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POLICY
BRIEF

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Publicly funded football stadia: overinvestment and under- utilisation in Hungarian football

Policy lessons from the long-term
effects of state-led stadium
development

- Gergely Csurilla
- Imre Fertő
- Giambattista Rossi

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EXECUTIVE SUMMARY



Publicly funded stadium development in Hungarian football **produced striking but time-limited results in the short run**. Following the opening of new stadia, attendance rises substantially, but this “honeymoon effect” fades after roughly five seasons.

Stadium utilisation presents a much less favourable picture. Seat occupancy **improves meaningfully only in the first season at most**, with no lasting positive effect thereafter. This suggests that some of the investments created oversized capacities relative to actual demand.

The problem cannot be explained by fan demand alone. The **fully state-financed, top-down investment model** created weak incentives for clubs, while in the longer run operating burdens also fall on taxpayers.

KEY POLICY MESSAGES

- New stadia do not, by themselves, generate sustained demand growth.
- Without tracking attendance and stadium utilisation together, the success of investments can be misinterpreted.
- Future stadium policy should be based on demand-led planning, incentive-aligned financing, and multi-purpose use.

This analysis examines the extent to which new stadia in Hungarian first- and second-division football between 2005/06 and 2023/24 produced lasting increases in attendance and stadium utilisation.

Why now? Because after the investment wave has ended, the policy question is no longer whether new facilities were built, but whether they can justify the use of public money in the long term.

Normative conclusion: the success of stadium investments should be assessed on the basis of sustained utilisation, financially sustainable operation, and community use.

BACKGROUND

A common argument in favour of stadium development is that new facilities provide greater comfort and a better spectator experience, thereby attracting more fans on a lasting basis. In the international literature, this is often described as a “novelty” or “honeymoon” effect.

Hungary is a particularly interesting case because in the 2010s it implemented one of Europe’s most extensive, predominantly state-funded, top-down stadium development programmes. In many cases, capacity planning was not aligned with actual market demand.

Using match-level attendance and stadium-capacity data for Hungarian NB I and NB II between 2005/06 and 2023/24, the study estimates the causal effect of new stadia with a difference-in-differences (DID) approach.

MAIN FINDINGS

General lessons

1. New stadia increase attendance on average, but the effect is not permanent.
2. Stadium utilisation does not improve on a lasting basis, meaning that higher attendance does not necessarily imply better capacity use.
3. Effects differ substantially across clubs; there is therefore no single stadium policy formula.

Short-term effects

1. In the opening year, both attendance and utilisation increase significantly.
2. The attendance premium is particularly strong in the first 0–3 seasons, then gradually weakens.
3. In Hungarian football, the “honeymoon effect” remains detectable for approximately five seasons.

Long-term constraints

1. By seasons 4–6, only some clubs still show a significant increase in attendance.
2. In utilisation terms, the aggregate effect disappears after the first season, and several clubs even show deterioration.
3. Oversized capacities and weak commercial incentives together produce underutilisation.

EXPECTED EFFECTS AND ACTUAL OUTCOMES

DIMENSION	EXPECTATION	RESEARCH FINDING
EFFECT OF A NEW STADIUM ON ATTENDANCE	Sustained growth in demand	Strong increase, but it fades after roughly five seasons
STADIUM UTILISATION	More sell-outs and better seat use	Improves meaningfully at most in the first season, with no lasting gain thereafter
CLUB-LEVEL OUTCOMES	General uplift	Substantial heterogeneity; worsening utilisation for some clubs
RETURN ON PUBLIC FUNDS	Long-term social benefit	Risk of lasting operating burdens and underutilisation

POLICY RECOMMENDATIONS

1. Demand-based ex ante planning

Before building a new stadium or undertaking a major capacity expansion, an independent demand and utilisation assessment should compare the options of new construction, renovation, and smaller-scale expansion.

2. Incentive-aligned financing

Alongside fully public funding, projects should include either a club-side financial contribution or a financing element that ties continued support in part to utilisation and community-use targets.

3. Post-opening fan demand building

Infrastructure investment should be followed by a fan engagement plan: targeted marketing, loyalty programmes, local community activity, and – where appropriate – more flexible ticket pricing.

4. Multi-purpose use and follow-up monitoring

The value of stadia improves when they operate not only on match days. Policymakers should regularly publish indicators on attendance, utilisation, operating costs, and non-match-day use.

CONCLUSION



The study's findings show that state-funded stadium investments can temporarily increase attendance, but they do not create sustainable demand on their own.

The Hungarian experience therefore suggests that stadium policy should shift its focus from construction to utilisation, operability, and multi-purpose use.

SOURCE STUDY

Csurilla, G., Fertő, I., & Rossi, G. (2026). Public funding for new football stadia: overinvestment and underutilisation in Hungarian football. *European Sport Management Quarterly*. > [Link](#)



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- Address: 1097 Budapest Tóth Kálmán u. 4.
- Postal address: 1097 Budapest Tóth Kálmán u. 4.
- Phone: (+36-1) 224 6700
- E-mail: titkarsag@krtk.elte.hu
- Web: www.krtk.elte.hu/en