



The Economy of the World Cup



Outline

- What is the World Cup and why should we care?
- Known economic impacts for competing teams and host countries
- Lasting impacts of making the World Cup
- Goals:
 - Analyze the factors that equate to positive and negative impacts of hosting the World Cup
 - Analyze the impact of competing and winning the tournament



What is the World Cup?

- The largest international soccer tournament in the world, sanctioned by the world governing body of soccer, FIFA
- First tournament was held in 1930, held every four years
- The most widely watched sporting event in the world, surpassing even the Olympics
- The 2018 World Cup attracted over 3 billion unique viewers.

Kaggle Data



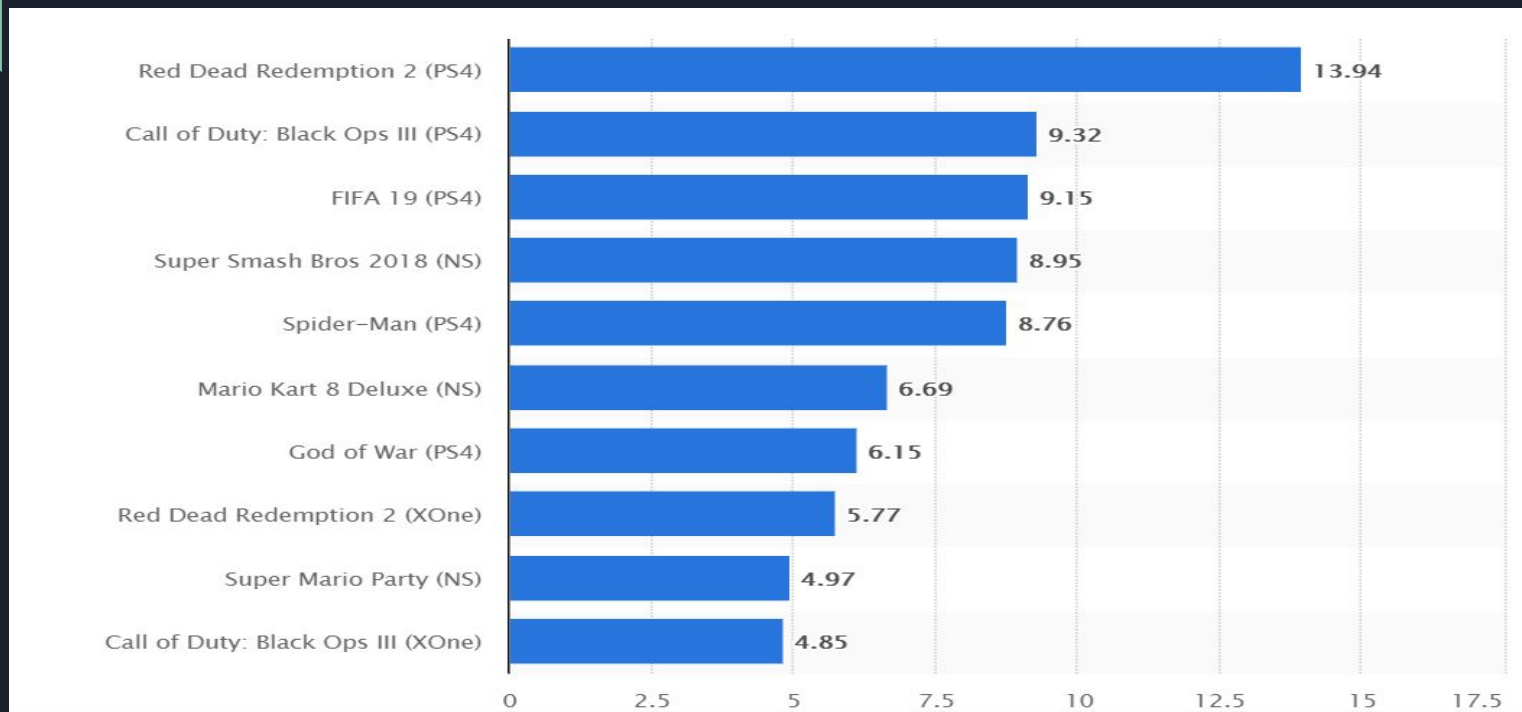
<https://www.kaggle.com/abecklas/fifa-world-cup/home>



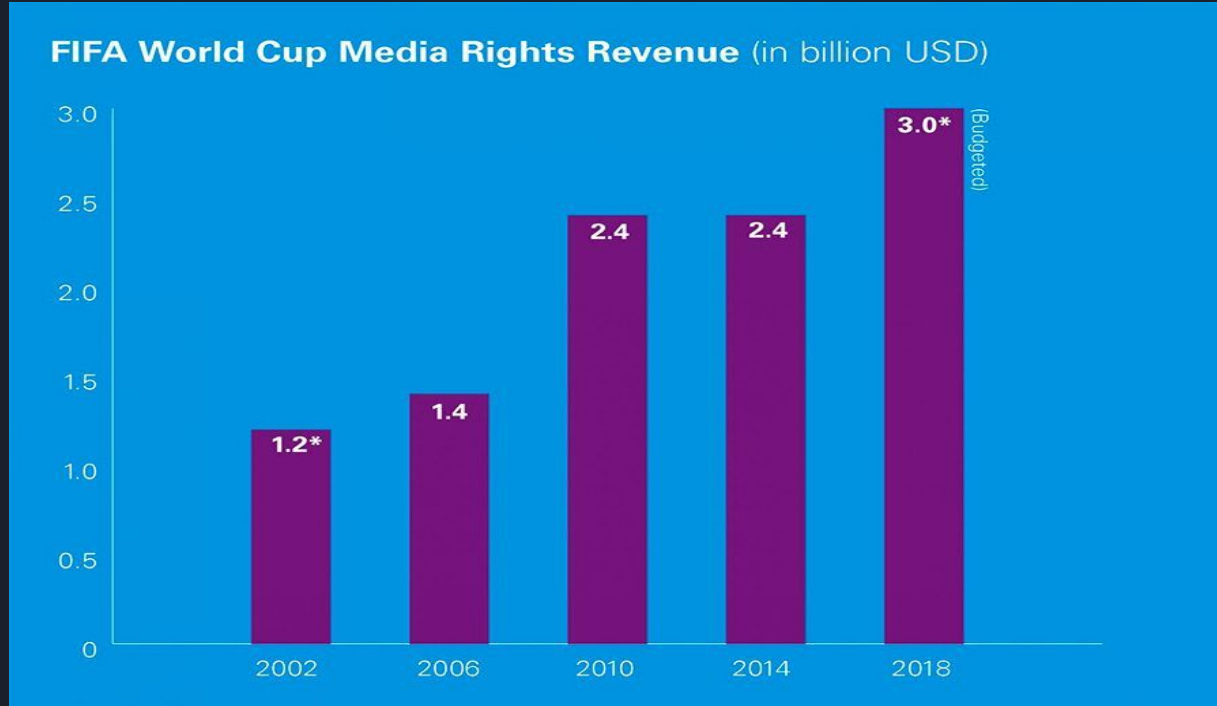
Known Economic Impacts

- Hosting the event usually costs upwards of \$10 Billion
- Hosting countries must give over \$200 Million in tax exemptions to FIFA
- Zero-Sum impact of hosting at best, normally an overall net negative

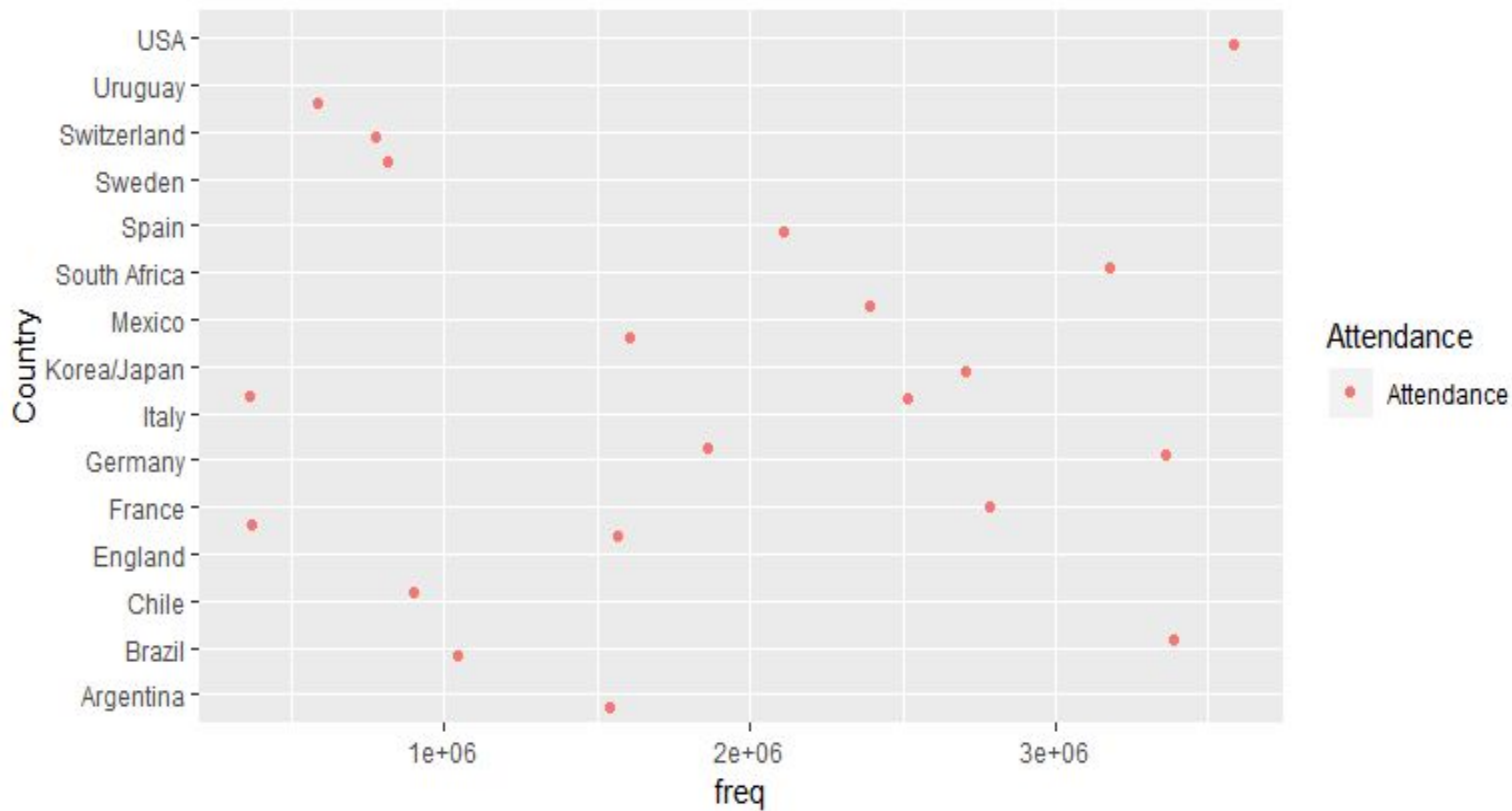
US Video Game Sales 2018 by Unit (Millions)



World Cup Media Revenue



Attendance by Nation Since 1930





Interactions and Total Revenue

- In the recently revealed stats of the 2018 tournament, FIFA has recorded over 7.5 billion engagements across all digital platforms and over 580 million interactions on social media, which is a record in the history of the tournament.
- The World Cup matches were broadcast to over 210 nations across various media platforms.
- The TV rights to FOX for telecast in the US cost \$425 million for all matches of the 2018 and 2022 World Cups. Telemundo also made a deal of \$600 million for the Spanish-language rights to the events. For telecast in India, Pakistan and Nepal Sony bagged the television rights for the World Cup at a rumoured cost of \$90 million.

Source: sportskeeda.com/football/fifa-s-total-revenue-from-the-world-cup



Goals

- Total Economic impact of hosting the tournament
 - Revenues
 - Viewership
 - Tourism
 - Is it overall good or bad to host? And what factors go into that?
- Impact of making the tournament
 - Are there factors that lead to strong viewership in competing countries?
 - How much does winning have an impact on soccer in competing countries?
 - Clusters of economic impact
 - Decision trees of the factors on whether a country should host or not