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**Analysis of the anticipated and potential economic impacts of
mega sporting events on developing countries:
a case of FIFA 2020 World Cup in Qatar**

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Abstract:

Mega sporting events have been hailed for resulting in economic growth, evident in high investments, growth of businesses, and development of infrastructure because of the increased number of investors, tourists, and fans visiting host countries during such events. Even though host countries may experience non-economic benefits, such as a good legacy from the mega sporting events, there are also significant economic benefits realised by host countries. The study intended to assess the anticipated economic impacts of the 2022 FIFA World Cup in Qatar as a developing country. The study engaged in descriptive research design. Primary data was collected from research participants comprising Hotel Managers, Sports managers, Economic consultants, Project managers in the construction industry, and bank managers. Further, the study selected a sample of 50 respondents in data analysis. The researcher adopted inferential statistics to analyse data from the respondents, who were all from Qatar. The results of the study indicated that 2022 FIFA World Cup is likely to raise the employment level, especially for construction workers involved in the construction of stadia, growth of income level expansion of business, especially in hospitality industries are likely to attract many foreign visitors. Also, findings suggest that Qatar will experience an increase in the price of commodities and development of infrastructure. The findings depicted that the 2022 FIFA World Cup in Qatar will result in increased operating costs in the short-term and the long-term. Besides, the study found out that the event will lead to a high level of capital cost and a state of resource deficiency. The study concluded that the 2022 FIFA World Cup

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in Qatar as a developing country would have significant economic effects on the country. The researcher recommended that Qatar should focus on investing in projects that will help boost income levels for employees, boost business growth, attract more foreigners as tourist and fans, reduce the prices of goods and services as well as accommodation and activities that will reduce the long-term.

Keywords:

Economic Impacts, FIFA World Cup, Keynesian Economic Theory, Descriptive Research, Operating Costs, Businesses, Infrastructure, Developing Countries

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The background and context of the research

In recent times, mega sporting events have experienced rapid growth with various major events that have brought about growth in tourism, businesses, employment and infrastructural development. The events Mega have resulted in economic growth, which is evident in high investment and development of infrastructure because of the increased number of investors and nations acquiring hosting rights.¹ Countries have created massive investments to support mega sporting activities and consequently, gain opportunities to stimulate economic development.² The hosting of mega sporting events, such as the Olympic Games and FIFA World Cup involves high costs of investments that meet the demand of the activity.³ However, many countries do not consider the economic implications of such events. According to Russel and Andrews,⁴ the objectives of mega sporting events are to promote sporting action in various parts of the world by allowing different countries to be the hosts. Fundamentally, mega sporting events are gaining popularity in the world because of the ability to modernise the economy of the developing nations. Furthermore, the economic impacts are massive as countries are forced to engage in a high level of investments and as a result, boost their economic

¹Matheson, V. A., & Baade, R. A. (2004). Mega-sporting events in developing nations: Playing the way for prosperity. *The South African Journal of Economics*, 72 (5), 1085-1096.

²Amponsah, C. T., Ahmed, G., Kumar, M., & Adams, S. (2018). The business effects of mega-sporting events on host cities: An empirical view. *Problems and Perspectives in Management*, 16 (3), 324-336.

³Wan, K. S., & Song, H. (2019). Economic Impact Assessment of Mega-Events in the United Kingdom and Brazil. *Journal of hospitality & tourism research*, 43 (7), 1044-1067.

⁴Russell, B. D., & Andrews, M. (2016). *Bringing Home the Gold? A Review of the Economic Impact of Hosting Mega-Events*. Barrios, Douglas; Russell, Stuart; Andrews, Matt; and the President and Fellows of Harvard College.

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growth. According to Moon⁵ mega sporting events are significant and essential element of promoting economic growth, social development, environmental protection, and educational opportunities. Generally, the economic activities involved in during mega sporting events enable host countries to reap economic benefits in various aspects such as increased tourism, growth and expansion of businesses as well as infrastructural development.⁶ This is achieved due to increased income generation, increased tax revenue from expenses, and a high number of visitors in a nation who promote tourism. These factors contribute significantly to changes in the economic status of a nation and consequently, the financial impact. In developing nations, mega sporting events have resulted in an increased share of the benefits of international games.

With the massive investments in the development of infrastructure, developing countries are experiencing lasting economic benefits with advanced urban creation.⁷ However, studies show that mega sporting events are likely to result in more expenses than benefits. For instance, in his study, Maharaj⁸ found out that developing countries may incur more costs in the preparation and during mega sporting events, leading to losses, rather than the anticipated economic benefits due to the high costs of developing sporting infrastructure. On the contrary, developed nations experience high economic growth compared to developing countries⁹. In his study, Patrik¹⁰ examined the economic impact of mega sports events based on GDP and game costs. The researcher found out that there are huge investments and growth of infrastructure, businesses and tourism in the host nation. However, there is a shortage of research on the economic impacts on developing countries due to the few cases of hosting the FIFA World Cup in developing countries. Therefore, there is a need for a scientific study to find out the economic impacts of mega sporting events in developing countries based on costs and benefits associated with such events. This study sought to develop an

⁵Moon, B.-K. (2016, February 16). *Remarks on value of Hosting Mega Sport Events as a Social, Economic and Environmental Sustainable Development Tool*. Retrieved April 17, 2020, from United Nations: <https://www.un.org/sg/en/content/sg/speeches/2016-02-16/remarks-value-hosting-mega-sport-events-social-economic>

⁶ Patrik, K. (2017). The economic impact of mega sporting events. *Economic Review*, 46 (2), 149-159.

⁷ Matheson, V. A., & Baade, R. A. (2004). Mega-sporting events in developing nations: Playing the way for prosperity. *The South African Journal of Economics*, 72 (5), 1085-1096.

⁸ Maharaj, B. (2015). The turn of the south? Social and economic impacts of mega-events in India, Brazil, and South Africa. *The journal of the local economy policy unit*, 30 (8), 983-999.

⁹ Matheson, V. A., & Baade, R. A. (2004). Mega-sporting events in developing nations: Playing the way for prosperity. *The South African Journal of Economics*, 72 (5), 1085-1096.

¹⁰ Patrik, K. (2017). The economic impact of mega sporting events. *Economic Review*, 46 (2), 149-159.

in-depth understanding of the anticipated economic impacts of mega sporting activities in developing nations based on the FIFA 2022 World Cup in Qatar.

The rationale of the study

With the presence of globalisation and the advancements in technology, mega sporting events cover a wider audience and fans as a huge influx of people move from one country to participate, spectate, officiate as well as tour the host countries during such events. Moreover, mega sporting events such as the Olympic Games and FIFA World Cup are perceived to be the hardest contest that requires active participation and adequate support. Fundamentally, countries hosting such events gain substantial economic gains, which, if well utilised can spur the economic prosperity of the host countries in both the short and long-terms. Nevertheless, research shows that developing countries experience economic challenges such as failure to meet financial obligations, necessitating huge financial borrowing, leading to criticism of hosting these events in developing countries¹¹. However, few studies have been conducted to address the economic impacts of sporting mega-events in developing nations based on cost and benefit analysis. For instance, in his study, Griffin¹² examined the factors that enable a country to host mega sporting events and their economic impacts. The researcher found out that developing nations are likely to experience more cost implications than benefits as compared to developed countries. Other studies have indicated that mega sporting events have enhanced minimal economic prosperity because of the operating costs involved. Therefore, this study sought to analyse the anticipated economic benefits in the prior, during and post-2022 FIFA World Cup and add knowledge to existing literature, which mostly focuses on developed countries.

The aims and objectives of the research

The primary aim of this study was to analyse the economic impacts of mega sporting events on developing countries with a special focus on the case of the 2022 FIFA world cup in Qatar. To achieve this aim, the study relied on the following objectives;

1. To assess the anticipated economic impacts of the 2022 FIFA World Cup in Qatar as a developing country.
2. To examine the effect of the 2022 FIFA World Cup in Qatar as a developing country on the operating costs incurred by the government.

¹¹Dowse, S., & Fletcher, T. (2018). Sport mega-events, the 'non-West', and the ethics of event hosting. *Journal of Sport in society*.

¹²Griffin, C. H. (2015). Mega-Event Sporting Opportunities: The Case of Developed vs. Developing Countries. *The Journal of International Management Studies*, 10 (2), 15-26.

Research questions

To explore and comprehensively cover the above research objective, the research sought to answer the following research questions;

1. What are the anticipated economic impacts of the 2022 FIFA World Cup in Qatar as a developing country?
2. How will the 2022 FIFA World Cup in Qatar affect the operating costs?

Significance of the research

The study provides insights into the negative and positive economic impacts of mega sporting events on developing nations. As a result, it provides other developing countries contemplating bidding the hosting rights for such events an understanding of the cost and benefits of hosting mega sporting events. Therefore, countries awarded hosting rights can rely on the findings of this study to develop strategies that will minimise the costs while maximising the benefits as well as enhancing the success of mega sporting events. Moreover, the study was significant to researchers and investors because they can rely on the findings of this study for further research as well as in making investment decisions. Government and policy-makers can use the findings of this study to make meaningful economic decisions, conclusions and recommendations insofar as hosting mega sporting events such as the FIFA World Cup are concerned. Moreover, the study is significant in that it contributed to an in-depth understanding of the economic impacts that experts such as economic consultants, governments and local population anticipate as a result of hosting mega sporting events.

Theoretical framework

The study was based on the Keynesian economic theory, which asserts that a government needs to lower taxes and increase expenditure towards stimulating demand for products and services, thus steering economic growth.¹³ The model contends that consumer demand is a key driving force of economic development. When the government increases its spending, there are high chances of experiencing an increase in demand. The model further gives ways in which the government may engage in expansionary fiscal policy by addressing the components of unemployment, infrastructural development, and growth as well as the expansion of businesses.¹⁴ The government makes decisions based on aggregate demands as it incorporates fiscal and monetary policies. However, the Keynesian model of economics perceives monetary policy as powerless because

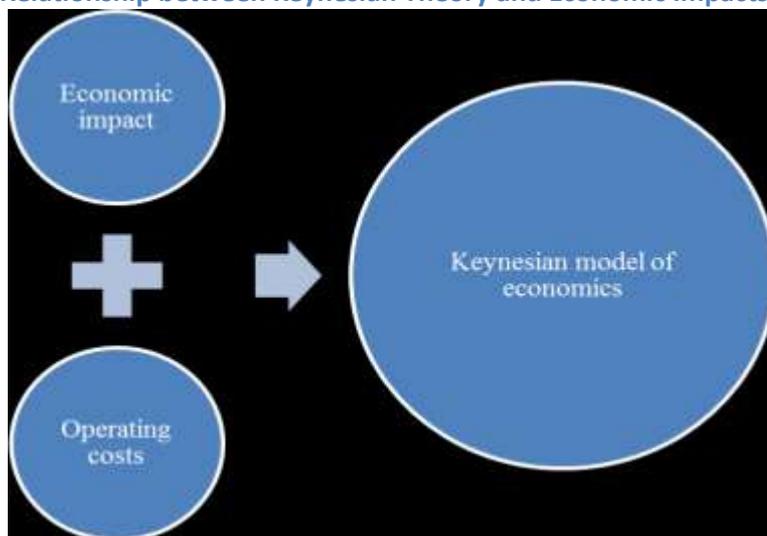
¹³ Blinder, A. S. (2019). *Keynesian Economics*. Retrieved April 21, 2020, from The Library of Economics and Liberty: <https://www.econlib.org/library/Enc/KeynesianEconomics.html>

¹⁴ Ibid, 14.

of its effect on the aggregate demand.¹⁵ The aggregate demands are the spending that a government uses both in public and in private. The model is significant in the study as it helped the researcher to understand the economic impacts of government spending, tax policies and financial support for various pre-event and during event in pursuit of successful and economically viable FIFA 2022 World Cup in Qatar.

Fundamentally, the Keynesian theory of economic asserts that when there are changes in the aggregate demands, a nation is likely to experience short-term effects on unemployment and wages. Besides, the inflation curve is likely to change in the short run and the long run.¹⁶ In such a case, the Keynesian model of economics tries to explain the rigidity of the prices and wages. The rigidity of the prices and wages have an adverse effect on the downward direction of the resources of a country. As a result, they impact on the economic policies of a government. In the case of hosting the mega-sporting events, Qatar will experience an increase in aggregate demand, therefore increase spending. This will facilitate the development of infrastructure such as the expansion of roads, construction of stadia, and other sports and public facilities, leading to higher employment, increased businesses and overall growth of the economy.

Figure 1 Relationship between Keynesian Theory and Economic Impacts.



¹⁵ Arestis, Philip, and Terra Fábio Henrique Bittes. "Keynesian macroeconomic policy: Theoretical analysis and empirical evidence." *Panoeconomicus* 65, no. 1 (2018): 1-20.

¹⁶Blinder, A. S. (2019). *Keynesian Economics*. Retrieved April 21, 2020, from The Library of Economics and Liberty: <https://www.econlib.org/library/Enc/KeynesianEconomics.html>

The economic impacts of mega sporting events

In their study, Barajas et al.¹⁷ examined the economic impacts of Rally Ourense in 2009, 2010, and 2011. From their study, it was established that the activities of Rally Ourense had direct effects on the economy. The study concluded that activities such as the construction of sporting facilities, acquisition and development of public facilities, the establishment of accommodation for visitors during mega sporting events are key elements that lead to increased spending by the visitors to a host country, creating employment opportunities as well as generate tax revenue. Similarly, a study conducted by Patrik¹⁸ analysed the financial effect of mega sports events by focusing on economic impact and future legacy of the mega sporting events using four Olympic games, which include Athens in 2004, Beijing in 2008, London in 2012, and Sydney in 2000. The researcher used GDP, the costs of the games, and other related factors in the analysis. The study found out that the infrastructural development aimed at facilitating successful mega sporting events lead to economic growth as a result of high-income generation from employment in the construction industry, and tax revenues generated from the use of both public and sporting facilities.

In his study, Muller¹⁹ examined the mega-event syndrome that results in adverse effects on the economies of the hosting nations. The researcher gathered data using a semi-structured interview schedule, which involved field visits in Brazil, China, Canada, Germany, Italy, Russia, Korea, Ukraine, Spain, the United Kingdom, and the United States between 2010 and 2014. The researcher found out that significant costs that tended to rise above the expected levels were a major underlying factor that contributed to adverse economic effects of mega sporting events from one country to another. In another study, Peric²⁰ determined the socioeconomic impacts of hosting mega sport tourism events for the communities in the towns of Croatia. The research concentrated on the EHF EURO2018. The study found out that the socioeconomic impact of hosting mega sporting events was significant as manifested in increased occupational roles for both skilled and non-skilled locals, as well as income generation and wealth creation to host countries.

¹⁷Barajas, A., Coates, D., & Sanchez-Fernandez, P. (2016). Beyond retrospective assessment. Sports event economic impact studies as a management tool for informing event organization. *European Research on Management and Business Economics*, 22 (3), 124-130.

¹⁸Patrik, K. (2017). The economic impact of mega sporting events. *Economic Review*, 46 (2), 149-159.

¹⁹Muller, M. (2015). The Mega-Event Syndrome: Why So Much Goes Wrong in Mega-Event Planning and What to Do About It. *Journal of the American planning association*, 81 (1), 6-17.

²⁰Peric, M. (2018). Estimating the Perceived Socio-Economic Impacts of Hosting Large-Scale Sport Tourism Events. *Social science*, 7.

The effect of mega sporting events on operating cost

In their study, Burgo and Cromartie²¹ investigated the costs of hosting and placing a bid on the Olympic Games. The study adopted secondary data whereby the raw facts were gathered from previous successful and failed events in different nations. Based on the analysed data, the researchers found out that the cost of hosting mega sporting activities is extremely high because the hosting nations, especially non-developed countries are required to engage in massive investment in infrastructural developments that can sustain the infrastructural needs of mega sporting events. In such a case, the operating costs of the mega sporting events are affected and with minimal chances of economic stimulation. The results of the study were supported by research conducted by Barclay,²² who found out that mega sporting events have overestimated the benefits and understated costs, which result in adverse economic outcomes. The study concluded that the hosting of a mega sporting event should have a clear legacy that has value to the economic status of a given nation. In their study, Ferreira et al.²³ examined the economic and social impacts of hosting the Summer Olympics. The researchers used an explanatory approach whereby a systematic analysis of a previous literature review was involved. The results depicted that the mega sporting events have both negative and positive effects on the economic and social aspects of a given nation. Besides, every nation engages in different planning and implementation process that helps in the hosting of the events. In such a case, the host country may experience the economic and social impact, depending on the costs and benefits involved in the preparation of the events.

Conceptual framework

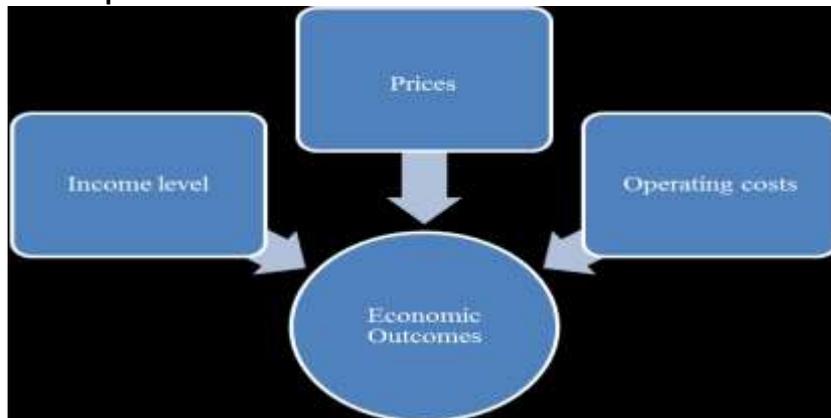
The study was conceptualised to examine the relationship between income levels, operating costs incurred in preparation and management of the FIFA 2022 World Cup in Qatar and prices to be paid for services and other expenses as the independent variable. Also, the anticipated economic outcomes were used as the dependent variable.

²¹Burgo, E., & Cromartie, F. J. (2018). The Benefits of Bidding and Hosting the Olympic Games are Difficult to Justify Due to the Overall Costs. *The sport journal*, 21.

²²Barclay, J. (2009). Predicting the costs and benefits of mega-sporting events: Misjudgement of Olympic proportion. *Economics Affairs*, 29 (2), 62-66.

²³Ferreira, L. B., de Arrauda Lourencao, M. T., Giraldi, J. d., & de Oliveira, J. H. (2013). Economic and image impacts of summer Olympic games in tourist destinations: a literature review. *Tourism & Management Studies*, 14 (3), 52-63.

Figure 2 Conceptual Framework.



The above conceptual framework shows that the event will lead to an increase in income levels as many people will engage in employment opportunities. On the other hand, the prices of products and services will increase because of the influx of visitors and developments made in the country. As a result, Qatar will experience economic outcomes based on how prices and operating costs, as well as income, will be incurred or generated respectively.

Research Methodology

The section provides comprehensive knowledge of the systematic methods used in research design, sampling size, and procedure, data collection instruments, data analysis, and presentation. Besides, the chapter presents ethical considerations and research limitations. In research, methods are essential components that enable the research to engage study participants and gather the relevant raw facts that will address the objectives and research questions.

The research design

A descriptive research design was used to describe, examine, validate, and present explanations of the study results. The approach was significant because of the size of the study area, and consequently, the researcher would have adequate data that would be aligned to the purpose and objectives of the study. The descriptive research design enabled the researcher to focus on the nature of the study population segment and not the phenomena of the occurrence. The design was significant in the study because of the well-focused research questions and objectives. According to Miksza and Elpus,²⁴ descriptive research adopts an inductive approach that plays a vital role in understanding the relationship of different variables used in a study, Descriptive research design

²⁴Miksza, P., & Elpus, K. (2018). *Design and Analysis for Quantitative Research in Music Education*. New York, NY: Oxford University Press.

enables a researcher to incorporate theoretical propositions in the research objectives and research questions.

The study targeted Hotel Managers, Sports managers, Economic consultants, Project managers in the construction industry, and bank managers to gather quality and adequate data. The application of the case of Qatar enabled the researcher to analyse the exact behaviour of the study participants and engage in an in-depth analysis of the gathered data. Besides, the researcher participated in an intensive study that led to the development of thoughts and experiences that would address the research objectives and questions. Moreover, the study adopted a systematic random sampling technique. In research, the sampling process is vital because it enables the researcher to create an accurate measurement method and engage the right participant with the intent of addressing the research objectives. Systematic random sampling was significant because the researcher reduced the level of bias by ensuring that the interval of the selection was consistent and represented the characteristics of the entire population. A sample of 50 participants was engaged. The inclusion criteria for hotel and sports managers was based on experience with sports activities and sports tourism. Besides, the managers who had worked for more than five years were included. The study excluded all the supervisors in the two sections and managers who have worked for less than five years. Also, the study excluded the public to reduce the bias and inconsistency in the collection of data, considering the technicality of the research objectives that needed expert information.

Sources of data and data collection method

Primary data, collected through structured questionnaires that were formulated focusing on the research objectives and research questions, was the main source of data for the study. Moreover, the researcher structured the questionnaire using variables that related to the objectives of the study as outline in the conceptual framework of this study. Fundamentally, the questionnaire comprised both the open-ended and close-ended questions in two parts. The first part examined the demographic information of the respondents, whereas the second part contained questions based on the objectives of the study. In the case of this research, a questionnaire was ideal because the researcher would collect relevant information from the study participants with ease and efficiency. Besides, the researcher ensured the accuracy of the collected data by using similar questions in the instruments that were administered to all participants.

Method of data analysis

The research adopted inferential statistics to analyse data from the respondents in Qatar. Inferential statistics were chosen because of the significance in enabling the researcher to make quality decisions regarding the purpose of the study based on the probability of the observations made. Besides, the study relied on a

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small sample because the researcher would not involve the entire population of the target participants. According to Richard,²⁵ inferential statistics are ideal for small samples because they enable researchers to draw conclusions about a larger population using a small sample. The process of data analysis allowed the researcher to clean, code, and separate the collected data based on the objectives of the study.

The research hypothesis

H1: 2022 FIFA World Cup will have economic impacts on the economy of Qatar.

H2: 2022 FIFA World Cup in Qatar will have operating costs associated with consumer goods and service.

Ethical considerations

This research relied on primary data. Therefore, the researcher provided the respondents with a detailed ethics form that explained the purpose of the study, how their responses would be stored and analysed as well as how the privacy and confidentiality of the respondents would be promoted throughout the data collection process. The researcher ensured the anonymity of respondents in the data collection instruments. The researcher ensured the respondents that the information gathered would adhere to the sole purpose of scientific study. Moreover, the researcher avoided sensitive questions regarding religion and sexual orientation to ensure respondents did not feel uncomfortable providing reliable responses. Fundamentally, the researcher sought consent from organisations, government department and individuals participating in data collection to ensure their willingness surpassed any external influence in providing required information.

Research limitations

First and foremost, the research was limited to a small sample size. This was because in the wake of Covid-19 pandemic, most targeted groups, organisations and government department had a minimised staff to ensure some worked from home and enhance social distancing measures. Therefore, it was a challenge to get a larger audience. Also, the research was limited to a sampling frame and the target population of only experts with expertise and proficiency in matters of the economy due to the technicality of the second objective of the study. Moreover, the FIFA 2022 World Cup had not taken place when this study was conducted. Therefore, the researcher lacked secondary data, leading to the collection of primary data on anticipated economic impacts, rather than actual economic impacts that should have been experienced before the study was conducted.

²⁵ Lowry, Richard. "Concepts and applications of inferential statistics." (2014).

Analysis, results and discussion

Demographics of the respondents

In this study, the respondents were required to fill in their age, gender, type of work, income levels, awareness of FIFA 2022 in Qatar, and if they were football fans. Descriptive analysis was conducted to examine the characteristics of the sample population that provided the following results. The majority of the respondents were 38 years, and above out of which 10 were 38-47 years, 16 were 48-57 years, and 10 were 58 years and above. Only 28% of the respondents were aged below 38 years. Out of the 50 respondents, 46% were male, while 56% were female. Regarding the type of work, 10 respondents were hotel manager, 11 sports managers, 13 economic consultants, and 16 project managers. None of the respondents earned an income lower than the country average with 40% earning the country average, 42% earning higher than the industry average, and 18% earning extremely high income. All the respondents indicated that they were aware of FIFA 2022 to be held in Qatar. The results indicate that not all respondents were football fans, about 26% of the respondents said that they were not football fans.

The economic impacts of the 2022 FIFA world cup in Qatar

The study used descriptive statistics to determine the anticipated and potential economic impacts that Qatar, a developing country, would reap as a result of winning hosting rights and hosting the FIFA 2022 World Cup. Majority of the respondents believed that the 2022 FIFA World Cup would raise the employment levels in Qatar as. 58% of the respondents strongly agree while 16% agreed that the levels of employment would increase before and during the event. Only 14% either disagreed or strongly disagreed that employment levels will increase before and during the event. The following table displays these results.

Table 1 *Anticipated and Potential Increased Level Employment in Qatar*

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	29	58.0	58.0	58.0
Agree	8	16.0	16.0	74.0
Neither agree nor disagree	6	12.0	12.0	86.0
Disagree	5	10.0	10.0	96.0
Strongly Disagree	2	4.0	4.0	100.0
Total	50	100.0	100.0	

Majority of the respondents believed and anticipated that the FIFA 2022 World Cup would raise income levels in the hospitality industry in Qatar. 56% of the respondents strongly agreed while 24% agreed that the levels of income in the

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hospitality industry would increase during the event. Only 10% either disagreed or strongly disagree that the levels of income in the hospitality industry will increase during the event. The following table displays these results.

Table 2 Anticipated Rise in Income Levels in the Hospitality Industry

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	28	56.0	56.0	56.0
Agree	12	24.0	24.0	80.0
Neither agree nor disagree	5	10.0	10.0	90.0
Disagree	1	2.0	2.0	92.0
Strongly Disagree	4	8.0	8.0	100.0
Total	50	100.0	100.0	

Also, majority of the respondents anticipated and believed that the 2022 FIFA World Cup would raise income levels in the tourism sector in Qatar. 42% of the respondents strongly agreed while 36% agreed that the levels of income in the tourism sector would increase during the event. However, 10% of the respondents either disagreed or strongly disagreed that the levels of income in the tourism sector would increase as a result of hosting the FIFA World Cup in Qatar. The following table displays these results.

Table 3 Anticipated Rise in the Income Levels in the Tourism Sector

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	21	42.0	42.0	42.0
Agree	18	36.0	36.0	78.0
Neither agree nor disagree	4	8.0	8.0	86.0
Disagree	5	10.0	10.0	96.0
Strongly Disagree	2	4.0	4.0	100.0
Total	50	100.0	100.0	

The researcher also aimed at finding out what the respondents expected or felt about the 2022 FIFA World Cup insofar as the use of public funds in the preparation and management of the event was concerned. From the results provided in Table 4 below, the majority of the respondents expected the event to cause a diversion of public funds from other public service delivery for the management of the event. 38% of the respondents strongly agreed while 46% agreed that public funds have already been diverted to the infrastructural

development of sporting facilities such as stadia and public spaces. Further, this group of respondents expected the diversion of public funds to funding international sporting activities to continue even during the event in 2022. Only 12% either disagreed or strongly disagreed that public funds have been and would further be diverted to the management of the FIFA 2022 World Cup. The following table displays these results.

Table 4 Diversion of Public Funds

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	19	38.0	38.0	38.0
Agree	23	46.0	46.0	84.0
Neither agree nor disagree	2	4.0	4.0	88.0
Disagree	3	6.0	6.0	94.0
Strongly Disagree	3	6.0	6.0	100.0
Total	50	100.0	100.0	

The majority of the respondents believed that the 2022 FIFA World Cup would raise prices of commodities in many sectors of the economy. 38% of the respondents strongly agreed while 42% agreed that the prices of many commodities would increase in many sectors the event. Only 6% strongly disagreed that the prices of commodities will increase in many sectors. The following table displays these results.

Table 5 Raise Prices of commodities in Many Sectors

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	19	38.0	38.0	38.0
Agree	21	42.0	42.0	80.0
Neither agree nor disagree	7	14.0	14.0	94.0
Strongly Disagree	3	6.0	6.0	100.0
Total	50	100.0	100.0	

Regarding the anticipated and potential changes in prices and costs in hospitality services, majority of the respondents expected a significant increase in the price of accommodation in Qatar during the event. 44% of the respondents strongly agreed while 36% agreed that the prices of accommodation would increase during the event. Only 12% either disagreed or strongly disagreed that prices of

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accommodation would increase as a resulting of Qatar hosting the FIFA 2022 World Cup. The following table displays these results.

Table 6 Anticipated Increase in the Price of Accommodation

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	22	44.0	44.0	44.0
Agree	18	36.0	36.0	80.0
Neither agree nor disagree	4	8.0	8.0	88.0
Disagree	2	4.0	4.0	92.0
Strongly Disagree	4	8.0	8.0	100.0
Total	50	100.0	100.0	

The study also explored any tangible evidence that indeed the FIFA 2022 World Cup would have economic impacts by finding such effects in the construction of infrastructure. Majority of the respondents strongly anticipated a significant raise development of infrastructure in Qatar. 46% of the respondents strongly agreed while 38% agreed that there would be an increase in infrastructure development before the world cup event. Only 10% either disagreed or strongly disagreed that infrastructure development levels would increase significantly prior to the event. The following table displays these results.

Table 7 Development of Infrastructure

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	23	46.0	46.0	46.0
Agree	19	38.0	38.0	84.0
Neither agree nor disagree	3	6.0	6.0	90.0
Disagree	4	8.0	8.0	98.0
Strongly Disagree	1	2.0	2.0	100.0
Total	50	100.0	100.0	

Economic impacts on operating costs

This was a technical research objective that the necessitated the researcher to rely on experts such as economic consultants to attain reliable findings. The results indicated that majority of the respondents cited that FIFA 2022 will increase the short-term operating costs. 48% of the respondents strongly agreed that the event would increase the short-term operating costs. On the other

hand, the minority of the respondents 2% strongly disagreed that FIFA 2022 will increase the short-term operating costs.

Table 8 Anticipated Impacts on the Short-term Operating Costs

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	24	48.0	48.0	48.0
Agree	17	34.0	34.0	82.0
Neither agree nor disagree	2	4.0	4.0	86.0
Disagree	6	12.0	12.0	98.0
Strongly Disagree	1	2.0	2.0	100.0
Total	50	100.0	100.0	

Insofar as the long-term effects on operating costs were concerned, the majority of the study participants believed that the 2022 FIFA World Cup would increase the long-term operating costs. 48% of the respondents strongly agreed that the event would result in a post-event increase of the long-term operating costs. However, 6% neither agreed nor disagreed that the event will increase the long-term operating costs.

Table 9 Anticipated Impacts on the Long-term Operating Costs

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	24	48.0	48.0	48.0
Agree	15	30.0	30.0	78.0
Neither agree nor disagree	3	6.0	6.0	84.0
Disagree	4	8.0	8.0	92.0
Strongly Disagree	4	8.0	8.0	100.0
Total	50	100.0	100.0	

Moreover, majority of the respondents, 48% and 36% strongly agreed or agreed respectively that will lead to an increase in capital costs. On the other hand, a minority of the respondents comprising 2% strongly disagreed that FIFA 2022 would lead to an increase in capital costs.

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Table 10 *Impacts on Capital Cost*

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	24	48.0	48.0	48.0
Agree	18	36.0	36.0	84.0
Neither agree nor disagree	5	10.0	10.0	94.0
Disagree	2	4.0	4.0	98.0
Strongly Disagree	1	2.0	2.0	100.0
Total	50	100.0	100.0	

The study also sought to understand how experts, such as economic consultants felt about the FIFA 2022 World Cup and its impacts on resource allocation. The results indicated that FIFA 2022 is likely to increase in the state of resource deficiency. Majority of the respondents, 44% strongly agreed while 32% agreed that the event is likely to increase in the state of resource deficiency. On the other hand, minority of the respondents, 6% strongly disagreed that the event is likely to increase in the state of resource deficiency.

Table 11 *Anticipated Resource Deficiency*

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	22	44.0	44.0	44.0
Agree	16	32.0	32.0	76.0
Neither agree nor disagree	4	8.0	8.0	84.0
Disagree	5	10.0	10.0	94.0
Strongly Disagree	3	6.0	6.0	100.0
Total	50	100.0	100.0	

Discussion of findings

The results indicated that the 2022 FIFA World Cup in Qatar is likely to raise the employment level, income level, the price of commodities, and development of infrastructure. The findings relate to a study conducted by Patrik,²⁶ who found out that such events, promote massive infrastructural developments in the form of sporting facilities, such as stadia and public spaces. Also, the study linked such events with high employment that lead to increased levels of income and wealth

²⁶ Patrik, K. (2017). The economic impact of mega sporting events. *Economic Review*, 46 (2), 149-159.

generation. Therefore, developing nations stand a chance to boost their infrastructure, provide more jobs for its citizens and generate wealth from businesses, especially those in the hospitality industry. The results also showed that the event will cause a diversion of public funds in Qatar as the government will have to divert funds from other sectors of the economy to fund the preparation and actual management of the event. Therefore, developing countries should be ready and in a position to fund mega sporting events without diverting funds from other sectors of the economy.

Moreover, the results of this study indicated that Qatar would have to incur extra operating costs that may affect the economy in both the short-term and long-term. Fundamentally, the government will incur expenses in the preparation and management of the event as evident in the huge expenses in the construction industry. Besides, the event will lead to a high level of capital cost and a state of resource deficiency. These findings were similar to the findings of a study by Ferreira et al. that examined the economic and social impact of hosting the Summer Olympics. According to the researchers, mega sporting events are associated with huge capital costs, such as the costs of purchasing land for construction of sporting facilities, manufacturing goods/products to be used during these events as well as costs of rendering critical services such as the provision of security and accommodation. Consequently, the hosting country should have a solid financial base for providing the needed operating and capital costs.

Conclusion and recommendations

The research succeeded in answering the research questions regarding the anticipated economic impacts of the 2022 FIFA World Cup in Qatar as a developing country as well as how it would affect the country's operating costs. Based on the findings of the study, the anticipated and potential economic impacts as per the respondents are; an increase in the level of employment in the country, high income and wealth generation as well as an increase in prices of goods and services during the event. Also, the study found a significant boost in the development of infrastructure in the form of sporting facilities, public spaces and accommodation facilities. With the massive investments in the development of infrastructure, developing countries will experience lasting economic benefits with advanced urban creation. However, the study also found out that Qatar will incur huge capital costs as well as divert finances to the preparation and management of the 2022 FIFA World Cup. Therefore, this study was significant in that other developing countries aiming at bidding to host mega sporting events understands the economic benefits and cost implications they may incur in hosting such events like the FIFA World Cup.

Recommendations of the study

The research findings showed that the majority of respondents, 38% strongly agreed while 46% agreed that public funds have already been diverted to the infrastructural development of sporting facilities such as stadia and public spaces. Therefore, the government should explore other sources of funding such as financial support from international bodies and branding as well as advertising the upcoming event to attract tourist and increase sources of funding. This will protect developing countries from exhausting funds for other critical sectors of the economy in mega sporting events, leading to more cost implication, rather than economic benefits. Also, the study recommends that governments should support small and medium-sized enterprises to come up with businesses and reap the increased benefits of a high influx of tourist and visitors, high prices of goods and services as well as engage in wealth generation for improved economic growth. This is in line with researchers' findings (e.g. Hunaiti et al., 2009; Karajeh & Maqableh, 2014; Al-Dmour et al., 2015; Masa'deh, 2016; Bazazo et al., 2017; Aqqad et al., 2019; Al-Dmour et al., 2020). Besides, the findings of the study indicated that developing countries are likely to incur huge capital and operating costs. Therefore, the government should partner with the private sector to help developing countries to meet the cost obligations of hosting mega sporting events. Future researchers are also encouraged to pursue further studies by comparing the economic benefits realised as a result of hosting mega sporting events between developing and developed countries.

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