Do Major Sporting Events Generate Sustainable Economic Gains? A Multi-Dimensional Analysis of Short-Term Boosts and Long-Term Outcomes in Host Economies

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ABSTRACT

Big sporting events are often said to help grow the economy, bring in tourists, improve infrastructure, and create jobs. There's a debate about whether these benefits last long-term or just give a short-term boost. This study looks at how big sporting events affect India's economy. Right away and in the long run. We want to know if these events help the economy grow sustainably by creating jobs, helping businesses improve infrastructure, getting more people to play sports, finding new talent, and leaving a lasting legacy.

We used an approach of in-depth interviews with six people who are involved in or interested in sports. We analyzed the interviews. Found seven key points: Economic Benefits and Sports Commercialization, Infrastructure and Resource Use, Grassroots Sports Development, Government Support, Talent Identification, Social and Cultural Barriers, and Event Legacy. We compared our findings with existing research on sports economics, tourism, infrastructure, and sports development.

The results show that big sporting events bring short-term economic benefits through job creation, tourism growth, and increased spending. The long-term benefits depend on how well the host economy uses these events to create lasting infrastructure support grassroots sports, and encourages more people to participate. We also found challenges like resource allocation, cricket dominance, infrastructure maintenance concerns, and social barriers that may limit long-term benefits.

The study concludes that big sporting events can lead to economic gains when part of broader development plans that prioritize long-term economic, social, and sporting outcomes. Sustainable success is determined not by immediate financial returns but also by the lasting impact that sporting events have on host economies.

Keywords: Sports, Economic Impact, Sports Development, Sports Commercialization

INTRODUCTION

This research paper discusses how major sporting events lead to healthy economic gains for the host economy across various aspects, including tourism, infrastructure, employment, financial markets, and stocks, and contribute to sustainable economic growth.

Sports activity is defined as a form of physical activity that is competitive in nature and is played by people through casual or organized participation. According to the Cambridge dictionary: sport is defined as a game, competition, or activity that needs physical effort and skill and is usually played according to the laid down rules. The participation maybe for enjoyment, and or as a professional economic activity

When we talk about sport in a country like India, it has always had a rich history, always shown promise, and always presents bright prospects. Let’s delve into it to understand how this is the case. If we take the timeline as from the 1950s to the current day, India has hosted major international sporting events, including the Asian Games (1951, 1982), Cricket World Cups (1987, 1996, 2011, 2023), and the 2010 Commonwealth Games. Key multi-sport events included South Asian Federation Games (1987, 1995, 2016) and Afro-Asian Games (2003). India has also hosted specialized championships in chess, hockey, badminton, and table tennis.

The history of sports in India reflects a rich blend of indigenous traditions and colonial influence. Ancient Indian texts like the Mahabharata and Ramayana mention activities such as archery, wrestling, chariot racing, and hunting, indicating that physical competition and skill were valued from early times. Traditional sports like chess, kabaddi, kho-kho, and wrestling were widely practiced in rural communities. With the arrival of the British during colonial rule, modern sports such as cricket, football, and hockey were introduced and gradually institutionalized. Cricket, in particular, grew immensely popular and became a unifying national passion.

India's global sporting identity was first strongly established through field hockey, especially during the early 20th century, when the national team dominated the Olympic Games, winning multiple gold medals between 1928 and 1956. Post-independence, India continued to develop its sports infrastructure, although progress was uneven due to limited resources and policy focus. Over time, achievements in sports like chess, badminton, shooting, and wrestling began gaining recognition. The liberalization of the economy in the 1990s and the rise of media and corporate sponsorships further transformed Indian sports. Leagues such as the Indian Premier League revolutionized commercialization and talent exposure. Today, sports in India are rapidly evolving with increased government support, private investment, and growing international success, reflecting both cultural heritage and modern global integration.

Major sporting events like the Olympic Games, the Indian Premier League, Asian Games, Commonwealth Games, and the FIFA World Cup are often seen as a way to boost the economy, change cities, and get recognition. Governments around the world really want to host these events because they think it will bring in more tourists, create jobs, and improve infrastructure. They also hope it will make their country more visible internationally.

When these events happen, you can see the effect on the economy. New stadiums and transportation systems are. There is a surge in hotels and shops. This is very appealing to politicians. However, people are still debating whether these benefits are long-term or if they are just temporary.

In the term, these big sporting events do bring in more money. More tourists come, people spend more. There are more jobs, especially in construction, tourism, and services. This can make the GDP and local incomes go up. The financial markets also tend to react, showing that people are optimistic about growth and investment. For example, host cities often get airports, roads, and public transport systems, which can make things more efficient and connected. These are the reasons why people think hosting these events can be a boost for the economy.

Some researchers are questioning whether these benefits last. Countries like India spend a lot of money to get ready for these events, including building stadiums and improving security. Sometimes this spending gets out of control. Leads to more debt, which is a concern. What happens to the infrastructure after the event is also a problem. Sometimes stadiums are not used enough after the event, which shows that resources might not be used efficiently. Also, the jobs created during the event are often temporary. It is not clear if they have a long-term effect on employment.

We also need to think about the environmental and institutional effects of these big sporting events. This includes things like people being forced to leave their homes and the environment being damaged. Challenges with governance. Some countries can use these events to make changes and improve tourism, but others struggle to keep the momentum going after the event is over. It seems that the success of these events depends a lot on the context, including how well the government works, how efficient the planning's how strong the economy is before the event.

This study seeks to examine the effects of hosting major sporting events from multiple angles. It wants to see if these events really contribute to long-term economic growth or if they are just a short-term boost. By examining various factors, the research aims to answer this question and contribute to the discussion on how to invest public money efficiently and use major events in national planning.

Major sporting events like the Olympic Games and the FIFA World Cup are very important because they can affect the economy and urban development. Major sporting events can also affect recognition. Everyone wants to be healthy and mobile, and sports are a part of that. Major sporting events can bring people together. Create a sense of community. They can also inspire people to get involved in sports and live a healthy lifestyle. So major sporting events are not about the economy; they are also about the social and health benefits they can bring.

Research Questions

1. Do major sports events lead to significant short-term economic growth in host regions?
2. How do such events impact local employment and income levels?
3. What is the effect of sports events on the stock market performance of host countries?
4. Do infrastructure investments for sports events yield long-term economic benefits?
5. How do tourism inflows during events affect local business revenues?

Hypotheses

- **H1:** Hosting major sports events leads to a short-term increase in GDP growth.
- **H2:** Sports events significantly boost employment in the host region during the event period.
- **H3:** Stock markets experience positive abnormal returns around major sports events.
- **H4:** Infrastructure spending for sports events has a positive long-term impact on economic growth.
- **H5:** Tourism inflows during sports events significantly increase local business revenues.

METHODOLOGY

This study has adopted both qualitative and quantitative research approaches to examine the economic impact of major sporting events on the Indian Economy. A qualitative approach was chosen because it allows for an examination of people's thoughts, feelings, and opinions about the economic, social, and developmental effects of sporting events.

Data was collected through questionnaires filled out by about 50 people and structured interviews with six participants who have different levels of involvement and interest in sports. The participants included students, athletes, sports enthusiasts, and people who know the sports industry. Semi-structured interviews were used because they offer flexibility to explore ideas while keeping key topics in mind, such as job creation, infrastructure development, tourism, government support, grassroots sports development, and the long-term impact of sporting events.

The interview transcripts were analysed using an analysis following Braun and Clarke's six-step framework. The transcripts were reviewed at times to understand the data. Meaningful parts of the text were. Grouped into categories based on recurring patterns and ideas. Similar codes were combined to develop themes. Seven major themes emerged: Economic Benefits and Commercialisation of Sports, Infrastructure and Resource Allocation, Grassroots Development and Long-Term Sporting Growth, Government Support and Policy Incentives, Talent Identification and Sporting Pathways, Social and Cultural Barriers to Participation, and Event Legacy and Long-Term Development Impact.

To make the findings more reliable, the identified themes were compared with existing literature on the economic impact of sporting events including studies on the Indian Premier League (IPL), Pro Kabaddi League (PKL), sport tourism, infrastructure legacy, and mega sporting events. This process of triangulation helped identify areas where participant perspectives align or differ from existing research.

RESULT TABLE

Theme	**Sub-theme**	**Participant Quotes**	**Empirical Evidence from Literature**
Economic Benefits & Commercialization of Sports	Employment Generation	"It generates a lot of employment... hotels, restaurants, street vendors all benefit."	IPL and PKL create direct and indirect employment in hospitality, transport, retail, and event management (Sandhar, 2024).
	Local Business Growth	"Hotels get employment. Restaurants get a lot of business."	Sporting events increase spending in local economies through accommodation, food services, and retail purchases.
	Sponsorship & Media Revenue	Karthik and Satyanarayan discussed increasing sponsorships and franchise values.	Sports leagues derive substantial revenue through sponsorship and broadcasting rights.
	Tourism Growth	Participants highlighted travel associated with sporting events.	Event tourism increases visitor spending and destination attractiveness.
Infrastructure & Resource Allocation	Stadium Development	"Chinnaswamy improvements motivate people to play."	Major events often stimulate infrastructure investment and facility upgrades.
	Unequal Infrastructure Distribution	"Cricket gets everything while other sports struggle."	Literature notes the concentration of resources in commercially successful sports.
	Infrastructure Maintenance	Rahil discussed the poor maintenance of hockey facilities.	Studies report that many facilities suffer from underutilization and maintenance issues post-event.
	Cost Effectiveness	Karthik questioned whether all investments provide adequate returns.	Economic studies warn against infrastructure projects that fail to generate long-term value.
Grassroots Development & Long-Term Sporting Growth	Local Competitions	"There should be more competitions at the city and locality levels." (Rahil)	Grassroots events are essential for participation and talent development.
	Talent Development	"Events help identify talented athletes." (Aditya)	Sporting events create pathways for athlete identification and progression.
	Participation Growth	Interviewees stressed increasing participation opportunities.	Event legacy literature identifies participation growth as a key outcome.
	Youth Motivation	Better facilities encourage students to participate.	Sports infrastructure positively influences youth participation rates.
Government Support & Policy	Financial Incentives	"Government cash incentives help athletes." (Aditya)	Sports funding programs increase participation and retention.

Incentives			
	Employment Reservations	"2% reservation in government jobs." (Aditya)	Public-sector sports quotas are commonly used to support athletes.
	Funding for Non-Cricket Sports	Rahil noted the lack of support for athletics and badminton.	Literature highlights unequal funding across sports disciplines.
	Institutional Support	Interviewees requested stronger support systems.	Sports policy research recommends broader institutional investment.
Talent Identification & Sporting Pathways	Structured Selection Systems	Aditya described the progression from state competitions to national camps.	Literature highlights structured talent pathways as critical for elite sport development.
	Exposure Opportunities	IPL and other leagues provide visibility.	Professional leagues increase athlete exposure and career opportunities.
	Coaching Access	Rahil highlighted the lack of coaching support for talented athletes.	Coaching shortages are recognized barriers to athlete development.
	Athlete Progression	Competitions help athletes move to higher levels.	Sporting pathways are central to talent development frameworks.
Social & Cultural Barriers to Participation	Parental Pressure	Rahil described parents discouraging sporting careers.	Studies identify academic expectations as barriers to sports participation.
	Academic Prioritization	"School teams often prioritize academic performance." (Rahil)	Educational pressure limits sports participation among youth.
	Cricket Dominance	Girish and Rahil discussed cricket's dominance.	Literature identifies cricket as the dominant sport attracting sponsorship and media attention.
	Social Recognition	Participants felt that non-cricket athletes receive less recognition.	Research shows unequal public visibility across sports.
Event Legacy & Long-Term Development	Infrastructure Legacy	Facilities developed for events benefit future users.	Legacy theory identifies infrastructure as a major long-term outcome.
	Sporting Culture Development	Participants believed events encourage sporting culture.	Event legacy studies identify increased participation and awareness.
	Urban Development	Sporting events improve cities and facilities.	Mega-events often contribute to urban regeneration efforts.
	Sustainability Concerns	Karthik and Satyanarayan emphasized long-term returns.	Literature warns against short-term economic assessments and underutilized infrastructure.

DISCUSSION

The study shows that big sporting events are good for the economy. They create jobs, bring in tourists, and help businesses like hotels and restaurants. People who were interviewed for this study think that sporting events are a way to get the local economy moving. They said that businesses like transportation companies and small vendors also benefit from these events. This is what other studies have found: sporting events can bring in money and create jobs.

One important thing this study found is that there is a difference between short-term benefits and long-term benefits. People who were interviewed said that sporting events can bring in money and create jobs, but they also said that it is important to have good infrastructure, like roads and buildings, and to help young people get involved in sports. This is important because it can help the benefits of sporting events last longer. It is like building a foundation for the future.

The study also found that not everyone benefits from sporting events in the same way. Some people said that cricket gets a lot of attention and money, while other sports do not get much. This means that the benefits of sporting events are not shared equally. Other studies have found this too. Some people and businesses get a lot of benefits, while others do not get much.

Another thing the study found is that building infrastructure, like stadiums and roads, is important for sporting events. People who were interviewed said that this is a thing, but other studies have found that it can be a problem if it is not done well. If infrastructure is not used properly, it can be a waste of money.

The study also shows that sporting events can only bring long-term benefits if there is support from the government and other organizations. This includes things like money for sports programs, coaching, and competitions for people. People who were interviewed said that this is important for helping sports grow and for creating jobs.

There are also cultural things that can affect how well sporting events do. Some people said that it can be hard for young people to get involved in sports because of pressure from school or their parents. They also said that some people think that sports are not a way to make a living, especially if you do not play cricket. This means that just putting money into sports is not enough. We need to change the way people think about sports, too.

Overall, the study says that big sporting events can be good for the economy. It is not guaranteed. We need to make sure that we use these events to build a foundation for the future with good infrastructure, jobs, and opportunities for young people. Sporting events should not just be seen as a one-time thing. As a way to help the local economy grow and develop over time.

OVERVIEW OF THE STUDY FINDINGS

This study looked at whether big sporting events help the economy of the host country in the run-up. We focused on India. Did interviews and read existing studies to see how these events affect the economy in the short and long term?

The main question we wanted to answer was: Do big sporting events really help the economy in the long run or are they just good for a short-term boost?

We found that these events do bring in a lot of money in the term. They create jobs, bring in tourists, make people spend more, and help businesses. People we talked to said that hotels, transportation, shops, and event management companies benefit a lot from these events.

For long-term benefits, it depends on how well the event is planned and how much is invested. We found that infrastructure promoting sports at the grassroots level, identifying talented athletes, and government support are key to making these events sustainable. People we talked to said that these events are most valuable when they leave behind facilities, a stronger sports ecosystem, and more opportunities for people to participate.

We also noticed that cricket gets a lot attention and investment than other sports. People said that there are no good facilities, not enough support for sports other than cricket, and some social attitudes that discourage people from playing sports. This means that while sporting events can bring in money, their long-term impact depends on support from institutions and culture.

Overall, the study shows that sporting events can help the economy in the run, but it's not automatic. It depends on how short-term opportunities are turned into long-term benefits.

Implications for the Future

Our findings are important for people who make policies, sports organizations, and host cities who want to get the most out of sporting events.

First sporting events should be seen as tools for long-term development, not as entertainment. Future investments should focus on making sure that infrastructure is useful even after the event is over. Multi-purpose facilities that serve athletes, schools, and local communities can make a long-term return on investment.

Second, governments and sports authorities must prioritize developing sports at the local level and identifying talented athletes. While big leagues like the IPL have made sports a business, more investment is needed to support emerging athletes across sports. Expanding tournaments, coaching programs, and youth development initiatives can make the sports ecosystem stronger in the long run.

Third, host economies must adopt inclusive strategies to distribute benefits across different sectors and communities. Our findings suggest that economic gains are often concentrated in industries like hospitality and tourism. Policymakers should develop mechanisms to ensure economic participation.

Looking ahead, several future trends are likely to influence the impact of sporting events. Advances in technology, artificial intelligence, sports analytics, smart stadiums, and immersive fan experiences may create new revenue streams and enhance operational efficiency. Digital broadcasting platforms and global streaming services are also expected to expand the reach of sporting events beyond physical host locations.

Furthermore, sustainability considerations are likely to become increasingly important. Future sporting events may emphasize environmentally sustainable infrastructure, efficient resource management, and community-focused development to maximize long-term economic value.

Limitations of the Study

First, we only talked to six people. While they provided insights from different perspectives, our findings may not fully represent the views of all stakeholders involved in sporting events.

Second, our research was qualitative, focusing on understanding perceptions and experiences rather than measuring economic impacts quantitatively. As a result, our study does not provide estimates of employment generation, tourism revenue, or economic growth resulting from sporting events.

Third, our study primarily focused on the sports ecosystem. Consequently, our findings may not be directly applicable to countries with different economic structures, sporting cultures, or levels of infrastructure development.

Another limitation is that some findings are based on what participants thought rather than on objective economic data. While these perceptions are valuable for understanding stakeholder experiences, they may not always reflect economic outcomes.

Finally, time and resource constraints limited the scope of our study. A larger sample size and the inclusion of stakeholders could have provided a more comprehensive understanding of the topic.

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Suggestions for Future Research

One potential area for investigation is the quantitative measurement of economic impacts associated with specific sporting events. Future studies could analyze employment data, tourism statistics, government expenditure, and revenue generation to assess the economic contribution of sporting events.

Researchers could also conduct studies examining different sporting leagues like the IPL, Pro Kabaddi League, Indian Super League, and international tournaments hosted in India. Such comparisons may reveal differences in impact across sports and event types.

Another important area for research involves the long-term utilization of sporting infrastructure. Studies could evaluate whether facilities developed for sporting events continue to generate economic and social benefits after the event has concluded.

Future research could additionally explore the relationship between sporting events and regional development in smaller cities where sports infrastructure is rapidly expanding.

The role of technology in shaping the economic impact of sporting events also warrants further investigation. Areas like intelligence, sports analytics, digital broadcasting, virtual fan engagement, and smart stadium technologies may significantly influence future revenue models and economic outcomes.

Finally, future studies could examine cultural dimensions in greater depth, including parental attitudes, educational pressures, gender participation, and barriers to pursuing sports as a professional career. Such research would provide a holistic understanding of how sporting events contribute to sustainable development, beyond purely economic measures.

CONCLUSION

This study looked at whether big sports events can bring long-term economic benefits to India by checking their short-term and long-term effects. It used references with existing papers, questionnaires answered by about 50 people, and interviews with six people. Compared them with what other studies have found. The results show that big sports events do help the economy. The benefits do not last long unless they are managed and shared well.

The people who were interviewed said that sports events like the Premier League and other professional leagues are good for the economy in the short term. They create jobs, bring in tourists, and help local businesses make money. These events are also good for athletes, vendors, and hotels.

The study also found that long-term economic benefits are just as important. This means that sports events should help build things that will last, like stadiums and sports programs for kids. They should also help find talent and get more people to play sports. The people who were interviewed said that it is important to invest in different sports, not just a few. They also said that sports events should be accessible to everyone, not just a few people.

The study also found some problems. Sometimes money is not spent fairly. Some sports get more attention than others. Also, stadiums and other buildings are not always taken care of. Some people do not want to play sports because of social reasons. Other studies have also warned that the economic benefits of sports events might be exaggerated if the stadiums are not used enough or if the benefits only go to a few people.

Overall, the study says that big sports events can be good for the economy but only if they are part of a long-term plan. This means that sports events should help build things, like stadiums and sports programs, and create opportunities for everyone. We should not just look at how much money sports events make in the short term but also at how they can help the community in the long term. The Indian Premier. Other sports events like it should be used to create lasting benefits for the economy and for society. Major sporting events like the Premier League should be used to create lasting benefits for the economy and society.

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