product innovation, athlete and event sponsorship, commercial partnerships and other activities that strengthen sport at every level. Every athlete, team and federation that competes does so using the industry's products — support frequently provided as value-in-kind that never appears in cash sponsorship figures.

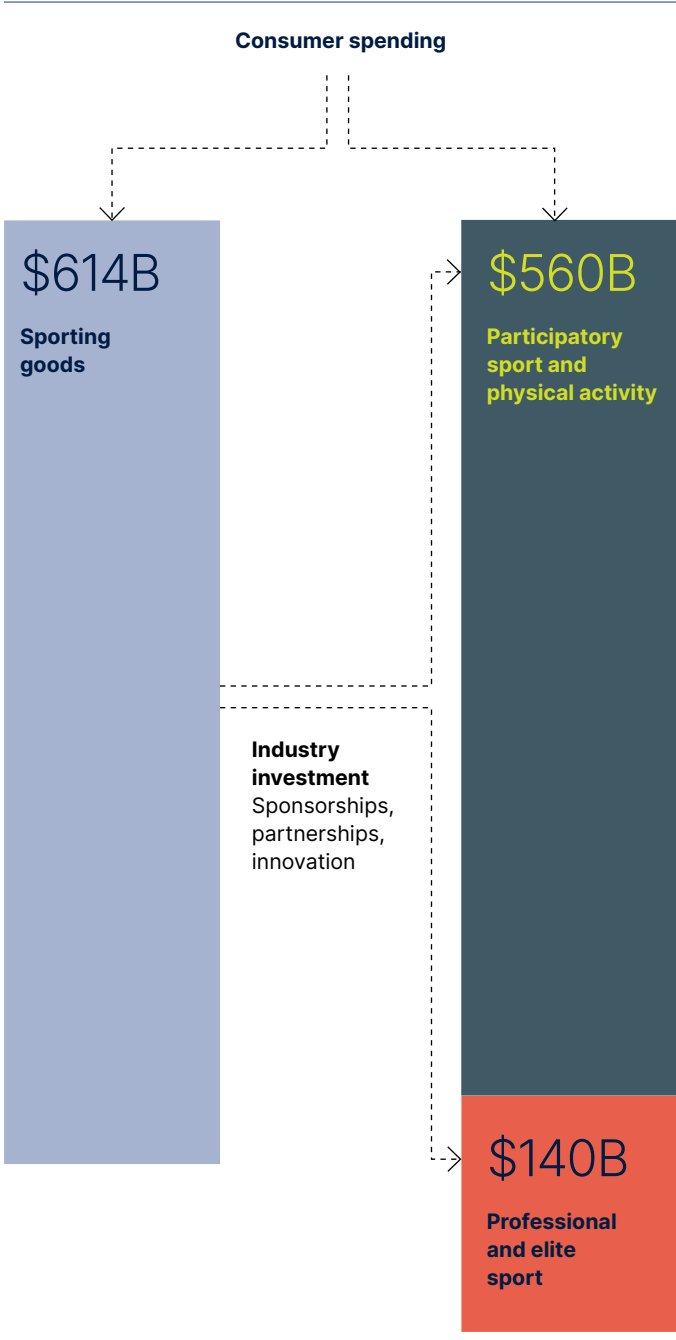
\$675B
annual contribution to global GDP
— comparable to the annual economic output of Belgium

Sports economy revenues, by region and product category



Note: Sporting goods comprises sports apparel, sports footwear, and sports equipment. Sports apparel includes clothing designed for sports, exercise, and active use; sports footwear includes athletic and performance footwear; sports equipment includes equipment and accessories for exercise, team, racket, golf, fishing, winter, water, and outdoor sports. Figures reflect consumer retail/B2C revenue.
Source: Euromonitor (sports apparel & footwear), Statista (sports equipment), Oliver Wyman analysis

Illustrative monetary flows within the sports economy



Note: Box sizes and dollar values represent estimated annual global revenues by segment; arrows illustrate directional flows of consumer spending and industry investment and are not sized to value.
Source: World Economic Forum, Oliver Wyman analysis

Getting up to speed
Defining the core sports economy

Sporting goods

Brands, manufacturers, suppliers and/or distributors (including licensing, franchising and retail businesses) of sporting goods and sports-inspired leisure goods and services.

Participatory sport and physical activity

Physical activity is any bodily movement produced by skeletal muscles that requires energy expenditure and refers to all movement — including during leisure time, for transport to and from places, or as part of a person's work or domestic activities. Both moderate- and vigorous-intensity physical activity improve health. Popular ways to be active include walking, cycling, wheeling, sports, active recreation and play, and can be done at any skill level and for enjoyment by everybody.¹⁸

Professional and elite sport

Leagues, clubs and governing bodies whose revenues primarily come from media partners, commercial or institutional partners, matchday/competition revenue, and fans.

Sports tourism

Travel and accommodation associated with participating in or watching sporting events, as well as adventure tourism involving active outdoor pursuits such as hiking, skiing, cycling, surfing and other recreational activities.

Connecting the world through production

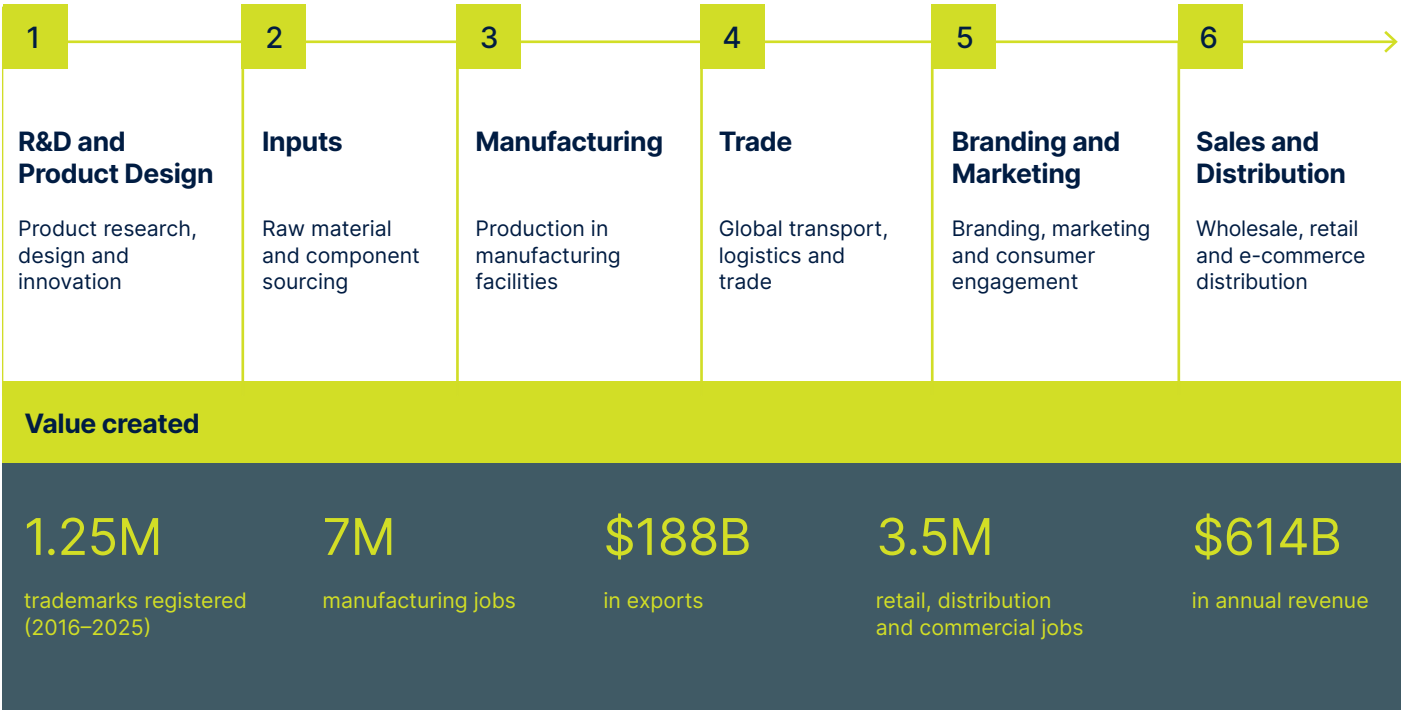
The second defining characteristic of the industry's contribution is its globally distributed manufacturing footprint — production spans 62 countries and reaches consumers in 210 markets worldwide — making it one of the most globalised industries in the world.¹

From design to delivery, a single sporting goods product generates economic value across multiple countries — beginning long before manufacturing, in the design studios, research laboratories and marketing teams concentrated in headquarters economies. One major running brand's disclosed supply chain spans 19 countries and territories across four production tiers, from raw material production through final assembly,¹⁰ while another reports that producing a conventional shoe upper alone can require at least 200 manufacturing steps across multiple locations.¹¹ Although individual products will not necessarily pass through every country in these networks, sporting goods are created through geographically and operationally complex value chains spanning multiple economies rather than within a single country.¹² The corollary matters for policy because value is created globally — in R&D,

design, branding and commercial operations as much as in production. Trade measures aimed at imports also put at risk high-skilled employment and investment in the very markets that impose them.

The value chain begins with research and development (R&D) and product design, where companies invest in materials science, biomechanics, engineering and digital technologies to improve performance, reduce injury risk, enhance comfort and sustainability, and meet the evolving needs of consumers. These innovations are first translated into products by the design and development teams and then manufactured through a global supplier network that provides the raw materials, components and technical inputs required for scaled production. Innovation, however, is not confined to brand headquarters — manufacturers across the globally integrated manufacturing network, including specialist producers in cycling and equipment, invest heavily in new production technologies, automation and materials processing, making the production base itself a source of innovation.

Illustrative sporting goods value chain



Source: World Intellectual Property Organization, WITS, UN Comtrade, Euromonitor, Statista, Oliver Wyman analysis

62

countries make up the industry's manufacturing footprint

~70%

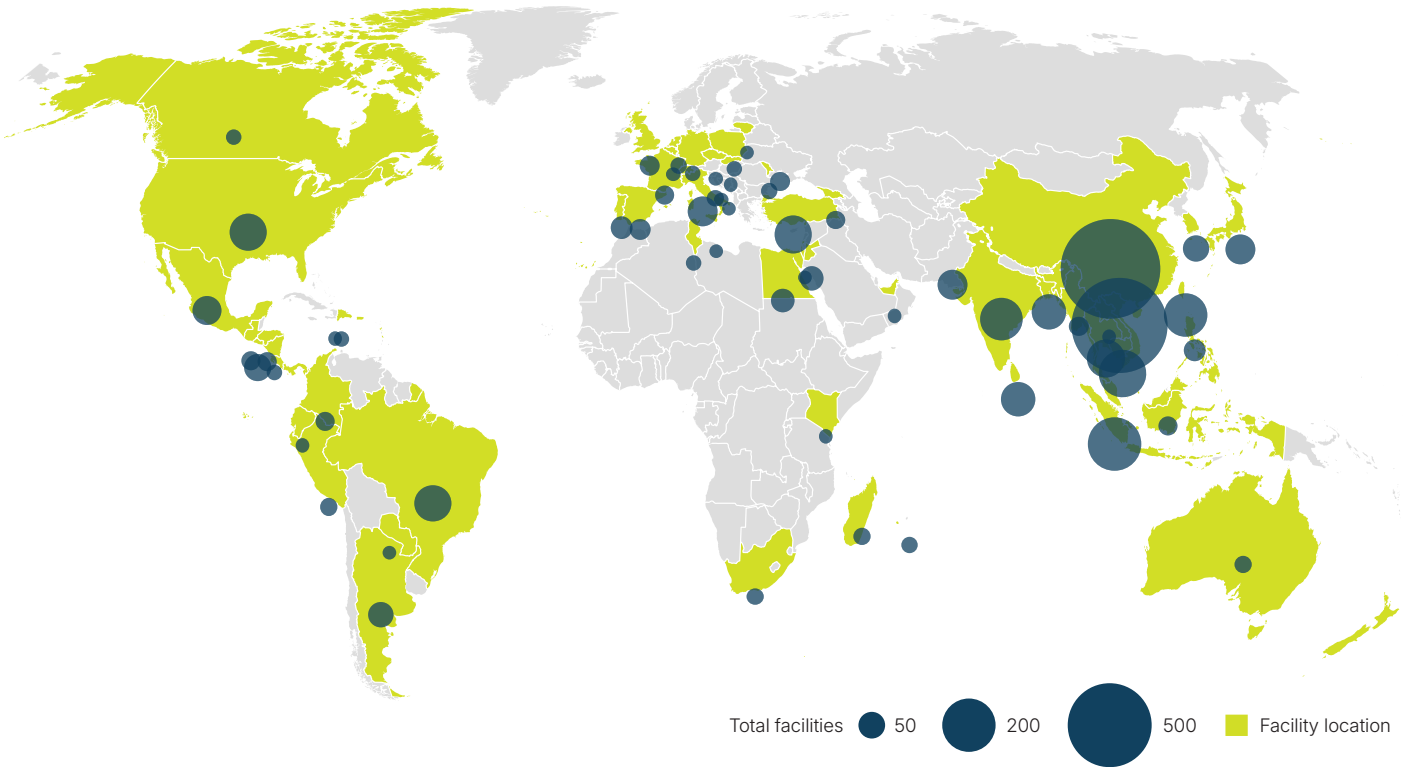
of disclosed sporting goods manufacturing facilities are concentrated in six hubs:

Cambodia, China, India, Indonesia, Chinese Taipei, Viet Nam



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Manufacturing footprint of sporting goods companies



Source: Company disclosures, Oliver Wyman analysis



Despite a broad geographic spread, production of footwear, apparel and equipment is concentrated in a small number of export-oriented manufacturing hubs that supply consumer markets worldwide. Six hubs — Cambodia, China, India, Indonesia, Chinese Taipei and Viet Nam — account for nearly 70% of disclosed sporting goods manufacturing facilities, with China and Viet Nam alone representing more than half of the total.¹ This concentration reflects more than production efficiency; over time, these hubs have evolved into internationally specialised manufacturing ecosystems, bringing together skilled labour, supplier networks, technical expertise and logistics infrastructure. These hubs are also centres of manufacturing innovation in their own right, combining advanced automation, precision engineering and materials-processing capabilities that few consumer industries deploy at comparable scale.^{13,14} Chinese Taipei's place among them reflects, in large part, its position as the centre of global high-end bicycle and component manufacturing.¹⁵

The industry's role in economic development is well established — sporting goods value chains have been among the first to bring large-scale investment, technical know-how and global-standard production practices into developing economies, training local workforces and helping build the industrial foundations on which broader manufacturing growth has followed.¹³ These are long-term partnerships that deliver for brands and producing countries alike, deepening capabilities, raising standards and anchoring stable employment over decades.

As supply chain strategies continue to evolve, and automation and AI expand what can be produced where, the industry recognises that these shifts can have wider economic and social consequences. These considerations form part of a broader set of commercial, operational and external factors that shape supply chain decisions.

Turning global reach into added economic value

Complementing the industry's geographic footprint is the employment it supports across the value chain. Direct employment alone is estimated at 10.5 million people worldwide,¹ with around two-thirds (approximately 7 million) working in the industry's manufacturing base.

The remaining approximately 3.5 million people are directly employed in bringing sporting goods to consumers and running the industry's commercial operations. This includes approximately 2.6 million retail jobs — spanning specialist and general sporting goods stores, brand-owned retail and the substantial share of sporting goods sold through

supermarkets, department stores and online marketplaces (which conventional retail statistics do not attribute to the industry). Alongside wholesale and distribution employment, there are more than 600,000 corporate professionals in research and development, product design, marketing and management, concentrated in the industry's headquarters economies — North America, Europe and major Asian economies.¹

The industry's full employment footprint is substantially larger. Including the jobs it sustains among its suppliers of materials, components, logistics and services (an estimated 9–10 million) and through the wage-spending of its workforce (a further 8 million), the sporting goods industry supports an estimated 28 million jobs worldwide — roughly one in every 125 jobs on the planet.¹

Sporting goods industry employment, by direct, indirect and induced effects (in millions)



Source: Oliver Wyman analysis

The industry’s fiscal footprint follows the same pattern. Direct channels alone (import duties, consumption taxes, and corporate and payroll taxes) generate an estimated \$120 billion in government revenues each year. Including the taxes generated across the industry’s supply chains and through the wage-spending of its workforce, the total approaches an estimated \$230 billion annually.¹

Relative to its size, the industry is also exceptionally ‘employment-rich’. Its estimated 28 million supported jobs against \$675 billion of GDP contribution equate to more than 40 jobs for every \$1 million of economic value created. This is an order of magnitude more than capital-intensive sectors of similar revenue scale.¹⁶

While manufacturing employment is concentrated in export-oriented production hubs, higher-value activities remain centred in the markets where global sporting goods companies are headquartered. The geographic distribution of manufacturing, commercial and corporate activities means the industry’s ability to create value depends on the efficient movement of products, knowledge and investment between headquarters, production hubs and consumer markets. The industry’s global reach is therefore not a dispersion of value but a system for creating it: headquarters economies capture high-skilled design, R&D and commercial value; manufacturing economies gain production scale, industrial capability and formal employment; and consumer markets gain access, choice and affordability.

Value that is created globally can also be lost globally. Because the value chain crosses so many borders, policy measures aimed at one country rarely stay contained: a tariff imposed in one market raises costs

40+

jobs supported for every \$1M in GDP contribution

for manufacturers in a second, squeezes design, R&D and marketing investment in a third, and ultimately reaches consumers everywhere. Maintaining stable, internationally connected production and trade networks is therefore critical to sustain the industry’s growth and broader economic contribution.^{1,14}

Faced with tariff shocks, freight disruption and demand volatility, sporting goods companies have not had the option of standing still. Maintaining globally integrated production requires continuous investment, and companies have continued to invest while absorbing significant additional costs. These investments reflect the advantages of established global networks: long-term supplier relationships support cost-efficient production and closer integration between design and manufacturing. Diversified sourcing and logistics networks enable companies to respond to demand shifts, protect product availability and reduce dependence on individual countries or suppliers.¹⁴ These long-term relationships also deliver benefits well beyond cost: they transfer skills and technology, anchor stable formal employment, attract co-located suppliers and infrastructure, and upgrade national industrial capabilities — a key reason producing countries actively compete to host the industry.

This commitment has persisted despite periods of market volatility, including COVID-19. Sporting goods companies recorded more than \$2.2 billion in capital expenditure in their latest fiscal year, with aggregate capital expenditure increasing at a compound annual growth rate (CAGR) of 4.2% between FY2021 and FY2025.¹ While continued investment sustains the industry’s production networks and competitiveness, long-term growth ultimately depends on the continued expansion of the markets it serves.

70%

faster growth in sports-related patent filings than patent filings overall



Designing for performance and participation

Innovation in products, materials and manufacturing has long been a defining characteristic of the sporting goods industry, driving performance at the highest levels of competition, excitement for athletes and fans, and greater accessibility for everyday participants. Between 2016 and 2025, more than 65,700 sports-related inventions were recorded worldwide, alongside more than 1.25 million trademarks.² During the same period, sports-related patent filings grew at a CAGR of 7.6%, compared with 4.4% across all patents, more than 70% faster than the patent economy at large.²

Commercialisation has followed a similar trajectory, with sports-related trademark registrations growing at 6.1% annually, nearly double the 3.4% growth rate observed across trademarks overall.² Analysis of leading sporting goods companies identified more than 28,600 patent applications between 2016 and 2025, published across more than 35 patent jurisdictions, including the United States, China, the European Patent Office and Japan.¹ That profile of rising patent intensity, deep technical specialisation and continual product renewal is precisely what economies compete to attract, because it anchors high-skilled employment, exportable know-how and productivity growth.

Advances in materials science, biomechanics, engineering, manufacturing processes and digital technologies continue to shape product development across the sector. Modern running footwear illustrates this evolution, integrating advanced foams, carbon-fibre plates, engineered geometries and specialised cushioning systems.¹⁷ Like running, the cycling industry also works with carbon-fibre composites, specialised rubber compounds, advanced polymers and engineered textiles, often developed, sourced and manufactured across multiple countries before reaching consumers. Such innovation across the sporting goods industry seeks to improve comfort, aid performance, support injury prevention strategies, expand accessibility through adaptive equipment, and advance more sustainable materials and manufacturing processes. Continued investment in research and development sustains this pace of innovation, as companies develop new products, improve manufacturing processes and advance material technologies.

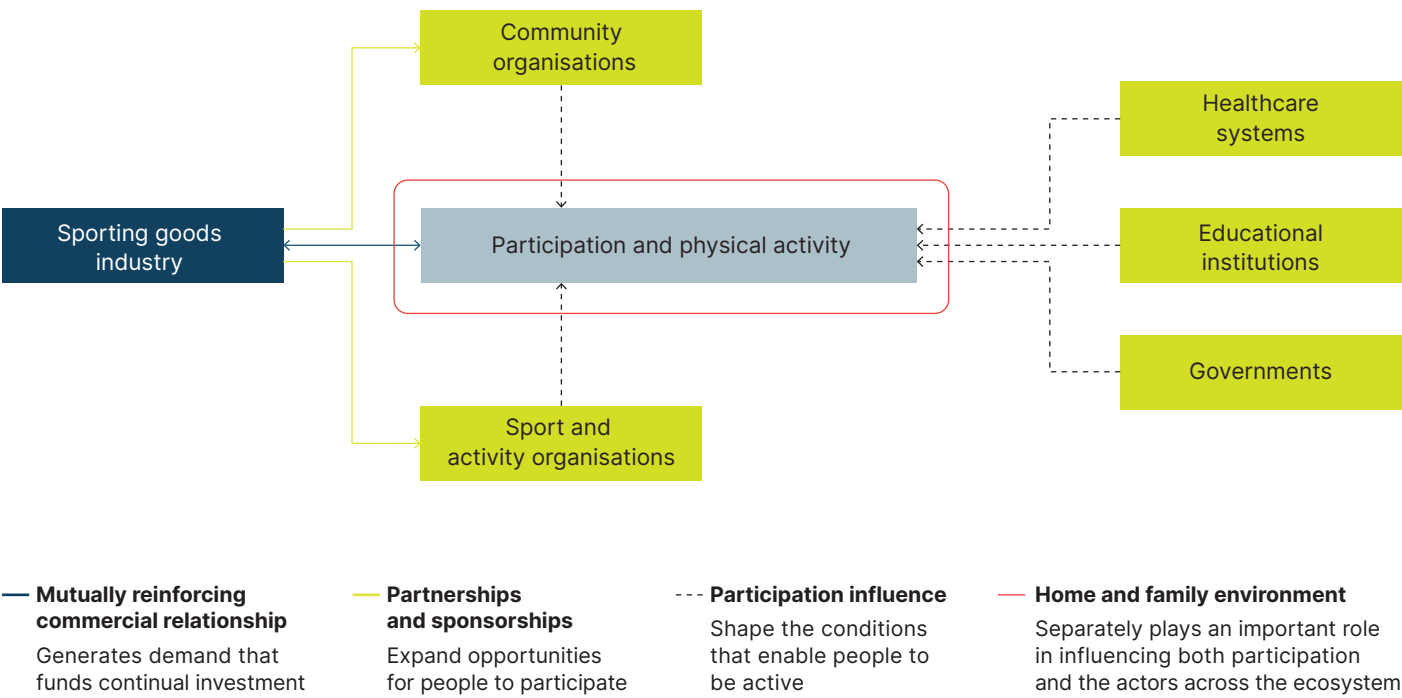
Taken together, the picture is unambiguous: this is an industry that contributes hundreds of billions of dollars to global GDP, supports tens of millions of jobs, out-innovates the patent economy at large and continually reinvests in its own productive base. Its continued economic contribution depends in turn on the resilient global value chains and predictable market access that allow the industry to operate and invest at scale. The chapters that follow show why that engine matters well beyond the industry itself, because what it ultimately produces is the world’s capacity to move.



INVESTING IN A MORE ACTIVE WORLD

The sporting goods industry's greatest value lies not only in its position as a driver of economic value, but in its direct impact on social outcomes. Its commercial success — and, by extension, the wider sports economy's — depends on expanding participation in sport and physical activity, giving sporting goods companies a direct incentive to invest, innovate and collaborate to deliver the conditions (and, above all, the products) that enable more people to be active. This dynamic operates within a broader participation ecosystem involving many other actors, but none shares the same mutually dependent relationship with participation: when more people move, the industry grows, and when participation declines, the industry, public health and the economy weaken together.

Key actors in the sport and physical activity participation ecosystem



Despite a broad participation ecosystem spanning governments, the private sector, civil society and multilateral institutions, global levels of physical inactivity continue to be a challenge. Today, nearly one-third of adults and over 80% of young people do not get sufficient physical activity.^{3,18} This trend persists even as the World Health Organization has set a target of achieving a 15% relative reduction in physical inactivity by 2030 under the Global Action Plan on Physical Activity (GAPPA).¹⁹ Global inactivity has increased from 26% in 2010 to 31% in 2022, meaning 1.8 billion adults (more than the population of India or China) are already insufficiently active.³ This is projected to reach 35% by 2030, equivalent to approximately 800 million additional inactive people worldwide.³

For the sporting goods industry, expanding participation represents a long-term growth opportunity while reinforcing the industry's role in generating broader economic and social value. It's estimated that \$133 billion in projected sporting goods revenue — over 20% of the sporting goods industry's current annual revenue — is at risk by 2030 if current trends persist, underlining how directly the industry's future growth depends on participation.¹⁵ As both a commercial sector and a long-term investor in sport, the industry works to expand participation across the wider sports ecosystem, through the product and manufacturing innovation described in the previous chapter, and through sustained commercial investment in the athletes, competitions, sporting organisations and communities that bring sport to life.

80%+

of youth are insufficiently active (11–17-year-olds)

20%

of the industry's current annual revenue is at risk

Sustaining the people and organisations behind participation

Commercial sponsorship has become one of the largest sources of private investment in sport. The global sponsorship market was valued at approximately \$41 billion in 2024, having grown by more than 30% over the past five years.¹ Almost half of sponsorship investment flows to federations, events and leagues, helping finance the organisations and competitions that deliver sport from elite competition to grassroots participation.

Within this market, the sporting goods industry plays a role no other sector can match, because its support for sport is not only financial. The industry accounts for around one-third of all athlete sponsorship (the largest share of any industry) and approximately one-tenth of team and competition sponsorship, ranking among the three largest sponsor groups in both categories financially.¹ Measured in cash terms alone, sporting goods companies contributed an estimated \$5 billion in sponsorship in 2024.¹ It is also the only sponsor group whose support combines significant cash investment with product and value-in-kind support for almost every team that competes — enabling

participation from playground to podium and backing athletes 365 days a year, long before and after the medal moments. Thus, the industry's full contribution, including equipment, apparel and services provided as value-in-kind, is substantially larger.

These investments sustain participation pathways, enable events to take place and create the platform on which wider economic activity, from tourism and hospitality to consumer spending, occurs.

Furthermore, sponsorship provides a platform for expanding the reach and visibility of sport. Beyond funding, the industry's brands, storytelling and marketing platforms are among sport's most powerful engines of visibility and inspiration. Through global marketing campaigns, athlete storytelling and brand platforms, sporting goods companies amplify athletes, competitions and sporting organisations, helping inspire participation, strengthen fan engagement and reinforce the long-term sustainability of the sports ecosystem. For example, the "Road to Paris 2024" was a pilot project involving 17 brands that celebrated and raised the profiles and stories of athletes and teams at the Olympic and Paralympic Games on a global level in ways not previously seen in the digital era. The project achieved 3.05 billion engagements between January and September 2024, with 1.05 billion video views.²⁰



©PUMA

1/3

of all athlete sponsorships come from the sporting goods industry — the largest of any industry

The rising cost of sitting still

The economic burden of inactivity is already substantial. Physical inactivity is projected to cost healthcare systems approximately \$300 billion between 2020 and 2030 through first-year treatment costs alone for new cases of major noncommunicable diseases (NCDs).⁴ As this estimate captures only the first year of treatment, it represents a highly conservative lower bound. Many NCDs become lifetime conditions, and country-level analyses show cumulative treatment and productivity costs far exceeding first-year figures. The scale of the challenge is particularly evident in India, the world’s most populous country, which stands to lose \$4.6 trillion before 2030 due to NCDs and mental health conditions.²¹ The human toll is greater still — the World Health Organization identifies physical inactivity as one of the leading risk factors for global mortality, with insufficiently active people facing a 20–30% higher risk of death.¹⁸

Beyond healthcare expenditure, physical inactivity erodes the human capital on which economies run. Health issues related to overweight and obesity (to which physical inactivity is a key contributor) are estimated to reduce workforce productivity by an average of 1.66% per capita per year. The combined impact on the workforce and life expectancy is estimated to reduce GDP by 3.3% per year on average,²² the equivalent of losing the entire annual output of more than three workers in every hundred. Labour productivity, employment and GDP — the metrics on which governments are judged — are directly linked to how much populations move.

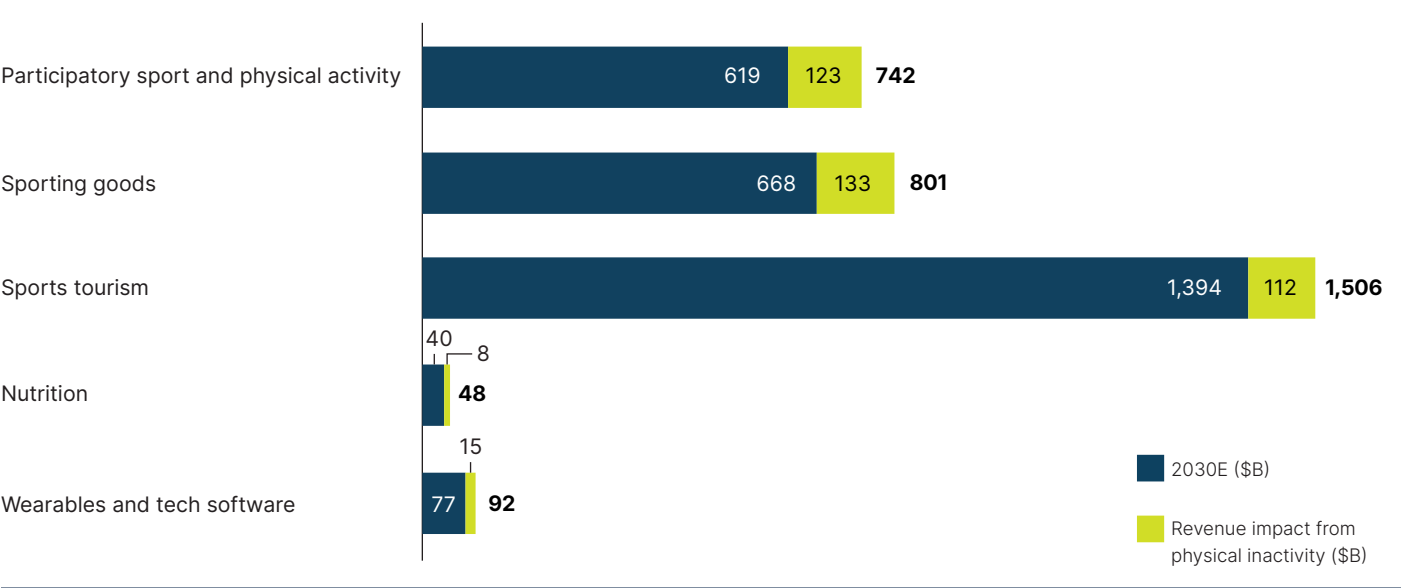
Getting up to speed

Physical inactivity is a major NCD risk factor — but physical activity is also part of the solution

Noncommunicable diseases (NCDs) include conditions such as cardiovascular disease, cancer and diabetes. Moving more can directly reduce NCD risk and help address other risk factors.¹⁸



Estimated 2030 revenue impact of physical inactivity on the sports economy, by segment



Source: World Health Organization, Worldometer, World Economic Forum, Oliver Wyman analysis

The benefits of reversing this trend are equally well evidenced. Globally, achieving the World Health Organization’s recommended physical activity levels has been estimated to add \$314–446 billion to annual GDP by 2050 (equivalent to 0.15–0.24% of global output), through improved labour productivity and reduced premature mortality.⁹ National studies confirm the same pattern: in Australia, current levels of sport and physical activity avoid approximately \$1.1 billion in annual health expenditure,²³ while in England, the broader economic benefits of increasing physical activity are estimated at \$20 billion per year.²⁴ Every one of those gains runs through participation, and participation runs through access to the products, spaces and programmes the sporting goods industry supplies and funds.

These findings point to a distinctive economic dynamic: the costs of inactivity are largely borne by governments and society, while many of the investments that can reduce those costs are made by actors across the wider participation ecosystem — the sporting goods industry chief among them. This makes the relationship between fiscal and regulatory treatment, affordability and participation a matter of public health as well as economic policy. The implications are beginning to reshape public finance itself. Barbados’ work with the Inter-American Development Bank on a debt-for-health financing initiative treats the prevention of noncommunicable diseases as a fiscal instrument: prevention so valuable that it is being used to reduce debt-servicing costs, much like climate investment.²⁵

New medical technologies, including weight-loss therapies, will play a role in addressing obesity, but health organisations are clear that they must complement, rather than replace, physical activity as part of an integrated model of care.²⁶ Recent OECD analysis identifies obesity and physical inactivity as two of the few childhood health indicators that have continued to worsen over the past two decades.²⁷ Whatever the mix of interventions, one constant remains: populations cannot become more active without affordable access to the products that enable movement, and no actor has a stronger structural incentive, or a greater practical capability, to expand that access than the sporting goods industry.

\$314B+

added annually to GDP by 2050 if recommended physical activity levels are reached

KEEPING MOVEMENT WITHIN REACH

As seen in previous chapters, the sporting goods industry's socioeconomic contribution is built on sustained investment in innovation, global production networks and distribution systems that enable sport and physical activity. The challenge that remains is that industry investment does not automatically translate into greater access to sport and physical activity. Whether sporting goods remain widely available and affordable — and whether companies can continue to invest, innovate and grow — depends on the policy environment in which they are produced, traded and sold.

Put plainly: there is little economic logic in the current approach to inactivity. Tariffs on sporting goods raise an estimated \$8–15 billion a year for government treasuries worldwide.¹ Meanwhile, physical inactivity is estimated to cost those same government health systems between \$30–48 billion a year.^{4,8} Meeting global physical activity targets, however, would add \$314–446 billion to annual GDP through improved productivity and reduced premature mortality.⁹ Even on the most cautious comparison, the health and growth returns from higher participation exceed the entire global tariff take on sporting goods many times over, and unlike tariff revenue, those returns compound as healthier, more productive populations keep moving. No government designed this trade-off deliberately; it is the accumulated result of trade, fiscal and health policies made in isolation from one another. This report’s core proposition is that aligning them is one of the most cost-effective growth and health interventions available to policymakers today.

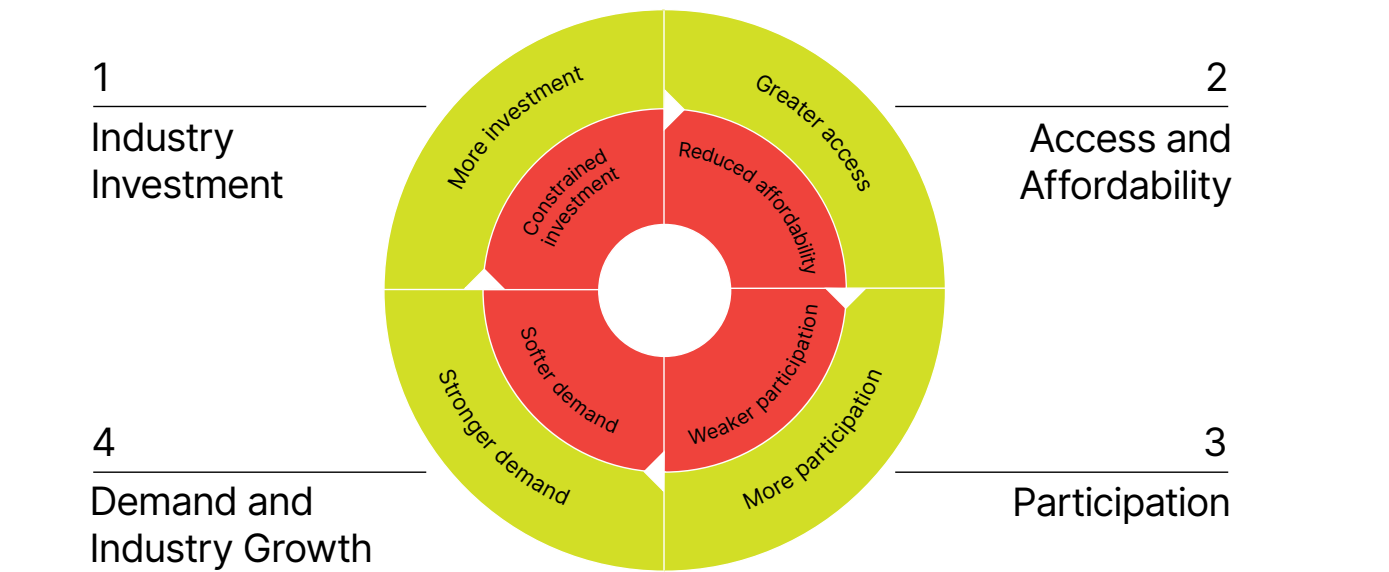
With physical activity serving as a critical lever for public well-being and economic growth, the policy environment surrounding the sporting goods industry takes on strategic importance. Governments today are navigating far more than rising healthcare costs: fiscal pressure, productivity stagnation, trade volatility and industrial competitiveness all compete for attention. Greater support for the industry, even in a volatile environment, can help improve outcomes across trade, finance, industry, health and education portfolios simultaneously.

This unique dynamic begins with the relationship between industry investment and participation. Investment expands the availability, affordability and accessibility of sporting goods, enabling more people to participate. Greater participation, in turn, strengthens consumer demand, supporting continued investment. Expanding participation is not the industry’s responsibility alone; it is a shared endeavour with governments, educators, sports organisations and civil society. But no partner within that ecosystem is more structurally aligned with success than the sporting goods industry.

Policy setting the conditions for participation

At each stage of this loop, trade, fiscal and development policies influence the industry’s ability to invest, expand into new markets and maintain the affordability and accessibility of sporting goods. Trade policy is particularly important given the industry’s reliance on international production and distribution networks. Between 1996 and 2022, imports across the sporting goods categories tracked by the WTO increased from approximately \$15 billion to almost \$64 billion, illustrating the growing importance of international trade to the sector.²⁸ Although the average applied tariff across the sporting goods categories tracked by the WTO

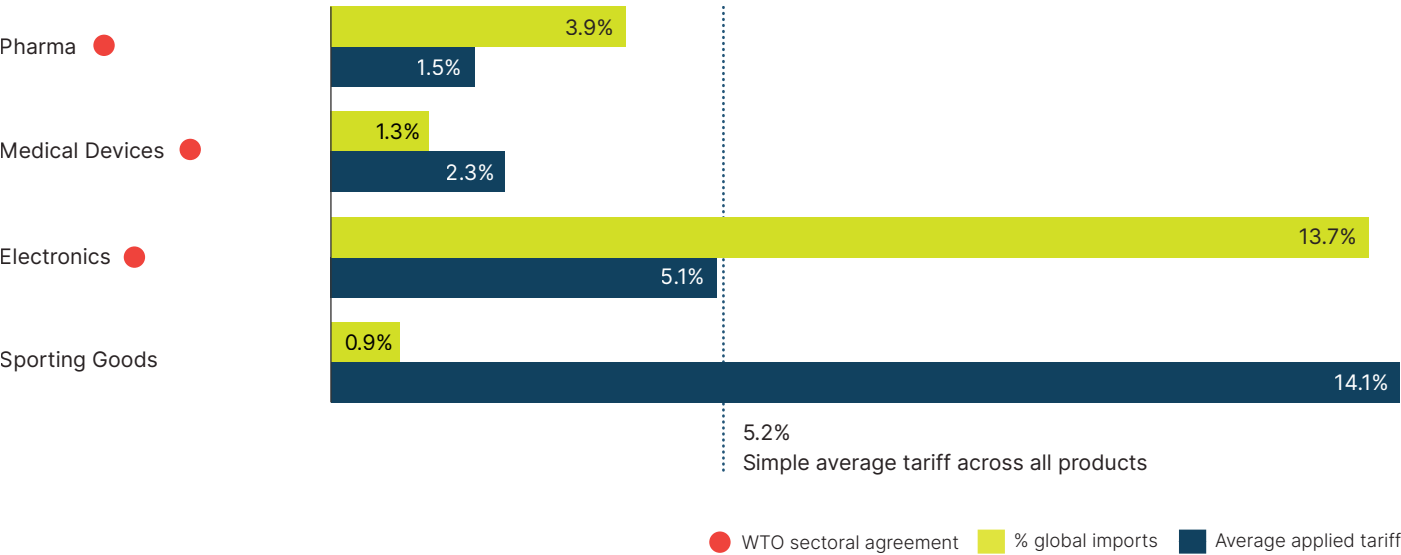
How policy settings shape the industry investment and participation cycle



declined from approximately 18% to 12% between 1996 and 2022,²⁸ sporting goods — including sports footwear, swimwear and tracksuits — continue to face above-average tariff rates relative to the average applied across traded goods, despite accounting for less than 1% of global merchandise imports.¹ These policies ultimately determine how effectively the sporting goods industry can fulfil its dual role as both an economic sector and an enabler of sport and participation. The pattern this reveals is striking: because the industry is global, technical and reliant on long-standing specialised supply chains, sporting goods are tariffed at nearly three times the average rate applied across all traded goods, and at more than seven times the

roughly 2% average applied to medicines, which the WTO’s Pharmaceutical Agreement has bound duty-free across major markets since 1995.^{1,6} Rates can be substantially higher for individual products, with U.S. tariffs on many children’s shoes often exceeding 48% before additional reciprocal tariffs are applied.³³ The penalty is rooted in the industry’s own sophistication — the technical, multi-country production that makes sporting goods effective for health and performance is the same characteristic that exposes them to repeated tariff charges as materials, components and finished products cross borders. What makes the products good for people makes them expensive to trade.

Trade volumes and tariff rates: sporting goods in sectoral context



Note: Red circles denote existence of a WTO plurilateral sectoral agreement resulting in significant tariff elimination. Sporting goods reflects a custom bundle of six HS-4 headings spanning footwear, apparel, and equipment. Pharmaceuticals covers HS Chapter 30, consistent with the WTO Pharmaceutical Agreement, medical devices covers four HS headings, and electronics covers principal ITA and ITA Expansion product headings. Global average is the WITS world simple mean across all merchandise.

Source: WITS, World Bank, UN Comtrade

Getting up to speed

WTO members have used sector-specific agreements to eliminate tariffs on certain categories of globally traded goods

The Pharmaceutical Agreement covers pharmaceutical products and inputs, while the Information Technology Agreement (ITA) and its expansion cover a wide range of electronics and medical equipment.²⁹

Pharmaceuticals, medical equipment and electronics all contribute to health, productivity or both, and benefit from dedicated frameworks that lower the cost of trade.

The sporting goods industry contributes to both — but has no equivalent sectoral tariff agreement.

Tariffs, however, are only the most visible barrier to market access. Before price even enters the equation, technical barriers to trade determine whether sporting goods reach a market at all. Product standards, mandatory certification, conformity-assessment and licensing requirements have multiplied across major markets. WTO members notified more than 4,000 new or changed technical measures in a single year in 2023, the most since records began in 1995.³⁰ Whilst many serve legitimate safety and consumer protection objectives, the barrier arises when requirements are duplicative, divergent across markets, or opaquely administered, forcing the same product through separate testing, certification and approval in every market it enters. The effects fall hardest where choice is already thinnest — approvals delay launches, narrow the range of products offered, and can price smaller brands out of entry altogether. When that happens, the affordability question doesn't arise because the product is simply not on the shelf. Retail expansion in these countries will be severely constrained if global products cannot be sold. As a result, the trade barrier affects not only market access for products but also the ways consumers can access them. Aligning national requirements with international standards, recognising conformity assessments carried out in other markets, and administering rules transparently would widen access at no cost to consumer protection.

Every tariff line, tax and compliance requirement imposed along the value chain eventually arrives at the same destination: the price a family pays to be active. Trade policy sets the cost of moving products across borders; fiscal and regulatory measures accumulate on top; and together they determine whether sporting goods reach consumers as affordable enablers of participation or as discretionary purchases that fall out of stretched household budgets.

14.1%

simple average tariff applied to sporting goods categories in 2022

When affordability becomes a barrier to movement

Affordability reflects both product prices and household purchasing power. As a larger share of household budgets is directed towards essential expenditure during periods of cost-of-living pressure, less income remains available for purchases such as sporting goods, making participation more sensitive to changes in price. Analyses in the United States, the European Union and Canada point to the same dynamic: as cost-of-living pressures mount, participation and purchasing power for sporting goods decline, placing future fiscal pressure on national health budgets and slowing economic productivity.^{7,31,32}

These pressures are visible in the market. In 2025 quarterly reporting, leaders of consumer-facing businesses, including many sporting goods companies, identified inflation, tariffs and cost-of-living pressures as key contributors to softer demand for discretionary products.⁷ More recent 2026 data show that these effects already extend beyond purchasing decisions to participation itself. In the U.S., nearly one in three sports and fitness participants reported increased participation costs. For some, these higher costs are shaping how they engage: among participants whose engagement has been affected by out-of-pocket costs, nearly one-quarter said they are very unlikely to continue their current activities if costs rise further.³¹

Physical activity delivers significant public health and economic returns, which raises a genuine policy question about how the products that enable it should be treated. There is a spectrum, from professional-grade equipment to the basic footwear and apparel that are the entry ticket to physical activity. Treating this entry ticket as a discretionary luxury sits uneasily with the fact that physical activity is foundational to health.

Nearly 3x

the global average tariff applied to traded goods

Making more people move through coordinated action

Greater participation ultimately requires public-private cooperation that connects industry capabilities with national health, industrial and sporting objectives. The conclusion is direct: affordability is a key pathway through which policy settings become participation outcomes, and keeping movement affordable and within reach is where this report's three priorities converge. Trade frameworks that keep value chains resilient and market access predictable lower the cost of every product that crosses a border. Fiscal and regulatory treatment that recognises the affordability-participation



link keeps the entry ticket to activity within reach. Public-private cooperation turns those conditions into the programmes, places and products that get people moving. Where policy gets this right, the industry's investment cycle strengthens, and with it participation, public health and economic growth. Where it does not, governments ultimately pay the difference through health budgets and lost productivity.

The choice is whether these policies continue to pull in different directions or are aligned to create the conditions for industry investment and public objectives to advance together. When policy and industry move in the same direction, the prize is stronger growth, healthier populations and a world in which more people can keep moving.

ACKNOWLEDGEMENTS

The World Federation of the Sporting Goods Industry (WFSGI) extends its sincere appreciation to the WFSGI Board, the Advocacy Advisory Council, and our members for their guidance, support, and commitment throughout this project.

We would like to extend special thanks to the Federation of the European Sporting Goods Industry (FESI), the Sports & Fitness Industry Association (SFIA), PeopleForBikes (PFB), the European Cycling Industries (ECI), and participating WFSGI member companies for their invaluable data contributions and insights, which made this report possible.

We also gratefully acknowledge the report production team — Alex Knezovich (Report Lead), Linda Murphy, and Marc-Ivar Magnus — and our colleagues at Oliver Wyman, a Marsh business — Tony Simpson, Guxin Lin, Samuel Veasey, and Jenna Greenzaid — whose expertise, collaboration, and dedication were instrumental in bringing this report to fruition.

Produced with Oliver Wyman, a Marsh business.
Cover image ©ADIDAS

ABOUT WFSGI

The World Federation of the Sporting Goods Industry (WFSGI) is the global voice of the sporting goods industry. Representing brands, manufacturers, retailers, and national federations, WFSGI advocates for policies and initiatives that enable business growth and a healthier, more active planet for all.

For more information, please visit wfsqi.org.

SUGGESTED CITATION

World Federation of the Sporting Goods Industry (WFSGI). *The Industry That Moves the World: Sporting Goods Industry Economic Impact Report*. September 2026.

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METHODOLOGY

Developing industry-wide estimates

The sporting goods industry spans manufacturing, retail, corporate operations, investment and international trade, with its activities distributed across multiple conventional statistical classifications. As a result, no single statistical source provides a complete or consistently defined measure of the industry’s global economic footprint.

This report therefore used a bottom-up methodology combining company financial and operational disclosures, WFSGI member submissions, official national statistics, international trade data and commercial market datasets. Directly observed data were used wherever available. Where comparable data were unavailable, estimates were developed using conservative assumptions based on observed relationships among companies or markets reporting equivalent data. Particular attention was given to minimising double counting where activities appeared across multiple datasets or stages of the value chain.

Economic contribution

The sporting goods industry’s direct economic contribution was estimated using gross value added (GVA), avoiding double counting across the value chain. The analysis started with the estimated \$614 billion global sporting-goods revenue pool, separating retail and trade-margin activity from upstream manufacturing, brand and distribution activity.

Each component was converted to GVA using observed relationships from official statistical sources, including U.S. retail margin data, China’s official sporting-goods manufacturing and trade statistics, and OECD manufacturing benchmarks. Sensitivity analysis across these assumptions produced an estimated direct GVA range of approximately \$250–290 billion annually. Indirect supply-chain and induced effects are estimated separately, as set out below.

Total economic footprint (direct, indirect and induced)

The industry’s total contribution to GDP and employment was estimated by extending the direct estimates with Type-I (supply-chain) and Type-II (induced, wage-spending) effects, using multipliers derived from OECD Inter-Country Input-Output (ICIO) tables for the textiles, apparel, leather and footwear and distributive-trade sectors. Central multiplier assumptions were benchmarked against comparable published industry footprint studies, including Oxford Economics’ assessment of the global beer industry. This approach yields a total GDP contribution of approximately \$675 billion per year (range: \$560–790 billion) and total employment of approximately 28 million jobs supported (range: 21–35 million). All figures are presented as ranges reflecting sensitivity analysis across assumptions; central estimates are used in the report narrative.

Manufacturing footprint

The industry’s manufacturing footprint was constructed from supplier and factory disclosures published by leading sporting goods companies and supplemented by WFSGI member submissions. Facility records were standardised by supplier name and location, and duplicate facilities were removed where the same production site appeared across multiple company datasets. The resulting facility-level database was used to map the geographic distribution and concentration of the industry’s disclosed global production network.

Industry investment

Industry investment was assessed using publicly reported company expenditure and disclosures across several forms of investment, supplemented by WFSGI member submissions and relevant commercial datasets.

The analysis included capital expenditure, including investment in facilities, equipment, distribution infrastructure and technology; research and development expenditure where separately disclosed; and sponsorship and other investment in sport, athletes, teams, events and participation initiatives where reliable data were available.

International trade

International trade analysis used internationally comparable merchandise trade statistics for product categories associated with sporting goods. Relevant Harmonized System (HS) product codes were identified and aggregated to estimate imports and exports of sporting goods by country. These were used to identify major production and export hubs, consumer and import markets, and the geographic structure of sporting goods trade.

Nomenclature

Country, region, and economy names used throughout this report follow World Trade Organization (WTO) nomenclature.

Trade values represent the customs value of physical goods crossing international borders and are analytically distinct from company revenues. Where sporting goods were embedded within broader HS classifications, the closest internationally comparable product definitions available were used.

Cross-sector tariff comparison

Sporting goods were benchmarked against pharmaceuticals, medical devices and electronics using consistent HS product groupings. Average applied tariffs reflect simple-average effectively applied tariffs across 81 reporting markets with available 2022 data, selected to provide broad and consistent market coverage. Sector trade shares represent 2023 global imports as a share of total global goods imports. The same tariff measure and market-selection approach were applied consistently across sectors.

Sector definitions

Sporting goods are defined by HS product classifications 6112, 6211, 6402–6404 and 9506; Pharmaceuticals (HS 3001–3006); Medical devices (HS 9018, 9019, 9021, 9022); Electronics (HS 8471, 8473, 8486, 8517, 8523–8526, 8528–8529, 8534, 8536, 8541–8542).

