

2023

PURCHASING SURVEY

By Paul Steinbach

Admittedly, the AB Purchasing Survey has not been a conduit of great news for the athletics, fitness and recreation industries in recent years, but our eighth-annual attempt to gauge spending trends across our readership's markets catches at least some of the light coming from the end of this long, dark tunnel called economic recovery. For starters, 31 percent of 2023 survey respondents report that their annual budget has increased compared to 2022 — matching the highest-ever “increased” percentage from 2017 and up a full 23 percentage points from the all-time low set in 2021. It even bests our prepandemic average of 27 percent tallied between 2017 and 2020.

Conversely, only 15 percent of this year's survey pool said their budget had decreased. Compare that to the 19 percent who responded “decreased” last year and the record 53 percent who did so just two years ago during the depths of the pandemic.

Our universe of 2023 respondents includes professionals from college and university campuses (32 percent), high schools and K-12 institutions (23), public agencies (17), private enterprises (13) and non-profit organizations (8). They serve user populations averaging slightly more than 13,000 individuals.

As in years past, facility improvements emerged as the biggest expense of 2022 for most respondents (30 percent, down 8 percentage points from a year ago), while sports equipment and fitness equipment took their typical second and third places, respectively.

For 2023, 35 percent of those surveyed anticipate facility improvements will be their biggest expense, down from 41 percent, followed by those identifying fitness equipment (28 percent) and sports equipment (17) as tops among their future outlays. Nearly half of respondents (45 percent) place greatest purchasing importance

on facility improvements, followed by equipment replacement (25), safety and security technologies (20) and new equipment (10).

Major facility projects appear to be gaining momentum, in general, with 63 percent of our pool reporting a project underway, planned to start this year or in the pipeline within the next five years. That's the highest percentage seen since 2018. And while roughly half of those projects will cost less than \$5 million, a full 10 percent are budgeted at \$50 million or more.

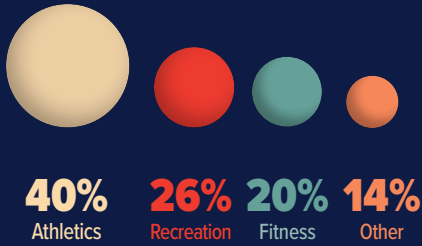
Overall, purchasing plans have stabilized significantly, with 62 percent of our 2023 survey universe telling us they didn't change their plans within the past year. That's up from 51 percent last year and 23 percent in 2021, the first year we felt compelled to ask about decision-making volatility.

Moreover, we asked this year's participants if they were worried about the macroeconomic climate in 2023, and whether such worries would impact their purchasing decisions. Thirty-five percent said they aren't worried, 34 percent said they are worried and that it will impact purchasing, and 31 percent indicated they are worried but have no intention of changing their plans.

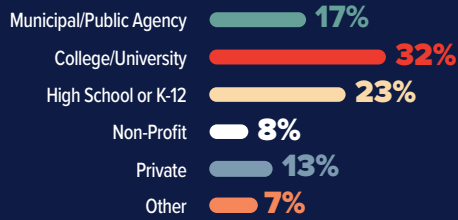
Finally, we left you last year with the hope that in 12 months we'd see one number from the 2022 survey results start to erode — and it has. We asked to what level respondents agreed with the statement, “Our current budget and operations have returned to prepandemic norms,” and a full 38 percent of 2022 respondents said, “Don't agree at all.” This year, only 25 percent said so. Like many other figures analyzed here, we can — and will — take that as progress.

Thanks to all who participated in the 2023 AB Purchasing Survey. We look forward to hearing from you and others next year, and — hopefully — to even better news. 🙏

“ I WORK PRIMARILY IN...”



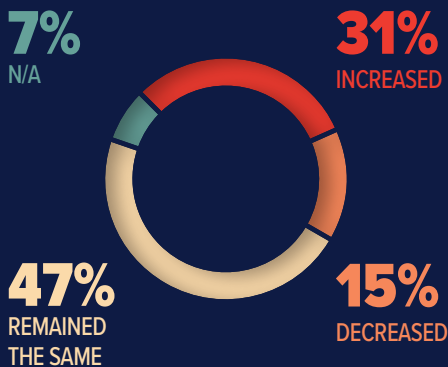
“ I WORK FOR A ...”



AVERAGE SIZE
OF SCHOOL
OR PROGRAM
POPULATION SERVED:

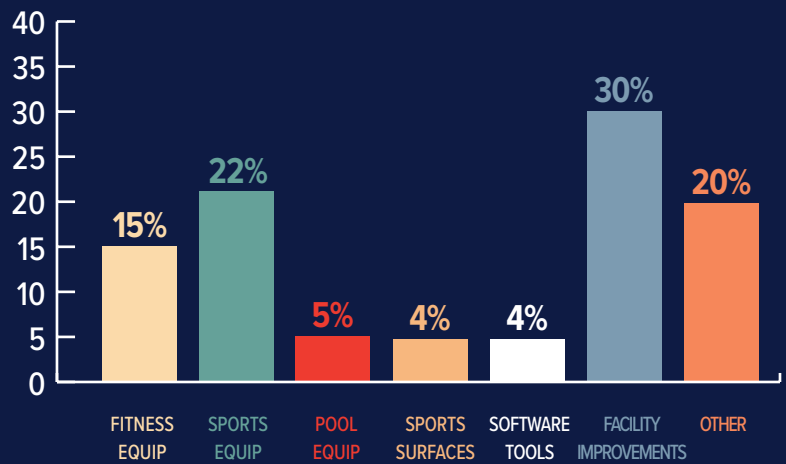
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HOW DOES YOUR BUDGET FOR 2023 COMPARE TO 2022?



WHAT WAS YOUR BIGGEST EXPENSE IN 2022?

Not including payroll and operational expenses



WHAT IS YOUR ANTICIPATED

BIGGEST EXPENSE IN 2023?

Not including payroll and operational expenses



ARE YOU PLANNING ANY

MAJOR CONSTRUCTION OR RENOVATION PROJECTS IN THE NEXT YEAR? FIVE YEARS?



IF YOU ANSWERED YES

TO THE QUESTION ABOVE, WHAT IS THE PROJECT BUDGET?



WHAT IS YOUR MAIN SOURCE OF FUNDING?

