

FALL IN AFL ATTENDANCES EXPLAINABLE

Figures for the 2011 AFL home-and-away season show that average match attendance, a measure that league administrators treat very carefully as an indicator of overall health of the competition, recorded its lowest figure since 2004.



According to sports economist Dr Liam Lenten, much of the reason for this was the uncompetitive and unbalanced nature of this season, based on a number of common metrics used by sports economists.

According to these metrics, 2011 was the most uncompetitive AFL/VFL season since 1982, and the eighth most uncompetitive since the inauguration of the VFL in 1897.

Dr Lenten, from the School of Economics, argues that this actually matters. All other things equal, a more competitive league should translate into more fan interest and therefore demand – this is known as the ‘uncertainty of outcome’ hypothesis.

This is because fans want to see an even contest – not that they want to see their team lose, but they want to know that there is some chance their team will lose.

‘Ask a Carlton fan what’s better than beating Collingwood by 100 points, and they will probably tell you that beating them by one point is better, even though in the latter case, it would have looked during the game like they could very well have lost,’ says Dr Lenten.

The research has recently been published in the leading Australian economics journal *Economic Record*. Dr Lenten analyses the gains in competitive balance in the AFL arising from the introduction of the national player draft and salary cap from the mid-1980s, and estimates that attendances have structurally risen by almost 4 per cent solely from this.

However, the level of imbalance this year caused total attendances to be around 230,000 lower than expected (based on average balance over 1985-2010), which may be explained by fans of numerous teams switching off in the latter part of the season because they believe the Premiership race to be limited to a select few runaway teams.

He also says that lower attendances for matches involving the new team Gold Coast should not be used as a convenient explanation: ‘the AFL would surely not allow new teams to enter the competition if they thought that they would hold back the rest of the competition in an average team-demand sense’. Given this, he says that the AFL should not ignore these figures when tackling issues such as the fixture, which has come in for recent criticism for a perception that commercial considerations are being given weight over fairness and integrity.

Other recent changes to the labour market for league footballers may also have a future effect, and while he says that forcing clubs to spend their entire total salary cap should theoretically improve balance slightly, the effect of introduction of limited free agency for some experienced players next year is potentially harmful in this respect.

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