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What are the expected effects of EURO 2020 games for the economy and society in Azerbaijan?

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#### **ABSTRACT**

This study focuses on the expected impacts of EURO 2020 for both society and the economy of Azerbaijan. Analyzing different sources about the effects of mega sports events and interviewing experts from the Local Organizing Committee are key factors in obtaining outcomes. There is a rich literature which analyzes and focuses on the impacts of mega sports events in general or for specific countries. Unfortunately, there is no research particularly about Azerbaijan since it is one of the countries that organizes mega sports events regularly for the last couple of years. Methods of analysis include expert interviews and analyzing secondary data about the topic in the case of other host nations. This paper compares Azerbaijan with other host nations of EURO 2020. One finding is that with the infrastructure in place, and proper organization, mega sport events can have a positive economic impact for the host country or city.

### **RESEARCH QUESTION AND MOTIVATION**

FIFA and UEFA organize some of the most watched and most famous sport events in the world, such as the FIFA World Cup and the UEFA European Football Championship. Like the Olympic Games these mega sport events became factor of competition for both developed and developing countries for organizing and also getting achievement in these competitions. In recent decades countries have been bidding and trying to come up with unique plans in order to hold one of these competitions. Unfortunately, not all the countries have same resources (social, economic, infrastructure) with which to organize such events. Even in case of winning of bidding process some countries still struggle before or after implications of sport events. In this paper, we are going to take EURO 2020 as an example. This study will contribute to the literature by investigating the potential effects of hosting EURO 2020 games in a developing country, Azerbaijan. The research question is: What are the expected effects of EURO 2020 games for the economy and society in Azerbaijan?

#### INTRODUCTION

Azerbaijan is one of the host countries for EURO 2020, which can be considered the second biggest football event in Azerbaijan after the 2019 Europe League Final. Azerbaijan has bid for two Olympic Games in the past, and EXPO 2020 as well. Including this small country in the bidding or organizers lists can be interesting, since most countries do not believe that Azerbaijan has the proper infrastructure or enough experts to organize such events. It is common for specific developed countries to organize mega sport events. France, the USA, Great Britain and Greece are common names as the host nations for some of the biggest global sport events, such as the Olympic Summer and Winter Games, the FIFA World Cup or UEFA European Championships (EUROs).

There has been a trend in recent years for some of these mega events to move to comparatively less developed or developing countries, such as South Africa, Brazil, Russia or Azerbaijan. Azerbaijan started being active in events sphere in 2012 after winning the Eurovision song contest. This was almost the first big event that was organized in Azerbaijan, and was also the first step gaining fame for the country. It was the first time that local people were introduced to, and experienced, world events. Azerbaijan then hosted a mega sport event in 2015, with the first European Games. Since then, the country has continued to host sport events, such as regular Formula 1 races or the Fourth Islamic Solidarity Games. In 2019, Baku hosted the final of the UEFA Europa League for the first time, a prestigious European club football competition. That game could be seen as a kind of dress rehearsal for the upcoming games of EURO 2020. For the first time in history, the EURO will be staged in 15 different cities, from all over Europe. Three group stage games as well as a quarter final will be played at Baku Olympic Stadium. This will be the biggest event to date that Azerbaijan has been responsible for hosting.

Mega sport events such as EURO 2020 attract the attention of the media, countries and politicians. From a host country perspective these events are a way of obtaining financial income, improving infrastructure and gaining experienced experts for their own events. For politicians, these events can be used to establishing a country's legacy, showing a country's power in terms of organization and finances, and gaining power in certain regions or fields. Mega sports events are mainly desirable for their impact on the economy and social life of the host country. Host countries organize events and anticipate financial returns, but this may not be the outcome all the time. Since the beginning of this type of sport mega event, policy makers and managers have speculated about the potential beneficial effects of hosting such events for both society *in general* and the (local) economy in particular. Consequently, there is already a rich literature empirically investigating the

economic (and societal) effects of hosting such events (see State of Research, below). So far, however, most studies have looked at the effects of such events in relatively developed economies. This is understandable since earlier events for which *before* and *after* data about hosting the events is accessible took place exclusively in relatively developed countries (an exception to this are some of the more recent economic impact studies looking at the FIFA World Cup 2010 in South Africa).

#### CHAPTER I

#### STATE OF RESEARCH

There is already a quite substantial literature investigating the effects associated with mega sport events for host nations and cities. These studies most often focus on the economic impact of such events. In particular, they look at short-, mid- and long-term labor market effects, tourism spending and infrastructure investments. The studies differ in terms of methods used, and the findings of these studies are generally inconclusive.

For instance, Amponsah, Ahmed, Kumar, & Adams (2018) found that hosting mega sport events has direct positive effects on a country's economy and society. However, they also admit that there may be some negative effects, such as environmental disturbance and disturbance to the daily routine of citizens in the host city or country. Ultimately the authors claim that despite these negative effects, countries and cities still benefit from hosting such events.

Similarly, Allmers and Maennig (2009) claim that investment, tourism and other related areas could benefit in the short-term in South Africa, and they expect that South Africa – rather than more developed host nations – might benefit from infrastructural investments in the longer term as well. They also claim that having a football fanatic environment may lead to an increase in the (intangible) 'feel-good' factor of its residents during the games.

Baade and Matheson (2004) show that the World Cup in the USA had a negative effect on the economy. The public and government were convinced that there would be an increase of nearly \$4 billion in the economy, but the research demonstrated that the overall economy suffered by \$9-26 billion. In certain areas, such as Los Angeles and other famous areas, the number of tourists and income increased, but when they analyzed the overall economy of the country, a negative effect was found.

Despite the relatively rich literature investigating the effects associated with mega sport events for host nations and cities in general, there is no research yet investigating this in Azerbaijan. This study intends to fill this gap by exploring expert opinions about the potential effects of upcoming major sport events in Baku. Interviewing foreign experts such as the staff of UEFA will collect substantial data from which general conclusions can be drawn.

As economic sides also tourism sphere was also analyzed by some scholars as Europe Championships promise higher attraction of tourists to host country. Le, Taylor, Lee and Lee (2005) used a survey with tourists who were coming for the World Cup in Korea and guests that were coming not for this event and some differences were figured out. For example, the tourists coming for the tournament did not have any specific thoughts about

the country because they had travelled for the event itself. Having a positive experience in the country outside of the tournament, however, gave them a positive impression of the country. Half stated that they were going to recommend Korea to their friends and relatives as a travel destination. Some of the interviewers also mentioned that they were going to return to Korea for travel again.

In terms of analysis of Euro Championship or World Cup some authors even had chance to analyze and research overlapping effects of sport events and arts events in order to find effects on economy and society. Snowball (2013) analyzed these similarities and effects to determine whether an organizer can benefit from sport events in terms of attracting audiences to arts events. In 2010 the World Cup and the National Arts Festival (NAF) overlapped in South Africa. Interviews were held with attendants of NAF. The findings did not quite prove that sports events can be used to gain an audience for art. The main reason for this was the gender and age of the visitors. The majority of football fans are males, and the interviews found that fans were not likely to attend a festival which is in the same place as the tournament.

#### CHAPTER II

#### INSTITUTIONAL SESETTING

Baku is one of the 12 host cities of EURO 2020. 3 group stage and one quarter final game is to played in Baku Olympic Stadium. The main organizing committee for this event in Azerbaijan is AFFA and the Baku Local Organizing Staff (LOS). Baku LOS is included in AFFA as well. Baku LOS consists of 21 functions. From the airport to hotels, every related field and stake holder is being organized, planned and controlled by this committee. LOS was established in August 2019. UEFA functions directly control the operations and planning process, and approve certain things for the LOS operations as well. All LOSs in other host cities use the same schedule and planning. This is key to organizing and holding events with exact same operations with the exact same timing, in order to have successful event.

# 2.1 Overall situation in Azerbaijan

Since organizing sports events in 2015, Azerbaijan has experienced huge development in terms of sport infrastructure and skilled experts. Much sports infrastructure has been built. In order to avoid the "White Elephant" issue almost all of these sport centers are being used for public and other sport events. One of those structures is the Baku Olympic Stadium. The stadium is being used for football matches, and additional spaces in the perimeter of stadium are being used as offices for sports institutions, a TV sports channel and other related businesses. This stadium was built in 2015 and has a 67,800 seat capacity. All the planned games will be played in this stadium. It is located not far from the city center and is reachable by all public transport means. It is also planned to use one side of the boulevard as a fan zone. A fan zone is basically a special zone is designed for fans, including various activities, stands of sponsors and so on. The popularity of football in the country is high, and there are several fan clubs for international clubs and so on. People are also very interested in events in Azerbaijan, and especially football tournaments.

Even before all these events Azerbaijan was familiar with major sports events, because it was the host country of the 2012 FIFA Women's World Cup. This event established most of the venues for football. For example, stadiums such as Bayil Arena, Dalga Arena and Bakcell Arena are the results of that event, since these venues were built for that particular purpose. Hosting the Women's World Cup also demonstrated that this particular country and organization supports equality. The Women's World Cup was classified as a sign of equality in sport and attracts a lot of attention as a result.

As this research paper was being developed, the covid-19 virus became a pandemic. All sport events are suspended until next year, including all football leagues and EURO 2020. EURO 2020 is postponed until next year. This was unexpected and has affected every planning process for EURO 2020 generally. The major tourist wave expected and other attractions were also negatively affected.

### 2.2. Comparing Azerbaijan with other host countries

To compare Azerbaijan with other countries we need to analyze and compare different categories in host countries. The stadiums in these cities were being used before EURO 2020. This means these stadiums are ready for events and have experienced events before. Secondly, we can look at visa procedures for host cities. The citizens of European countries and UK citizens do not need visas to travel between them. Citizens of Azerbaijan and Russia need visas to travel to the UK and EU countries and vice versa. In terms of reachability of host cities only Baku and Saint Petersburg, we can consider these cities slightly different. EU and UK citizens have to obtain visa for travelling to Baku. Fortunately, Azerbaijan eased visa procedures for most countries in 2017 by creating an e-visa. People who wish to travel to Azerbaijan need to apply through a website for an online visa and can easily obtain their visas in 2-3 days. The government always tries to ease visa procedures even more during sport events, for both athletes and fans coming to watch and support their teams. In terms of reachability, Baku can thus be considered on the same level as other host cities.

A key component to consider when comparing host cities is the capacity of the city in terms of beds for tourists. According to The State Statistics Committee of the Republic of Azerbaijan, Baku has the capacity for about 18,000 beds. This is low in comparison to other cities, because Baku is a relatively small city and tourism began to develop only a couple of years ago. The government continues planning to solve this issue and the number of places provided via the Airbnb platform is also increasing. There is also a LOS in every host city, which involves planning, controlling and implementation.

#### **CHAPTER III**

#### **METHODS**

The primary methods for exploring the expected effects of hosting EURO 2020 games will be qualitative. Interviews are planned with scholars from sports business in Azerbaijan, including some professors at ASAPES. The main expert group will be working staff of EURO 2020, and as a secondary data source, sports journals and articles will be selected and analyzed. Interviews were initially planned with the international UEFA staff who work in the UEFA Headquarters in Nyon. Unfortunately, when the event was postponed the international staff who work in the headquarters refused to talk about the subject since it will be next year's project. Online interviews were held with local staff who work in Baku LOS.

### 3.1 Expert selection and expert interviews

As it is considered as qualitative data main source of data is being collected from primary source such as experts in the topic and field. Initially it was planned to be expert pool to contain staff from UEFA Headquarters and Baku LOS. Unfortunately, because the event was postponed, the staff of the UEFA Headquarters, who are very experienced in these kind of events, refused to give interviews about this project. However, since Baku LOS were still working after event postponed (for finalizing due projects and then hibernation for months), we could continue with experts. Three experts were chosen from Baku LOS, who were responsible for different departments and had worked with UEFA since the UELF BAKU 2019 Final. All the interviewees were interviewed online due to Covid-19 quarantine. The names of the experts will not be given in order to preserve anonymity. The questions and answers of the interviews will be in the appendices. The positions of the experts were:

- Host City Event Transport Manager
- Deputy Spectator Services and Experience Manager
- Fan Zone Commercial Partnership Coordinator at EURO 2020

### 3.2. Analyzing data from other sources

In addition to primary data sources it is crucial to analyze other sources such as articles, journals and books related to the topic. Due to the Covid-19 outbreak, I will use secondary sources and discuss its implications for the sport world and specifically for EURO 2020.

There are numerous potential limitations to this research. First of all, data about overall spending for mega sport events and profit from that event cannot be found properly thus it is hard to do data analysis without them. It was difficult to obtain expert opinions about the postponed event. Although there is enough literature about the effects of EURO or the FIFA World Cups on certain countries, Azerbaijan is not the focus of those studies. This research will be mainly based on sources about other countries and several expert opinions and argumentations about this topic on the model of other countries; we will derive results from those country models and state our own arguments.

#### RESULTS

Articles were analyzed not only about football championships but about every type of mega sport event that affects the economy and society of its host country.

Müller (2017) states that: "It is common to think that mega-events can speed up urban and regional development and help attain larger development goals, say economic growth or infrastructure upgrades". In the last decade FIFA and IOC started campaigns about boosting emerging economies, developing urban life in developing countries and using sport as a way of helping people. Müller (2017) argues that these ideas are just needs of proofs for organizational bodies in order to cover the huge costs of mega sport events. For example, World Cup 2010 was meant to decrease poverty in South Africa, the Sochi Olympic games were organized in order to turn Sochi into a new tourist destination and the London Olympic Games were meant to change the whole east part of London into a new level of neighborhood, with new sport and public facilities. Preus (2004) claims that sport events such as the European Championship, World Cup or Olympic Games boost the speed of infrastructural development in the host countries for nearly 10 years. This claim also is being applied to Azerbaijan. For example, when the first European Games were organized, several new sport facilities were built, including the Olympic Stadium, Baku Aquatics Center, and the National Gymnastics Arena (which has held several events, including world championships and many other high profile events). One expert also claimed that because the necessary infrastructure is already ready in Baku, it will not be so expensive for the host city to organize and implement EURO 2020, as we have had a fully operational stadium for years, and experienced staff (Appendix 2).

Despite increasing the speed of development and so on, there are some controversial issues about mega events. Things may not always go as planned. According to Müller (2017) major goals such as boosting the economy, the development of a city or neighborhood and obtaining financial benefit from events can lead to miscalculation or the overlapping of costs, rewriting plans for infrastructure according to the needs of the event itself and even violating the rights of people who live in the host city or a specific neighborhood. Ultimately it is not the host city and government that benefits most from an event, but the event and its owners who benefit from host cities and their citizens. Mostly it follows, societies in difficult conditions and afterward comes some political, economic changes in country but not the promised ones.

Even financial loss or not gaining a short-term economic boost does not mean that an event was total failure for the host nation. For example, Allmers and Maennig (2009)

extensively analyzed the effects of the South Africa World Cup and the Germany World Cup in 2006 in financial and social terms.

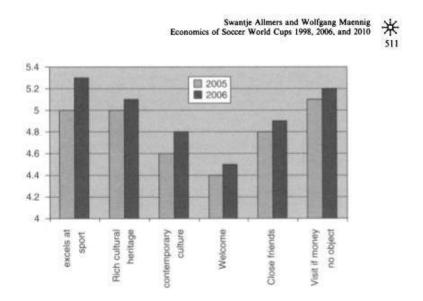


Figure 1.

Figure 1 shows the Nation Brand Index for Germany before and after World Cup 2006. The brand identity of the country clearly increased as a result of the World Cup. Allmers and Maennig (2009) claim that there are effects other than tangible effects, such as financial income, more tourists and developed infrastructure. They call these effects "non-use effects". The brand of a country can be considered one of those effects. Smooth operations, a safe city and good implementation can be factors that encourage incoming tourists to consider a country in a positive way. Kavetsos and Szymanski (2008) showed that the general feeling of happiness is increased during these kinds of tournaments among a host nation's citizens. This leads to an overall positive perception of the tournament itself. The authors also claim that it can be costly event for South Africa because the country at that time did not have as many facilities as other developed nations. Nevertheless, big investment on this side of country will have short-run economic effect, it will have effect in the long run in terms of financial factors. It can also boost the feel-good factor in a country. They justify it as because South Africa has a football fanatic population and this will lead to overall happiness in the country.

Zawadski (2016) examined whether intangible benefits are crucial for measuring the effects of mega sports events. The outcomes confirm that considering intangible elements is pivotal in the last examination of the advantages and expenses of a particular decent, for example, facilitating a super game. They demonstrate, at the same time, the need to assess popular supposition everywhere throughout the nation, and not just in areas

straightforwardly engaged with the occasion. The example of Euro 2012 shows that in the intangible measurement, the proportion of the net advantage for individuals in the remainder of the nation is practically equivalent to the net advantage for the occupants of the four urban host areas. The investigation in this article was the first to incorporate assessed immaterial expenses. They are much smaller than the advantages, yet ought to be considered in the final valuation of the net immaterial advantage of a game. The valuation of intangible expenses remained at around 900 million PLN and represented over 14% of the valuation of the intangible advantages. This implies that the exclusion of a component of the elusive expenses from the evaluated effect of the occasion on the host nation would overestimate the outcomes and, simultaneously, lead to a very genuine contortion in such manner. Distinguishing the parts of the all-out elusive cost, it is significant a negative valuation as far as use esteem. This implies that the elusive expenses are specifically seen by nonusers, and, on account of the directed examination, they far dwarfed the clients. The author mentions that most of the decisions about EURO 2012 were made by people with high incomes. This affects the analysis of intangible effects, since high-income people care less about intangible effects than tangible benefits.

In a presentation for the Benefits of Hosting Major Sports Events (BHMSE) conference, Arif Rahimov, the Executive Director of Baku City Circuit Operations Company stated very actual and interesting about the benefits of hosting one of the Gran Pries in Baku in 2018. He divided the impact of the F1 on Azerbaijan into four categories: economic impact, human capital, brand recognition and long-term impact. According to Rahimov, the total economic impact of the F1 from 2016 to 2018 was \$277.3 million according to PWC. He also elaborates the direct impact of \$ 22.7 million in total for transportation, tourism and the hospitality sphere only. \$164.2 million was generated for 1000 local businesses related to a race weekend in the 2016 and 2017 season. The total indirect impact on the economy, especially on tourism, was \$113.1 million. Rahimov mentions that one of the core missions of hosting this particular event in Baku was the expansion of skilled human capital. He showed that the foreign staff needed for mega events in Azerbaijan drastically decreased within years and events. For the European Games there were 500 foreign staff, but only 50 in the Islamic Solidarity Games and only three for Formula in 2017. If there is an decreased demand for foreign staff that means there is a demand for local staff. According to Rahimov nearly 10,000 short- and medium-term jobs were created and fulfilled with local staff for organizing F1 race in Baku. In terms of brand recognition, the data shared with the audience reflects successful results. First of all, in digital world overall impression for 2017 F1 Azerbaijan Gran Prix was increased by 76% total in all digital media platforms. International

perceptions of Azerbaijan and Gran Prix in Baku became positive. Ticket sales were a factor in the success of F1 in Azerbaijan. Nearly 71,000 tickets were sold. This was 30% more than the event in 2016. The population was from 65+ countries, equal to 1/3 of whole ticket sales. On the side of Long-Term Impact, it several ideas were mentioned. Making Baku an attractive tourist destination after the event was one idea. Increasing business activity for suppliers with international contacts and creating new business opportunities were also identified as long-term impacts.

Tourism is accepted as one way of measuring direct economic effect since all hospitality and tourism areas are affected by guests who come to watch a mega sport event being held in a host country. There are several studies about the impact of mega sport events on tourism. Several case studies are quite controversial in terms of the impact of mega sport events on tourism. South Africa, Russia and Brazil are the most controversial case studies in this field.

Fourie and Spronk (2011) focused on tourism changes in South Africa in-between mega sport events. They found an increase in the number of tourists when a mega sport event is being organized. For example, in 1995 the IRB Rugby World Cup tourists from New Zealand and Australia increased due to the event. This pattern cannot repeat every time, however, because during the 2003 ICC Cricket World Cup the organizers were not successful in attracting tourists from participating countries. This can be connected to the sport as well, and he type of sport also plays a huge role in attracting guests to a country for mega sports events. Fourie and Spronk (2011) also introduce the term "time-shifters" in their article. Time-shifters are the tourists who changed their travel plans due to a specific event during their vacation period in a country. Time-shifters include the people who planned their vacations based on their favorite teams. For example, during tours of the Lions, guests from the UK increased, but this was not noted during the 2003 Cricket World Cup. It was also noted that in order to increase the number of tourists, a host nation should carefully analyze the event itself, since an event and its participating nations also play a significant role. Some nations have a strong fan culture and their fans are more willing to travel to watch matches or specific types of sport. In our case, for example, football is considered one of the most successful sports for attracting tourists to the host nation.

Of course, it is not all about the type of sport or participating nations, and sometimes the host nation itself should carefully plan their actions and organize its structure to use an event as a source and boost for tourism, and the host nation should then make sure that the country maintains those levels of tourists every year, implements plans and develops its infrastructure, mobility and any other related fields.

Bondarik, Pilatti and Hors (2020) talk about the promises of mega sport events such as 2014 FIFA World Cup for Brazil: "The 2014 FIFA World Cup represented the loss of an opportunity for economic growth and development because it did not meet projected expectations since its confirmation in Brazil. The FIFA World Cup in the country was a time when there was the possibility of convergence of common interests between the public and private sectors, and in various fields such as political, cultural, sports and obviously economic." The paper is mainly focused on analyzing how tourism development was planned for the 2014 FIFA World Cup and how the plans did not meet requirements and became overpromises. After carefully analyzing the data, the authors claim that in fact, there was no over estimation of tourism benefits in Brazil 2014. Increased tourism was natural during that kind of event. A lack of implementation and lack of execution of planned expenditure resulted in the estimated outcomes from tourism being lost, which in turn created a situation where the FIFA World Cup was overpromised for the country. Two years after the World Cup, However, the number of tourists remained the same even after this period, and organizing the Olympic Games could not help in that case. This research also shows that the government or host organizing committee is also responsible for implementation and proper execution in order to achieve the estimated goals of the event for the host nation.

### **DISCUSSION AND CONCLUSIONS**

The data analyzed from various sources and the opinions of experts working in EURO 2020 makes several assumptions obvious. First of all, we can say that if a country's infrastructure is ready for EURO 2020 then it should not be very costly for that country. In the case of Azerbaijan, the Olympic Stadium in which the games are going to be played is ready and fully operational from 2015. The costs of organizing events in Azerbaijan have intangible benefits for the country rather than making a direct profit from the event itself, including attracting tourists to the country, making the brand image of the country more reliable and famous, and even gaining more experienced staff. Economic benefits for the country will include income from tourists, and income for the local businesses that will work with EURO 2020, including car rental companies, food and beverages, hospitality and so on.

In order to carefully conclude about the impacts of EURO 2020 for Azerbaijan, we should consider several factors. Firstly, the costs of the event should be taken into the consideration. As we have noted in other parts of the paper, mega sports events such as EURO 2020 can be difficult in the planning stages, and after the event costs may turn out to be much higher than projected due to poor execution. In Azerbaijan, the country successfully proved itself as regards the projected outcomes after almost every event. The existing infrastructure means there will be no over-costing since venues are already ready and working. In addition to the venues, all the organizations and businesses are already familiar with the concept and working conditions for events and their respective organizing committees. This will not be first event for AFFA or LOC, as they have already had major events in the past and it is as a result of the successful implementations of those former events that Azerbaijan is one of the host countries of EURO 2020 today.

Secondly, one of the key reasons for holding EURO 2020 for Azerbaijan is brand recognition. As we observed in the case of F1 and other events, the brand recognition of the country is improving with every single event. There is no doubt that EURO 2020 will have a positive effect on the brand of Azerbaijan and its legacy.

Another factor is the development of tourism through EURO 2020, which also has an economic impact. In case of proper planning and good execution tourism is really good field for having benefits of EURO 2020. As one of our experts noted, the Azerbaijan Tourism Board (ATB) is also planning to work closely with the fans that will come to the games. The ATB already has data about tourists that visited the country for other events and they can use this data to invite more fans and create a unique experience for them. If there is proper planning then Azerbaijan can enjoy the benefits of EURO 2020 for the development of tourism, since the country has invested heavily in the development of the tourism industry in

the last couple of years, and has can offer unique experiences for tourists which in turn can make Azerbaijan a very attractive and famous tourist destination.

EURO 2020 will have an impact in terms of society and people, but despite some negative impressions for mega sport events, the population of Azerbaijan has become used to these types of events, since realizing that they can offer great chances and opportunities for society as a whole and individuals as well. Volunteering started to develop very rapidly in the country when mega sport events were first organized. Nowadays, almost every company, organization or government department has their own teams of volunteers or they themselves are active in volunteering in addition to their working shifts. People have started to see volunteering as a tool with which to develop society and help each other. New jobs and new business opportunities were also factors that made events very familiar to the population. A new profession – sport managers – was born in the country. In the early stages these skilled staff only worked in events organized in Azerbaijan but nowadays we can see them all over the world and in different events, from the International Olympic Games to the Dakar rally, and in many other mega events.

In conclusion, organizing mega sport events several times may seem a very costly job but with every event the country acquires better infrastructure and skilled staff if everything is planned properly and executed in the right way. Having "series" of mega sport events may have an even more positive effect with every new event.

# **FURTHER RECOMMENDATION**

This research was conducted during the covid-19 pandemic, and so data collecting was not easy and the event itself was postponed. This research can be continued by obtaining data after the event and analyzing it. Data can be obtained from local businesses after the event itself.

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# Appendix 1

- Was its right decision for Azerbaijan to held some of games of EURO 2020? Is Baku ready for this kind of mega event in terms of both structure and socially?
- In terms of transport Baku is fully ready, as we currently have 5 star ranked Airport with 2 Terminals and 1 VIP Terminal. Baku Olympic Stadium is probably the only stadium among other host cities with such a big capacity of parking spaces both for Spectators and UEFA guests. Metro is also in walking distance to the stadium. Azerbaijan has pretty much most of major brand hotels with enough capacity to host foreign fans coming to enjoy EURO2020 games.
- In your opinion, what kind of impact will be created by EURO 2020 for social and economic life of Azerbaijan?
- I believe it will give a big push for further development of football in Azerbaijan and of course the country will gain a lot from tourism.
- Based on your previous experience, were mega sport events such EURO 2020 or Baku UELF Final 2019 successful in terms of attracting tourists and improving country as a brand?
- Absolutely. Despite negative assumptions, UELF2019 was much better organized than previously held UEFA Club finals
- What do you think? Even if having negative impact on economy and positive impact on society (or vice versa) would EURO 2020 be still beneficial event for our country? If there are another effect caused by EURO 2020, please, describe them.
- I believe both aspects were taken into account before submitting a bid for EURO2020. There are only positive impacts as far as I can see.

## Appendix 2

- Was its right decision for Azerbaijan to held some of games of EURO 2020? Is Baku ready for this kind of mega event in terms of both structure and socially?
- Azerbaijan has been hosting mega events as of Eurovision back in 2012. Baku Olympic Stadium is a ready to play venue for EURO2020, while there are other cities still have to develop construction-wise. Therefore, triangle of the games is ready; society, human resources and infrastructure are capable enough for such games.
- In your opinion, what kind of impact will be created by EURO 2020 for social and economic life of Azerbaijan?
- Economic added value unfortunately will not be significant enough, I expect, however spectators will spend more than any other mega events' spectators Azerbaijan had. Moreover, EURO2020 can be a precursor for the next wave of tourist's aftermath, which depends on the best experience during the EURO2020.
- Based on your previous experience, were mega sport events such EURO 2020 or Baku UELF Final 2019 successful in terms of attracting tourists and improving country as a brand?
- It is too early to count anything on EURO2020, however UELF2019 was delivered successfully and better than Champions League Final in the same year. Recent COVID-19 epidemics provided limitation to argue anything on attracting tourists.
- What do you think? Even if having negative impact on economy and positive impact on society (or vice versa) would EURO 2020 be still beneficial event for our country? If there are another effect caused by EURO 2020, please, describe them.
- EURO2020 is not as expensive as that BAKU2015, thanks to the already built infrastructure. Therefore, it will not be costly for Azerbaijan to host and when opportunity cost of EURO 2020 considered, I personally can argue that its negative sides lag behind the overall added value.

### Appendix 3

- Was its right decision for Azerbaijan to held some of games of EURO 2020? Is Baku ready for this kind of mega event in terms of both structure and socially?
- International events help to promote the country through the world. It isn't the first international event that Baku will held that's why I think all kind of infrastructural and social elements are ready for this. You can think that EURO 2020 isn't and ordinary event the scope of event is extremely huge. Yes it is, but if the country wants improvement, development it should accept challenges. These challenges will help to integrate to Europe and will make the country beneficial in long term basis.
- In your opinion, what kind of impact will be created by EURO 2020 for social and economic life of Azerbaijan?
- People become more socialized with attending in this kind of events, it will make people to see and have a contact with European fans. Football is literally connecting people, it makes millions of people become together and chill. So, this event is a great chance for our country to stay connected with Europe, get into European football culture, and be more socialized in terms of networking. It will help our citizens to become integrated between both western and eastern cultures. It's an opportunity to develop new systems, new strategy, new technology, and of course it's an opportunity to make innovations in our hospitality industry. Of course, it will be beneficial for our country to engage tourists and promote our country from economical perspective. The main impact of EURO 2020 will be making all kind of services and products under the Made in Azerbaijan brand to become more recognizable in European market.
- Based on your previous experience, were mega sport events such EURO 2020 or Baku UELF Final 2019 successful in terms of attracting tourists and improving country as a brand?
- This kind of events is the part of complex strategy that are aimed to develop tourism industry. Based on my connections with Azerbaijan Tourism Board (ATB), they are planned to work with Euro fans in order to re-invite them to our country. In UELF Final

2019 championship many of the European fans were in Azerbaijan, as I now it was a great chance for ATB to use now analyzed data that describe visited tourists behavior and interest to Azerbaijan.

- What do you think? Even if having negative impact on economy and positive impact on society (or vice versa) would EURO 2020 be still beneficial event for our country? If there are another effect caused by EURO 2020, please, describe them.
- Of course, it will be beneficial for the country. As I said, it is the reason and chance to integrate to the western culture and to become a shaped economy and culture. This kind of integrations will help to be more stable both economically and socially. I think effect of these event will be demanding more and more international events, because now actually it becoming a part of our culture. At the end people will want to see more sports events in their country and I think this demand will encourage to supply.