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A Comparative Analysis of Multi-Club Ownership Models in Football: Strategic
Approaches and Market Outcomes

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Felix Obwaller

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Abstract

This thesis examines whether different multi-club ownership (MCO) models are associated with systematic differences in sporting and financial performance, talent development outcomes, and commercialization results. Drawing on the Resource-Based View (RBV) and its VRIO extension, complemented by Porter's Five Forces framework, the study conceptualizes MCO structures as strategic organizational configurations that may generate competitive advantages through internal coordination mechanisms.

A mixed-methods design is employed. Qualitative case studies of City Football Group (CFG), Red Bull, and 777 Partners provide comparative insights into distinct ownership architectures: a centralized platform model, a brand-driven developmental model, and a portfolio investment model. These cases are combined with a quantitative club–season panel dataset covering all affiliated clubs across the 2021/22 to 2023/24 seasons. Regression analyses test three hypotheses related to operational integration, internal player mobility, and brand coherence.

The results indicate limited support for the assumption that formal operational integration improves sporting or financial performance. Governance overlap and ownership concentration do not consistently predict higher points per game or profit margins. In contrast, structured loan-based internal mobility emerges as a significant predictor of stronger youth development outcomes, particularly in terms of academy integration and promotion output. Permanent intra-group transfers are negatively associated with academy promotion, suggesting substitution rather than developmental effects. Commercialization results show no robust relationship between brand coherence and matchday demand once stadium capacity is controlled for.

Overall, the findings suggest that MCO does not inherently generate performance advantages. Instead, competitive benefits appear conditional on the development of embedded organizational capabilities, particularly in human capital coordination. The study contributes to the strategic management literature by distinguishing between formal ownership integration and capability-based integration, demonstrating that the latter is more closely associated with measurable performance outcomes in professional football.

Abstract

Diese Arbeit untersucht, ob unterschiedliche Multi-Club-Ownership-Modelle (MCO) mit systematischen Unterschieden in sportlicher und finanzieller Performance, Talententwicklung und Kommerzialisierungsergebnissen verbunden sind. Aufbauend auf dem Resource-Based View (RBV) und seiner VRIO-Erweiterung sowie ergänzt durch Porters Five Forces Modell, konzipiert die Studie MCO-Strukturen als strategische Organisationsformen, die durch interne Koordinationsmechanismen Wettbewerbsvorteile generieren können.

Es wird ein Mixed-Methods-Design verwendet. Qualitative Fallstudien zu City Football Group (CFG), Red Bull und 777 Partners liefern vergleichende Einblicke in unterschiedliche Eigentumsarchitekturen: ein zentralisiertes Plattformmodell, ein markengetriebenes Entwicklungsmodell und ein Portfolio-Investitionsmodell. Diese Fälle werden mit einem quantitativen Paneldatensatz auf Club-Saison-Ebene kombiniert, der alle verbundenen Clubs in den Spielzeiten 2021/22 bis 2023/24 umfasst. Regressionsanalysen prüfen drei Hypothesen zu operativer Integration, interner Spielermobilität und Markenkohärenz.

Die Ergebnisse zeigen nur begrenzte Unterstützung für die Annahme, dass formale operative Integration die sportliche oder finanzielle Leistung verbessert. Überschneidungen in der Governance und Eigentumskonzentration sagen weder höhere Punkte-pro-Spiel-Werte noch Gewinnmargen konsistent voraus. Im Gegensatz dazu erweist sich eine strukturierte, leihbasierte interne Mobilität als signifikanter Prädiktor für bessere Ergebnisse in der Nachwuchsentwicklung, insbesondere im Hinblick auf Akademieintegration und Anzahl der hochgezogenen Spieler. Dauerhafte gruppeninterne Transfers sind negativ mit der Akademieförderung verbunden, was eher auf Substitutionseffekte als auf Entwicklungseffekte hindeutet. Kommerzialisierungsergebnisse zeigen keinen robusten Zusammenhang zwischen Markenkohärenz und Spieltagnachfrage, sobald die Stadionkapazität berücksichtigt wird.

Insgesamt legen die Ergebnisse nahe, dass MCO nicht per se Wettbewerbsvorteile generiert. Vielmehr scheinen Wettbewerbsvorteile von der Entwicklung eingebetteter organisatorischer Fähigkeiten abzuhängen, insbesondere im Bereich der Koordination von Humankapital. Die Studie trägt zur strategischen Managementliteratur bei, indem sie zwischen formaler Eigentumsintegration und fähigkeitsbasierter Integration unterscheidet und zeigt, dass Letztere enger mit messbaren Leistungsergebnissen im Profifußball verbunden ist.

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List of Abbreviations

<u>Abbreviation:</u>	<u>Full Term:</u>
AI	Artificial Intelligence
CAS	Court of Arbitration for Sport
CFG	City Football Group
CFM	City Football Marketing
CRM	Customer-Relationship Management
CSR	Corporate Social Responsibility
DFL	Deutsche Fußball Liga (German Football League)
ESG	Environmental, Social & Governance
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortisation
FFP	Financial Fair Play
FIFA	Fédération Internationale de Football Association
FIGC	Federazione Italiana Giuoco Calcio
MCO	Multi-Club Ownership
MLS	Major League Soccer
OTT	Over-the-Top (direct-to-consumer streaming)
RBV	Resource-Based View
R&D	Research and Development
RQ	Research Question
UEFA	Union of European Football Associations
VRIO	Valuable–Rare–Inimitable–Organisation

1.Introduction

At the turn of the millennium most professional football clubs were still anchored in their home communities, run by local boards and financed through match-day takings and modest television deals. Within a remarkably short span, that landscape has tilted toward global integration. Geographical expansion, commercial monetisation, digital connectivity, and deeper social exchange have pushed the sport well beyond its original frontiers (*Beek et al., 2019*). One visible by-product of this evolution is MCO. Conglomerates such as City Football Group (CFG), Red Bull GmbH and 777 Partners now steward portfolios that stretch across continents and competitive tiers, tying several clubs into a single corporate web.

From the investor's standpoint, owning a cluster of clubs presents obvious operational gains. Rising talents can be shifted internally to speed up their progress and protect future transfer income, portfolio-wide sponsorship negotiations strengthen bargaining power, and pooled analytics or medical units spare each club the cost of maintaining identical specialist teams (*Beek et al., 2019*). That logic aligns neatly with a commercial boom that has seen global broadcast deals, prize pools and corporate partnerships push football's overall revenue base to roughly triple its early 2000s level (*Richardson, 2024; Sauer et al., 2024*).

Yet the shift to portfolio ownership is not merely a financial story. Globalisation has altered how football is produced, consumed and valued. Satellite television first widened audiences; streaming platforms, social media and club-owned channels later offered round-the-clock access, encouraging supporters to follow multiple teams and, crucially, to spend beyond local borders (*Giulianotti, 2002*). In parallel, the sport's labour market became more fluid. Elite players now migrate with far greater frequency, drawn by higher wages and the promise of continental competitions (*Kirsch et al., 2024*). These currents have turned football into what some scholars describe as a "monetary magnet", capable of attracting private-equity funds, sovereign wealth vehicles and high-net-worth individuals alike (*Richardson, 2024*).

Modern football club investors differ sharply from the locally rooted owners who once dominated ownership. Many behave like classic private-equity operators. They bring in outside investors, prune anything they deem excess cost, and keep one eye on the exit once the club's market worth has climbed (*Moura et al., 2023; Plumley et al., 2021*). Yet balance-sheet profit is only one reason they step into the game. Ownership can smooth access to policymakers, boost sister businesses through cross-promotion, and add the cachet that comes with being tied to the world's most watched sport (*Marin & Lee, 2020; Chadwick et al., 2016; Xue et al., 2020*). Put simply, the multi-club model is the point where sporting ambition collides with financial deal-making and, on occasion, with wider geopolitical goals.

For league officials the mix is a mixed blessing. Fresh capital flows in, but alarms sound when one holding company owns sides that could end up facing each other. Doubts about fair play then spur rule-makers to tighten limits on voting rights, inter-club transfers and shared income streams (*Franck, 2010*). Branding policies raise a different set of concerns. Rolling out uniform colours, sponsors or even near-identical club names can thin the sense of place and history that binds long-standing fan bases (*Croci & Ammirante, 1999*). Push-back is sharpest in settings where members still own a voice in club affairs and regional identity remains central to match-day culture (*Eliasson, 2009*).

Nor are the economic benefits unqualified. Rising transfer fees and wages have widened the resource gap between well-capitalised MCO clubs and independent rivals, intensifying competitive stratification within and across leagues (*Beek et al., 2019*). Academic work has highlighted governance vulnerabilities as well that are ranging from opaque financing structures to the potential for match-fixing and money laundering when control spans several jurisdictions (*Globan & Jägers, 2019*). Even investors admit that losing public trust can erase the financial gains expected from portfolio synergies (*Storm & Nielsen, 2012*).

By 2025 researchers report 134 distinct MCO networks in charge of 366 teams and just under 13 000 professional players, nearly 20 percent of the global football workforce (*Sauer et al., 2024*). Regulators have begun updating the rules. In 2024 UEFA tested a blind-trust scheme that let clubs with shared investors (such as Girona and Nice) enter different European tournaments after their shares were placed with independent trustees who deliver quarterly compliance reports (*UEFA, 2024*). National lawmakers are tightening oversight as well. The United Kingdom's Football Governance Act 2025 creates an Independent Football Regulator authorised to block takeovers, cap related-party dealings and untangle opaque control chains, while proposed measures in France and Brazil would curtail loans between sister clubs and require real-time disclosure of payments that move within a network (*The Guardian, 2025*).

Supporters have responded too. Fans' trusts from Anderlecht to Vasco da Gama have formed a transcontinental alliance, exchanging legal templates for golden-share vetoes that protect club names, colours and crests. Protest campaigns in Salzburg and Leipzig have already persuaded Red Bull to freeze youth-ticket prices and restore regional symbols on alternate kits, showing that cultural resistance can influence corporate policy (*Beek et al., 2019*).

Financially the margin for error is narrowing. As salary caps, luxury taxes and sustainability regulations spread, ownership groups rely increasingly on shared data hubs and AI-guided scouting to secure incremental gains. Initial studies suggest that clubs newly absorbed into a multi-club network gain roughly 0.14 additional league points per match in the first season, mainly through better injury prevention and tighter wage control, but the uplift levels off after

three seasons when competitive-balance measures take effect (*Sauer et al., 2024*). Researchers therefore flag three emerging risks: regulatory arbitrage, financial contagion across networks and data monopolies that could invite antitrust scrutiny (*Globan & Jägers, 2019; Storm & Nielsen, 2012*).

In short, MCO has become a defining feature of modern football's political economy. It crystallises broader shifts toward global markets, financial sophistication and digital engagement while throwing up fresh questions about regulation, identity and fairness.

1.1 Research Gap

Although research on MCO has grown rapidly in recent years, the field remains fragmented and largely descriptive. Existing work tends to treat each network as a self-contained case. Red Bull is analysed primarily through the lens of cross-club branding, while CFG is examined for its centralised governance and data infrastructure (*Beek et al., 2019; Ginesta & de San Eugenio, 2023*).

Studies rarely set these contrasting designs side by side to test whether different types of ownership models and their strategic designs deliver superior results on indicators such as sporting and financial performance, talent development and player pathways, or commercialization. Where multiple MCOs are considered in the same article, the discussion usually isolates one dimension, such as financial or sporting performance (*Rohde & Breuer, 2017*), branding and global market integration (*Kunz et al., 2016*), or on the regulatory challenges arising from cross-ownership structures (*Franck, 2010*). While these contributions illuminate important dimensions, they remain conceptually separate and lack an overarching framework that connects strategic intent with observed outcomes. As a result, academic understanding of MCO is still dominated by individual examples rather than comparative or model-level insights. In particular, no consensus has yet emerged on how and why different ownership logics generate varying patterns of performance, talent development and commercial expansion. The scope of published research is also narrow. Most empirical evidence derives from European leagues, even though ownership webs now extend to North and South America, Asia and Africa. *Richardson (2024)* notes that nearly half of all peer-reviewed studies on club investment have appeared only since 2010 and that 86 percent of contributing authors have produced a single article, underscoring both the novelty and geographic concentration of the field. This regional concentration restricts understanding of how institutional settings, market maturity, and cultural context influence the success and sustainability of different ownership strategies.

Consequently, the literature still lacks a systematic comparison that classifies the dominant types of MCO and evaluates their effectiveness across key performance dimensions. Addressing this gap is essential for identifying which models produce sustainable advantages and for clarifying the mechanisms that link ownership design to sporting and commercial outcomes. This study responds to that gap by comparing three leading ownership groups, City Football Group, Red Bull, and 777 Partners, within a unified analytical framework that examines how their distinct strategic logics shape outcomes in sporting performance, talent development and player pathways, and commercialization.

1.2 Research Questions

This study examines the strategic models underpinning MCO in football through a comparative analysis of CFG, Red Bull, and 777 Partners. By focusing on how each ownership model is structured and organised, the research investigates the relationship between ownership strategy and its outcomes in the areas of sporting and financial performance, talent development and player pathways, and commercialization. The analysis is guided by one overarching research question and three supporting enquiries, each addressing a core dimension of MCO and its impact on affiliated clubs. By highlighting both convergences and divergences across these three archetypes, the study aims to offer evidence-based insights for club executives, investors, and regulators seeking to balance competitive ambition with long-term sustainability

Main Research Question

RQ1:

“How do the multi-club ownership models of City Football Group, Red Bull and 777 Partners differ in their ownership design and strategic approaches, and how do these differences influence sporting and financial performance, talent development and player pathways, and commercial outcomes?”

Supporting Questions

1. Sporting and Financial Performance

RQ2:

“To what extent do strategic management approaches of City Football Group, Red Bull and 777 Partners influence sporting and financial performance across their club portfolios?”

2. Talent Development and Player Pathways

RQ3:

“In what ways do City Football Group, Red Bull and 777 Partners design and manage talent development and player pathways, and how do these approaches impact player progression and mobility within their multi-club systems?”

3. Commercialization

RQ4:

“How do City Football Group, Red Bull and 777 Partners differ in their strategies for global brand expansion, revenue generation and commercial integration across football markets?”

Together, these questions aim to deliver a comparative, multi-dimensional assessment that addresses the gaps identified in recent literature and offers practical insights for investors, regulators, and club executives, by systematically linking ownership design to on-field and financial outcomes, tracing player-development pathways across interconnected squads, and quantifying commercial synergies. In doing so, the study not only benchmarks the strategic efficacy of each ownership model but also furnishes an evidence base for policy reform and capital-allocation decisions in an increasingly networked football economy.

1.3 Relevance of the Study

MCO now lies at the intersection of international business strategy, sports economics, and the globalisation of football. As networks such as CFG, Red Bull, and 777 Partners expand across continents, they are reshaping the game’s competitive and commercial landscape.

Existing research has examined MCO from financial, regulatory, and branding perspectives (Beek et al., 2019; Franck, 2010; Kunz et al., 2016; András & Havran, 2015), yet there is still limited understanding of how different ownership models perform when compared side by side. Scholars have called for studies that move beyond isolated cases to evaluate whole ownership models using consistent performance indicators.

Responding to this gap, this thesis compares three dominant MCO models (CFG, Red Bull and 777 Partners) and examines their implications for sporting and financial performance, talent development, and commercial expansion. By integrating insights from the resource-based view and industry-structure theory, the study connects internal strategic design with external market conditions to assess which models generate sustainable advantages.

The findings aim to advance both academic and practical understanding. For researchers, the thesis provides a comparative framework that can be applied to new ownership configurations. For industry stakeholders, it is becoming increasingly urgent to understand which MCO structures deliver sustainable advantage. Investors must decide how to allocate capital, diversify risk and determine exit timing. Meanwhile, league federations and regulators must safeguard competitive integrity and encourage responsible investment and club executives are seeking operational templates that balance local identity with global ambition. A systematic comparison of the top multi-club groups can build a firmer evidence base on what works and where the problems lie. Findings of that sort can steer capital-allocation choices, help regulators fine-tune oversight, and guide club boards in sharpening their own plans. Such guidance is timely since MCO is already reshaping transfer routes, sponsorship pecking orders and the way fans interact with their teams (*Chadwick et al., 2016; Sauer et al., 2024*).

1.4 Structure of the Study

The study starts by setting MCO within football's shifting ownership landscape, highlighting what scholars still overlook and laying out the core questions that steer the investigation. A look at prior research then follows, mapping the ascent of MCO, the different ways groups structure these networks, the strategic logic behind them, and the downsides of these models.

Building on this foundation, a conceptual framework integrates insights from the resource-based view and industry-structure analysis to develop expectations about how different MCO configurations influence sporting and financial performance, talent development, and commercial expansion. To test those expectations, the research turns to a comparative case study, combining quantitative data with qualitative insights to capture both structural logic and practical outcomes from the three networks (CFG, Red Bull, and 777 Partners). Each is first examined on its own, then compared with the other networks. The comparative discussion synthesises these findings to identify which strategic patterns generate sustainable advantages, where risks and inefficiencies emerge, and how different ownership archetypes are reshaping professional football's competitive and commercial environment.

Based on its findings, the study sets out actionable recommendations for club leadership and investors, and it pinpoints regulatory challenges that football authorities should confront. It closes by encapsulating its principal takeaways, acknowledging methodological caveats, and outlining research directions that could sharpen our grasp of MCOs shifting impact on the game.

2. Literature Review

This chapter sets the stage for the empirical work by reviewing how scholars have explained the rapid spread of MCO in professional football. The chapter begins with the long history of ownership change, moving from member associations to today's investment syndicates, and then examines why investors now prefer to hold several clubs rather than one. From that vantage point, the chapter organises existing findings around three recurring themes: sporting and financial performance, the design of player-development systems and the commercialization. It also notes the hazards documented in recent studies, including growing gaps in competitive balance, regulatory grey zones, and the tension between global branding and local identity. By bringing together insights from sport economics, corporate-strategy research, and international business, the review shows where evidence is solid and where important questions remain unanswered. This literature review examines the rise of MCO, unpacks the motivations behind it and lays the groundwork for the later comparison of CFG, Red Bull, and 777 Partners.

2.1 The Evolution of Ownership and Investors in Football

Over the last hundred years, football ownership landscape has changed sharply, moving away from local, member-run clubs toward tangled corporate machines now steered by wealthy individuals, big funds, and, lately, global businesses conglomerates (*Rohde & Breuer, 2017; Kindler, 2014; Kelly et al., 2012; Leach & Szymanski, 2015*). This change has been accompanied by both opportunities as well as risks, effectively changing, how clubs are governed, how financially stable clubs are and the cultural identity of professional football clubs.

Historically, European football clubs were formed as non-profit member organizations, often embodying community values and managed in a democratic style by elected members (*Rohde & Breuer, 2017; Kindler, 2014*). Financial operations were not focused on generating profit but rather to sustain the club's activities. Furthermore, the clubs gave priority to local identities, engagement from their supporters and social integration into a community over the commercial success of the club (*Rohde & Breuer, 2017*). From the 1980s onward however, the increasing pressure for clubs to commercialize due to several factors such as rising player salaries, investments in infrastructure (e.g. stadiums) or revenues from selling their media rights challenged these traditional member-run club models (*Kelly et al., 2012; Kindler, 2014*).

In England, this change has been particularly evident as clubs have begun to restructure their legal and financial models to facilitate private investment, limit individual liability, and tap new sources of capital (*Leach & Szymanski, 2015; Kelly et al., 2012*). This transition in the

governance of clubs led to a breakaway from member-based models and pathed the way for clubs being incorporated as private limited companies or stock-listed corporations (*Rohde & Breuer, 2017; Kindler, 2014*). Commercialization therefore created a new genre of football clubs that worked like a business entity, where the focus was not solely on the performance of the team but also on other factors such as market share, media and investor capital (*Franck, 2010a; Nauright & Ramford, 2010*).

In the literature on ownership models in football, scholars recurrently point out three dominant ownership models in professional football: (1) member associations, (2) public (stock-listed) corporations, and (3) private ownership (*Franck, 2010a; Rohde & Breuer, 2017; Kirsch et al., 2024*). All of these models come with unique implications for financial oversight, governance mechanisms, and stakeholder accountability (*Amirnejad et al., 2018; Franck, 2010a; Gammelsæter & Jakobsen, 2008*). In member associations, ownership and control remain with club members, usually fans or community stakeholders, who participate in governance through democratic processes (*Rohde & Breuer, 2017; Kindler, 2014*). While this model promotes transparency and community engagement, it often limits access to private capital and restricts agility in a competitive market (*Wyszynski, 2021; Kirsch et al., 2024*). Publicly listed clubs, such as Manchester United or Borussia Dortmund, issue shares to the public and are subject to securities regulation and shareholder scrutiny, which enhances transparency and financial discipline (*Dimitropoulos & Tsagkanos, 2012; Kirsch et al., 2024*). However, dispersed ownership may dilute accountability and complicate strategic decision-making, especially in dynamic sporting environments (*Amirnejad et al., 2018*). The dominant model however is private ownership, especially in Europe's top five leagues (Serie A, Bundesliga, Ligue 1, Premier League and La Liga), where hereby individual investors, families, or corporations acquire majority or full control of football clubs (*Rohde & Breuer, 2017; Kirsch et al., 2024*). The model allows that the club is lead centralized, money can be injected rapidly, and it supports ambitious investment in player recruitment, infrastructure, and branding (*Franck & Lang, 2014; Connell, 2018*). Within this category, researchers distinguish between foreign and domestic private ownership, as the origin of the investor can significantly influence ownership goals and club behaviour (*Amirnejad et al., 2018; Rohde & Breuer, 2016b*). For example, foreign owners are often more likely to pursue global brand development, strategic alliances, and commercial partnerships, while domestic owners may be more closely tied to regional interests and sporting traditions (*Kirsch et al., 2024*). These differences are crucial since they impact not only financial strategy but also the outcome of governance, whether or not it is a cultural fit and also if there is alignment among the stakeholders (*Rohde & Breuer, 2017; Franck, 2010b*).

Comparative research of different ownership models in football has found advantages as well as risks. Clubs that are owned privately have better access to capital and often show better flexibility when it comes to making decisions (*Amirnejad et al., 2018; Gammelsæter & Jakobsen, 2008*). This, however, comes at the cost of higher financial mismanagement risks and spending inefficiencies, particularly when ownership is highly concentrated (*Rohde & Breuer, 2017; Acero et al., 2017*). In contrast, publicly traded clubs and those with distributed ownership enjoy the advantages of improved financial monitoring and better budgetary discipline (*Amirnejad et al., 2018; Buchholz & Lopatta, 2017*).

How investors act and how that affects clubs depends a lot on ownership structure, where the investors come from, and how much control they have. There is a clear link between foreign private majority investors and higher spending on players and infrastructure, which leads to better team performance (*Rohde & Breuer, 2016a; Wilson et al., 2013*). But this usually means less profit and more financial risk. Some owners, who are often called "sugar daddies," put a lot of their own money into clubs without expecting to make any money. This makes the revenue structures unstable and leads to long-term problems (*Franck, 2010b; Franck & Lang, 2014*). Investors approach football ownership with diverse agendas. Some view clubs as financial assets, assessing them through expected cash flows, capital gains, and resale value (*Legg et al., 2006*), while others treat ownership as a strategic tool to expand media presence or secure commercial rights (*Weiler, 2005*). At the opposite end, supporter groups and small shareholders often prioritise on-field success and local identity over financial return (*Zuber et al., 2005*). These contrasting motives, from profit-seeking to emotional commitment, make football ownership a hybrid form of investment shaped as much by sentiment and status as by economics (*Nikolychuk & Sturges, 2007*).

The growing lure of UEFA prize money and global audiences has driven European clubs to spend far beyond their means on salaries and transfers, creating what scholars call a "rat race" to remain among the elite (*Dietl et al., 2008*). This widening gap between ambition and financial reality has made many teams dependent on wealthy investors, particularly foreign ones, whose capital injections reshaped clubs such as Manchester City, Chelsea, and Paris Saint-Germain into corporate powerhouses almost overnight (*Rohde & Breuer, 2017*). Yet this transformation poses a delicate balance: football must attract investment without eroding its communal identity and trust. Sustaining that balance requires sound governance, transparent regulation, and vigilance to protect integrity while embracing professionalisation. Understanding this evolution provides the foundation for analysing the rise of MCO as the next phase of football's structural transformation.

2.2 The Emergence of Multi-Club-Ownership

The influx of overseas capital in the mid-1990s laid the groundwork for MCO. Thanks to satellite broadcasts and the early web, European matches suddenly reached viewers across the globe, prompting foreign investors to recast football clubs from local cultural fixtures into launchpads for a worldwide entertainment business. From that point onward, three overlapping historical currents; globalisation of fandom, inflation in the player-transfer market and the diffusion of portfolio thinking from other sports set in motion a gradual shift from single-club proprietorship to networked control of multiple teams.

The first current was the explosive growth of mass-media revenue. Throughout the 1990s, national broadcast contracts in England, Italy and Spain rose by orders of magnitude, transforming cash-flow profiles and making clubs both more valuable and more vulnerable to competitive escalation. *Rohde and Breuer (2018)* identify the ensuing influx of foreign private capital, especially into the Premier League and Championship between 2006 and 2012, as the single most important ownership trend of the era, explaining that overseas buyers viewed clubs as vehicles to monetise a suddenly international fan base. *Walters and Hamil (2010)* add that the game's growing commercial focus, built on merchandising and global sponsorships, further sweetened the proposition.

Transfer-market inflation provided the second push. With broadcast money surging, the average cost of recruiting elite talent climbed sharply. Owners began looking for structural ways to secure player pipelines rather than overpaying in open auctions. *Rohde and Breuer (2017)* note that, while UEFA bars commonly controlled clubs from facing each other in the same competition, it does not prohibit owning several clubs outright. The gap between broad ownership freedom and narrow competition restrictions created an opening for investors to build networks in which prospects could be moved internally, gaining experience and accruing value without incurring full market prices.

The third current was the diffusion of portfolio management logic from major U.S. sports and private-equity practice. Whereas traditional owners focused on a single team's league position, new investors saw risk diversification in holding minority or majority stakes across several countries. *Vöpel (2011)* points out, however, that incentives diverge inside clubs: managers, driven by sporting imperatives, may prioritise winning over the financial objectives of absentee owners, producing a principal–agent tension that still colours multi-club decision making.

Against this backdrop, early corporate pioneers tested the model. ENIC's acquisition spree in the late 1990s, culminating in simultaneous stakes in AEK Athens, Slavia Prague, Vicenza Calcio, FC Basel and Tottenham Hotspur, was one of the first attempts to exploit cross-club

resource pooling (Coccia, 2020). Although UEFA's competition rule limited ENIC's European ambitions, the experiment demonstrated that a diversified football portfolio was administratively feasible. A second, brand-centred wave followed in the 2000s. Red Bull's entry, beginning with the purchase of Austria Salzburg in 2005, illustrated how a corporate parent could imprint a single marketing identity across multiple teams while still tailoring local operations.

At the same time, foreign high-net-worth individuals were reshaping English club ownership. *Leach and Szymanski (2015)* document how, from Tottenham Hotspur's IPO in 1983 through a boom-and-bust cycle of public listings in the 1990s, open capital markets made English clubs unusually easy to acquire. By 2003 a new milestone appeared when Roman Abramovich took over Chelsea, signalling that global billionaires were ready to pour unprecedented sums into football projects. Through the 2010s, private-equity money really hit the accelerator. According to UEFA's most recent benchmarking figures, by 2022 a total of fourteen English clubs already belonged to multi-club constellations, and the bulk of those stakes had been acquired by U.S. private-equity outfits and other institutional funds (*UEFA, 2022a; Evans et al., 2024*). While some investors moved to outright majority control, many opted for smaller positions that still granted access to pooled scouting systems and joint commercial opportunities without the day-to-day responsibilities that come with full ownership.

Academic interest in multi-club networks has widened markedly. *Pastore (2018)* and *Lundgren & Heljeberg (2021)* point out that more and more investors are assembling portfolios of clubs to streamline youth development and share back-office know-how. *Globan & Jägers (2019)* caution that lax oversight inside such constellations can leave the door open to match-manipulation and money-laundering schemes. UEFA's 2022 benchmarking figures add a further twist, showing that U.S. private-equity houses now spearhead the latest wave of acquisitions, a sign that football clubs have become tradable cross-border assets on a scale few foresaw only a decade ago.

Overall, the story of MCO is one of step-by-step experimentation that has steadily matured into a mainstream ownership model. It began with opportunistic foreign takeovers catalysed by global media revenue, gained momentum as transfer-cost inflation rewarded internal pipelines and ultimately matured when portfolio theory convinced institutional investors that owning several clubs could smooth earnings and raise exit valuations.

2.3 Typology of Multi-Club-Ownership Models

Building on earlier studies that examined MCO for its cost-sharing and resource-pooling effects (*Rohde & Breuer, 2017; Dietl & Franck, 2021*), branding synergies (*Kunz et al., 2016b; Kerr & Wijeratne, 2020*), and portfolio-diversification motives (*András & Havran, 2015*), this study

synthesises these perspectives into a comparative framework of three archetypes. Drawing on insights from sport-economics, corporate-strategy, and international-business research, this section proposes a typology that captures the principal strategic logics underlying contemporary multi-club structures.

Academic literature reveals three recurring patterns of strategic intent that differentiate how MCO groups organise and create value. The first, the synergy-seeking network, treats each affiliated club as a node within a knowledge-sharing system in which centralised data repositories, unified sports-science protocols, and cross-club coaching exchanges convert informational spillovers into tangible cost savings. *Rohde and Breuer (2017)* identify this integrative logic as the foundation of multi-club efficiency, while *Dietl and Franck (2021)*, analysing 198 clubs across seven European leagues, show that teams embedded in synergy-driven networks spend roughly eight per cent less in wages per league point than comparable stand-alone sides.

Quansah and Breuer (2025) further demonstrate that co-owned clubs exchange players among themselves four times more frequently than independent teams and often at premium transfer fees, suggesting that ownership integration accelerates player development while generating resale value. The choice of feeder nodes commonly aligns with permissive work-permit and citizenship regimes, with Portugal, Belgium, and Croatia frequently appearing as development hubs (*Darby, 2013*).

The second, the brand-platform constellation, centres on the creation of a unified global identity and shared marketing infrastructure. Here, corporate parents such as Red Bull or the City Football Group use consistent colours, logos, and naming conventions to generate brand coherence and cross-market recognition. Empirical evidence underscores both the benefits and costs of this approach. *Kunz et al. (2016)* report a 31 per cent increase in sponsorship revenues across Red Bull's Salzburg - Leipzig - New York triad within three years of rebranding, whereas *Kerr and Wijeratne (2020)* document declining identification among some Melbourne City supporters following the adoption of a parent-mandated brand identity. The model thus illustrates a trade-off between global consistency and local authenticity, a balance that defines much of the current debate around the legitimacy and sustainability of branded football networks.

The third, the portfolio-investment group, conceptualises football clubs as diversified assets exposed to heterogeneous risk and return profiles. Owners holding stakes in multiple leagues with differing relegation odds, media-rights cycles, and currency exposures seek to smooth cash-flow volatility and stabilise returns across the portfolio (*András & Havran, 2015*). This financially oriented logic mirrors classical portfolio theory, in which diversification reduces risk

concentration without necessarily demanding operational integration. An illustrative case contrasts a promotion-focused but low-entry-cost English Championship club with a steady-revenue Major League Soccer franchise, together producing more stable aggregate returns than either club could alone.

Taken together, these three archetypes capture the dominant strategic logics shaping modern MCO. They are not rigid or mutually exclusive categories; in practice, many groups exhibit hybrid features or evolve from one configuration to another as market conditions, investor objectives, and regulatory environments change. Nonetheless, the typology provides a structured framework for comparing how alternative ownership architectures translate internal design choices into observable outcomes in sporting and financial performance, talent development, and commercialization.

2.4 Strategic Dimensions of Multi-Club-Ownership Models

MCO has shifted from the margins of global football to the forefront, rapidly becoming the game's dominant business model. From Red Bull's identically branded teams to CFG's twelve-club talent conveyor belt, networked ownership models have rewritten how value is created and captured on and off the pitch. To understand why these groups scale so quickly and why regulators, supporters and rival clubs struggle to keep pace, one needs an overview of the strategic dimensions these MCOs must think and work in.

2.4.1 Sporting and Financial Performance

The ability of multi-club groups to convert resources into on-field success depends on how effectively strategic and operational decisions are coordinated across the network. When decision rights are clearly defined and internal monitoring is robust, capital tends to be directed toward line-items such as analytics staff, targeted player acquisitions, and academy improvements that yield measurable increases in league performance. In the absence of such governance mechanisms, spending often escalates through inflated payrolls and impulsive transfer activity (*Rohde & Breuer, 2016a*). Comparative studies of Ligue 1 and Premier-League clubs demonstrate that two sides with similar wage bills can finish far apart once governance quality is controlled for, indicating that oversight acts as a multiplier (or divider) on every euro spent (*Acero et al. 2017*). Scale therefore delivers an edge only when the owner's control system converts network-level information and financing into aligned sporting choices. The next three sections examine that conversion in detail, moving from financial efficiency to sporting competitiveness.

Financial Efficiency and Risk Diversification

Multi-club owners are increasingly framing their holdings through the principles of classical portfolio theory. By acquiring stakes in teams that generate revenue in different currencies, operate under varying promotion and relegation risks, and fall within distinct fiscal or FFP regimes, they aim to reduce cash-flow volatility and lower the weighted average cost of capital. When executed effectively, this approach allows for efficiencies through shared back-office operations, coordinated wage negotiations, and the internal transfer or realisation of player assets, leading to improved interest coverage and more favourable refinancing opportunities (*Sauer et al., 2024; Quansah & Breuer, 2025*).

Empirical tests, however, show the efficiency dividend is far from automatic. Foreign take-overs in England and France have lifted wage bills and league positions but depressed operating margins, suggesting that concentrated control can weaken internal budget discipline (*Rohde & Breuer, 2016a; Acero et al., 2017*). Failures such as ISL's Brazilian venture in the 1990s expose a second pitfall. Managers frequently misprice the "institutional distance" that separates labour markets, tax codes and legal enforcement across countries, so geographic spread alone does not insure against downside risk (*Beek et al., 2019; Ghemawat, 2007*).

UEFA's break-even rules have turned financial housekeeping into a game of chess. Multi-club groups often shuffle players between sister teams or set internal transfer fees with forensic care to keep the balance sheet in the black. A tiny mistake on the numbers, though, and the fallout can include currency shocks, asset write-downs, and penalties that hit every club in the chain (*Laing & Pastore, 2020; Scafarto & Dimitropoulos, 2018*). *Evans et al. (2024)*, in their analysis of club accounts over the past decade, uncovered an unexpected pattern. It was primarily domestic owners, rather than the widely scrutinised foreign investors, who consistently pushed wage spending to its limits. This finding suggests that ownership practices may be shaped more by managerial approach than by nationality.

In short, MCOs can convert scale into cheaper capital and better hedging, but only if governance structures temper the sport's entrenched win-maximising culture. Without such guard-rails, diversification magnifies rather than dampens exposure to relegation shocks, regulatory change and the relentless inflation of player salaries (*Dimitropoulos et al., 2016; Franck, 2010a*).

Sporting Competitiveness

Scale, when applied to the sporting core of an MCO, works through three tightly linked levers. First, integrated information systems: shared scouting databases and injury-monitoring

platforms give the owner a panoramic view of hundreds of contracted players and triallists. (Beek *et al.*, 2019). Second, replicable know-how: by standardising tactical principles and conditioning routines across clubs, groups such as Red Bull and CFG ensure that a loanee can step into a higher-tier side with minimal tactical friction (Laing & Pastore, 2020). Third, payroll arbitrage: because wage spend is still the dominant statistical predictor of league position (András & Havran, 2015), spreading a given wage envelope over several rosters, then re-allocating minutes to where they add most marginal value, extracts more league points per euro than a single-club operator can hope to achieve.

Concrete examples make the pattern hard to miss. RB Leipzig vaulted from Germany's fifth division to a Bundesliga silver-medal finish in just seven seasons, and the Pozzo family simultaneously kept Udinese stable in Serie A, while guiding both Granada and Watford to top-flight promotion, ownership demonstrated that a well-coordinated multi-club network can yield sporting outcomes that far exceed the financial capacity of any individual club (Pastore, 2018).

Contest-theory predictions hold up in practice. Once a sugar-daddy or private-equity-style owner arrives, wage bills and transfer fees surge, fuelling a "rat race" that lifts headline quality for the network's flagship yet erodes competitive balance across the league (Rohde & Breuer, 2018). In-house player traffic compounds the edge. By moving players between clubs on loan or through deliberately adjusted transfer fees, an ownership group acquires a level of tactical flexibility unavailable to independent clubs. As Gabison (2024) cautions, if such transactions go unregulated, they can distort competition by influencing outcomes in relegation battles or the race for European qualification to the benefit of the group.

Ownership style also shapes risk appetite. A longitudinal analysis of Premier League finances reveals that since 2010, domestically owned clubs rather than prominent foreign-backed teams have taken the most aggressive risks on wage spending. This highlights that strategic intent, not owner nationality, is the primary driver of sporting risk-taking (Evans *et al.*, 2024).

The result is a nuanced picture. Networked clubs can outperform financial peers through coordinated scouting, coaching and payroll management, yet the mechanisms that enable this advantage such as rapid player movement and capital-intensive squad building also pose a threat to the competitive balance essential to the integrity of the sport.

2.4.2 Talent Development and Player Pathways

MCO has transformed football's traditional, market-based labour migration into a hierarchically co-ordinated talent pipeline that incrementally promotes a player through leagues of increasing

competitive intensity while remaining inside one corporate envelope (*Roitman & Poli, 2020; Laing & Pastore, 2020*).

At the operational core of this pipeline lie three mutually reinforcing capabilities. First, groups engage in systematic regulatory arbitrage: by reallocating players among subsidiaries, they can comply simultaneously with FIFA's impending loan ceilings and the disparate work-permit or non-EU quotas that apply across jurisdictions, thereby preserving strategic freedom of movement (*Gabison, 2024; Quansah & Breuer, 2025*). Second, they generate economies of scale in human-capital formation: a shared scouting database, homogenised coaching curricula and replicated academy infrastructures reduce the marginal cost of each additional recruit and permit knowledge to circulate rapidly across the network (*Trequattrini et al., 2025; András & Havran, 2015*). Third, they internalise surplus value creation, acquiring prospects in low-wage markets and subsequently realising capital gains when mature players are transferred to the network's flagship club or sold externally, a strategy consistent with empirical evidence that wage bills and transfer spending are the dominant inputs in the sporting production function (*Rohde & Breuer, 2018; Scafarto & Dimitropoulos, 2018*).

Although macro-historical vectors of migration (language, colonial ties, transnational agent networks) continue to structure the initial direction of player flows (*Poli, 2010*), ownership architecture now largely determines the terminal destination of elite talent. Illustrative cases include the Pozzo family's sequential deployment of Udinese, Granada and Watford as staging posts and Red Bull's Salzburg to Leipzig pathway, each of which couples early-career match exposure with predictable waves of resale profit (*Pastore, 2018; Rohde & Breuer, 2017*).

Commercial exhibition platforms such as the International Champions Cup further integrate talent development with brand extension by providing competitive minutes and global visibility in commercially valuable territories (*Sondaal, 2013; Connell, 2018*). Nevertheless, local sociocultural resistance, which is evident, for example, in Girona FC supporters' objections to a perceived loss of autonomy after the CFG acquisition indicates that the long-term legitimacy of the MCO talent-development model will depend upon its capacity to reconcile global resource optimisation with place-based identity and community expectations (*Ginesta & Viñas, 2023*).

2.4.3 Commercialization

Commercialization represents the third strategic pillar of MCOs, complementing performance optimisation and talent development. Beyond generating match-day revenue, ownership networks increasingly operate as global entertainment portfolios that monetise shared assets across multiple markets. Through unified sponsorship packages, coordinated merchandise

strategies, and centralised digital platforms, MCOs seek to convert their scale into sustainable income streams and stronger brand equity. At the same time, this pursuit of commercial synergy raises questions about authenticity, local identity, and fan acceptance, particularly when corporate standardisation collides with community traditions. The following sections examine how multi-club groups structure and leverage their commercial ecosystems, highlighting the mechanisms that transform network size into economic resilience and market reach.

Commercial Synergies and Branding

MCO groups deploy branding as an exercise in portfolio engineering. By standardising visual identity, merchandise templates and sponsorship rights across subsidiaries, they create scale efficiencies while still calibrating local storytelling so that each badge can perform as an authentic community anchor, a “glocal” compromise that underwrites both legitimacy and reach (*Sondaal, 2013*).

Early experiments, such as Hicks Muse’s ill-fated alliance with Corinthians, which assumed Brazil’s colossal fan base would automatically translate into offshore media revenue, exposed the fallacy of simple “size-ism” and forced investors to adopt more data-driven segmentation and culturally embedded narratives (*Ghemawat, 2007*). In today’s networks the brand platform is conceived as a modular system. Central units handle fan-analytics dashboards, omnichannel retail and global sponsorship bundles, while local clubs retain symbolic elements (chants, colours, neighbourhood outreach) that sustain place-based identity (*Beek et al., 2019; Ginesta & de San Eugenio, 2023*).

This architecture turns supporters into “prosumers” whose user-generated content amplifies official messaging and enlarges the inventory of sellable impressions (*Toffler, 1980; Parganas et al., 2017*). Sponsorship itself has shifted from logo rental to branded-entertainment partnerships in which the commercial storyline is woven into docuseries, esports or influencer collaborations, thereby cutting through audience fragmentation (*Hudson & Hudson, 2006; Kunz et al., 2016a; Rogers, 2017*).

Red Bull’s fully integrated ecosystem (clubs, events and in-house media studios) illustrates the endpoint of this logic, while CFG’s twelve-club lattice shows how a unified colour palette and shared digital backend can deliver a €4.8 billion enterprise value without erasing local accents such as “Girona pride” (*Chan-Olmsted & Shay, 2015; Ginesta & de San Eugenio, 2023*). Research shows that clubs able to pair a uniform global look with an authentic local story tend to sell more sponsorships, fill seats at higher prices and weather crises more easily (*Aaker, 1990*).

When owners focus mainly on squeezing out commercial gains and neglect a club's traditions, the reaction is often hostile, as documented in examples from Turkey and Spain, unless rapid success on the pitch softens opinion (*Fişne et al., 2021; Richardson, 2024*). Scholars therefore treat branding synergies as a core strategic lever in multi-club groups: they turn network scale into revenue, build reputational capital and help smooth the game-to-game volatility that defines football (*Sauer et al., 2024; András & Havran, 2015*).

Media, Data and Technology Integration

Digital media have re-configured the ways in which football clubs communicate, monetise and measure engagement. The migration from desktop to mobile consumption enlarges global reach, yet it simultaneously accelerates reputation cycles and makes them more volatile (*Parganas et al., 2015*). To cope with this environment, clubs increasingly adopt advanced CRM systems, AI-driven analytics and blockchain-verified collectibles, treating the resulting granular fan data as a monetizable asset in its own right. Virtual- and augmented-reality extensions, live second-screen experiences and personalised highlight feeds exemplify *engagement marketing by virtual extension*, further embedding data and technology as central pillars of MCO strategy (*Vargo & Lusch, 2008*).

The shift toward more discerning and variable fan consumption patterns means that clubs now require sophisticated audience-insight tools and customer-relationship technologies to capture and satisfy this demand (*Pierpoint, 2000*). Service-Dominant Logic and the Sport Value Framework position both match events and digital platforms as co-creation hubs in which brands, media partners, athletes and fans jointly generate value in use and in context (*Vargo & Lusch, 2008; Woratschek et al., 2014*).

A long lineage of Uses-and-Gratifications research shows that supporters pursue sport content for emotional release, group affiliation and information, making them highly responsive to interactive and shareable formats (*Trail & James, 2001; Vorderer, 2011; Gantz et al., 2006*). Effective branded entertainment is therefore characterised by high production quality, cost-free access, platform-agnostic design and an architecture that encourages voluntary viral spread.

Although not the principal focus of their study, *Rohde & Breuer (2018)* note that clubs increasingly mine global media exposure and digital markets to broaden revenue bases. Within an MCO, networked clubs accumulate larger reservoirs of relational and structural capital (brand value, digital fan data, and broadcast rights) while using centralised performance and financial data systems to visualise inter-club flows, optimise transfer timing, and coordinate compliance across the network (*Trequattrini et al., 2025; Quansah & Breuer, 2025*).

CFG offers a prominent illustration of these dynamics. Drawing on a Disney-style franchise logic conceived by Ferran Soriano, the group integrates data-driven scouting with global content production, ranging from pre-season tours to shared digital platforms, to monetise fan bases on every continent (*Pastore, 2018*). Collectively, these developments demonstrate how media, data and technology integration has become indispensable to contemporary MCO strategy. Clubs now view digital assets not merely as communication channels but as core levers for value creation, competitive advantage and regulatory compliance.

Strategic Market Penetration

Baldwin (2016) argues that moving into foreign markets expands a club's pool of fans, sponsors and talent, yet it also brings unfamiliar cultural and political headwinds. Multi-club owners counter those headwinds by adding affiliate teams, opening feeder academies, taking squads on overseas tours and funding local CSR projects that earn community goodwill. Their success hinges on what *Beek et al. (2019)* call a global vision rooted in local loyalty.

In practice, strategic penetration serves as the field where talent, brand, finance, regulation and technology meet to secure cross-border footholds. Early Chinese investments in Manchester City, Atlético Madrid and Espanyol provided an immediate route into elite football and signalled Beijing's soft-power aspirations in Europe (*Connell, 2018*). More broadly, the commercialization of European leagues has turned clubs into preferred entry points for capital from North America and the Gulf (*Hoehn & Szymanski, 1999; Nauright & Ramfjord, 2010*). CFG illustrates a glocal strategy that marries universal brand standards to narratives tailored for each territory. Girona emphasises its Catalan identity while benefiting from Premier-League prestige, thereby enlarging regional engagement and global visibility (*Ginesta & de San Eugenio, 2023*).

Clubs continuously calibrate between global standardisation (shared media assets and uniform merchandising) and local differentiation that respects culture, regulation and supporter sentiment (*Jain, 1989; Solberg, 2000*). Practical measures such as recruiting foreign stars, conducting overseas tours and forming partnerships with international clubs can strengthen a team's worldwide profile so long as the home community feels protected (*Maderer & Holtbrügge, 2019*). Cross-border acquisitions also open political or strategic opportunities once domestic markets mature (*Roitman & Poli, 2020*). Even so, outright ownership in Africa and parts of South America remains uncommon; isolated cases (Red Bull's former Ghana project or CFG's Montevideo affiliate) show that investors weigh market risk and governance barriers carefully (*Roitman & Poli, 2020*).

CFG's growth path, from United Kingdom, United States, Australia, Japan, India, Belgium and France, demonstrates how chains establish presences in high-growth territories and create regulated hubs for talent development and sponsorship (*Laing & Pastore, 2020*). By acquiring clubs all over the world, it shows that MCO functions both as foreign direct investment and as a franchising device, giving the parent a rapid path to new fan bases while bypassing local entry barriers (*Gabison, 2024*).

Wealthy foreign proprietors grant their clubs swift access to new geographies, although their goals differ. United States investors prioritise profit, whereas European and Asian owners more often emphasise win maximisation and soft-power benefits (*Rohde & Breuer, 2018*). MCOs now distribute operations across jurisdictions, reflecting the shift from ENIC's early diversification to global fund-style management. (*Trequattrini et al., 2025*).

The tally of clubs tied to multi-club networks rose from only a handful in the early 2000s to 195 worldwide by 2023. Within that total, seven Serie A and nine Premier-League sides already belong to such structures, confirming that ownership stakes operate as geopolitical and commercial beachheads in pivotal football regions (*Quansah & Breuer, 2025*).

2.5 Regulatory Navigation and Challenges

Running an MCO is less a tour of global stadiums than a long march through footnotes. Every territory supplies a different obstacle. Groups such as CFG can “park” South American or African prospects in a continental sister club until sufficient points are accrued, then transfer them to Manchester when the paperwork clears (*Johnson, 2020*). Germany's celebrated “50 + 1” rule forces any professional side to keep a members' majority and, on top of that, bars an investor from holding more than ten per cent of the votes in more than three league companies. According to a Bundesliga survey, executives consider the rule their strongest shield against soft-budget “sugar-daddy” funding and overt multi-club control (*Bauers et al., 2020*).

At confederation level the net tightens further. Since 1998 UEFA's Article 5 has banned two clubs under the same “decisive influence” from appearing in the same competition. The *ENIC* precedent and, more recently, the Salzburg/Leipzig file confirm that the rule survives both CAS and EU-competition scrutiny, because preserving “uncertainty of outcome” is judged more important than an owner's freedom of establishment (*Sternheimer & Larabi, 2020; Dumond et al., 2020*). Yet the practical threshold remains high and flexible. Red Bull satisfied investigators by reshuffling directors, trimming sponsorship rights and cancelling a co-operation agreement, thereby retaining functional synergies without crossing the formal line. Scholars now warn that similar strategies are proliferating, especially where the same holding

company can book loans, consultancy fees or image-rights deals between affiliates at internal prices the market never sees (*Quansah & Breuer, 2025*).

Financial Fair Play adds another compliance plane. UEFA's original break-even test from 2011, and its successor Sustainability regulations were intended to curb the cycle of owner subsidies. However, modelling indicates that when owners reallocate spending within a multi-club network by developing talent cost-effectively at a feeder club and transferring the player to the flagship at an inflated price, each individual balance sheet can appear compliant even as overall group leverage increases (*András & Havran, 2015*). Recent cases against Juventus, Everton and Manchester City illustrate how quickly such manoeuvres can backfire once regulators trace the cash-flow trail: points deductions, prize-money freezes or licence refusals cascade through every team that shares the accounting perimeter (*Jones, 2024*). The stakes are likely to rise again when FIFA's delayed loan cap (eventually eight, then six outgoing loans) forces groups to convert some temporary moves into permanent intra-network transfers, where price-opacity is greatest (*Laing & Pastore, 2020*).

National competition law supplies a fourth layer of uncertainty. *Gabison (2024)* notes that the Premier League outlaws dual interests only inside the top flight, so an owner can still control two English clubs provided one sits in the Championship. Germany's system, by contrast, blocks that loophole altogether, while Spain ignores ownership caps but throttles wage bills via an income-based spending algorithm that makes deep-pocket investors think twice. As a result, portfolio owners increasingly play a game of regulatory arbitrage, locating player-trading hubs where labour law is lax, tax rates are mild and transfer-window timing pairs neatly with the anchor club's calendar (*Beek et al., 2019*). When executed well it lowers capital costs and widens strategic options; when mis-read, the same diversity magnifies exposure to currency swings, relegation shocks or retroactive rulings that invalidate a season's worth of results (*Richardson, 2024*).

In short, legal navigation is no longer a support function but rather a core strategy. Boardrooms now employ former regulators, run pre-emptive scenario models and set aside lobbying budgets on a par with scouting spend. The uncomfortable lesson from recent sanctions is that regulatory failure travels faster than sporting success. One mis-priced intra-group deal or one overlooked voting agreement can trigger fines, licence withdrawals and goodwill write-downs that ripple across every badge in the portfolio (*Trequattrini et al., 2025*). MCOs that treat compliance as a moving target to be gamed may prosper briefly, but the evidence points to a tougher future in which sustainable advantage belongs to the groups that can line up sporting, commercial and governance logic in the same formation.

2.6 Risks of MCO for Football

From the perspective of the game itself, where fair competition, community identity, and financial health all matter, MCO stitches together a set of dangers that can erode football's integrity, resilience, and cultural worth. On the pitch, clubs controlled by the same investors trade players about four times as often as stand-alone teams, often at inflated fees, circulating top talent inside one corporate family and weakening true competitive balance (*Quansah & Breuer, 2025*). Regulatory safeguards struggle to keep pace, because decisive influence can be exercised through minority or proxy holdings that evade formal single-competition bans, leaving UEFA rules vulnerable to strategic circumvention (*Rohde & Breuer, 2017*).

Financially, MCO groups have been shown to ramp up wage expenditure by more than 100 percent while depressing operating profits, a pattern of “soft-budget” gambling made possible by the option to shuttle deficits and inflated sponsorship revenues between sister clubs (*Breuer & Rohde, 2016a; Evans et al., 2024*). Such cross-liability means a relegation, debt default or cyber-breach in one node can cascade through the portfolio, amplifying systemic risk (*András & Havran, 2015*). Player-welfare research adds that “warehouse” strategies, parking young migrants in lower-tier affiliates until work-permit or valuation conditions mature, prolong precarious employment chains and blur accountability for safeguarding (*Darby, 2013*).

Governance-focused and cultural studies show that franchise-style makeovers often trigger sharp falls in fan attachment. Rolling out the same corporate look and feel across clubs can alienate local supporters and sap the social capital that sustains them (*Kerr & Wijeratne, 2020; Kunz et al., 2016b*). Adding to the uncertainty, recent EU court decisions hint that rules which lean either too permissive or too restrictive on MCO could violate competition law, plunging the sector into an antitrust limbo that dampens investment and unsettles league governance (*Zglinski, 2024*).

Taken together, peer-reviewed scholarship portrays MCO not merely as an innovative investment model but as a potential contagion mechanism whose financial, regulatory, cultural and ethical fault-lines threaten football's long-term health. Presenting these risks alongside the strategic opportunities explored elsewhere is therefore essential, because it equips the thesis with a balanced analytical foundation for evaluating different MCO models.

3. Theoretical Framework and Hypotheses

This chapter establishes the conceptual ground on which the study's hypotheses rest. Drawing on the strategy literature, it distinguishes two complementary paths of explanation. The first, internal to the organisation, focuses on the nature of resources and capabilities and how their heterogeneity, limited mobility and fit can furnish durable advantage. The second, external to the organisation, considers the competitive and regulatory conditions that shape how much of that advantage can be retained. By integrating the resource-based view and its VRIO logic with industry-structure analysis, commonly known as Porter's Five Forces, the chapter provides a coherent analytical lens for evaluating the three dimensions (sporting and financial performance, talent development and player pathways, and commercialization) of this research and for translating that lens into testable propositions.

3.1 Theoretical Foundations

Strategic analysis in management scholarship generally proceeds along two complementary lines. One line concentrates on the organisation's internal architecture. The assets it controls, the routines it has perfected and the way these are combined to pursue particular goals. The second line examines the external environment. The competitive and regulatory forces that decide how much of any internally generated value can be retained. Whether a firm achieves and sustains superior results depends on the interaction between its internal capabilities and external conditions, specifically on the alignment between what it possesses and what the environment rewards or penalises. The present section elaborates each domain in turn and then shows how their intersection informs expectations about sporting and financial performance, talent development and player pathways, and commercialization.

Internal Analysis

Barney's (1991) formulation of the RBV proceeds from two simple but powerful premises. First, resources vary from one firm to another. They are heterogeneous. Second, many resources cannot be bought or copied at negligible cost. They are imperfectly mobile. If resources were both homogeneous and perfectly mobile, any superior strategy could be duplicated instantly, competition would converge to perfect rivalry and no firm could sustain above-normal returns. Because the world rarely meets those conditions, some organisations do maintain performance advantages, and RBV aims to pinpoint their sources. *Barney (1995)* captures the core of RBV in the VRIO heuristic. A resource is strategically significant when four criteria are met. It must be valuable, meaning it can exploit an opportunity or neutralise a threat; rare, so its advantages are not eroded by common access; difficult to imitate, so competitors cannot

easily replicate or replace it; and embedded within an organisation that is capable of deploying it effectively through appropriate structures, control systems, and incentive mechanisms.

Whether a resource remains valuable over time is contingent on external change. Shifts in technology, regulation or consumer taste can erode value. Consequently, firms must update the way they combine and apply resources (*Barney, 1991*). Resources fall into three broad categories (*Grant, 2016*). Tangible resources, such as cash reserves or data-analytics infrastructure, are readily observed and valued. Intangible resources such as brand equity, proprietary algorithms and reputation are less visible and therefore more difficult to replicate, aligning closely with the criteria of rarity and inimitability. Human resources comprise the skills and tacit knowledge embedded in individuals and communities of practice. These latter resources are typically shielded by causal ambiguity and social complexity, two mechanisms that reinforce the imitability barrier (*Barney, 1991*).

Capabilities differ from resources in that they represent what the firm can do with what it owns. They take the form of routines, processes and managerial know-how, and they are cumulative in character: repeated use improves efficiency, flexibility and coordination (*Grant, 2016*). In multisubsidiary organisations, capabilities play a double role. Locally, they turn resources into output. Corporately, they serve as transfer vehicles that make the same resource yield value in more than one business (*Prahalad & Doz, 1998*). When transfer or joint deployment of resources raises the group's net present value beyond the sum of stand-alone businesses, synergy has been achieved (*Knoll, 2008*). The net concept is critical. Coordination consumes managerial attention and incurs direct costs, meaning raw potential must be discounted by realisation expense.

Whether a firm should extend its activities vertically or horizontally hinges on the resource logic just explained. Vertical integration through the acquisition of a supplier or distributor can help secure critical inputs or capture downstream margins, but this strategy is effective only if the acquired resource meets the VRIO criteria and if the transaction costs in the external market are higher than the costs of managing the activity internally (*Perry, 1989*). Horizontal integration, understood here as the acquisition of another business at the same stage of the value chain, can enlarge scale economies or add differentiated assets so long as antitrust constraints do not erode the anticipated rent, that is, the surplus profits generated by these advantages. These integration choices are practical forms of diversification, and *Porter (1987)* prescribes three hurdles: the attractiveness of the target industry, the net after-tax cost of entry and the "better-off" condition that at least one side of the deal must be competitively stronger inside the combined entity than out. Investors, assumed to be risk-averse, will accept higher variance only for commensurate increments in expected return (*Brealey et al., 2019*).

At this juncture, the logic of diversification and integration can also be interpreted through the lens of Portfolio Theory. In the context of MCO, each affiliated club represents an asset within a broader portfolio, and the ownership group acts as the portfolio manager allocating capital to optimise collective risk and return (*Markowitz, 1952*). Portfolio Theory predicts that diversification across leagues, markets, and competition levels allows MCOs to hedge against local shocks, stabilise aggregate performance, and capture economies of scale through shared managerial resources. When the covariance between individual clubs' financial or sporting outcomes is low, the overall volatility of the portfolio decreases, a principle directly analogous to financial diversification. This reasoning has been extended to the football industry by *Rohde and Breuer (2017)*, who conceptualise MCOs as diversified investment portfolios aimed at maximising returns while managing exposure to performance risk. This theoretical perspective complements the RBV by explaining why integrated ownership structures can simultaneously pursue efficiency, stability, and long-term profitability.

At the corporate level, parenting advantage replaces investor utility as the benchmark. The parent must add more value to the subsidiary than any other plausible owner (*Campbell et al., 1995*). Tangible and intangible VRIO resources serve as the foundation for parenting advantage only when the group's governance and incentive structures, including board oversight, capital budgeting and performance metrics, effectively direct those resources toward improved outcomes at the subsidiary level. One intangible resource merits extended comment: brand equity. *Keller's (1993)* customer-based brand-equity pyramid conceptualises equity as a hierarchy from salience to resonance. High equity satisfies the value condition of VRIO because consumers will pay a premium and exhibit loyalty. It often satisfies rarity because equity builds cumulatively over time and is not purchased off the shelf. Imitability is limited by the proprietary associations lodged in consumer memory. Organisation comes to the fore when a brand expands across markets or business units. Without disciplined governance of message consistency and quality control, the asset's value can be diluted (*Veloutsou & Guzmán, 2017*).

A further internal dimension of MCO performance relates to Human Capital Theory (*Becker, 1964*), which conceptualises labour and skill development as forms of capital investment. Within MCO networks, the systematic training, loaning, and promotion of players constitute deliberate investments in human capital aimed at increasing future productivity and transfer value. The theory provides a foundation for understanding why vertically integrated ownership groups create shared academy structures and coordinated player pathways. By internalising career progression, MCOs reduce transaction costs, protect talent-specific investments, and enhance the overall return on their developmental expenditures.

External Analysis

Porter's (1979) Five Forces framework offers a systematic way to translate the structure of an industry into expected profit levels. It helps explain how external pressures, from rivals, suppliers, customers, entrants, and substitutes, collectively determine how much value firms can capture, regardless of their internal resources. For this study, the model is particularly relevant because football's profitability and competitive balance are not driven by resources alone but by the market and regulatory structures in which clubs operate. Applying the Five Forces therefore clarifies why identical ownership strategies or resources produce different outcomes across leagues and ownership models.

Competitive rivalry captures how fiercely existing clubs compete for sporting success, broadcasting income, and sponsorship deals. In European football, rivalry is intense: promotion-relegation systems, limited revenue sharing, and open player markets drive an arms race in spending. When the marginal cost of producing another win or viewer is near zero, as with digital content, competition rapidly squeezes margins even when total demand is high. MCO groups respond by pooling analytics, scouting, and media assets across clubs to buffer themselves against this rivalry and stabilise returns.

Threat of new entrants depends on structural barriers such as brand loyalty, licensing requirements, and regulatory approval. Football's barriers are paradoxical. While new investors can often buy clubs directly, acquiring legitimacy and fan loyalty takes years. Some leagues, like the Premier League, impose few formal ownership restrictions, lowering entry barriers, whereas Germany's "50 + 1" rule or UEFA's multi-ownership restrictions sharply raise them. MCOs exploit these gaps by choosing where to enter or by placing feeder clubs in jurisdictions with easier access, thereby engaging in what scholars term regulatory arbitrage.

Supplier power in football refers primarily to elite players and agents, whose scarcity and mobility give them strong bargaining leverage. A small number of top players combine sporting excellence, media appeal, and commercial reach, attributes that are both rare and hard to substitute (*Franck, 2010a*). Their ability to move freely among clubs allows them to capture a large share of industry revenues. Multi-club owners attempt to moderate this power by developing their own talent pipelines and transferring players internally at lower cost.

Buyer power arises when customers, broadcasters, sponsors, or fans have many alternatives. Streaming platforms, with global reach and competing options, can force leagues and clubs to accept less favourable broadcasting deals (*Chan-Olmsted & Shay, 2015*). Fans, meanwhile, can switch attention to rival teams or new entertainment formats. MCOs mitigate this pressure

by consolidating global audiences under unified brand umbrellas, bundling rights across clubs to strengthen their negotiating position.

Threat of substitutes captures the risk that alternative products meet the same consumer needs. Esports, gaming, or social-media content now compete directly with live football for attention and leisure time. As these substitutes grow, football's pricing power over tickets, merchandise, and broadcast fees is capped. Successful MCOs therefore invest heavily in digital engagement and branded entertainment to keep their content compelling across platforms.

Porter's (1987) later work on diversification embeds these competitive forces into corporate-level strategy. A firm (or ownership group) considering entry into a new club or league must test three conditions: that the industry remains structurally attractive after the entry; that the cost of entry is justified by future returns; and that the merger or acquisition creates a "better-off" condition. Synergies neither side could achieve alone. For MCOs, these tests help explain why investors expand horizontally into other clubs: to capture scale economies, hedge against local shocks, and deepen control over scarce resources such as player talent or fan data.

Finally, institutional and regulatory frameworks shape how the five forces operate in practice. UEFA's Financial Fair Play rules, wage caps in U.S. leagues, and national ownership laws (such as Germany's 50 + 1 policy) all modify rivalry, entry barriers, and bargaining power. *Dietl et al. (2008)* show that even clubs with similar demand conditions face different cost curves depending on these institutions. Thus, the same VRIO resource may yield high returns in one league but modest gains in another.

Taken together, the Five Forces framework complements the resource-based view by situating internal capabilities within their external competitive environment. It provides this thesis with a structural lens for analysing why MCOs pursue diversification across markets, how regulations mediate competitive pressure, and under what conditions internal synergies can translate into sustainable profit and sporting success.

Interaction Effects: Translating Theory into the Three Focal Dimensions

The internal and external perspectives are not independent silos. They interact to shape three performance dimensions tracked in this study. Sporting and financial performance relies on the availability of cost-saving resources such as data analytics and standardised reporting, as well as the organisation's ability to adjust spending quickly in response to league incentives. However, supplier power in the form of star players' wage demands can offset the efficiency gains that analytics offer, while regulatory payroll caps may unintentionally reinforce analytic

advantages by limiting competitors' capacity to close performance gaps through increased spending.

Portfolio and Human Capital theories intersect most clearly in this interaction space. The former explains how diversified ownership reduces exposure to performance volatility across clubs, while the latter clarifies how human resource investments within the network drive value creation through improved player development and mobility. Together, they illustrate how MCOs can simultaneously manage financial risk and enhance sporting productivity through coordinated internal systems.

Talent development relies on human and informational resources scouting networks, academy curricula, whose efficacy is mediated by labour-market rules. Where work permits are liberal and player quotas loose, vertically integrated pathways lower acquisition costs and accelerate progression. In regimes with tight non-domestic quotas, the same resources confront bottlenecks that lengthen development cycles and undercut the value element of VRIO.

Commercial growth turns on intangible assets, especially brand equity, and on capabilities in sponsorship negotiation and digital engagement. Strong bargaining leverage on the part of television networks can squeeze profit margins, yet the same splintering of media channels also creates specialised outlets where distinctive club brands can tap fresh income streams. Meanwhile, the growing pull of esports and on-demand video forces football properties to forge deeper emotional bonds with fans. If that connection weakens, the price premium attached to the badge quickly erodes, as suggested by *Keller's (1993) brand-equity ladder*.

Taken together, the model shows that enduring success depends on the interplay between internal assets and external market conditions because no single resource is sufficient on its own. Payoff is conditional since ownership of a rare scouting algorithm does not assure wage efficiency in a league where transfer-fee inflation is unchecked.

Similarly, a strong global brand does not secure rapid commercial growth in markets where broadcast rights are centrally pooled and capped. These theoretical building blocks underpin the hypotheses specified in the next section. Each proposition draws a direct line from VRIO-qualified resources through capability deployment to outcome, while acknowledging that the slope and intercept of that line are functions of industry rivalry, factor bargaining power and institutional constraint.

3.2 Hypotheses

The theoretical discussion in the previous section identified how internal resources, organisational routines, and external competitive pressures interact to shape MCO groups. The next step is to convert those abstract insights into concrete, falsifiable statements. The three hypotheses that follow do exactly that. Each one targets a specific dimension of interest: sporting and financial performance, talent development and player pathways, and commercialization. By anchoring the empirical work in clear theoretical expectations, the study can evaluate whether the resource configurations and industry conditions highlighted earlier truly explain observable differences across CFG, Red Bull, and 777 Partners.

- H1: Sporting and Financial Performance

“MCO structures that exhibit a higher degree of operational integration are expected to post stronger sporting performance and higher profit margins compared with more loosely connected ownership groups.”

The resource-based view argues that routines which reduce cost and improve coordination across units become valuable, rare, and difficult to imitate when they are embedded within an integrated organisational system (*Barney, 1991*). In MCO structures, the ability to centralise scouting, sports-science, and administrative functions allows each additional club to draw upon a shared pool of resources at minimal marginal cost. Empirical findings support this mechanism.

Drawing on evidence from 198 European clubs, *Dietl and Franck (2021)* show that teams belonging to well-coordinated ownership networks can reach similar league results while spending about eight percent less on wages per point than comparable stand-alone clubs. *Quansah and Breuer (2025)* report a similar pattern: when player transfers take place within the same ownership group, resale values tend to be higher, suggesting that coordinated management turns player movement itself into a source of profit.

At the same time, conditions in the wider football industry strengthen this effect. Rising wage pressures and tighter financial-fair-play regulations tend to reward clubs that minimise duplication and share expertise efficiently across their networks. Owners who coordinate scouting, analytics, and administration can adapt more quickly to these financial constraints, while those managing their clubs in isolation often face higher costs and fewer opportunities to benefit from shared learning. Taken together, these patterns suggest a clear expectation: ownership groups with greater operational integration are more likely to sustain competitive performance, grow revenues, and maintain financial resilience over time.

- H2: Talent Development and Player Pathways

“MCO networks that facilitate both vertical and horizontal player mobility among their affiliated clubs are expected to record stronger youth-development outcomes than networks where internal mobility is limited.”

The resource-based view regards emerging footballers as strategic human capital whose value rises sharply when they accumulate match experience in steadily tougher competitions. An ownership group that runs a genuine internal labour market, moving prospects from a feeder side to an intermediate club and finally to the flagship team, can provide that experience without incurring external markups or agent commissions.

Work on synergy-oriented ownership groups back up this view. *Darby (2013)* reports that prospects who move through several sister teams reach top-level minutes sooner, while *András and Havran (2015)* observe that common coaching manuals and medical routines across the group cut the odds of setbacks during that climb.

Quansah and Breuer (2025) further show that teams making frequent use of internal loan spells hand their own academy players more minutes on the pitch and, when those players are eventually sold, secure larger profits on the deals. By contrast, networks that lack such internal routes depend on the open market for every step, a costlier path that can be slowed by rising fees and roster quotas.

These theoretical and empirical strands together suggest that vertically and horizontally mobile networks will lead the field on metrics such as academy-to-first-team conversion rates, average age at debut and net transfer balance on home-grown talent. In practical terms, a well-structured loan ladder functions as a developmental escalator, steadily matching a player’s skill level with the competitive demands of each affiliate club. By boosting a player’s competitive readiness and lifting future sale values, the pathway further justifies the business logic of maintaining a tightly connected club network.

- H3: Commercialization

“MCOs that apply one coherent brand platform across all affiliated teams will surpass less coordinated ownership structures in average stadium attendance and greater stadium utilization.”

Brand equity is an intangible VRIO resource. It delivers price premiums and loyalty (value), builds slowly over time (rarity), is shielded by deep-seated associations that rivals find hard to

copy (inimitability), and requires formal brand-governance routines for upkeep (organisation) (*Barney, 1991*). When an owner rolls out shared colours and symbols across its clubs, the marginal cost of entering new markets falls while the brand message gains worldwide reach (*Bodet, 2010*).

Keller's customer-based brand-equity pyramid shows how consistent cues boost salience and strengthen fan-brand relationships (*Keller, 1993*), and *Aaker* notes that a unified identity lowers resistance to line extensions and co-branded products (*Aaker, 1990*). Case data reinforce the commercial payoff. *Kunz et al. (2016)* document a sponsorship-revenue surge of more than thirty percent at Red Bull's football properties within three seasons of their coordinated rebrand, while *Chan-Olmsted and Shay (2015)* link CFG's shared look and centralised digital studio to a multibillion-euro enterprise valuation. By bundling media rights and corporate partnerships at portfolio level, the owner also shifts bargaining power away from suppliers and toward the group (*András & Havran, 2015*). Heightened competition for attention from streaming platforms and esports further magnifies the advantage, as fragmented clubs struggle to hold global audiences (*Parganas et al., 2015*).

Taken together, these theoretical arguments and empirical findings suggest that a coherent, yet locally sensitive brand platform should yield superior outcomes in stadium utilisation and stadium attendance.

4. Methodology

This chapter sets out how the study turns its questions into measurable analysis. It first lays out the comparative research design and explains why a multi case strategy is appropriate for assessing ownership effects. Attention then shifts to case selection, describing the specific features that make CFG, Red Bull and 777 Partners useful contrasts. The discussion of data sources follows. The chapter also clarifies how each key concept, sporting and financial performance, talent development and player pathways, and commercialization is turned into an operational variable suited for statistical testing and looks at methodological limits, including gaps in public disclosure and contextual factors that may restrict broader inference.

4.1 Research Design

This thesis adopts a comparative multi-case study design that places CFG, Red Bull, and 777 Partners side by side, following their clubs over three full campaigns from 2021/22 to 2023/24. A case-oriented approach is appropriate because these groups represent three different approaches of MCO. CFG operates as a tightly centralised network with shared data infrastructure, overlapping boards, and coordinated strategic decisions. Red Bull follows a brand-platform constellation in which a uniform marketing identity and common playing

philosophy are central, supported by standardised training and recruitment methods. By contrast, 777 Partners pursues a portfolio investment strategy, allowing clubs more local autonomy while linking them through pooled capital, coordinated player acquisition, and risk diversification. Analysing these models side by side allows the study to explore whether differences in ownership architecture are associated with measurable variations in sporting and financial efficiency, talent development and player pathways, and commercialization.

Case study analysis, defined by *Yin (2018)* as an empirical inquiry that investigates a phenomenon in depth and within its real-life context, is well suited to this topic for two main reasons. First, ownership structures cannot be manipulated experimentally. They must be examined as naturally occurring systems embedded in particular markets and regulatory environments. Second, the boundaries between an MCOs internal organization and its external outcomes are fluid, a condition Yin identifies as ideal for a case approach because key variables are inseparable from context.

The design also follows *Eisenhardt's (1989)* recommendation that multiple cases serve as theoretical replications. Each MCO is analysed as a stand-alone experiment, while also functioning as a comparison point against the others to test whether patterns hold across settings.

To strengthen the comparative lens, the study uses a club–season dataset that tracks the same clubs across three campaigns (2021/22–2023/24). This produces repeated observations for key indicators such as sporting outcomes, academy integration, player mobility and commercial engagement. Observing multiple seasons reduces the risk that exceptional or poor single-season results distort the conclusions and increases the robustness of descriptive comparisons across ownership models. Given the limited time dimension of the dataset (three seasons) and the relatively small sample size, the econometric analysis applies pooled regression models rather than fixed-effects or time-differenced panel estimators. The research integrates qualitative reasoning with quantitative performance indicators, making it a mixed-methods, theory-driven design.

Two complementary analytical lenses guide the analysis. From an internal perspective, the analysis draws on Barney's VRIO model to determine whether each MCOs tangible, intangible, and human resources possess value, rarity, inimitability, and are effectively organised to secure a lasting competitive edge.

Externally, the study employs Porter's Five Forces to investigate the competitive landscape surrounding each organisation, with attention to the intensity of rivalry, barriers to entry, the negotiating strength of suppliers and buyers, and the potential impact of substitute products or

services. By combining these perspectives, the study links internal resource configurations to the external competitive pressures that shape their effectiveness. Each MCO is analysed along three focal dimensions drawn from the theoretical framework: sporting and financial performance, talent development and player pathways, and commercialization. Within each case, multiple units of observation such as organizational mechanisms, player mobility patterns, and revenue streams are examined. The analytical process proceeds in three stages. First, qualitative and quantitative data are integrated to build VRIO and Five Forces profiles for each MCO. Second, the results are compared across the three cases to identify convergences, divergences, and underlying explanatory factors. Finally, the patterns observed are evaluated against the hypotheses developed in Chapter 3, with both narrative interpretation and statistical evidence used to assess whether the findings support or challenge theoretical expectations.

By combining the depth of qualitative case study analysis with quantitative data, this design enables a nuanced and evidence-based evaluation of how different MCO strategies perform under varied institutional and market conditions.

4.2 Case Selection

The pages that follow open with a concise, yet nuanced portrait of the three MCO models selected for this study. For each configuration, the discussion outlines its structural blueprint, strategic logic, and industry context, while also clarifying the criteria that made it an instructive choice. Together, these introductory sketches establish a common frame of reference for the comparative analysis that unfolds later in the thesis.

City Football Group

CFG is selected as a case because it embodies the most fully developed example of a centralised network in MCO. Since its formation in 2013, CFG has expanded to a dozen clubs across five continents, yet retains a single corporate centre in Manchester that sets strategy, controls capital allocation, and operates shared analytics, medical, and commercial units (*Laing & Pastore, 2020*).

CFG's extensive functional integration exemplifies a strongly coordinated ownership network, serving as a benchmark to examine whether strategic alignment across clubs translates into superior sporting and financial efficiency and scalable commercial performance (*Rohde & Breuer, 2017*).

The group's breadth also guarantees data richness. Key members of the network, such as Manchester City, New York City FC and Melbourne City FC, compete in leagues that enforce strict reporting standards, and CFG publishes consolidated financial summaries each year.

These disclosures make it possible to build dependable measures of wage expenditure or information on academy graduates and intra-group transfers can be verified against UEFA benchmarking reports and widely used industry datasets, which reduces measurement error and strengthens the study's replicability.

Branding practice also underlines CFG's value as a case. Every affiliate wears sky blue, uses a round badge design and carries the "City" label, traits that scholars view as hallmarks of a globally unified brand (*Ginesta & de San Eugenio, 2023*).

On the talent side, CFG operates a well-documented loan ladder. Since 2016, more than 150 players have moved between its clubs, forming an internal labour market large enough to test whether vertical and horizontal mobility speeds up youth development (*Quansah & Breuer, 2025*).

Finally, CFG is regularly referenced by regulators and industry analysts as this model is most likely to shape future ownership norms (*Pastore, 2018*). Including it therefore meets Yin's criterion of theoretical relevance: a case should be chosen when it stands to illuminate the key issues under study (*Yin, 2018*). For all these reasons, CFG provides a compelling and analytically robust example of the centralised network model.

Red Bull

Red Bull Football is chosen as a case study due to its uniquely consistent and marketing-oriented strategic approach to MCO, implemented across clubs on several continents.

Beginning with the takeover of Austria Salzburg in 2005, the parent company has built a network that now includes RB Leipzig in Germany, FC Red Bull Salzburg and FC Liefering in Austria, New York Red Bulls in Major League Soccer and Red Bull Bragantino in Brazil. Each club employs the same colour palette, energy-drink logo and "Red Bull" naming scheme, an approach scholars describe as the clearest real-world test of a globally standardised brand (*Kunz et al., 2016*). Because every club in the network carries the same name, colours, and corporate logo, Red Bull offers a clear test case for assessing whether strict control over visual identity and sponsorship translates into higher commercial returns or, as some observers suggest, comes at the cost of distancing long-standing supporters (*Kerr & Wijeratne, 2020*).

The group's value for empirical study is reinforced by the steady flow of public data it generates. Red Bull's unified playing philosophy offers another dimension for study. Across all clubs the group mandates a high-pressing, transition-heavy style that has become a trademark on the field, supported by a shared analytics platform and a centralised scouting hub in Salzburg. This design creates a pipeline in which promising players move from Bragantino or

Salzburg to Leipzig, often at significant uplift in transfer value, making the network a prime setting for evaluating whether an internally consistent sporting model accelerates talent monetisation (*Quansah & Breuer, 2025*).

The organisation is also prominent in regulatory debates. Its dual ownership of Salzburg and Leipzig triggered a landmark UEFA investigation in 2017, prompting governance adjustments that are frequently cited in policy discussions about competitive integrity (*Ginesta & de San Eugenio, 2023*).

Selecting Red Bull satisfies Yin's test of theoretical relevance, as the organisation vividly highlights the friction between a global branding drive and the limits set by local cultures and regulatory bodies (*Yin, 2018*).

Taken together, the group's rigorous brand uniformity, accessible performance data, distinctive playing ethos and regulatory salience make Red Bull a compelling and analytically robust example of the brand-platform ownership model.

777 Partners

777 Partners is included in this study because it exemplifies an investment-driven approach to MCO, where capital deployment and risk diversification take precedence over uniform branding or strong operational integration.

Headquartered in Miami, the private-equity firm began assembling football assets in 2021 and now holds majority stakes in Genoa CFC, Standard Liège, CR Vasco da Gama, Hertha BSC, Red Star FC and Melbourne Victory FC, as well as a significant minority position in Sevilla FC. Unlike CFG or Red Bull, the company allows each club to retain its historic colours, crest and ticket-price policy. Board representation is limited to finance-oriented directors who monitor budgets and seek value appreciation rather than impose a shared sporting philosophy. Scholars identify this hands-off, financially driven approach as the clearest current manifestation of a portfolio-hedge strategy in professional football (*Richardson, 2024; Kirsch et al., 2024*).

The geographic spread of the portfolio makes 777 Partners analytically valuable. By operating in markets with very different revenue-sharing schemes, wage controls and media deals, the group offers a natural setting for examining whether diversification across regulatory and currency environments smooths cash-flow volatility, a core claim of portfolio theory applied to sport (*András & Havran, 2015*). Genoa's experience in Serie A, for instance, contrasts sharply with Vasco da Gama's in Brazil, allowing the study to see how the same ownership logic plays out under divergent institutional conditions.

Data availability is another strength. Clubs such as Genoa and Hertha must file detailed financial statements with FIGC and DFL regulators, while Standard Liège's accounts are published under Belgian licensing rules. From a talent-development standpoint, 777 Partners takes an opportunistic stance, moving players between clubs only when market conditions are favourable rather than through a structured pipeline.

Finally, regulators and commentators increasingly cite 777 Partners when debating the limits of private-equity ownership in football. The group's rapid expansion and simultaneous cost-cutting measures have triggered fan protests at Standard Liège and questions from Serie A officials about long-term sustainability (*Evans et al., 2024*).

Including the firm therefore meets Yin's criterion of theoretical relevance because it highlights the tension between financial engineering and stakeholder acceptance in modern sport (*Yin, 2018*). As a result, 777 Partners provides a timely and data-rich case through which to evaluate the strengths and weaknesses of a portfolio-investment approach to MCO.

4.3 Data Sources

The study draws on a blend of qualitative material and quantitative data obtained from publicly accessible, reputable sources. Qualitative evidence consists of documents issued by the MCO' groups and their clubs, including annual reports, governance policies, official statements and website publications, complemented by relevant media reports and academic studies. Taken together, these materials clarify ownership structures, strategic priorities and brand positioning, and provide the context needed to interpret numerical patterns observed in the analysis.

Quantitative evidence is compiled from established datasets and official records. Transfermarkt supplies detailed information on player movements, including transfers, loans, squad composition and minutes allocated to academy graduates. UEFA Club Licensing and Benchmarking Reports offer league-level financial benchmarks for revenues, wages and profitability, while audited financial statements provide club-level figures such as revenue breakdowns. Official competition statistics deliver performance indicators including points per match, final league position and titles won. Attendance records provide average crowds, stadium capacity and utilisation rates.

4.4 Variables, Operationalization and Limitations

The empirical analysis is built on a club–season panel dataset (unbalanced) covering all teams affiliated with CFG, Red Bull and 777 Partners across the 2021/22, 2022/23 and 2023/24 campaigns. Each observation is identified by a short club code (*club_id*), the full club name (*club_name*), the ownership group (*club_group*), the league (*club_league*) in which the team

competed during that season and the season label (`club_season`). All monetary figures are expressed in euros. Ownership affiliation is treated as a time-varying characteristic in the panel dataset. For clubs that joined a MCO network during the observation period, only seasons following the acquisition are coded as MCO-affiliated. Pre-acquisition seasons are retained in the dataset but are classified as independent observations and do not contribute to the construction of ownership-specific indices such as operational integration, player mobility, or brand coherence. This approach ensures that ownership effects are not attributed to periods in which no formal MCO relationship existed and aligns with standard practice in longitudinal ownership studies. Although the dataset is structured as a club–season panel, the econometric models estimated in Chapter 6 follow a pooled regression approach across all observations. This implies that results should be interpreted as correlational and may still be influenced by unobserved club-specific or season-specific factors.

Sporting and Financial Performance

The first hypothesis examines whether MCO networks that display a higher degree of operational integration achieve superior sporting and financial outcomes. Drawing on the RBV, tighter coordination across affiliated clubs is expected to enhance the efficiency of resource allocation, decision-making, and performance management. By reducing duplication of administrative functions, enabling information sharing across governance structures, and strengthening strategic alignment, operational integration may allow MCO networks to exploit economies of scale, streamline recruitment and scouting activities, and improve both sporting efficiency and financial sustainability across the portfolio.

Operational integration is operationalized through a set of structural indicators reflecting the degree of managerial linkage and ownership alignment between an individual club and its wider MCO structure. Specifically, `board_size` captures the number of board members and serves as a control variable for organizational complexity and governance capacity. `Cross_club_overlap` is coded as a binary variable (1/0) indicating whether at least one board member holds a board position in another club within the same MCO network, capturing horizontal governance linkages that may facilitate coordination and knowledge transfer.

Similarly, `mco_link` is coded as a binary variable (1/0) and reflects whether at least one board member holds an official role within an organization directly connected to the MCO group, thereby capturing vertical integration between the club and the ownership structure. Finally, `percent_owned_mco` measures the ownership stake held by the MCO group as a percentage and serves as an indicator of formal control and strategic influence over the club.

Rather than aggregating these measures into a single composite index, the empirical analysis treats operational integration as a multidimensional construct and incorporates the individual indicators simultaneously within regression models. This approach allows for identifying which specific integration mechanisms (governance overlap, ownership linkages, or equity control) are most strongly associated with performance outcomes, while avoiding the assumption that each dimension contributes equally to integration intensity.

Table 1: Summary of Variables - Sporting and Financial Performance (H1)

Type	Variable	Description	Expected Relationship
Independent	cross_club_overlap	1 = Board member also serves on another MCO club board	+
Independent	mco_link	1 = Board member holds position in MCO headquarters	+
Independent	percent_owned_mco	Percentage of club owned by MCO group	+
Control	board_size	Number of board members	Neutral
Dependent (Sporting)	points_per_game_average	Points earned per league match	+
Dependent (Financial)	profit_margin	Net profit as % of revenue	+

The hypothesis predicts that clubs exhibiting higher levels of operational integration, reflected by stronger ownership concentration, overlapping governance structures, and direct links to the ownership organization, will achieve superior sporting and financial results. In particular, higher values of cross_club_overlap, mco_link, and percent_owned_mco are expected to be positively associated with both points_per_game_average and profit_margin, indicating that stronger structural alignment within MCO networks supports on-field efficiency and financial performance.

To test these relationships, two separate multiple linear regression models are estimated. Sporting performance is specified as:

$$points_per_game_average_i = \beta_0 + \beta_1 cross_club_overlap_i + \beta_2 mco_link_i + \beta_3 percent_owned_mco_i + \beta_4 board_size_i + \varepsilon_i$$

and for financial performance:

$$profit_margin_i = \beta_0 + \beta_1 cross_club_overlap_i + \beta_2 mco_link_i + \beta_3 percent_owned_mco_i + \beta_4 board_size_i + \varepsilon_i$$

In both models, the coefficients β_1 , β_2 , and β_3 represent the expected positive effects of operational integration on performance outcomes, while `board_size` is included as a control variable to account for variation in governance scale and structural complexity.

`Points_per_game_average` and `profit_margin` are selected as the primary dependent variables because they provide standardized and comparable performance indicators across clubs operating in different leagues. Points per game reflects sporting success independent of league size or match format, while profit margin captures financial efficiency relative to revenue, allowing comparison across clubs of varying scale. Alternative indicators such as league position, total revenue, or wage expenditure are conceptually considered but excluded from the regression models to maintain parsimony and avoid redundancy among correlated performance measures.

The empirical analysis proceeds in two stages. First, descriptive statistics are used to summarise central tendencies and distributional properties of the dataset. Second, multiple regression models are estimated to assess whether the integration indicators significantly predict sporting and financial performance outcomes. Model assumptions are tested using standard diagnostic procedures, and robustness is assessed through bootstrapped estimates where violations are detected.

Several limitations should be acknowledged. Data on governance structures and ownership shares are not uniformly disclosed across all clubs and leagues, which may introduce minor inconsistencies in measurement. Financial indicators are derived from publicly available statements that follow differing national accounting standards, potentially reducing cross-club comparability.

Furthermore, the analysis is observational in nature and identifies associations rather than causal effects. Finally, the selected indicators capture formal governance and ownership linkages, while informal integration mechanisms such as shared scouting systems, analytics infrastructure, or centralized decision-making processes cannot be directly measured within the available dataset.

Talent Development and Player Pathways

The second hypothesis tests whether MCO networks that facilitate both vertical and horizontal player mobility among their affiliated clubs achieve stronger youth development outcomes than networks where internal mobility is limited. Building on strategic management and human capital theory, MCOs with integrated transfer and loan structures are expected to provide

clearer developmental pathways, optimise the deployment of young talent, and enhance the transition from academy to professional football.

Such systems allow promising players to progress through different competitive levels within the same ownership group, improving both developmental continuity and return on talent investment. To operationalise internal player mobility, the analysis focuses on observable patterns of intra-group transfers and loans between clubs within the same MCO.

The variables `transfers_in_mco_ratio` and `transfers_out_mco_ratio` represent the share of permanent transfers occurring within the ownership network relative to a club's overall transfer activity, capturing the extent to which player acquisition and player sales are internally coordinated. Similarly, `loans_in_mco_ratio` and `loans_out_mco_ratio` measure the proportion of loan activity that takes place between affiliated clubs, reflecting the intensity of temporary player circulation and developmental deployment within the group. Each of these indicators is normalised by total transfer or loan activity to ensure comparability across clubs of different sizes and market exposure.

Rather than aggregating these measures into a composite Player Mobility Index, internal mobility is treated as a multidimensional construct, and the individual mobility indicators are incorporated simultaneously within the regression models. This approach allows for identifying which specific channels of internal circulation, permanent transfers or loans, inbound or outbound, are most strongly associated with youth development outcomes, while avoiding the assumption that each component contributes equally to mobility intensity.

Youth development outcomes constitute the dependent variables of this hypothesis. The variable `transfers_academy` measures the number of academy players promoted to the first team during the season and serves as an indicator of promotion output. To capture not only promotions but also actual sporting integration, `academy_minutes_ratio`, defined as the percentage of total first-team minutes played by academy graduates, is used as the primary indicator of effective youth development.

This measure accounts for differences in total playing time across clubs and provides a standardised proxy for how strongly youth development translates into competitive match utilisation. Since larger squads may mechanically reduce the playing time available to academy players, `squad_size` is included as a control variable to account for structural differences in roster depth and selection capacity.

Table 2: Summary of Variables - Talent Development and Player Pathways (H2)

Type	Variable	Description	Expected Relationship
Independent	transfers_in_mco_ratio	% of all transfers from other MCO clubs	+
Independent	transfers_out_mco_ratio	% of all transfers to other MCO clubs	+
Independent	loans_in_mco_ratio	% of all loans received from other MCO clubs	+
Independent	loans_out_mco_ratio	% of all loans sent to other MCO clubs	+
Control	squad_size	Number of first-team players	Neutral
Dependent (Youth Development)	academy_minutes_ratio	% of total minutes played by academy graduates	+
Dependent (Promotion Output)	transfers_academy	Number of academy players promoted to first team	+

The hypothesis predicts that clubs with higher internal player mobility, reflected by greater proportions of intra-group transfers and loans, will record stronger youth development outcomes, as shown by higher promotion rates and a larger share of playing time for academy graduates. Specifically, higher values of *transfers_in_mco_ratio*, *transfers_out_mco_ratio*, *loans_in_mco_ratio*, and *loans_out_mco_ratio* are expected to correlate positively with both *academy_minutes_ratio* and *transfers_academy*, indicating that integrated internal labour markets enhance the transition from academy structures to first-team football.

The statistical models used to test these relationships are formulated as follows. For effective youth integration:

$$academy_minutes_ratio_i = \beta_0 + \beta_1 transfers_in_mco_ratio_i + \beta_2 transfers_out_mco_ratio_i + \beta_3 loans_in_mco_ratio_i + \beta_4 loans_out_mco_ratio_i + \beta_5 squad_size_i + \varepsilon_i$$

and for academy promotions:

$$transfers_academy_i = \beta_0 + \beta_1 transfers_in_mco_ratio_i + \beta_2 transfers_out_mco_ratio_i + \beta_3 loans_in_mco_ratio_i + \beta_4 loans_out_mco_ratio_i + \beta_5 squad_size_i + \varepsilon_i$$

where β_1 to β_4 measure the effect of internal mobility mechanisms on youth development outcomes. Positive coefficients are expected, indicating that greater internal circulation within an MCO supports youth promotion and increases the match utilisation of academy graduates.

Academy_minutes_ratio is selected as the principal dependent variable because it captures the effective integration of youth players into competitive match environments, rather than merely measuring promotion events. Transfers_academy serves as a complementary indicator reflecting the output dimension of academy pathways. Other descriptive indicators, such as mco_minutes_ratio, provide contextual insight into how extensively MCO transferred players are utilised in first-team football, but are excluded from the regression models to maintain conceptual focus on academy development outcomes rather than senior player circulation.

Descriptive statistics are first conducted to summarise distributional characteristics of the internal mobility indicators and youth development measures. Subsequently, multiple linear regression models are estimated to test the hypothesised relationships while controlling for squad_size. Multicollinearity diagnostics and standard regression assumption tests are applied, and robustness checks are performed using bootstrapped estimates where necessary. This approach enables a quantitative assessment of whether higher levels of intra-group transfer and loan activity correspond to stronger academy productivity and greater first-team integration of homegrown players. Several limitations should be noted. Transfer and loan data vary in disclosure standards across leagues, especially for youth-related transactions, which may affect precision. Playing-time measures capture match participation but do not account for qualitative aspects such as training environment, coaching continuity, or the competitive level of loan destinations. The cross-sectional design limits causal interpretation, as observed youth outcomes may reflect prior investment in academy infrastructure or different strategic priorities across ownership models. Finally, the variables capture observable mobility flows but not the underlying organisational routines and decision-making processes that shape player development, meaning similar quantitative mobility patterns may correspond to distinct developmental strategies across different MCO configurations.

Commercialization

The third hypothesis examines whether MCO networks that apply a coherent brand platform across all affiliated teams achieve stronger commercial outcomes than ownership structures that manage their clubs as largely independent entities. To empirically represent brand_coherence, a three-level coding framework is applied to capture the degree of brand integration across MCO networks. The coding is derived from observable branding characteristics such as shared naming conventions, logo and colour consistency, and coordinated marketing strategies. This approach distinguishes between networks operating under a unified global brand identity and those maintaining largely independent local brands. Each level reflects the extent to which clubs within an MCO adhere to a common brand platform, allowing the variable to be incorporated into comparative and regression analysis.

Table 3: Coding Framework - Brand Coherence

Level	Description	MCO	Code
High coherence	Unified global brand identity with consistent name, logo, colors, and marketing (single brand platform)	Red Bull	3
Moderate coherence	Partial integration with shared naming elements and colors, but some local brand differentiation	City Football Group	2
Low coherence	Independent local branding, distinct visual and commercial identities across clubs	777 Partners	1

The variables `attendance_average` and `stadium_utility` reflect commercial performance and fan engagement. `Attendance_average` measures the average number of spectators per match and captures the overall drawing power of the club. `Stadium_utility`, calculated as average attendance divided by stadium capacity, reflects utilisation efficiency and indicates how effectively demand translates into stadium occupancy. Because larger venues may mechanically influence both attendance levels and utilisation ratios, `stadium_capacity` is included as a control variable in the regression models.

Table 4: Summary of Variables - Commercialization (H3)

Type	Variable	Description	Expected Relationship
Independent	<code>brand_coherence</code>	Degree of coordinated brand identity across affiliated clubs	+
Control	<code>stadium_capacity</code>	Maximum number of spectators	Neutral
Dependent (Fan Engagement)	<code>attendance_average</code>	Average match attendance per game	+
Dependent (Utilization)	<code>stadium_utility</code>	Average attendance as % of capacity	+

The hypothesis predicts that MCOs pursuing higher levels of brand coherence will outperform less coordinated ownership structures in key commercialization outcomes. Specifically, higher values of `brand_coherence` are expected to correlate positively with `attendance_average` and

stadium_utility, indicating that unified branding enhances fan engagement and stadium demand.

The statistical models used to test these relationships are specified as follows. For stadium utilization:

$$\text{stadium_utility}_i = \beta_0 + \beta_1 \text{brand_coherence}_i + \beta_2 \text{stadium_capacity}_i + \epsilon_i$$

and for fan engagement:

$$\text{attendance_average}_i = \beta_0 + \beta_1 \text{brand_coherence}_i + \beta_2 \text{stadium_capacity}_i + \epsilon_i$$

where β_1 captures the association between brand coherence and commercial performance. A positive coefficient is expected, indicating that stronger brand integration across clubs is associated with higher attendance and greater stadium utilization, while stadium_capacity controls for structural differences in venue size.

Descriptive statistics are first employed to summarise the distributional characteristics of brand_coherence, attendance_average, and stadium_utility. Subsequently, multiple linear regression models are estimated to test the hypothesized effects while controlling for stadium_capacity. Multicollinearity diagnostics and standard regression assumption tests are conducted, and robustness checks are performed using bootstrapped estimates where necessary. This design enables an evaluation of whether coordinated brand identity within MCO networks corresponds to superior commercialization outcomes, while accounting for structural differences in venue scale.

Several limitations must be acknowledged. Brand coherence is a categorical and conceptually derived measure based on observable branding structures, and it cannot capture deeper dimensions such as marketing effectiveness or fan sentiment. Attendance figures are influenced by league quality, local economic conditions, and pricing strategies that are not explicitly controlled for in the model. Furthermore, the cross-sectional design identifies statistical associations rather than causal relationships between branding strategy and commercial performance.

5. Case Studies

This chapter presents the qualitative case studies underpinning the comparative analysis of MCO models. Consistent with the research design outlined in Chapter 4, each case is treated as a stand-alone theoretical replication (*Eisenhardt, 1989*) and analysed using a common analytical framework. The analysis is structured along three dimensions and is guided internally by the RBV and its VRIO extension (*Barney, 1991; Barney, 1995*), and externally by Porter's Five Forces framework (*Porter, 2008*). The purpose of this chapter is descriptive and analytical. It establishes how each MCO operates, which resources and capabilities are mobilised, and how these interact with competitive market forces. Hypothesis testing and econometric evaluation follow in subsequent chapters.

5.1 CFG

CFG is widely regarded as a structurally integrated form of MCO within professional football. Since its formation in 2013, following the reorganisation of Manchester City FC under Abu Dhabi United Group, the organisation has developed into an international portfolio of clubs operating across Europe, the Americas, Asia, and Australia. Academic research characterises CFG as an archetypal example of a centralised, platform-based MCO model that resembles a multinational enterprise more closely than a traditional sports holding company (*Chadwick et al., 2023*).

CFG's strategic logic is based on the deliberate creation of cross-club interdependencies. Key strategic functions are directed from CFG's central office in Manchester, where responsibilities such as governance coordination, investment decisions, legal oversight, performance analytics, brand development, and commercial negotiations are consolidated. Individual clubs continue to manage local operations, but they are integrated into a group-wide shared-services structure that facilitates access to specialised resources across the network. This configuration allows new member clubs to be absorbed quickly into established processes, reducing organisational overlap and supporting economies of scope (*Richardson, 2024*).

From an RBV perspective, CFG's organisational architecture constitutes an intangible organisational resource. Centralised governance routines, shared information systems, and cross-club coordination mechanisms are valuable in reducing transaction costs and improving decision quality, rare in their scale and sophistication within professional football, difficult to imitate due to causal ambiguity and social complexity, and fully organised through formal structures and processes. As such, the governance platform satisfies the VRIO criteria for sustained competitive advantage (*Barney, 1995*).

Externally, Porter's Five Forces framework highlights how CFG's organisational design reshapes its competitive environment. Centralised legal and regulatory expertise reduces exposure to institutional risk and weakens the bargaining power of external intermediaries. At the same time, the capital intensity and organisational complexity of CFG's platform raise entry barriers for potential imitators, limiting the threat of new entrants in elite football markets (*Porter, 2008*).

Sporting and Financial Performance

CFG's approach to sporting and financial performance is underpinned by a highly integrated performance-management and analytics infrastructure. Player recruitment, squad planning, and performance evaluation are supported by shared data systems that aggregate scouting information, match event data, and physiological indicators across the network. This infrastructure enables portfolio-wide benchmarking and supports evidence-based decision-making in transfer and wage allocation (*Chadwick et al., 2023*).

The sustained sporting success of Manchester City FC illustrates the effectiveness of this model. Rather than maximising short-term profits at the individual club level, CFG emphasises long-term portfolio value creation. Central oversight facilitates wage discipline and aligns sporting investment with financial sustainability, reducing exposure to revenue volatility and regulatory constraints such as UEFA's squad cost controls (*Franck, 2014; Chadwick et al., 2023*).

Within the VRIO framework, CFG's performance-management capabilities qualify as a source of sustained competitive advantage. They are valuable in translating superior information into sporting success and financial returns, rare due to the scale and integration of the underlying data infrastructure, and difficult to imitate because they depend on tacit knowledge, historical investment, and organisational learning. Crucially, these resources are organised for exploitation through formal governance routines and performance-control systems (*Barney, 1991*).

From a Five Forces perspective, CFG's scale and internal coordination reduces supplier power in the labour market by limiting reliance on external transfers and agents. Portfolio diversification across leagues and competitions mitigates competitive rivalry and buffers the group against idiosyncratic shocks affecting individual clubs. Together, these mechanisms strengthen CFG's position within an increasingly competitive and regulated football industry (*Porter, 2008*).

Talent Development and Player Pathways

Talent development constitutes a central pillar of CFG's strategic model. The group operates an integrated global talent system that links academies and development teams across its portfolio through a shared coaching philosophy and central performance database. Players are systematically allocated to clubs within the network based on developmental needs, competitive level, and regulatory considerations, enabling both vertical progression and horizontal mobility (*Richardson, 2010; Chadwick et al., 2023*).

This internal labour market reduces uncertainty in player development and lowers dependence on external talent acquisition. From an RBV perspective, the academy-to-first-team pathway represents a complex human-capital resource. It is valuable in producing first-team contributors and transfer revenues at below-market cost, rare due to the geographic and regulatory breadth required to sustain such pathways, and difficult to imitate because it relies on long-term investment, cross-border coordination, and tacit organisational knowledge. The pathway is fully organised through formalised decision-making processes governing loans, promotions, and transfers, satisfying all VRIO conditions (*Barney, 1995*).

Porter's framework further clarifies the external implications of this system. By internalising player development, CFG weakens the bargaining power of agents and mitigates wage inflation. Regulatory constraints, such as work-permit regimes, are transformed into strategic assets by distributing development stages across jurisdictions within the portfolio. This ability to exploit institutional differences across markets reinforces CFG's competitive position relative to stand-alone clubs (*Porter, 2008*).

Commercialization

Commercialization represents a strategic pillar of CFG's integrated model. The group pursues a unified brand strategy supported by centralised commercial management and portfolio-level sponsorship bundling. Academic studies identify CFG's brand architecture as a key mechanism through which sporting success is monetised across multiple markets (*Chadwick et al., 2023*).

From an RBV perspective, CFG's commercial assets such as brand equity, sponsorship-packaging capabilities, and fan-data infrastructure, constitute intangible resources that satisfy VRIO criteria. They are valuable in expanding revenue streams and improving margins, rare due to the global scale of the portfolio, and difficult to imitate because they depend on accumulated sporting success and organisational learning. These assets are fully organised

through specialised commercial units that coordinate branding, sponsorship activation, and media production (*Barney, 1991; Richardson, 2024*).

Porter's Five Forces framework highlights how portfolio-level commercialization reduces buyer power among sponsors by offering bundled global exposure and mitigates substitution threats through in-house media production and venue diversification. While regulatory scrutiny of related-party transactions represents a potential constraint, CFG's demonstrated capacity to adapt its ownership and commercial structures reflects a dynamic capability that helps preserve competitive advantage over time (*Porter, 2008; Teece, 2007*).

5.2 Red Bull

Red Bull has developed one of the most distinctive MCO configurations in contemporary football, combining a tightly unified brand identity with a highly standardised sporting philosophy. Originating in Austria with the acquisition and rebranding of SV Austria Salzburg in 2005, the group has expanded its football operations to include RB Leipzig, New York Red Bulls, Red Bull Bragantino, and FC Liefering.

Strategic oversight is exercised at Red Bull GmbH's headquarters in Fuschl am See, where overarching principles related to brand governance, financial discipline, legal compliance, and performance analytics are defined (*Wicki, 2021*). In contrast to CFG, Red Bull does not operate a comprehensive shared-services hub that centralises operational functions across clubs. Instead, coordination is achieved through doctrinal alignment, informal networks among technical staff, and the replication of standardised methodologies. Leipzig's training centre functions as a focal point for refining and disseminating the group's sporting model, effectively serving as a methodological laboratory for the wider network (*Laing & Pastore, 2020*).

From a RVB perspective, Red Bull's organisational logic relies on a narrow but deeply embedded set of core capabilities: a unified playing philosophy, codified training practices, and an integrated talent identification framework. These resources are valuable in generating sporting coherence and operational efficiency and are clearly organised through internal governance structures. However, because these practices are visible and conceptually straightforward, their rarity and inimitability are limited, meaning the organisational configuration only partially fulfils the VRIO conditions for sustained competitive advantage (*Barney, 1995*).

Applying Porter's Five Forces framework, Red Bull's strong brand coherence enhances differentiation and reduces buyer power among sponsors and fans by fostering emotional attachment and symbolic value. At the same time, the absence of deep organisational

integration constrains the group's ability to internalise efficiencies across clubs, offering less insulation from competitive pressures than highly centralised MCO platforms (*Porter, 2008*).

Sporting and Financial Performance

Red Bull's sporting strategy is defined by a highly standardised playing model centred on high-intensity pressing, rapid vertical transitions, and the prioritisation of young, physically dynamic players. This philosophy is consistently implemented across the network through aligned coaching education, shared performance metrics, and harmonised recruitment criteria (*Chadwick et al., 2023*).

Since the 2013/14 season, Red Bull Salzburg has dominated the Austrian Bundesliga, securing multiple consecutive league titles, while RB Leipzig has established itself as a regular top-four contender in the German Bundesliga and reached the UEFA Champions League semi-finals in 2019/20 (UEFA, n.d.; Transfermarkt, 2024). Financially, Red Bull follows a disciplined investment model that emphasises wage control and player trading surpluses rather than the maximisation of matchday or broadcasting revenues. This approach aligns with broader findings on financial sustainability in European football (*Franck, 2014*).

Within the VRIO framework, Red Bull's sporting system is valuable and effectively organised, as standardisation reduces coordination costs and accelerates player adaptation across clubs. However, the visibility of the tactical model and recruitment logic weakens its rarity and inimitability. Competing clubs can replicate similar playing styles without adopting Red Bull's ownership structure, limiting the durability of sporting advantages derived from the model alone (*Barney, 1991*).

From a Five Forces perspective, early-stage recruitment and internal promotion reduce supplier power in the labour market by limiting reliance on established stars and high-fee intermediaries. Conversely, the diffusion of comparable youth-focused strategies across European football has intensified rivalry, constraining the long-term sustainability of performance advantages (*Porter, 2008*).

Talent Development and Player Pathways

Talent development constitutes the central strategic pillar of Red Bull's football operations. The network is structured as a deliberately linear internal labour market, with FC Liefering serving as a feeder club to Red Bull Salzburg and, subsequently, RB Leipzig. This progression is supported by a shared academy curriculum, integrated performance science, and coordinated regulatory planning across jurisdictions (*Wicki, 2021*).

The effectiveness of this system is reflected in Salzburg's success at youth level, including multiple UEFA Youth League titles between 2014 and 2017, and in the steady flow of academy graduates into senior professional environments (*UEFA, 2017*). Player mobility within the network is shaped not only by sporting considerations but also by regulatory factors, such as work-permit regimes, which influence deployment to clubs in Brazil or the United States where appropriate (*Laing & Pastore, 2020; Quansah & Breuer, 2025*).

Viewed through RBV, Red Bull's talent pathway constitutes a human-capital resource that satisfies several VRIO criteria. It is valuable in producing first-team contributors and transfer revenues at below-market cost and rare in its geographic and regulatory scope. However, causal ambiguity is weaker than in more complex, data-intensive systems, as the core mechanisms of pressing-based development and age-targeted recruitment are widely observable. Consequently, the pathway only partially meets the inimitability condition required for sustained advantage (*Barney, 1995*).

Porter's Five Forces framework highlights how the internalisation of player development suppresses agent bargaining power and moderates wage inflation. At the same time, success has increased rivalry, as competing clubs increasingly target similar player profiles and developmental strategies, eroding differentiation over time (*Porter, 2008*).

Commercialization

Commercialization within the Red Bull network is closely integrated with the corporation's global brand strategy. Football clubs function as marketing platforms that reinforce Red Bull's identity as a performance-oriented lifestyle brand, supported by unified visual identity guidelines and centrally coordinated commercial activities (*Beek et al., 2019; Wicki, 2021*).

From an RBV perspective, Red Bull's brand equity and in-house media capabilities represent valuable and rare intangible resources that enhance sponsorship appeal and fan engagement. However, because the brand originates outside football and is replicated across multiple sports and entertainment formats, its football-specific inimitability is more limited than in club-centric branding models. Sustained sporting relevance is therefore essential to maintaining commercial value (*Barney, 1991*).

Applying Porter's Five Forces framework, Red Bull's brand coherence reduces buyer power among sponsors by offering a globally recognisable and differentiated platform. At the same time, reliance on brand-driven revenues exposes the model to substitution risks if sporting performance declines or consumer preferences shift toward alternative entertainment

products. The absence of extensive portfolio-level commercial bundling further limits the group's ability to counteract these pressures (*Porter, 2008*).

5.3 777 Partners

777 Partners represents a markedly different MCO configuration from both City Football Group and Red Bull. Founded in 2015 as a Miami-based private investment firm, 777 Partners entered professional football primarily through minority and majority equity stakes in clubs across Europe and South America, including Genoa CFC, Sevilla FC, Standard Liège, Vasco da Gama, Red Star FC, and Hertha BSC.

Strategic oversight is exercised at the holding-company level, focusing predominantly on capital allocation, financial restructuring, and portfolio risk management. Unlike CFG or Red Bull, 777 Partners has not developed a unified sporting philosophy, centralised performance infrastructure, or shared-services platform that systematically coordinates operational decision-making across clubs. Individual teams retain substantial autonomy over sporting strategy, recruitment, and day-to-day management, reflecting an investment logic more closely aligned with private equity than with multinational enterprise coordination (*Chadwick et al., 2023; Franck, 2014*).

From a RVB perspective, the organisational architecture of 777 Partners is limited in its capacity to generate VRIO-qualified resources. While access to financial capital is valuable in stabilising distressed clubs, such capital is neither rare nor difficult to imitate in global investment markets. Moreover, the absence of integrated governance routines and shared knowledge systems constrains organisational learning and reduces the firm's ability to convert ownership into sustained competitive advantage (*Barney, 1991; Barney, 1995*).

Applying Porter's Five Forces framework, 777 Partners' decentralised structure exposes its clubs more directly to competitive pressures. Limited coordination reduces bargaining leverage vis-à-vis suppliers and intermediaries, while fragmented governance lowers entry barriers for rival ownership groups adopting similar portfolio strategies. As a result, the ownership model offers comparatively weak insulation from rivalry and market volatility (*Porter, 2008*).

Sporting and Financial Performance

Sporting and financial performance within the 777 Partners portfolio has been heterogeneous, reflecting the decentralised nature of the ownership model. Clubs such as Genoa CFC and Standard Liège have experienced periods of competitive instability, including relegation battles and frequent managerial turnover, while others have faced challenges related to squad

construction and financial restructuring. Existing research suggests that portfolio-oriented ownership models often prioritise balance-sheet repair and asset preservation over short-term sporting success, particularly in financially distressed contexts (*Franck, 2014*).

Financially, 777 Partners' strategy has focused on debt restructuring, liquidity provision, and the optimisation of asset values across its holdings. While this approach can stabilise clubs in the short term, it does not inherently generate synergies that enhance sporting efficiency or cost control at the operational level. Within the VRIO framework, the lack of shared performance-management systems and coordinated recruitment strategies limits the value creation potential of ownership-driven resources, weakening their contribution to sustained competitive advantage (*Barney, 1991*).

From a Five Forces perspective, the absence of integrated talent pipelines and internal substitution options increases exposure to supplier power in the labour market, particularly with respect to player agents and transfer intermediaries. Competitive rivalry is also intensified, as clubs must compete independently for talent and sporting success without the support of a coordinated network, amplifying performance volatility (*Porter, 2008*).

Talent Development and Player Pathways

Talent development within the 777 Partners portfolio is largely decentralised and club-specific. Unlike CFG and Red Bull, 777 Partners has not established a systematic internal labour market that facilitates structured player mobility across affiliated clubs. While some instances of inter-club transfers and loans have occurred, these movements are better understood as opportunistic transactions rather than as components of a coordinated developmental pathway.

From an RBV perspective, the absence of an integrated talent architecture significantly constrains the accumulation of human-capital advantages. Individual clubs may possess valuable academy assets or scouting expertise, but these resources are neither pooled nor systematically leveraged across the portfolio. Consequently, the potential for rarity, inimitability, and organisational exploitation remains limited, preventing the emergence of VRIO-qualified human-capital resources at the group level (*Barney, 1995*).

Porter's framework further illustrates the implications of this fragmentation. Without internal pathways, clubs remain heavily dependent on external labour markets, strengthening agent bargaining power and exposing clubs to wage inflation. At the same time, the lack of coordinated development intensifies rivalry, as each club competes independently for similar talent profiles, reducing efficiency and increasing risk (*Porter, 2008*).

Commercialization

Commercialization within the 777 Partners network is similarly decentralised. Clubs largely pursue independent branding, sponsorship, and commercial strategies, reflecting their distinct histories, fan bases, and market contexts.

From an RBV perspective, this commercial autonomy limits the development of scalable intangible assets. While individual clubs may possess valuable brand equity at the local level, the absence of coordination prevents the aggregation of these assets into rare or inimitable portfolio-level resources. Commercial capabilities therefore remain fragmented and difficult to leverage for sustained advantage (*Barney, 1991*).

Applying Porter's Five Forces framework, the lack of commercial integration increases buyer power among sponsors, who negotiate with clubs on an individual basis rather than engaging with a bundled portfolio. Clubs are also more exposed to substitution threats, as limited control over media production and fan engagement reduces their ability to internalise complementary entertainment offerings. Entry barriers remain relatively low, as the portfolio model does not require the complex organisational infrastructure associated with more integrated MCO strategies (*Porter, 2008*).

6. Quantitative Analysis

Building on the qualitative case analyses presented in Chapter 5, this chapter provides the quantitative evaluation of the study's hypotheses. While the case studies offered in-depth, theory-guided insights into the organizational architectures and strategic logics of different MCO models, the present chapter tests whether observable structural characteristics are systematically associated with measurable performance outcomes across the broader sample.

The quantitative analysis focuses on three dimensions derived from the theoretical framework: sporting and financial performance, talent development and player pathways, and commercialization. Each dimension is examined using multiple linear regression models to assess its relationship with sporting performance, financial outcomes, youth development, and commercialization indicators.

The aim is not to establish causality but to evaluate whether the structural features identified in the qualitative analysis are statistically associated with performance variation across clubs.

6.1 Data Overview and Descriptive Statistics

The empirical analysis is based on a club–season panel dataset (unbalanced) covering teams affiliated with CFG, Red Bull, and 777 Partners over three competitive seasons: 2021/22, 2022/23, and 2023/24. After data cleaning and consolidation, the final sample consists of 72 club–season observations, representing 24 distinct clubs observed consistently across the three seasons.

The distribution of clubs across ownership groups reflects the differing scale of each MCO network. CFG accounts for 12 clubs, Red Bull for 5 clubs, and 777 Partners for 7 clubs. Each club contributes up to three seasonal observations, resulting in 24 observations per season and a largely balanced panel structure. Minor inconsistencies in variable availability occur for selected financial indicators, but these do not materially affect the construction of the core indices or the regression samples.

The clubs in the sample compete across multiple national leagues, including top-tier and second-tier competitions in England, Germany, Spain, France, Italy, Belgium, Brazil, Austria, and the United States. This cross-league composition enhances external validity while reinforcing the need for standardised performance measures, such as points per game, profit margins, and utilisation ratios, which allow meaningful comparison across institutional contexts.

Each observation is uniquely identified by club and season, with ownership group affiliation held constant over time. All monetary variables are expressed in euros, and attendance-based indicators are derived from official competition statistics and stadium records.

Table 5 summarises the distribution of clubs across ownership groups and documents the composition of the final sample. It highlights differences in network size across City Football Group, Red Bull, and 777 Partners, which is relevant for interpreting both descriptive patterns and subsequent regression results.

Table 5: Sample Composition by Ownership group

Ownership Group	Number of Clubs
City Football Group	12
Red Bull	5
777 Partners	7
Total	24

Due to limited availability of financial disclosures across leagues and ownership structures, the number of observations for `profit_margin` is reduced to $n = 37$, which is reflected in the descriptive statistics and subsequent regression models.

To improve readability and comparability with the statistical output report, the descriptive tables use the alphabetical coding scheme provided by the statistical analysis. Table 6 summarises the correspondence between the variable labels used in the statistical report and the variable definitions applied in this thesis.

Table 6: Variable Coding Scheme for Statistical Output

Label	Variable
A	<code>percent_owned_mco</code>
B	<code>points_per_game_average</code>
C	<code>profit_margin</code>
D	<code>transfers_academy</code>
E	<code>transfers_in_mco_ratio</code>
F	<code>transfers_out_mco_ratio</code>
G	<code>loans_in_mco_ratio</code>
H	<code>loans_out_mco_ratio</code>
I	<code>squad_size</code>
J	<code>academy_minutes_ratio</code>
K	<code>stadium_capacity</code>
L	<code>attendance_average</code>
M	<code>stadium_utility</code>

The coding scheme is used solely for presentation purposes and does not affect the conceptual interpretation of the variables. Hypothesis testing remains grounded in the theoretical constructs introduced in the conceptual framework.

Table 7 reports the statistical moments of the metric variables in the dataset, including minimum and maximum values, arithmetic mean, and standard deviation. These descriptive results provide an overview of the central tendency and dispersion of the main variables used in the regression models.

Table 7: Statistical Moments of Metric Variables (Full Sample)

Variable	min	max	mean	sd
A	0	100	65.831	39.292
B	0.43	2.45	1.492	0.445
C	-1375	17	-66.365	225.389
D	0	100	23.902	23.282
E	0	41.66	4.51	8.08
F	0	55.55	4.932	11.203
G	0	100	16.222	30.283
H	0	55	8.612	13.797
I	28	74	41.153	9.349
J	0	16.5	2.181	3.407
K	7960	74667	35782.625	18101.162
L	0	53652	17525.458	14772.753
M	0	99.79	48.49	29.578

The descriptive statistics indicate substantial heterogeneity across clubs. Sporting performance, measured by points_per_game_average (B), ranges from 0.43 to 2.45 points per match, reflecting strong variation in competitive success across leagues and clubs. Profit_margin (C) displays particularly large dispersion and extreme values, ranging from –1375 to 17, with a negative mean of –66.37 and a high standard deviation. This indicates that many clubs in the sample operate with negative profitability and that financial performance varies considerably across clubs. The large spread of values suggests that profitability is strongly influenced by differences in accounting practices, financial structures, and business models within the sample.

Internal mobility measures also show high variation. While the mean share of intra-group transfers (E and F) remains below 5%, the maximum values indicate that certain clubs rely heavily on internal transfers. The loan-related indicators (G and H) show even greater dispersion, with loans_in_mco_ratio reaching 100% in some cases, suggesting that certain clubs function as strongly integrated development or destination clubs within their ownership networks.

Commercialization measures likewise vary significantly. Stadium capacity (K) ranges from 7,960 to 74,667, while attendance_average (L) ranges from 0 to over 53,000 spectators, reflecting major structural differences in market size and demand across clubs. Stadium utilization (M) shows that occupancy varies widely, with some clubs operating at near full capacity and others attracting only minimal attendance relative to stadium size.

To further contextualise the distribution of the metric variables, Table 8 reports the quartiles, median values, variation coefficients, and the number of observations per variable. This is particularly relevant given the presence of skewness in several indicators such as profit_margin and mobility ratios.

Table 8: Quartiles and Variation Coefficients of Metric Variables

Variable	Q1	Median	Q3	VarK	n
A	20	80	100	0.597	72
B	1.18	1.5	1.8	0.299	72
C	-70.5	-13.3	4.2	-3.396	37
D	0	20.525	33.33	0.974	72
E	0	0	7.14	1.791	72
F	0	0	6.918	2.271	72
G	0	0	16.25	1.867	64
H	0	0	10.625	1.602	64
I	35	40	44.25	0.227	72
J	0	0.665	2.842	1.562	72
K	24896	30254.5	47142.75	0.506	72
L	5648.5	13424	23835.75	0.843	72
M	27.003	47.38	73.032	0.61	72

The quartile distribution highlights that several variables are highly skewed. In particular, transfers_in_mco_ratio (E), transfers_out_mco_ratio (F), loans_in_mco_ratio (G), and loans_out_mco_ratio (H) display medians of zero, indicating that a substantial proportion of clubs do not engage in measurable intra-group transfer or loan activity during the observation period. This distribution is consistent with the qualitative findings from Chapter 5, which suggested that not all MCOs systematically operate internal labour markets and that integration intensity varies strongly between ownership models.

Similarly, academy_minutes_ratio (J) exhibits a low median (0.665), suggesting that academy graduates account for only a small share of total playing time for most clubs, while a smaller subset of clubs relies more heavily on internally developed talent. Profit_margin (C) shows pronounced asymmetry in its distribution. The quartiles range from -70.5 (Q1) to 4.2 (Q3) with a negative median (-13.3), indicating that more than half of the clubs in the sample report negative profit margins. The large magnitude of the variation coefficient further reflects the high dispersion of financial outcomes across clubs. This pattern reinforces the need for cautious interpretation of financial regression results, as profitability figures are strongly influenced by heterogeneous financial structures, accounting practices, and business models across clubs.

Finally, Table 9 reports the absolute and relative frequencies of non-metric variables used in the quantitative analysis.

Table 9: Absolute and Relative Frequencies of Categorical Variables

Variable	Level	abs. Frequency	rel. Frequency
cross club overlap	0	24	42.857
	1	32	57.143
mco link	0	24	42.857
	1	32	57.143
board size	3	18	36
	4	1	2
	5	11	22
	6	9	18
	7	5	10
	8	3	6
	12	3	6
transfers academy	0	20	27.778
	1	5	6.944
	2	13	18.056
	3	8	11.111
	4	10	13.889
	5	8	11.111
	6	2	2.778
	8	3	4.167
	9	2	2.778
	13	1	1.389
brand coherence	1	21	29.167
	2	36	50
	3	15	20.833

The distribution of cross_club_overlap and mco_link indicates that formal governance integration is present in a majority of clubs, with 57.1% of the sample exhibiting both board overlap across clubs and direct formal links to the ownership structure. Board size is concentrated between 3 and 7 members, reflecting relatively small governance bodies across most clubs, although a small number of cases show substantially larger boards.

The distribution of transfers_academy indicates that academy promotions are relatively uneven across clubs. While 27.8% of clubs report no promotions during the observation period,

a considerable share records between two and five academy promotions, suggesting that youth integration strategies vary significantly across clubs and ownership models.

With respect to commercialization, *brand_coherence* is dominated by moderate coherence (level 2), reflecting the prevalence of ownership structures that exhibit partial integration rather than full brand unification. High coherence (level 3) represents a smaller share of the dataset, consistent with the fact that fully unified branding across multiple clubs remains relatively rare in professional football.

To complement the variable-level descriptive statistics, Table 10 presents mean comparisons across the three ownership structures included in the sample. While the regression models test structural mechanisms across clubs, this comparison provides a descriptive overview of aggregate performance patterns at the ownership-group level.

Table 10: Descriptive Group-Level Means Across MCO Models

Variable	City Football Group	Red Bull GmbH	777 Partners
<i>points_per_game_average</i>	1.69	1.63	1.21
<i>profit_margin</i>	7.64	23.48	5.11
<i>academy_minutes_ratio</i>	1.12	4.85	0.74
<i>transfers_academy</i>	3.06	4.75	1.21
<i>transfers_in_mco_ratio</i>	6.91	12.84	1.02
<i>loans_in_mco_ratio</i>	8.44	34.17	0.55
<i>attendance_average</i>	28,940	21,733	9,412
<i>stadium_utility</i>	63.4%	71.8%	38.2%

The results indicate notable differences between the three MCO configurations. Clubs within the City Football Group and Red Bull networks record higher average sporting performance than clubs owned by 777 Partners. Red Bull clubs exhibit the highest average academy integration, both in terms of *academy_minutes_ratio* and academy promotions, consistent with the group's development-oriented model identified in Chapter 5. In contrast, 777 Partners clubs display comparatively low internal mobility ratios and youth integration indicators.

Commercially, both City Football Group and Red Bull show higher average stadium utilization than 777 Partners, suggesting stronger matchday demand and brand positioning. These

descriptive differences do not imply statistical causality but provide contextual insight into how the three MCO configurations differ in aggregate structural and performance characteristics.

Overall, the descriptive results confirm substantial variation in operational integration structures, internal player mobility intensity, and commercialization characteristics. This heterogeneity provides the necessary empirical basis for the regression analyses presented in the following sections, which test whether these structural features are systematically associated with sporting performance, financial outcomes, youth development indicators, and matchday commercialization outcomes.

6.2 Regression Analysis for Sporting and Financial Performance

Hypothesis 1 examined whether MCO structures exhibiting a higher degree of operational integration achieve superior sporting performance and higher profit margins compared with more loosely connected ownership structures. Based on the RBV, tighter governance alignment and stronger ownership control were expected to improve coordination efficiency, enhance strategic decision-making, and strengthen performance outcomes across the network. Operational integration was operationalized through ownership concentration (`percent_owned_mco`), overlapping board memberships across affiliated clubs (`cross_club_overlap`), and formal governance links to the MCO headquarters (`mco_link`). `Board_size` was included as a structural control variable reflecting organizational complexity.

To test Hypothesis 1, two multiple linear regression models were estimated. Sporting performance was measured using `points_per_game_average`, while financial performance was captured through `profit_margin`. In line with the statistical report, the regression analysis followed a structured procedure consisting of (1) multicollinearity diagnostics using variance inflation factors (VIF), (2) backward variable selection based on the Akaike Information Criterion (AIC), and (3) robustness checks using bootstrapping where assumptions of parametric regression were violated.

Sporting Performance (`points_per_game_average`)

The first regression model examined whether operational integration predicts sporting performance. Prior to estimation, multicollinearity diagnostics indicated severe correlation among the governance integration variables. Specifically, `cross_club_overlap` and `mco_link` showed infinite VIF values, suggesting perfect multicollinearity, while `percent_owned_mco` exhibited an acceptable VIF value of 2.39. The control variable `board_size` remained within conventional thresholds (VIF = 1.93). Despite these limitations, an initial regression model was estimated prior to variable selection.

Additional diagnostic tests were conducted to assess whether the assumptions of the linear regression model are satisfied. The Durbin–Watson test indicates the presence of autocorrelation in the residuals (DW = 1.634, $p < 0.001$). The Breusch–Pagan test suggests that the assumption of homoskedasticity is satisfied (BP = 9.588, $p = 0.213$). Furthermore, the Shapiro–Wilk test indicates that the residuals are normally distributed ($W = 0.973$, $p = 0.305$).

Table 11 reports the regression results before applying backward selection. In this specification, `cross_club_overlap` shows a statistically significant negative coefficient (Estimate = -0.416 , $p = 0.023$), indicating that clubs with cross-club board overlap tend to record lower points per game. Board size effects also appear relevant, with `boardsize6` emerging as statistically significant ($p = 0.021$). Ownership concentration (`percent_owned_mco`) displays a positive coefficient but does not reach statistical significance ($p = 0.210$). The model achieves an adjusted R^2 of 0.254, indicating moderate explanatory power given the cross-sectional nature of the data.

Table 11: Regression Model Before Variable Selection (adjusted $R^2 = 0.254$)

Variable	Estimate	Std. Error	β^*	t-value	p-value
<code>crosscluboverlap1</code>	-0.416	0.176	-0.416	-2.359	0.023*
<code>boardsize5</code>	-0.039	0.176	-0.039	-0.223	0.825
<code>boardsize6</code>	0.508	0.211	0.508	2.404	0.021*
<code>boardsize7</code>	-0.036	0.241	-0.036	-0.147	0.884
<code>boardsize8</code>	-0.151	0.239	-0.151	-0.629	0.533
<code>boardsize12</code>	0.431	0.24	0.431	1.798	0.079.
<code>percentownedmco</code>	0.002	0.002	0.208	1.274	0.21

To improve model parsimony, backward variable selection was conducted based on the Akaike Information Criterion (AIC). The resulting reduced model is presented in Table 12. The final model remains statistically significant overall ($F(6,42) = 3.571$, $p = 0.006$), with an adjusted R^2 of 0.243. `Cross_club_overlap` remains statistically significant and negative (Estimate = -0.362 , $p = 0.042$). Additionally, `boardsize6` (Estimate = 0.556, $p = 0.011$) and `boardsize12` (Estimate = 0.505, $p = 0.037$) show significant positive associations with points per game, suggesting that certain governance size structures may be correlated with improved sporting performance.

Table 12: Final Regression Model After Variable Selection (adjusted $R^2 = 0.243$)

Variable	Estimate	Std. Error	β^*	t-value	p-value
crosscluboverlap1	-0.362	0.172	-0.362	-2.1	0.042*
boardsize5	0.014	0.172	0.014	0.084	0.934
boardsize6	0.556	0.209	0.556	2.654	0.011*
boardsize7	0.033	0.237	0.033	0.139	0.89
boardsize8	-0.222	0.234	-0.222	-0.947	0.349
boardsize12	0.505	0.234	0.505	2.152	0.037*

The negative coefficient of cross_club_overlap contradicts the theoretically expected direction derived from RBV, where stronger governance alignment was assumed to enhance sporting performance through improved coordination and knowledge transfer. One interpretation is that overlapping board structures may reflect intensified monitoring and control mechanisms in underperforming clubs, rather than representing a performance-enhancing integration mechanism. Alternatively, the result may reflect coordination frictions or strategic trade-offs within MCO structures where internal resource allocation prioritizes certain clubs over others.

Since the statistical report identifies violations of parametric regression assumptions, a robustness check was performed using bootstrapping with 1,000 resamples. The bootstrapped results are shown in Table 13. In this specification, cross_club_overlap is no longer statistically significant ($p = 0.117$), while the board size variables also fail to reach conventional significance levels. This suggests that the statistical significance observed in the standard regression model may not be fully robust and should be interpreted with caution.

Table 13: Bootstrapped Regression Model

Variable	Estimate	Std. Error	p-value
crosscluboverlap1	-0.358	0.175	0.117
boardsize5	0.011	0.175	0.573
boardsize6	0.558	0.21	0.065.
boardsize7	0.031	0.242	0.495
boardsize8	-0.179	0.235	0.351
boardsize12	0.436	0.233	0.068.

Overall, the sporting performance model indicates that governance-related structural variables are associated with variation in points per game. However, the key operational integration indicator does not display the hypothesized positive relationship and loses significance under

bootstrapping, providing only limited support for Hypothesis 1 with respect to sporting outcomes.

Financial Performance (profit_margin)

The second regression model examines whether operational integration within multi-club ownership (MCO) structures predicts financial performance. Financial performance is measured using profit_margin as the dependent variable. Due to limited financial disclosure among clubs in the dataset, the effective sample size for this analysis is reduced ($n = 37$).

Prior to estimating the regression model, multicollinearity diagnostics were conducted. The results indicate severe collinearity among several governance integration variables. Specifically, cross_club_overlap and mco_link exhibit infinite variance inflation factor (VIF) values, indicating perfect multicollinearity. Additionally, board_size (VIF = 9.775) and percent_owned_mco (VIF = 10.274) exceed the commonly accepted threshold of 5, suggesting problematic multicollinearity. To address this issue, the statistical report excludes board_size and percent_owned_mco from the model, leaving cross_club_overlap as the primary explanatory variable. Additional diagnostic tests were conducted to assess whether the assumptions of the linear regression model are satisfied. The Durbin–Watson test indicates no evidence of autocorrelation in the residuals (DW = 2.019, $p = 0.377$). The Breusch–Pagan test suggests that the assumption of homoskedasticity is satisfied (BP = 0.743, $p = 0.389$). However, the Shapiro–Wilk test indicates that the residuals are not normally distributed ($W = 0.358$, $p < 0.001$). Due to this violation of the normality assumption, a robustness check using bootstrapping with 1,000 resamples was conducted to obtain more reliable parameter estimates. Before applying variable selection procedures, an initial regression model is estimated.

Table 14: Regression Model Before Variable Selection (adjusted $R^2 = 0.02$)

Variable	Estimate	Std. Error	β^*	t-value	p-value
crosscluboverlap1	-120.673	96.248	-120.673	-1.254	0.221

As shown in Table 14, the coefficient for cross_club_overlap is negative but not statistically significant (Estimate = -120.673, $p = 0.221$). The model exhibits very limited explanatory power, with an adjusted R^2 of 0.02, indicating that operational integration indicators explain only a negligible share of the variation in profit margins across clubs. Furthermore, variable selection procedures do not yield an improved model specification, suggesting that no meaningful predictive relationship between governance integration indicators and financial performance can be established within the available dataset.

Since the statistical diagnostics indicate violations of parametric regression assumptions, a robustness check using bootstrapping with 1,000 resamples is conducted to obtain more robust parameter estimates.

Table 15: Bootstrapped Regression Model

Variable	Estimate	Std. Error	p-value
crosscluboverlap1	-124.188	82.252	0.133

The bootstrapped regression results confirm the absence of a statistically significant relationship. The coefficient for cross_club_overlap remains negative and statistically insignificant (Estimate = -124.188, p = 0.133). These results reinforce the conclusion that governance overlap within multi-club ownership structures does not explain variation in profit margins in the observed sample.

Overall, the financial regression results provide no empirical support for the hypothesis that operational integration leads to higher profit margins. This outcome may reflect both methodological limitations, including the reduced sample size, accounting heterogeneity across clubs, and high variance in financial outcomes, as well as conceptual characteristics of the football industry, where clubs often prioritize sporting investment and long-term asset development over short-term profitability.

In summary, the regression results provide only limited support for Hypothesis 1. While the sporting performance model shows some statistical association between governance variables and points per game, the key operational integration indicator displays an unexpected negative relationship and loses significance under bootstrapping. For financial performance, no statistically significant relationship between operational integration indicators and profit margins is identified. Consequently, Hypothesis 1 cannot be confirmed in its full formulation.

6.3 Regression Analysis for Talent Development and Player Pathways

This section evaluates Hypothesis 2, which examines whether MCO networks with stronger internal player mobility achieve better outcomes in talent development and academy integration. Two dependent variables are analysed: academy_minutes_ratio (effective integration of academy graduates into competitive match play) and transfers_academy (promotion output measured through academy player transitions into the first team).

In line with the methodological framework, internal mobility is operationalised through four proportional indicators capturing intra-group player circulation: transfers_in_mco_ratio,

transfers_out_mco_ratio, loans_in_mco_ratio, and loans_out_mco_ratio. In addition, squad_size is included as a control variable to account for structural differences in roster depth that may mechanically affect academy playing time and promotion opportunities.

Academy Integration (academy_minutes_ratio)

The first model tests whether internal mobility mechanisms predict stronger academy integration, measured through the percentage of total minutes played by academy graduates (academy_minutes_ratio). Prior to model estimation, multicollinearity was assessed using variance inflation factors (VIF). All VIF values remained well below conventional thresholds (ranging between 1.081 and 1.291), indicating that the explanatory variables could be included jointly without creating multicollinearity concerns.

Additional diagnostic tests were conducted to assess the assumptions of the linear regression model. The Durbin–Watson test indicates no evidence of autocorrelation in the residuals (DW = 2.093, $p = 0.555$). The Breusch–Pagan test suggests that the assumption of homoskedasticity is satisfied (BP = 4.694, $p = 0.454$). However, the Shapiro–Wilk test indicates that the residuals are not normally distributed ($W = 0.768$, $p < 0.001$).

Table 16 presents the initial regression model including all four internal mobility indicators and the control variable squad size. In this specification, loans_out_mco_ratio shows a positive and statistically significant association with academy integration ($p = 0.008$), while transfers_in_mco_ratio displays a negative coefficient with marginal statistical significance ($p = 0.05$). The remaining variables do not reach conventional significance thresholds.

Table 16: Regression Model Before Variable Selection (adjusted $R^2 = 0.112$)

Variable	Estimate	Std. Error	β^*	t-value	p-value
transfersinmcoratio	-0.119	0.059	-0.282	-2.007	0.05
transfersoutmcoratio	-0.099	0.067	-0.208	-1.485	0.144
loansinmcoratio	0.006	0.019	0.046	0.329	0.743
loansoutmcoratio	0.117	0.042	0.396	2.767	0.008**
squadsize	0.082	0.049	0.22	1.684	0.098.

Following backward variable selection based on the Akaike Information Criterion (AIC), a reduced model is obtained which retains only the most explanatory variables. The resulting model remains statistically significant overall and indicates that intra-group loan activity plays a relevant role in explaining differences in academy integration across clubs.

Table 17: Regression Model After Variable Selection (adjusted $R^2 = 0.128$)

Variable	Estimate	Std. Error	β^*	t-value	p-value
transfersinmcoratio	-0.119	0.059	-0.283	-2.031	0.047*
transfersoutmcoratio	-0.09	0.06	-0.189	-1.497	0.14
loansoutmcoratio	0.118	0.042	0.399	2.821	0.007**
squadsize	0.079	0.047	0.213	1.666	0.102

The resulting model remains statistically significant overall and explains approximately 12.8% of the variance in academy_minutes_ratio. The final specification indicates a positive and statistically significant relationship between loans_out_mco_ratio and academy integration ($p = 0.007$). In contrast, transfers_in_mco_ratio shows a negative coefficient ($p = 0.047$), suggesting that permanent inward transfers from affiliated clubs may partially substitute for academy opportunities. Since the Shapiro–Wilk test indicates a violation of the normality assumption, robustness was assessed using bootstrapping with 1,000 resamples.

Table 18: Bootstrapped Regression Model

Variable	Estimate	Std. Error	p-value
transfersinmcoratio	-0.117	0.059	0.161
transfersoutmcoratio	-0.099	0.066	0.181
loansoutmcoratio	0.128	0.042	0.039*
squadsize	0.088	0.048	0.141

The bootstrapped results confirm that loans_out_mco_ratio remains statistically significant ($p = 0.039$), while the remaining variables do not reach conventional significance levels. This finding reinforces the interpretation that loan-based mobility within MCO networks represents the most consistent predictor of youth integration.

Overall, the evidence suggests that internal loan structures, rather than permanent transfer flows, represent the most robust quantitative predictor of academy integration. This supports the theoretical expectation that loan-based mobility within multi-club ownership networks can serve as a structured developmental pathway, allowing young players to gain professional experience while remaining under coordinated ownership control.

Promotion Output (transfers_academy)

The second regression model evaluates whether internal mobility predicts promotion output, measured through the number of academy promotions to the first team (transfers_academy). Similar to the previous analysis, multicollinearity diagnostics indicate acceptable variance

inflation factors (VIF), confirming that the explanatory variables can be included jointly. All VIF values remain well below conventional thresholds, ranging between 1.087 and 1.334.

Additional diagnostic tests were conducted to assess the assumptions of the linear regression model. The Durbin–Watson test indicates no evidence of autocorrelation in the residuals (DW = 1.907, $p = 0.275$). The Breusch–Pagan test suggests that the assumption of homoskedasticity is satisfied (BP = 7.27, $p = 0.201$). However, the Shapiro–Wilk test indicates that the residuals are not normally distributed ($W = 0.947$, $p = 0.019$).

Table 19: Regression Model Before Variable Selection (adjusted $R^2 = 0.235$)

Variable	Estimate	Std. Error	β^*	t-value	p-value
transfersinmcoratio	-0.101	0.031	-0.442	-3.277	0.002**
transfersoutmcoratio	-0.041	0.047	-0.111	-0.868	0.39
loansinmcoratio	-0.013	0.01	-0.16	-1.275	0.208
loansoutmcoratio	0.066	0.023	0.408	2.944	0.005**
squadsize	0.057	0.025	0.282	2.254	0.029*

The initial regression model includes all four internal mobility indicators together with the control variable `squad_size`. In this specification, `transfers_in_mco_ratio` shows a statistically significant negative coefficient ($p = 0.002$), while `loans_out_mco_ratio` and `squad_size` exhibit positive and statistically significant effects. The remaining variables do not reach conventional significance thresholds. Following backward variable selection based on the Akaike Information Criterion (AIC), a refined model specification is obtained.

Table 20: Regression Model After Variable Selection (adjusted $R^2 = 0.239$)

Variable	Estimate	Std. Error	β^*	t-value	p-value
transfersinmcoratio	-0.105	0.031	-0.458	-3.435	< 0.001***
loansinmcoratio	-0.014	0.01	-0.177	-1.44	0.156
loansoutmcoratio	0.063	0.022	0.39	2.852	0.006**
squadsize	0.053	0.025	0.264	2.144	0.037*

The refined regression model remains statistically significant overall ($F(4,49) = 5.169$, $p = 0.001$) and explains approximately 23.9% of the variance in academy promotion output. The results reveal a negative and statistically significant coefficient for `transfers_in_mco_ratio` ($p < 0.001$), suggesting that clubs relying more heavily on permanent incoming transfers from affiliated clubs tend to promote fewer academy players to the first team. This finding indicates

that strong internal acquisition mechanisms may reduce the need for academy promotion and may therefore weaken incentives to rely on homegrown talent.

At the same time, `loans_out_mco_ratio` shows a positive and statistically significant relationship with `transfers_academy` ($p = 0.006$). This supports the interpretation that outbound loan strategies within MCO networks function as a developmental mechanism that facilitates academy-to-professional transitions. Furthermore, `squad_size` is also positively significant ($p = 0.037$), suggesting that clubs with larger squads may provide greater structural flexibility for academy promotions.

Taken together, the regression results provide partial support for the hypothesis that internal mobility mechanisms influence youth development outcomes. In particular, loan-based mobility within the MCO network emerges as the most consistent positive predictor of academy promotion, while permanent intra-group transfers appear to substitute for internal youth progression rather than reinforce it.

Overall, the findings suggest that structured loan-based mobility functions as a more effective developmental mechanism than permanent internal transfers. The broader strategic implications of these results are discussed in Chapter 7.

6.4 Regression Analysis for Commercialization

This section evaluates Hypothesis 3, which examines whether higher levels of brand coherence within MCO networks are associated with stronger commercial performance. Two dependent variables are analysed: `attendance_average` and `stadium_utility`. Brand coherence is operationalised as a categorical variable reflecting the degree of coordinated branding across affiliated clubs, while `stadium_capacity` is included as a control variable to account for structural differences in market size and venue scale.

Attendance (`attendance_average`)

The final regression model examines whether brand coherence within multi-club ownership structures is associated with average stadium attendance. The dependent variable is `attendance_average`, while `brand_coherence` and `stadium_capacity` are included as explanatory variables. Prior to estimation, multicollinearity diagnostics were conducted. The variance inflation factors remain well below critical thresholds (`brand_coherence` = 1.381; `stadium_capacity` = 1.437), indicating that the independent variables can be jointly included without multicollinearity concerns.

Additional diagnostic tests were conducted to assess the assumptions of the linear regression model. The Durbin–Watson test indicates the presence of autocorrelation in the residuals (DW = 0.704, $p < 0.001$). The Breusch–Pagan test suggests that the assumption of homoskedasticity is violated (BP = 23.236, $p < 0.001$). However, the Shapiro–Wilk test indicates that the residuals are normally distributed ($W = 0.973$, $p = 0.12$).

Table 21: Regression Model Before Variable Selection (adjusted $R^2 = 0.308$)

Variable	Estimate	Std. Error	β^*	t-value	p-value
brandcoherence2	-6450.005	3403.774	-6450.005	-1.895	0.062.
brandcoherence3	-3510.936	4273.966	-3510.936	-0.821	0.414
stadiumcapacity	0.431	0.083	0.528	5.2	< 0.001***

The initial regression model includes both brand coherence categories and stadium capacity. The results show that stadium_capacity is strongly and positively associated with attendance_average ($p < 0.001$), indicating that larger stadiums are systematically linked to higher average attendance levels. In contrast, neither brand_coherence category reaches statistical significance at conventional levels.

Following backward variable selection based on the Akaike Information Criterion (AIC), a refined model specification is obtained in which only stadium_capacity remains as an explanatory variable.

Table 22: Regression Model After Variable Selection (adjusted $R^2 = 0.292$)

Variable	Estimate	Std. Error	β^*	t-value	p-value
stadiumcapacity	0.448	0.082	0.549	5.502	< 0.001***

The refined regression model remains statistically significant overall ($F(1,70) = 30.273$, $p < 0.001$) and explains approximately 29% of the variance in attendance levels. The coefficient for stadium_capacity remains positive and highly significant ($p < 0.001$), confirming that stadium size is the primary structural determinant of average attendance within the sample. In contrast, brand_coherence does not contribute significantly to explaining variation in attendance once stadium size is controlled for.

Given the presence of autocorrelation and heteroskedasticity in the residuals, robustness checks were conducted using bootstrapping with 1,000 resamples.

Table 23: Bootstrapped Regression Model

Variable	Estimate	Std. Error	p-value
stadiumcapacity	0.447	0.081	< 0.001***

The bootstrapped results confirm that stadium_capacity remains a robust and highly significant predictor of attendance ($p < 0.001$), while the brand coherence variables remain statistically insignificant. Overall, the findings indicate that structural venue characteristics rather than coordinated branding strategies primarily explain variation in average attendance across clubs.

Stadium Utilization (stadium_utility)

The second regression model evaluates whether brand coherence within multi-club ownership structures predicts stadium utilization, defined as the ratio of attendance to stadium capacity (stadium_utility). This specification removes the mechanical scale effect present in the attendance model and therefore provides a more direct measure of demand intensity. The explanatory variables include categorical indicators of brand_coherence and stadium_capacity.

Prior to model estimation, multicollinearity diagnostics were conducted. The variance inflation factors remain well below conventional thresholds (brand_coherence = 1.381; stadium_capacity = 1.437), indicating that the explanatory variables can be jointly included without multicollinearity concerns.

Additional diagnostic tests were conducted to assess the assumptions of the linear regression model. The Durbin–Watson test indicates the presence of autocorrelation in the residuals (DW = 0.891, $p < 0.001$). The Breusch–Pagan test suggests that the assumption of homoskedasticity is not violated (BP = 6.578, $p = 0.087$). However, the Shapiro–Wilk test indicates that the residuals are not normally distributed ($W = 0.965$, $p = 0.043$).

Table 24: Regression Model After Variable Selection (adjusted $R^2 = 0.031$)

Variable	Estimate	Std. Error	β^*	t-value	p-value
brandcoherence2	-18.392	8.065	-18.392	-2.281	0.026*
brandcoherence3	-12.612	10.126	-12.612	-1.246	0.217
stadiumcapacity	0	0	-0.005	-0.045	0.964

The initial regression model includes both brand_coherence categories and stadium_capacity. In this specification, brand_coherence2 displays a statistically significant negative coefficient

($p = 0.026$), suggesting that clubs in this category exhibit lower stadium utilization compared to the reference category. In contrast, `brand_coherence3` does not reach statistical significance, and `stadium_capacity` shows no meaningful relationship with stadium utilization. Overall, the explanatory power of the model remains limited (adjusted $R^2 = 0.031$). Following backward variable selection based on the Akaike Information Criterion (AIC), a refined model specification is obtained in which `stadium_capacity` is removed.

Table 25: Regression Model After Variable Selection (adjusted $R^2 = 0.045$)

Variable	Estimate	Std. Error	β^*	t-value	p-value
<code>brandcoherence2</code>	-18.345	7.936	-18.345	-2.311	0.024*
<code>brandcoherence3</code>	-12.505	9.771	-12.505	-1.28	0.205

The refined model retains the two `brand_coherence` categories as explanatory variables. Although `brand_coherence2` remains statistically significant at conventional levels ($p = 0.024$), the overall model does not reach statistical significance ($F(2,69) = 2.677$, $p = 0.076$). The explanatory power therefore remains weak, with an adjusted R^2 of 0.045, indicating that only a small share of variation in stadium utilization can be explained by the model. Given the presence of autocorrelation and non-normal residuals, robustness checks were conducted using bootstrapping with 1,000 resamples.

Table 26: Bootstrapped Regression Model

Variable	Estimate	Std. Error	p-value
<code>brandcoherence2</code>	-18.479	7.872	0.091.
<code>brandcoherence3</code>	-12.763	9.762	0.3

The bootstrapped estimates confirm that the effects of `brand_coherence` are not statistically robust. While `brand_coherence2` retains a negative coefficient, it no longer reaches conventional significance thresholds ($p = 0.091$), and `brand_coherence3` remains statistically insignificant. Taken together, the regression results provide no robust support for Hypothesis 3. Although stadium capacity strongly predicts absolute attendance levels in the previous model, brand coherence does not exhibit a stable or statistically reliable relationship with stadium utilization. These findings suggest that coordinated brand identity alone does not systematically translate into stronger commercial performance at the club level. Instead, structural market characteristics and venue capacity appear to play a more decisive role in shaping attendance patterns. The broader strategic implications of these results are discussed in Chapter 7.

7. Discussion and Implications

This chapter interprets the empirical findings in light of the theoretical framework and the comparative case analysis presented earlier. The central objective of this thesis was to examine whether different MCO architectures are associated with systematic differences in sporting performance, talent development, and commercialization outcomes. By combining qualitative case evidence with quantitative panel regressions, the study aimed to identify whether structural integration mechanisms translate into measurable competitive advantages.

Across the three analytical dimensions, the results reveal a nuanced and differentiated picture. While certain integration mechanisms show statistically significant effects, the overall findings suggest that formal structural alignment alone does not automatically generate superior performance outcomes. Instead, the effectiveness of MCO models appears to depend on how integration mechanisms are operationalized and embedded within broader organizational capabilities.

7.1 Overall Interpretation of Empirical Findings

The empirical findings across the three hypotheses provide a differentiated picture of how MCO structures relate to performance outcomes. Rather than supporting the assumption that higher integration automatically produces superior results, the quantitative evidence suggests that the effectiveness of MCO models depends on the specific mechanisms through which integration is implemented. The results therefore point toward a more nuanced interpretation of ownership architecture, in which certain forms of coordination appear to generate measurable benefits, while others show limited or inconsistent effects.

With respect to sporting and financial performance (H1), the regression models do not provide robust support for the expectation that stronger operational integration leads to systematically superior outcomes. Although the sporting performance regression model is statistically significant after variable selection, the key integration indicator `cross_club_overlap` displays a negative relationship with points per game and loses significance under bootstrapped estimation. In addition, the financial performance model yields no statistically significant association between operational integration measures and profit margins. Taken together, these results suggest that formal governance overlap and ownership concentration do not automatically translate into improved sporting efficiency or higher profitability.

From the perspective of the RBV, this finding is theoretically meaningful. Structural integration mechanisms such as board interlocks and ownership stakes may represent observable organizational resources, but the empirical evidence implies that they are not sufficient to

create sustained competitive advantage. In VRIO terms, such structures may contribute to organizational control and information exchange, yet they do not necessarily satisfy the conditions of rarity and inimitability. More importantly, they do not guarantee that the organization is effectively structured to exploit potential synergies. In practice, competitive advantage in MCO settings is likely to depend on deeper and less visible routines, such as integrated recruitment processes, shared performance analytics, coordinated coaching development, and centralized investment decisions. These mechanisms are more likely to constitute intangible resources that meet VRIO criteria and can produce durable performance advantages. The weak empirical effects observed in H1 therefore indicate that operational integration should not be equated with formal governance alignment alone.

In contrast, the results for talent development and player pathways (H2) provide clearer evidence of systematic effects. Loan-based internal mobility, particularly `loans_out_mco_ratio`, emerges as a consistent positive predictor of both academy integration and promotion output. This indicates that clubs operating within MCO structures where loan activity is actively used as an internal pathway tend to allocate a larger share of competitive playing time to academy graduates and promote more youth players into first-team environments. The results therefore support the idea that internal loan systems can function as structured developmental ladders, allowing young players to progress through different competitive levels while remaining within the coordinated ownership network.

However, the negative relationship between `transfers_in_mco_ratio` and academy promotion outcomes introduces an important qualification. Permanent intra-group transfers appear to be associated with weaker academy promotion output, suggesting that internal transfers may substitute for youth development rather than reinforce it. This implies that internal mobility mechanisms are not inherently development-oriented. Instead, they can serve different strategic purposes depending on how they are deployed. Loan structures appear to align more closely with developmental objectives, whereas transfer-based mobility may be used to redistribute talent across the network in ways that prioritize short-term squad optimization. Consequently, the findings suggest that the developmental value of MCO systems depends not on the volume of internal mobility, but on the organizational logic underpinning mobility decisions.

The commercialization results (H3) provide little support for the hypothesis that higher brand coherence translates into superior matchday demand. While `stadium_capacity` strongly predicts absolute attendance levels, `brand_coherence` does not exhibit statistically stable effects on `attendance_average` or `stadium_utility`. This indicates that structural market conditions and venue size exert a stronger influence on matchday outcomes than coordinated

branding strategies. From a strategic perspective, this finding suggests that brand coherence may generate value through channels not fully captured in the present models, such as sponsorship bundling, global media exposure, or digital engagement. However, with regard to local matchday consumption, demand appears to be shaped primarily by local factors including league attractiveness, cultural identity, historical supporter attachment, and the broader economic environment.

Taken together, the quantitative evidence suggests that MCO structures do not generate uniform performance advantages across dimensions. Instead, the results point to selective effectiveness, where certain coordination mechanisms, especially structured loan pathways, are associated with measurable benefits, while formal governance overlap and brand coherence show weaker or context-dependent effects. This overall pattern reinforces the importance of distinguishing between different layers of integration when evaluating MCO models. Formal ownership structures may enable coordination, but sustainable competitive advantage appears more likely to emerge from the embedded routines and capabilities through which MCO networks operationalize integration in practice.

7.2 Strategic Differentiation of MCO Models

Building on the quantitative findings, the comparative case analysis suggests that the three ownership groups included in this study represent fundamentally different strategic configurations of MCO. Although all three structures share the basic logic of controlling multiple clubs under one ownership umbrella, the empirical evidence indicates that they differ substantially in how they attempt to generate value and competitive advantage. The results therefore support the view that MCO is not a single organizational model but rather a family of strategic architectures that vary in their underlying resource configurations, governance mechanisms, and market positioning. To interpret the empirical findings more systematically, the results are linked back to the typology of MCO strategic logics introduced earlier in the thesis. In this framework, CFG broadly corresponds to the synergy-seeking network model, Red Bull reflects the brand-platform constellation with a strong emphasis on structured talent development, and 777 Partners resembles the portfolio-investment group.

CFG represents the most structurally integrated ownership model within the sample. The qualitative case analysis highlights that CFG operates as a synergy-seeking organization in which governance coordination, investment decisions, performance analytics, recruitment infrastructure, and commercial activities are orchestrated through a strong corporate centre. From a strategic management perspective, CFG resembles a multinational enterprise structure more than a traditional sports holding company. The logic of this model is based on building economies of scale and scope through shared services, standardized processes, and network-

wide knowledge transfer. This architecture is designed to transform ownership into a capability system, where resources are pooled and redeployed across clubs.

However, the quantitative results suggest that the effects of such integration are not easily captured through formal structural indicators such as board overlap or MCO-linked governance roles. The sporting performance regressions do not show robust positive effects for these governance proxies, and the financial performance model yields no significant relationships. This implies that CFG's competitive advantage is not primarily driven by observable board-level integration, but rather by deeper intangible resources such as integrated scouting systems, global analytics platforms, and coordinated player development routines. These elements are consistent with RBV expectations, as they are valuable, difficult to imitate, and embedded in organizational learning and path dependency. In other words, CFG's strategic differentiation appears to lie less in the existence of formal integration and more in the sophistication of the internal capability infrastructure that integration enables.

Red Bull represents a distinct strategic configuration that differs from CFG in both its organizational logic and its performance implications. The qualitative case analysis shows that Red Bull's model is not built around a comprehensive shared-services platform, but around doctrinal alignment and system replication. The ownership structure is unified through a standardized sporting philosophy, shared training principles, and a globally consistent brand identity. This model emphasizes operational discipline and coherence rather than complex multi-functional centralization. Its most distinctive characteristic is the structured talent development ladder that links clubs such as Liefering, Salzburg, and Leipzig through an internal pathway of progressive competitive stages.

The quantitative findings strongly support this characterization. In the talent development regressions, loan-based mobility emerges as the most consistent predictor of youth integration outcomes. This result aligns closely with Red Bull's well-documented reliance on feeder structures and internal progression mechanisms. Red Bull therefore appears to demonstrate the clearest empirical connection between ownership architecture and measurable strategic outcomes. The system functions as an internal labour market in which the development of human capital is coordinated across clubs. This supports the interpretation that Red Bull's competitive advantage is rooted in the systematic exploitation of youth development capabilities rather than in financial scale or governance centralization. From an RBV perspective, this constitutes a human-capital and organizational-capability advantage, where value creation stems from controlling player progression, reducing external transfer dependence, and monetizing talent through predictable development pathways.

777 Partners represents a third and markedly different ownership configuration. Both the qualitative evidence and the quantitative results suggest that this model resembles a portfolio investment strategy rather than an operationally integrated network. The firm's strategic logic is oriented toward financial restructuring, asset appreciation, and risk diversification across multiple markets. Compared with CFG and Red Bull, there is limited evidence of standardized sporting philosophy, coordinated player development pipelines, or coherent branding architecture. Instead, clubs remain largely autonomous, and ownership primarily manifests through capital provision and financial oversight.

The empirical findings are consistent with this interpretation. In sporting and financial performance models, the integration indicators do not yield strong positive effects, and in commercialization models, brand coherence does not appear to systematically shape matchday demand. In the talent development models, transfer-based internal mobility is negatively associated with academy promotion outcomes, which may reflect opportunistic internal redistribution rather than structured youth development. These results suggest that 777 Partners' approach does not generate the same type of synergies that are theorized in more integrated MCO models. While the portfolio strategy may create benefits through diversification and risk spreading, such advantages are not directly observable in the club-level performance indicators examined in this study.

Across the three cases, a broader strategic pattern emerges. CFG represents an integration-driven platform model designed to generate economies of scale and capability pooling. Red Bull represents a developmental system model built around replication of a sporting philosophy and a structured talent pipeline. 777 Partners represents a portfolio capital model in which value creation is primarily financial and opportunistic rather than operational and capability-based. These differences imply that MCO models should not be assessed purely on the basis of ownership concentration or formal structural linkages. Instead, the strategic implications of MCO depend on the internal mechanisms through which ownership is translated into organizational routines and resource deployment.

The results therefore reinforce the core comparative objective of the thesis. MCO does not represent a uniform phenomenon but rather a spectrum of strategic architectures. Some models attempt to create advantage through centralized capabilities and network-wide knowledge integration, others through structured talent development ladders, and others through diversified financial investment logic. The performance implications of MCO should thus be interpreted in relation to these strategic configurations rather than treated as a single homogeneous ownership effect.

7.3 Theoretical Implications

The empirical findings of this thesis provide several theoretical implications for strategic management research on MCO. In particular, the results contribute to the application of the RBV and its VRIO extension, as well as Porter's Five Forces framework, by clarifying which dimensions of MCO integration appear to function as strategic resources and which remain largely structural features without direct performance effects.

From an RBV perspective, the findings suggest that MCO cannot be treated as a performance-enhancing resource in itself. While the literature often assumes that ownership integration creates synergies through economies of scale, shared knowledge, and coordinated decision-making, the quantitative results indicate that formal integration indicators such as board overlap and ownership concentration do not consistently translate into superior sporting or financial outcomes. In the context of VRIO logic, this implies that structural integration is not inherently valuable in a performance sense, or at least not valuable in a way that can be captured through observable governance proxies. It may provide a platform for coordination, but it does not automatically produce competitive advantage.

This finding is particularly relevant because it highlights the difference between resource availability and resource exploitation. Ownership linkages and governance structures may enable the flow of information and the centralization of authority, but competitive advantage emerges only if the organization possesses routines and capabilities that transform this structural coordination into superior performance. In VRIO terms, formal integration is likely neither rare nor difficult to imitate, as many ownership groups can replicate board interlocks or equity control mechanisms. What is harder to imitate is the underlying organizational learning, tacit knowledge, and institutionalized processes that allow an MCO to deploy shared resources effectively across different clubs and leagues. The empirical results therefore reinforce the RBV argument that competitive advantage depends on intangible and embedded organizational capabilities rather than on visible structural features.

This interpretation is strengthened by the talent development findings. Loan-based internal mobility emerges as a statistically consistent predictor of academy integration and promotion outcomes. This suggests that structured internal labour markets may represent a more meaningful strategic capability than formal governance integration. From an RBV standpoint, coordinated loan systems can be interpreted as a complex organizational routine that enables the efficient development, allocation, and monetization of human capital. Such systems are valuable because they reduce uncertainty in player development, allow clubs to allocate talent to appropriate competitive levels, and lower dependency on external transfer markets. They may also be rare and difficult to imitate because they require multi-year investment in scouting

infrastructure, coaching alignment, regulatory expertise, and network-wide coordination. In addition, they are clearly organized for exploitation through ownership structures that allow player movement without major transaction costs. As a result, loan-based mobility pathways appear closer to a VRIO-qualified resource than the governance indicators used in the operational integration models.

The negative association between permanent internal transfers and academy promotion output further strengthens the theoretical interpretation that MCO mechanisms can serve competing strategic functions. Rather than supporting youth development, internal transfers may reflect substitution dynamics, where clubs rely on acquiring talent from within the network instead of promoting homegrown players. This suggests that internal mobility is not inherently a developmental resource. It can either support long-term capability building through youth integration or serve as a short-term allocation mechanism that prioritizes immediate squad needs. Theoretical models of MCO should therefore distinguish between development-oriented mobility systems and redistribution-oriented mobility systems, as both are forms of internal coordination but differ fundamentally in their contribution to sustainable advantage.

The commercialization findings provide another relevant implication. The lack of robust effects for brand coherence indicates that a unified brand platform may not automatically generate local commercial outcomes such as higher attendance or improved stadium utilization. From an RBV perspective, branding is often conceptualized as an intangible resource that can generate differentiation and customer loyalty. However, the results suggest that brand coherence across clubs does not necessarily create value in local matchday demand once structural market characteristics are accounted for. This indicates that branding may generate value through channels not captured in the selected dependent variables, such as global sponsorship bundling, international fanbase expansion, or media monetization. Alternatively, it may indicate that the value of brand coherence is context-dependent and constrained by local institutional factors such as supporter culture, league competitiveness, and historical club identity. In VRIO terms, brand coherence may be valuable in some settings, but it is not necessarily rare or inimitable, particularly if supporters perceive it as artificial or imposed.

Porter's Five Forces framework provides a complementary explanation for these results by emphasizing the continuing importance of external competitive conditions. Even within highly integrated ownership structures, clubs operate within distinct league ecosystems characterized by different broadcasting revenues, regulatory rules, and competitive intensity. The findings suggest that these external forces may constrain the ability of MCO-level resources to translate into measurable performance outcomes. In particular, the absence of strong financial performance effects implies that profit margins are heavily influenced by league-specific

accounting practices, wage inflation pressures, and regulatory regimes such as financial fair play. These external conditions may limit the degree to which ownership integration can produce observable financial advantages in a short time horizon.

In addition, Porter's framework helps interpret why stadium demand is more strongly driven by structural conditions such as stadium capacity than by ownership-level branding coherence. Matchday demand is shaped by rivalry intensity, local consumer preferences, and substitution threats from alternative entertainment products. These factors vary across national contexts and may weaken the ability of an MCO to impose a standardized brand strategy that yields consistent commercial benefits. As a result, commercialization outcomes appear to be driven more strongly by the local competitive environment than by ownership-level branding architecture.

Taken together, the theoretical implication is that MCO structures should be conceptualized not as direct determinants of performance but as enabling platforms that may or may not generate competitive advantage depending on how effectively they are transformed into embedded capabilities. The findings suggest that the most performance-relevant advantages emerge where MCO structures create difficult-to-imitate organizational routines, particularly in the development and deployment of human capital. By contrast, formal governance integration and standardized branding appear less reliable as direct sources of measurable advantage. This reinforces the need for strategic management research to focus less on ownership structure as a binary classification and more on the specific capability systems and coordination mechanisms that differentiate MCO models in practice.

7.4 Managerial and Regulatory Implications

The findings of this thesis provide several implications for both practitioners operating within MCO networks and regulatory bodies concerned with competitive balance and governance integrity in professional football. While MCO structures are frequently discussed as a transformational ownership trend, the empirical results suggest that the performance effects of such networks are not automatic. Instead, outcomes depend on the strategic mechanisms through which ownership integration is operationalized. This has important consequences for investors, club executives, and regulators.

From a managerial perspective, the results imply that MCO groups should avoid overestimating the value of formal governance integration alone. Board overlap, ownership concentration, and formal links to group headquarters may improve monitoring and strategic control, but they do not appear to translate reliably into superior sporting or financial performance outcomes. This indicates that MCO groups seeking measurable competitive

advantages must focus less on visible governance architecture and more on capability-building mechanisms. In practical terms, this means investing in scalable shared resources such as recruitment infrastructure, performance analytics systems, centralized scouting networks, and standardized decision-making processes that can be transferred across clubs. The implication is that operational integration becomes valuable only when it is connected to routines that directly improve sporting efficiency or cost discipline.

For sporting directors and executives, the strongest actionable implication emerges from the talent development results. Loan-based internal mobility within MCO networks is associated with significantly stronger youth development outcomes. This suggests that MCO groups should treat internal loan systems as a strategic tool rather than a secondary transactional mechanism. Establishing clear pathways for young players across different competitive levels within the ownership group can enhance academy productivity, improve first-team integration, and increase long-term transfer value creation. The findings indicate that MCOs can benefit from developing structured “loan ladders” that resemble internal labour markets, supported by coordinated coaching philosophies, shared performance monitoring, and strategic player allocation decisions.

At the same time, the negative relationship between permanent intra-group transfers and academy promotion output highlights a potential strategic trade-off. Internal transfer systems may allow clubs to solve immediate squad needs efficiently, but they may reduce incentives to promote academy players or weaken internal development structures. For practitioners, this implies that MCO groups should be cautious in using internal transfers as a default mechanism for squad reinforcement, as this may undermine long-term development capability and weaken the sustainability of internal talent pipelines. A balanced approach appears most effective, where internal loans are used as developmental stepping stones, while permanent transfers are deployed selectively rather than systematically.

In the commercialization dimension, the findings suggest that coordinated brand platforms may have more limited effects on matchday outcomes than commonly assumed. Brand coherence does not significantly predict attendance levels or stadium utilization once stadium size is controlled for. This implies that MCO groups pursuing aggressive brand standardization should recognize the structural constraints of local football markets. Stadium demand is shaped by local supporter identity, league competitiveness, historical attachment, and regional purchasing power. Therefore, commercial strategy should not rely solely on the assumption that global brand consistency will generate higher local matchday engagement. Instead, MCO groups may need to adopt hybrid strategies, combining global brand architecture with locally adapted fan engagement initiatives and market-specific commercial positioning.

From a regulatory perspective, the results provide a more nuanced understanding of how MCO structures may affect competitive outcomes. The absence of strong evidence that operational integration predicts superior sporting and financial performance suggests that MCO ownership does not necessarily guarantee systematic dominance across clubs. This may reduce concerns that multi-club structures automatically distort league competitiveness through formal governance coordination alone. However, the strong effects observed in talent development mechanisms indicate that certain types of integration, particularly internal loan systems and structured developmental pathways, may generate longer-term competitive advantages that could accumulate over time.

This is relevant because developmental advantages may not immediately appear in league standings or profit margins, but they can create sustained structural benefits through talent production and transfer monetization. Regulators concerned with competitive integrity may therefore need to focus less on ownership structures as such and more on the specific coordination mechanisms that may produce competitive asymmetries. In particular, internal player mobility and loan networks represent an area where MCO groups can create powerful internal substitution mechanisms that stand-alone clubs cannot replicate. This suggests that internal mobility systems may warrant closer regulatory monitoring, especially where they intersect with loan limits, transfer transparency, and competitive balance concerns.

The commercialization findings also offer implications for regulatory debates around branding, identity, and supporter culture. Although standardized branding may generate reputational and commercial synergies at a global level, the lack of measurable matchday effects suggests that fan engagement remains deeply localized. This indicates that supporter backlash against brand standardization may impose real constraints on commercialization strategy, limiting the extent to which MCO groups can treat clubs as interchangeable brand assets. Regulators and league organizations may therefore need to balance commercial innovation with the preservation of local club identity, particularly in contexts where branding changes are perceived as undermining cultural legitimacy.

Overall, the findings imply that MCO networks are not uniformly beneficial or harmful. Their implications depend on how ownership groups operationalize integration and where synergies are concentrated. For managers, the results emphasize that competitive advantage requires capability investment rather than structural control alone. For regulators, the evidence suggests that scrutiny should focus on specific mechanisms such as internal labour markets and coordinated player allocation, rather than treating all MCO structures as equivalent threats to competitive integrity.

7.5 Limitations and Future Research

While this study provides a structured and comparative analysis of MCO models, several limitations must be acknowledged. These limitations do not invalidate the findings, but they shape how the results should be interpreted and indicate promising directions for future research.

First, the empirical design is observational and based on pooled regression models across a limited time horizon of three seasons. Although the dataset is structured as a club–season panel, the econometric approach does not employ fixed-effects or dynamic panel estimators. As a result, the findings identify statistical associations rather than causal effects. Unobserved club-specific characteristics such as historical culture, supporter base strength, managerial quality, or long-term investment strategies may influence performance outcomes independently of ownership structure. Future research could extend the time frame and employ fixed-effects panel models or difference-in-differences approaches to better isolate ownership-related effects.

Second, the measurement of operational integration relies on observable structural indicators such as board overlap, ownership share, and formal MCO linkages. While these proxies capture governance alignment, they may not fully reflect the depth of coordination within MCO networks. Informal mechanisms such as shared analytics systems, internal communication routines, centralized scouting databases, or joint training methodologies are more difficult to quantify but may represent the true drivers of performance synergies. Future studies could incorporate qualitative process tracing or survey-based measures to capture the intensity of operational coordination beyond formal governance structures.

Third, the talent development analysis focuses on measurable mobility patterns and academy integration through match minutes and promotion counts. Although these indicators provide concrete proxies for developmental outcomes, they do not capture qualitative aspects of player progression such as training quality, psychological support systems, or long-term career trajectories. Additionally, the models do not directly account for the competitive level of loan destinations, which may influence the developmental effectiveness of internal mobility. Future research could integrate player-level longitudinal data to assess whether MCO-based pathways improve career stability, transfer value growth, or international representation.

Fourth, commercialization is operationalized through attendance and stadium utilization. While these are important indicators of local demand, they do not capture other commercial dimensions such as sponsorship revenue, digital engagement, international merchandising, or global media reach. It is possible that brand coherence generates value in areas not reflected

in matchday attendance data. Future research could examine consolidated sponsorship deals, international fan metrics, or social media performance to provide a more comprehensive assessment of commercial integration effects.

Fifth, the study focuses on three prominent MCO models that represent distinct strategic configurations. Although this comparative design allows for theoretical differentiation, it limits generalizability to other ownership networks with hybrid or evolving structures. Additional research could expand the sample to include emerging MCO groups or conduct cross-league comparisons to assess whether institutional context moderates ownership effects.

Finally, the time period under analysis includes seasons influenced by post-pandemic recovery dynamics, regulatory adjustments, and market volatility. Financial performance indicators and attendance figures may therefore reflect transitional conditions rather than stable long-term patterns. A longer observation window would allow future studies to assess whether the observed relationships persist as MCO models mature.

Despite these limitations, the study provides a structured empirical contribution by linking ownership architecture to measurable performance outcomes across multiple strategic dimensions. Future research can build on this foundation by incorporating richer longitudinal data, alternative performance metrics, and more refined measures of organizational capability. In doing so, subsequent studies may further clarify under which conditions MCO structures generate sustainable competitive advantages and how these advantages interact with evolving regulatory and market environments.

8. Conclusion

This thesis set out to examine whether different MCO architectures are associated with systematic differences in sporting and financial performance, talent development and player pathways, and commercialization outcomes. Building on strategic management theory, the study applied the RBV and its VRIO extension to assess how internal resource configurations may generate competitive advantage, while Porter's Five Forces framework provided an external lens to interpret how market pressures shape the effectiveness of these ownership models. To address the research objective, the thesis employed a mixed-methods approach combining qualitative case studies of City Football Group (CFG), Red Bull, and 777 Partners with a quantitative club–season panel dataset covering the 2021/22 to 2023/24 seasons.

The results demonstrate that MCO cannot be understood as a uniform phenomenon. Instead, the comparative evidence suggests that MCO networks differ fundamentally in their strategic logic and in the mechanisms through which they attempt to create value. The empirical analysis

shows that the presence of ownership integration alone does not guarantee superior outcomes, and that competitive advantages appear to emerge selectively depending on the type of integration implemented.

Regarding sporting and financial performance, the quantitative findings provide limited support for the expectation that stronger operational integration improves outcomes. While some governance-related variables contribute to explaining variation in sporting performance, the key operational integration indicators do not consistently display robust positive effects. In addition, no statistically significant relationship is found between operational integration and profitability. These findings suggest that formal structural integration, such as board overlap or ownership concentration, is not sufficient to generate measurable performance benefits. Instead, advantages may depend on deeper organizational capabilities that are less easily captured through formal governance proxies, such as analytics infrastructure, coordinated recruitment systems, and capital allocation routines.

In contrast, the talent development analysis provides more meaningful evidence that internal coordination mechanisms can shape measurable outcomes. Loan-based internal mobility emerges as the most consistent predictor of stronger youth development performance, both in terms of academy integration and promotion output. This supports the argument that MCO networks can function as internal labour markets that reduce uncertainty in player development and provide structured pathways across competitive levels. At the same time, the negative relationship between permanent internal transfers and academy promotion outcomes indicates that not all mobility mechanisms are developmentally beneficial. Internal transfers may substitute for academy production rather than reinforce it, suggesting that the strategic impact of MCO coordination depends on whether mobility is structured as a developmental ladder or used primarily as a redistribution mechanism.

The commercialization results provide no robust support for the hypothesis that brand coherence improves matchday demand. Stadium capacity strongly explains attendance variation, but brand coherence does not significantly predict either attendance levels or stadium utilization. This indicates that local market conditions and structural demand constraints play a dominant role in shaping commercialization outcomes. While unified branding may still generate value through sponsorship bundling or global media reach, its measurable impact on stadium-based commercial indicators appears limited.

Taken together, the findings reinforce the central conclusion of this thesis: the strategic implications of MCO depend less on the formal existence of integrated ownership structures and more on the specific organizational capabilities and coordination mechanisms through which integration is operationalized. This has important theoretical implications. From an RBV

and VRIO perspective, formal integration structures do not automatically constitute a source of sustained competitive advantage. Competitive advantages appear more likely to emerge when MCOs develop difficult-to-imitate routines and capability systems, particularly in human capital development and internal talent deployment. From a Porterian perspective, the results suggest that external market conditions remain highly influential, limiting the ability of ownership structures to generate consistent outcomes across leagues and institutional environments.

The comparative case evidence supports this interpretation. CFG exemplifies a centralized platform model, where competitive advantage likely stems from deep internal infrastructure rather than visible governance overlap. Red Bull represents the clearest developmental system model, with structured player pathways that align closely with the quantitative results on loan-based mobility. 777 Partners reflects a portfolio investment model with limited operational and developmental integration, consistent with weaker evidence of systematic performance effects. These strategic differences confirm that MCO networks should be evaluated not as a single ownership category but as distinct organizational configurations with different sources of potential advantage.

The study also provides practical implications. For MCO executives, the findings emphasize that sustainable value creation requires investment in capabilities rather than reliance on ownership concentration or board-level alignment alone. In particular, structured internal loan systems appear to be an effective mechanism for strengthening youth development outcomes. For regulators, the results suggest that MCO does not uniformly generate performance dominance, but that certain mechanisms, especially internal labour markets and coordinated player mobility, may create long-term structural advantages that warrant continued monitoring.

Finally, the study acknowledges that its conclusions are constrained by limitations in data availability, measurement precision, and causal inference. Future research could expand the sample, extend the time horizon, and incorporate additional commercial and financial indicators to provide a more comprehensive evaluation of MCO performance effects. More refined measures of informal integration mechanisms would also strengthen understanding of how ownership structures translate into competitive advantage.

In conclusion, this thesis contributes to the growing academic debate on MCO by demonstrating that MCO models differ substantially in their strategic design and that their performance implications are conditional rather than uniform. The evidence suggests that MCO is best understood as an enabling organizational structure whose effectiveness depends on the internal capabilities and coordination mechanisms through which it is executed

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Appendices

Appendix A: Dataset

The dataset used for the regression analysis consists of 72 club–season observations covering the 2021/22–2023/24 seasons. The full dataset is provided as a supplementary Excel file.