A close-up photograph of a robotic hand with orange and white segments holding a black and white soccer ball. The background is a blurred green field, suggesting a soccer pitch. The lighting is dramatic, with strong highlights and deep shadows.

Cup-o-nomics

**JUNE
2014**

Spain the FIFA World Cup's “super team”;
South America home of the 2014 “superfan”

Super teams and superfans – passion high ahead of World Cup

Fans showing their support in team colours and picking a team to win. Almost a quarter in our survey willing to give up their mobile phone for a month if it meant their team would win.

When the FIFA World Cup 2014 kicks off on 12 June, 32 of the best football teams in the world will start vying for the title of being the best at the biggest sport in the world. But how much does the title mean to people in the competitors' home countries? And which teams have an advantage?

If the “value” of all the players in a football team actually could decide the results of the World Cup, Spain would prevail this summer as our analysis shows its squad of 23 has the highest total market value at EUR675 million. Hosts Brazil are third and England seventh, boosted by the EUR49 million value of Manchester United forward Wayne Rooney.

An ING survey of about 8,000 people in 15 countries found **Argentina and Chile are tied for top spot as the biggest “superfans”**, followed by 2018 hosts Russia. **Italy is the most fanatical of European countries surveyed. The United States is last.** We used several measures to calculate nationalities' passion for their team bringing home the cup, including willingness to sacrifice 1% of annual income for a year, the percentage of people who participate in a football pool, the average spend on supporter kit and more.

Many fans like to show their support by dressing in

the colours of their team. **Russians and Argentinians top the survey results for spend per person on average on supporters kit**, at EUR48. Expect to see plenty of red and gold on the streets of Moscow and white and sky blue in Buenos Aires. **The figure in ING's home of the Netherlands is only EUR5 per person but it adds to more than EUR70 million to be spent on Dutch supporters kit.**

Playing with friends or colleagues to guess which team will win the World Cup – known as a pool – can increase the excitement of the tournament. Some even add in a wager to increase the stakes. **2010 champs Spain has the highest share of people who intend to participate in a World Cup pool, at 49%. The average wager ranges from highs of EUR83 in Russia and EUR80 in France down to EUR11 in the Netherlands.** The Cup-o-nomics infographic gives six tips on limiting emotion and keeping a rational mind to help pick the tournament champ.

Chileans top the table on the measure of

willingness to sacrifice a sum of money if it meant their team would win. They would be willing to give up EUR526 on average to see their team win. Adjusted for GDP to facilitate a like for like comparison, Argentina rises to the top. **In fact, the willingness to sacrifice money for a football win in Argentina is more than five times the country's research and development spend as a percentage of GDP.** Italy spends 1.25% of GDP on research and development, according to the World Bank, lower than the 1.5% of GDP they are willing to sacrifice for a World Cup win.

This survey was commissioned by ING and conducted by TNS Nipo. In the Netherlands, there was an online survey among 1,067 respondents representative of the population based on age, gender and income. In all other countries, at least 500 respondents representative of the internet population in terms of age and gender were surveyed online.

- ING senior economists Marten van Garderen and Ian Bright

Six tips to help pick the football champs

Part of the fun of the FIFA World Cup is supporting a team and trying to pick which nation will come out as the winner. But just as thinking tricks and traps can skew financial decisions, the same can be true for sporting decisions. Here are six tips that may help to calm the emotion and focus the mind.



1 Tame your national pride

When it comes to making decisions about money, emotion can often get in the way – think impulse shopping or overspending to get a “dream home”. Add in the national pride we feel when our team competes and things get even more complicated. Before picking your FIFA World Cup winner, consult objective statistics to tame your national pride – or “home bias” as it is sometimes known.



2 Dare to be different

Brazil seems to be the bookmakers’ favourite to win the FIFA World Cup. But are the hosts also your best choice as champion? Remember, Brazil winning is not a certainty. It may well be a good idea to stake your pride on an outsider.



3 Don’t overstate the importance of the recent past

If it rains for three days in a row, we tend to overestimate the chance it will rain again tomorrow. Known as availability bias, this error can also sway our choice of World Cup champs. Our survey found that respondents seem to exaggerate the chances of the reigning champions Spain doing it again.



4 Don’t be tricked by “patterns”

Sometimes we see patterns where none exist. Players in casinos hungry for a win sometimes think they see patterns emerging in games of chance such as roulette or craps when, in reality, each spin of the wheel and roll of the dice is independent. In football, don’t be fooled by a pattern of goals or wins that is simply not there.



5 Give chance a chance

People often confuse luck with skill. There is no doubt that the 2010 winner Spain is skillful but has luck also played a part in their success. The answer is probably “yes”, as it is for most sports teams. It might be the starting pool they are in, a call by a match official, a goal that just gets in or a star player who completes the competition without injury. Any team can get lucky.



6 Remember, knowledge is power

When picking which team will win, it is helpful to know a little more than your friends who are trying to do the same. About a quarter of respondents to our survey say they can’t help but tell others who they are picking – and why – ahead of time. Known as information asymmetry, keeping information that a star player of a top side is in doubt to yourself, might put you at an advantage.

2010 champs Spain top the team “value league”; host Brazil in third

If the “value” of all the players in a football team actually could decide the results of the World Cup, Spain would prevail this summer as our analysis shows its squad of 23 has the highest total market value at EUR675 million.

Hosts Brazil are third and England seventh, boosted by the EUR49 million value of Manchester United forward Wayne Rooney. The team value league is created by adding the values of the 23 squad members of each team, as determined by information on fan websites from across the globe. It takes into account the transfer value of players (how much other clubs would pay to buy a player from another team). For seven teams (Argentina, Australia, Bosnia, Colombia, Ecuador, Iran and Nigeria) the analysis uses an average for 23 players from a larger squad, as final teams had not been announced by 2 June.

Football fanatic nation Argentina is in fifth spot, boosted by the EUR130 million value of Lionel Messi – a sum that is almost as high as the entire superfan Chilean team.

The United States, a country without a strong tradition of football – or soccer, as it is known there – is at 25 on the value league and in last place in our superfan league.

1	Spain	€675 million	17	Ivory Coast	€132 million
2	Germany	€609 million	18	Cameroon	€127 million
3	Brazil	€507 million	19	Bosnia	€121 million
4	France	€453 million	20	Japan	€106 million
5	Argentina	€410 million	21	Ghana	€104 million
6	Belgium	€378 million	22	Mexico	€104 million
7	England	€362 million	23	Greece	€87 million
8	Italy	€350 million	24	Nigeria	€81 million
9	Portugal	€322 million	25	United States	€63 million
10	Uruguay	€236 million	26	Algeria	€62 million
11	Netherlands	€225 million	27	Ecuador	€57 million
12	Colombia	€225 million	28	South Korea	€56 million
13	Croatia	€210 million	29	Costa Rica	€32 million
14	Russia	€200 million	30	Australia	€24 million
15	Switzerland	€193 million	31	Honduras	€23 million
16	Chile	€152 million	32	Iran	€23 million

Argentina and Chile top “superfan” league; Italians most fanatical in Europe

Argentina and Chile are tied for top spot as the biggest “superfan” of 15 nations in this survey, followed by 2018 hosts Russia at number three.

Italy is the most fanatical of European countries surveyed, perhaps buoyed by memories of the 2006 victory. The 2014 host nation Brazil rounds out the top five.

How did we calculate our superfan league? Several measures are used to gauge nationalities’ passion for their team bringing home the FIFA World Cup, including willingness to sacrifice 1% of annual income for a year, the percentage of people who participate in a football pool, the average spend on supporter kit and more.

The superfan league is calculated by ranking countries on their response for each of six measures, then adding up their positions to reach a single figure.

Brazil’s position of fifth of 15 countries surveyed perhaps signals enormous confidence in their team’s abilities on the field, as supporters rely on track record to clinch the win rather than their own sacrifice of cash or privileges. Similarly, 2010 champion Spain’s sixth position is bolstered by the high participation in football pools – raising it up from the middle to low position in many of the other measures.

The United States is at the bottom of this league.

1=	Argentina
1=	Chile
3	Russia
4	Italy
5	Brazil
6	Spain
7	South Korea
8	Portugal
9=	England
9=	Germany
11	Australia
12	Belgium
13	France
14	Netherlands
15	United States

Russia and Argentina spend most on team colours

Many fans like to show their support by dressing in the colours of their team.

Dutch supporters are famously clad in orange, English in red and white.

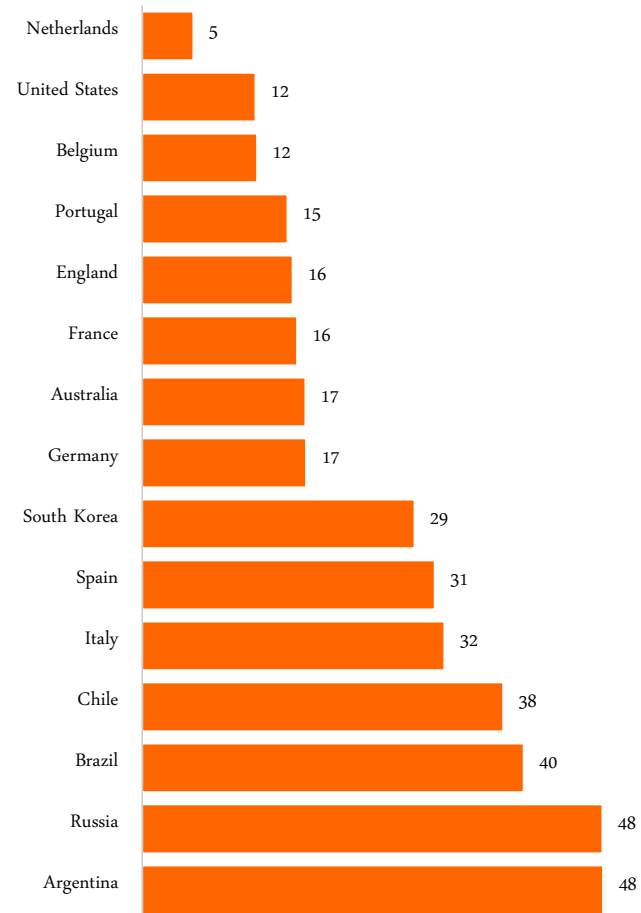
Russians and Argentinians top the survey results for spend per person on average on supporters’ kit, at EUR48. Expect to see plenty of red and gold on the streets of Moscow and white and sky blue in Buenos Aires.

The figure in ING’s home of the Netherlands is, like all countries, an average for the entire population. So as only a quarter of the Dutch say they buy orange team kit, the EUR22 per supporter is adjusted down. A possible explanation for the low spend is that the Dutch receive many orange items as free gifts when shopping. Still, added together, spend on Dutch supporters’ kit totals more than EUR70 million for the entire adult population of the Netherlands.

THE QUESTION

How many euros do you intend to spend on supporters’ kit, such as shirts, posters and hats?

Average amount in euros, converted from local currency



Football pools most popular in Spain; Russia has the largest wager

Playing with friends or colleagues to guess which team will win the World Cup – known as a pool – can increase the excitement of the tournament.

Some even add in a wager to increase the stakes.

2010 champs Spain has the highest share of people who intend to participate in a World Cup pool, at 49%.

The average wager ranges from highs of EUR83 in Russia and EUR80 in France down to EUR11 in the Netherlands.

The Cup-o-nomics infographic gives six tips on helping pick the champ.

Thinking tricks and traps can skew our predictions. A bias towards our home team doing better than objective statistics suggest, for example, is a common occurrence. The tips suggest ways to tip the balance back.

	Percent who participate in a World Cup pool	Average amount put in pool, in euros
United States	9%	32
Australia	14%	61
France	15%	80
Belgium	16%	40
Portugal	21%	56
Germany	24%	56
Netherlands	24%	11
England	28%	42
Russia	28%	83
South Korea	31%	58
Argentina	38%	55
Brazil	39%	56
Italy	40%	60
Chile	41%	37
Spain	49%	47

South Americans most willing to sacrifice cash for football glory

Sacrificing a sum of money is a measure of how much someone wants their team to win. The higher the sacrifice, the bigger the passion.

Chileans top the table on this measure – being willing to give up EUR526 on average to see their team take home the cup.

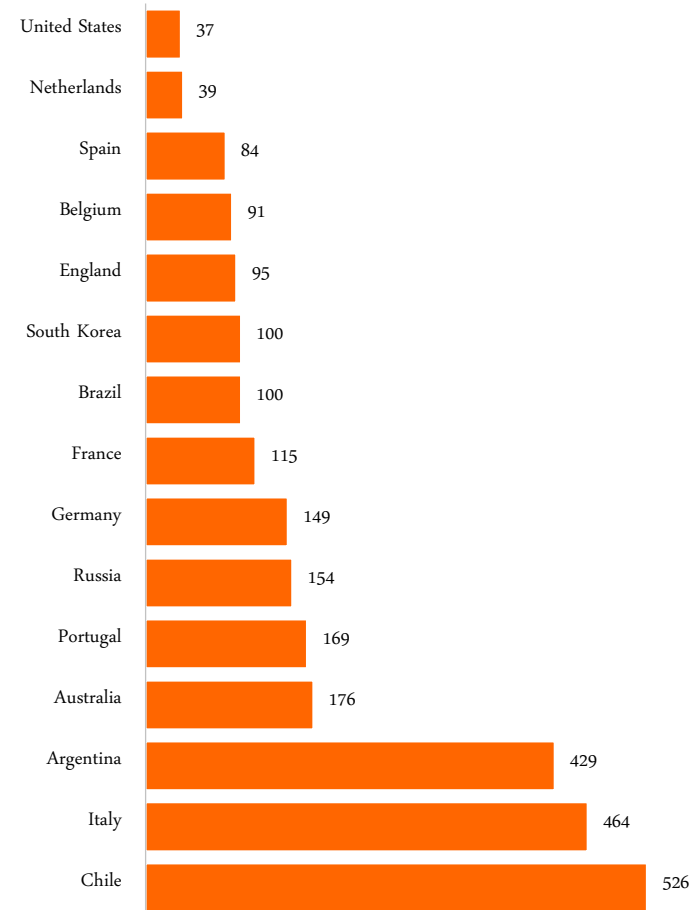
In fact, South America also claims third highest place with Argentinians willing to give up EUR429 on average, signalling a high amount of passion among neighbouring countries of the host Brazil.

The Italians top the table among European nationalities surveyed, followed by the Portuguese and the Germans.

THE QUESTION

Suppose you could sacrifice a sum of money to ensure that your country would win the World Cup. How much would you give up?

Average amount in euros, converted from local currency



Italians willing to sacrifice more for a win than they spend on research and development

Argentina rises to top spot when the amount people are willing to sacrifice for a win is adjusted to show it as a percentage of gross domestic product (GDP).

With this economic growth adjusted measure, relatively wealthy countries drop down the ranking – most notably Australia, which falls from fourth to eleventh. Germany, Italy and England also fall. In contrast, Spain rises four places from thirteenth to nine, South Korea rises three places and Russia two.

A theory is that people in wealthier countries are more likely to be able to afford to sacrifice income for something they really want. So adjusting in this way gives a way to compare “like with like”.

GDP figures are from 2013, as detailed in the International Monetary Fund World Economic Outlook.

It also allows comparisons with public spending in different countries.

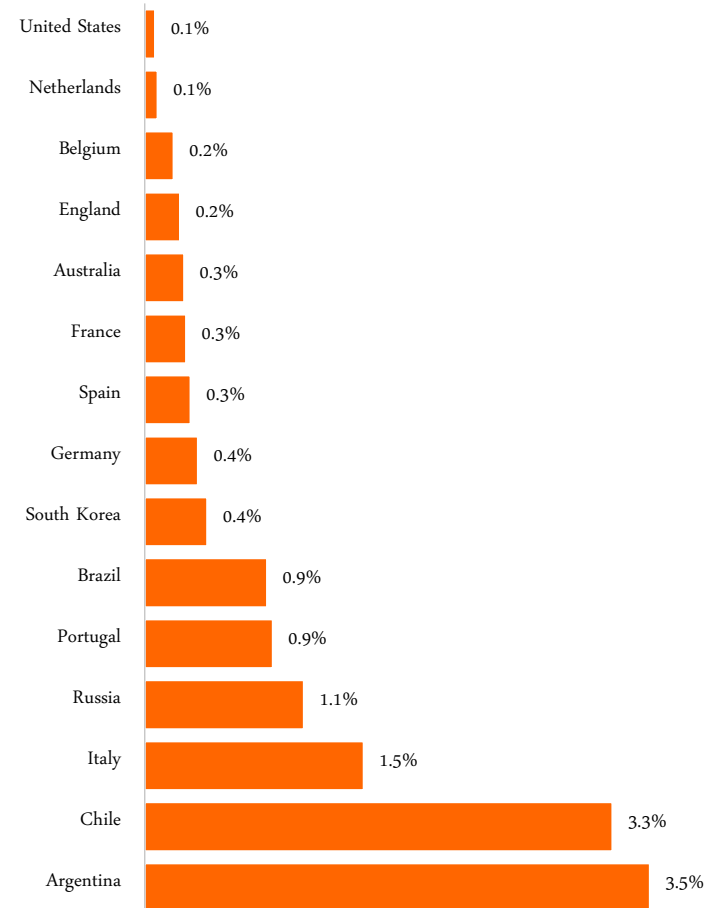
Italy spends 1.25% of GDP on research and development, according to the World Bank, lower than the 1.5% of GDP they are willing to sacrifice for a World Cup win.

In Argentina, the football sacrifice is more than five times the research and development spend.

THE QUESTION

Suppose you could sacrifice a sum of money to ensure that your country would win the World Cup. How much would you give up?

Average amount in euros, converted from local currency, as a percentage of 2013 GDP



Russians most willing to give up 1% of income for a win

Purchasing power of money differs between the 15 countries in this survey.

For example, one euro can buy almost twice as much in Chile as the Netherlands, purchasing power parity (PPP) calculations show. This survey question about willingness to sacrifice 1% of annual income aims to take this into account.

Russia tops the table on this measure, with 42% considering the glory of winning the cup enough to give up 1% of their income for a year.

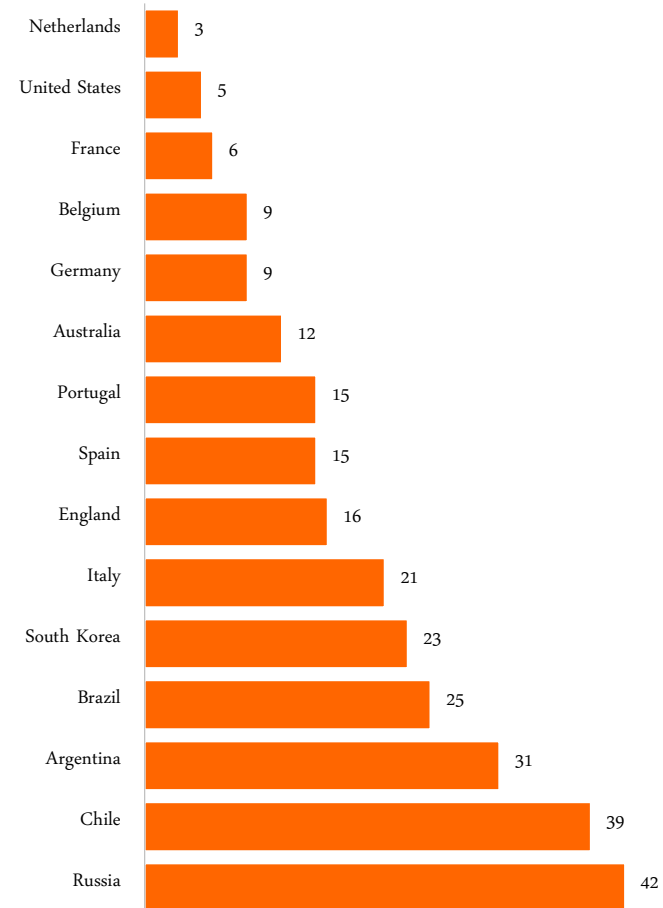
The South American passion again shows through with Chile, Argentina and hosts Brazil rounding out the top four.

Italians are again the most passionate in Europe according to this measure, followed by the English and Spanish.

THE QUESTION

Would you be prepared to give up 1% of your annual income in 2014 for your country to win the World Cup?

Percent who answered “yes”



Texting? No – I’d rather have the World Cup

A different type of sacrifice is giving up something you rely on – such as your mobile phone – for a win.

Internationally, 23%, on average, say they would do this.

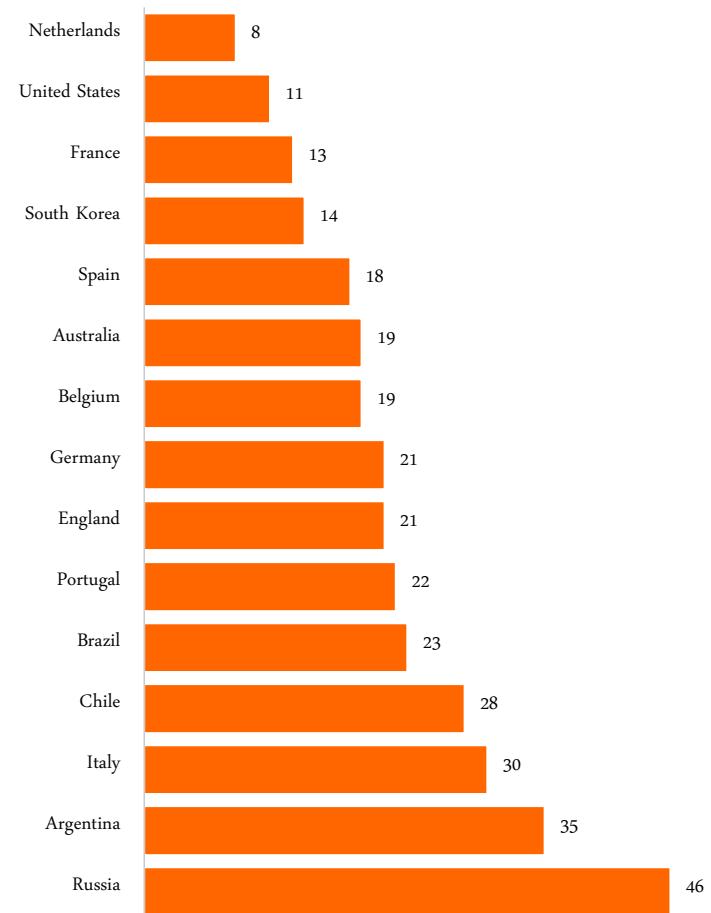
The five countries with the largest share who would make this sacrifice are familiar from the previous pages, with Russia top, followed by the three South American countries and the “Europe superfan”, Italy.

The Dutch are least willing to make this sacrifice – with only 8% – prepared to give up their mobile phone for a month.

THE QUESTION

Would you be prepared to give up your mobile phone for a month for your country to win the World Cup?

Percent who answered “yes”



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