2018

FIFA World Cup: Factors that explain the performances of National Football Teams

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Recommended Citation

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Acknowledgements

Firstly, I would like to thank Professor Yaron Raviv for reading my thesis and guiding me through the entire process. I would also like to thank Professor Yong Kim for his insights and advice. I am thankful to all the professors and tutors I have interacted with over the last four years, all of whom have contributed to my education. I would not have been able to do this without my parents, and my brother Sharan, whose guidance has been unwavering. Lastly, I would like to thank all my friends, who have supported me in all my endeavors and have forever been by my side.
Abstract

This paper examines the determinants of FIFA World Cup performances of nations. The study incorporates socioeconomic, cultural, demographic and football-specific factors to investigate how World Cup results can be explained. A linear regression is used to study the last five tournaments, and the model finds that being seeded for the draw, and the host country effect are statistically significant variables. Additionally, I discover two new variables – namely, having a star player and having become a member of FIFA before 1924, as being statistically significant in my analysis.
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I. Introduction

Football, or soccer, is undeniably the most popular sport in the world. FIFA or the Fédération Internationale de Football Association is the governing body of the sport around the world and has a total of 211 members; it is often referred to as the “United Nations of Football” (FIFA n.d.). According to FIFA’s Big Count in 2006, an estimated 265 million worldwide people play the game across all levels – close to 4% of the world’s population (FIFA 2007). While playing and access to the sport is fairly easy, in that all one needs is a few willing bodies and anything that resembles a ball they can kick, watching the sport has in the recent past become increasingly accessible. With technological advancements, such as satellite TV and internet streaming, the sport has spread even farther across the world. Domestic European leagues are broadcasted in remote corners of Africa and Asia, and in-home audiences for the last World Cup in 2014 reached a total of 3.2 billion (almost half the world’s population), with at least some part of the final match being watched by over a billion people (FIFA 2015).

FIFA organizes the World Cup every four years, and all member nations take part in preliminary qualifying rounds leading up to the tournament. A total of 32 teams make it to the final World Cup tournament, competing to be crowned champions of the world. Bragging rights are not the only thing that nations are competing for at each World Cup; tournament prize money for the national football federations has steadily increased over the last few decades. This year, in Russia, teams will be awarded a total of $400 million in prize money; the winning nation will walk away with around $38 million. Making it to the final 32 teams, is in itself, a significant achievement, in not just footballing terms but also financial. The teams that are eliminated in the group stage will receive a total of $8 million
each (FIFA 2017). Additionally, young and upcoming football stars seek to present themselves on the world stage in the hopes of being recruited by big clubs, while the big names in the game aim to win the grandest title of all – the World Cup itself. The tournament is not just important for the players and participating nations. Fans around the world look to cash in by betting on the World Cup. In 2014, analysts estimated that fans in Britain would spend more than a billion pounds gambling on the World Cup (Benedictus 2014). Alpha Sports Betting, which is a website that provides sports betting tips to fans, estimated that FIFA earned around $1.8 billion from their 5% commission on bookmakers, implying that the bookmakers themselves earned approximately $36 billion from the 2014 World Cup (Camilleri 2017).

Monks and Husch (2009) examined the impact of seeding, host country and home continent effects on World Cup results. Hoffman, Ging and Ramasamy (2002) examined the socioeconomic and political determinants of international football performances. Their study measured FIFA ranking points and not specifically World Cup performance like Monks and Husch’s, or this study. Papanikos’ (2015) model studied the 2014 World Cup in Brazil and predicted the goal difference of each of the 63 matches that were played at the tournament. His model examined the relative strength of each nation compared to its opponents in each game in economic, political and demographic terms. I aim to analyze the determinants of World Cup performances of teams – I use socioeconomic, cultural, demographic factors, as well as tournament-specific and football-specific variables, in order to create a model that draws on these past studies. My study will use a linear regression model, and the inclusion of these several variables will add to the previous literature in that it will help better understand the factors that influence World Cup
performances. With this goal in mind, my analysis will provide those who aim to forecast World Cup results additional variables to consider in making their predictions.

My study finds that none of the socioeconomic or demographic variables are statistically significant in determining performances. In other words, it does not matter whether a country is rich or poor, big or small, or hot or cold. Factors other than these are significant in explaining World Cup results. Two of the variables – Star-Player and FIFA membership before 1924 – are my original additions and have not been used in prior studies. My model suggests that being seeded, having a star player, and having become a member of FIFA before 1924 are the variables that influence a team’s results at the World Cup. Additionally, in a varied specification, along with the aforementioned variables, the host country effect is also statistically significant.

The next section discusses the recent history of the FIFA World Cup, while the third surveys the literature that investigates the same and related topics. The fourth section describes the data that I have used in this study and the model I use to conduct the analysis. The fifth section describes my findings and the final section concludes the study and also points to opportunities for further research in this field.
II. Background

The World Cup tournament is held every four years and the 32 teams that make it are not evenly distributed among the different confederations within FIFA – this year there will be 14 European, five Asian, five African, five South American and three North and Central American teams at the World Cup in Russia. The teams are drawn into eight groups of four teams each. The eight top ranked teams are seeded and all drawn into separate groups (Goal.com 2017). This is done so as not to make the group stage extremely unfair, and to prevent these heavyweight teams from facing each other too early on in the tournament. The host nation(s) is also always seeded. This naturally provides them with a better draw for the group stage than they would otherwise have, but only if they are not among the top ranked teams. The format consists of an initial group stage, where teams play the other teams in their group once. From each group, the top two teams advance to the round of 16, after which it is a simple bracket knockout competition. In the group stage, a team is awarded three points for a win and one for a tie. This 32-team format has been around since 1998, before which the tournament had a similar format but with 24 teams.

In the last five World Cups (1998-2014), there have been five different winners: France, Brazil, Italy, Spain and Germany respectively. Football, and more specifically the World Cup, is always full of surprises. Nothing is more thrilling for a neutral fan than seeing an underdog emerge victorious against clear favorites. Furthermore, teams seem to have that little extra in them when playing in front of their home crowds (although this was not the case back in 2014 when Brazil were beat 7-1 by Germany at home). Host nations have generally fared better than they were expected to. Recent records show this: in 1998, France won at home; in 2002, South Korea made it to the semi-finals; in 2006, Germany
reached the final. Brazil’s performance in 2014 does not fall under this category as they were heavy favorites to win the tournament. Before 2010 – when Spain won in South Africa – Brazil were the only country to have won the tournament outside of their home continent. Moreover, certain Western European and Latin American nations have historically fared better than others at football, evidenced by the fact that only eight different teams have won the World Cup – all exclusively from the aforementioned group – since it was first held in 1930 (FIFA n.d.).

Nations’ footballing performances are so variable that this year, Italy and Netherlands – two teams that are considered footballing heavyweights – have not made it to the final 32, while Iceland, with a population of just around 300,000, will be making history by being the smallest ever nation at the FIFA World Cup. The aim of my study is to understand the factors that explain the performances of nations at the World Cup.
III. Literature Review

Although Sports Economics has become a popular field of study, there have been few studies that seek to understand the determinants of World Cup performances. The studies that investigate the World Cup focus primarily on the impact of hosting on host countries and tourist activities (see Monks and Husch 2009). In contrast, there is a considerable amount of literature that studies Olympic medal tallies and countries’ performance at the Games (Hoffmann et al. 2002). I follow the studies that examine World Cup performances and Olympic success of nations, in order to explain the factors that influence World Cup performances.

Bernard and Busse (2000) investigate the relationship between socioeconomic variables such as population, GDP, political history, and Olympic success. This paper is relevant to my study as it assesses the impact of various socioeconomic factors on a nation’s sporting performance. Their initial model studies solely how population affects the medal share of a nation, with a simple hypothesis that a larger population will have a larger talent pool and therefore, each country is expected to win a share of medals proportional to the size of its population. While the model does have explanatory power, it “fails to adequately explain the distribution of medals across countries” (Bernard and Busse 2000). They then expand their model to include real GDP per capita, a Soviet dummy variable, a host variable, a variable for planned economies, and a lagged medal share variable. This model suggests that more than population, it is the economic resources of a nation that influence Olympic success – GDP in particular. Beyond a nation’s medal share that GDP would predict, Bernard and Busse find that host nations exceed their expected
medal share by 1.8%, and the Soviet Union and Eastern Bloc nations exceed their share by three percentage points.

Monks and Husch (2009) study the impact of hosting, seeding and home continent on World Cup results. Their data includes seven World Cups between 1982 and 2006, and their dependent variable is each nation’s World Cup rank – between 1 and 24 or 32, depending on the format used in each World Cup. They find that home continent and seeding have a statistically significant impact – home continent improves a nation’s World Cup rank by around 2.7 places (-2.7), while seeding improves it by around 5 places (-5). The coefficient on the host country variable was not significant. In one specification that excluded the Korea-Japan 2002 tournament, the host country effect went from -2.9 to -1.1. It shows that their 2002 performances in particular were disproportionately influencing the host country effect in the original model. Monks and Husch (2009) also run separate regressions for the 24-team and 32-team formats. The 32-team format regression is most relevant to this study, as it looks at the same tournaments, although this study also includes results from the 2010 and 2014 World Cups. The results from this are similar to their original regression.

Hoffman et al. (2002) examine the determinants of international football performance in general. They do not limit their study to World Cup results. Rather, they choose to study the effects of socioeconomic and cultural factors on a country’s FIFA ranking points as of January 2001. They follow the Bernard and Busse model and adapt it to study international football. While they do include population, GNP per capita and a host country dummy, they also include a climate variable hypothesizing that there is an ideal temperature – 14°C – for outdoor athletics and some countries have climates better
suited to facilitate sporting development than others. They also include a dummy variable to measure footballing culture – Latin – which includes all Central and South American countries, Spain and Portugal. They find that the GNP and host variables are statistically significant at the 5% level, while the GNP squared and temperature deviation variables are significant at the 10% level. The latter set of results confirm their hypotheses that: 1) an increase in GNP per capita has a positive effect at a decreasing rate until a certain point, after which its effect will be negative, and 2) a country's maximum ranking points will be reached when its average temperature deviation from 14°C is zero. Their interaction variable is significant at the 5% level too, implying that for those specific “Latin” nations, an increase in population could have a positive impact on their FIFA ranking points. This follows from the fact that within these nations in particular, football participation increases with an increase in population, since it is far more popular than other sports.

Papanikos’ (2015) model seeks to explain the goal differences of the matches at the 2014 World Cup in Brazil. His model takes into account the differences in each team that can be measured in economic, political, and demographic terms. The dependent variable in the regression is the goal difference for the game, and the explanatory variables are the relative economic, political and demographic strength of the two teams. The model also includes a few dummy variables such as Brazil’s host advantage, climactic conditions, the confederation a team belongs to and the round of the match. He finds that a higher relative population and GDP per capita than one’s opponent should have a statistically significant positive impact on a team’s goal difference. Specifically, “countries with 5 times higher per capita income than their opponents will have a goal difference of one goal relative to match results between teams with similar per capita income” (Papanikos 2015).
Additionally, FIFA rankings are found to have a significant and non-linear positive impact on goal differences. The study also concludes that countries have are more open democracies than their opponents have better goal differences. For Brazil’s case in 2014, he finds that they did not have any significant host country advantage. The model correctly predicted the result of 51 matches out of a total 63. In terms of goal difference, with its predicted goal difference being no more than 1.5 more than the actual goal difference, the model was correct in 48 instances from the 63 matches.

Similar to the above studies, I examine how socioeconomic, cultural and demographic factors as well as variables directly related to the tournament and the sport impact a country's performance at the FIFA World Cup. Previous studies in this field have exclusively focused either on socioeconomic and political factors, or on tournament-specific variables. Additionally, some studies have not specifically examined World Cup performances of nations, which is what my study aims to do. In contrast, the model used in this study, by combining these several variables, aims to encompass as many factors that impact World Cup performances as possible. Specifically, my model is the first to incorporate a range of factors that are socioeconomic, demographic, cultural and football-specific in nature, while measuring the results of all teams at the FIFA World Cup.
IV. Data

The data for this analysis has been obtained from various sources. The dataset includes the dependent variable, which is the number of points a nation earned at the World Cup tournaments between 1998 and 2014 (five tournaments). Each tournament has a separate set of 32 observations for each team that took part in that particular year. A team is awarded three points for a win, one for a draw (in the group stage), and none for a loss. The points from the 1998 tournament have been recalculated to match the three-point system – at the time, teams were awarded two points for a win instead of three. There are two main reasons for excluding the World Cups before 1998. Firstly, there is a lack of completeness of data from earlier years and World Cups. Secondly, the World Cup has come a long way since it began in the 1930s and the format has undergone several changes. The 32-team format has been around since 1998 and the focus of this study is primarily on the modern-day World Cups.

Table 1: Summary Statistics for World Cup Points by year (1998-2014)

<table>
<thead>
<tr>
<th>Year</th>
<th>Min</th>
<th>Max</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>0</td>
<td>19</td>
<td>5.4</td>
</tr>
<tr>
<td>2002</td>
<td>0</td>
<td>21</td>
<td>5.5</td>
</tr>
<tr>
<td>2006</td>
<td>0</td>
<td>17</td>
<td>5.6</td>
</tr>
<tr>
<td>2010</td>
<td>0</td>
<td>18</td>
<td>5.5</td>
</tr>
<tr>
<td>2014</td>
<td>0</td>
<td>19</td>
<td>5.6</td>
</tr>
<tr>
<td>Overall</td>
<td>0</td>
<td>21</td>
<td>5.51</td>
</tr>
</tbody>
</table>
The data for points was obtained from *Planet World Cup*. The maximum number of points in this dataset is that of Brazil at the Korea-Japan 2002 World Cup – they had 21 points, with seven wins from seven games. On average, teams have obtained around 5.5 points in the last five World Cups. This figure might seem relatively low but the explanation is that half (16) the teams are knocked out of the tournament after the first three matches of the group stage, after which a loss leads to a team being knocked out of the tournament. Only the last four teams play a total of seven games.

The independent variables can be split into two types: non-football-specific, and football-specific. For the former, the population and GDP per capita information was downloaded from the World Bank website. There are a few missing values for this data from countries, such as North Korea in 2010, Yugoslavia in 1998, and Scotland in 1998. Additionally, population and GDP per capita data for the whole of the United Kingdom have been used for England in all five of its observations. Following Hoffmann et al. (2002), I include a climate variable, which measures the squared deviation of the capital cities’ temperature from 14°C. Climate data for all capital cities has been downloaded from *Weatherbase*. My proxy for sporting standards in a country is the number of medals each country won at the summer Olympics two years prior to any of the World Cups in my data. Medal tallies for all of these competitions have been obtained from ESPN’s website.

As for the variables specific to the sport, the data on host country, home continent and seeding has been sourced from FIFA’s official website and various articles published by them. Following Monks and Husch (2009), my analysis combines all North, Central and South American countries as the ‘Americas’ for the continent variable. Although, this
only impacts the data for the Brazil 2014 World Cup, since the others were held in Asia (2002), Africa (2010) and Europe (1998, 2006).

There is a dummy variable for the countries that became members of FIFA within the first twenty years of its founding (1904-1923). FIFA’s official website contains information regarding each national football federation and when they first affiliated with the organization. In 1904, the seven founding member nations were: France, Belgium, Denmark, Netherlands, Spain, Sweden, and Switzerland. It is interesting to note that while the sport had emerged from England in the late 19th century, the English Football Association was not one of the founding members, and neither were any Latin American countries. Nevertheless, these nations did soon jump on board. This variable is included as a proxy for a deep-rooted footballing culture in the nations that, despite World War I, were concerned enough to join FIFA early on. When looking at the data for this variable, it is hard to miss the trend of early membership, especially among those nations that are considered footballing heavyweights today. Other than the founding nations aforementioned, some examples of these countries are Germany, England, Argentina, Brazil and Portugal. At the last five World Cups, these nations have been fairly regular, but some have not always fared well, as is usually expected of them. It was only after 1924 that most African, Asian and other Eastern European nations began affiliating with FIFA.

The data for the Star-Player variable was obtained from the ‘Rec Sports Soccer Statistics Foundation’. The RSSSF provides information on FIFA’s World Player of the Year award for the last several years including the rankings for each year. My Star-Player variable looks at the award for the two years prior to each World Cup year and gives a country a ‘1’ value if a player from that country was in the top three ranks in either of the
two prior years. For example, in the 2014 observations, the countries that had a star player by my definition are: Argentina (for Lionel Messi in 2012, 2013), Portugal (for Cristiano Ronaldo in 2013), Spain (for Xavi Hernandez in 2012 and Andres Iniesta in 2013), and France (for Franck Ribery in 2013). The assumption here is that the players that are winning these awards will be present at the World Cup representing their nations in the following one or two years. With their entire nations’ expectations on their shoulders, the players are under astronomical pressure to perform and are often able to deliver on the field as well as give their teammates the extra ‘kick’ they need.

V. Model and Methodology

This study most closely resembles the Monks and Husch (2009) study, in that the dependent variable is directly measuring the performance of the nations at the World Cup. While Monks and Husch (2009) study the World Cups from 1982 to 2006, this study investigates those from 1998 to 2014. The equation of the first specification of this model takes the following form:

\[ WCPoints_{it} = \beta_0 + \beta_1 Population_{it} + \beta_2 GDPPerCapita_{it} + \beta_3 GDPPerCapitaSq_{it} + \beta_4 Climatesq_{it} + \beta_5 OlympicMedals_{it} + \beta_6 HostCountry_{it} + \beta_7 HomeContinent_{it} + \beta_8 Pre1924_{it} + \beta_9 StarPlayer_{it} + \beta_{10} Seeding_{it} + \epsilon_{it} \]  

The main aim of this study is to investigate the factors that determine the World Cup performance of countries. Of all the explanatory variables, only the seeding variable
is one that directly measures the past footballing performances of these nations. By
including seeding, the model effectively explains the World Cup performances based on
how teams have done in the recent past. This is because the seeded teams are the top ranked
teams in the year prior to the World Cup and are naturally poised to perform well at the
tournament.

For this reason, the second specification of the model will exclude seeding in order
to distinguish the factors – other than a team’s footballing strength – that influence their
performance at the World Cup. The equation of the second specification is as follows:

\[
WCPoints_{it} = \beta_0 + \beta_1 Population_{it} + \beta_2 GDPPerCapita_{it} + \\
\beta_3 GDPPerCapitaSq_{it} + \beta_4 Climatesq_{it} + \beta_5 OlympicMedals_{it} + \\
\beta_6 HostCountry_{it} + \beta_7 HomeContinent_{it} + \beta_8 Post1924_{it} + \beta_9 StarPlayer_{it} + \epsilon_{it}
\] (2)

The dependent variable (\(WCPoints\)) will be the number of points a team earned at the
World Cup in any given year. The following are the independent variables:

- *Population* is the population of a nation in the given World Cup year
- *GDPPerCapita* is the GDP per capita of a nation in the given World Cup year
- *GDPPerCapitaSq* is the squared GDP per capita
- *Climatesq* is the squared deviation of a country’s capital city’s average temperature
  from 14°C
- *OlympicMedals* is the total number of medals a nation won at the Summer Olympic
  Games two years prior to the given World Cup year
- *HostCountry* is the dummy variable used for host countries
• *Home Continent* is the dummy variable used for all participating countries from the continent of the host

• *Pre1924* is the dummy variable for all countries that became members of FIFA before 1924

• *Star-Player* is a dummy variable for countries that had a player placed in the top three of FIFA’s World Player of the Year award, in either of the two years prior to the given World Cup year

• *Seeding* is the dummy variable for teams that were seeded for the group stage of the given tournament

*Olympic Medals, Pre1924 and Star-Player* are three variables that are my original additions to the study of World Cup results.
VI. Results

The results of my regression model are shown in Table 2 below.

Table 2: Regression Results for World Cup Points

<table>
<thead>
<tr>
<th>Variable</th>
<th>(1) WCPoints</th>
<th>(2) WCPoints</th>
<th>(3) WCPoints</th>
<th>(4) WCPoints</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>-1.45e-09</td>
<td>-1.77e-09</td>
<td>-9.70e-10</td>
<td>-1.72e-09</td>
</tr>
<tr>
<td></td>
<td>(3.06e-09)</td>
<td>(3.40e-09)</td>
<td>(2.83e-09)</td>
<td>(3.29e-09)</td>
</tr>
<tr>
<td>GDPPerCapita</td>
<td>.00004</td>
<td>4.08e-06</td>
<td>.00004</td>
<td>-3.28e-06</td>
</tr>
<tr>
<td></td>
<td>(.00006)</td>
<td>(.00006)</td>
<td>(.00005)</td>
<td>(0.00006)</td>
</tr>
<tr>
<td>GDPPerCapitaSQ</td>
<td>-3.09e-10</td>
<td>1.02e-10</td>
<td>-4.47e-10</td>
<td>1.14e-10</td>
</tr>
<tr>
<td></td>
<td>(8.44e-10)</td>
<td>(9.35e-10)</td>
<td>(7.86e-10)</td>
<td>(9.04e-10)</td>
</tr>
<tr>
<td>Climate SQ</td>
<td>.001</td>
<td>-.002</td>
<td>.002</td>
<td>-.002</td>
</tr>
<tr>
<td></td>
<td>(.005)</td>
<td>(.005)</td>
<td>(.0048)</td>
<td>(.0054)</td>
</tr>
<tr>
<td>OlympicMedals</td>
<td>-.0137</td>
<td>-.0131</td>
<td>-.012</td>
<td>-.015</td>
</tr>
<tr>
<td></td>
<td>(.0179)</td>
<td>(.0199)</td>
<td>(.0167)</td>
<td>(.0192)</td>
</tr>
<tr>
<td>HostCountry</td>
<td>1.529</td>
<td>4.853***</td>
<td>1.641</td>
<td>4.885***</td>
</tr>
<tr>
<td></td>
<td>(1.709)</td>
<td>(1.794)</td>
<td>(1.592)</td>
<td>(1.735)</td>
</tr>
<tr>
<td>HomeContinent</td>
<td>.481</td>
<td>.788</td>
<td>.234</td>
<td>.904</td>
</tr>
<tr>
<td></td>
<td>(.696)</td>
<td>(.771)</td>
<td>(.6558)</td>
<td>(.1465)</td>
</tr>
<tr>
<td>Pre1924</td>
<td>1.448*</td>
<td>3.255***</td>
<td>1.458*</td>
<td>3.209***</td>
</tr>
<tr>
<td></td>
<td>(.845)</td>
<td>(.875)</td>
<td>(.7877)</td>
<td>(.8464)</td>
</tr>
<tr>
<td>Star-Player</td>
<td>3.116***</td>
<td>4.236***</td>
<td>3.229***</td>
<td>4.349***</td>
</tr>
<tr>
<td></td>
<td>(.956)</td>
<td>(1.041)</td>
<td>(.889)</td>
<td>(1.007)</td>
</tr>
<tr>
<td>Seeding</td>
<td>4.914***</td>
<td>5.179***</td>
<td>4.692</td>
<td>5.378***</td>
</tr>
<tr>
<td></td>
<td>(.829)</td>
<td>(.7736)</td>
<td>(.7736)</td>
<td>(.7736)</td>
</tr>
<tr>
<td>Constant</td>
<td>2.744***</td>
<td>3.194***</td>
<td>2.529***</td>
<td>3.258***</td>
</tr>
<tr>
<td></td>
<td>(.683)</td>
<td>(.754)</td>
<td>(.6384)</td>
<td>(.729)</td>
</tr>
<tr>
<td>R²</td>
<td>0.464</td>
<td>0.334</td>
<td>0.513</td>
<td>0.349</td>
</tr>
<tr>
<td>Adj. R²</td>
<td>0.427</td>
<td>0.293</td>
<td>0.479</td>
<td>0.309</td>
</tr>
</tbody>
</table>

Note: Dependent variable for both regressions is World Cup points. ***, **, * indicate significance at the 1%, 5% and 10% respectively. Standard Errors in parentheses.

Table 2 shows that in the first specification, there are two variables that are statistically significant at the 1% level. According to the model, a team that is seeded is expected to earn an additional 4.9 points. Naturally, given that the seeded teams are those that are well ranked at the time of the group stage draw, such a result is expected. This means that the teams that have fared well in international football over the few years prior to each World
Cup are the ones that are seeded, and therefore expected to do well at the World Cup. As aforementioned, the host nation is also always seeded. The seeded nations, other than when hosts are countries such as Korea, Japan or South Africa, are generally footballing heavyweights such as Brazil, Germany, and Spain to name a few. Although, occasionally teams such as Switzerland and Colombia also manage to sneak onto the list of seeded teams. According to my model, seeded teams earn 4.9 points more than they would without being seeded.

The second variable that is significant at the 1% level is Star-Player. This means that when the strength of the teams is taken into account, the star player on a team will still have an additional positive impact on the number of points they earn at the tournament. Examples of star players in my dataset are Zinedine Zidane (1997, 2000), Ronaldinho (2004, 2005) and Lionel Messi (2008, 2009, 2012, 2013). These are players who can (or could) single handedly turn a game on its head and influence the result. Naturally, the awards from the World Cup year were not considered, as the tournament itself would heavily influence the awards; data from the two years prior to each World cup were used. The model suggests that having one of these star players on a team could earn them an additional 3.1 points on average. Their sporting talent notwithstanding, many of these players are (or were) also exceptional leaders on the pitch and had the ability to bring out the best from their teammates. It is important to note, however, that while these star players are able to positively influence results and the points earned by a team in the World Cup, it does by no means suggest these star players can single-handedly win their country a World Cup, as was very well evidenced by Ronaldo (Brazil) in 1998, Zidane (France) in 2006, and Messi (Argentina) in 2014.
Other than Star-Player, my second original variable – Pre1924 – is significant at the 10% level. The model suggests that nations that joined FIFA before 1924 – within the first 20 years of its inception in 1904 – are expected to earn an additional 1.4 points.

Furthermore, the result of this specification is in line with Monks and Husch (2009) with regard to the host country effect. They found that “the host team does not experience advantages beyond the benefits of seeding and the continental effect” (Monks and Husch 2009). Our model does not, however, suggest that the continental effect is significant either. One possible explanation of this difference in these results is that the datasets are not the same and that the World Cups examined in the two studies differ as well. The host and continental effects are important to note because FIFA has recently made efforts to award hosting rights to countries that have not historically been good at the sport (South Africa 2010, Russia 2018, Qatar 2022) and it will be interesting to see how these nations, especially Qatar, perform in front of their home crowds. The R² in my model is 0.464 – 46% of the variation in World Cup points can be explained by my model.

When seeding is excluded, we find three variables that are statistically significant. The first is the host country effect. According to my model, holding all other variables constant, the host country will be expected to earn, on average, an additional 4.8 points on account of hosting the tournament. Second, my variable for countries that were members of FIFA before 1924 is significant, also at the 1% level. This variable is a proxy for ‘footballing-culture’ in a country, in the sense that there was a certain subset of countries that first began playing the sport in the late 19th and early 20th centuries. These were the countries that joined FIFA early on and where the sport has been immensely popular for the better part of a century now. These countries are expected to earn a total of 3.26 points.
more than other teams on average. Lastly, my variable for Star-Player was also significant at the 1% in this specification. The coefficient on it increased after I dropped the seeding variable. Now, a star player is expected to earn their team an additional 4.23 points – up from 3.1 in the first specification. The R² here is 0.33, which means that 33% of the variation in World Cup points is explained by my model. This specification is relevant to the study primarily because there is a high degree of correlation between the WCPoins and Seeding variables. Other than seeding, these three variables are the ones that have a significant impact on a country’s World Cup performance, according to my model. Contrary to what my model suggests, Monks and Husch (2009) find that there is no statistically significant advantage of hosting the tournament. This might be because my second specification excludes the seeding variable, while all their regressions include it. According to my model, when seeding or recent performances and team strength are excluded from the data, the host country effect is statistically significant.

Robustness Check

In order to check the robustness of the results, I first derived the standardized residuals for all the observations. The three influential observations were then removed from my model for the next regression to check whether or not the model was robust. The regression results shown in columns 3 and 4 of Table 2 indicate that the model is in fact robust. I ran both specifications (3,4) of my model without the influential observations and found that the same explanatory variables are statistically significant.

Specifications 3 and 4 exclude the influential observations and therefore are better indicators of the factors that determine World Cup performances. According to the third
specification, the *Pre-1924* effect is significant at the 10% level, while the *Star-Player* and *Seeding* effects are significant at the 1% level.

The model suggests that a team will earn an additional 1.5 points if they became members of FIFA before 1924. The Star Player coefficient is now 3.23, suggesting that a team with a Star Player (by my definition) will earn those many more points than they would without one. The seeding effect is now 5.18 points. In specification 4, I find that the Host Country effect is significant, with the coefficient being almost 5.0, suggesting that the host nation will earn an additional 5.0 points than they would otherwise be expected to obtain. The *Pre-1924* and *Star-Player* variables are still significant, mirroring the comparison between specifications 1 and 2, in that the same variables are found to be significant.

The four different specifications of the model indicate the factors that are significant in determining World Cup performances. Furthermore, the third and fourth specifications confirm that my results are indeed robust. My analysis suggests that being seeded, having a Star Player, and having become a member of FIFA before 1924 are the factors that impact the World Cup performances of nations. Additionally, when I excluded the seeding variable – in order to investigate factors other than a team’s strength and their recent performances – I find that hosting the tournament also has a significant impact on their performance. This result is similar to what Monks and Husch (2009) found in that the host country did not have any advantage over and above the seeding effect (evidenced by the fact that the host effect was insignificant when seeding is included). Specification 3 of my model is the most reliable, as it excludes the influential variables and is the most inclusive in terms of explanatory variables.
Star-Player and Pre1924 are both statistically significant when explaining World Cup results. It is extremely difficult it is to pick out one team that is a very clear favorite to win the World Cup. Even within the usual shortlist of about four or five teams that are generally tipped to win, the nature of football is such that big upsets can never be completely written off. With my Star-Player variable being highly significant in all specifications of my model, my study adds to the literature that exists in this field while also giving direction to future studies. My model suggests that none of the socioeconomic or demographic factors are significant in explaining World Cup results. Instead, it is the football-specific variables such as Seeding, Star-Player as well as FIFA affiliation before 1924 that are important.

VII. Conclusion

The 2018 World Cup in Russia is just a few months away, and speculation about the tournament favorites is rife among football fans and pundits. If I were to make a prediction based on my model and the variables that are significant, I would first narrow down based on the seeded teams. Looking at the seven seeded teams other than hosts Russia, who realistically, are highly unlikely to emerge winners (as is evidenced by bookmakers placing 40/1 odds that Russia win the World Cup), I would take into account the rankings of the 2016 and 2017 FIFA awards for the best player in the world (SkyBet 2018). This would leave me with: Portugal, Argentina, Brazil and France. Popular opinion (and bookmakers’ odds) in the run up to the World Cup says that apart from Portugal, the other three teams are indeed favorites to emerge victorious. However, it would be naïve to discount footballing heavyweights Germany and Spain, who not only have immense depth
in their squads, but have also been in form recently. Although Brazil, Argentina and France have the Star Players, Germany and Spain are known for their smooth-flowing style of play that rarely ever lets them down. Keeping this in mind and by coupling my own knowledge of the game and my intuition, my wide-ranging prediction is that it will be either Brazil, Argentina or Germany to lift the World Cup in Russia this summer.

This study has used a new regression model. By incorporating variables that are socioeconomic, cultural, and demographic in nature along with those that are specific to the sport of football, I investigate a range of factors that have the potential to impact World Cup results. I found that the Seeding, Star-Player, Pre1924 and HostCountry variables are significant. Given these results, future studies that seek to investigate the determinants of World Cup performances could focus more on factors directly related to the sport and the tournament. Additionally, as FIFA plans to increase the size of the tournament to 48 teams, it would be interesting to see the effect of a larger World Cup in a similar study in the future. A similar model could be used to study other tournaments such as the UEFA Champions League, which is the most elite club-level competition in the world, and where the financial implications for teams far outreach those of the World Cup.
VIII. References


