Masters swimming competitions – A study on applying a registration fee

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Abstract

At the conceptual level, masters swimming is systematically practiced in an organized environment, by adults as amateurs. According to the level of personal motivation, practicing swimming by adults can be conducted as: a recreational activity (leisure swimming); an activity for maintaining physical capacity (fitness); a therapeutic activity; a socializing activity; an initiation activity for adults; a competitive activity. The competitive activity values the sportive dimension of masters swimming. At a worldwide level, there are many masters swimming competitions, and the vast majority of them are organized by the masters swimming clubs. Taking into account that the financing of masters swimming events is mainly based on income from the participation fees, the choice of the participation fee is an important factor in the financial success of such an event. The purpose of this study is to analyse the financial impact determined by applying the two most common types of participation fees both on the organizing club and on the participants themselves. Furthermore, we aim to find a way of taxing participation so that one may take part in as many competitions as possible, but also to ensure the budgetary balance of the event.

Key words: swimming, masters, competitions, participation fee

Rezumat

La nivel conceptual, înotul masters este înotul practicat în mod sistematic, într-un cadru organizat, de către adulţi, ca amatori. În funcţie de motivaţia personală, practicarea înotului de către adulţi se poate desfăşura ca: activitate recreativă (înotul de agrement); activitate de întreţinere a capacităţii fizice (fitness); activitate terapeutică; activitate de socializare; activitate de iniţiere în înot pentru adulţi; activitate competiţională. Activitatea competiţională este activitatea prin care se valorifică dimensiunea sportivă a înotului masters. În lume, există foarte multe competiţii de înot masters, marea lor majoritate fiind organizate de către cluburile de înot masters. Având în vedere că finanţarea evenimentelor sportive de înot masters se bazează în principal pe veniturile din taxele de participare, alegerea tipului taxei de participare este un factor important în reuşita financiară a unui astfel de eveniment. Scopul acestui studiu este de a analiza impactul financiar determinat de aplicarea celor două tipuri de taxe uzuale de participare, atât asupra clubului organizator, cât și asupra participanţilor. De asemenea, încercăm să găsim o modalitate de taxare a participării, astfel încât aceasta să favorizeze participarea la cât mai multe probe, dar, în acelaşi timp să asigure echilibrul bugetar al evenimentului.

Cuvinte cheie: înot, masters, competiţii, taxa participare
At the conceptual level, masters swimming is systematically practiced in an organized environment, by adults as amateurs. According to the level of personal motivation, practicing swimming by adults can be conducted as: a recreational activity (leisure swimming); an activity for maintaining physical capacity (fitness); a therapeutic activity; a socializing activity; an initiation activity for adults; a competitive activity.

General considerations
Of the diverse forms of practicing swimming, the competitive activity is the one with the highest visibility and the one which can be promoted in the easiest way. The competitive activity values the sportive dimension of masters swimming. At a worldwide level, there are many masters swimming competitions, and the vast majority of them are organized by the masters swimming clubs.

According to the number of participants, masters swimming competitions ranged from 50 to 200 participants (small local or regional competitions) up to 800 participants (major competitions), and into the ranks of the thousands in the case of European and worldwide competitions.

The financing of these events can be achieved on a number of ways such as participation fees, sponsorships, grants etc. Grants and sponsorships can represent an important part of the income for the organizing and conducting of competitions, but they are not a source of secure financing. On the other hand, the participation fees represent a secure income to the budget of the club.

The level of the participation fees are differentiated according to the importance of the competition. Thus, the participation fee can reach 20 euros / competition, at a European or World Championship. The participation fees decrease once with the diminishing of the level of the competition, reaching a cost of approximately 2 euros / competition.

As regards the type of participation fee, if in the case of major competitions and those organized by countries with a developed masters swimming movement, in which the number of participants is high, each individual competition is taxed, while in the places where masters swimming movements are underdeveloped, there are competitions in which the organizing clubs apply a participation fee per event.

In Romania, together with the increase in the number of masters swimming clubs and the acknowledgement of masters swimming as a separate category within the national federation, the number of masters swimming competitions also increased and are concentrated in a calendar of competitions.

The Masters Swimming Club of Timisoara (CIMT), established in 2007, is the oldest club of this type in Romania, and organizes masters swimming contests of a local or regional level on a yearly basis, addressed to all swimming lovers, regardless of the level of technical and physical training. Thus, in 2014, the calendar of competitions set by CIMT comprises of five competitions: 24AquaMasters, the 3rd edition, the Family Cup, the 2nd edition, the Masters Cup, the 7th edition, the crossing of Lake Surduc, 3rd edition, and the DKMT Cup, 6th edition.

Out of the five competitions organized by CIMT, the taxation per event is applied in the case of 24AquaMasters, the crossing of Lake Surduc and, beginning with 2013, the DKMT Cup, while a taxation per challenge is applied in the case of the Masters Cup, and participating in the Family Cup is free of charge.

The Issue
Taking into account that the financing of masters swimming events is mainly based on income from the participation fees, the choice of the participation fee is an important factor in the financial success of such an event.

The purpose of this study is to analyse the financial impact determined by applying the two most common types of participation fees both on the organizing club and on the participants themselves. Furthermore, we aim to find a way of taxing participation so that one may take part in as many competitions as possible, but also to ensure the budgetary balance of the event.

In the practice of organizing sports events of masters swimming, there are three types of events, according to the type of participation fee:

- Events in which the individual challenge is taxed;
- Events in which the event itself is taxed;
- Events in which participation is free of charge.

In the present study, we will analyse the events that are taxed per individual challenge and per event because we consider that the events in which participation is free of charge are not eligible from a financial point of view for the Masters Swimming Club of Timisoara.
Events in which the individual challenge is taxed
From the point of view of the organising club, the participation fee per individual challenge is the best way of ensuring a budgetary comfort, as the income from the participation tax will depend on the number of challenges that each contestant will take part in, and the balance between the income from the participation fees and the direct spending on participants (the number of medals granted) is positive.

The level of income that comes from the participation fee is calculated, in this case, according to the formula:

\[ V_t = N \times T \times N_p \]

\( V_t \) – income from participation fees
\( N \) – number of participants
\( T \) – participation fee per challenge
\( N_p \) – number of challenges tackled

The level of direct spending is calculated according to the formula:

\[ C_d = N m \times C_m \]

\( C_d \) – direct spending
\( N_m \) – number of medals granted
\( C_m \) – cost per medal

As regards the number of participants, a participation fee per event encourages taking part in a higher number of challenges, without any financial limitations. In the events organized by the Masters Swimming Club of Timisoara, the average number of challenges per contestants oscillated around 4 challenges / event, almost double compared to the events in which the participation fee is charged per individual challenge.

For exemplification, we analyse an event of masters swimming with a direct cost of 8 lei / medal granted, having as variables the number of participants and the percentage average of the proportion between the total number of medals granted and the total number of challenges. If we presume that we have an average participation of 3 challenges per contestant, we will have the same income and expenses in both cases of applying the two types of taxes per participation (10 lei/challenge or 30 lei/event) (Table 1). The values of the direct spending and income are depicted in Figure 1, where the variables are in the number of participants and the percentage of medals granted weighed against the total number of challenges.

Events in which the event itself is taxed
In the case of this type of participation fee, the income will depend on the number of persons taking part in the event; in this way, the higher the number of participants, the higher the income from the participation fees. The balance between the income from the participation fee and the direct expenses with the participants (the number of medals granted) can be negative in certain situations.

The level of income stemming from the participation fee is calculated, in this case, as follows:

\[ V_t = N \times T \]

\( V_t \) – income from the participation fee
\( N \) – number of participants
\( T \) – participation fee per event
Table 1. Direct expenses and income from participation fees

<table>
<thead>
<tr>
<th>No. participants</th>
<th>Direct expenses (lei) 50% medals/starts</th>
<th>Direct expenses (lei) 75% medals/starts</th>
<th>Direct expenses (lei) 100% medals/starts</th>
<th>Income (lei)</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>120</td>
<td>180</td>
<td>240</td>
<td>300</td>
</tr>
<tr>
<td>20</td>
<td>240</td>
<td>360</td>
<td>480</td>
<td>600</td>
</tr>
<tr>
<td>30</td>
<td>360</td>
<td>540</td>
<td>720</td>
<td>900</td>
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<td>480</td>
<td>720</td>
<td>960</td>
<td>1200</td>
</tr>
<tr>
<td>50</td>
<td>600</td>
<td>900</td>
<td>1200</td>
<td>1500</td>
</tr>
<tr>
<td>60</td>
<td>720</td>
<td>1080</td>
<td>1440</td>
<td>1800</td>
</tr>
<tr>
<td>70</td>
<td>840</td>
<td>1260</td>
<td>1680</td>
<td>2100</td>
</tr>
<tr>
<td>80</td>
<td>960</td>
<td>1440</td>
<td>1920</td>
<td>2400</td>
</tr>
<tr>
<td>90</td>
<td>1080</td>
<td>1620</td>
<td>2160</td>
<td>2700</td>
</tr>
<tr>
<td>100</td>
<td>1200</td>
<td>1800</td>
<td>2400</td>
<td>3000</td>
</tr>
</tbody>
</table>

Figure 1. Direct income and expenses according to the number of participants

Events with a combined participation fee
To combine the advantages of the two variants of applying the participation fee and to diminish their disadvantages, we propose a combined variant of applying the participation fee: in order to favour the participation in a high number of challenges and, at the same time, to limit the potential financial disadvantages, we propose to convert the participation fee per event into a fee applied on a limited number of challenges.
For the supplementary challenges, a participation fee per challenge will be applied, thus cancelling the financial discomfort that might be created through the participation in a high number of challenges.
The level of income that stem from the participation fee is calculated, in this case, as follows:

\[ Vt = N \times T \times Nps \times Tps \]

Exemplifying, we reassume the analysis of the event depicted above, 10 challenges per event, a variable number of participants, 8 lei a direct cost per each granted medal. In the case of applying the
participation fee per challenge (10 lei/challenge), we will consider that the average number of challenges is 2/participant, while the balance between the number of medals granted and the number of starts being approximately 90%.

In the case of applying the fee per event (30 lei), we will consider that the average number of challenges is 4/participant, while the balance between the number of medals granted and the number of starts being around 75%. For the variant of applying the combined participation fee (30 lei for 5 challenges + 10 lei for each supplementary challenge), we assume that the average number of challenges is 4/participant, while 30% of participants opt for a supplementary challenge.

### Table 2. Comparative overview with direct income and expenses, according to the type of participation fee

<table>
<thead>
<tr>
<th>Participation fee / challenge (lei)</th>
<th>Participation fee / event (lei)</th>
<th>Combined participation fee (lei)</th>
</tr>
</thead>
<tbody>
<tr>
<td>V</td>
<td>C</td>
<td>V-C</td>
</tr>
<tr>
<td>10</td>
<td>200</td>
<td>144 56</td>
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<tr>
<td>20</td>
<td>400</td>
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<td>720 280</td>
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<tr>
<td>60</td>
<td>1200</td>
<td>864 336</td>
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<tr>
<td>70</td>
<td>1400</td>
<td>1008 392</td>
</tr>
<tr>
<td>80</td>
<td>1600</td>
<td>1152 448</td>
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<tr>
<td>90</td>
<td>1800</td>
<td>1296 504</td>
</tr>
<tr>
<td>100</td>
<td>2000</td>
<td>1440 560</td>
</tr>
</tbody>
</table>

By analysing the results obtained (Table 2, Figure 2), one can notice that the profit obtained by the difference between the income obtained from participation fees and direct spending is higher in the case of applying the combined fee, which rises with the number of participants. In the case in which 100 competitors take part, the profit obtained is 560 lei in the case of applying a participation fee / event, and 900 lei (approximately 53% higher as opposed to the case when the participation fee per challenge is applied, and 50% higher as opposed to the case when the participation fee per event is applied).

### Conclusions

The participation fee per challenge ensures a financial comfort to the organizing clubs, as the balance between the direct spending on participants and the income obtained from the participation fees is positive. This type of taxation does not favour taking part as many challenges as possible because the participation costs rise with the number of challenges.

The participation fee per event favours participation in a high number of challenges, and applying it can be disadvantageous for the organizing club because, in certain conditions, the balance between the...
income obtained from the participation fee and the direct spending on participants can be negative. The combined participation fee brings together the advantages of a participation fee per challenge and the participation fee per event, favouring participation and ensuring a positive balance between the income obtained from the participation fees and the direct spending on participants.

**Recommendations**

We recommend organizing clubs of masters swimming competitions to adopt a certain type of registration fee, according to the type of competition, its level, and interest for participation. Thus, if the competition is important and the interest for taking part in it is high, we recommend the use of the participation fee per challenge. If the interest for the competition is lower and if one aims to stimulate participation, we recommend the application of the participation fee per event. If the organizing club wants to stimulate both participation and a positive balance between the income obtained from participation fees and direct expenses on participants, the employment of a combined participation fee is recommended.

**References**