

UEFA Super Cup: Economic Effects on Georgian Economy

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Abstract : Tourism is the most viable and sustainable economic development option for Georgia and one of the main sources of foreign exchange earnings. Events are considered as one of the most effective ways to attract foreign visitors to the country, and, recently, the government of Georgia has begun investing in this sector very actively. This article stresses the necessity of research based economic policy in the tourism sector. In this regard, it is of paramount importance to measure the economic effects of the events which are subsidized by taxpayers' money. The economic effect of events can be analyzed from two perspectives; financial perspective of the government and perspective of economic effects of the tourism administration. The article emphasizes more realistic and all-inclusive focus of the economic effect analysis of the tourism administration as it concentrates on the income of residents and local businesses, part of which generate tax revenues for the government. The public would like to know what the economic returns to investment are. In this article, the methodology used to describe the economic effects of UEFA Super Cup held in Tbilisi, will help to answer this question. Methodology is based on three main principles and covers three stages. Using the suggested methodology article estimates the direct economic effect of UEFA Super cup on Georgian economy. Although the attempt to make an economic effect analysis of the event was successful in Georgia, some obstacles and insufficiencies were identified during the survey. The article offers several recommendations that will help to refine methodology and improve the accuracy of the data. Furthermore, it is very important to receive the correct standard of measurement of events in Georgia. In this case, non-ethical acts of measurement which are widely utilized by different research companies will not trigger others to show overestimated effects. It is worth mentioning that to author's best knowledge, this is the first attempt to measure the economic effect of an event held in Georgia.

Keywords : biased economic effect analysis, expenditure of local citizens, time switchers and casuals, UEFA super cup

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