FIFA and the U.S. Economy

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Soccer is the world’s most popular sport outside of the United States. For reasons unknown, the sport is unable to gain the attention or interest in the U.S. as it does elsewhere. The Federation Internationale de Football Association (FIFA) is the international governing organization representing club and national football leagues and tournaments and well deserves the praise for maintaining such a successful business. As successful as FIFA has been, there is always room to improve. Both, soccer and FIFA, could benefit from using help through such a major source as the United States Football Association (USFA), to help bring back the passion of the beautiful sport by incorporating the fundamental business models the USFA strongly values. The full intent of the USFA, the United States’ largest soccer organization, is to assist in providing ultimate world interest directing its focus onto the United States as a weak link, by means of stricter as well as much more advertising and marketing campaigns; promoting former and/or current players into the business of United States soccer, or as ambassadors, to attract additional international interest; and, in enforcing the first two models and through acquiring special talents worldwide, yielding extremely high valued tournaments in the U.S. (i.e. World Cup, UEFA Champions League, etc.), providing much needed international appeal and trade relationships to the United States and the sport.

Of the three business models, implementing more, stricter advertising and marketing campaigns, is one the United States Football Association will act on with great purpose. In order to establish the interests of both audiences, the public needs to find a sense of security in the World Cup like they do with the National Football League’s annual Super Bowl or the Major League Baseball’s annual World Series event. The U.S. is notorious for doing so through mass media and celebrities and other forms of consumer relations as imposed by the YouTube video
“Case study – Consumer relations: FIFA World Cup,” by the International School of Communications (2015). Given the amount of nationally televised material, including soccer games has recently been on the rise with ESPN, who air at least two local, Major League Soccer matches per week. What needs to be done with the latter is to strategize boosting local soccer viewer ratings and proceed with gradual increases in matches per week. Besides enabling more air time on sport television, having companies compete for air time through consistent viewing will prove beneficial. Competition stirs the financial industry which greatly provides for our ideas, but confidence is a strength the USFA will convey through our actions. Making soccer a common household name in the U.S. is a goal which will help FIFA improve on its international relationships along with uniting a world through the beautiful sport of football. Ultimately, for the world’s most popular sport, with an increased United States presence and influence not only impacting the U.S. economy, FIFA can dominate the world of sports.

Although the process of bringing current or former players from international play to the United States is lengthy, the benefit would ultimately prove substantial to FIFA and soccer. Let us not forget that current players have a choice of which country they pledge their allegiance to, and with goals and dreams of lifting such magnificent trophies in sight, what better way to make that journey more fruitful then starting from scratch in the United States? Albeit, some current players have more than likely delegated their loyalties to their respected native countries, having former players currently involved in U.S. soccer affairs is surely to influence a more favorable decision. As the United States has been proving recently, acquiring former players and aged premier league superstars such as Spain’s David Villa, Brazil’s Ricardo Kaka, and Italian great Andrea Pirlo, boosts exposure as well as gains national reputation in the sport. David Beckham, for example, made the move ‘across the pond’ from the UK to the U.S. in a major contractual
move that saw his brilliant football career end in Los Angeles. With his newly found home in the United States, Beckham has since begun exploring a new franchise in the MLS along with a soccer stadium in Miami, Florida. As of right now, I think it is safe to assume that David Beckham is the greatest soccer influence and/or ambassador in the United States and his success proves it. For the country to continue on this path, a much more rapid pace of acquiring such talent will redefine the U.S. presence in FIFA with a more dominant and/or influential role.

Finally, and most importantly, is the model of greatest impact to the U.S. Considering that past World Cups have shown the sizable accumulations of what hosting a nationally televised, high profile tournament does to a particular nation’s economy, accommodating for a general lack of interest in the United States for major soccer events will provide FIFA and the U.S. a much needed economic improvement. For example, in highlighting the impact the World Cup had on urban development and tourism within a fearful South Africa nation in World Cup 2010, the impact was so positive that South Africa’s population has since seen an increase along with a substantial decrease in crime rates during the same World Cup, to include zero major criminal incidents (Haferburg 2011). The alarming effect crime rate has on an economy is important to understand even for a specific time interval. Another example refers to Korea and Turkey trade businesses skyrocketing to one billion dollars, a dramatic 20-percent increase from the year prior, when hosting the 2002 FIFA World Cup in South Korea. With the economic boost each country needed it is no wonder trades continued, gradually increasing the following years. Even if the World Cup is every four years, what this world tournament single-handedly brings to host nations is improved trading relationship between participating nations, thus illuminating the significance of the impact as the host nation (Avsar & Unal, 2014). Important to note is prime evidence provided by Guy Kaplanski and Haim Levy (2010) in their Journal Of
Financial & Quantitative Analysis article “Exploitable Predictable Irrationality: The FIFA World Cup Effect on the U.S. Stock Market,” that goes to show with exposure such as the World Cup 2006 Final’s more than 715-million viewers, the U.S. can only see an increase in foreign investment opportunities and other forms of international trade. It is also suggested that “if a soccer game affects the losing country’s local market, the World Cup effect on the U.S. market may be even larger, as the U.S. market is affected by the investors of all losing countries,” (Kaplanski & Levy, 2010, p 539). By allowing the United States to host major tournaments as well as club-and league-level competition, FIFA and the USFA are, without a doubt, gaining a universally dominant business.

Because soccer is the world’s most popular sport outside the United States, it is imperative to take action accordingly. In this sense, accordingly does not mean over a lengthy duration of time. Since the sport is unable to gain the attention or interest in the U.S. as it does elsewhere, innovative decisions from FIFA authority figures can prove everlasting, keeping the balance between governance and entertaining competition successful. While FIFA has lived up to its success in all forms, there is always room to improve. The benefit in both, soccer and FIFA, could be the ultimate puzzle piece to bringing back the passion of the sport to the U.S. along with the rest of the world, simply by utilizing a major source such as the United States Football Association (USFA) and incorporating each fundamental business model the USFA highly values into a universal FIFA approach. The United States’ economy will benefit in both respects, international attention and trade relationships, and can be perceived as biased or selfish, but it is with a genuine nature and instinct in which the United States Football Association formally proposes its business model onto the Federation Internationale de Football Association. Indeed, as the United States’ largest soccer organization, the company’s pure intent is to assist in
providing ultimate world interest directing its focus onto the United States as a weak point, by means of more, stricter advertising and marketing campaigns; promoting former and/or current players into the business of United States soccer, or as ambassadors, to attract additional international interest; and, in enforcing the first two models and through acquiring special talents worldwide, yielding extremely high valued tournaments in the U.S. (i.e. World Cup, UEFA Champions League, etc.). Once these minor obstacles have been overcome, the United States will be able to expand its influence and produce an economic stability and, although, change is inevitable, this type of change can only prove successful as well as landmark for FIFA if given the opportunity to put ideas to action.
References


