

Prediction of business opportunities in FIFA world cups

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Abstract. FIFA world cup as the high level sport competition event in the world always bring with lots of business opportunities. This article is using an event study approach to empirically study the industry chain holding during FIFA world cup, benefits for the host country and the economic impacts around the world. The study is using literature review and key study method newspaper investigate to comparing data found from “Nano data”. According to the study, local businesses like Coca-Cola, Johnson & Johnson, Hyundai, and Nestle, as well as Bank Itau and Oi Communications, will spend an average of \$2 million per day on television advertising during the 32 days of the World Cup in Brazil, breaking the previous record of \$2.9 billion. During Russia FIFA world cup in 2018, the GDP in Russia growth for 2%, Russia took the opportunity to improve the appearance of 11 cities. After hosting the World Cup in Russia, it is expected that 300,000 new jobs will be created every year. The construction, tourism and other industries will make great progress, and the national economy will be greatly improved. The short-term revenue from the World Cup in Russia is at least \$6 billion. Base on the research, FIFA world cup has many business opportunities which could bring many benefits for hosting country and the sponsorship.

Keywords: World cup, marketing, economic growth, Coronavirus.

1. Introduction

The FIFA World Cup, sometimes known as the World The Fédération Internationale de Football Association (FIFA), the world's governing body of association football, hosts the FIFA World Cup, sometimes known as the World Cup, which pits the senior men's national teams of its members against one another. The title has been presented every four years since the first competition in 1930, with the exception of 1942 and 1946 when it was postponed due to World War II. The World Cup is the most well-known association football tournament and the one major event that draws the most interest globally. The World Cup final was watched by 715.1 million people, or 10 percent of the world's population, increasing the total number of people who watched all the games to an estimated 26.29 billion.[1].

Hosting the world cup is major urban development opportunity for the host country, in addition to enhancing the city's reputation. And popularity, a large amount of investment in infrastructure construction is conducive to the growth of local GDP, promote employment and the development of the tertiary industry Show. Every 4 years, FIFA could take in billions of dollars in revenue, while the hosting country for one FIFA world cup could make a profit of \$10 billion or more. According to the tournament organization. The FIFA World Cup 2018 boosted the Russian economy by more than \$14 billion. Alexey Sorokin, the director of the organizing committee for the 2018 World Cup in Russia, conducted research that revealed the tournament had a 1.1%, or 952 billion roubles, impact on the country's GDP between 2013 and 2018.

The Russian World Cup's organizers claimed in a separate report that the competition offered up to 315,000 job opportunities for Russians and that its effects would last for the following five years. The benefits for hosting the tournament will still bring Russia for 150-210 billions rubles in forecast, including the tourism. This tournament attracted nearly tourists from 31 countries and the consumption made by these tourists are highly contributed for Russia GDP. However, in 2022, FIFA world cup will be holding in Qatar during the Coronavirus pandemic period. A member of UEFA(Union of European Football Associations) said: “The coronavirus pandemic could affect football’s international calendar for 2 to 3 years.” In fact, Coronavirus has been infected over 3.13 million people globally and made 218000 deaths all over the world.

In 2020, the FIFA Europa cup was been delayed until the summer in 2021 because of the Coronavirus. Coronavirus destroyed the football schedule during the period. The Qatar World cup will be holding from November 21th to December 18th. "If the virus is expanding in an even more serious fashion as it has been for the time being, there will surely be a problem with the international calendar," said Lars-Cheister Olsson, head of European Leagues..” In Olsson’ s opinion, there are so much variables and uncertainties before Qatar FIFA World Cup begin and the Coronavirus may going to affect business on Qatar world cup.

How can 2022 Qatar FIFA world cup be holding during the period with fully uncertainties? Will the revenue made by the sponsorship who is investing the Qatar FIFA world Cup being affect? Are there any new business opportunities could be appear in 2022 Qatar FIFA world cup? The study and research on these issues will be meaningful for found out that is woth enough for investing 2022 Qatar FIFA world cup and predict the business opportunities could be made in 2022 Qatar FIFA world cup.

The main contributions of this paper are as follows: 1. Analysis the previous cases and describe the possible economic impacts which could be happen in 2022 Qatar FIFA world cup.

2. Make a connections between different issues, discuss which industry section could make more benefits and which part of industry could be affect be Coronavirus, which part of business opportunities will appear on 2022 Qatar FIFA world cup. This research will generally compare the profit data of the most profitable sponsor enterprises of the World Cup before the epidemic with the profit obtained by the sponsor investment of the major football cup after the epidemic, deduce and predict which industries are relatively more likely to make profits in the 2022 Qatar World Cup. And what new industries will have the chance to make profits in Qatar 2022 World Cup

The 2014 Brazil FIFA world cup was watched by 26 billion people, 198 channels in all. According to statistics, The Televisions revenues gain by Brazil televisions companies was been recorded by more than \$2.9 billion which was break the recordings. The amount of advertising spent every day by the Brazilian companies during the 2014 FIFA world Cup competition was achieved 2 millions dollars Base on the case analysis, 2014 FIFA world cup had a huge popularity and is a good chance for marketing. There are also many business opportunities could be make on 2014 FIFA world cup.

2. A world cup for big brands

As sponsors of the World Cup, the major brands go to great lengths, except to get sponsorship rights. Benefit, or introduce some subjective activities .In addition, creation can interact with consumers and spread .The content becomes the core. Like the essence of the World Cup .Like the color game. The brand should also be combined with the World Cup. Create good content so that sponsorship money will not be wasted.

2.1 Adidas: All in or nothing

As a sponsor of successive FIFA World cup, Adidas had been developed jerseys for many national teams including: Spain, Germany ,Argentina. This allows the Adidas brand to have a lot of exposure and good profits in every World Cup

In 2014 Brazil FIFA world cup, China has become a strategic place for Adidas. China, North America and Russia will account for 50 per cent of Adidas' global sales by 2015, according to the company's forecasts. In order to achieve the coverage of the whole China and support Adidas' 360-degree integrated marketing of the World Cup, it is necessary to find an integrated platform, and TV media is the platform to reach the most audience, and CCTV is the choice that Adidas will not miss. In the 2014 Brazil FIFA world cup, Adidas released the CCTV World Cup inserting suit and news patch suit, and cooperated with other channels to achieve the most extensive coverage and penetration of the consumer market. [8]

2.2 Hyundai Motor: Use the world Cup to get ahead

Around the 2014 Brazil FIFA world cup, Hyundai Motor created a lots of marketing activities including appointing football stars like Iker Casillas and Kaka from Spain and Brazil as ambassadors. The high-altitude communication of the big platform was fully cooperate with other marketing activities for Hyundai Motor in 2014 Brazil FIFA world cup, those activities played a crucial role in enhance the brand for Hyundai Motor.

During the 2014 FIFA World Cup in Brazil, Beijing Hyundai became the fourth company after Volkswagen and GM to achieve annual production and sales of 1 million.[8-9]

2.3 Castrol: Deep integration into the top competition

Castrol has always regarded sports marketing as an important means of communication, and has sponsored top international events all year round. In 2008, Castrol made its first football crossover by successfully sponsoring the Euro 2008 football championships. In June of that year, it signed a six-year sponsorship agreement with FIFA to secure the 2010 World Cup in South Africa, the 2014 World Cup in Brazil and two FIFA Cups between 2007 and 2014.

extraordinary, outside commercial sponsorship, castrol dig into football and brand commonness in preciseness and passion, developed a series of innovative digital football tools, such as castrol index, castrol rankings, castrol predictor and so on, with professional and unique perspective interpretation data, analysis of events, Help football lovers understand football better and share football. According to the first issue of Ipsos 2014 Brazil Through Train -2014 World Cup Sponsorship Effect tracking research report released by the world famous research group Ipsos in the early stage of the World Cup, the World Cup marketing for Castrol brand reputation increased by 18% to 91%, which is a prominent performance among many sponsors. From the perspective of specific brand image points, Castrol has also improved significantly in the aspects of "trustworthy", "uniqueness", "strength" and "internationalization", reaching 25%, 17%, 20% and 27% respectively.[10]

3. Themed products for the World cup

On the E-commerce website, football jerseys from different national teams, football shoes, world cup auspicious stuff, fan stickers, bracelets, beer, snakes are selling with a high popularity. Banks are also sales FIFA world cup theme features financial products ,feature credit cards which are specially made for fans.

In 2014 FIFA world cup, the sales of electronics and sporting goods were boost mainly provide by e-commerce, which shows that The FIFA world cup give a boost to the Brazilian e-commerce segment. Statistic shows that the business income in 2014 was reached nearly \$16.6 billion. In ABComm president Mauricio Salvado 's opinion, Brazil's national e-commerce added ten million new consumers in 2013, which contributed to the industry's ability to sustain its average growth rates of recent years despite the country's faltering economy and rising levels of personal debt.[11]As the influence bring by FIFA world cup, 53 million consumers made online purchases in Brazil, generating R\$31,1 billion (\$13.1 billion) in revenue, a 29 percent increase over the previous year. Fashion and accessories, home appliances, health and beauty, electronics, and personal computer products were the most popular product categories.[11]

4. Multi-screen world cup

In the 2014 FIFA world cup, on the choice of the terminal to watch live broadcast. Around 71% of audiences said that PC is their first choice, then there's television. There are more than 30% of audience were watching 2014 FIFA world cup on phones. Audience through multi-screen, multi-media to watching sports competitions or getting news is a very normal phenomenon nowadays. Nearly 62 percent of those who are aware of the World Cup across 27 countries intend to watch some

of the competition on TV, while only 1 in 4 and even fewer (13 percent) intend to watch the matches online or on mobile devices. according to FIFA's data. [12]

More than 1 billion people tuned in to watch the final between Germany and Argentina during the 2014 World Cup in Brazil, which drew in 3.2 billion viewers overall (795 million in-home). The Fox Sports branch of the Fox Corporation, often known as Fox Sports Media Group and styled as FOX Sports, is in charge of producing the sporting events that are televised on the Fox broadcast network, Fox Sports 1, Fox Sports 2, and the Fox Sports Radio network.[13]

Mike Petruzzi, senior vice president for ad sales at FOX Sports, Said: FOX Sports exceeded the sales figures posted by former English-language rights holder ESPN (US) and ABC (US) with the 2014 World Cup from Brazil. Kantar Media estimated the networks tallied \$187 million in ad sales for the previous World Cup in 2014, which is an impressive number.

5. Analysis

Qatar expects that the FIFA world cup that will be holding on November will bring as much as \$17 billion, which is less than the earlier projection of \$20 billion, to its economy. According to Nasser Al Khater, the CEO of FIFA World Cup Qatar 2022, in an interview with Bloomberg Television on Wednesday, Qatar is expected to draw 1.2 million tourists, within the original range of between 1 million and 1.5 million. Qatar aims to utilize the event to highlight its quick transformation from a small area known for its pearl diving to a Gulf city and a major energy exporter.[14]When compared to the previous FIFA world cup, the business potential for the FIFA world cup in Qatar in 2022 are in the areas of tourism, dining, and lodging, as well as the subway sector. Once the 2022 World Cup starts, travel agencies and airlines will be on high alert since the anticipated number of tourists is already, to put it mildly, extraordinary. Airlines and other countries will collaborate to offer low-cost flights to Qatar and to arrange departures and arrivals in accordance with travelers' preferences and needs. During the FIFA 2022, over a million visitors will need to travel between venues or back to their hotels from any other tourist attraction roughly every hour, placing a tremendous demand on the local travel agencies in the nation operating cabs and other transportation options for straightforward commutes. Such agencies would benefit significantly from this and see an increase in revenue. An estimated 1 million people are anticipated to visit the metro during the 2022 FIFA World Cup in Qatar. If these estimates are accurate, Qatar would host the most tourists for a world cup in history. [15]This would be a record in and of itself..

Approximately 70,000 hotel rooms will be available for more than one million tourists to Qatar for the 2022 World Cup, according to statistics projections. This appears to be an insurmountable problem, but according to some reports, the nation has already made agreements with a number of cruise ships that would serve as floating hotels for the guests and house roughly 40,000 people during the FIFA World Cup. [15]In a similar vein, the nation has even contacted the Glastonbury festival's organizers to build up opulent tents in the desert for guests to stay in while attending the world cup. The Qatari government is making every effort to address the country's prospective housing shortage. Even if these steps are making progress in addressing the housing shortage, every hotel room in the nation would be filled with guests over the entire month of the world cup, which could only imply one thing: a huge increase in hotel business. In a similar vein, dining establishments are frequently visited. Sales at the restaurant will be particularly strong during the lunch, and client traffic will be roughly 60% greater than usual. However, there was some controversy around Qatar's decision to host the 2022 World Cup. [15]

Many people are especially concerned about the local political upheaval, corruption scandals, human rights abuses, and Qatar's alcohol prohibition. Several Arab Gulf nations have been imposing an air, land, and sea blockade on Qatar since June 2017. The consequences on transfer routes are a major concern for many people, and it's probable that things will worsen before they improve for construction.

It appears unlikely that the project timetable will be finished within the anticipated timeframe given the current blockade and lack of resources. There will be security and financial concerns for event spectators if the crisis worsens. In order to ensure that the economy can operate normally, Qatar must quickly address its diplomatic issues. Alcohol will be completely outlawed at the FIFA World Cup in Qatar in 2022, which will cost the alcohol industry, including Heinken, a significant opportunity for marketing and promotion.

6. Results and discussion

I believe that Qatar's hosting of the 2022 FIFA World Cup will have a good economic impact, especially in terms of increasing youth employment across the greater Middle East. By raising spending and imports, it will also help (although in a limited degree) to rectify the global imbalance. According to Qatar, the hosting of the FIFA World Cup will result in the creation of more than 1.5 million new employment across key areas like construction, real estate, and hospitality. [16]The event is anticipated to have positive effects on the tourism sector. According to officials, the World Cup will draw over a million people and bring in about QAR 66 billion to Qatar's economy by 2025.[16] The rise in visitors in 2022 would not only enhance Qatar's economy in the immediate term, but also in the long run as a result of the country's rising international profile as a tourism destination. The COVID-19 pandemic has led to disruption across industries both globally and regionally. However, the world now is experiencing the recovery from the pandemic, so in my opinion the covid-19 will not bring too much effects on the hosting of 2022 Qatar FIFA world cup. According to the announcement of Qatar government, they will only allow people who are fully vaccinated against COVID-19 to attend the 2022 FIFA world cup.[18]The prediction number of tourists will be more than 150 000, which not make too much difference compare with the FIFA world cup previously. Industry such as airlines will gain a opportunity for increase profit and build a good brand image.Airlines have sharply increased the price of flights to Qatar during the football tournament. [19]

At the regional level, for example, one-way fares from Dubai to Doha on November 20 have reached Qatari riyals 4,000 to Qatari riyals 6,000, compared with an average of Qatari riyals 600 to Qatari riyals 500 for a normal day. The same day return fare is QAL 8,500. [20]

As of February, a one-way flight on Qatar Airways from Argentina to Doha on Nov. 20 had already cost more than 17,000 Qatari riyals, while a flight from England had soared to 5,000 Qatari riyals. As the data mentioned before, more than 150000 of visitors will attend to the 2022 Qatar FIFA world cup, this will bring lots of customers resources to the airline industry and according to the price of tickets, it will bring a good revenue for the airline industry and it is a good chance for investing the airline industry. [20]

2022 Qatar FIFA world cup will bring a marketing opportunity for the Vaccination companies due to the pandemic. Qatar is negotiating with a vaccination business to deliver one million doses of the Covid-19 vaccine in order to immunize and vaccinate the guests who are traveling to Qatar, according to Sheikh Khalid bin Khalifa bin Abdulaziz Al Thani, the Prime Minister of Qatar.[21]

in accordance with Pfizer, BioNTech, and Moderna, the firms behind two of the most popular COVID-19 vaccines, are reported to be reaping total profits of \$65,000 every minute according to new data from the Peoples Vaccine Alliance.[21]

In its third quarter financial report, BioNTech predicted that its vaccination sales will reach €1.6–17 billion in 2021. The company generated a pre-tax profit of €10.3 billion on a pre-tax profit of €13.4 billion in the nine months that ended on September 30. This represents a revenue margin of 77%.

With a pre-tax margin of 70%, Moderna's third-quarter pre-tax profit for the nine months ending September 30 was \$7.8 billion on revenue of \$11.2 billion. The sole item sold by Moderna is the vaccine. As the visitors for the 2022 FIFA world cup must be vaccinated, which means the selling of the products and services of the vaccination company will be a huge number and the vaccination

industry is a new business opportunity which bring by the pandemic. 2022 Qatar FIFA world cup will bring a chance for investing or operating a vaccination business for making great revenues. [21]

7. Conclusion

This study found that for hosting a FIFA world cup, it could bring lots of benefit to the hosting country including: create employment places, improve the national economic, improve the appearance of the cities in the hosting country, boost local tourism. Also, FIFA world cup do creating lots of business opportunities for different industries and create a chance for the sponsorship to build a brand image or promote the selling of their products. Although in 2022 the FIFA world cup in Qatar still may have the possibility affecting by the Covid-19 pandemic, but as the research found out that the negative impacts which may bring by the pandemic is not that serious as people imaging, so that it still have a lots of possibility for FIFA and Qatar to host a normal World cup like before. However, the pandemic will not bring too much negative impacts on the business and sponsorship in the world cup, but it make a business opportunity for industry such as the vaccination industry. It is a completely new industry which have the chance for doing business on the FIFA world cup as Qatar government only allow the people who are vaccinate to attend the world cup, also Qatar government will have a high demand for the vaccine and supply to the people who haven't vaccinated. According to the study, it is a good chance for investing the vaccination company or doing business relate to the vaccination for supplying the products to the 2022 Qatar FIFA world cup, also the prediction of the revenue from the 2022 Qatar FIFA world cup for both hosting country and sponsorship will not be affecting by the pandemic too much, so in 2022, FIFA world cup still is a big business opportunity for helping the hosting country to make an economic growth and sponsorship to promoting their products and making revenues. The study firstly conclude about the most common business opportunities on the FIFA world cup and assess the impacts of the pandemic on the World cup. Finally, make a prediction of the vaccination industry has the business opportunity in the FIFA world cup during the period of the pandemic. In the future, the above prediction analysis can be further detailed after the end of the World Cup, and in-depth discussion and research could be carrying out on how vaccine companies actually operate to make profits in the 2022 FIFA World Cup.

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