

The Economic Impacts of Football Clubs in the Thai League on the Nationwide Economy of Thailand: An Income Multiplier Approach

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Abstract

This paper investigated the economic impact of the football clubs in the Thai League on the nationwide economy of Thailand. It collected the financial statements of 12 major football clubs including 5 big clubs and 7 small clubs from 2015 to 2017, totally 3 years to analyze their expenditures. It used the income multiplier from Thailand's Input-Output Table in 2010, the latest I-O Table officially available, to distribute the expenditures to the nationwide economy. The study found that football clubs in the Thai League generated sufficiently large amount of economic impacts in terms of income multiplier to the nationwide economy of Thailand through salary of football players, signing the player's transfer contracts, football matches arrangement, stadium maintenance, club's souvenir, and transportation expenditures. Since these expenditures were specific just to football clubs and did not belong to other businesses, these amounts of income generation would exactly not appear in the economy without the presence and operation of football clubs. This was the significance and importance of the football clubs that should be promoted continuously in order to promote both the economic growth for the nationwide economy as well as the income distribution to local cities.

Keywords: Economic impact; Nationwide economy; Income multiplier; Sport industry; Football clubs