



UNIVERSIDADE
CATÓLICA
PORTUGUESA

From Trophy Assets to Strategic Investments: The Role of Revenue Diversification in PE-Owned Football Clubs

Peik Koskinen

Dissertation written under the supervision of Professor Peter
Rajsingh PhD.

Dissertation submitted in partial fulfilment of requirements for the
MSc in International Management, at the Universidade Católica
Portuguesa, 2.6.2025.

Abstract (English)

Title: *From Trophy Assets to Strategic Investments: The Role of Revenue Diversification in PE-Owned Football Clubs*

This thesis investigates how private equity (PE) ownership is reshaping the strategic direction of European football clubs, with a focus on revenue diversification. As commercial income becomes a dominant force in the sport, clubs are under growing pressure to expand and stabilize their revenue streams. Long considered financially unstable and inefficient, the football industry is now attracting increasing interest from PE investors.

While some view the profit orientation of PE as a threat to the sport's integrity, others argue that it can drive much-needed structural reform. This study examines the role of revenue diversification in this context, using the Resource-Based View (RBV) and dynamic capabilities frameworks to evaluate whether such strategies can create sustainable competitive advantages.

The findings suggest that, when aligned with internal capabilities and stakeholder interests, revenue diversification can strengthen financial resilience and long-term performance. By connecting insights from strategic management, sports investment, and organizational theory, this thesis offers a fresh perspective on how private equity can influence value creation in performance-driven, socially embedded organizations. The research is based on a qualitative case study design, employing thematic analysis of ten expert interviews and a supporting fan survey to incorporate the role of fan sentiment. Additionally, a focused case analysis of AC Milan was conducted to examine how PE ownership has influenced their revenue diversification strategies.

Keywords: Operational Engineering, Revenue Diversification, Resource-Based View, Dynamic Capabilities, Football, Private Equity Ownership

Abstract (Portuguese)

Título: *De Ativos-Troféu a Investimentos Estratégicos: O Papel da Diversificação de Receitas em Clubes de Futebol sob Propriedade de Private Equity*

Esta dissertação investiga como a propriedade por fundos de private equity (PE) está remodelando a direção estratégica dos clubes de futebol europeus, com foco na diversificação de receitas. À medida que a receita comercial se torna uma força dominante no esporte, os clubes enfrentam uma pressão crescente para expandir e estabilizar suas fontes de receita. Tradicionalmente vistos como financeiramente instáveis e ineficientes, os clubes de futebol vêm despertando cada vez mais o interesse de investidores de PE.

Enquanto alguns consideram a orientação lucrativa do PE uma ameaça à integridade do esporte, outros argumentam que ela pode impulsionar reformas estruturais tão necessárias. Este estudo examina o papel da diversificação de receitas nesse contexto, utilizando as abordagens da Visão Baseada em Recursos (RBV) e das Capacidades Dinâmicas para avaliar se tais estratégias podem gerar vantagens competitivas sustentáveis.

Os resultados sugerem que, quando alinhada às capacidades internas e aos interesses dos stakeholders, a diversificação de receitas pode fortalecer a resiliência financeira e o desempenho de longo prazo. Ao conectar perspectivas da gestão estratégica, investimento esportivo e teoria organizacional, esta dissertação oferece uma nova visão sobre como o private equity pode influenciar a criação de valor em organizações orientadas por desempenho e socialmente enraizadas.

A pesquisa baseia-se em um estudo de caso qualitativo, com análise temática de dez entrevistas com especialistas e uma pesquisa complementar com torcedores, incorporando a percepção dos fãs. Além disso, foi realizada uma análise de caso focal sobre o AC Milan, a fim de examinar como a propriedade por PE influenciou suas estratégias de diversificação de receitas.

Palavras-chave: Engenharia Operacional, Diversificação de Receitas, Visão Baseada em Recursos, Capacidades Dinâmicas, Futebol, Propriedade por Private Equity

Acknowledgements

I would like to express my deepest gratitude to everyone who has supported me throughout this academic journey.

To my family and friends, your support, love, and belief has carried through even the hardest times. Without your constant support, this would not have been possible.

To my supervisor, Professor Peter Rajsingh, thank you for your guidance, patience, and insightful feedback throughout this process. Your support has been instrumental in shaping this thesis.

To all the professors and coaches at James Madison University and Flagler College, thank you for the knowledge, mentorship, and inspiration you have provided along the way.

Lastly, I want to thank football, a sport that has not only shaped my personal and professional life but has also given me the opportunity to travel the world, grow, and forge unforgettable connections. I am truly grateful for everything this game has taught me.

To everyone who has been a part of this journey, thank you. This achievement is as much yours as it is mine.

Disclaimer: This work includes language refinements assisted by AI tools, while the content and ideas remain the sole responsibility of the author.

Table of Contents

Abstract (English)	2
Abstract (Portuguese)	3
Acknowledgements	4
Introduction	8
1.1 The Financial Evolution in Football	8
Commercial Revenue & Widening Competitive Imbalance.....	8
1.3 Private Equity – Growing Influence in Football	9
1.4 The Transformation of the Football Industry	10
1.5 Private Equity & Revenue Diversification as a Competitive Advantage	11
1.6 Research questions	12
1.6.1 Primary Research Question:	12
1.6.2 Sub-Research Questions:	12
Figure 1. Key Terms Used in This Research	12
Literature review.....	13
2.1 Financial landscape in football.....	14
2.2 Commercial Revenue Development	14
Figure 2 & 3. Commercial Revenue Development and Ownership Structures.	15
2.3 Private Equity Strategy and Value Creation.....	15
Figure 4. Value-Creation Framework for Capital-Efficient Profitable Growth	17
2.4 Football Ownership – More than just profits?.....	17
2.5 Why Football? The Investment Thesis	18
2.5.1 How PE Makes Investment Decision.....	18
2.5.2 Why Football?	19
2.6 Revenue Diversification as a Strategic Resource	20
2.7 Multi-Club Ownership (MCO)	21
2.8 Digital Innovation and Strategic Brand Partnerships.....	22
2.8.1 Creating Recurring Revenue Through Digital Innovation	22
2.8.2 Reaching Target Audience Through Strategic Brand Partnerships.....	22
2.9 Competitive Advantage: Theoretical Perspectives & Concerns.....	23
2.9.1 Exogenous School: Industry Structure and Market Forces.....	23
2.9.2. Endogenous School: Firm Capabilities and Strategic Choices	23
2.9.3 Dynamic Capabilities.....	24
2.9.4 Porter’s Value Chain in Football.....	25

2.9.5 Concerns Around Competitive Imbalance	25
2.9.6 Impact of Financial Regulations	26
2.9.7 Revenue Diversification as a Strategic Resource in Football	26
2.9.8 Applying RBV and Dynamic Capabilities	26
3. Methodology.....	28
3.1 Research Design	28
3.2 Data Collection	29
3.2.1 Expert Interviews	29
Table 1: Expert Interview Participants.....	30
3.2.2 Fan Survey.....	30
3.2.3 Secondary Data	31
3.2.4 Case Analysis.....	31
3.3 Analytical Framework and Coding Strategy	32
3.3.1 Coding Strategy.....	32
3.4 Ethical Considerations.....	33
3.5 Limitations.....	33
Analysis and Findings	33
4.1 What Makes Revenue Creation Sustainable? Resource-Based View Analysis	35
4.1.1 Valuable: Data and Digital as Strategic Enablers	35
4.1.2 Rare and Inimitable: Execution as Differentiator	36
4.1.3 Non-Substitutable: Embeddedness and Identity	36
4.1.4 PE Incentives and Strategic Limitations.....	37
4.1.5 Conclusion.....	37
4.2 Perception on the role of Dynamic Capabilities.....	38
4.2.1 Sensing: Identifying Strategic Opportunities	38
4.2.2 Seizing: Acting on Strategic Opportunities	38
4.2.3 Reconfiguring: Transforming Club Structures and Capabilities	39
4.2.4 Conclusion.....	39
4.3.1 Case Study: AC Milan (2018 – 2024).....	40
4.3.2 Introduction	40
4.3.3 Investment Thesis for AC Milan	40
4.3.4 Turnaround potential and multiple expansion	40
4.3.5 Operational Value Creation	41
4.3.6 Platform Logic and Synergies.....	41
4.3.7 Exit Opportunities	41
Table 2: Value Chain Matrix.....	41

4.3.8 Analysis	43
4.3.9 Digital-first monetisation	43
4.3.10 Brand-adjacent partnerships	43
4.3.11 Infrastructure as an option play.....	43
4.3.12 Conclusion.....	44
4.4.1 Fan Survey Perspective	44
Table 4.....	44
4.4.2 Survey Analysis.....	45
5. Discussion.....	45
5.1 Summary of Main Findings	45
5.2 Contributions to Literature and Practice.....	48
5.3 Limitations	48
5.4 Suggestions for Future Research	48
References	50
9. Appendix	53

Introduction

1.1 The Financial Evolution in Football

The general perception of football clubs as a burdensome investment asset is well-founded. An industry, where operating losses remain persistent, and debt burdens continue to rise, Frack's (2010) notion of a *poor business environment* does make sense. Therefore, the statistic that the European football clubs have seen substantial growth in their valuations, is surprising. Between 2016 and 2023, the enterprise value of top European clubs has increased by 96%, outpacing traditional market indices like the FTSE 100 (Clifford Chance, 2023). However, financial valuation theory, where sustainable value creation depends on return on invested capital (ROIC), growth potential, and risk, rather than purely accounting-based earnings metrics, offers, at least a partial justification (Morgan Stanley, 2024). Despite significant operational losses, European football clubs saw total revenue reach €23.9 billion in 2022, marking a 13% year-over-year increase (UEFA, 2024). In 2025, Spanish giant Real Madrid made history by becoming the first football club to generate over 1 billion euros in revenue, marking the start of a transformative era in which, for the first time, commercial revenue surpassed broadcasting income, the long-standing, differentiating source of revenue in the industry (Deloitte, 2025; UEFA, 2024). This paradox between poor profitability and rising valuations has not deflated the interest of private equity investors, who are increasingly viewing football clubs as turnaround opportunities. Private equity typically targets companies with cash flow problems, holding them for a standardized period of five to seven years post-acquisition (Kaplan & Strömberg, 2016). In 2022, a notable example of a private equity exit in football occurred when Elliott Management sold AC Milan to RedBird Capital for €1.2 billion, following a period of debt restructuring and significant investments in player acquisitions and club infrastructure, yielding an estimated €300 million profit (Brewster & Palma, 2022).

1.2 Commercial Revenue & Widening Competitive Imbalance

In professional football, commercial revenue refers to income derived from activities unrelated to the core sporting event itself, such as sponsorships, merchandising, and non-matchday operations, representing a key pillar of a club's business model alongside broadcasting and matchday income (UEFA, 2023). The most financially successful clubs effectively leverage their global brand to maximize commercial revenue, as demonstrated by

research published in Deloitte's 2024 *Football Money League*. In 2024, the top 10 clubs on the respective report derived a higher percentage of their income from commercial activities than from broadcasting revenue, signalling a shift in the traditional hierarchy of revenue sources. In contrast, lower-ranked clubs remained heavily dependent on broadcast income (Deloitte, 2024).

The European governing body of football, UEFA, has raised concerns about competitive imbalances driven by revenue polarization, emphasizing that commercial revenue has become the most significant financial differentiator between clubs (UEFA, 2024). As an entertainment industry where competition is the core source of value, football faces an increasingly worrying disparity that could weaken its commercial appeal and long-term sustainability as a global sport.

The disparity in financial power has coincided with a broader surge in football club valuations. In closed-league systems such as Major League Soccer (MLS), high valuations are supported by a business-friendly environment, including branding-focused operational models and the absence of relegation risk, factors that help explain the wider spread of revenue multiples observed in European football, where sporting volatility remains a significant risk factor (Sportico, 2024).

1.3 Private Equity – Growing Influence in Football

The expansion of commercial revenues and the significant growth potential of globally recognized football brands have attracted increasing interest from private equity (PE) investors, particularly from the United States. This interest has been further intensified by liquidity constraints many clubs faced during the COVID-19 pandemic, when stadium closures and attendance restrictions caused a €4.3 billion decline in gate receipts across the 2020 and 2021 financial years, an external shock that exposed structural vulnerabilities in club cash flow management (UEFA, 2024). While external capital inflows into European football are not solely driven by U.S. investors, their contribution is substantial. In 2023, U.S. investors participated in 7 out of 15 club takeovers, acquiring either minority or majority ownership stakes (UEFA, 2024).

The pre-pandemic levels of private equity involvement, accounting to approximately 66,7 million in 2018, skyrocketed in the following years, amounting to staggering 4.9 billion in

fiscal year of 2022 (PitchBook, 2023). UEFA's benchmarking report further highlights that 39% of clubs in the Big 5 leagues now have ties to private capital investors, including PE, venture capital, or private credit funds (UEFA, 2024). This investment wave has been largely driven by US-based private capital, with firms like Clearlake Capital (Chelsea FC) and Redbird Capital (AC Milan & Liverpool) acquiring controlling stakes in these historic clubs. Additionally, multi-club investment frameworks keep growing significantly, as PE firms seek to diversify their portfolios of clubs and through this *buy and built* strategies capitalize on global commercial synergies. The rapid influx of private capital has potential to cause fundamental shifts in football's financial structure, as investors move beyond traditional ownership models to implement business-driven, return-oriented strategies (UEFA, 2024; PitchBook, 2023, Dias 2021).

As private equity continues to redefine ownership norms in football, the tension between cultural heritage and financial rationality is no longer just theoretical but rather a central issue in the sport's long-term sustainability and strategic evolution.

1.4 The Transformation of the Football Industry

Given these developments, a critical question arises: How are private equity firms transforming the nature of football's business landscape? Are they driving competitive advantage through revenue diversification strategies?

To explore these questions, it is crucial to recognize football's deep cultural roots. Historically, football clubs have served as more than just sporting institutions—they represent local identity, heritage, and communal pride. Ownership in football has traditionally been driven by motivations beyond financial return, with club owners often prioritizing externalities such as prestige, brand enhancement, or geopolitical influence (Franck, 2010). In some regions influential families and business elites have been strongly involved in background and it is fair to say that in many cases prestige over financial profitability has been prioritized. (Franck, 2010). Also, the German "Verein model can be seen driven by other than financial incentives, since in Germany, the majority ownership of clubs is forced to be within fans, which is seen to align commercial incentives with sporting success, while protecting the clubs' community-oriented foundations (Acero, Serrano, & Dimitropoulos, 2017).

The study seeks to analyse the impact of PE-driven revenue streams on football's competitive landscape by utilizing VRIN, Dynamic Capabilities and Porter's Value Chain Perspectives.

1.5 Private Equity & Revenue Diversification as a Competitive Advantage

Unlike traditional ownership, typically motivated by cultural or emotional factors, private equity is driven by return maximization for limited partners (Chaplinsky, 2015). To increase enterprise value, private equity firms actively restructure governance, capital structure, and operational strategy, often prioritizing revenue diversification to reduce dependence on volatile matchday and broadcast income (Gompers et al., 2016; UEFA, 2024; Clifford Chance, 2023).

Considering UEFA's concerns regarding the widening revenue gap, our research focuses on operational engineering, particularly revenue diversification, as a mechanism for competitive advantage.

As private equity continues to redefine ownership norms in football, the tension between cultural heritage and financial rationality is no longer just theoretical—it has become a central issue in the sport's long-term sustainability and strategic evolution (Gabielli, 2021; Datzer et al., 2023; Bull & Whittam, 2020).

This study contributes to the strategic management literature by examining how private equity-driven operational engineering and more specifically revenue diversification strategies influence sustainable competitive advantage within the context of professional football. By analysing the intersection of commercial strategy and investor-led transformation, the research offers insights into how private ownership reshapes the mechanisms of value creation within socially embedded organizations driven by sporting performance.

1.6 Research questions

1.6.1 Primary Research Question:

- How do private equity (PE) firms transform the business model of football clubs, and can this transformation lead to sustainable competitive advantages?

1.6.2 Sub-Research Questions:

- What specific revenue diversification and operational strategies do private equity firms employ in football clubs?
- How does private equity ownership influence the strategic positioning and competitive advantages of football clubs, as analyzed through the Resource-Based View (RBV) and Dynamic Capabilities frameworks?

Figure 1. Key Terms Used in This Research

Term	Definition
Private-Equity (PE) Ownership	Equity stakes—typically $\geq 25\%$ —held by closed-end investment funds (limited partnerships) that acquire illiquid, non-listed assets for a finite horizon (≈ 10 years) and provide governance discipline plus post-acquisition support (Gompers, Kaplan, & Mukharlyamov, 2016).
Operational Engineering	The term used for PE owners work in redesign cost structures, business processes, and revenue models—distinct from financial leverage adjustments and board restructuring (Kaplan & Strömberg, 2009).

Term	Definition
Revenue Diversification (RD)	The deliberate broadening of a club’s income beyond match-day and domestic broadcasting receipts into global sponsorships, digital media, licensing, and other commercial streams; in this thesis, RD is proxied by the inverse Herfindahl index across <i>Broadcast</i> , <i>Match-day</i> , and <i>Commercial</i> revenues (UEFA, 2024; Franck, 2010).
Multi-Club Ownership (MCO)	An investment structure in which the same shareholder group controls or holds significant minority stakes in two or more professional clubs—often across different countries—to share data, talent pipelines, and brand assets while diversifying risk (UEFA, 2024).
Resource-Based View (RBV) & VRIN	A firm achieves <i>sustainable competitive advantage</i> when it controls resources that are V aluable, R are, I nimitable, and N on-substitutable (VRIN) (Barney, 1991).
Dynamic Capabilities	“The firm’s ability to integrate, build, and reconfigure internal and external competences to address rapidly changing environments” (Teece, 2007, p. 1319).

Key Terms (Own development)

Literature review

This literature review examines the financial and structural dynamics of the football industry, the researched impact of private equity (PE) investment on revenue diversification, and the intersection between these domains. While academic and industry discussions on PE in football have emerged in recent years, the phenomenon remains relatively underexplored, especially in terms of its long-term strategic implications. The surge in PE involvement has been partly caused by the liquidity crisis caused by the COVID-19 pandemic, which exposed the fragile financial foundations of many clubs.

2.1 Financial landscape in football

Football is an industry where operating losses remain persistent, with clubs recording aggregate losses of €900 million in 2022, marking the third consecutive year of industry-wide deficits (UEFA, 2024). At the same time, debt burdens continue to rise, with total club debt reaching €26 billion, a 27% increase from pre-covid levels (UEFA, 2024). Considering that these figures are based on financial data from over 700 top-division clubs across UEFA's 55 member associations, they further support the notion of financially unattractive industry, and a poor business environment that has been made in academia and by the European governing body UEFA alike. (UEFA, 2024, Franck, 2010). Despite the historical poor profitability of the industry, football clubs have experienced substantial growth in their asset valuations, with the enterprise value of top clubs increasing by 96% between 2016 and 2023, outpacing traditional market indices such as the FTSE 100 (Clifford Chance, 2023). This paradox reveals a polarized picture: while operational inefficiency remains widespread, the industry has continued to attract investor interest. In 2022, European football generated €23.9 billion in total revenue, representing a 13% year-over-year increase (UEFA, 2024).

2.2 Commercial Revenue Development

Year 2024 was a revolution year as for the first time, commercial revenue surpassed broadcasting revenue, the industry's dominant income source for years (UEFA, 2024).

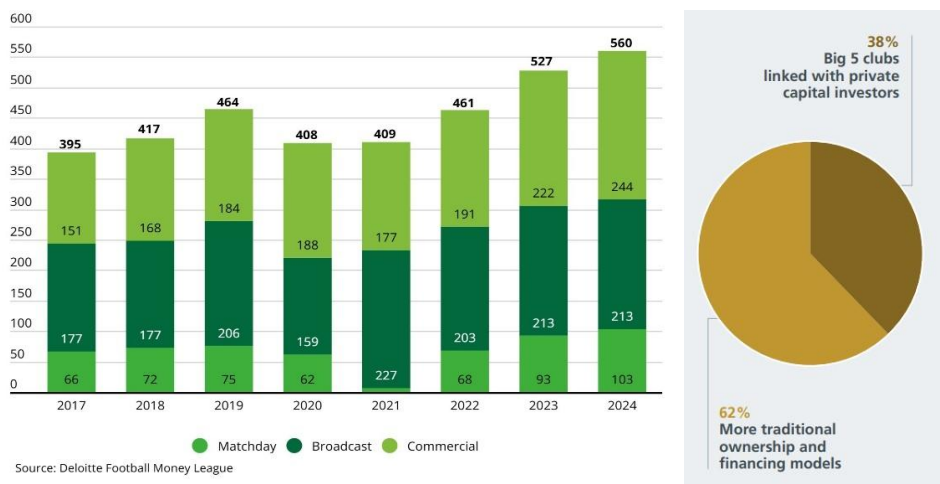
Over the past five years, while television revenues across top leagues grew by just 3%, commercial income expanded by 39%—driven by club-led efforts to monetize global reach, digital fan bases, and brand assets (UEFA, 2025).

Commercial revenue for the Deloitte Football Money League's top-20 highest revenue generating clubs rose from an average of €151 million in 2017 to €244 million in 2024, an increase of roughly 62 percent (see exhibit.2), accredited for bigger sponsorship deals, digital fan-engagement products, stadium hospitality, naming-rights agreements, global retail expansion, and the bundling of women's-team assets (Deloitte, 2025).

Consequently, private-equity and other "private capital" investors have become increasingly active in these respective markets. 38 percent of the top 5 league clubs now have PE or venture-capital ties (UEFA, 2024). In Italy's topflight, Serie A, eight clubs, including AC Milan, Atalanta, Inter Milan, and Juventus, are PE-backed (PitchBook, 2024; UEFA, 2024).

Notably, these four clubs also posted the highest commercial revenue growth in Serie A that year: Inter (+22%), Juventus (+20%), Atalanta (+19%), and AC Milan (+18%). This pattern can be seen to reflect the influence of private capital’s strategic orientation toward profit maximization, as outlined by Rohde and Breuer (2017). According to Uefa, these gains were achieved through stadium upgrades, high-value sponsorships, expanded global merchandising, and advanced digital engagement systems—key levers in the transformation of club revenue models (UEFA, 2024).

Figure 2 & 3. Commercial Revenue Development and Ownership Structures.



Bar chart source: Deloitte Football Money League, 28th Edition (2024); Pie chart source: UEFA, The European Club Finance and Investment Landscape (2024).

2.3 Private Equity Strategy and Value Creation

Private equity (PE) firms are known in academic and industry literature by their ability to enhance enterprise value (EV) through operational transformation, strategic innovation, and financial restructuring. Unlike market capitalization, EV includes debt and other financial obligations, providing a more comprehensive assessment of a company’s value. This makes EV-based metrics, such as EV/EBITDA, useful in projecting potential returns with greater accuracy (Mauboussin & Callahan, 2024).

Academic literature highlights that PE firms create value through a combination of financial, governance, and operational engineering. In a survey of 79 PE firms, operational engineering, defined as improving the day-to-day operations of portfolio companies, was cited as the most significant source of value creation (Gompers, Kaplan, & Mukharlyamov, 2016). This includes strategies such as market expansion, revenue model innovation, cost optimization, and management efficiency.

Once acquired, PE firms implement revenue-driven strategies that can be categorized under three key areas of value creation:

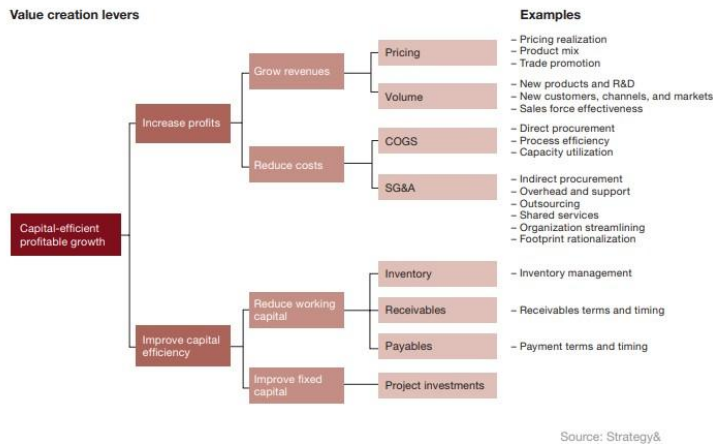
- Financial Engineering – Optimizing capital structures, leveraging debt for expansion, and improving cash flow efficiency.
- Governance Engineering – Strengthening leadership structures, streamlining decision-making processes, and improving financial accountability.
- Operational Engineering – Driving revenue diversification through business model innovation, cost efficiency, and digital transformation (Gompers, Kaplan, & Mukharlyamov, 2016).

These optimization strategies can lead to multiple arbitrage opportunities, ultimately aiming to achieve a higher valuation multiple at exit (Kaplan & Strömberg, 2009; Guo, Hotchkiss, & Song, 2011). As such, they play an important role in the long-term strategy of private equity, mentioned as one of the value creation levers identified in the literature.

PwC Strategy& (2017) outlines a framework for value creation in private equity, identifying six levers aligned with two strategic goals: increasing profits and enhancing capital efficiency. This development is described as “capital-efficient profitable growth.” Within this model, the revenue-growth branch, especially the “volume” component, highlights mechanisms such as product innovation, market expansion, customer acquisition, and sales force optimization. This framework is summarized in Exhibit 3.

Figure 4. Value-Creation Framework for Capital-Efficient Profitable Growth

Exhibit 3
Value creation levers



Adapted from *Value creation tutorial: What private equity has to teach public companies*, by PwC Strategy&, 2017. Strategy&, part of the PwC network.

2.4 Football Ownership – More than just profits?

Football holds a deep social significance in many cultures, with clubs historically functioning as more than just sporting institutions, representing local identity, heritage, and communal pride (Franck, 2010). Ownership of football clubs have been motivated by factors others than solely financial returns (Franck, 2010). This claim is supported by Ducrey et al. (2003), who argue that football clubs do not operate as ordinary commercial enterprises, but as “cultural and community assets,” where value is driven by heritage, identity, and emotional commitment rather than a conventional customer–supplier relationship. As Franck (2010) argues, the classic club owners often seek football’s soft power, brand uplift, political cachet, or public visibility, rather than pure profit.

This cultural importance has shaped the ownership models that emerged across different regions. In some cases, wealthy individuals, influential families, or business elites became stewards of clubs, prioritizing prestige or community over profitability (Franck, 2010). Examples for the respective behaviour can be found in history, for instance Silvio Berlusconi's ownership of AC Milan, widely seen as a tool for political image-building, and

Roman Abramovich's acquisition of Chelsea, linked to soft power and reputation enhancement on the global stage (Smith, 2020).

Germany provides a unique contrast through the *Verein* model, where the 50+1 rule ensures majority fan ownership and restricts external investor control. This is argued to be preserving the alignment between sporting success and community values (Acero, Serrano, & Dimitropoulos, 2017).

Regardless of structure, the traditional motivation for owning a football club stands in stark contrast to private equity's performance-driven mindset since PE investments are typically made with a defined holding period and the objective of achieving high returns upon exit.

In other words, the incentives for private equity investments are fundamentally financial (Krysta & Kanbach, 2022). This introduces a possible conflict of interest between financial investors, and key stakeholder, the football fans.

Given the relative novelty of the subject in the context of football, wider effects of this phenomenon remain under-studied in academia (Franck, 2010) Bull and Whittam (2020) warn that a financial investor's "entrepreneurial orientation", actively seeking new revenue streams, entering emerging markets, and making risky transfer-market moves, has a potential to clash with supporters' traditional "stewardship" mindset, where they view themselves as guardians of the organisation's long-term health and its broader stakeholder community. They further argue that "the unique relationship between fans and clubs suggests that acknowledging the role of fans within football clubs has greater potential for sustainable value creation" (Bull & Whittam, 2020, p. 20).

2.5 Why Football? The Investment Thesis

2.5.1 How PE Makes Investment Decision

A 2016 survey by Gompers, Kaplan, and Mukharlyamov sheds light on how Private Equity (PE) funds approach investment decisions. Based on responses from 79 firms managing over \$750 billion in assets, the study found that PE investors strongly rely on internal rate of return (IRR) and multiple of invested capital (MOIC) as their core evaluation metrics.

The investment process typically moves through structured process. Firms initially screen deals for business model fit and value creation potential. During the due diligence phase, they apply a standardized five-year forecast but discount management's projected EBITDA by 20–25% to account for over-optimism. Valuations rely on comparisons to similar public companies, not theoretical models. Investment decisions are guided by gross return hurdles, which means that each deal must meet a minimum return target. Exit valuations, too, are based on market comparables, not discounted cash flow models with perpetuity assumptions. This approach emphasizes practical, near-term cash returns and operational performance over academic finance theory.

2.5.2 Why Football?

Recent academic and industry research has examined why football is attracting private equity interest. Scholars highlight undervalued assets, scalable commercial infrastructure, and growing alignment with PE investment models as key drivers of interest (Sauer et al., 2024; Gompers et al., 2016).

According to financial valuation theory, the value of an asset is primarily driven by its projected free cash flows rather than short-term profitability. Consequently, sustainable value creation depends on return on invested capital (ROIC), growth potential, and risk, rather than purely accounting-based earnings metrics (Mauboussin & Callahan, 2024). This logic is central to PE's preference for enterprise value (EV) over market capitalization, as EV accounts for total financial obligations and offers a more accurate picture of potential returns. When applied to football, this perspective supports the rationale for investing in clubs with latent commercial potential and scalable business models.

The COVID-19 pandemic further accelerated PE interest by exposing financial fragility across global football. Many clubs faced liquidity crises, creating acquisition opportunities for financially equipped investors (Clifford Chance, 2023). In addition to financial distress, scholars such as Grin (2023) have linked rising PE activity to escalating player acquisition costs and the reimagining of football clubs as long-term investment platforms. RedBird Capital's acquisition of AC Milan illustrates this evolving investment logic (Brewster & Palma, 2022).

2.6 Revenue Diversification as a Strategic Resource

Revenue diversification (RD) refers to the expansion of income sources beyond an organization's traditional or core revenue streams. Within private equity (PE), it is often deployed as part of operational engineering strategies aimed at increasing the enterprise value of portfolio companies (Gompers, Kaplan, & Mukharlyamov, 2016). While the concept of RD remains underexplored in academic football literature, it is well-established in adjacent fields such as corporate strategy, nonprofit finance, and media management.

In corporate strategy, early work by Rumelt (1974) distinguishes between related and unrelated diversification, finding that firms expanding into adjacent industries often outperform those pursuing unrelated diversification due to better alignment with existing capabilities. Palepu (1985) further demonstrates that the impact of diversification on performance is contingent on the strategic fit between new and existing business areas, using entropy measures to quantify diversification breadth. These findings underscore that not all diversification is value-creating; rather, the execution and coherence of the strategy matter significantly.

Nonprofit and public-sector research offers complementary insights. Chang and Tuckman (1994) show that nonprofit organizations with more diversified revenue portfolios tend to exhibit greater financial resilience, though sometimes at the cost of operational complexity. Carroll and Stater (2009) support this view, highlighting that RD can buffer against shocks in core income streams but may also dilute strategic focus if not well-managed. These findings are interesting in football context since clubs, that are viewed as mission-driven, socially embedded institutions, face pressure to stabilize finances without compromising identity.

Johnson et al. (2017) that in consumer-centric industries, revenue growth increasingly depends on leveraging brand equity across multiple channels. Teece (2010) links successful diversification to dynamic capabilities, meaning that the firm's ability to sense market shifts, seize opportunities, and transform internal resources accordingly. This framework aligns well with PE-backed football clubs' efforts to develop digital platforms, fan tokens, and global merchandising programs.

2.7 Multi-Club Ownership (MCO)

MCO structures—where investment groups own multiple clubs across countries—are rising rapidly. Over 230 clubs were under MCO structures in 2023, up from fewer than 40 in 2012 (Farrer & Co, 2023). PE involvement and MCO growth show a strong correlation, with U.S. investors responsible for 90% of foreign football deals between 2019 and 2023 (CIES, 2023).

According to Sauer, Anagnostopoulos, Zülch, and Werthmann (2024), private equity interest in the multi-club ownership (MCO) model is driven by a process they term “synergizing,” which refers to the benefits derived from both the existing network of the target club and the strategic dynamics of the investor’s broader portfolio.

MCO offers:

- Centralized data and recruitment
- Fluid player transfers
- Global brand leverage
- Geographic and league risk diversification (Corbett, 2024)

From a strategic management perspective, MCO models leverage dynamic capabilities and value chain synergies across club portfolios. Dias (2021) argues that MCO structures can create sustainable competitive advantages in areas such as commercial revenues, transfer market activity, and operational efficiencies. However, he emphasizes that these advantages materialize only when ownership groups achieve a high level of integration, maintain robust organizational structures, and preserve strong connections with local fanbases.

Despite these potential benefits, MCO structures invite scrutiny regarding competition integrity, governance risks, and the erosion of traditional fan loyalty. Furthermore, regulatory intervention from governing bodies such as FIFA and UEFA remain a significant uncertainty for the long-term viability of MCO strategies (UEFA, 2024).

As single-club valuations continue to rise, MCO increasingly presents an attractive strategy for private equity firms seeking to scale their football investments while mitigating financial and sporting risk.

2.8 Digital Innovation and Strategic Brand Partnerships

2.8.1 Creating Recurring Revenue Through Digital Innovation

Football clubs are increasingly navigating towards media and technology, developing proprietary content, launching subscription-based services, and monetizing digital fan engagement. These strategies offer scalable, high-margin revenue streams that reduce dependency on matchday attendance or traditional broadcasting contracts (Deloitte, 2024).

Clubs with strong brand identities such as FC Barcelona and AC Milan have taken the lead in building internal media capabilities. Barcelona's launch of Barça Studios in 2019 consolidated its audiovisual content under one production unit. Similarly, AC Milan's Media House, launched in 2021, functions as a 4K in-house content hub, enabling branded content creation and commercial distribution (AC Milan, 2021; Sport, 2022).

These developments reflect dynamic capabilities, as clubs adapt to shifting consumption patterns and explore new monetization models (Teece, 2007). They also align with the Resource-Based View, where proprietary digital content and data assets may constitute valuable, rare, and hard-to-imitate resources (Barney, 1991).

Private equity-backed clubs have shown strong interest in scaling these digital efforts. Examples include Manchester City's CITY+ platform and Chelsea's ventures division. These initiatives seek to generate recurring revenue through digital products, enhance global fan engagement, and improve the commercial utilization of fan data (Gompers, Kaplan, & Mukharlyamov, 2016).

2.8.2 Reaching Target Audience Through Strategic Brand Partnerships

In addition to digitalization, clubs are moving beyond traditional sponsorships to form strategic alliances with brands that reflect their cultural identity and commercial ambitions. Recent partnerships span industries such as fashion, fintech, and lifestyle (Deloitte, 2024). These collaborations often result in co-branded products, exclusive campaigns, and expanded monetization potential.

AC Milan's deals with Off-White and BitMEX exemplify this shift—positioning the club as a cultural brand while unlocking new streams of commercial value (AC Milan, 2023). For PE-backed clubs like Milan and Chelsea, such partnerships align with investor goals by spreading risk, enhancing global visibility, and scaling brand equity across multiple markets (Clifford Chance, 2023; Gompers et al., 2016).

2.9 Competitive Advantage: Theoretical Perspectives & Concerns

The concept of competitive advantage lies at the heart of strategic management and is critical to understanding how private equity (PE) might influence football club performance. Broadly, the literature divides the sources of competitive advantage into two schools of thought: exogenous and endogenous.

2.9.1 Exogenous School: Industry Structure and Market Forces

This perspective suggests that a firm's success is largely shaped by external market forces beyond its immediate control. The most prominent framework here is **Michael Porter's Five Forces Model** (Porter, 1979), which evaluates industry competitiveness based on:

- Competitive rivalry
- Threat of new entrants
- Bargaining power of suppliers
- Bargaining power of buyers
- Threat of substitutes

When applied to football, this model helps explain systemic dynamics such as unequal broadcasting revenue distribution, the volatility of sporting outcomes, and high barriers to entry, especially in elite leagues. For instance, Rossi, Thrassou & Vrontis (2013) apply the Five Forces model to Italian football, emphasizing its high-risk, high-reward nature. However, while insightful, this model underplays the role of firm-specific strategic decisions.

2.9.2. Endogenous School: Firm Capabilities and Strategic Choices

More relevant to this thesis is the endogenous view, which posits that internal resources and capabilities can be intentionally leveraged to shape competitive outcomes. This aligns with

PE's operational model, seeking to optimize internal operations to generate sustainable returns.

A central framework within this school is the Resource-Based View (RBV), introduced by Barney (1991). RBV argues that sustainable competitive advantage arises when a firm controls resource that are:

- Valuable
- Rare
- Inimitable
- Non-substitutable

The VRIN framework offers a structured way to evaluate whether internal assets and capabilities can generate persistent strategic advantage.

In football, the Resource-Based View (RBV) has been used to assess strategic assets such as brand equity, physical infrastructure, communication practices, and human capital as drivers of both perceived and actual competitive advantage. These elements frequently surface in club management debates and media narratives, reinforcing the VRIN framework's significance in football's commercial strategy (Costa et al., 2018).

However, football presents a uniquely complex environment for applying RBV. The effectiveness of strategic resources depends not only on internal deployment and legitimacy, but also on how external stakeholders perceive them. Thus, fan sentiment plays a crucial role in determining whether a resource is truly valuable, rare, inimitable, and non-substitutable (Franck, 2010; Holzmayr & Schmidt, 2020). Therefore, any application of the VRIN framework in football must account for the role of external validation in establishing competitive advantage.

2.9.3 Dynamic Capabilities

As an extension of the Resource-Based View (RBV), dynamic capabilities refer to a firm's ability to adapt, integrate, and reconfigure internal and external resources in response to shifting environments (Teece, Pisano, & Shuen, 1997). While RBV focuses on the possession of valuable resources, dynamic capabilities emphasize the ongoing renewal of competencies as markets evolve.

According to Teece (2007), this process unfolds through a firm's capacity to sense emerging opportunities and threats, seize them through timely strategic action, and transform internal structures to maintain strategic alignment over time. In professional football, these capabilities are increasingly relevant as clubs face rapid shifts in fan behavior, technology, and an evolving commercial environment.

Recent football-related research supports this perspective. Sriburi, Chaisiripaibool, and Terason (2025), studying clubs in the Thai League, found that adaptive and creative capabilities, when combined with social media marketing competencies, function as dynamic capabilities that enable clubs to monetize fan engagement through product extensions.

2.9.4 Porter's Value Chain in Football

Porter's (1985) value-chain framework disaggregates firm activities into primary and support activities. Serrano, Lacerda and Cassel (2019) adapt the model to the football context by examining Brazilian football industry. They argue that *Inbound logistics* reflects player recruitment and academy scouting, *operations* equate to match-day performance, *outbound logistics* becomes content distribution and ticketing, while *marketing & sales* includes branding, sponsorship and merchandising; *service* is reflected in fan engagement and community programmes. Support functions (infrastructure, HRM, technology, procurement) remain largely unchanged (Soriano, 2010). Under private-equity control, clubs use cost analytics and performance data to optimise each link (Samur, 2020). A vivid example is Chelsea FC: after Clearlake Capital's £4.25 bn buy-out, the club licensed its crest to DAMAC Properties, becoming the first Premier-League club to monetise IP in Gulf real estate (Chelsea FC, 2025).

2.9.5 Concerns Around Competitive Imbalance

UEFA has expressed growing concern over financial disparities in club football. Commercial revenue drives intra-league gaps, while broadcasting income divides countries (UEFA, 2025). In response, UEFA has introduced measures such as the UEFA Conference League and an increased match volume to redistribute resources more equitably among international competition. Domestic examples, like Portugal's centralized broadcast rights starting in 2027/28, reflect similar intentions within the context of individual countries (Espensen, 2025).

2.9.6 Impact of Financial Regulations

Studies on Financial Fair Play (FFP) suggest it may have exacerbated disparities.

Ramchandani et al. (2023) found FFP has increased concentration of power among elite clubs. Buraimo et al. (2022) point to talent concentration as a key driver of imbalance, while Szymanski (2023) notes structural inequalities in both UEFA and CONMEBOL limit the sustainability of compensation received from competition.

2.9.7 Revenue Diversification as a Strategic Resource in Football

2.9.8 Applying RBV and Dynamic Capabilities

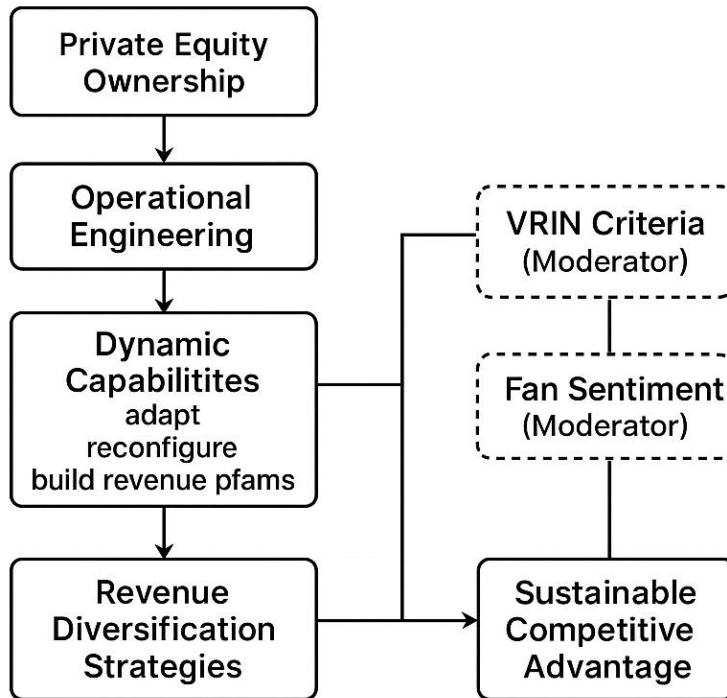
This study views revenue diversification not just as a financial objective, but as a potential source of sustainable competitive advantage. Using the Resource-Based View (RBV), diversified revenue streams, such as digital content, global sponsorships, and stadium commercialization, can become strategic resources if they are valuable, rare, inimitable, and non-substitutable (Barney, 1991). When built on unique club assets like brand equity, global fanbases, or proprietary media platforms, they may fulfil these conditions.

To understand how clubs develop and sustain such resources, the dynamic capabilities framework (Teece et al., 1997) is also applied. PE-backed clubs are argued to demonstrate these capabilities through operational changes, upgrading governance, digital infrastructure, and commercial models in response to shifting conditions.

Fan sentiment adds another strategic dimension. In football, value creation must align with cultural expectations. Excessive or misaligned commercialization can alienate supporters, whose emotional investment gives legitimacy to strategic actions (Franck, 2010; Bull & Whittam, 2020).

A 15-year study by Holzmayer & Schmidt (2020) supports this approach. It found that moderate related diversification improves financial performance, while unrelated or excessive diversification can be counterproductive. This reinforces the need for strategic alignment when deploying new revenue models.

Model 1. Conceptual VRIN Value Creation Model



VRIN Framework (Own Development.)

3. Methodology

3.1 Research Design

This study uses a qualitative, exploratory research design to examine how private equity ownership drives operational transformation and revenue diversification in professional football clubs, with an objective to understand how PE implement value creation, especially in the context of revenue diversification, and how these can lead to sustainable competitive advantage.

Given the significant effect of subjective factors on strategic outcomes, such as fan sentiment, and the limited availability of standardized, longitudinal data on privately owned football clubs, a qualitative approach was chosen as the primary method to capture the nuances of this complex topic. This method enables access to in-depth insights from highly experienced professionals with direct, and extensive knowledge in investment strategy, governance, and commercial innovation within the football industry.

To support triangulation between stakeholder strategy and fan satisfaction, a fan survey was introduced, in addition to secondary data analysis, expert interviews and case study, to capture perceptions regarding PE-led transformations, commercialization, and MCO, and to support the research objective.

The chosen design supports the research goal of bridging strategic management theory with institutional transformation in European football.

3.2 Data Collection

Primary data was gathered using multi-source data collection approach, combining primary and secondary methods to enhance the depth and reliability of results. The integration of semi-structured expert interviews and a structured fan survey, combined with extensive secondary data collection and analysis of secondary analysis of a real-life case aimed to capture institutional strategy and fan sentiment material. This mixed approach combined insider views on private equity (PE) strategy with external fan perspectives to provide a fuller picture of how PE-led transformations are understood and implemented (Saunders, Lewis, & Thornhill, 2007).

3.2.1 Expert Interviews

To provide industry-level insight, semi-structured interviews were conducted with 10 senior professionals from across the football ecosystem. These included private equity investors, a football law director, sports tech strategist, commercial executives, a football finance journalist, corporate finance advisor, sports consultant, and a football league president (See table 1). Participants were selected for their first-hand experience in club investment, governance, and commercial understanding.

To ensure breadth of perspectives across markets, clubs, and governance structures, the interviewees represented a diverse geographical distribution, including Northern and Southern Europe, Central and Eastern Europe, and the United States, as well as professionals working within international organizations such as FIFPRO and FIFA (See Table 1).

This method allowed for context-rich insights and flexible follow-up based on each participant's expertise (Saunders, Lewis, & Thornhill, 2007).

To protect confidentiality, all participant names and affiliations were anonymized by using general descriptors (e.g., "League President," "Investment Professional").

Table 1: Expert Interview Participants

Interviewee ID	Professional Role	Region / Scope
Interviewee 1	Football Journalist & Finance Analyst	Northern Europe
Interviewee 2	League President / Executive	Northern Europe
Interviewee 3	Commercial Consultant at MCO Group	Central / Eastern Europe
Interviewee 4	Financial Governance Officer (Football Body)	International (FIFA)
Interviewee 5	(Sports) Private Equity & Venture Capital Executive	U.S. / Global
Interviewee 6	Football Entrepreneur & Commercial Strategist	United States
Interviewee 7	Executive at Sports Technology Firm	Southern Europe
Interviewee 8	Football Lawyer	International (FIFPRO)
Interviewee 9	M&A Executive	Netherlands
Interviewee 10	Strategic Communications Advisor (Football Sector)	Northern Europe

Interview summary table (Own Development)

3.2.2 Fan Survey

To supplement institutional perspectives with supporter sentiment, a structured online fan survey was conducted using a non-probabilistic, purposive sampling strategy. The survey targeted individuals with an interest in football, aiming to capture their perceptions of private equity ownership, multi-club ownership (MCO), and preferences regarding current revenue diversification strategies employed by clubs.

The surveys were distributed primarily through WhatsApp supporter groups and Instagram, leveraging the researcher's personal network within the football community. As a former professional footballer, the researcher had direct access to a broad base of actively engaged

fans, enhancing the relevance of the responses collected. The survey was designed and distributed using Qualtrics.

In total, 206 responses were received, of which 182 (88%) were valid and included in the analysis after excluding incomplete or non-substantive entries. The geographic distribution of valid responses was strongly weighted toward Northern and Western Europe, with Finland accounting for 52%, followed by the Netherlands (21%), Italy (7%), the United States (4%), and the United Kingdom (3%). Smaller response shares also came from Denmark, Spain, Germany, Sweden, and Brazil, reflecting a diverse yet regionally concentrated fan base.

Fan survey was chosen since fan and stakeholder perceptions is essential, as competitive advantage in football is not only resource-based but also influenced by how strategic assets are perceived externally (Costa et al., 2018). Thus, the survey played a critical role in triangulating institutional strategies with supporters' expectations and emotional investment.

3.2.3 Secondary Data

In addition to primary sources, extensive secondary data was collected to provide financial, strategic and football specific context for analysis. secondary data was vital for triangulating findings, and addressing gaps where primary data may be limited (Saunders, Lewis, & Thornhill, 2007).

3.2.4 Case Analysis

An additional component of the secondary data analysis was a focused case study of AC Milan under RedBird Capital's ownership. AC Milan was selected, as the case, to its clear match with the study's core themes. PE-led, acquisition, and the following increased focus in revenue diversification. Publicly available sources, such as club financial statements, press releases, media coverage, and UEFA's commercial data, were used to trace strategic changes post-acquisition.

A single-case study was included to allow for more in-depth, context-specific analysis of private equity-driven transformation in professional football. Case studies are particularly suited for exploratory research involving complex and evolving phenomena, especially when "how" and "why" questions are central (Yin, 2015). This method is commonly used in sports

management to examine dynamic strategic environments, where quantitative generalizations are difficult to make (Serrano et al., 2017; Holzmayer & Schmidt, 2020).

3.3 Analytical Framework and Coding Strategy

This study applies a theory-based qualitative analysis strategy to assess the competitive advantage creation by PE in professional football clubs. The analytical framework integrates three complementary strategy lenses, discussed in the literature: the Resource-Based View (RBV) (Barney, 1991), Dynamic Capabilities Theory (Teece, 1997), and Porter's Value Chain (1985), each serving a specific function within the analysis.

The RBV framework provides a foundation for identifying and evaluating the strategic resources that PE-backed clubs develop through revenue diversification and operational transformation. Specifically, the analysis assesses whether such resources fulfil the VRIN criteria, being Valuable, Rare, Inimitable, and Non-substitutable, as outlined by Barney (1991)¹. The resources should be evaluated across these dimensions to determine their potential to generate sustainable competitive advantage.

Complementing RBV, the dynamic capabilities perspective (Teece et al., 1997)² guides the evaluation of how clubs reconfigure internal processes and adapt to evolving commercial landscapes. This is relevant in assessing PE-led operational engineering strategies such as digital innovation, commercial expansion, and multi-club coordination. The analysis considers not only the possession of valuable resources but the club's ability to **develop, deploy, and reconfigure them** in response to market volatility.

3.3.1 Coding Strategy

Interview transcripts and open-ended survey responses were analyzed using thematic analysis (Braun & Clarke, 2006), guided by two core frameworks: the Resource-Based View (RBV) and Dynamic Capabilities Theory.

RBV coding followed the VRIN criteria to assess whether PE-introduced strategies, such as digital monetization and global sponsorships, qualified as strategically significant resources. Codes included "valuable resource," "rare capability," and "non-substitutable asset," with inductive additions like "brand equity" and "fan loyalty." (See Appendix)

Dynamic capabilities coding focused on identifying evidence of opportunity sensing, seizing, and reconfiguring. (See Appendix)

Coding was conducted manually using Excel and structured around a codebook organized by theoretical lens.

Porter's Value Chain was used conceptually in the case study but not as a coding framework.

3.4 Ethical Considerations

Participants were informed about the purpose of the study and their rights as interviewees. Informed consent was obtained verbally before any recording begins. Anonymity and confidentiality will be preserved by de-identifying personal and organizational names in transcripts and reports. Data will be stored securely and used solely for academic purposes.

3.5 Limitations

As a qualitative study relying on expert interviews, the findings are context-specific and may not be generalizable across all clubs or geographies. However, the focus on theory-building and strategic insight aims to provide depth rather than breadth. The study's strength lies in offering a structured, theory-driven lens through which the evolving role of private equity in football can be understood.

Analysis and Findings

This research has grappled with a central tension in modern European football: the “genuine paradox of inexistent or constantly low operating profits despite almost exploding revenues” (Franck, 2010). At the heart of this paradox lies the entry of private equity (PE) into a sector traditionally marked by chronic unprofitability (UEFA, 2024; Deloitte, 2025). PE funds are designed to deliver high returns to limited partners through operational turnarounds and increased profitability—yet most professional football clubs continue to operate at a loss.

The enduring characterisation of clubs as *utility-maximisers*—where financial profit is routinely sacrificed for sporting achievement—remains relevant (Sloane, 1971; Franck, 2010). This stands in contrast to the profit-maximising ethos of many U.S. investors, who often bring a more commercial mindset, emphasizing innovative revenue streams, cost control, and scalability (Rohde & Breuer, 2018).

Recent data reflect this shift. As of December 2023, U.S.-based entities led the global trend in multi-club investment (MCI), accounting for 44 active MCI groups—more than any other country. Additionally, nine of the twenty Premier League clubs (45%) had some form of majority American ownership (UEFA, 2025; Deloitte, 2024). This raises a key question: *Where exactly do these investors see the upside in a historically loss-making industry?*

Enhancing traditional revenue streams—matchday ticket sales, broadcasting rights, and player transfers—while expanding into new income sources is central to how private equity (PE) sponsors aim to extract value from football club assets. The multi-club ownership model further strengthens this strategy by enabling cross-market synergies, shared operational services, and global brand extensions. These tactics are geared toward generating multiple-arbitrage opportunities: acquiring underperforming clubs at a discount, improving their performance and financial comparables, and then exiting at a higher valuation (Kaplan & Strömberg, 2009; Guo, Hotchkiss & Song, 2011).

A critical consideration is warranted. Scholars have argued that leveraged buyouts can increase financial risk and undermine sporting performance when cost-cutting measures clash with the competitive demands of the game (e.g., Plumley et al., 2023). UEFA's own data shows a decline in top-division takeovers in 2024, suggesting that tighter credit conditions, increasing club valuations and greater regulatory scrutiny have slowed deal activity (UEFA, 2025). The broader competitive impact of PE-led strategies remains uncertain. Whether private equity ownership ultimately strengthens or threatens club sustainability, and whether it delivers a return on investment for the funds involved, remains an open empirical question. The answer will likely determine whether PE becomes a lasting force in the football industry.

4.1 What Makes Revenue Creation Sustainable? Resource-Based View Analysis

This section explores how revenue diversification is perceived and implemented across football clubs under private equity (PE) or multi-club ownership (MCO) structures, and whether these strategies meet the criteria of the Resource-Based View VRIN framework (Barney, 1991). Through expert interviews, several recurring patterns emerged regarding the nature, scalability, and strategic significance of revenue streams beyond traditional matchday and broadcasting income.

4.1.1 Valuable: Data and Digital as Strategic Enablers

One key enabler of meaningful diversification is the strategic use of fan data. Several experts stressed that data-driven insights allow clubs to better understand fan preferences, behaviors, and values. This enables more targeted and culturally aligned revenue strategies, rather than generic commercial expansions, improving the likelihood of sustained engagement and loyalty. As Expert n°1 highlighted, “Clubs like Eintracht Frankfurt and FC Copenhagen are using fan data to build partnerships and monetize loyalty. Data collection (despite privacy issues) is extensive and underpins future revenue strategies.

These insights reflect the "V" in the VRIN framework, suggesting that data can be a valuable since it helps clubs to gain information about their fans, which then can be utilized for commercial growth.

Revenue diversification was consistently acknowledged as critical to competitive advantage. Experts noted that commercial income, including digital content, merchandising, partnerships, and global brand licensing, has become increasingly important, though they differed in how effectively clubs are capitalizing on these opportunities. Some experts pointed to standout cases of successful implementation, while others argued that commercial potential remains largely untapped across most clubs. Expert n°6 emphasized that diversification is “vital, but not all revenue is created equal,” suggesting that long-term resilience lies in community equity schemes and youth pipeline monetization rather than opportunistic sponsorships like gambling or inflated hospitality. Similarly, Expert n°1

underscored how content creation and digital monetization are emerging even among smaller clubs as viable strategies, though dependent on fan loyalty and data.

4.1.2 Rare and Inimitable: Execution as Differentiator

While diversified revenues are valuable, they are not inherently rare or inimitable unless used for the right ways. Several experts, including Expert n°4 and n°5, highlighted that tools such as digital platforms, retail systems, and fan engagement technologies are widely accessible and easy to acquire. However, they stressed that the real differentiator lies in how these tools are implemented, specifically, in the creativity, cultural fit, and strategic consistency of their execution. Expert n°3 noted that while top-tier clubs have explored a broad range of commercial strategies, they may face diminishing returns without innovation. In contrast, smaller clubs, with the right agility and strategic focus, could leverage their untapped market potential to build more distinctive and resilient revenue models, becoming less dependent on sporting-related income. The maturity of the respective football ecosystems also appeared to shape expert perspectives. For example, in Finland, current efforts seem focused on stabilizing traditional revenue streams, whereas in more mature and professionalized ecosystems, revenue diversification is a more pressing strategic objective. As Expert n°1 noted: “First you grow the commercial pillar—sponsors, match-day, broadcast—then you can layer on new things like your own digital content and other revenue plays.”

While tools like retail platforms and fan engagement technologies are widely available, this perspective stresses that the way they are deployed determines their rarity and inimitability. Cultural fit, agility, and market-specific creativity appear to be key differentiators, switching these generic tools to competitive assets.

4.1.3 Non-Substitutable: Embeddedness and Identity

A recurring concern was whether diversified revenues could create a sustained advantage or be easily replaced. Expert n°8 warned of clubs becoming “IP stacks,” built around short-term monetizable assets but lacking cultural capital or long-term brand loyalty. He also criticized the trend of treating players like assets rather than people, arguing this commodification undermines both sporting values and fan loyalty, compromising long-term sustainability. In contrast, Expert n°2 emphasized that clubs exploring adjacent business sectors (e.g.,

healthcare, events) show promise in embedding revenue within their local ecosystem, arguably making it less substitutable.

From an RBV standpoint, revenue models that interact with the club's cultural and geographic surroundings, such as local business partnerships or other forms of fan engagement schemes, are harder to replicate or replace. These embedded strategies enhance the “N” in VRIN, making them more resilient and more strategically sustainable.

4.1.4 PE Incentives and Strategic Limitations

Several experts (e.g., n°5 and n°9) questioned the alignment between PE investment horizons and the strategic patience required to build diversified, resilient income. Expert n°9 specifically critiqued the over-financialization of club strategy, warning that commodifying clubs and players for short-term gain undermines sustainable revenue building.

4.1.5 Conclusion

While revenue diversification is widely seen by experts as an essential evolution in football strategy, its contribution to competitive advantage depends on how well it is aligned with a club’s identity, infrastructure, and long-term operational model. This chapter has shown that data-enabled personalization, local embedding, and executional consistency are essential to transforming generic revenue models into valuable, rare, and inimitable resources. However, concerns about commodification and short-termism suggest that only well-executed, community-aligned strategies satisfy the “N” in VRIN.

These findings align with Barney’s (1991) Resource-Based View, which highlights that strategic advantage emerges when resources are not only valuable, rare, and inimitable, but also non-substitutable. Holzmayer and Schmidt (2020) support this view through their empirical research, showing that moderate, related diversification improves performance, while unrelated or excessive diversification may yield diminishing returns in football. Franck (2010) and Bull and Whittam (2020) further caution that profit-driven mindset often clashes with football’s social fabric, suggesting for a need for strategic patience and cultural sensitivity. For less mature football markets, this may require continued strengthening of foundational commercial pillars before layering on complex revenue models.

4.2 Perception on the role of Dynamic Capabilities

4.2.1 Sensing: Identifying Strategic Opportunities

Interviewees consistently emphasized that PE- and MCO-backed clubs tend to be more agile in sensing market trends, particularly due to better access to data, capital, and digital infrastructure. Expert n°7 stated, “Investment-led clubs, particularly under multi-club ownership, are more business-oriented, better resourced, and faster to adopt new technologies.” Expert n°4 added that the MCO model enables experimentation across clubs in areas such as fan engagement, merchandising, and digital content. According to Expert n°1, data-driven insights also allow quicker adaptation to market shifts and fan preferences. However, Expert °5 noted that while the idea of data monetization is compelling, the evidence of its real-world implementation is still limited. This suggests that while the sensing capability exists, it remains underdeveloped in many cases and cannot be assumed to apply uniformly across clubs.

4.2.2 Seizing: Acting on Strategic Opportunities

Several experts highlighted that PE ownership facilitates faster decision-making and resource mobilization. Expert n°5 noted that operational engineering aimed at fast-tracking stadium deals or expanding digital rights is a core strategy for value creation. Expert n°1 discussed how clubs under PE ownership tailor merchandising strategies to regional fan profiles, indicating a flexible, market-responsive approach.

Expert n°6 emphasized that many clubs are now KPI-driven and more willing to experiment, although this does not always translate to long-term strategic coherence. Still, these examples align well with the concept of "seizing" as defined by Teece (1997): the ability to act on sensed opportunities.

However, seizing does not come without challenges. Expert°9 warned that overly financialized strategies set a risk to football’s emotional and cultural values. This observation

highlights a potential conflict between rapid monetization and preserving the sport's deeper social value.

4.2.3 Reconfiguring: Transforming Club Structures and Capabilities

The discussions centered around the possibilities presented by Multi Club Ownership models, which have been linked with Private Equity's operational engineering practices. Expert n°2 noted the implementation of shared analytics platforms across MCOs to cut scouting costs and enhance recruitment, illustrating how MCOs attempt to reconfigure internal structures to create synergies and thus, boost operational efficiency and strategic cohesion. Expert °6 added that centralized branding and commercial units streamline operations and improve coherence.

Despite these advancements, reconfiguration is not always successful. Expert °7 cautioned that smaller clubs within MCO networks often lack the autonomy or resources to benefit from shared infrastructure. Expert °5 also highlighted that football's emotional intensity and pressure to win can override rational business decisions, even among experienced PE professionals. This reinforces the complexity of achieving deep operational change in football.

A particularly revealing insight came from Expert °8, a football law director, who warned of regulatory constraints on transformation. For instance, salary cap reforms favored by some PE owners would likely be blocked under EU competition law without a collective bargaining agreement. This highlights an interesting institutional boundary that can limit how far these respective models can realistically go.

4.2.4 Conclusion

The interviews highlighted a number of operational shifts and strategic tendencies linked to dynamic capabilities under PE and MCO ownership. Experts explained their views on how clubs are experimenting with data, analytics, merchandising, and brand infrastructure in ways that enhance their ability to sense and seize opportunities. While shared systems and centralized operations offer opportunities for scaling, experts also raised concerns about uneven implementation and emotional complexity, especially among smaller clubs.

Contractual constraints, cultural misalignment, and limited autonomy were seen as key barriers to structural reconfiguration in football.

These findings align with the Dynamic Capabilities framework proposed by Teece et al. (1997), where long-term advantage depends on the capacity to sense, seize, and transform in volatile environments. Strategic models such as PwC Strategy& (2017) and Operational Engineering work from Gompers et al. (2016) help explain the logic behind PE's value creation approach. Holzmayr and Schmidt (2020) further support the idea that clubs aligning operational upgrades with their strategic identity tend to perform more sustainably. At the same time, Franck (2010) and others warn that over-standardization can erode the cultural integrity that differentiates football from other industries, reinforcing that dynamic capabilities in this sector are as much about restraint and contextual understanding as they are about speed and scale.

4.3.1 Case Study: AC Milan (2018 – 2024)

4.3.2 Introduction

AC Milan provides a timely and relevant case of private equity (PE) ownership in European football. After Elliott Management's takeover in 2018, followed by RedBird Capital's acquisition in 2022, the club transitioned from financial recovery to commercial expansion. This section reconstructs the investment rationale and analyses revenue diversification under PE, using Porter's value-chain framework.

4.3.3 Investment Thesis for AC Milan

4.3.4 Turnaround potential and multiple expansion

In 2018 Milan was posting annual losses exceeding €100 million on revenues of c. €200 million (UEFA, 2023). Elliott's approach centred on stabilising governance, controlling wage inflation, and restoring sporting performance, steps expected to raise the revenue multiple upon an exit. RedBird's 2022 acquisition of €1.2 billion, (Brewster & Palma, 2022) shifted emphasis from financial repair to top-line growth by professionalising commercial operations and exploiting Milan's highly potential brand equity.

4.3.5 Operational Value Creation

Both funds followed a typical PE playbook involving: (i) installation of performance-based management, (ii) selective investment in high-return assets, and (iii) alignment of incentives through equity participation (Kaplan & Strömberg, 2009). Governance reforms included a streamlined board, a data-driven recruitment cell, and KPI dashboards linking revenue targets to player salary ceilings (Brewster & Palma, 2022).

4.3.6 Platform Logic and Synergies

RedBird articulated a “Moneyball for Football” strategy by leveraging its experience and strategic stakes across multiple sports and media entities, including Toulouse FC, the YES Network, and its minority investment in Fenway Sports Group (Confino, 2024). Rather than operating in isolation, RedBird draws on this portfolio to transfer analytics capabilities, commercial practices, and digital infrastructure across clubs. This networked approach reflects what private equity literature describes as a fourth value-creation lever: portfolio synergies—especially in areas such as media rights monetization and multi-asset sponsorship packaging (PwC Strategy&, 2017).

4.3.7 Exit Opportunities

Improved cash flows, a pending stadium project, and strong global investor appetite for scarce sports IP give RedBird multiple exit routes: a trade sale to a sovereign wealth fund, an IPO, or a minority recapitalization. These dynamics align with Mauboussin and Callahan’s (2024) argument that growing non-broadcast, recurring revenues compress cash flow volatility and justify higher EBITDA multiples at exit.

Table 2: Value Chain Matrix

Porter activity	Key initiative (launch year)	Illustrative revenue impact	Expert insight
Operations	In-house 4K <i>Milan Media House</i> studio (2021).		“Owning production lets clubs monetize their own content.” (Interviewee 6, personal communication, May 2025)

Porter activity	Key initiative (launch year)	Illustrative revenue impact	Expert insight
Outbound Logistics	Digital-first merchandising strategy; online store optimization.	Merchandising revenue reached approximately €30 million in 2023–24, a five-fold increase compared to six years earlier—highlighting the long-term impact of Milan’s commercial strategy (Heyes, 2024)	“There is a growing divide between entertainment-centric models and legacy-driven football cultures.” (Expert 4)
Marketing & Sales	Off-White ‘Style Partner’ and capsule drops (2022)	Commercial revenue increased by 18% in 2022–23, with sponsorship and licensing identified as key growth drivers (UEFA, 2024)	“Fashion is an avenue to reach non-core customer with high willingness to pay.” (Interviewee 7, personal communication, May 2025)
Service	\$ACM Fan Token with Socios (2021)		
Firm Infrastructure	The Club 1899 Front Row Experience (2020)	Matchday revenues have doubled annually, driven by premium experiences and pricing strategies (Ministry of Sport, 2024).	
Technology Development (support)	Club-wide data-analytics platform (2019)		” Analytics enhance cost-effectiveness in recruitment” (Interviewee 7, personal communication, May 2025)

Application of Porter’s Value Chain to AC Milan under PE Ownership

Source: Own development, based on Porter (1985), Kaplan & Strömberg (2009), PwC Strategy& (2017), Confino (2024), Brewster & Palma (2022), Ministry of Sport. (2024, April 15).

4.3.8 Analysis

The mapping confirms that PE sponsors pursued horizontal diversification across primary and support activities rather than over-relying on any single lever. Three patterns emerge:

4.3.9 Digital-first monetisation

Initiatives classed under Operations, Service, and Marketing leverage digital IP, content, tokens, NFTs, illustrating Porter's (1979) notion that technology reshapes industry structures.

4.3.10 Brand-adjacent partnerships

Based in on the fashion capitals of the world, The Off-White and AC Milan collaboration demonstrates a shift from transactional sponsorships to co-created products that embed Milan within adjacent luxury-fashion value chains, yielding both direct royalty income and intangible brand lift.

4.3.11 Infrastructure as an option play

Upgraded hospitality and a planned 70 000-seat stadium exemplify infrastructure investment that converts fixed assets into multi-event platforms, consistent with PE's preference for capex that also raises exit multiples (Guo, Hotchkiss, & Song, 2011).

Between 2020 and 2024, AC Milan's commercial revenue increased sixfold, rising from €24 million to €150 million. As a share of total income, commercial revenues nearly matched broadcasting in 2024—rising to 37.7%, up from just 15.6% in 2020 (Deloitte, 2024). From a value-chain perspective, PE ownership enhanced *coordination* across activities, e.g., data insights from Operations informing personalised offers in Marketing & Sales, creating a feedback loop that RBV alone would not fully capture.

4.3.12 Conclusion

The investment theses of both Elliott and RedBird centered on restoring sporting competitiveness while unlocking underutilized commercial potential. Viewed through Porter’s value chain framework, revenue diversification emerged not as an isolated marketing initiative, but as a strategically integrated approach embedded across core operational activities. This case provides a relevant use case for private equity investors, reflecting the evolving logic of PE in football—where long-term value creation stems not from financial engineering alone, but from coordinated operational upgrades and cross-portfolio synergies.

4.4.1 Fan Survey Perspective

Finally, to deepen our quantitative and interview-based findings, a content analysis of 142 open-ended survey comments was conducted, mapping fans’ own words into the VRIN framework (Barney, 1991; Costa et al., 2018). Using the content-analysis approach described in Section 3.2.2, 142 open-ended fan comments were mapped against VRIN dimensions to evaluate which strategic resources are the most important for them (see Table 4).

Table 4

VRIN Dimension	Top Words (Count)	Quotes From Fan Survey
Valuable	<i>tickets</i> (24), <i>experience</i> (18) <i>Streaming</i> (17)	“Ticket prices have gone through the roof lately.”
Rare	<i>tradition</i> (12), <i>heritage</i> (10)	“I miss the club’s old traditions and local roots.”
Inimitable	<i>identity</i> (15), <i>culture</i> (14)	“Our club’s identity can’t be replicated elsewhere.”
Non-substitutable	<i>streaming</i> (17), <i>app</i> (11)	“Streaming deals make watching games so much easier.”

(Own development)

4.4.2 Survey Analysis

Fans' emphasis on ticket prices and streaming and stadium experience indicates that affordable and exclusive access and engaging matchday atmospheres can qualify as a valuable resource in modern football. References to tradition and heritage demonstrate the differentiating elements of a club's history that separate it from competitors. Mentions of identity and culture point to inimitable attributes that cannot be copied without losing authenticity. Finally, appreciation of behind-the-scenes content streaming and the club apps reveals how digital platforms, when offering exclusive features, can become non-substitutable channels for fan engagement.

These qualitative insights communicate that fans themselves identify strategic resources that align with the VRIN criteria, reinforcing the argument that external perceptions play a critical role in shaping competitive advantage in football (Costa et al., 2018).

5. Discussion

5.1 Summary of Main Findings

This thesis explored how private equity (PE) ownership is transforming the strategic landscape of European football clubs, with a specialized focus on revenue diversification as an avenue for sustainable competitive advantage. Applying the Resource-Based View (RBV), dynamic capabilities theory, and Porter's value chain, the research examined how PE firms implement these strategies in an attempt to drive top-line growth in an industry with cultural, financial, and regulatory complexities.

Empirical findings from expert interviews supported the notion from literature (e.g., Deloitte, 2024; UEFA, 2024; Holzmayr & Schmidt, 2020) that revenue diversification through expansion into adjacent business verticals is an emerging trend in football to create income less reliant on game-day performance.

The channels of integration include digital innovation (e.g., fan apps, digital ticketing), branded partnerships (such as fashion or lifestyle collaborations), multi-club ownership

(MCO) strategies that unlock global brand synergies, real estate development, stadium monetization, and the expansion into adjacent verticals such as eSports, in-house media production, and innovation labs.

The qualitative insights also brought up an interesting point about the possibilities of fan data monetization, which has not been thoroughly explored in the current literature. Expert n°1, emphasized the growing strategic importance of leveraging fan behavioural data to develop personalized commercial offerings, such as targeted sponsorships or loyalty-based merchandising, which could serve as a scalable and inimitable revenue stream.

A common opinion, especially from Experts no. 1, 3, and 7, was that clubs are increasingly looking to expand their own digital assets, including proprietary streaming platforms, to reduce reliance on third-party broadcasters. This sentiment reflects a broader industry trend: UEFA (2025) notes that TV revenues have grown at just 3%, while higher-cost, lower-margin commercial revenues have expanded by 39%.

However, the main sentiment was that the success is strongly dependent on social integration and cultural legitimacy within the stakeholder environment of the football clubs. This aligns with findings from the literature review, particularly Carroll and Stater (2009), who emphasize that while revenue diversification can provide financial stability, it must be strategically managed to avoid diluting focus, especially for socially embedded institutions like football clubs.

A fan survey further validated these insights. Fans expressed support for immersive experiences like behind-the-scenes content and in-stadium innovation, as confirmed by survey responses, showing that approximately 63% of participants selected behind-the-scenes content as one of their top two choices. These survey insights are reinforced by industry data, such as UEFA's (2024) European Club Finance and Investment Landscape report, which shows that the top 20 clubs generated a combined €1.8 billion in merchandising revenue, marking a 26% year-on-year increase. This surge reflects growing global fan engagement, with merchandising contributing as much as 39% of club revenues in some cases. These figures emphasize the importance of aligning revenue strategies with emotionally resonant, fan-focused experiences that reinforce club identity and loyalty. Survey results showed that the most strongly opposed strategies were non-football-related, with NFTs or fan tokens receiving approximately 52% of participant selections, over-commercialized branding

(kits/stadiums) receiving approximately 47% of participant selections, and commercialized stadium names and PE/MCO ownership also ranking among the top negative responses. These stakeholder perceptions reinforce the argument that value creation in football must be rooted in emotional resonance, authenticity, and shared meaning, not just financial engineering. These findings are in line with Holzmayer and Schmidt's (2020) research, which suggests that related diversification strategies are more likely to yield sustainable financial performance in football, whereas excessive or unrelated diversification may lead to diminishing returns or strategic dissonance.

Recent UEFA data further supports expert sentiment that private equity (PE) firms must commit sufficient football-related resources to build dynamic capabilities. Between 2019 and 2023, the number of full-time employees (FTEs) at top-division clubs rose by 33%, despite no increase in the number of matches played (Uefa, 2025). This sharp rise in staffing highlights a strategic shift, where clubs are increasingly investing in commercial areas that require intensive labor and expertise. Unlike passive revenue channels like broadcasting, which require few internal resources, commercial innovation demands hands-on execution capacity. This trend contributes the qualitative insight from Experts 1, 3, and 6, who stressed that PE-driven transformations must be backed by adequate investment in organizational infrastructure to be sustainable.

Finally, an important insight emerged clearly throughout the research: for PE firms to succeed in football, they must move beyond financial engineering and develop a deeper understanding of the industry's cultural, sporting, and emotional aspects. Without this contextual understanding, even well-executed strategies can destroy long-term value creation (see also Franck, 2010; Bull & Whittam, 2020; Holzmayer & Schmidt, 2020).

While PE and MCO ownership can drive operational transformation through systemized processes and revenue diversification, it is important to understand that these advantages are not self-sustaining or obvious. Long-term success depends on strong stakeholder alignment, deep football domain expertise, and adequate investment in scaling and maintaining these systems.

5.2 Contributions to Literature and Practice

This thesis contributes to the literature by synthesizing strategic management theory with the emerging trend of Private Equity ownership in football. It extends the Resource-Based View and dynamic capabilities theory into a novel domain with practical insight, expanding to the scarce academic literature on commercial development in football clubs.

Practically, the research offers strong qualitative insights to both Private Equity investors and executives working in the football industry. For Private Equity investors, the study highlights the importance of cultural and contextual sensitivity, stakeholder engagement, and long-term investment in operational infrastructure. For club managers, the study illustrates how to leverage existing brand equity and emotional capital to build scalable, fan-aligned revenue strategies.

5.3 Limitations

As a qualitative, interview-based case study supported by a small-scale fan survey, the research faces several limitations. First, the findings are based primarily on expert insights and cannot be generalized across all football contexts without caution. Second, while revenue diversification is the focal point, other relevant strategic dynamics (e.g., cost control, talent development, financial governance) were not deeply explored. Third, most evidence comes from top-tier European clubs; thus, the applicability to smaller or non-European clubs remains uncertain.

5.4 Suggestions for Future Research

Future research could benefit from more quantitative financial performance indicators across diversified versus non-diversified clubs under PE ownership. Another interesting qualitative approach would be to analyze the long-term evaluation of fan sentiment about perceived over-commercialization. Finally, researchers may wish to explore how regulatory shifts (e.g., UEFA Financial Sustainability rules) affect the scalability of PE-led diversification strategies.

In conclusion, this thesis shows that private equity can act as a catalyst for innovation in football, but its success is not automatic. Only by combining operational discipline with

contextual understanding can enduring, mutually beneficial outcomes for clubs, fans, and investors be found.

6. References

1. Acero, I., Serrano, R., & Dimitropoulos, P. (2017). Ownership structure and financial performance in European football. *Corporate Governance*, 17(3), 511–523. <https://doi.org/10.1108/CG-07-2016-0146>
2. AC Milan. (2021, February 8). AC Milan: The Studios, Milan Media House. <https://www.acmilan.com/en/news/articles/club/2021-02-08/ac-milan-the-studios-milan-media-house>
3. AC Milan. (2022, August 23). AC Milan announces Off-White partnership. <https://www.acmilan.com/en/news/articles/club/2022-08-23/ac-milan-announces-off-white-partnership>
4. Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99–120. <https://doi.org/10.1177/014920639101700108>
5. Bozzoli, F., & Izzo, M. (2024). Creating value in football: Unveiling business activities used by private-equity investors. *Journal of Global Sport Management*. Advance online publication. <https://doi.org/10.1080/23750472.2024.2314568>
6. Brewster, J., & Palma, S. (2022, June 4). Meet the dealmaker who bought AC Milan from Elliott Management. *Financial Times*.
7. Buraimo, B., Forrest, D., & Simmons, R. (2022). Talent concentration and competitive imbalance in European soccer. *European Sport Management Quarterly*, 22(4), 435–450. <https://doi.org/10.1080/16184742.2022.2074389>
8. Carroll, D. A., & Stater, K. J. (2009). Revenue diversification in nonprofit organizations: Does it lead to financial stability? *Journal of Public Administration Research and Theory*, 19(4), 947–966. <https://doi.org/10.1093/jopart/mun025>
9. Chang, C. F., & Tuckman, H. P. (1994). Revenue diversification among nonprofits. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 5(3), 273–290. <https://doi.org/10.1007/BF02354036>
10. Chelsea Football Club. (2025, April 30). Chelsea partners with DAMAC Properties. <https://www.chelseafc.com/en/news/article/chelsea-partners-with-damac-properties>
11. Clifford Chance. (2023). *US private equity investments in European football*.
12. Confino, P. (2024, April 2). RedBird Capital’s Gerry Cardinale is bringing Moneyball to Milan. *Fortune*. <https://fortune.com/2024/04/02/gerry-cardinale-redbird-capital-billy-beane-moneyball-milan-soccer-italy-yankees/>
13. Costa, M. F. da, Costa, C. E., Felisoni de Angelo, C., & Araújo de Moraes, W. F. (2018). Perceived competitive advantage of soccer clubs: A study based on the resource-based view. *RAUSP Management Journal*, 53(1), 23–34. <https://doi.org/10.1016/j.rauspm.2017.12.001>
14. Deutsche Welle. (2019, April 12). Get to know the concept of the German Verein. <https://www.dw.com/en/get-to-know-the-concept-of-the-german-verein/a-48306152>
15. Deloitte. (2023). *Annual review of football finance: Premier League clubs*. Deloitte.
16. Deloitte. (2024). *Football money league 2024: Top 20 clubs’ revenue breakdown*. Deloitte Sports Business Group. <https://www.deloitte.com/uk/en/services/financial-advisory/analysis/deloitte-football-money-league.html>

17. Dias, F. (2021). *The multi-club ownership model in global football: strategic, operational and regulatory perspectives* [Master's thesis, University of Lisbon].
18. Ducrey, P., Ferreira, C. E., Huerta, G., & Marston, K. T. (2003). *UEFA and football governance: A new model* (Master's thesis). Centre International d'Étude du Sport.
19. European Corporate Governance Institute. (2023). *Scoring profits? The impact of private equity investments on soccer clubs*. <https://www.ecgi.global>
20. Football Benchmark. (2024). Enterprise values of Europe's top 32 clubs reach €59.1 billion. <https://www.footballbenchmark.com>
21. Gompers, P., Kaplan, S. N., & Mukharlyamov, V. (2016). What do private-equity firms say they do? *Journal of Financial Economics*, 121(3), 449–476. <https://doi.org/10.1016/j.jfineco.2016.06.003>
22. Grin. (2023). *Private equity investments in the European football industry: Analysis and evaluation of a significant development*. <https://www.grin.com>
23. Guo, S., Hotchkiss, E. S., & Song, W. (2011). Do buyouts (still) create value? *The Journal of Finance*, 66(2), 479–517. <https://doi.org/10.1111/j.1540-6261.2010.01640.x>
24. Heyes, A. (2024, May 26). Milan merchandising bet pays off. *Football Italia*. <https://football-italia.net/milan-merchandising-bet-pays-off/>
25. Holzmayer, F., & Schmidt, S. L. (2020). Financial performance and corporate diversification strategies in professional football: Evidence from the English Premier League. *Sport, Business and Management*, 10(3), 291–315. <https://doi.org/10.1108/SBM-03-2019-0019>
26. Inside World Football. (2023, June 19). Premier League combined revenues hit €29.5 bn, almost double La Liga's. <https://www.insideworldfootball.com>
27. Johnson, G., Scholes, K., & Whittington, R. (2017). *Exploring strategy: Text and cases* (11th ed.). Pearson Education.
28. Kaplan, S. N., & Strömberg, P. (2009). Leveraged buyouts and private equity. *Journal of Economic Perspectives*, 23(1), 121–146. <https://doi.org/10.1257/jep.23.1.121>
29. Mauboussin, M. J., & Callahan, D. (2024). *Valuation multiples: What they miss, why they differ, and the link to fundamentals*. Morgan Stanley Investment Management. https://www.morganstanley.com/im/publication/insights/articles/article_valuation_multiples.pdf
30. Ministry of Sport. (2024, April 15). AC Milan reveals new NBA-style pitchside seats, adding to its rapid growth. <https://ministryofsport.com/ac-milan-reveals-new-nba-style-pitchside-seats-adding-to-its-rapid-growth/>
31. Palepu, K. (1985). Diversification strategy, profit performance and the entropy measure. *Strategic Management Journal*, 6(3), 239–255. <https://doi.org/10.1002/smj.4250060305>
32. Porter, M. E. (1979). How competitive forces shape strategy. *Harvard Business Review*, 57(2), 137–145.
33. Porter, M. E. (1985). *Competitive advantage: Creating and sustaining superior performance*. Free Press.
34. PwC Strategy&. (2017). *Value creation tutorial: What private equity has to teach public companies*. Strategy&.
35. Ramchandani, G., De la Torre, D., & Szymanski, S. (2023). A review of competitive balance in European football leagues before and after financial fair-play regulations. *Sustainability*, 15(5), 4284. <https://doi.org/10.3390/su15054284>

36. Rohde, M., & Breuer, C. (2018). Competing by investments or efficiency? Exploring financial and sporting efficiency of club ownership structures in European football. *Sport Management Review*, 21(5), 563–581. <https://doi.org/10.1016/j.smr.2018.01.001>
37. Samur, S. (2020). Organization design in football management process. *South African Journal of Business Management*, 51(1), Article a1779. <https://doi.org/10.4102/sajbm.v51i1.1779>
38. Saunders, M., Lewis, P., & Thornhill, A. (2019). *Research methods for business students* (8th ed.). Pearson.
39. Smith, J. (2020). The politics of football ownership: Power and image in European clubs. *Journal of Sport and Society*, 12(3), 233–250.
40. Sport. (2022, August 2). Barça Studios: Barça sells 24.5% to Socios.com for €100m. <https://www.sport.es/en/news/barca/barca-studios-14210249>
41. Sriburi, S., Chaisiripaibool, S., & Terason, S. (2025). Social media's dynamic capabilities: Driving innovation through value co-creation in professional football clubs. *Journal of Information Systems Engineering and Management*.
42. Szymanski, S. (2023). The competitive balance of UEFA and CONMEBOL football leagues. *Managerial and Decision Economics*, 44(5), 702–715. <https://doi.org/10.1002/mde.4083>
43. The Guardian. (2023). Private capital funds 35% of clubs in Europe's top leagues, research shows. <https://www.theguardian.com>
44. The MBS Group. (2023, August 11). The changing face of football finance. <https://www.thembgroup.co.uk/internal/the-changing-face-of-football-finance>
45. UEFA. (2023). *European club finance and investment landscape*. Union of European Football Associations.
46. UEFA. (2024). *European club finance and investment landscape report 2024*. Union of European Football Associations. <https://www.uefa.com>

9. Appendix

Questions	Expert n°1 Response
Background Experience?	Co-founder and chairman of "Off The Pitch," a company focused on football finance data and insights. Background in business journalism, particularly analyzing financial accounts and interviewing high-level executives. Operates as an advisor to football clubs due to clubs' lack of in-house financial and strategic expertise.
Revenue Diversification & Operational Strategies?	Clubs are increasingly focused on building stable commercial revenue streams through brand-aligned sponsorships. Content creation is a rising area even for smaller clubs, capitalizing on loyal fan engagement. Clubs monetize fan data for strategic partnerships in sectors like banking and retail.
Differences Between Traditional vs Investment-Driven Club Management?	Traditional owners treat clubs as trophies, often with limited involvement. Investment-driven (PE) owners often underestimate the level of turnaround required. They fail to invest adequately in management and strategy, believing minor board changes will suffice. Operational restructuring is often neglected.
Multi-Club Ownership (MCO) – Impact on Competitiveness/Growth?	MCOs often lack sufficient staffing to create synergy across clubs. Instead of leveraging MCO potential (shared recruitment, commercial strategy), they operate more like portfolio investors seeking risk mitigation. Real integration is rare and requires dedicated resources.
MCO – Advantages and Risks?	Risks: Integrity concerns if clubs with same owner meet in UEFA competitions. MCO structures may compromise sporting integrity. UEFA/FIFA are slow to react. Advantages: Potential exists but remains largely untapped due to insufficient investment in coordination and operations.
Organizational Integration & Fan Engagement Across MCO?	Integration often fails due to lack of central coordination. Most MCOs don't have enough personnel to ensure aligned strategy or knowledge sharing. Often no real sense of joint identity or ownership across clubs.
Strategic Resources Built Through PE? (e.g., Talent Dev., Brand, Digital)	PE involvement could help but tends to prioritize short-term sporting success. Some, like AC Milan, are learning to invest in talent development and commercial growth over time. Strategic patience is key.
Adaptation to Tech, Trends, Commercial Innovation?	Clubs like Eintracht Frankfurt and FC Copenhagen are using fan data to build partnerships and monetize loyalty. Data collection (despite privacy issues) is extensive and underpins future revenue strategies.
Importance of Revenue Diversification in Creating Advantage?	Essential for financial sustainability. Commercial income and digital content revenue are the most

Questions	Expert n°1 Response
	promising streams. Fans are highly loyal and willing to pay for insider content and merchandise.
Risks and Challenges Under Investment Ownership Models?	PE owners often misjudge football as a sector. It is unlike traditional business assets due to cultural, emotional and financial complexities. Operational investment is underestimated. Short-term thinking prevails.
Outlook for PE/MCO Investment in 5–10 Years?	Initial cycle of PE investment likely to underperform due to overvaluation and underestimated losses. Future cycles may improve if PE firms adapt by hiring expert executives and focusing on long-term commercial strategies.
Other Important Insights?	UEFA/FIFA governance too slow in adapting to ownership trends. Risk of losing core value of European football – competitive integrity – is high. Stronger regulatory intervention may become necessary.

Appendix 1: interviewee Expert #1 (Football Journalist)

Questions	Expert n°2 Response
Background Experience?	Over a decade of board-level leadership in Finnish football. President of Veikkausliiga (Finnish top league) and former board member of Football Association of Finland and club HIFK. 20+ years experience as CFO in various industries, with background in private equity and corporate finance. Recent transition to full-time League President role.

Questions	Expert n°2 Response
Revenue Diversification & Operational Strategies?	Finnish clubs focus on increasing media revenue, UEFA competition earnings, and player sales. Matchday revenue has grown post-COVID due to increased attendance. Some clubs explore additional business areas like healthcare services and hosting events. However, resource constraints limit ability to invest in new streams.
Differences Between Traditional vs Investment-Driven Club Management?	While traditional models dominate in Finland, strategic operational changes (e.g., new CEOs, restructuring sales/admin teams) at clubs like Ilves show improved performance and preparedness to exploit infrastructure upgrades (e.g., stadium projects). Clubs with investor backing show faster growth potential.
Multi-Club Ownership (MCO) – Impact on Competitiveness/Growth?	MCO is largely absent in Finland, despite being a cost-effective entry market. The model has potential to offer synergy through talent development and benchmarking. A failed Chinese-led MCO attempt shows risks but also relevance of the model. Needs regulation to preserve competition integrity.
MCO – Advantages and Risks?	Advantages: Facilitates young player development, shared resources, benchmarking. Risks: Conflict of interest in matches; requires strong regulatory oversight. UEFA and national rules (e.g., 10% ownership caps) are essential to manage these risks.
Organizational Integration & Fan Engagement Across MCO?	Rarely applied in Finland due to lack of MCO presence. Hypothetically, integration would aid player pipeline and commercial scalability, provided proper management structures are in place.
Strategic Resources Built Through PE? (e.g., Talent Dev., Brand, Digital)	Limited presence of PE in Finnish football. Where present (e.g., new ownership in HIFK), it brings financial stability and infrastructure for growth. Larger upside exists if clubs qualify for European competition and develop commercial strategies.
Adaptation to Tech, Trends, Commercial Innovation?	Clubs are increasingly aware of benchmarks and growth opportunities (e.g., media rights, youth development). However, investment into sales, marketing, and technology remains insufficient. Most resources are still directed toward sporting side.
Importance of Revenue Diversification in Creating Advantage?	Seen as essential, particularly through media contracts, UEFA prize money, and player transfers. Matchday and sponsorship revenue have potential, but require investment in facilities and staff.
Risks and Challenges Under Investment Ownership Models?	Lack of investment in off-field areas like administration, marketing, and staff well-being. Volunteer-dependent operations are unsustainable long term. Clubs often neglect necessary support functions.

Questions	Expert n°2 Response
Outlook for PE/MCO Investment in 5–10 Years?	MCO and PE likely to expand in Europe. Finland remains overlooked despite low entry costs. Future interest may grow if Veikkausliiga continues improving commercial appeal. Private equity may also enter via infrastructure or media production angles.
Other Important Insights?	Finland’s football market is small but holds growth potential. To unlock it, clubs must invest in operational capacity and commercial innovation, while adapting successful models from abroad to the local context.

Appendix 2: Interview #2 (Football League Executive)

Questions	Expert n°3 Response
Background Experience?	Works at FIFA within the Member Associations Division, focused on financial governance. Responsible for regulatory compliance and financial development support for European and Oceania federations. Experience centers on improving transparency, accountability, and strategic use of funds within football federations.
Revenue Diversification & Operational Strategies?	Revenue diversification is most visible in commercial and broadcasting segments. Clubs increasingly use social media, OTT platforms, and global branding to engage fans and enter new markets. Commercial revenues grow through content, merchandising, and partnerships abroad. Broadcasting remains pivotal but varies by league governance (centralized vs. individual club deals).
Differences Between Traditional vs Investment-Driven Club Management?	Traditional owners are often emotionally motivated, tolerating losses for prestige. PE investors aim for eventual exits and profitability, emphasizing cost control, recruitment efficiency, and long-term planning. Operationally, PE-led clubs may implement data-driven player acquisition and focus on return on investment, but struggle in fan engagement if performance lags.
Multi-Club Ownership (MCO) – Impact on Competitiveness/Growth?	MCO enables globalization of brand and streamlined player development. Top-tier clubs serve as end-goals while affiliated clubs act as development platforms. Shared playing philosophies and player movement across MCOs offer efficiency and cost savings. However, these benefits depend on alignment of operational practices.
MCO – Advantages and Risks?	Advantages: Enhanced player development, commercial leverage for smaller clubs, brand expansion. Risks: Governance concerns, loss of individual club identity, potential for conflicts of interest in competitions. External financial actors (hedge funds, broadcasters) with multi-entity stakes compound these risks.
Organizational Integration & Fan Engagement Across MCO?	Fans of smaller clubs in an MCO may benefit financially through indirect access to larger sponsorship deals. However, fan loyalty may be strained if club identity is diluted (e.g., shared kits or crests). Globalization challenges local emotional connections.
Strategic Resources Built Through PE? (e.g., Talent Dev., Brand, Digital)	PE involvement supports better recruitment strategy using data analytics, aligns purchases with coaching needs, and prioritizes undervalued assets. However, traditional revenue streams are harder to scale at top clubs where potential is already maximized. Lower-tier clubs have more upside in these areas.
Adaptation to Tech, Trends, Commercial Innovation?	Clubs employ digital subscriptions, global partnerships, and direct-to-consumer content to reach fans. However,

Questions	Expert n°3 Response
	fan sentiment and emotional investment limit aggressive commercialization. Clubs must balance innovation with cultural heritage.
Importance of Revenue Diversification in Creating Advantage?	Crucial for smaller clubs to close the financial gap with elite teams. Larger clubs have already saturated markets. Diversification allows lower-tier clubs to scale, particularly in digital and commercial segments.
Risks and Challenges Under Investment Ownership Models?	PE-owned clubs risk fan alienation if profitability outweighs sporting success. Misalignment between investment timelines and competitive expectations (e.g., Manchester United fans' impatience) creates tension. Football's emotional nature clashes with rational investment logic.
Outlook for PE/MCO Investment in 5–10 Years?	Investment trend likely to continue, especially if exits become profitable (e.g., AC Milan). Top clubs have limited room for revenue growth, but infrastructure (stadiums), fan monetization, and development clubs offer new opportunities. Increasing financial involvement from non-operational stakeholders (e.g., hedge funds) poses governance challenges.
Other Important Insights?	Private equity must navigate the unique emotional and competitive dynamics of football. While opportunities exist, long-term success depends on aligning financial models with the sport's cultural values and ensuring strong governance.

Appendix 3: Interview #3 (FIFA Financial Employee).

Questions	Expert n°4 Response
Background Experience?	Commercial and strategic consultant with over five years at Rapid Bucharest and involvement at Genoa FC. Focused on sponsorships, revenue generation, branding, and synergy building across clubs. Formerly consulted for the Romanian league and engaged in broad football marketing initiatives across Romania.
Revenue Diversification & Operational Strategies?	Clubs increasingly use cross-club sponsorship deals, co-branded merchandise, shared technical partners, pre-season tournaments, and data monetization to diversify revenues. Key focus is on building commercial ecosystems and maximizing untapped assets across clubs. Alliances (not just ownership) are emerging as strategic options.
Differences Between Traditional vs Investment-Driven Club Management?	Traditional clubs focus on culture and legacy, while investment-driven models aim at scalability and efficiency. PE models often underestimate the complex, emotional, and cultural layers in football, lacking patience and strategic depth. Quick ROI expectations clash with football's slow, trust-based processes.
Multi-Club Ownership (MCO) – Impact on Competitiveness/Growth?	MCOs have strong potential for operational synergy, talent exchange, and commercial leverage. However, in practice, they face friction due to cultural resistance, identity protection, and political dynamics within clubs. Alignment is difficult without dedicated bridging personnel and long-term integration planning.
MCO – Advantages and Risks?	Advantages: Shared sponsorships, unified branding, player development pipelines, data sharing, knowledge transfer. Risks: Fan backlash, identity dilution, internal political resistance, and logistical complexity. Lack of synchronization and trust across clubs undermines synergy realization.
Organizational Integration & Fan Engagement Across MCO?	Highly challenging due to local fan loyalty and club identities. Fans often oppose perceived exploitation or favoritism (e.g., talent transfers without compensation). Emotional and political factors must be managed carefully in communication and operational alignment.
Strategic Resources Built Through PE? (e.g., Talent Dev., Brand, Digital)	Shared commercial knowledge, branding best practices, and data monetization approaches help build strategic capacity. Some PE models risk short-termism, focusing on flipping clubs rather than fostering sustainable operational capabilities.
Adaptation to Tech, Trends, Commercial Innovation?	Clubs experiment with fan data monetization, retail innovation, brand partnerships, and media content. Cross-border knowledge sharing between clubs enhances innovation. PE involvement encourages experimentation

Questions	Expert n°4 Response
	but often lacks understanding of football-specific emotional economics.
Importance of Revenue Diversification in Creating Advantage?	Vital for future competitiveness. Clubs must capitalize on merchandising, digital content, partnerships, and co-branded strategies. Smaller clubs can benefit from aligning with larger networks or forming independent alliances to scale resources.
Risks and Challenges Under Investment Ownership Models?	Misaligned expectations between financial backers and club culture cause friction. Scandals, financial mismanagement, and short-term ROI pressure are frequent. Transparency and ethical management are needed to safeguard long-term value.
Outlook for PE/MCO Investment in 5–10 Years?	PE and MCO models will grow. Future may see “alliances” of clubs functioning like investment portfolios, competing as ecosystems. Regulatory challenges will intensify, and UEFA/FIFA will need new governance frameworks to accommodate this shift.
Other Important Insights?	There is a growing divide between entertainment-centric models and legacy-driven football cultures. Success in modern football investment will depend on reconciling business efficiency with tradition, fan emotion, and community roots.

Appendix 4: Interview 4 (Commercial director in an MCO)

Questions	Expert n°5 Response
Background Experience?	Background in investment banking, hedge funds, venture capital, and startup operations. Direct experience evaluating investments in football clubs in the U.S. and France (Ligue 1), including early-stage projects and established clubs. Strong knowledge of private equity practices and financial strategy.
Revenue Diversification & Operational Strategies?	Most club revenue still comes from traditional streams: media rights, sponsorships, and ticketing. Innovation is limited, with new sponsorships and digital rights only modestly expanding income. Emerging trends include interest in women's football and attempts to attract global audiences via international matches and content. Data monetization remains underutilized and theoretical.
Differences Between Traditional vs Investment-Driven Club Management?	PE-backed clubs aim to increase asset value within a 5–7 year horizon, either through profitability or appreciation. Traditional models may prioritize legacy and community engagement. Operational improvements focus on cost control, recruitment efficiency, and commercial expansion. PE influence is growing but remains challenged by the sector’s cultural complexity and limited profitability.
Multi-Club Ownership (MCO) – Impact on Competitiveness/Growth?	MCO raises concerns about market manipulation and governance. While it can create efficiency through shared resources, it risks monopolistic behavior and undermines league competitiveness. Most leagues now regulate ownership limits, but enforcement varies.
MCO – Advantages and Risks?	Advantages: Talent development, shared infrastructure, cost synergies. Risks: Competitive imbalance, governance loopholes, potential for undue influence within leagues. Regulatory clarity is still evolving, with some owners exploiting gaps.
Strategic Resources Built Through PE? (e.g., Talent Dev., Brand, Digital)	PE can streamline operations and build value via analytics, recruitment discipline, and brand expansion. However, asset appreciation, rather than operational profitability, often drives valuation increases. Sustainable transformation requires balancing financial goals with on-field performance and fan expectations.
Adaptation to Tech, Trends, Commercial Innovation?	Clubs are expanding global engagement via Amazon, Apple, and OTT deals, but innovation is largely within traditional frameworks. Examples like F1’s digital surge show what’s possible, but football has not mirrored this evolution yet. Women’s football is an area of growing interest and commercial opportunity.

Questions	Expert n°5 Response
Importance of Revenue Diversification in Creating Advantage?	Key for valuation growth, especially for lower-tier clubs with underutilized brand and infrastructure. However, top clubs face diminishing returns from diversification. Upside remains in optimizing existing channels rather than pioneering new ones.
Risks and Challenges Under Investment Ownership Models?	Clubs struggle to reach profitability despite revenue growth. Valuations rise based on demand and prestige, not financial returns. PE risks include overreliance on appreciation without improving fundamentals. Some actors may engage in questionable practices, raising ethical and governance concerns.
Outlook for PE/MCO Investment in 5–10 Years?	Continued growth expected as long as asset values increase. Eventually, club valuations may plateau, reducing PE interest. US franchise models (e.g., MLS) seen as more attractive due to financial predictability and lack of relegation risk. European clubs remain desirable due to brand and audience size, despite operational challenges.
Other Important Insights?	Football’s unique emotional economy complicates traditional investment strategies. Winning, not just profitability, drives value. As larger clubs dominate revenue and attention (winner-takes-more), equity in competition is at risk, and regulatory intervention will be key.

Appendix 5: Interview #5 (Investor)

Questions	Expert n°6 Response
Background Experience?	Licensed FA intermediary representing over \$100M in player value. Entrepreneur and founder of Football Is For The Fans, Inc., focused on combining media, league operations, and supporter ownership. Actively relaunching historic U.S. football clubs using equity crowdfunding, crypto engagement, and fan-governance models.
Revenue Diversification & Operational Strategies?	Big clubs exploit global licensing, stadium hospitality, digital monetization, and inflated valuations. Smaller clubs rely on matchday revenue, merchandising, and debt-financed growth. Authentic governance improvements enhance performance, but “professionalization” often centralizes power and removes soul.
Differences Between Traditional vs Investment-Driven Club Management?	Traditional management focuses on legacy and generational stewardship. PE focuses on cycles, exits, and asset extraction. This cultural clash defines modern football’s dysfunction — football as emotional utility vs. volatility product.
Multi-Club Ownership (MCO) – Impact on Competitiveness/Growth?	MCOs improve efficiency (scouting, transfers, shared rights) but reduce unpredictability and sporting integrity. Football becomes more about risk control than competition.
MCO – Advantages and Risks?	Advantages: Risk dilution, shared scouting data, cost efficiency. Risks: Fan alienation, regulatory gaps, collapse of unpredictability. Clubs become chess pieces in brand strategy games rather than independent institutions.
Organizational Integration & Fan Engagement Across MCO?	Most MCOs fail at this. Fans are treated like market segments, not cultural stakeholders. Integration should mean shared purpose, not just shared tech or players. Cultural alignment is key, yet rarely achieved.
Strategic Resources Built Through PE? (e.g., Talent Dev., Brand, Digital)	PE fast-tracks monetizable assets like stadium deals or digital rights but often neglects vital cultural assets — such as local loyalty or youth development. Clubs risk becoming nothing more than stackable “IP assets.”
Adaptation to Tech, Trends, Commercial Innovation?	Clubs are reformatted into digital-first entertainment products. Revenue streams like NFTs, media rights bundling, and algorithmic branding dominate. True innovation must respect heritage, not override it with dashboards and KPIs.
Importance of Revenue Diversification in Creating Advantage?	Critical for resilience, not just growth. Long-term value lies in community equity schemes, youth monetization, and owned digital platforms — not high-margin, low-integrity partnerships like gambling or overpriced hospitality.

Questions	Expert n°6 Response
Risks and Challenges Under Investment Ownership Models?	Over-financialization, fan alienation, and regulatory capture. When clubs serve spreadsheets instead of communities, the foundations of football begin to erode.
Outlook for PE/MCO Investment in 5–10 Years?	PE expansion will continue (more MCOs, synthetic growth), but expect backlash. Disconnected from values and competition, fans may build alternative models — reclaiming football from financial engineering.
Other Important Insights?	Football is not just being sold — it’s being reformatted for maximum monetization. Without deep respect for fans as shareholders of meaning, PE is merely trading in logos. A cultural counter-movement is likely.

Appendix 6: Interview #6 (Football entrepreneur & Commercial Strategist)

Appendix X: Interview Summary – Expert n°7 (Own Development)

Questions	Expert n°7 Response
Background Experience?	Sports tech strategist at a U.S.-based company, focused on implementing data solutions in professional clubs and startups. Two years of experience in football technology integration, including operational consulting with lower-tier and top-division clubs across multiple regions.
Revenue Diversification & Operational Strategies?	Clubs have shifted away from a single-entity focus to multi-club models, allowing for broader sponsorship and business engagement. Traditional streams (tickets, broadcasting) are now supplemented by active commercial partnerships and digital monetization. Multi-club ownership enables clubs to build brand ecosystems rather than rely solely on competition-based income.
Differences Between Traditional vs Investment-Driven Club Management?	Traditional clubs often operate with limited resources and rigid structures. Investment-led clubs, particularly under multi-club ownership, are more business-oriented, better resourced, and faster to adopt new technologies. They scale operations (e.g., scouting, analytics) across their network, whereas traditional clubs typically run with minimal staff and slower tech adoption.
Multi-Club Ownership (MCO) – Impact on Competitiveness/Growth?	MCOs are reshaping competitive dynamics by enabling lower-tier clubs to ascend faster through shared infrastructure and investment. However, the top tier remains dominated by legacy clubs. The model increases fluidity in promotions and relegations, but its impact at the elite level is still limited.
MCO – Advantages and Risks?	Advantages: Access to shared technology, bulk purchasing power, centralized data and scouting, and improved sponsorship reach. Risks: Competitive distortion, lack of organic fan bases for newly acquired clubs, and potential regulatory gaps. Calls for clearer financial and governance oversight are growing.
Organizational Integration & Fan Engagement Across MCO?	MCO clubs often prioritize commercial expansion over deep community engagement. This can result in weaker matchday revenues or attendance, especially for newly acquired clubs without a historic supporter base. Shared resources improve efficiency but may undermine authenticity.
Strategic Resources Built Through PE? (e.g., Talent Dev., Brand, Digital)	PE-backed clubs tend to prioritize scalable digital tools and commercial infrastructure. Use of player and fan data is increasingly central. Clubs with financial backing can invest in custom analytics platforms, scouting systems, and media operations that smaller, traditional clubs can't afford.

<p>Adaptation to Tech, Trends, Commercial Innovation?</p>	<p>Higher-tier MCOs lead innovation through fan data analytics, retail partnerships, and tech experimentation. Lower-tier clubs in emerging markets (e.g., Saudi Arabia) are using PE capital to rapidly close the technology gap, often skipping legacy steps. Innovation correlates strongly with available financial resources.</p>
<p>Importance of Revenue Diversification in Creating Advantage?</p>	<p>Essential, especially for clubs with limited matchday or performance-based income. Partnerships and digital rights are the most scalable streams. Fanbase size and legacy matter less than execution capacity in monetizing these new revenue channels.</p>
<p>Risks and Challenges Under Investment Ownership Models?</p>	<p>Resource inequality persists. Clubs without tech access fall behind. Overreliance on centralized control may alienate local stakeholders. Cultural friction arises when business-first models clash with football’s competitive and emotional ethos.</p>
<p>Outlook for PE/MCO Investment in 5–10 Years?</p>	<p>The MCO trend will intensify, with current groups expanding and new entrants joining. Regulation will be essential to avoid dominance and maintain integrity. PE firms will increasingly face pressure to demonstrate sustainability and community impact—not just financial ROI.</p>
<p>Other Important Insights?</p>	<p>Long-term success in MCO and PE ownership will depend on balancing commercial efficiency with grassroots legitimacy. Clubs need to combine innovation with authenticity to retain cultural value while modernizing.</p>

Questions	Expert n°9 Response
Background Experience?	Legal director of FIFPRO for nine years, representing professional players globally. Former legal counsel at UEFA and FIFA, and current judge at the FIFA Dispute Resolution Chamber. Member of multiple FIFA working groups including the Football Agent Working Group and the Players' Status Committee.
Differences Between Traditional vs Investment-Driven Club Management?	Traditional clubs are framed as social institutions with cultural and community responsibilities. In contrast, PE and MCO-owned clubs are increasingly treating clubs as financial instruments, designed to benefit a parent club or investors. This shift undermines the foundational ethos of competitive sport.
Multi-Club Ownership (MCO) – Impact on Competitiveness/Growth?	MCO structures enable multiple clubs to serve the interests of one dominant club, diminishing the autonomy and competitive integrity of the others. The expert warns that without regulation, such systems will become more widespread, leading to systemic imbalances in football.
MCO – Advantages and Risks?	Risks: Commodification of players, potential legal violations regarding player rights, erosion of sporting values. Advantages: Not explicitly endorsed. The expert expresses skepticism about whether MCO structures serve players' or the sport's best interests.
Strategic Resources Built Through PE? (e.g., Talent Dev., Brand, Digital)	PE-driven structures may facilitate revenue maximization and asset control, but these developments come at the cost of reducing players to tradable assets. The long-term sustainability of such models is questioned, particularly in relation to employment rights.
Importance of Revenue Diversification in Creating Advantage?	Implied concern that revenue strategies driven by PE or MCO ownership may prioritize financial metrics over the holistic, community-based value of clubs. Diversification, if not rooted in sporting integrity, may become extractive rather than sustainable.
Risks and Challenges Under Investment Ownership Models?	Central legal concern is the commodification of players and erosion of labor rights. Players may be pressured to accept transfers within MCOs, leading to loss of career control and increased exploitation. The model treats human assets as tradable commodities, raising serious ethical and legal questions.
Outlook for PE/MCO Investment in 5–10 Years?	Predicts significant expansion of PE and MCO structures without regulatory intervention. Warns that current trajectories are detrimental to football's core values and long-term health. Advocates for stronger oversight to preserve the essence of sport and protect players' rights.

Other Important Insights?	Emphasizes that clubs should not merely be financial assets. They are social institutions embedded in communities. The current investment trends undermine this identity and may lead to systemic crises unless FIFA and UEFA implement effective regulations.
----------------------------------	--

Category	Expert #10 Response
Background Experience	10+ years in strategic communications and marketing within sports and corporate sectors. Worked with clubs on brand positioning, crisis communication, and stakeholder alignment. Expert in fan-centric messaging and reputation strategy.
Revenue Diversification & Operational Strategies	Argued that clubs often confuse diversification with expansion. True success lies in aligning new revenue streams with the club's brand DNA. Warned that communication failures derail otherwise solid strategies.
Traditional vs. Investment-Driven Club Management	PE-backed clubs often neglect "emotional governance" — the silent capital of trust, tradition, and local symbolism. Traditional clubs do this better, but struggle with speed and scale.
Multi-Club Ownership (MCO) – Impact	MCO narrative often framed as progress, but local fans perceive it as dilution. Successful MCOs have strong internal storylines and distinct external voices. Messaging consistency is critical across clubs.
Advantages and Risks of MCO	Advantages: Consistent branding, shared communication assets, global narrative cohesion. Risks: Identity loss, suspicion from fanbases, failure to adapt story to local context.
Strategic Resources Built Through PE	PR alignment tools, media training, centralized content production. Advised clubs to treat fans as "shareholders of emotion." PE tends to treat them as consumers or metrics, which backfires.
Tech, Trends, and Innovation	Clubs increasingly focus on content, short-form video, and brand storytelling. However, most lack a communications strategy that reflects stakeholder complexity.
Importance of Revenue Diversification	Supports it — if properly communicated. Fans will tolerate commercial growth if they are included in the journey. "Revenue stories must feel like club stories."
Challenges Under Investment Models	PE often fails to manage optics. "Silence is not strategy." M&A secrecy, sudden staff exits, or abrupt policy shifts create distrust. Recommends building communication infrastructure before making changes.
Outlook for PE/MCO	Communications will become the competitive edge. Those who win the narrative battle will win the legitimacy war. More clubs will adopt CEO-level communications roles.
Other Key Insights	"The real ROI in football is not just return on investment, but return on identity."

Code	Type	Description
Valuable Resource	Deductive	Asset or capability that contributes to club performance or revenue growth
Rare Capability	Deductive	A strategic feature not commonly found among peer clubs
Inimitable Advantage	Deductive	A resource or process that is difficult for others to copy
Non-Substitutable Asset	Deductive	A resource with no direct or equivalent replacement
Brand Equity	Inductive	Strengthened or protected commercial brand due to PE strategy
Fan Loyalty	Inductive	Supporter commitment as a stabilizing or value-generating factor
Strategic Sponsorships	Inductive	Long-term or premium sponsorships that enhance financial stability
Digital Infrastructure	Inductive	Tech platforms used to generate or scale digital revenue streams

Appendix Table 1: Thematic Analysis Codes for Resource – Based View*(Own Development)***Appendix Table 2: Thematic Analysis Codes for Dynamic Capabilities**

Code	Type	Description
Opportunity Sensing	Deductive	Identifying new commercial, regulatory, or tech trends
Seizing Initiative	Deductive	Mobilizing resources to act on identified opportunities
Resource Reconfiguration	Deductive	Restructuring assets, leadership, or operations for strategic alignment
Market Agility	Inductive	Responsiveness to rapid industry or consumer shifts
Commercial Investment	Inductive	Allocation of capital toward scalable or experimental ventures
Organizational Adaptation	Inductive	Internal changes to structures or culture to align with new strategies
Adaptive Leadership	Inductive	Leadership that enables flexibility and dynamic response
Institutional Learning	Inductive	Evidence of feedback loops, iteration, or capability refinement
Stakeholder Responsiveness	Inductive	Strategic adjustment based on fan, regulator, or partner input

(Own Development)