

Brand Finance®



Football Annual 2020



An insight into the role of brand in driving football finance.



About Brand Finance

Brand Finance is the world's leading independent brand valuation consultancy.

Brand Finance was set up in 1996 with the aim of 'bridging the gap between marketing and finance'. For more than 20 years, we have helped companies and organisations of all types to connect their brands to the bottom line.

Headquartered in the City of London, we are present in over 20 countries.

We pride ourselves on four key strengths:

- + Independence
- + Transparency
- + Technical Credibility
- + Expertise

We put 5,000 of the world's biggest brands to the test every year, evaluating which are the strongest and most valuable.

Brand Finance helped craft the internationally recognised standard on Brand Valuation – ISO 10668, and the recently approved standard on Brand Evaluation – ISO 20671.

Brand Finance is a chartered accountancy firm regulated by the Institute of Chartered Accountants in England and Wales (ICAEW), and also the first brand valuation consultancy to join the International Valuation Standards Council (IVSC).

Brand Finance's brand value rankings have been certified by the Marketing Accountability Standards Board (MASB) through the Marketing Metric Audit Protocol (MMAP), the formal process for validating the relationship between marketing measurement and financial performance.

Brand Finance Football Annual 2020 Contributors:

**BUROHAPPOLD
ENGINEERING**



Publisher: Independent Publishing Network

Publication date: July 2020

Copyright © 2020 Brand Finance Plc. All rights reserved.

Authors: Declan Ahern, Benedict Baigrie, Richard Haigh, Hugo Hensley, Jonathan Ong, Steve Thomson

Editorial support: Neil Jensen

Editor: Konrad Jagodzinski

Designer: Coral Hoeren

Email: enquiries@brandfinance.com

Address: 3 Birch Lane, London, EC3V 9BW, United Kingdom

Website: brandfinance.com

All valuations and financial insights in the Brand Finance Football Annual 2020 are calculated as of the end of the 2019/2020 season.

DISCLAIMER

Brand Finance has produced this study with an independent and unbiased analysis. The values derived and opinions produced in this study are based only on publicly available information and certain assumptions that Brand Finance used where such data was deficient or unclear. Brand Finance accepts no responsibility and will not be liable in the event that the publicly available information relied upon is subsequently found to be inaccurate. The opinions and financial analysis expressed in the publication are not to be construed as providing investment or business advice. Brand Finance does not intend the publication to be relied upon for any reason and excludes all liability to any body, government, or organisation.

The data compiled for Brand Finance's rankings and publications are part of Brand Finance's proprietary database and are not to be used in part or in full for any commercial or technical purpose without written permission from Brand Finance.



Contents

About Brand Finance	3	ESPORTS		Chelsea F.C.	101	Southampton F.C.	127
Foreword	7	Esports Continues to Surge	64	Tottenham Hotspur F.C.	102	Brighton & Hove Albion F.C.	128
Brand Finance Football 50 2020	8	Fnatic – Merging the Markets	69	Arsenal F.C.	103	Valencia C.F.	129
Top 50 Most Valuable Club Brands	15	Paris Saint-Germain, The Next		Juventus F.C.	104	1. FC Köln	130
Top 50 Strongest Club Brands	16	Generation Club	70	Borussia Dortmund	105	Olympique de Marseille	131
Top 50 Most Valuable Club Enterprises	17			Atlético Madrid	106	Watford F.C.	132
FOOTBALL CONSUMPTION		STADIA		F.C. Internazionale Milano	107	Athletic Club Bilbao	133
Broadcasting – The Evolution		2020 Stadium Brand Venue		RasenBallsport Leipzig	108	TSG 1899 Hoffenheim	134
Will Certainly Be Televised	20	Performance Rating - Insights	74	Leicester City F.C.	109	SS Lazio	135
		Methodology: Buro Happold		FC Schalke 04	110	Sheffield United F.C.	136
		Venue Performance Rating	80	Everton F.C.	111	Villarreal C.F.	137
BRAND FINANCE FOOTBALL		Stadium Brand VPR Ratings	82	Wolverhampton Wanderers F.C.	112	Aston Villa F.C.	138
FAN RESEARCH		Tailor-made Stadia	84	Newcastle United F.C.	113	S.L. Benfica	139
Football Fan Research	25	Designing Stadia to Attract		Borussia Mönchengladbach	114	AFC Bournemouth	140
Sponsorship		Top-Tier Naming Rights	86	A.C. Milan	115	Celtic F.C.	141
The True Value of Football Sponsorship	34			Bayer 04 Leverkusen	116	F.C. Zenit St Petersburg	142
Sponsorship Evaluation & Valuation	39	TOP 50 FOOTBALL BRANDS		VfL Wolfsburg	117	Real Betis	143
The Absa Premiership Story	42	A (Really) Long Time Coming:		West Ham United F.C.	118		
		Liverpool Champions of England	90	A.S. Roma	119	METHODOLOGY	
		Real Madrid C.F.	94	AFC Ajax	120	Definitions	146
CLUB ENTERPRISE VALUATIONS		F.C. Barcelona	95	Crystal Palace F.C.	121	Brand Value Methodology	148
Enterprise Valuations & Foreign		Manchester United F.C.	96	S.S.C. Napoli	122	Brand Strength Methodology	150
Ownership in the Premier League	46	Liverpool F.C.	97	Olympique Lyonnais	123	Brand Finance Sports Services Team	151
Enterprise Value Methodology	54	Manchester City F.C.	98	Burnley F.C.	124	Contacts	151
A Different Type of Investor	56	F.C. Bayern Munich	99	Sevilla F.C.	125		
Technology – A Solid Platform for		Paris Saint-Germain F.C.	100	Eintracht Frankfurt	126		
LaLiga's Growth	60						

Foreword



Richard Haigh
Managing Director,
Brand Finance

At the end of yet another dramatic football season – albeit for very different reasons than usual – Brand Finance once again takes a deep dive into the world's most valuable football brands.

This is the 15th edition of the Brand Finance Football 50 ranking and the second year of its expansion into the Brand Finance Football Annual. The Annual is a detailed, hardback study of the most comprehensive analysis of football brands and football finance.

Throughout these pages we have covered topics including the changing face of football consumption; the value of football clubs following the increase of US investment into the sport; and the impact of COVID-19 on the industry. This year, the Brand Finance Football Annual also features contributions from industry leaders such as LaLiga, PSG and Fnatic.

Real Madrid have retained their place as the most valuable club brand in football, with a brand value of €1,419 billion. Despite securing a record 34th LaLiga title, Real Madrid's brand value has declined by 14% from its all-time high of €1,646 billion in 2019. This is consistent with trends in the rest of the industry, as the overall brand value of the top 50 football club brands has declined by 2% for the first time in our study's history.

With a Brand Strength Index (BSI) score of 94.9, Real Madrid have also held on to their title of the strongest brand in football. An equally noteworthy presence in the Brand Strength Index (BSI) ranking is Liverpool, which has eclipsed its rivals Manchester United (4th position) and Bayern Munich (5th position) for the first time by climbing 2 spots in the ranking to become the 3rd strongest football brand in 2020. Liverpool's brand has been strengthened by impressive pitch performances, such as winning the Champions League in 2019 and securing the Premier League for the first time in record breaking fashion.

Football club brands should be viewed within the context of the overall value of the business in which they operate. Subsequently, Brand Finance's Enterprise Valuation of the top 50 football brands has revealed some very interesting results. Real Madrid (valued at €4,198 billion), Manchester United (valued at €3,849 billion) and Liverpool (valued at €3,702 billion) make up the top 3 most valuable football clubs in the world.

I am pleased to announce that, Brand Finance has renewed our partnership with Buro Happold – the specialist firm responsible for the Tottenham Hotspur Stadium among other world class arenas – for the second year running as we further explore the role of stadia in driving brand value, brand strength, and enterprise value. This has been measured using the Venue Performance Rating (VPR) system developed by Buro Happold, which assesses fan experience, the potential for the stadium to generate revenue for the club, and

matchday impact on the performance of teams. The Tottenham Hotspur Stadium is the leading performing stadium in the world, leading the charge in revenue generation.

This season, Brand Finance expanded on our annual football fan research by covering key established markets, including the UK, France, Italy, Spain, and Germany, as well as the emerging football markets in the US and China. The research provides insights into how football is being consumed, how this varies across demographics and geographies, and what drives fan engagement with various leagues and clubs. We provide further insights into the role of esports in the future of the industry, which commercial sponsorship agreements resonate the most with football fans, as well as perceptions on the continued rise of women's football. Finally, in partnership with Buro Happold, we seek to gain a greater understanding of the role of stadia among football fans.

Brand Finance aims to provide a mutually understood language for football clubs' commercial, marketing, and finance teams. Through an enhanced understanding of their brands, clubs can capitalise on commercial opportunities to guide them in future strategic decision making. At the same time, Brand Finance assists and guides corporate brand sponsors who are looking to evaluate the opportunities and potential returns of engaging in sponsorship deals.

With such significant investments into football and the rise of new opportunities across the industry, the necessity for a clear understanding of all aspects of football finance is crucial to the success of all stakeholders in the industry. We hope you find the insights generated in this report informative and useful in your endeavors, and we look forward to continuing the conversation with you in the future.



Brand Finance Football 50 2020

REAL MADRID AND BARCELONA NECK-AND-NECK AS WORLD'S MOST VALUABLE FOOTBALL BRANDS IN THE FACE OF COVID-19

Real Madrid remain the most valuable football club brand in the world for 2020. Boosted by winning the LaLiga title for the first time since 2017, the club retained its position at the top of the table in the football industry, but against a backdrop of economic and social disruption, caused primarily by the COVID-19 pandemic, Real Madrid's brand value has declined by 14% to €1,419 million.

Real Madrid's disappointing on-pitch performance prior to 2019-20, which saw an earlier-than-normal exit from the UEFA Champions League in 2018-19 and a second successive season adrift of LaLiga champions Barcelona, eroded the club's dominance of the Brand Finance ranking. The situation was exacerbated by COVID-19, along with a lack of stability around the management of the team. Barcelona, Real's fierce rivals, are just €6 million behind Real with a brand value of €1,413 million, supported by strong and diverse revenue generation and continued domestic performance in Spain.

From among eight Spanish clubs in the ranking, two enjoyed healthy growth in their brand value, namely Valencia (+32%) and Athletic Bilbao (+11%). While Spanish clubs are benefitting from a new broadcasting deal, the gap between the big two, Real and Barca, and the third most prominent club, Atlético Madrid, is more than 300%. The two giants also have a value that is more than a dozen times higher than the lowest-placed Spanish club, Real Betis.





















Top level football has been confronted with the largest existential threat since the Second World War. Loss of income, coupled with health concerns about mass gatherings, have raised question marks about the future of the industry and the financial resilience of clubs across all levels. The full damage of the COVID-19 crisis has yet to unfold and it is not inconceivable there will be casualties in the form of club bankruptcies and changes in ownership.

Richard Haigh
Managing Director, Brand Finance

TOP 10 MOST VALUABLE BRANDS

	1 ← 1		2020: €1,419m 2019: €1,646m	-13.8%
	2 ↑ 3		2020: €1,413m 2019: €1,393m	+1.4%
	3 ↓ 2		2020: €1,314m 2019: €1,472m	-10.7%
	4 ↑ 6		2020: €1,262m 2019: €1,191m	+6.0%
	5 ← 5		2020: €1,124m 2019: €1,255m	-10.4%
	6 ↓ 4		2020: €1,056m 2019: €1,314m	-19.6%
	7 ↑ 8		2020: €967m 2019: €914m	+5.8%
	8 ↓ 7		2020: €949m 2019: €968m	-1.9%
	9 ↑ 10		2020: €784m 2019: €758m	+3.3%
	10 ↓ 9		2020: €719m 2019: €885m	-18.8%

TOP 10 STRONGEST BRANDS

	1 ← 1		2020: 94.9 AAA+ 2019: 95.5 AAA+	-0.5
	2 ← 2		2020: 93.6 AAA+ 2019: 95.4 AAA+	-1.7
	3 ↑ 5		2020: 93.2 AAA+ 2019: 91.0 AAA+	+2.2
	4 ← 4		2020: 91.5 AAA+ 2019: 92.1 AAA+	-0.6
	5 ↓ 3		2020: 91.4 AAA+ 2019: 93.5 AAA+	-2.1
	6 ↑ 8		2020: 89.0 AAA 2019: 87.3 AAA	+1.7
	7 ↓ 6		2020: 88.8 AAA 2019: 88.7 AAA	+0.2
	8 ↑ 10		2020: 87.6 AAA 2019: 85.5 AAA	+2.0
	9 ← 9		2020: 87.0 AAA 2019: 86.8 AAA	+0.3
	10 ↓ 7		2020: 86.9 AAA 2019: 88.0 AAA	-1.1



COVID-19 KNOCKS OFF €751 MILLION OF BRAND VALUE

Real Madrid is not the only club to see a drop in brand value this year. COVID-19 has caused the total value of the top 50 football brands to decrease for the first time in 6 years. Through its effect on the three main revenue streams – Matchday, Broadcasting, and Commercial – €751 million or 3.7% has been knocked off the cumulative brand value of the world's top 50 most valuable football clubs.

The COVID-19 pandemic has challenged professional football worldwide and across all levels. After the enforced break of around three months, most leagues resumed with a behind-closed-doors format that excluded spectators. Matchday income for the 501 games remaining in the big 5 leagues dropped to zero, but it is often the smaller clubs and leagues which are more reliant on this revenue stream – in Scotland it makes up 43% of total revenue, compared to only 13% in the Premier League. Broadcasting contracts also took a hit and Premier League clubs were required to repay over £330m to domestic broadcasters (22% of the annual total) and the cancelled Ligue 1 repayments were €243m (28% of the total).

There have been some positive signs, as Southampton vs Manchester City on BBC broke the Premier League TV audience record with 5.7 million viewers, but the longer-term damage to the game's economic structure has yet to be revealed. As well as players experiencing wage cuts, the full impact on sponsors, the transfer market, and broadcasting rights will only emerge in the aftermath of the global lockdown.

Despite the huge implications of COVID-19 for football clubs and their financial results, the majority of the brand value is secured by the clubs' long-term future – provided they can survive the initial shock. For example, only 21% of Real Madrid's brand value is delivered by the next five years' financial results.

PREMIER POWER

Real Madrid and Barcelona are followed by a cluster of English Premier League clubs in the Brand Finance Football Annual 2020 ranking, with Manchester United in 3rd position after their brand value fell by 11% to €1,314 million. Liverpool, who won their first league title since 1990 in runaway style, are in 4th spot jumping above Manchester City in terms of brand value, rising from €1,191 million in 2019 to €1,262 million, a 6% increase. Chelsea dropped one place in the table to 8th after their value fell for the fourth consecutive year to €949 million. This was arguably due to the club being absent from the UEFA Champions League and also suffering a transfer ban after being charged with breaking Financial Fair Play Regulations.

Of the Premier League's top six clubs, only Liverpool and Tottenham Hotspur, the UEFA Champions League finalists in 2018-19, saw their values increase. Tottenham, now playing at their state-of-the-art stadium, enjoyed a 3% improvement in their brand value to €784 million, with the promise of further growth as they embarked on their first full season at their new home in 2019-20.

Healthy attendances and high levels of broadcasting revenue earlier in the season had a positive effect on other Premier League clubs. Leicester City's brand value is up by 44% to €333 million, while Chinese-owned Wolverhampton Wanderers, with their biggest crowds in 50 years are 30% higher at €242 million.

Conversely, some Premier League clubs have experienced a sizeable drop in their brand value, such as Bournemouth (-31%), Watford (-21%), and West Ham United (-18%). One of the biggest fallers is Arsenal, who have lost 19% and are seeing their place in the top 10 in some jeopardy, finishing outside the Premier League top 6 for the first time in 25 years. After going through a period of discontent during the latter years of the Arsene Wenger era, Arsenal have struggled to regain their position

as a Champions League club, which has started to be reflected in their revenues and bottom line.

CONTINUED DOMINANCE IN GERMANY, FRANCE, AND ITALY

Bayern Munich, who remain Germany's footballing powerhouse, are the 6th most valuable club. Bayern, one of the most proficient clubs in the world at generating commercial income, now has a brand value of €1,056 million, 20% lower than a year ago.

Despite the drop, Bayern are the clear leader among ten German clubs in the top 50 and their brand value is more than double their nearest challengers, Borussia Dortmund (down 9% to €487 million). While most Bundesliga clubs' value is lower this year, 1. FC Köln is bucking the trend to become the fastest growing in the whole top 50 (+47%), followed closely by RB Leipzig (+43%). Köln are now reaping the benefits of being back in German's top-flight and Leipzig are continuing their growth trajectory and gaining a reputation for player development.

Bayern's dominance in Germany is matched by Paris Saint-Germain in France, although European success still eludes the club backed by Qatar Sports Invest-

ments. At €967 million and ranked 7th overall, PSG's brand value, like their playing budget and transfer market capability, is substantially higher than their Ligue 1 opponents. Lyon, the next highest-placed French club in 30th spot, has a brand value that is less than one-fifth of the PSG total. The third French club to make the list is Marseille, ranked 38th.

Juventus, Italy's leading club, remain outside the top 10, but the margin between 11th and 10th has reduced by over €100 million. At the same time, the gap between Juventus and the 12th club, Borussia Dortmund, has increased by more than €100 million. Juve's domestic rivals are not closing in on them either. Inter Milan, the second highest placed Serie A club, failed to grow and AC Milan's ongoing lacklustre performance is contributing to a 35% loss in their brand value.

The Bundesliga, Ligue 1, and Serie A do not have the same level of global reach of the Premier League and LaLiga, as confirmed in Brand Finance research among football fans in the US and China, two fast-emerging nations in the sport. While the Premier League and LaLiga are watched in both countries, the Bundesliga has a growing following in China, but is substantially behind both English and Spanish foot-





ball. Serie A and Ligue 1 have a lot of ground to make up in building their global franchises.

Unsurprisingly, the top five leagues dominate the brand rankings with only four clubs in the top 50 from a league other than England, France, Germany, Italy, and Spain. The highest-placed club from outside that group is the Netherlands' Ajax (27th), followed by Portugal's Benfica (46th), Celtic of Scotland (48th), and Russia's Zenit St. Petersburg (49th).

RESILIENT BRAND STRENGTH

Aside from calculating overall brand value, Brand Finance also determines the relative strength of brands through a balanced scorecard of metrics evaluating marketing investment, stakeholder equity, and business performance. Along with the level of revenues, brand strength is a crucial driver of brand value.

Despite the economic backdrop, club brand strengths have remained robust, with half of the top 50 growing in the past year. Real Madrid continue to have the strongest brand with a rating of 94.9 and their Spanish rivals Barca are in second position with 93.6 – both slightly down on 2019. Liverpool move above Premier stablemates Manchester United to become the strongest Premier League brand with a rating of 93.2. Valencia and 1.FC Köln, with increases of +10.5 and +8.3 points respectively, recorded the highest rates of growth.

Conversely, the biggest decline in brand strength is languishing Italian club AC Milan with a -8.5 slip, followed by Russian club Zenit St. Petersburg's -6.1 drop, despite considerable domestic success, and AS Roma who are showing a -4.2 decrease.

Paris Saint-Germain have the biggest advantage over their nearest competitor in France, their Brand Strength Index of 85.6 being nearly 13 points more than Olympique Lyonnais, underlining PSG's total domination of the French Ligue 1.

ENTERPRISE VALUES AND STADIA PERFORMANCE

Having retained their place as the most valuable and strongest brand in football, Real Madrid have also retained the top spot for the most valuable business in the industry, with an enterprise value of €4,198 million. A notable improvement in enterprise value is that of Tottenham Hotspur who climbed to 9th in the ranking with a value of €2,114 million off the back of posting record breaking profits largely as a result of a strong Champions League run in 2019 and increased gate receipts from the new stadium.

Tottenham Hotspur have also risen from 4th to be this year's title winners for stadium performance, according to Buro Happold's Venue Performance Rating system. A major factor in this success were a number of experiential and revenue-generating features – such as a Tunnel Club, Sky Lounge,

micro-brewery, 360-degree concourses, and safe-standing capability, among others. In many respects, it is extraordinary for a new stadium to make it to the top of the table, because the methodology also includes metrics relating to historical performance – such as the number of major finals and international matches hosted in the last ten years, and the length of time with its current name. Furthermore, its capacity is considerably less than the likes of Camp Nou and Wembley.

Last year's winner, Real Madrid's Estadio Santiago Bernabéu, slips to 5th, primarily because it scores so poorly with regard to the aforementioned features, and this is clearly a reason why the stadium is undergoing renovation. Nonetheless, 5th is still a huge achievement, and is attained by strong performances in several areas – such as metrics corresponding to acoustics, compactness, and location.

Buro Happold launched the Venue Performance Rating system last year when it appeared in the Brand Finance Football Annual 2019, and it is now used again as part of the brand assessment for the largest 50 clubs in Europe. The aim has always been to introduce 'stadium science', inspired by how 'sports science' has transformed the way in which clubs appraise players. This year, we have developed the structure further and doubled the amount of content – such as financial data, geospatial information, and sentiment analysis. Furthermore, we have created 3D models of more than 70 stadium seating bowls to improve our acoustic assessments and to allow the introduction of metrics like spectator density.

Andy Pottinger,
Director, Buro Happold

Top 50 Most Valuable Club Brands

EUR										GBP						USD						
2020 Rank	2019 Rank	Brand	Country	2020 Brand Value	Brand Value Change	2019 Brand Value	2020 Enterprise Value	Enterprise Value Change	2019 Enterprise Value	2020 Brand Value	Brand Value Change	2019 Brand Value	2020 Enterprise Value	Enterprise Value Change	2019 Enterprise Value	2020 Brand Value	Brand Value Change	2019 Brand Value	2020 Enterprise Value	Enterprise Value Change	2019 Enterprise Value	
1	1	← Real Madrid CF	Spain	€ 1,419	-13.8%	€ 1,646	€ 4,198	+0.4%	€ 4,179	£1,220	-13.8%	£1,416	£3,608	+0.4%	£3,594	1	\$1,572	-14.9%	\$1,846	\$4,649	-0.8%	\$4,687
2	3	↑ FC Barcelona	Spain	€ 1,413	+1.4%	€ 1,393	€ 3,387	-17.9%	€ 4,125	£1,215	+1.4%	£1,198	£2,911	-17.9%	£3,547	2	\$1,565	+0.2%	\$1,563	\$3,751	-18.9%	\$4,626
3	2	↓ Manchester United FC	England	€ 1,314	-10.7%	€ 1,472	€ 3,849	-4.8%	€ 4,044	£1,130	-10.7%	£1,266	£3,309	-4.9%	£3,478	3	\$1,456	-11.8%	\$1,651	\$4,263	-6.0%	\$4,536
4	6	↑ Liverpool FC	England	€ 1,262	+6.0%	€ 1,191	€ 3,702	+16.2%	€ 3,186	£1,085	+5.9%	£1,024	£3,182	+16.1%	£2,740	4	\$1,398	+4.6%	\$1,336	\$4,100	+14.7%	\$3,573
5	5	← Manchester City FC	England	€ 1,124	-10.4%	€ 1,255	€ 2,748	+17.3%	€ 2,342	£966	-10.5%	£1,079	£2,362	+17.3%	£2,014	5	\$1,245	-11.5%	\$1,407	\$3,043	+15.9%	\$2,627
6	4	↓ FC Bayern Munich	Germany	€ 1,056	-19.6%	€ 1,314	€ 3,329	+4.4%	€ 3,189	£908	-19.6%	£1,130	£2,861	+4.3%	£2,743	6	\$1,169	-20.6%	\$1,473	\$3,686	+3.1%	\$3,577
7	8	↑ Paris Saint-Germain	France	€ 967	+5.8%	€ 914	€ 3,346	+17.4%	€ 2,850	£831	+5.8%	£786	£2,876	+17.4%	£2,451	7	\$1,070	+4.5%	\$1,025	\$3,706	+15.9%	\$3,196
8	7	↓ Chelsea FC	England	€ 949	-1.9%	€ 968	€ 2,488	-9.9%	€ 2,762	£816	-2.0%	£832	£2,139	-10.0%	£2,375	8	\$1,051	-3.1%	\$1,085	\$2,755	-11.0%	\$3,097
9	10	↑ Tottenham Hotspur FC	England	€ 784	+3.3%	€ 758	€ 2,114	+37.4%	€ 1,538	£674	+3.3%	£652	£1,818	+37.4%	£1,323	9	\$868	+2.0%	\$850	\$2,342	+35.7%	\$1,725
10	9	↓ Arsenal FC	England	€ 719	-18.8%	€ 885	€ 2,051	-10.1%	€ 2,280	£618	-18.8%	£761	£1,763	-10.1%	£1,961	10	\$796	-19.8%	\$993	\$2,271	-11.2%	\$2,557
11	11	← Juventus FC	Italy	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
12	12	← Borussia Dortmund	Germany	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
13	14	↑ Club Atlético de Madrid	Spain	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
14	13	↓ FC Internazionale Milano	Italy	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
15	21	↑ RasenBallsport Leipzig	Germany	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
16	22	↑ Leicester City	England	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
17	16	↓ FC Schalke 04	Germany	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
18	17	↓ Everton FC	England	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
19	28	↑ Wolverhampton Wanderers FC	England	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
20	19	↓ Newcastle United FC	England	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
21	24	↑ Borussia Mönchengladbach	Germany	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
22	15	↓ AC Milan	Italy	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
23	23	← Bayer 04 Leverkusen	Germany	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
24	25	↑ VfL Wolfsburg	Germany	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
25	20	↓ West Ham United FC	England	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
26	18	↓ AS Roma	Italy	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
27	30	↑ AFC Ajax	Holland	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
28	27	↓ Crystal Palace FC	England	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
29	26	↓ SSC Napoli	Italy	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
30	29	↓ Olympique Lyonnais	France	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
31	32	↑ Burnley FC	England	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
32	35	↑ Sevilla FC	Spain	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
33	33	← Eintracht Frankfurt	Germany	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
34	39	↑ Southampton FC	England	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
35	41	↑ Brighton & Hove Albion FC	England	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
36	48	↑ Valencia CF	Spain	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
37	50	↑ 1.FC Köln	Germany	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
38	36	↓ Olympique De Marseille	France	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
39	31	↓ Watford FC	England	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
40	45	↑ Athletic de Bilbao	Spain	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
41	38	↓ 1899 Hoffenheim	Germany	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
42	42	← SS Lazio SpA	Italy	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
43	-	New Sheffield United FC	England	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
44	47	↑ Villarreal CF	Spain	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
45	-	New Aston Villa FC	England	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
46	40	↓ SL Benfica	Portugal	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
47	34	↓ Bournemouth FC	England	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
48	37	↓ Celtic FC	Scotland	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
49	46	↓ FC Zenit St Petersburg	Russia	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
50	-	New Real Betis	Spain	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€

Top 50 Strongest Club Brands

2020 Rank	2019 Rank	Brand	Country	2020 Brand Strength Index (BSI) Score	Brand Strength Change	2019 Brand Strength Index (BSI) Score	2020 Brand Rating	2019 Brand Rating
1	1	← Real Madrid CF	Spain	94.9	-0.5	95.5	AAA+	AAA+
2	2	← FC Barcelona	Spain	93.6	-1.7	95.4	AAA+	AAA+
3	5	↕ Liverpool FC	England	93.2	+2.2	91.0	AAA+	AAA+
4	4	← Manchester United FC	England	91.5	-0.6	92.1	AAA+	AAA+
5	3	↓ FC Bayern Munich	Germany	91.4	-2.1	93.5	AAA+	AAA+
6	8	↕ Chelsea FC	England	89.0	+1.7	87.3	AAA	AAA
7	6	↓ Manchester City FC	England	88.8	+0.2	88.7	AAA	AAA
8	10	↕ Tottenham Hotspur FC	England	87.6	+2.0	85.5	AAA	AAA
9	9	← Juventus FC	Italy	87.0	+0.3	86.8	AAA	AAA
10	7	↓ Arsenal FC	England	86.9	-1.1	88.0	AAA	AAA
11	11	← Paris Saint-Germain	France	🔒	🔒	🔒	🔒	🔒
12	13	↕ Club Atlético de Madrid	Spain	🔒	🔒	🔒	🔒	🔒
13	12	↓ Borussia Dortmund	Germany	🔒	🔒	🔒	🔒	🔒
14	14	← FC Internazionale Milano	Italy	🔒	🔒	🔒	🔒	🔒
15	34	↕ Valencia CF	Spain	🔒	🔒	🔒	🔒	🔒
16	16	← AFC Ajax	Holland	🔒	🔒	🔒	🔒	🔒
17	20	↕ FC Schalke 04	Germany	🔒	🔒	🔒	🔒	🔒
18	21	↕ SL Benfica	Portugal	🔒	🔒	🔒	🔒	🔒
19	17	↓ Everton FC	England	🔒	🔒	🔒	🔒	🔒
20	27	↕ RasenBallSport Leipzig	Germany	🔒	🔒	🔒	🔒	🔒
21	23	↕ Olympique Lyonnais	France	🔒	🔒	🔒	🔒	🔒
22	19	↓ Sevilla FC	Spain	🔒	🔒	🔒	🔒	🔒
23	15	↓ AC Milan	Italy	🔒	🔒	🔒	🔒	🔒
24	22	↓ Leicester City	England	🔒	🔒	🔒	🔒	🔒
25	24	↓ West Ham United FC	England	🔒	🔒	🔒	🔒	🔒
26	31	↕ Athletic de Bilbao	Spain	🔒	🔒	🔒	🔒	🔒
27	29	↕ Borussia Mönchengladbach	Germany	🔒	🔒	🔒	🔒	🔒
28	28	← Newcastle United FC	England	🔒	🔒	🔒	🔒	🔒
29	36	↕ Wolverhampton Wanderers FC	England	🔒	🔒	🔒	🔒	🔒
30	26	↓ Celtic FC	Scotland	🔒	🔒	🔒	🔒	🔒
31	25	↓ SSC Napoli	Italy	🔒	🔒	🔒	🔒	🔒
32	-	New Real Betis	Spain	🔒	🔒	🔒	🔒	🔒
33	33	← Bayer 04 Leverkusen	Germany	🔒	🔒	🔒	🔒	🔒
34	18	↓ AS Roma	Italy	🔒	🔒	🔒	🔒	🔒
35	30	↓ Eintracht Frankfurt	Germany	🔒	🔒	🔒	🔒	🔒
36	38	↕ Brighton & Hove Albion FC	England	🔒	🔒	🔒	🔒	🔒
37	32	↓ Crystal Palace FC	England	🔒	🔒	🔒	🔒	🔒
38	-	New Aston Villa FC	England	🔒	🔒	🔒	🔒	🔒
39	39	← Olympique De Marseille	France	🔒	🔒	🔒	🔒	🔒
40	35	↓ Southampton FC	England	🔒	🔒	🔒	🔒	🔒
41	37	↓ VfL Wolfsburg	Germany	🔒	🔒	🔒	🔒	🔒
42	44	↕ Burnley FC	England	🔒	🔒	🔒	🔒	🔒
43	50	↕ 1.FC Köln	Germany	🔒	🔒	🔒	🔒	🔒
44	40	↓ SS Lazio SpA	Italy	🔒	🔒	🔒	🔒	🔒
45	43	↓ 1899 Hoffenheim	Germany	🔒	🔒	🔒	🔒	🔒
46	47	↕ Watford FC	England	🔒	🔒	🔒	🔒	🔒
47	48	↕ Villarreal CF	Spain	🔒	🔒	🔒	🔒	🔒
48	-	New Sheffield United FC	England	🔒	🔒	🔒	🔒	🔒
49	45	↓ Bournemouth FC	England	🔒	🔒	🔒	🔒	🔒
50	46	↓ FC Zenit St Petersburg	Russia	🔒	🔒	🔒	🔒	🔒

Copyright © 2020 Brand Finance Plc

Top 50 Most Valuable Club Enterprises

										EUR				
2020 Rank	2019 Rank	Brand	Country	2020 Enterprise Value	Enterprise Value Change	2019 Enterprise Value	2020 Brand Value	Brand Value / Enterprise Value						
1	1	← Real Madrid CF	Spain	€4,198	+0.4%	€4,179	€1,419	33.8%						
2	3	↕ Manchester United FC	England	€3,849	-4.8%	€4,044	€1,314	34.2%						
3	5	↕ Liverpool FC	England	€3,702	+16.2%	€3,186	€1,262	34.1%						
4	2	↓ FC Barcelona	Spain	€3,387	-17.9%	€4,125	€1,413	41.7%						
5	6	↕ Paris Saint-Germain	France	€3,346	+17.4%	€2,850	€967	28.9%						
6	4	↓ FC Bayern Munich	Germany	€3,329	+4.4%	€3,189	€1,056	31.7%						
7	8	↕ Manchester City FC	England	€2,748	+17.3%	€2,342	€1,124	40.9%						
8	7	↓ Chelsea FC	England	€2,488	-9.9%	€2,762	€949	38.1%						
9	11	↕ Tottenham Hotspur FC	England	€2,114	+37.4%	€1,538	€784	37.1%						
10	9	↓ Juventus FC	Italy	€2,079	-10.8%	€2,332	€676	32.5%						
11	10	↓ Arsenal FC	England	🔒	🔒	🔒	🔒	🔒						
12	12	← Borussia Dortmund	Germany	🔒	🔒	🔒	🔒	🔒						
13	15	↕ FC Internazionale Milano	Italy	🔒	🔒	🔒	🔒	🔒						
14	13	↓ Club Atlético de Madrid	Spain	🔒	🔒	🔒	🔒	🔒						
15	25	↕ FC Schalke 04	Germany	🔒	🔒	🔒	🔒	🔒						
16	14	↓ Everton FC	England	🔒	🔒	🔒	🔒	🔒						
17	17	← FC Zenit St Petersburg	Russia	🔒	🔒	🔒	🔒	🔒						
18	18	← Leicester City	England	🔒	🔒	🔒	🔒	🔒						
19	16	↓ Wolverhampton Wanderers FC	England	🔒	🔒	🔒	🔒	🔒						
20	37	↕ RasenBallSport Leipzig	Germany	🔒	🔒	🔒	🔒	🔒						
21	23	↕ West Ham United FC	England	🔒	🔒	🔒	🔒	🔒						
22	40	↕ VfL Wolfsburg	Germany	🔒	🔒	🔒	🔒	🔒						
23	29	↕ Olympique Lyonnais	France	🔒	🔒	🔒	🔒	🔒						
24	30	↕ Borussia Mönchengladbach	Germany	🔒	🔒	🔒	🔒	🔒						
25	28	↕ Watford FC	England	🔒	🔒	🔒	🔒	🔒						
26	39	↕ Valencia CF	Spain	🔒	🔒	🔒	🔒	🔒						
27	19	↓ Crystal Palace FC	England	🔒	🔒	🔒	🔒	🔒						
28	26	↓ SL Benfica	Portugal	🔒	🔒	🔒	🔒	🔒						
29	22	↓ Southampton FC	England	🔒	🔒	🔒	🔒	🔒						
30	32	↕ SSC Napoli	Italy	🔒	🔒	🔒	🔒	🔒						
31	33	↕ Bayer 04 Leverkusen	Germany	🔒	🔒	🔒	🔒	🔒						
32	27	↓ Newcastle United FC	England	🔒	🔒	🔒	🔒	🔒						
33	46	↕ 1899 Hoffenheim	Germany	🔒	🔒	🔒	🔒	🔒						
34	35	↕ Brighton & Hove Albion FC	England	🔒	🔒	🔒	🔒	🔒						
35	36	↕ Bournemouth FC	England	🔒	🔒	🔒	🔒	🔒						
36	38	↕ Burnley FC	England	🔒	🔒	🔒	🔒	🔒						
37	24	↓ Sevilla FC	Spain	🔒	🔒	🔒	🔒	🔒						
38	43	↕ Eintracht Frankfurt	Germany	🔒	🔒	🔒	🔒	🔒						
39	31	↓ AS Roma	Italy	🔒	🔒	🔒	🔒	🔒						
40	34	↓ AFC Ajax	Holland	🔒	🔒	🔒	🔒	🔒						
41	20	↓ Celtic FC	Scotland	🔒	🔒	🔒	🔒	🔒						
42	21	↓ AC Milan	Italy	🔒	🔒	🔒	🔒	🔒						
43	42	↓ Villarreal CF	Spain	🔒	🔒	🔒	🔒	🔒						
44	44	← 1.FC Köln	Germany	🔒	🔒	🔒	🔒	🔒						
45	-	New Real Betis	Spain	🔒	🔒	🔒	🔒	🔒						
46	41	↓ Athletic de Bilbao	Spain	🔒	🔒	🔒	🔒	🔒						
47	47	← Olympique De Marseille	France	🔒	🔒	🔒	🔒	🔒						
48	-	New Aston Villa FC	England	🔒	🔒	🔒	🔒	🔒						
49	45	↓ SS Lazio SpA	Italy	🔒	🔒	🔒	🔒	🔒						
50	-	New Sheffield United FC	England	🔒	🔒	🔒	🔒	🔒						

Copyright © 2020 Brand Finance Plc



Football Consumption



Broadcasting – The Evolution Will Certainly Be Televised

When bubbles burst or an industry takes a different direction, it is either as a result of changing trends or a major setback to the economy. If top level football has been on a growth trajectory that was difficult to sustain, with broadcasting fees climbing exponentially by the year, then coronavirus may just be the catalyst for a re-setting of the landscape.

There is little doubt the rise of broadcasting has been one of the driving forces behind the spectacular growth of football across Europe's top leagues. The reliance on lucrative media income has boosted club revenues beyond all recognition, but it has also encouraged spiralling wages, huge transfer fees and a growth in intermediary expenditure by clubs, notably around the timing and construct of player contracts. In short, media income has had a dramatic and, some might say, reality-distorting impact on football at the highest level.

ALL STOOD STILL

The virus stopped football in its tracks, little surprise given a mass crowd in a stadium represents ideal conditions for contagion. However, broadcasters, most of whom were in the middle of screening deals, were deprived of the product they had already paid for. Furthermore, when the game returned in stadiums with no fans, the product was, to a certain extent, compromised. It was football, but not in the shape or form that broadcasters envisaged.

The appeal of leagues like the English Premier is not only based on the quality of football, but also the sight and sounds of people creating an atmosphere. Understandably, there is much uncertainty about the future of broadcasting, not least because the enforced absence from TV screens has opened up new opportunities and also underlined the importance of the digital offering. Will broadcasters be so willing to agree huge rights deals in the near future? And for those who are mid-cycle, will they seek an adjustment of their existing deals?

Much will depend on how long the crisis remains in its current state and also how populations react to the lifting of restrictions. There is a possibility the virus may change behaviour around public spaces with huge numbers of people. Life may get back to some form of normality, but it will have significant terms and conditions. Hence, the sight of a 50,000 crowd may not be allowed in the short-to-medium term. Broadcasters may just consider the football they tendered for has lost some of its value.

The impact on major football clubs could be damaging, or at the very least, the catalyst for seismic transformation. For example, the top five leagues in Europe have contrasting dependencies on broadcasting cash – the Premier League's revenues are almost 59% derived from media, the highest of them all. The

Bundesliga, which has good commercial income, gets around 39% from broadcasters, Serie A 57.5%, Ligue 1 47.7% and LaLiga 53.2%. They are all, arguably, too high.

DIMINISHED APPEAL?

There are signs that TV companies' appetite may be waning a little, although revenues will surely remain high for some time to come. The Bundesliga recently agreed on its next deal for four years from 2021-22 and had to settle for €200 million less than its previous agreement.

Serie A's next deal is in negotiation but is yet to be settled. The Italian league has received a setback in that BeIn, the Qatari broadcaster, is considering its relationship with them because of Serie A's relationship with Saudi Arabia, a country where "industrial scale broadcasting piracy" exists.

The Premier's last deal, struck for the 2019-2022 cycle, actually resulted in a lower figure per game, falling to €9.3 million from over €10 million, but the league is still way ahead of its peer group.

Nevertheless, leagues are still gaining new partners, such as Ligue 1, which will benefit from a deal between the Chinese-Spanish owned MediaPro and TF1 for Ligue 1 and 2 games. The influence of broadcasters is very evident here, though, as Ligue 1 will change kick-off times to suit their new-found Chinese audience.

The virus has sparked-off a wave of innovation in terms of league and club digital offerings. LaLiga, for instance, launched a videogame tournament. There is an argument that digital content will accelerate in the aftermath of the global lockdown. Technology has certainly started to shape and inform the culture of fandom, especially in developing markets where personal contact with clubs in Europe is difficult.

Broadcasters have more competition as fan groups create new channels in which to connect. A good case is Arsenal fans' AFTV, which has an average viewership greater than the capacity of the Emirates Stadium.

The growth of over-the-top (OTT) transmission also introduces another dimension, such as Amazon Prime which screened a cluster of Premier League games in 2019-20. Interestingly, Amazon saw football as a customer acquisition tool rather than customer retention.

Football industry figures have been calling for a change to the distribution of rights model and also

believe there is a discrepancy between the demand for games and the way the content is distributed in terms of pricing, the platforms and the technology. According to some experts, the game is still over-focused on pay-TV as the only way to distribute and leverage content. High subscription fees encourage piracy which is taking billion of euros away from the sport.

GOLDEN EGG

In the current climate, broadcasters might be within their rights to ask for a rebate on monies paid, but so far the momentum has been relatively muted. SKY has attempted to help clubs by deferring a rebate until 2021-22.

The biggest clubs may not feel the pain of lower broadcasting revenues, but there is no question that the income from TV is the golden ticket for football. In some cases, it has allowed modest clubs to gain membership to the top 30 in European football – the Premier League is a prime beneficiary in this context.

In 15 years, Manchester United's media income has risen by 380%, while Liverpool's has grown by almost 400%. Some clubs have such

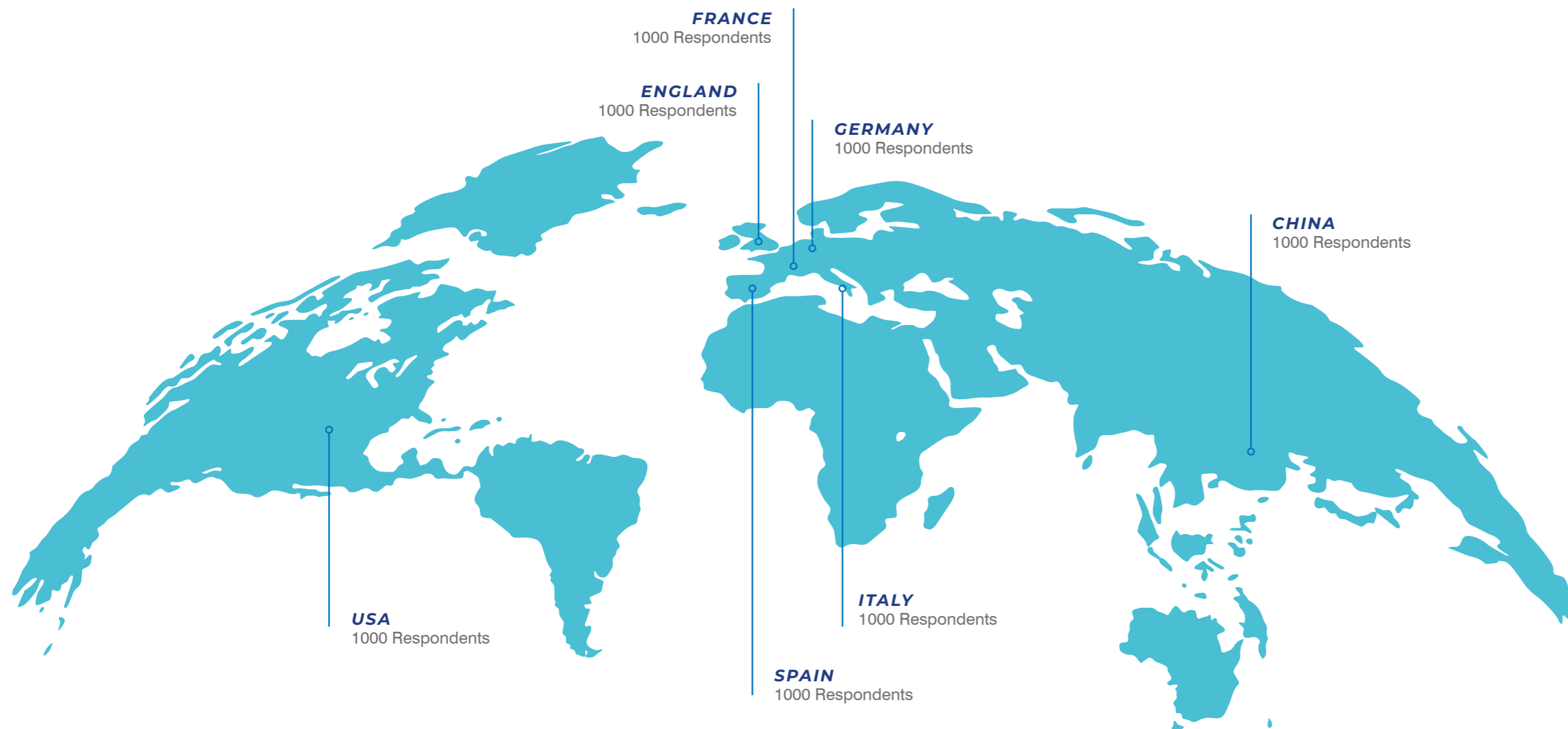
a reliance on broadcasting that it makes them vulnerable to a major slump. Top clubs such as Real Madrid (32%), Manchester United (29%), Barcelona (38%) and Liverpool (42%), have more diverse revenue streams, but smaller clubs can be hugely exposed. Napoli and Everton derive more than 70% of their revenues from media, while AFC Bournemouth has a massive 87% dependency.

Although the media revenues make kings out of paupers, it also creates a world that is hard to leave. Hence, relegation from the Premier League is seen as a catastrophe by some club chairmen, even though so-called parachute payments soften the blow. It can also encourage speculative, and sometimes profligate, spending on the part of lower league clubs wishing to benefit from lucrative TV money. As with many aspects of everyday life, coronavirus has prompted many questions about what is necessary and what is driven by materialism and consumerism. Football is no different - we know broadcasting revenues are vital, but have they also made clubs lack-lustre in driving other forms of revenue?





Brand Finance Football Fan Research



Lack of exposure through broadcasting has put into question the commercial returns that are generated. Our research and methodology assess monetary returns on sponsorship activity for both rights holders and commercial partners in a manner that is understood both in the marketing department and in the boardroom.

Declan Ahern
Valuation Director, Brand Finance

Football Fan Research

For the 2020 Football 50 Report, Brand Finance conducted market research among football fans in seven key markets. We polled fans in the five major markets of football's European heartland (France, Germany, Italy, Spain, UK), together with those in two key emerging/maturing football markets – China and the US. Any football club with aspirations to build a global fanbase will need to connect with fans in many, if not all, of these seven markets.

Brand Finance conducted an online survey among 1,000 football

fans in each market, broadly representative of the fan base (in terms of age and gender).

Our research assesses fans' perceptions of major football leagues, competitions and clubs, and their level of engagement and enthusiasm towards them. For the 2020 report the research covered 10 major club competitions and their participating clubs, with particular emphasis on the 40 clubs with the largest fanbases.

The research provides insight into how football is consumed, how this varies across markets and demographic segments, and the different ways and channels that fans employ in supporting their favourite clubs. We identify the leagues and clubs that engage and excite fans the most, and the attributes which drive fan appeal. We also assess which sponsorships are most salient among fans.

These insights enable clubs and leagues to assess the underlying

strength and appeal of their brand and 'product'. Of course on-field performance has a significant impact on these, but – as with brands in any walk of life – a really strong brand and fanbase ensures that the club's support and commercial performance has a degree of resilience that cushions the impact of a disappointing season on the pitch. Witness the presence of Newcastle United in the top 20 of our brand value rankings, despite only one major trophy win in the past 60 years.

For potential sponsors of leagues and clubs, our research is used to assess the value of partnering with both global giants (are the biggest clubs as popular as their sponsor pitches suggest?) but also smaller leagues and clubs heading in the right direction where individual sponsors can perhaps stand out from the crowd more easily. Furthermore, clubs and sponsors need to decide whether a multinational partnership generates the best returns, or a larger portfolio

of national partnerships is more suitable. Potential sponsors must base their decisions on an independent assessment of how clubs and leagues are perceived and not gut feel alone – it's a commercial decision. Similarly, clubs and leagues hoping to attract sponsors are increasingly aware of the need to present a business case for partnership and investment based on data and evidence that brand owners require before they commit their marketing dollars.

FOOTBALL IS #1

Across the seven markets we surveyed, football is the most popular of ten spectator sports tracked, and of course is the undisputed number one sport globally.

Europe is the cradle of football and the sport's most mature market. But China is catching up fast, and only basketball (54%) ranks higher. In contrast,

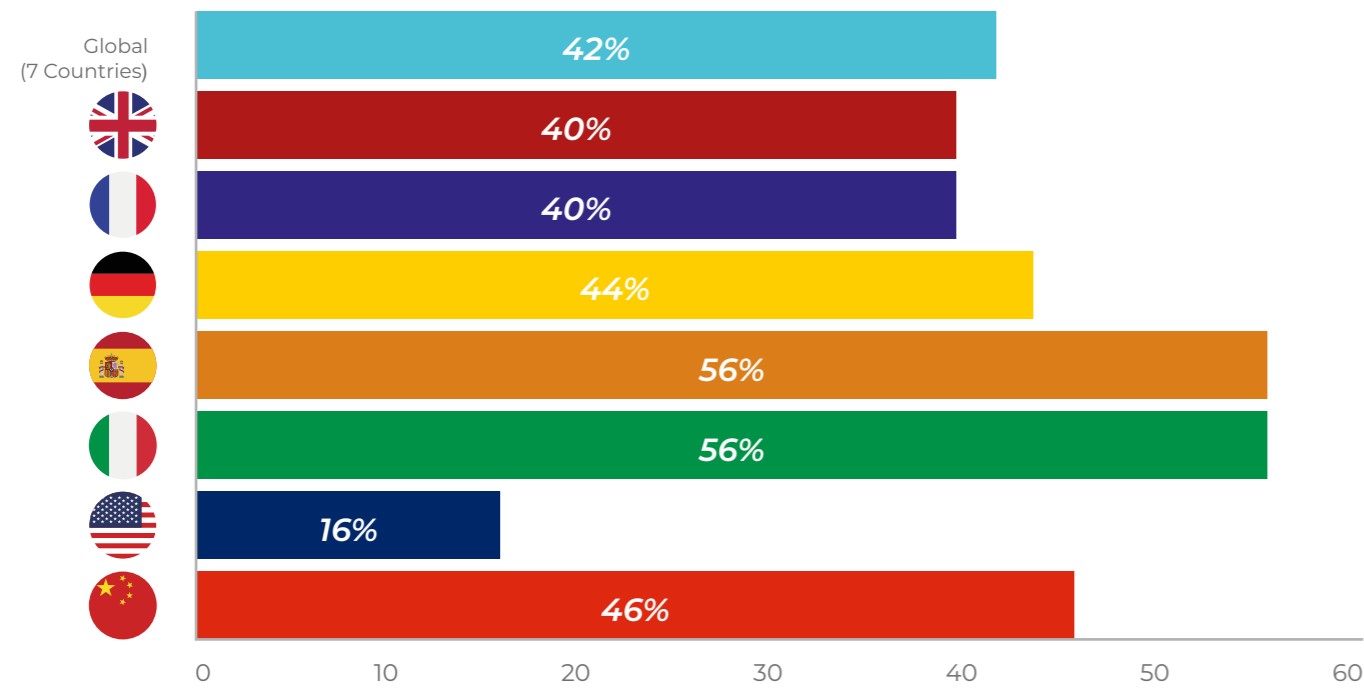
football in the US could be said to be catching up at a more modest pace – but in our research (and in terms of actual attendance) football has overtaken the NHL among the 'big 4'.

UNIVERSAL INTEREST

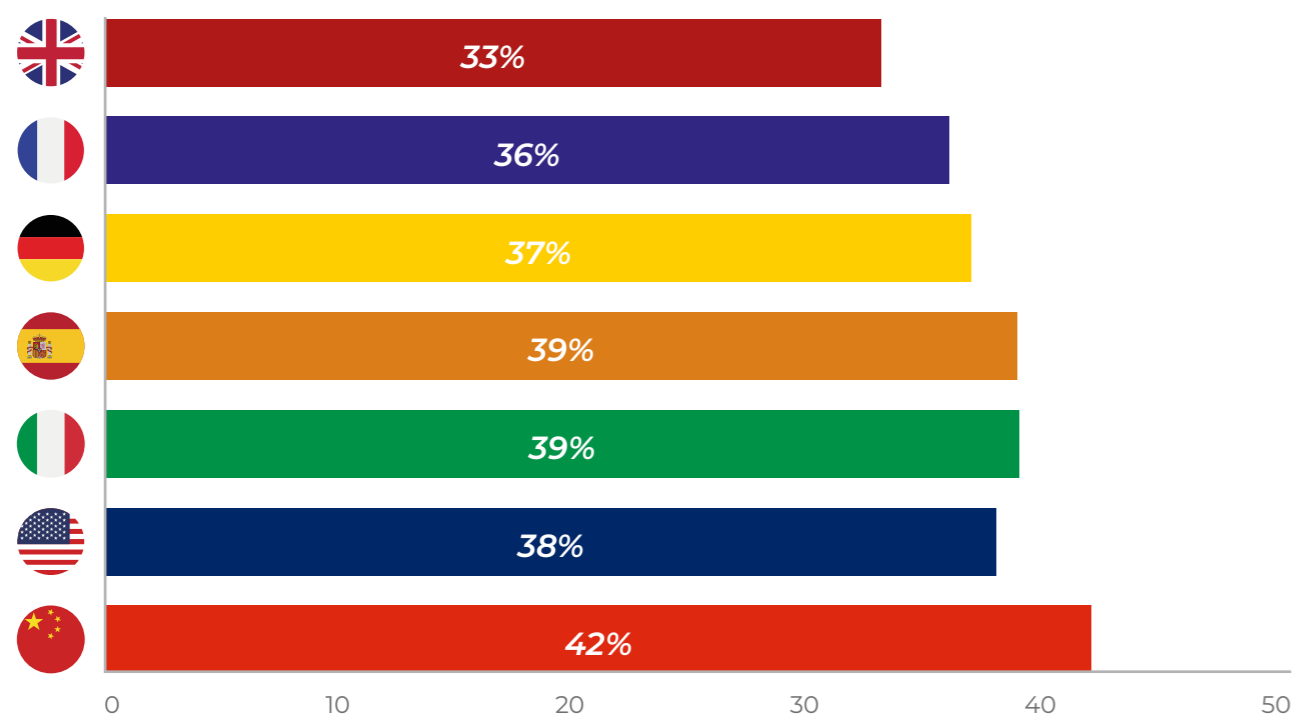
Football's attraction to sponsors and other commercial partners is the sheer breadth of its appeal. Although fans tend to be a little young-

er than the population profile in each country, the skew is not pronounced. Moreover, the appeal of the sport to women is a strong selling point – a high percentage of fans are female, and the gender balance is generally better than for most other major sports (e.g. NFL and baseball in the US). This is further evidence of the opportunities for clubs and sponsors within the women's game.

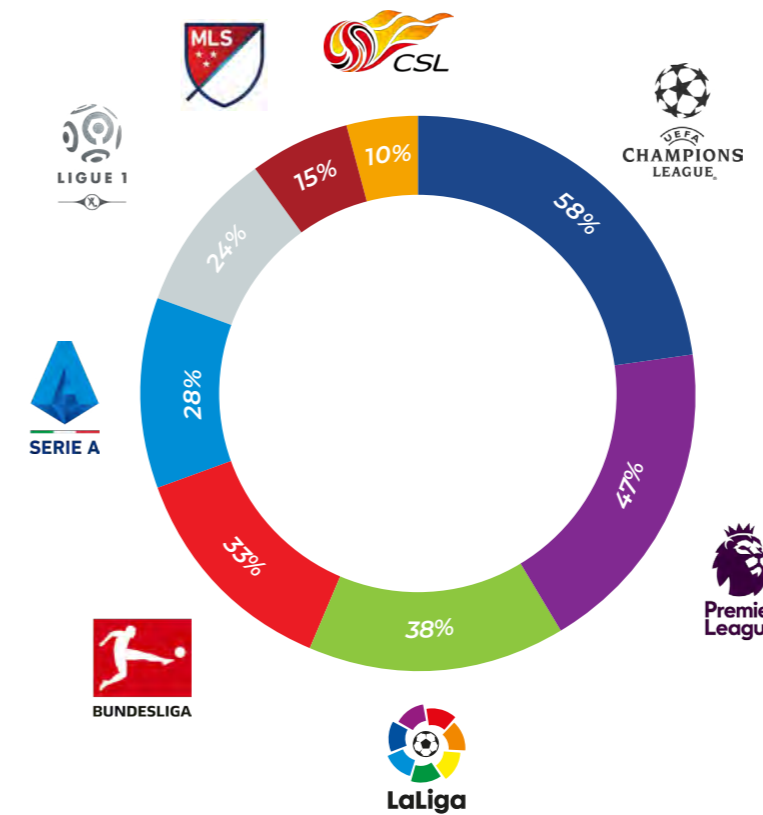
FOOTBALL FANS



FEMALE FANS



COMPETITIONS FOLLOWED

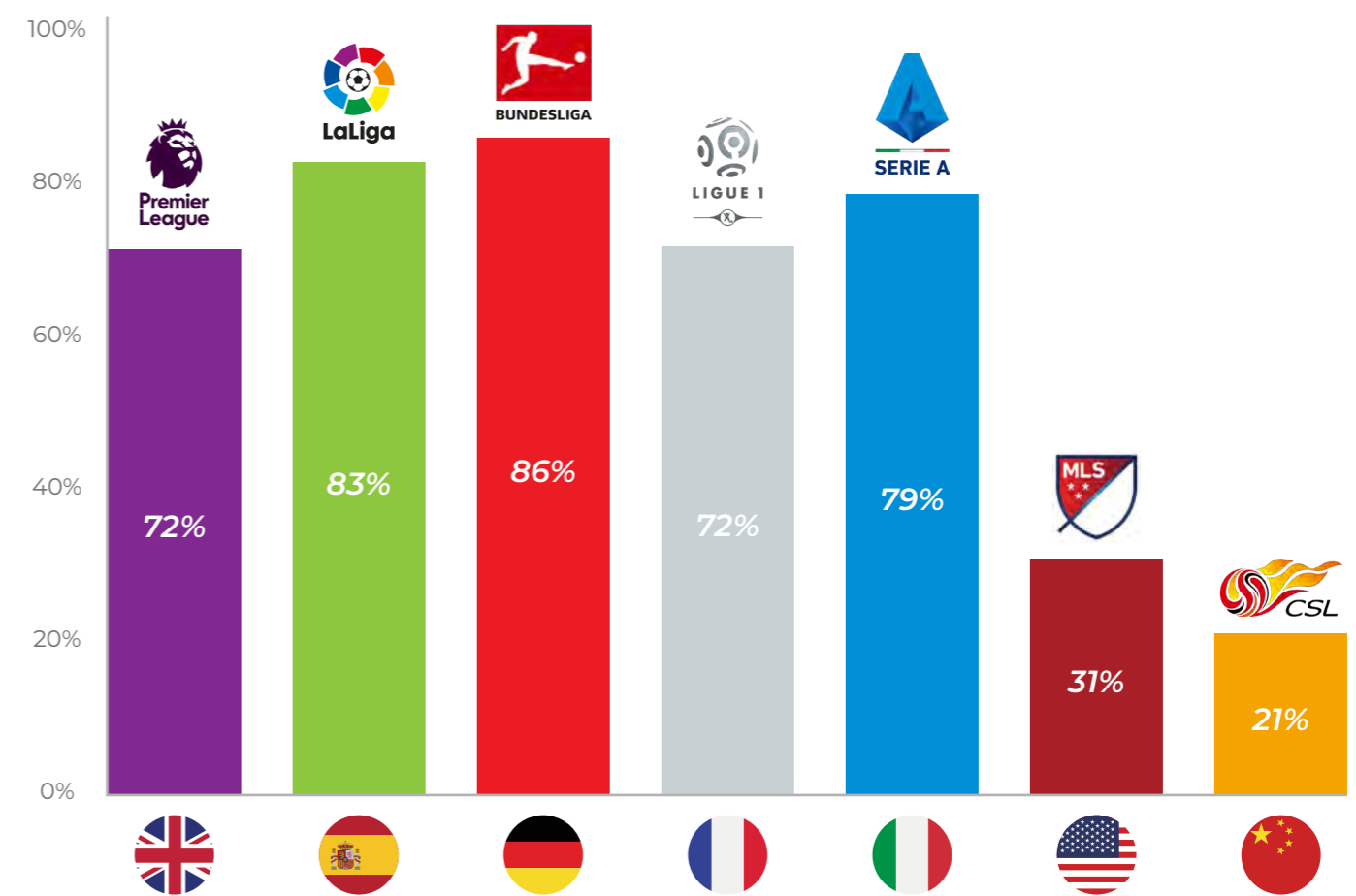


HOME OR AWAY? WHICH COMPETITIONS DO FANS FOLLOW AROUND THE WORLD?

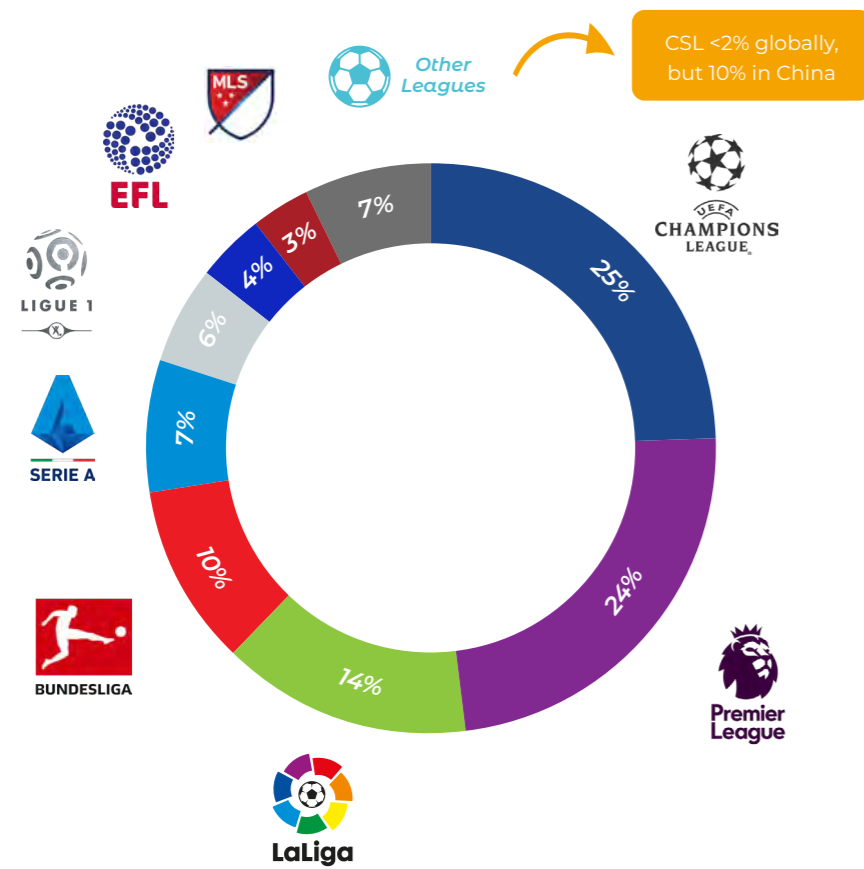
Among football fans in these 7 countries, the UEFA Champions League has the broadest appeal of any club tournament, as befits the pinnacle of competitive club football in its global stronghold.

However, the UCL is top-ranked by virtue of its international appeal, and it is not the most widely followed competition in any single country. Domestic leagues unsurprisingly hold sway in Europe – but the more recent development has been the surge in interest in domestic leagues in China and the US.

MOST FOLLOWED LEAGUE BASED ON COUNTRY



BEST LEAGUE IN THE WORLD



The Premier League remains the domestic competition with the broadest global appeal, virtue of its widespread appeal in China and the US (though in China LaLiga and the Bundesliga are close competitors in a fast-evolving market). In particular, the Premier League rates well in terms of quality, being seen as the 'best' competition by a similar number of fans as the Champions League, well ahead of the other European leagues on this measure.

Among those who follow each competition, perceptions of them are on the whole positive (why follow a poor competition?). But it is revealing that:

- + LaLiga fans are emphatic that their league has 'world class' clubs and players
- + Premier League fans have strong belief that this league is the most competitive, with great stadia and passionate fans
- + MSL & CSL followers see these leagues as growing in appeal, and have increasing social capital with friends and family

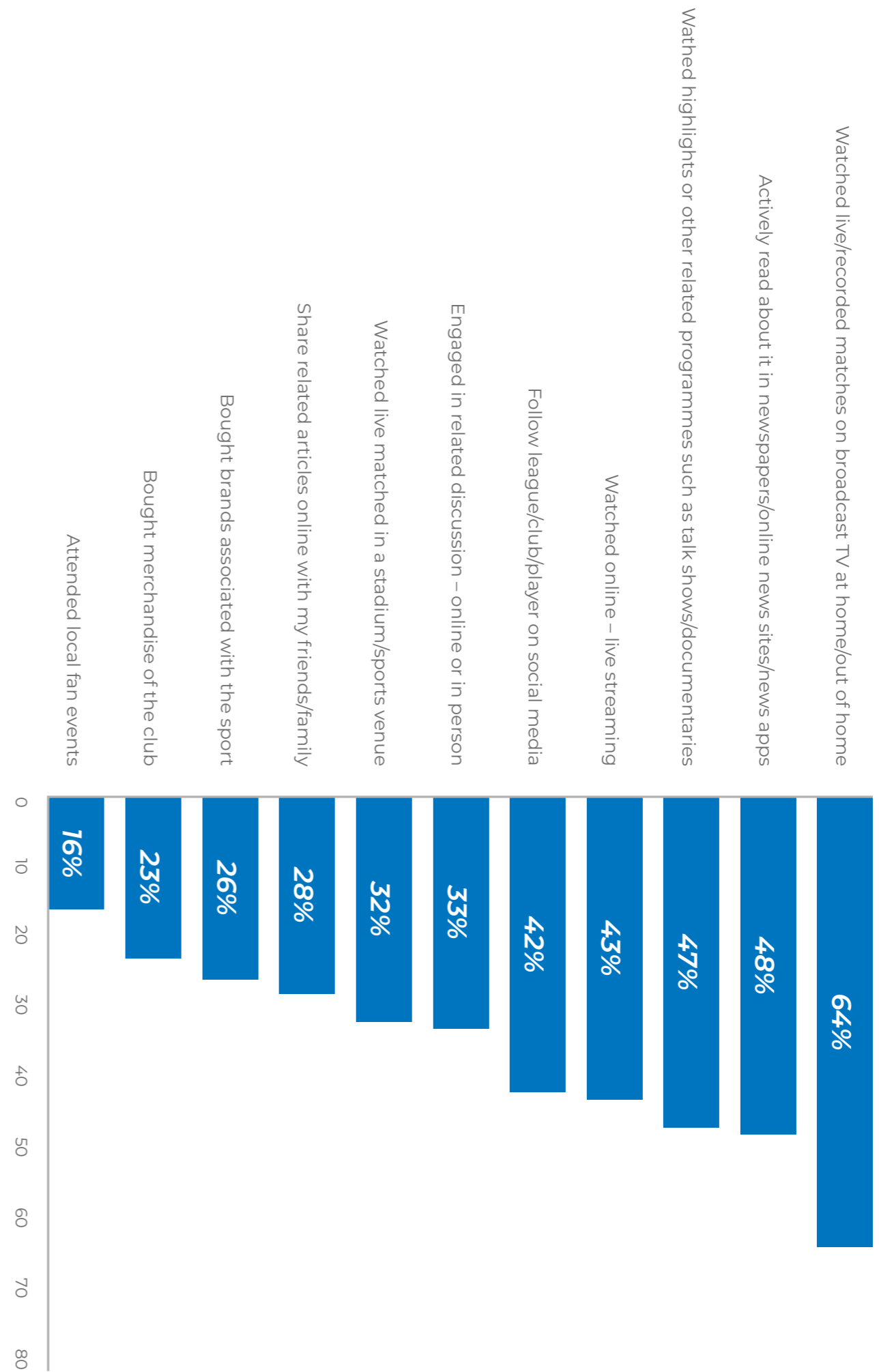
SHIFT TO DIGITAL ENGAGEMENT CONTINUES

Broadcast TV continues to drive engagement – it remains the number one way for fans to follow live football. But increasing numbers of fans are streaming games online, and the dominance of broadcast is diminishing, as with most TV/video content. The US is particularly advanced, with much (European) football being only available via this channel.

Following football via social channels is widespread too. But claimed usage of news sites has dropped dramatically – fans are able to get content through more tailored football sites/apps and these appear to be gaining ground.



PAST MONTH FOOTBALL ENGAGEMENT





ONLY HALF OF CLUB FANS CAN NAME THEIR MAIN SPONSOR

Sponsorship can pay off even if fans are not overtly aware of sponsorship activity (see Sponsorship section). Nevertheless, it is remarkable that for some of the highest-profile clubs less than half of their fans can name their main shirt sponsor.

Jeep can therefore be very satisfied with their score.









INCREASING OPPORTUNITY FOR WOMEN'S GAME

Across the seven countries, interest in the women's game is healthy – 38% claim to watch the women's World Cup, for example (with interest stronger among male fans in all markets apart from the US).

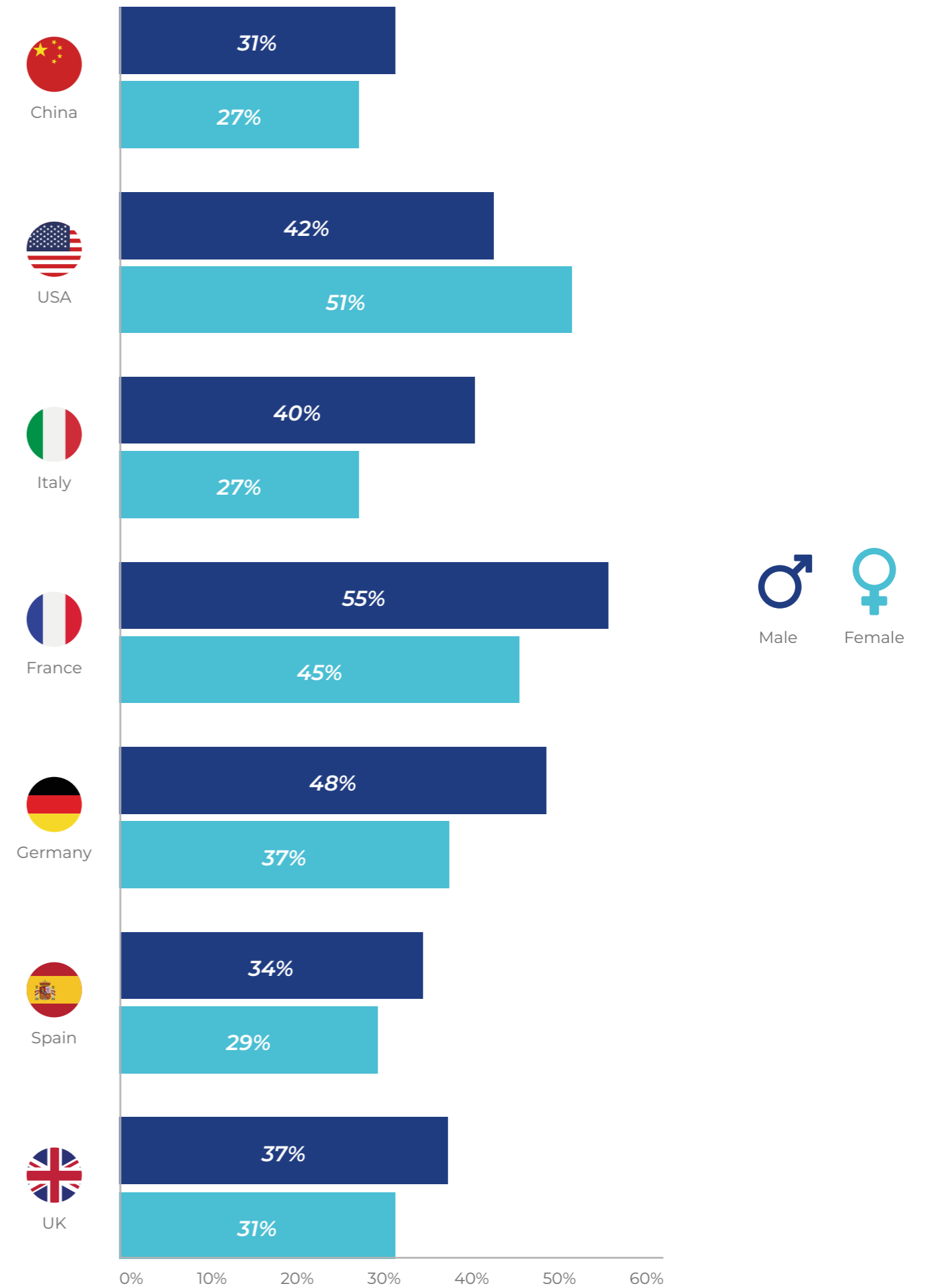
Football's challenge, therefore, is to increase levels of interest in women's club competitions. Clearly at the moment these cannot match the male game in terms of passion, matchday experience, social capital or overall appeal. But the potential is there, as is the opportunity for sponsors to get involved.



RECALL RATES

Juventus Jeep	 	63%
Arsenal Emirates	 	59%
Barcelona Rakuten	 	50%
Manchester United Chevrolet	 	46%
Liverpool Standard Chartered	 	39%
Bayern Munich Deutsche Telekom	 	38%

WOMEN'S WORLD CUP FOLLOWING





Sponsorship



The True Value of Football Sponsorship

Sports sponsorship is big business, and like any marketing spend, its value and ROI need to be evaluated carefully. Would you pay £50,000 to have your brand name on Arsenal's shirts? Almost certainly. £50 million? Maybe. £500 million? Definitely not. It's a commercial decision.

Using rigorous analysis to inform partnership decision making is an important element in sponsorship evaluation for both rights' holders and sponsored brands. Sponsoring brands will have different objectives (and subsequently KPIs and measures), but if the commercial value is to be assessed, those measures must somehow relate to financial performance – Facebook likes or 'media equivalents' aren't enough.

Brand Finance has developed a methodology to evaluate sponsorship activities which involves determining monetary value ROI for sponsors beyond advertising equivalency.

BRAND-BUILDING VS. SHORT-TERM ACTIVATION

Sponsorship can pay off through short-term sales uplifts, especially if additional activations (such as competitions or special packs) are built in. However, most sponsors seek broader and more enduring benefits for the brand – whether that is through increased awareness, improved brand image, alignment with a quality club/event, or other improvements to brand equity.

Even these measures may not carry enough weight in the boardroom and finance department, so being able to measure using real monetary value can go a long way in securing marketing budgets. The ultimate goal of sponsorship activity is to generate a financial return for the business.

This points to the importance of measuring sponsorships' impact on brand strength (using frameworks such as our Brand Strength

Index) and brand value and contribution. These take better account of the longer-term impact of sponsorship and subsequent financial returns.

SPONSORSHIP AFFECTS VARIOUS STAKEHOLDERS

Most sponsorship analysis focuses on the likely impact on consumers and customers, which is entirely understandable, as that is ultimately how commercial benefits accrue. However, the impact on other stakeholders may not be negligible. Will your brand make you more attractive as an employer? Will financial analysts or business media see you in different light? In a recent analysis for a global drinks brand, we urged our client to consider the possible uplift in on-premise distribution driven by the sponsorship. These benefits can and should be quantified – even if somewhat crudely – and may make a difference to tight renew or drop decisions.

MEASURING THE UPLIFT

With a focus on consumers or customers, Brand Finance recommends assessing any uplift in brand health through a combination of market research and digital indicators, such as search history, web visits, and social media engagement. Market research is essential in determining whether sponsorship has improved key brand measures such as awareness/familiarity, consideration/preference, overall reputation, and other brand-specific measures. In turn, these metrics must prove to somehow relate to commercial performance. Attribution in surveys

is never straightforward, and calculation may be harder depending on the pre-sponsorship measures available. This method is certainly not easy (or low cost) but reverting to soft measures such as pledging the equivalent to £500,000 in paid advertising is insufficient.

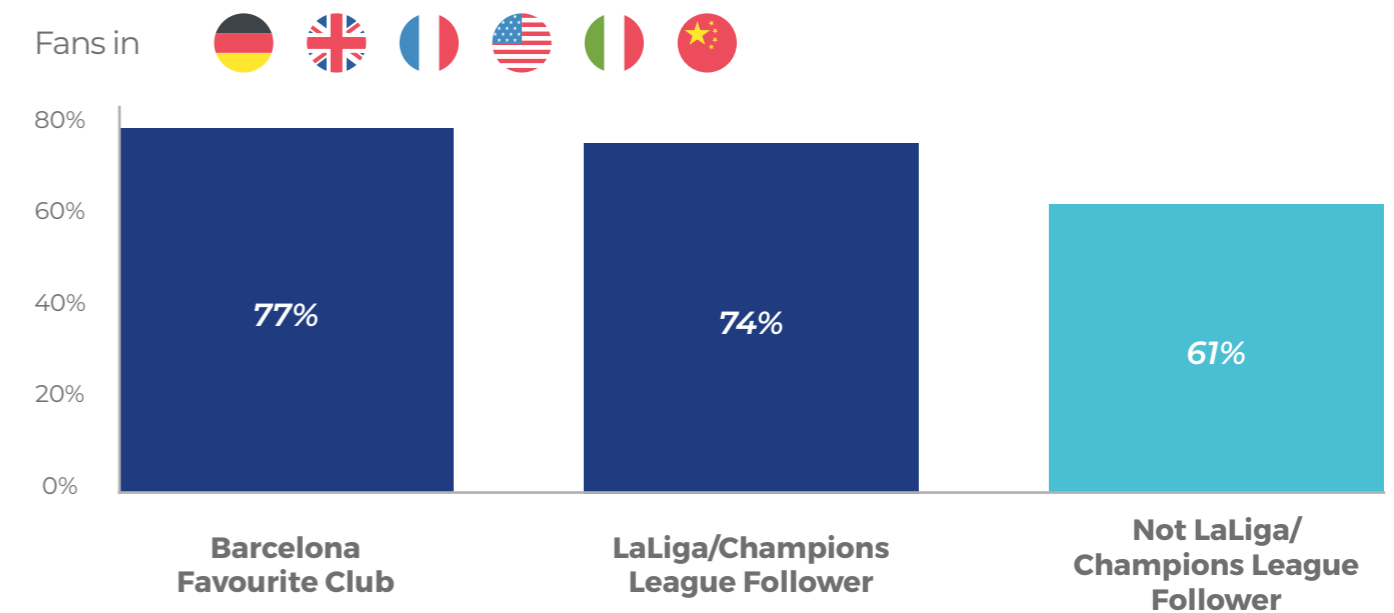
It is possible to estimate uplift even without pre-sponsorship data. In our latest Global Football Fan Research, we assessed the possible uplift which various sponsors of major clubs might have achieved.

Unsurprisingly, this revealed that Barcelona fans in Spain have much

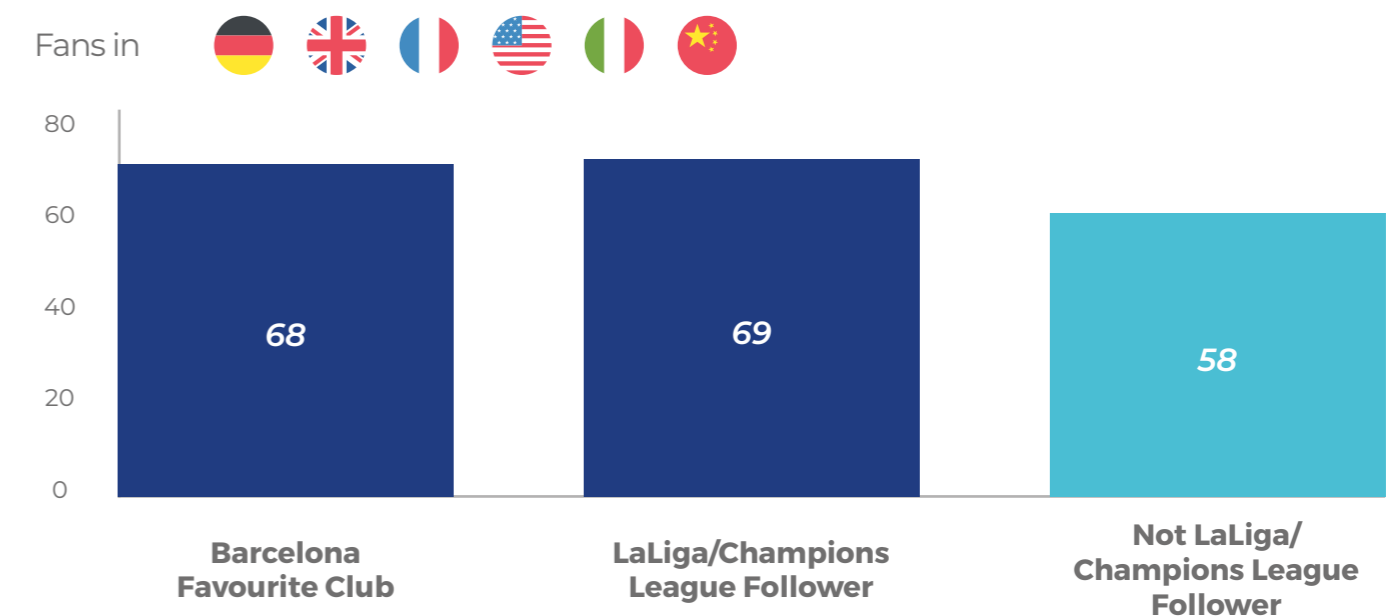
higher consideration for sponsoring brand Rakuten compared to fans of other clubs. But causality is difficult to infer from one wave of research, and even the fans of other clubs in Spain will have been exposed to the sponsorship (e.g. when their club plays Barca).

A more revealing analysis is the comparison outside of Spain between football fans who follow LaLiga or the Champions League – fans likely to have been exposed to Rakuten's sponsorship – versus fans who follow other leagues and clubs. This shows a significant uplift for Rakuten.

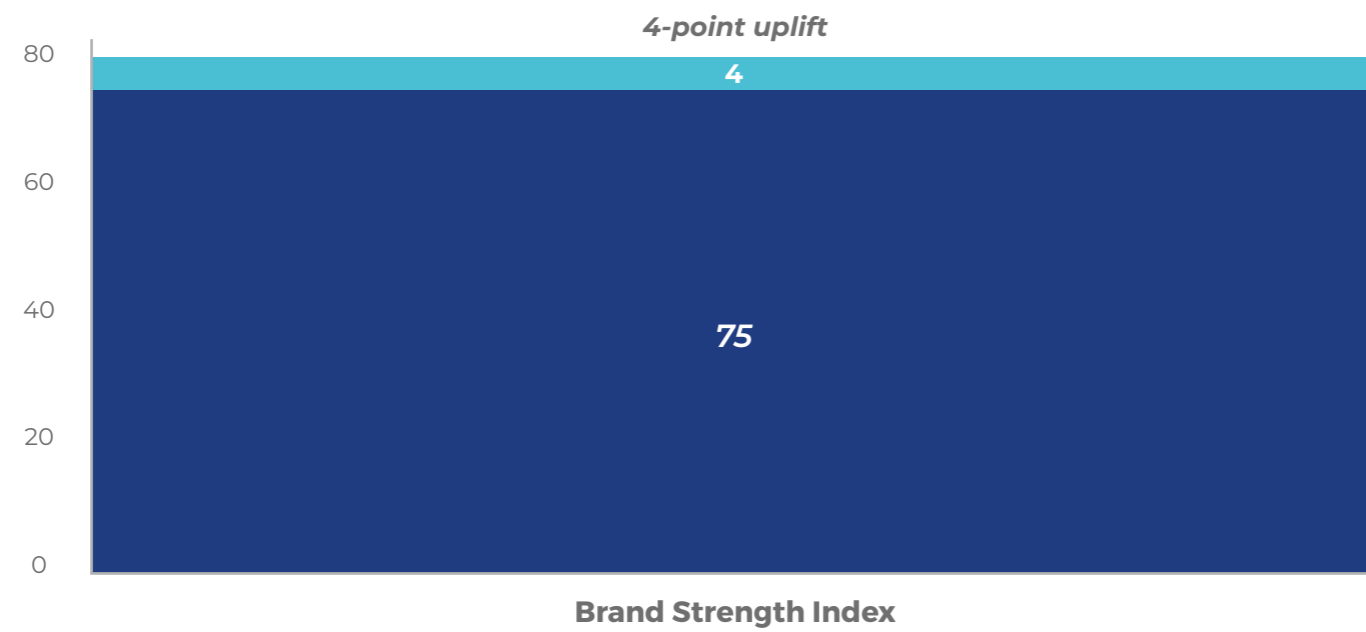
FAN CONSIDERATION FOR RAKUTEN (%)



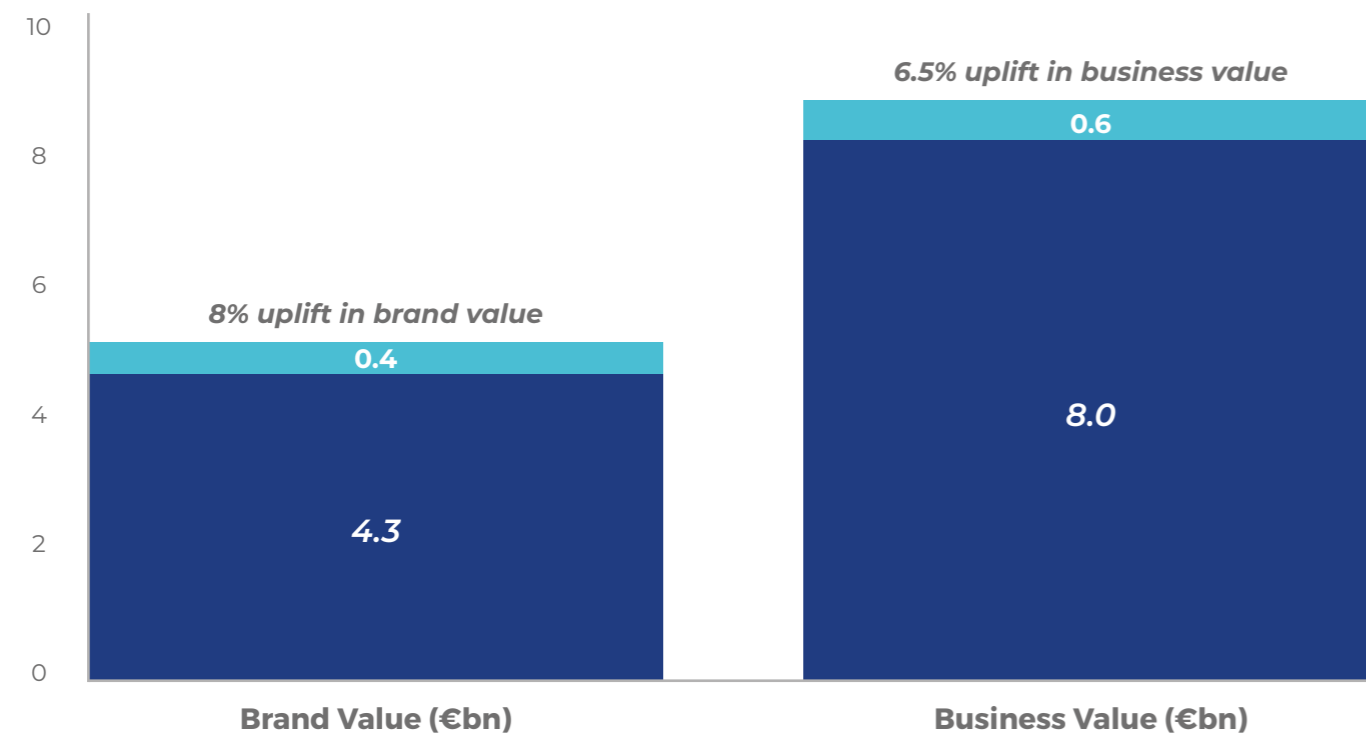
FAN CLOSENESS TO RAKUTEN (OUT OF 100)



RAKUTEN KPI'S ARE HIGHER AMONG THOSE WHO ARE EXPOSED TO THE SPONSORSHIP



RAKUTEN INCREASE IN BRAND VALUE AND BUSINESS VALUE AS A RESULT OF THE SPONSORSHIP



WHAT IS IT WORTH?

Improvement on key metrics such as brand consideration have a measurable impact on brand and business value in Brand Finance valuations, as they in turn are empirically proven to be predictive of brand growth and sales uplifts.

Precise estimates of the value Rakuten might have gained from the sponsorship requires management data, but our initial calculations suggest that Rakuten

has derived significant value from the sponsorship. Since Rakuten began their sponsorship in 2017, it has cost around €190 million – and on that basis it appears that the brand has achieved a good commercial return.

Every brand sponsor should attempt this kind of evaluation. Only then can decisions regarding sponsorship opportunities and renewal be based on hard evidence and a realistic appraisal of their commercial contribution.



Sponsorship Evaluation & Valuation

Football's reach stretches further than ever before, as the shirts of the Premier League's clubs carry the logos for Japanese tyres, Middle Eastern airlines, American cars, multiple Asian bookmakers and more. It is not always clear how partnerships deliver value to brands through their various influences and interactions, and so negotiating an appropriate price can be difficult.

Sponsorship decisions are too frequently made either qualitatively by looking at subjective 'alignment' of brand values or based on shallow quantitative measures such as advertising value equivalents. These fail to capture the full value delivered by a partnership through changes in stakeholder perceptions, sentiment, shifts in stakeholder behaviours towards the brand, and ultimately the impact on the financial performance of the underlying business.

Without appropriate methodologies for sponsorship evaluation and valuation, properties are undersold by clubs, leagues and competitions, and brands are unable to appreciate the full suite of benefits that are possible from an engagement.

Brand Finance has developed methodologies to express the return on sponsorship investment in a way that makes sense to both brand and financial audiences.

'BANG FOR BUCK' ANALYSIS

The Market Approach is the simplest method of determining a price for a sponsorship – simply comparing the property on offer to similar opportunities and

setting a relative price. The weakness in this method is that it doesn't consider the fit of the particular sponsorship to the brand objectives, which is what creates the difference between a short unsuccessful expense and a long mutually beneficial relationship.

Brands looking to use sports sponsorship as a marketing channel should first have an outline of what they aim to achieve – a set of attributes and their importance. This can then be used to create a structure to benchmark the value for money against the market, by determining the return each property delivers per £/€/\$ spent.

The example here shows how Property 1 will deliver the best weighted average return because it has the strongest focus on the key objectives of a strong brand, wide reach, and positive media exposure opportunities. The key objectives are given significance by applying a weighting to the attribute categories, allowing potential partners to select based on their desired outcomes.

Using a quantitative analysis to make the decision ensures that the right sponsorship activity is undertaken. Appropriate sponsorship fees can be determined by setting a target for the weighted average return relative to competitors' properties. With almost €5.5bn in commercial revenues across Europe's top 5 leagues it is essential for brands to ensure they are getting 'Bang for their Buck' and understand the numbers behind the qualitative attributes that attracted them to sports sponsorship in the first place.

BANG FOR BUCK ANALYSIS – MARKET COMPARISON OF SPONSORSHIP PROPERTIES

Property		Property 1	Property 2	Property 3	Property 4	Property 5	Property 6
Title Sponsor		Brand 1	Brand 2	Brand 3	Brand 4	Brand 5	Brand 6
Annual Sponsorship Fee (€m)		142	70	60	70	200	100
Accessible	5%	57%	109%	129%	109%	48%	148%
Prestige	5%	68%	121%	155%	78%	78%	99%
Brand	25%	94%	105%	237%	123%	31%	11%
Reach	20%	270%	89%	51%	56%	43%	92%
Media	25%	133%	125%	95%	120%	81%	46%
Socials	20%	114%	31%	41%	36%	191%	188%
Weighted Average		140%	93%	116%	89%	81%	83%

SPONSORSHIP UPLIFT AND RETURN ON INVESTMENT

The next level of sponsorship analysis is to determine the financial return and uplift to business metrics that is resulting from the investment, and to be able to express this in a way that allows a brand team to communicate the partnership benefits to the CFO, CEO and Board. This requires determining the bottom line effect, and asking the questions that would be asked if investing in a new factory or machinery asset:

- + How does this investment pay back over the short and long term?
- + Has this investment increased the value of the business for the shareholders?
- + Are we getting good value for money?

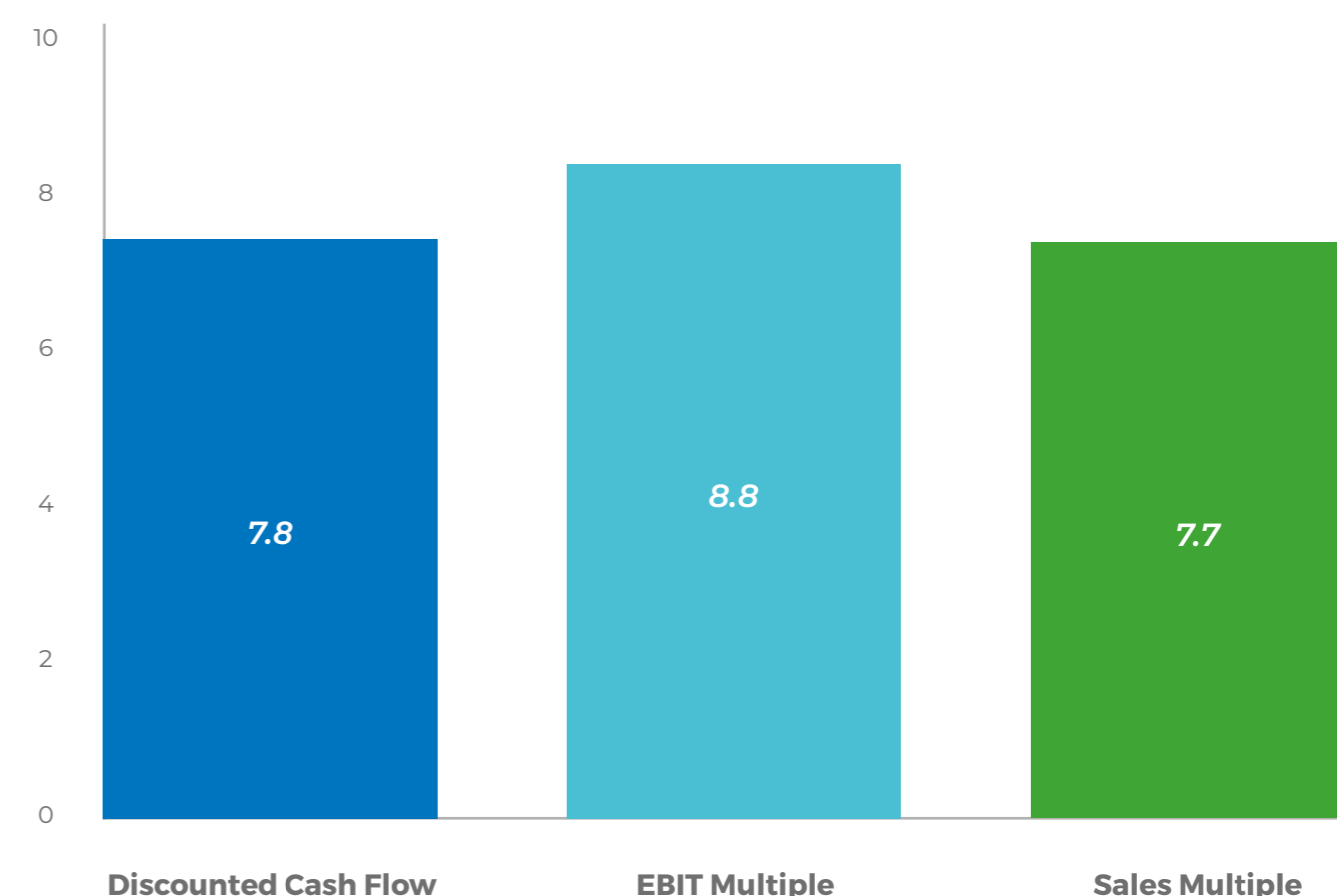
A valuation-based approach to sponsorship evaluation provides a practical, logical and commercially driven basis for assessment. Through an approach that establishes linkages between changes in brand equity, stakeholder behaviour and ultimately business and brand value, it provides a solid platform of insight to inform future sponsorship decision making.

A five-step approach is taken to understand the impact of a sponsorship on a business value, and the cash delivered since its inception:

1. Branded Business Valuation

Adaptable financial model of the business to allow for scenario modelling.

BUSINESS VALUATIONS (USDbn)



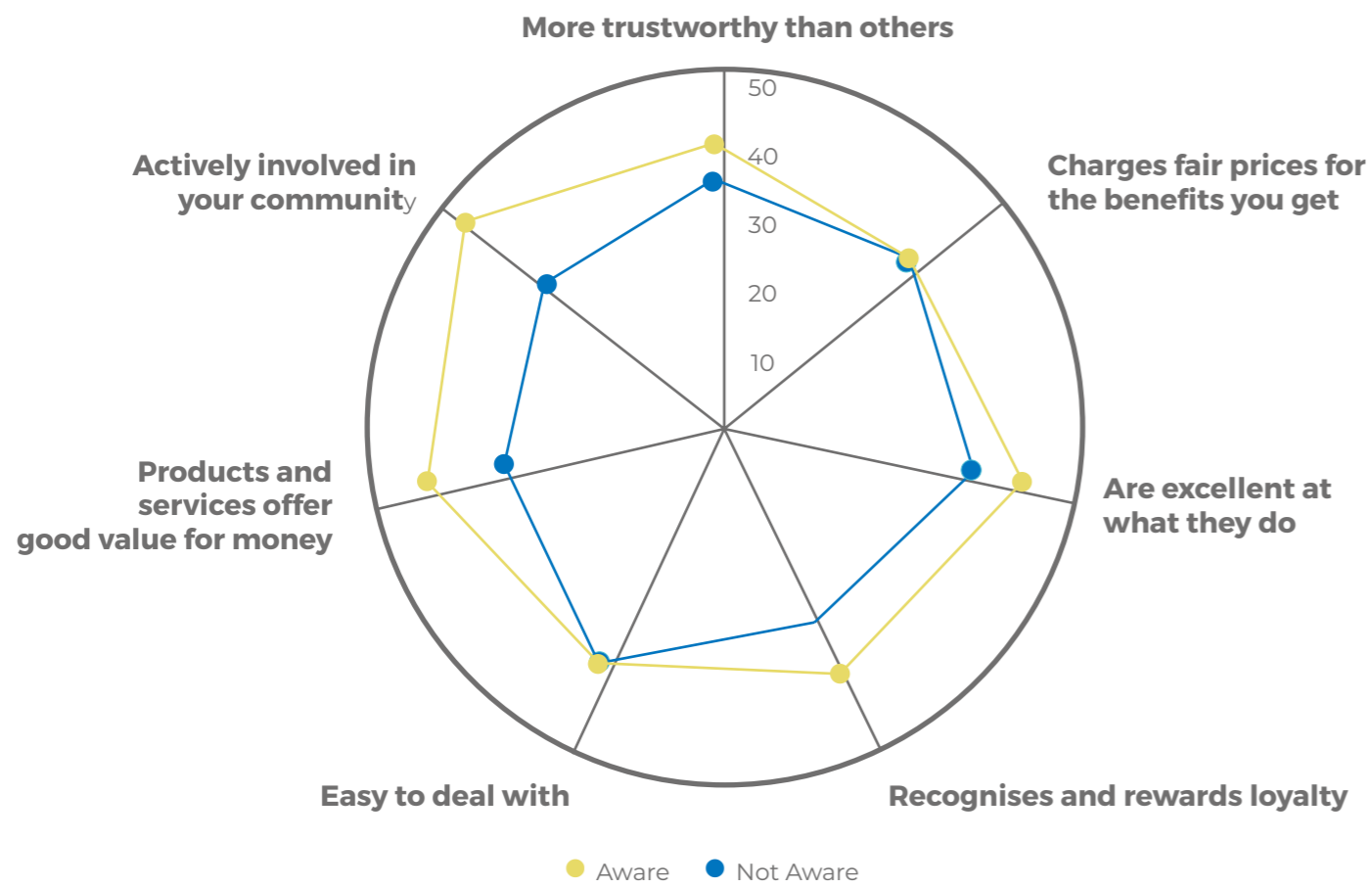
2. Effect of partnership on customer consideration and perceptions

Understand brand perception differences between those aware and not aware of the sponsorship.

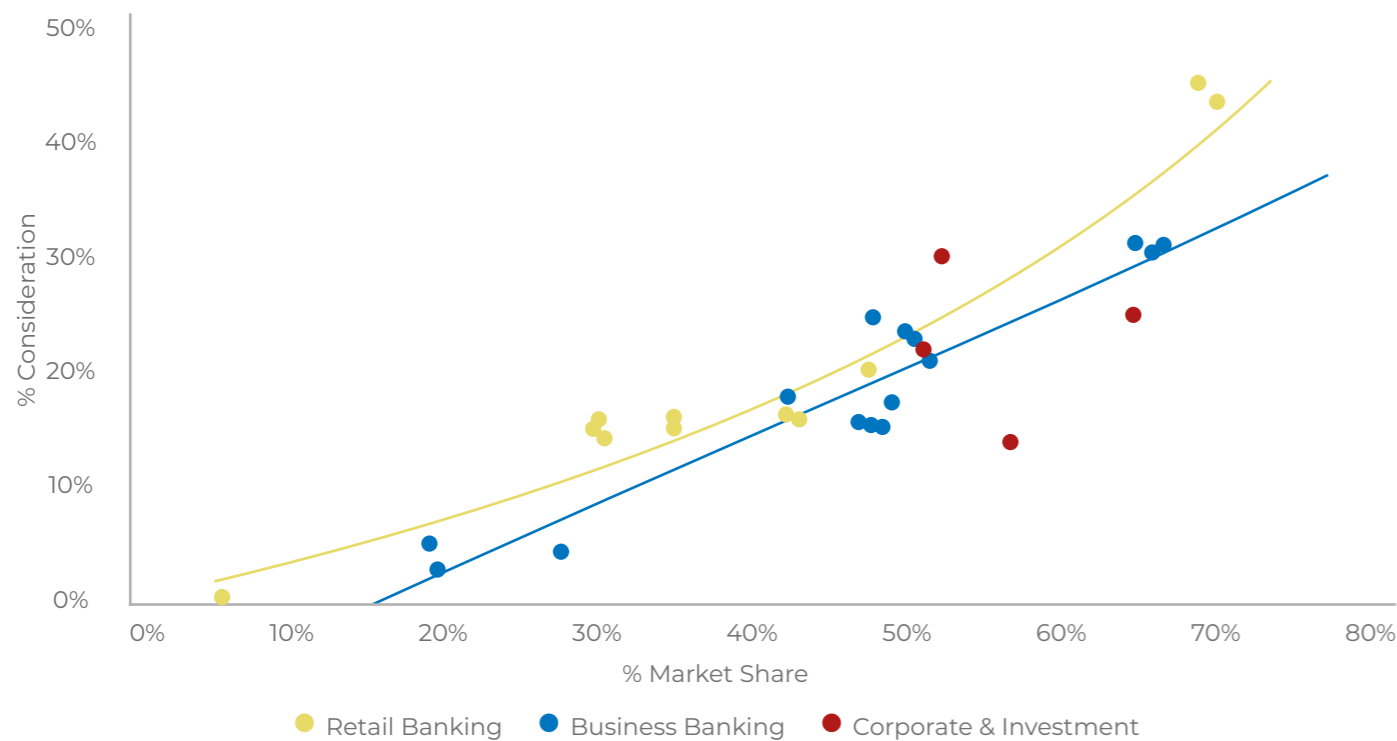
3. Linking brand perceptions to business value drivers

How the customer numbers, acquisition, retention and churn are affected by the sponsorship.

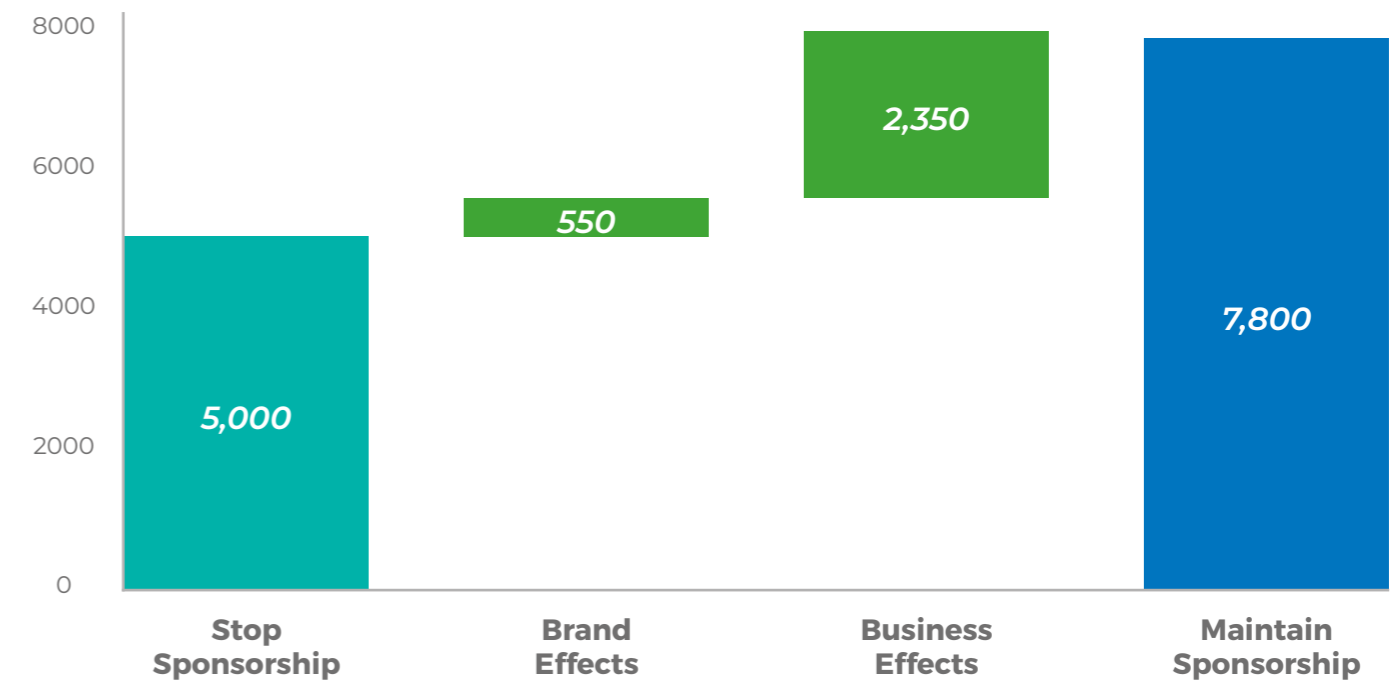
BRAND IMAGE PERCEPTIONS: SPONSORSHIP IMPACT



CONSIDERATION VS USAGE



CHANGE IN BRANCE VALUE FROM SPONSORSHIP DECISION (€m)



4. Sponsorship Valuation (Business Value Impact)

Apply adjusted customer numbers to the business model to find the financial impact.

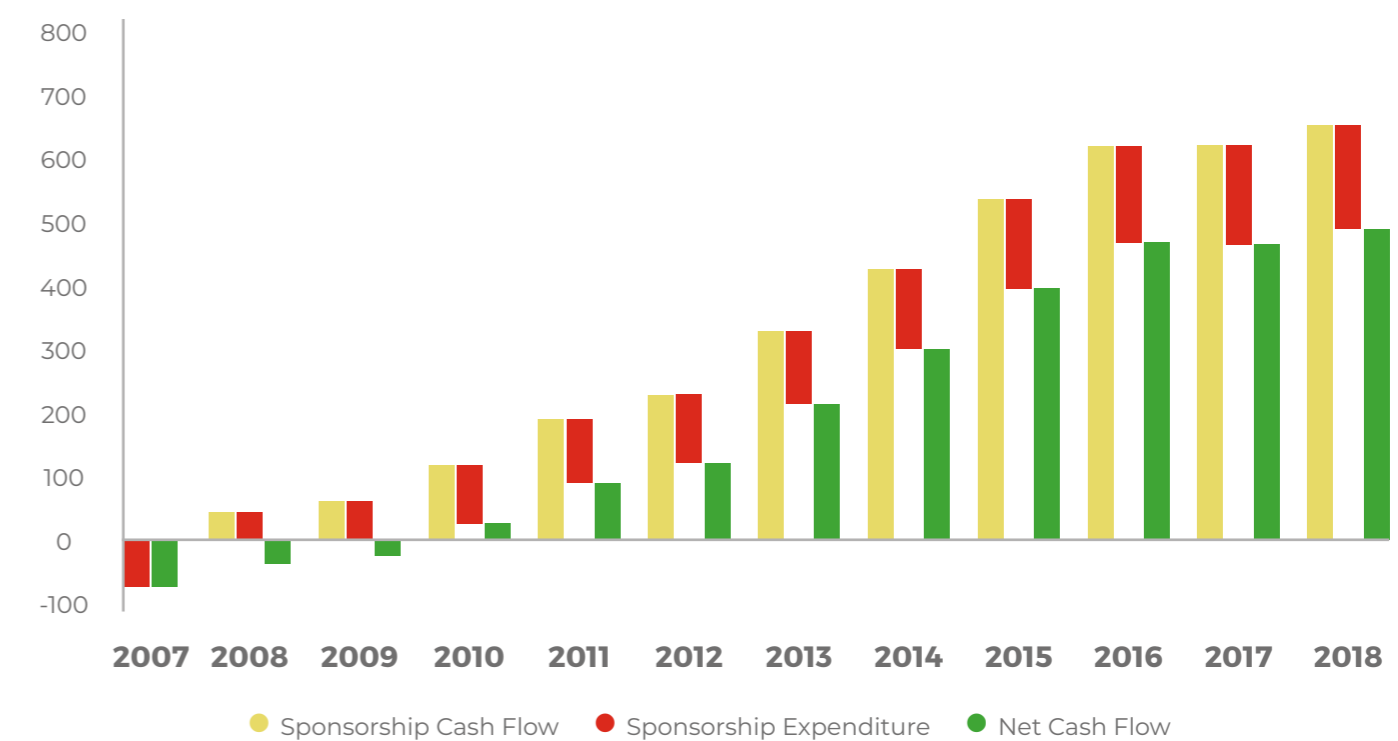
er you are a rights holder or a corporate brand, one must ask themselves 'do I have a framework in place to quantify the ROI dollar value to maximise effectiveness, inform decision making and increase negotiation leverage?'

5. Return on Investment Analysis

Comparing total expenditure since the start of the sponsorship to the cash flow advantage delivered.

With such high levels of investment in sports sponsorship, a lot of money can be left on the table. As such, there is a requirement to improve the sophistication of sponsorship valuation, to provide a basis of valuation in the language of the CFO, CEO and Board who are often the key decision makers.

PARTNERSHIP PRE TAX CASH FLOWS (€m)





The Absa Premiership Story

GIVING BACK TO FOOTBALL IN A MEANINGFUL WAY

The rise and development of world class professional football in South Africa nearly two decades ago coincided with Absa kick-starting its 16-year relationship with domestic football, thirteen of those years as the headline sponsor of the Absa Premiership since 2007.

The bank has been the key driver of growth in the football industry during this period. Through thirteen action-packed seasons of Africa's largest, most popular and arguably most competitive league, the Absa Premiership has gone on to capture the imagination of football-loving people in South Africa and across the continent.

Absa's sponsorship of the Absa Premiership, has had big impact in the local sporting communities in which Absa operates in. Through the sponsorship and Absa's unique fan-centric approach, Absa has significantly improved the fan's football experience both during the pre-match period and on match day, on the pitch and off the pitch.

In previous brand campaigns, Absa leveraged the sponsorship to give football fans, of all ages, the opportunity to come together and share their passion for the game. This was achieved through campaigns such as the 'Captain my Captain', Absa Fan Days, Rekaofela experiences, Ready to Work and most recently the Woza Nazo campaign, which all successfully dialed up the brand's engagement with fans throughout the seasons.

With ever increasing rates of unemployment South Africa, the brand saw an opportunity to play a more impactful and intentional role in educating and upskilling the youth of South Africa.

The Absa ReadyToWork programme is aimed at equipping young South Africans with the necessary skills to get them ready for the workplace environment and to follow their entrepreneurial interests. The online programme was leveraged through the footprint of the league, reaching over 200,000 young South Africans.

It was at the start of the 2017/18 season when the bank left an indelible mark on its partnership with domestic football as the bank continued to reward football fans and loyal Absa customers with unique 'money can't buy' experiences through the hugely popular and impactful Woza Nazo – Bring It campaign. The introduction of Woza Nazo reignited the passion and the positive rivalry with all clubs and fans – ensuring there was improved football on display across the country.

In the first season of Woza Nazo, Absa targeted almost 17,000 Absa customers across the key "derby" fixtures through the exclusive Absa Red Zone match day hospitality experiences. Customers were given access to an exclusive entertainment area, including food and refreshments ahead of the match. Fans also had exclusive reserved seating where they can watch the match – some of the best seats in the stadium in the Absa Red Zone.

Through the Woza Nazo campaign, fans and Absa customers also had an opportunity to participate in lucrative fan competitions such as Kick for a Million and Woza Nazo Shootout competitions. The two consumer competitions saw Absa play a key role of enriching and changing the lives of fans, with fans going away with experiences that they will remember forever. In the first two seasons of Woza Nazo, two fans won R1 million each and during the 2019/20 season, the campaign was modified to reach and impact even more lives with 10 fans winning R100,000 each.

To date, Absa Premiership derbies have won the hearts of many fans across the country, as the league has seen an increase in stadium attendances not only for

the key Woza Nazo fixtures but for nationwide city derbies as well. In recent Absa Premiership seasons, we saw some great goals, creating an opportunity for fans to pick their favourite moments for the much-contested Goal of the Season Award at the annual PSL awards.

Throughout Absa's involvement in league football in South Africa, Absa assisted in elevating each of the 16 clubs to meet the requirements and demands of participating in topflight football. The financial aid from the sponsorship are provided as a monthly grant to all 16 Absa Premiership teams and allows the teams to cover monthly running costs of participating in the Absa Premiership including travel and generally improving their facilities and the running of their teams.





Club Enterprise Valuations



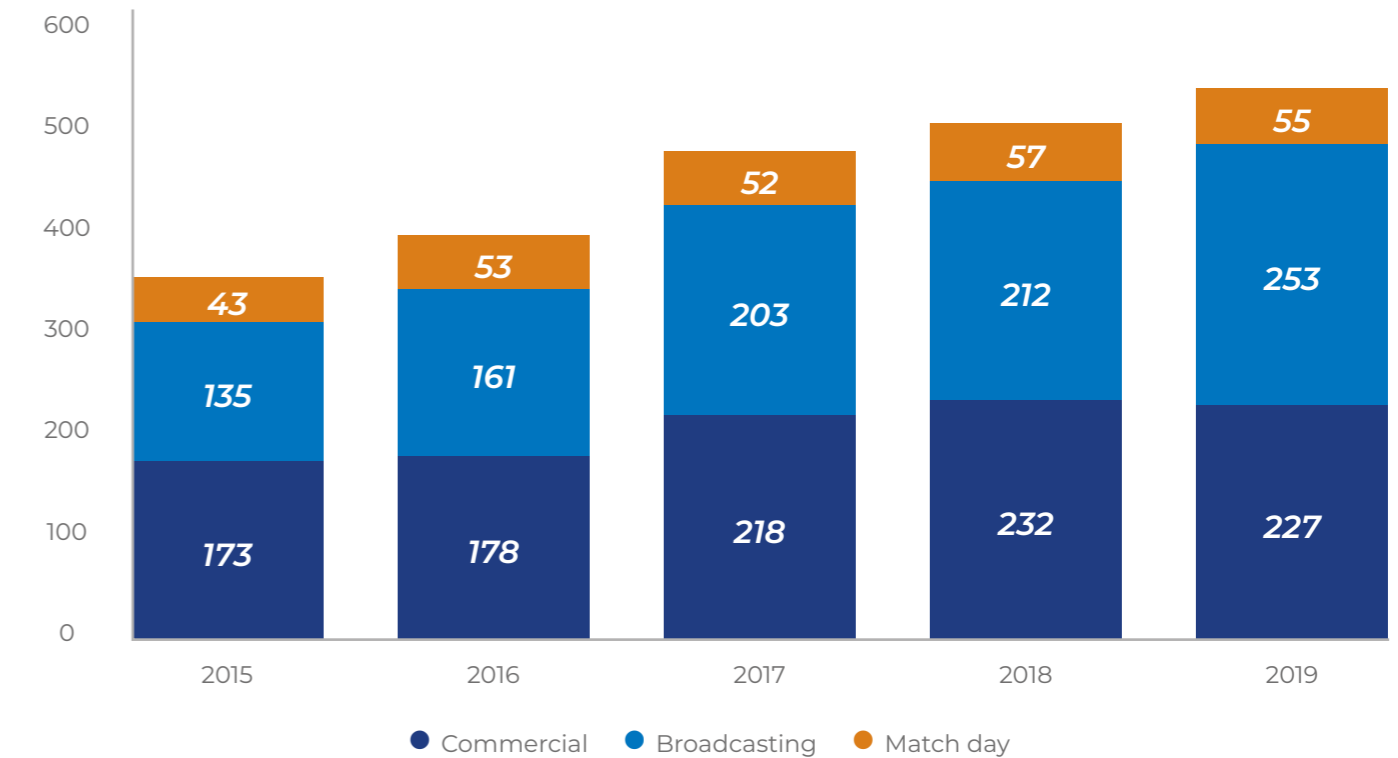
with increasing year-on-year returns. Despite the club facing the prospect of no European football for two years, the initial ruling was subsequently overturned with a €10 million fine representing a minor blow compared to what was at initially at stake.

million (£535 million). Revenue growth over this period is largely attributed to excellent on field performances which generated a higher share of premier league broadcasting revenue and have ultimately attracted better commercial deals from sponsors, such as the lucrative 10-year Puma deal for a reported £650 million.

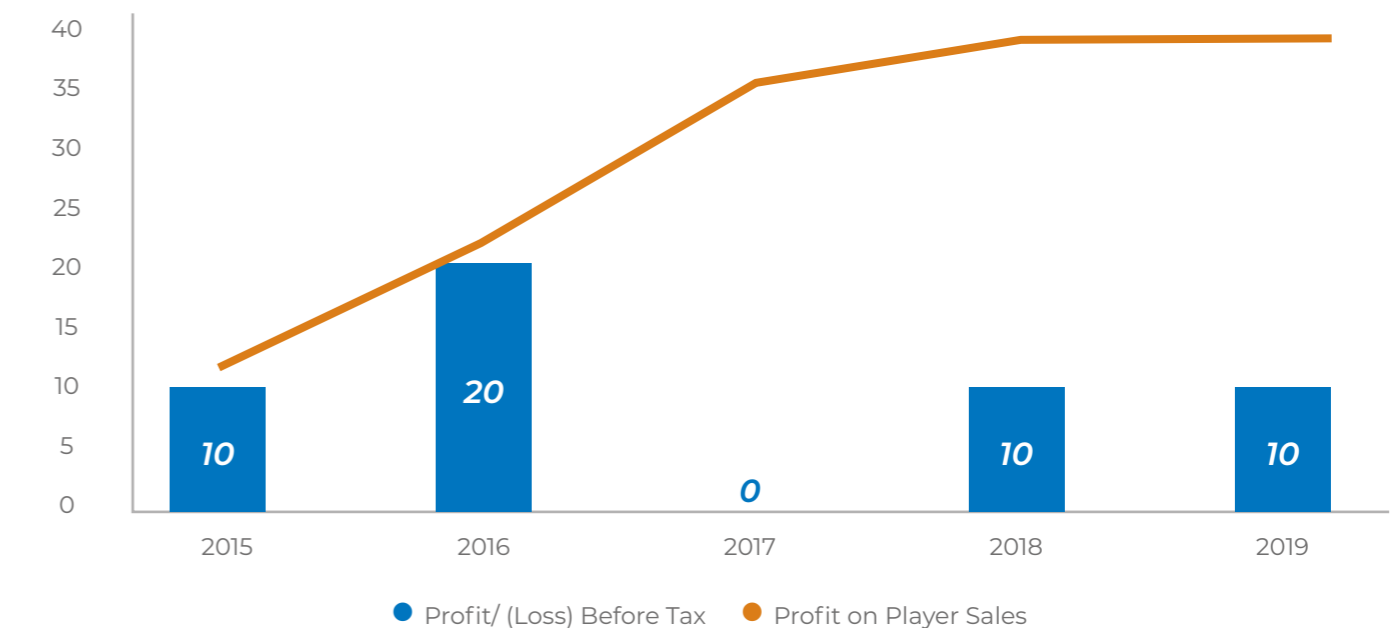
Since 2015, Manchester City has grown its revenues at a compound annual rate of 38%. 2019 was a record year for revenue, with the club reporting total revenue of €590

Manchester City have recorded a profit for the 5th consecutive season following sustained losses at the

MANCHESTER CITY REVENUE (GBPm)



MANCHESTER CITY PROFIT/(LOSS) (GBPm)



Enterprise Valuations & Foreign Ownership in the Premier League

A CASE STUDY ON MANCHESTER CITY, NEWCASTLE UNITED AND MANCHESTER UNITED

On the 27th of November 2019, The Abu Dhabi United Group announced they were selling a 10% stake in City Football Group (CFG) to US private equity firm Silver Lake Partners. The deal placed a value on the group at \$4.8 billion (£4.4 billion).

The City Football Group owns the English Premier League side Manchester City, the Major League Soccer's New York City FC as well as Australia's Melbourne City FC. As a whole, the group earned approximately €700 million in revenue in the 2018/2019 season, which places the valuation at a 7x revenue multiple. The majority (89%) of group revenues are earned by Manchester City, who reported revenues of €625 million. For context,

Brand Finance has calculated the enterprise value of Manchester City as €2.7 billion, which represents a revenue multiple of 4.3x.

The announcement of the deal highlights two key trends in the world of football: the increasing appetite of foreign investors into European football clubs (particularly from the US), and the financial viability of a football club as a sound investment.

Foreign ownership can be a contentious subject for all stakeholders of a football club, but particularly for football fans. The promise of investment into a club in the form of stadium expansion, improved training facilities, and increased spending in the transfer market is a

lucrative proposition. However, the counter argument for foreign ownership often cited is that the investors lack an in-depth understanding and respect for the traditions and history of a club, a lack of financial transparency, and poor relations with fans and other stakeholders. According to the latest UEFA club benchmarking report, 40% of Premier League clubs are majority owned by foreign investors, with an additional 35% of premier league teams having foreign investors as minority stakeholders.

MANCHESTER CITY

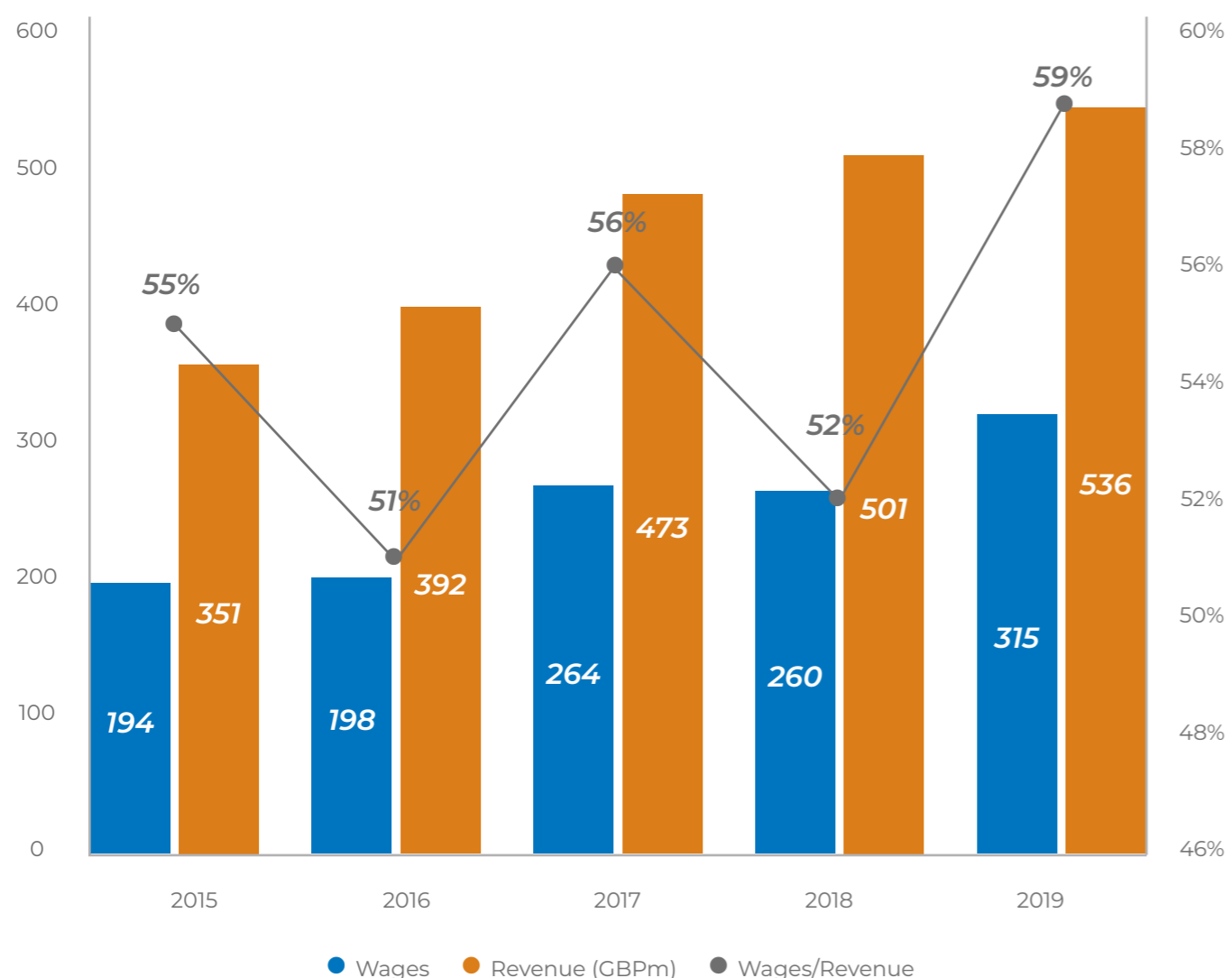
Focusing on Manchester City's latest financial results gives a good indication of the case for the successful investment into the club

onset of Sheik Mansour's investment into the club. Despite such a significant increase in revenues and excellent on field performance, profitability is still relatively low. This is largely due to the increasing wage bill as a result of new signings, the extension of player contracts, as well as large player bonus payments.

EXPANDED OPPORTUNITIES
Silver Lakes has a history of investments in both the technology and sporting sectors, having previously invested in the likes of Alibaba, Skype, and the Ultimate Fighting Championship (UFC). The firm believes there is a strong convergence in entertainment, sport, and technology and could leverage

its involvement within technology and entertainment to potentially grow the Manchester City brand across various platforms and geographies, particularly in non-traditional markets. Undoubtedly, the Abu Dhabi United Group found this prospect enticing when the agreement was made to part way with 10% of CFG.

MANCHESTER CITY WAGES/REVENUE RATIO (GBPm)

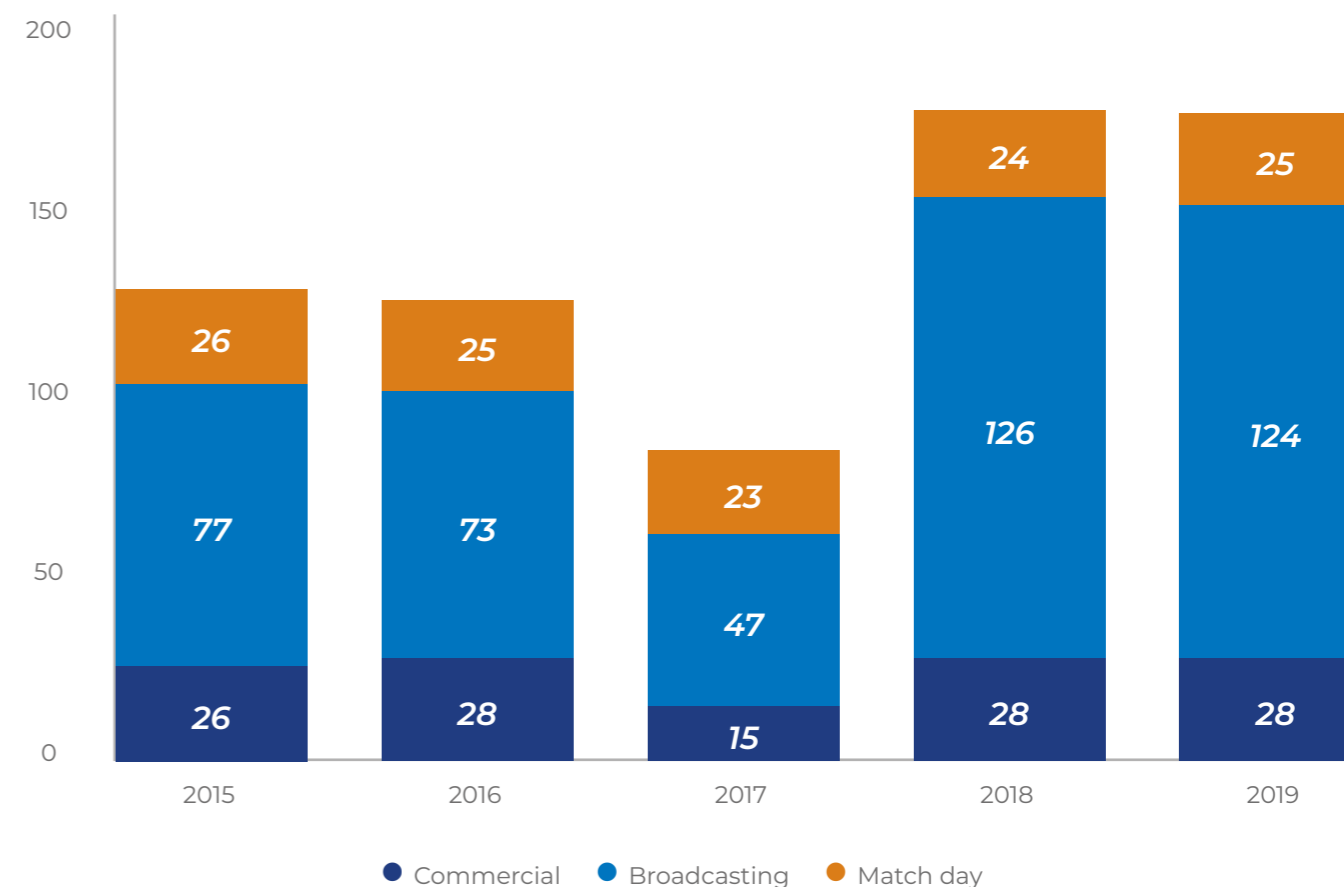


NEWCASTLE UNITED

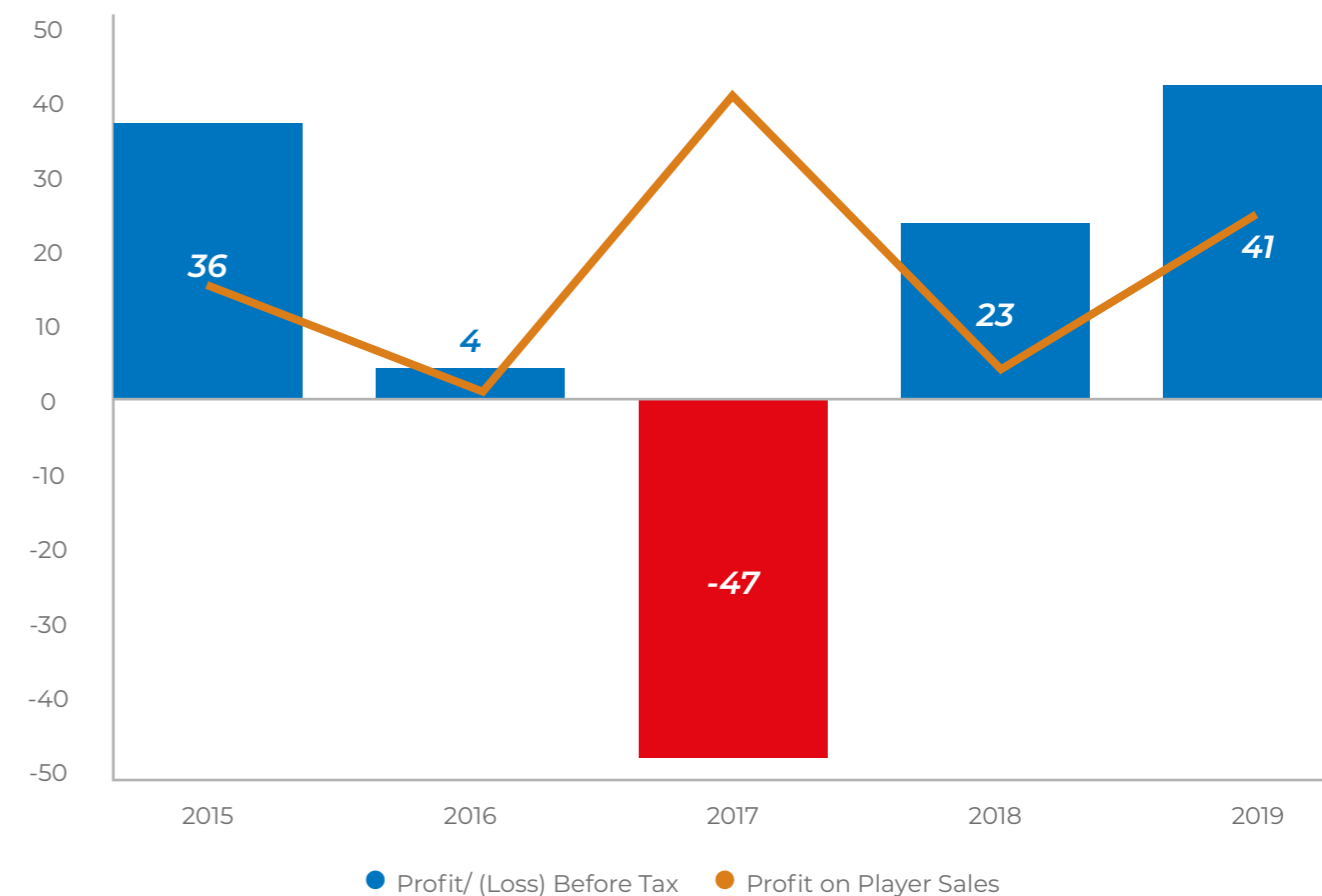
Another club making headlines for a potential change of ownership is Newcastle United. The current owner, Mike Ashley has had a tumultuous tenure since he acquired the club in 2007. Rumours have been circulating of a potential deal with the Public Investment Fund (PIF) of Saudi Arabia, that would value the club at between €330 million and €390 million. For reference, Brand Finance values Newcastle United at €457 million. A closer look at Newcastle United's financials explains why the Saudi Arabian PIF is potentially interested in acquiring the club.

The club reported revenues of €195 million (£177 million) for the year end 2019. Over 70% of revenue earned is attributable to broadcasting income as a direct result of playing in the Premier League, which highlights the importance of Newcastle's continued participation in England's flagship league. Commercial revenue has been stagnant in recent years. A prolonged period of playing Premier League football and challenging for European football could see renewed interest from commercial sponsors and partners, and further improve Newcastle's revenue prospects and development in the future.

NEWCASTLE UNITED REVENUE (GBPm)



NEWCASTLE UNITED PROFIT/(LOSS) (GBPm)



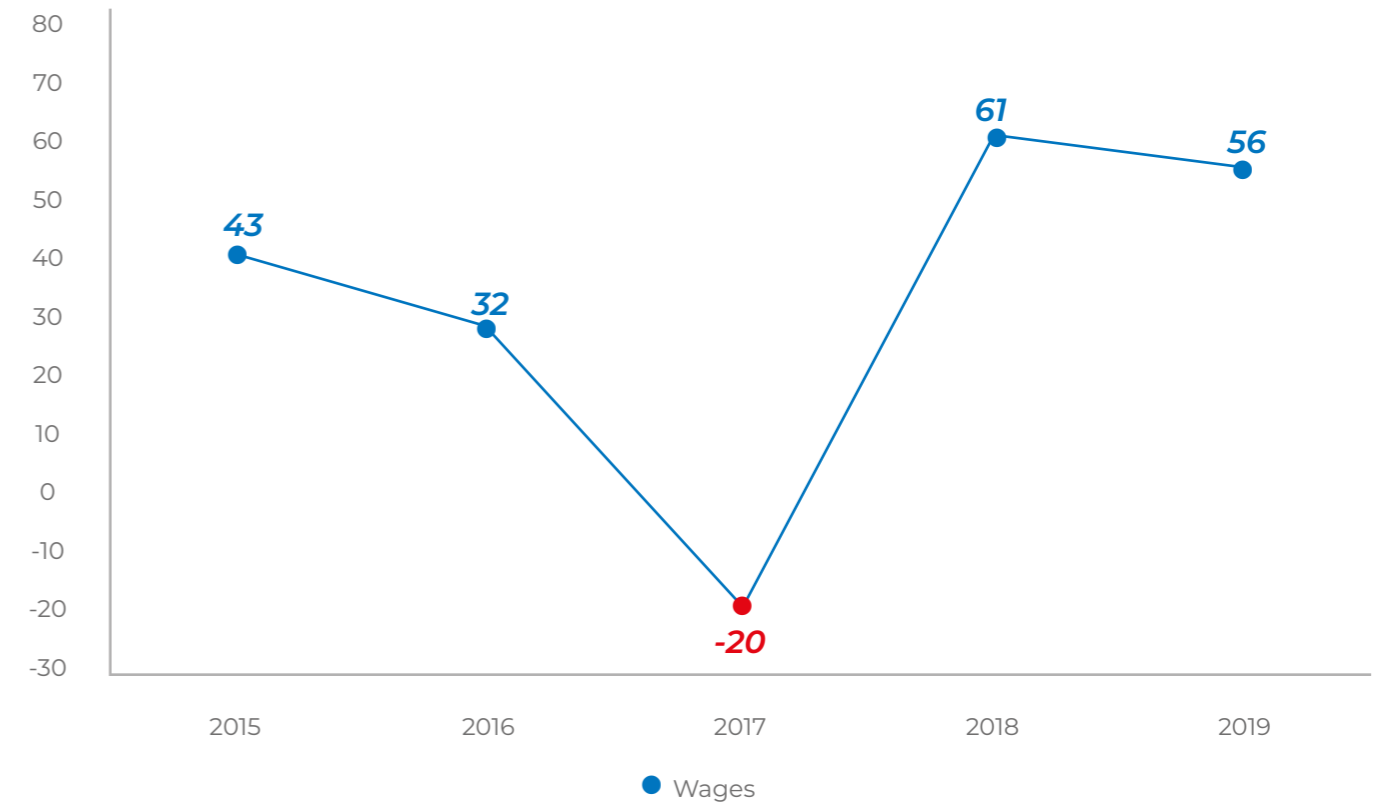


In a year where Newcastle finished in 13th position – 3 places lower in the Premier League than the previous season – their profit before tax improved by £18 million. The year-on-year profit increase is largely attributable to the shrewd sale of players during the transfer window. Newcastle have been consistently profitable over the last five years, apart from in 2017 when they were relegated to the championship. Newcastle's EBITDA, which strips out player sales and non-cash items to give underlying profits, fell from a record high

of £61 million to £56 million. However, this is still the 6th highest EBITDA in the Premier League, making the club a lucrative prospect to potential owners.

The Newcastle brand has arguably been underperforming relative to its stature and history. An injection of money from the vast wealth of the PIF, which could be used to invest in the infrastructure of the club as well as bring in some world-class talent on the pitch, could prove to be beneficial for both the club and the PIF in the future.

NEWCASTLE UNITED EBITDA (GBPm)



MANCHESTER UNITED

The high-profile takeover of Manchester United by the Glazer family in 2005 was not without controversy, particularly among some fractions of the fan base. However, despite recent on-field performance struggles, the club has unquestionably been the predominant financial power in English football.

Being one of only two publicly listed football clubs operating in England, Manchester United's enterprise value is currently valued at €2.6 billion. However, like many listed entities, Manchester United suffered a shock to their share price at the onset of COVID-19, falling from a 2020 high enterprise value of €3.5 billion in early January. Brand Finance currently calculates Manchester United's Enterprise Value to be €3.8 billion.

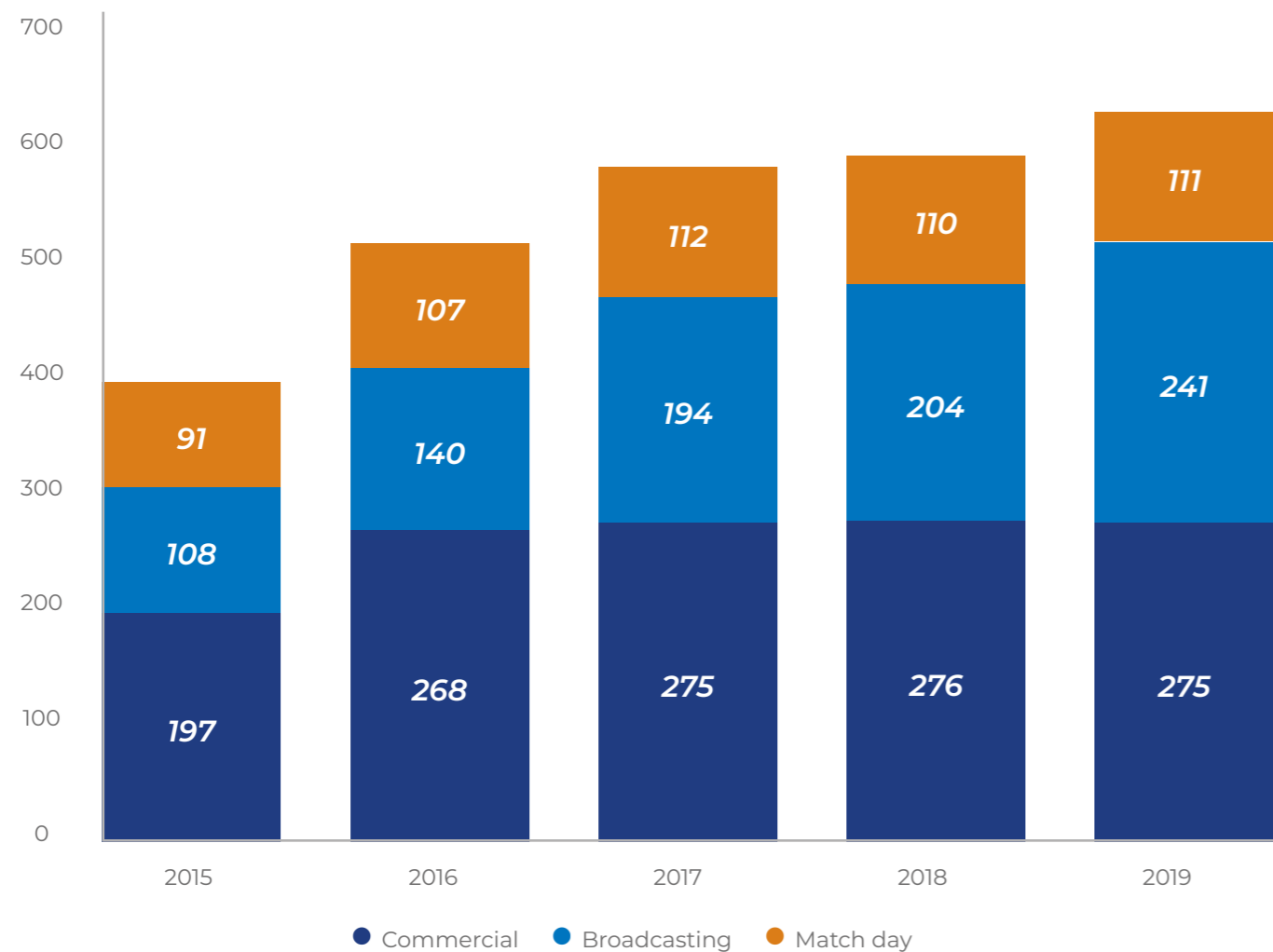
Despite finishing 6th in the 2019-20 season, Manchester United became the first Premier League club to report revenues over £600 million, generating £627 million (€694 million) in total. Revenue growth was largely driven by an 18% increase in broadcasting revenue generated through the new European broadcasting agreement.

Despite an ever-increasing wage bill, the club has managed to maintain a healthy level of operating profit. However, this figure is greatly reduced when accounting for the interest payments made on the large amount of debt incurred as a result of the takeover by the Glazers.

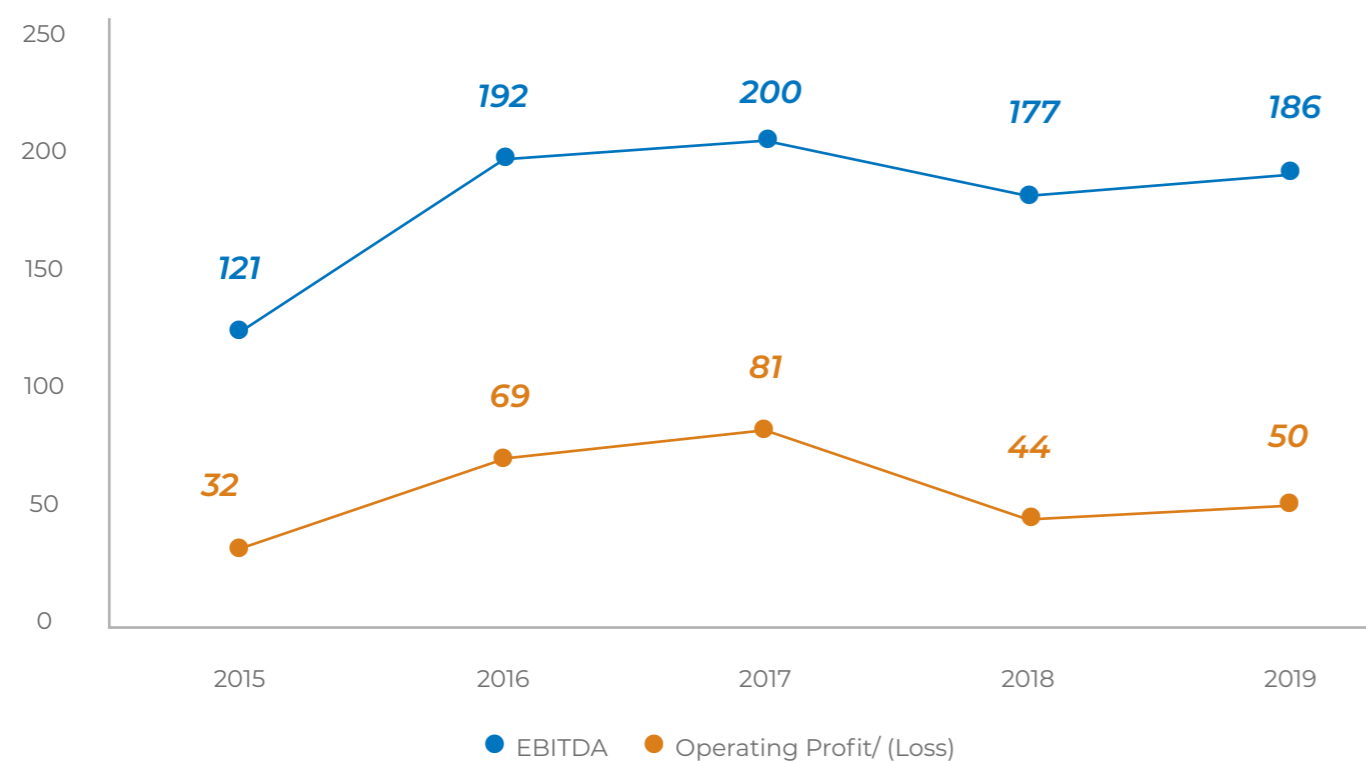
Manchester United has the highest EBITDA of any team in the Premier League, which serves as a testimony to the value of the Manchester United brand and the club's ability to leverage that to generate ever increasing commercial partnership fees all over the world.

The general perception of football clubs is that they are a volatile business, and one in which investors should be wary of. Indeed, according to activity around publicly traded football clubs, the share price can fluctuate substantially based on short-term on field performances or transfer market activity. However, the likes of Manchester City, Liverpool, and Manchester United are indicative of the fact that a long-term investment at the right price can yield excellent financial returns for those willing to take the risk.

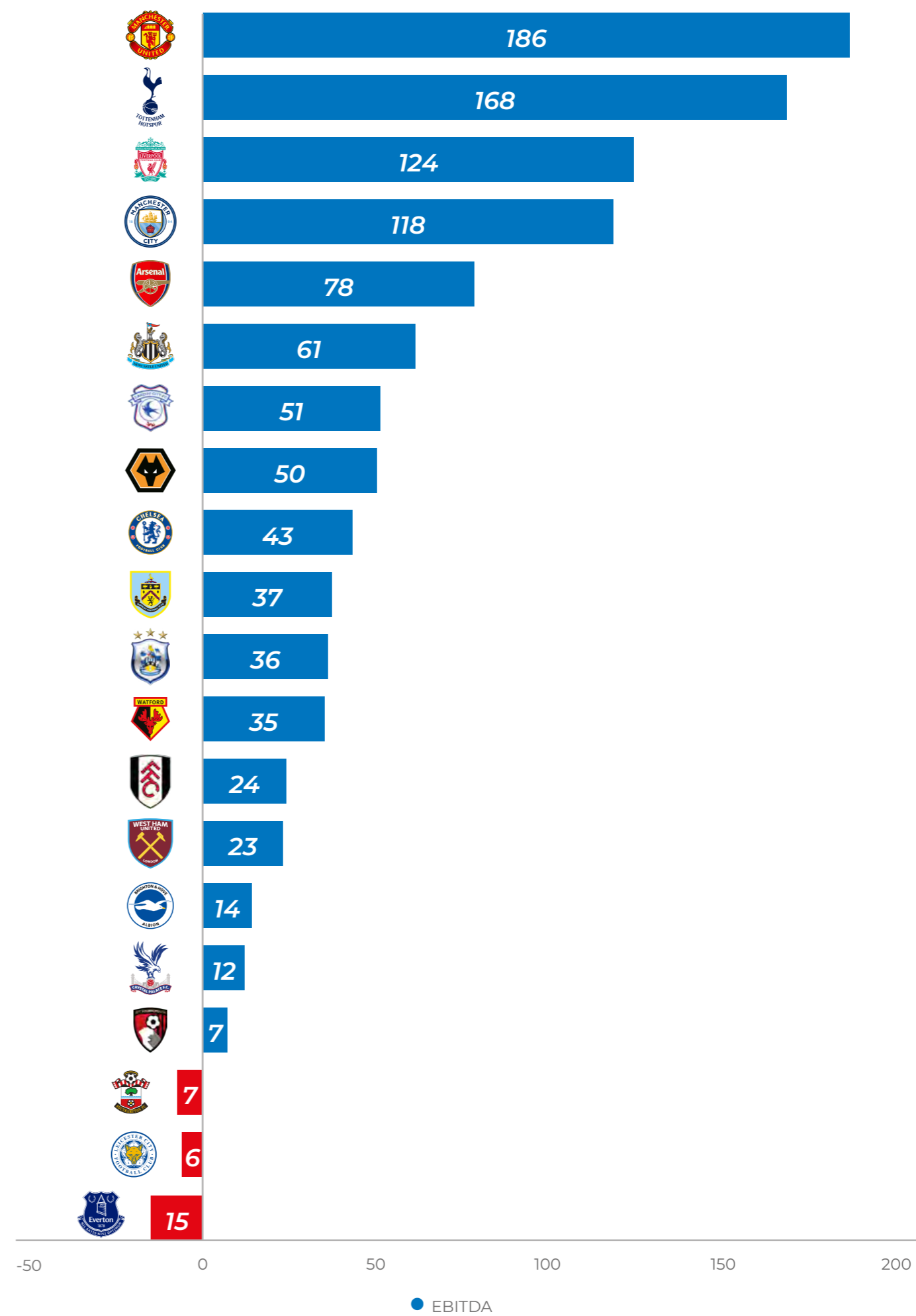
MANCHESTER UNITED REVENUE (GBPm)



MANCHESTER UNITED OPERATING PROFIT (GBPm)



PREMIER LEAGUE EBITDA BY CLUB 2018/2019 (GBPm)



Enterprise Value Methodology

Brand Finance professionals have utilised a relative valuation approach in order to approximate the Enterprise Values of the most valuable football club brands in the world.

WHY USE ENTERPRISE VALUE?

The Enterprise Value is a measure of the worth of the company's core business, to all investors, regardless of how that company is financed. This is particularly relevant in the football industry where clubs are financed in a range of different ways.

WHAT IS RELATIVE VALUATION?

Relative (or market) valuation involves identifying a set of comparable market values for a football club, converting these market values into standardised values known as multiples, and adjusting these multiples for any perceived differences between the club you are valuing and the comparable set.

Relative valuation is more reflective of market perceptions within the football industry than a traditional discounted cash flow. In an industry where the Brand, and thus perceptions of consumers play such a large role, it is important to capture this changing sentiment.

METHODOLOGY

Brand Finance creates a league specific revenue multiple based on data from sixteen publicly listed football clubs across various European leagues. Once a base revenue multiple is established within the league, this is adjusted based on 7 relevant factors that influence a clubs Enterprise Value; The perception of the league in which the club plays, whether or not the club owns its stadium, the market value of the squad, the strength of the clubs brand, whether or not the club has a global fanbase, the heritage and history of the club, and finally the clubs operating margins.



1. LEAGUE PERCEPTIONS

The perception of the league in which a team plays has a large influence on the value of the club. Brand Finance has conducted research across European and emerging footballing markets to ascertain the perceptions of these markets on each of the leagues that feature within the annual football valuation study.



2. STADIUM OWNERSHIP

In many cases the stadium in which a club plays is the most valuable asset for any football club. Naturally, by owning that asset the football club becomes more valuable. Ownership of the stadium further allows the clubs to directly benefit from revenue generated at the ground whether that be in the form of matchday tickets, or concessionary items.



3. SQUAD VALUE

Players registrations (contracts) are another significant asset for a football club. The modern game has seen many different business models emerge and has resulted in teams generating revenue through the acquisition and disposal of high-profile players.



4. BRAND STRENGTH

The value of a football club is a directly related to the strength of its Brand. As football clubs extend beyond their local municipalities, into far reaching countries, searching for additional revenue and profits, it is the strength of their brand that attracts supporters, commercial sponsors, and ultimately differentiates one club from another.



5. GLOBAL REACH - FANBASE

Football clubs are global brands and businesses, with fanbases around the globe. Brand Finance research in emerging football markets such as America, India and China give insight into the global reach of football clubs in the modern era. The global reach of these football clubs can be leveraged for higher commercial revenue from global sponsors, and higher broadcasting revenue from a worldwide fanbase hungry to follow their favourite team.



6. CLUB HERITAGE

Sponsors are not only interested in tapping into the global reach of football clubs but are also conscious of being associated with a club with rich heritage, and a successful history behind its name. Therefore, fans perceptions of the club's heritage in both home and overseas markets has been accounted for.



7. OPERATING MARGIN

Clubs are first and foremost businesses. The objective of any business is to generate returns for their respective owners. With the advent of rules such a financial fair play, clubs can no longer rely solely on ownership investment to cover the increasing costs of players wages, technical staff and other expenditures in the modern game.



A Different Type of Investor

THE US INTEREST IN FOOTBALL

The growing appetite for European football among US investors has been gathering momentum for some years, adding to the plethora of foreign owners that have been drawn to the game in England and other major football markets.

Over 17% of English clubs have some form of US ownership, either 100% such as Manchester United, Liverpool and Arsenal, or a minority stake such as Leeds United and West Ham United. American money has started to make its mark in Italy at AC Milan, Roma and Fiorentina, while in France, Marseille and Bordeaux are majority-owned by Americans.

A MATURE BUSINESS

Sports investment is a mature business in the US and wealthy owners see the sector as an opportunity-rich industry that can attract huge corporate sponsorship, significant broadcasting revenues and networking possibilities that can extend global franchises and open up new avenues of business.

Indeed, in the US, team owners are often highly revered figures (especially if the team is successful) and frequently the first person to receive a major trophy at the end of a play-off or final is the owner. In Europe this is seldom seen, although when Chelsea won the UEFA Champions League in 2012, club owner Roman Abramovich was visible in the presentation zone holding the trophy aloft. In some countries, club ownership is regarded as a thankless job for thick-skinned and wealthy businesspeople.

US investors differ from other contemporary football club owners. American high net worth individuals have long identified the positive revenue generating trajectory of their own sports industry – American [gridiron] football, basketball, baseball and ice hockey, not to mention the recent addition of Major League Soccer. Enhanced by the US model of closed leagues with no relegation, as well as big broadcasting revenues and substantial consumer expenditure,

rewards can be significant through medium-to-long term involvement. Football has become an asset class in its own right, with investors using sophisticated financial market tools to execute their acquisitions. In the case of the Glazer family's purchase of Manchester United, they put up a percentage of the £790 million price themselves but the majority came from borrowings that were loaded onto the balance sheet of the club – a leveraged buyout.

The modern football paradigm in Europe often appears to have a short-term outlook, so supporters invariably look for “quick wins” when a new owner moves in on a club. For US owners, financial performance is of paramount importance, primarily for the dividends they can yield, but also due to stability and sustainability reasons. This is in notable contrast to those that spend large sums on the club in order to achieve instant success and profile before selling their stake.



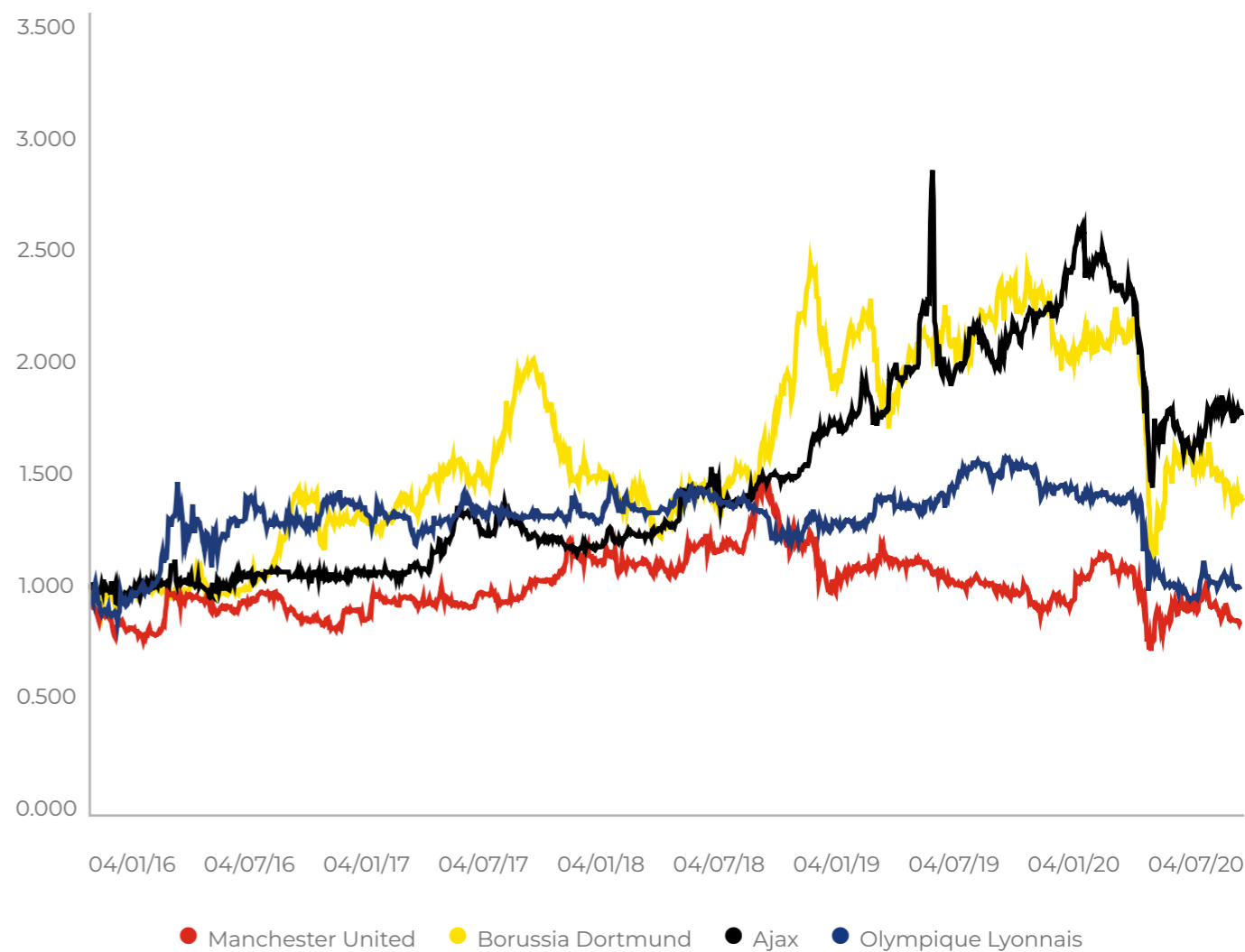
APPROACH

US investors invariably fall into the category of owners that want to maximise their gains – in other words, it is a financial transaction as much as a sporting deal. Philanthropy has little to do with it. This is unlike some investments made by wealthy individuals who want to put something back into the club they have supported all their lives or the strategic investments made to gain political ground, such as those at Paris Saint-Germain and Manchester City in recent times.

The US way doesn't necessarily mean the owner is popular among fans who expect "ambition" to be shown in the form of vast outlay of cash to bring headline-grabbing talent to a club. However, in European football, there are many clubs who are prepared to spend big in order to remain competitive and stay ahead of rivals. Hence, a club that is slow to spend can fall behind its peer group. This does create the dilemma of a club liberal stance around team-building. At the same time, the owners



SHARE PRICE MOVEMENT OF PUBLICLY LISTED FOOTBALL CLUBS (RELATIVE)



While the US approach to sport may not be to everyone's liking, it is widely acknowledged that US sports franchises are generally well run, well-resourced and relatively conservative. Moreover, their stadiums are invariably comfortable, scalable and commercially successful.

UNDERSTANDING

Traditionalists and sceptics explain the reluctance to satisfy the crowd and behave recklessly as a sign that US club owners do not have an historic understanding of football. Owner visibility is important to European fans, especially in the United Kingdom, although the investors, for whom the football club may be part of a portfolio, would often claim they pay people to run the club

for them. Hence, at Manchester United, Ed Woodward, a former investment banker, is very much in the firing line with the public and receives considerable criticism from fans, notably through social media.

The success of Liverpool, around a decade after Fenway Sports took over the club, demonstrates that a degree of patience and strategic acquisition can create consistent success. There has been no lack of investment in strengthening playing resources at Liverpool, indeed the 2019-20 Premier League champions have a squad almost as costly as heavily-financed Manchester City, although their net expenditure is among the lowest in the league.

While Manchester United have undoubtedly declined since the departure of Sir Alex Ferguson and Arsenal have struggled for a clear identity in the post-Arsene Wenger era, Liverpool appear to be on the brink of a golden new era to rival their trophy-laden past. But Arsenal and Manchester United's malaise may be less to do with their US ownership than the natural cycle of football and a lack of succession planning, which once more hints at football's lack of foresight in looking beyond the next piece of silverware. US investors are certainly not short-term partners and are almost always looking at a long and sustainable involvement. They demand success, but not at the type of cost that threatens the stability of their assets.

may appear to be satisfied if the club's balance sheet looks healthy and they are receiving satisfactory returns. A certain level of on-pitch success is needed to maintain that vision, however.

Given US sports operate in a closed environment with financial restrictions, the threat of relegation is never something that creates anxiety or the intense pressure to spend. Conversely, in the case of English Premier League clubs, relegation from a league that has extraordinary broadcasting revenues can appear tantamount to a death knell. This explains why the constant drive for status preservation and team reinforcement characterises leagues like the Premier League and doesn't allow for inactivity on the part of a club and its owner. Needless to say, the open market and "survival of the richest" culture of European football can be a deterrent.



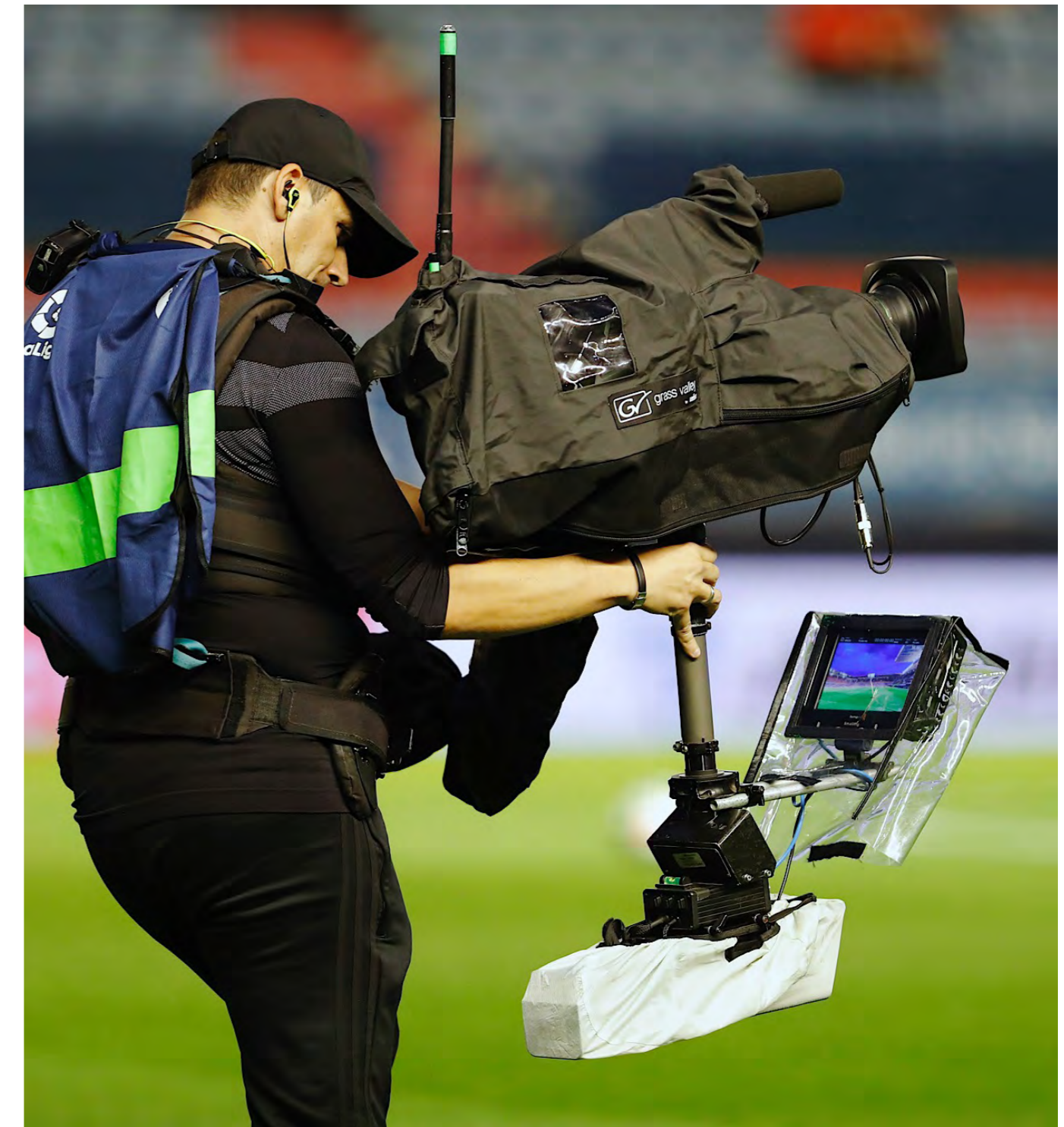


REVOLUTIONARY TECHNOLOGY TO ENJOY THE BEST FOOTBALL

The way football is watched has changed significantly over the past six years as a result of a series of audiovisual innovations. LaLiga match broadcasts are now operating on a whole new level thanks to 4K-HDR production technology and the use of up to thirty cameras to improve match broadcasts and ensure that fans don't miss a thing that happens on and around the pitch. Eleven LaLiga stadiums are currently equipped with high-definition cameras, tactical cameras and aerial cameras, whilst strategically placed cameras offer 360° replays and the Be The Player technology allows fans to see the action from the players' perspective.

ABOUT LALIGA

LaLiga is a global, innovative and socially responsible organisation that leads the way in the leisure and entertainment sector. It is a private sporting association which is comprised of the twenty LaLiga Santander and twenty-two LaLiga SmartBank clubs and public limited sports companies (SADs) and is responsible for organising professional and national football competitions. In the 2019/19 season, LaLiga reached a global audience of 2.7 billion. The institution is centrally headquartered in Madrid (Spain) and has a presence in 55 countries through its eleven offices and 46 delegates. The association carries out social outreach activities through its foundation and is the world's first professional football league with a league for intellectually challenged footballers: LaLiga Genuine Santander.



Technology – A Solid Platform for LaLiga's Growth

LaLiga isn't just about football. It's also all about innovation and technology, two major cornerstones of LaLiga's medium- and long-term growth. The organisation boasts a digital ecosystem that combines channels, services and data. The combination of these elements provides LaLiga with a complete overview, which the institution uses to improve its audiovisual product for the benefit of supporters, sponsors, broadcasters and, of course, the clubs.

LALIGA, A DIGITAL ECOSYSTEM

Technology is at the heart of LaLiga's daily operations. The institution's technology and data department works to enhance LaLiga's digital ecosystem, which features channels, services and data, within an ever-changing landscape through the implementation of the new products that appear on the market. The channels (apps, website and OTT platform) enable LaLiga to interact with its followers, whilst the services help to improve access to fans, which ultimately produces results, whilst the data is useful when it comes to gaining knowledge about followers to segment and customise particular campaigns.

All of these elements come together to provide LaLiga with a complete overview of the current landscape and allow the institution to enhance its audiovisual offering for the benefit of all stakeholders within the football ecosystem.

OTT PLATFORM

LaLiga was keen not to be left behind in terms of the broadcast of audiovisual content via streaming and decided to enter this world in 2019 by launching its own over-the-top platform featuring sports content available via an app, through its website and smart TVs. LaLiga's OTT is now firmly established as yet another channel within the organisation's digital ecosystem and one which offers information on users based on the kinds of programmes they watch and when the viewing takes place.

The LaLigaSportsTV OTT platform offers coverage of around thirty different sports and an average of between fifteen and twenty live events each week. LaLigaSportsTV is a highly popular entertainment platform that boasts thousands of users across Spain. The content platform allows us to keep ourselves up to date with the latest audiovisual content streaming players and reach fans of other sports by offering them exclusive content.



Esports

Esports Continues to Surge

OPPORTUNITIES AMIDST COVID-INDUCED LOCKDOWN

Esports may no longer represent a new notion in the sports industry, but online gaming and viewership still enjoys remarkable growth year on year in terms of awareness, audience, players, and revenue. The recent global lockdown has kept much of the world indoors and confined to their homes. With mainstream sports on hold, esports has represented an exciting alternative for many viewers. This is not to say the industry has been unscathed by COVID-19. Like any traditional sport, many of its high-profile events which take place in packed out stadiums have been cancelled as a result. However, the simple fact that esports can take place online has allowed it to continue somewhat uninterrupted.

UNPACKING THE BUZZWORD – WHAT IS ESPORTS?

Firstly, it is important to understand what esports is. The problem with many buzzwords is that they become a “one-size-fits-all” label slapped onto something which is in fact extremely complex and diverse and hence requires further context in many instances.

Think of the word esports as tantamount to traditional sports in terms of its diversity. There are numerous

traditional sports, some of which are so different that often the only similarity is that they involve people or teams competing against one another under some set of rules or guidelines. Naturally, such differences mean these sports attract and appeal to highly different audiences.

The same applies to esports in that the games played are significantly different to one another and hence need to be considered separately. For example, Football and Golf are both sports but this does not mean they are similar or even enjoyed by the same audiences. The same can be said of esports where the various games on offer are meaningfully different to one another and hence it is crucial to understand that the global esports audience is not a single group of individuals who can all be reached in the same way, but in fact they are broken up into various autonomous sub-groups across various geographies and cultures meaning different marketing strategies are necessary to reach different groups. So, when a corporate brand stumbles across the phenomenal growth in esports and develops interest in potential commercial opportunities, there is a lot to understand in order to find the right fit – *the devil is the detail*.



FINDING THE RIGHT STRATEGY – FOLLOW THE TRENDS

So how do brands find the most lucrative and highest potential partnerships in such a complex and relatively fledgling market?

Like any sports sponsorship, the first step would be to select the appropriate sport or in this case esports which can be used to best reach and ultimately appeal to your target audience.

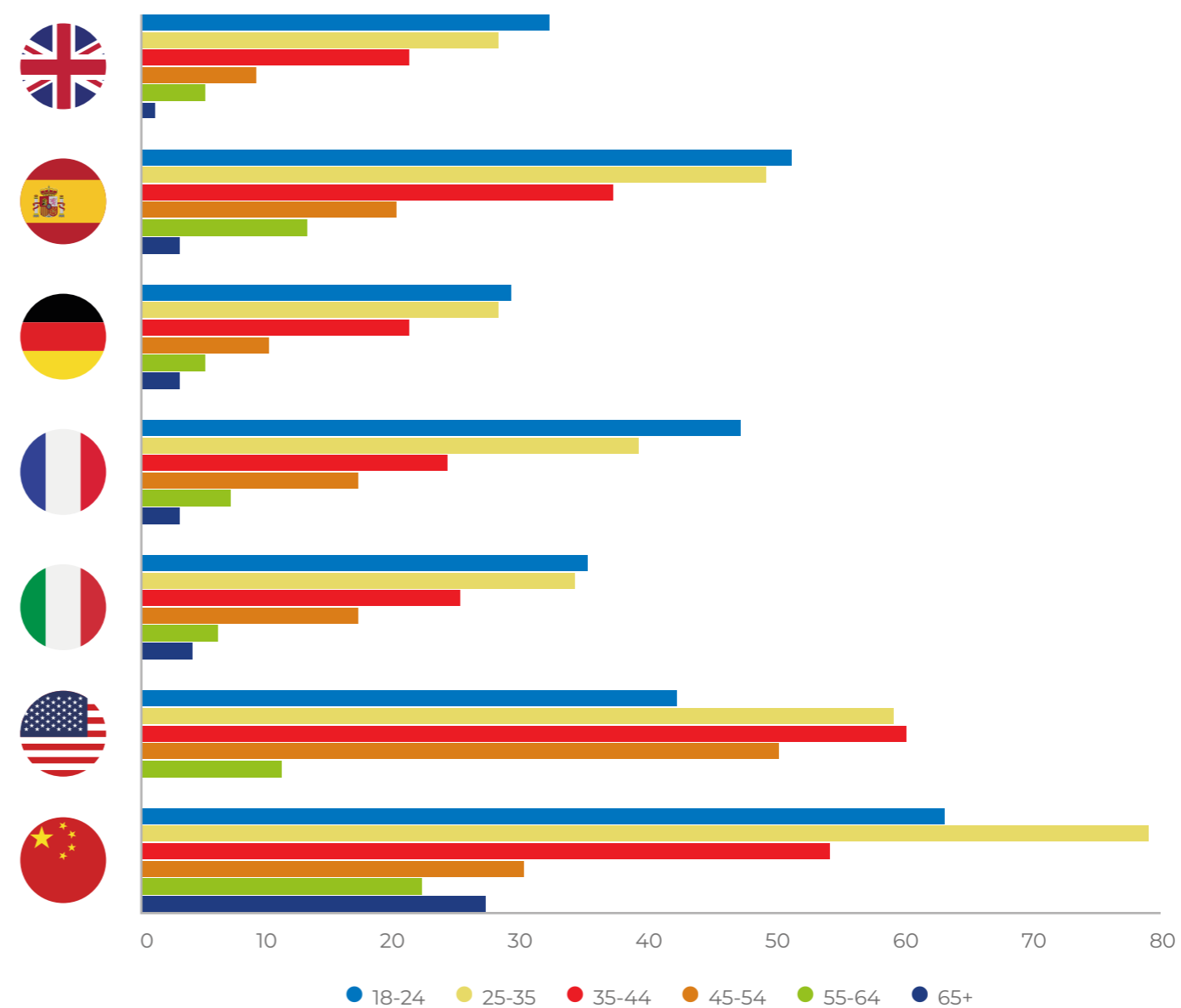
The next step is to then further analyze the existing competitions, teams and players within that category to identify which options can offer the desired reach, are feasible in terms of availability and budget, and would offer an overall positive return on investment.

In recent years we have seen some of the largest names in Football involve themselves in esports to expand their brands globally and reach untapped audiences across the globe. A prime example is PSG who have sponsored a highly successful Chinese Dota 2 team since 2018.

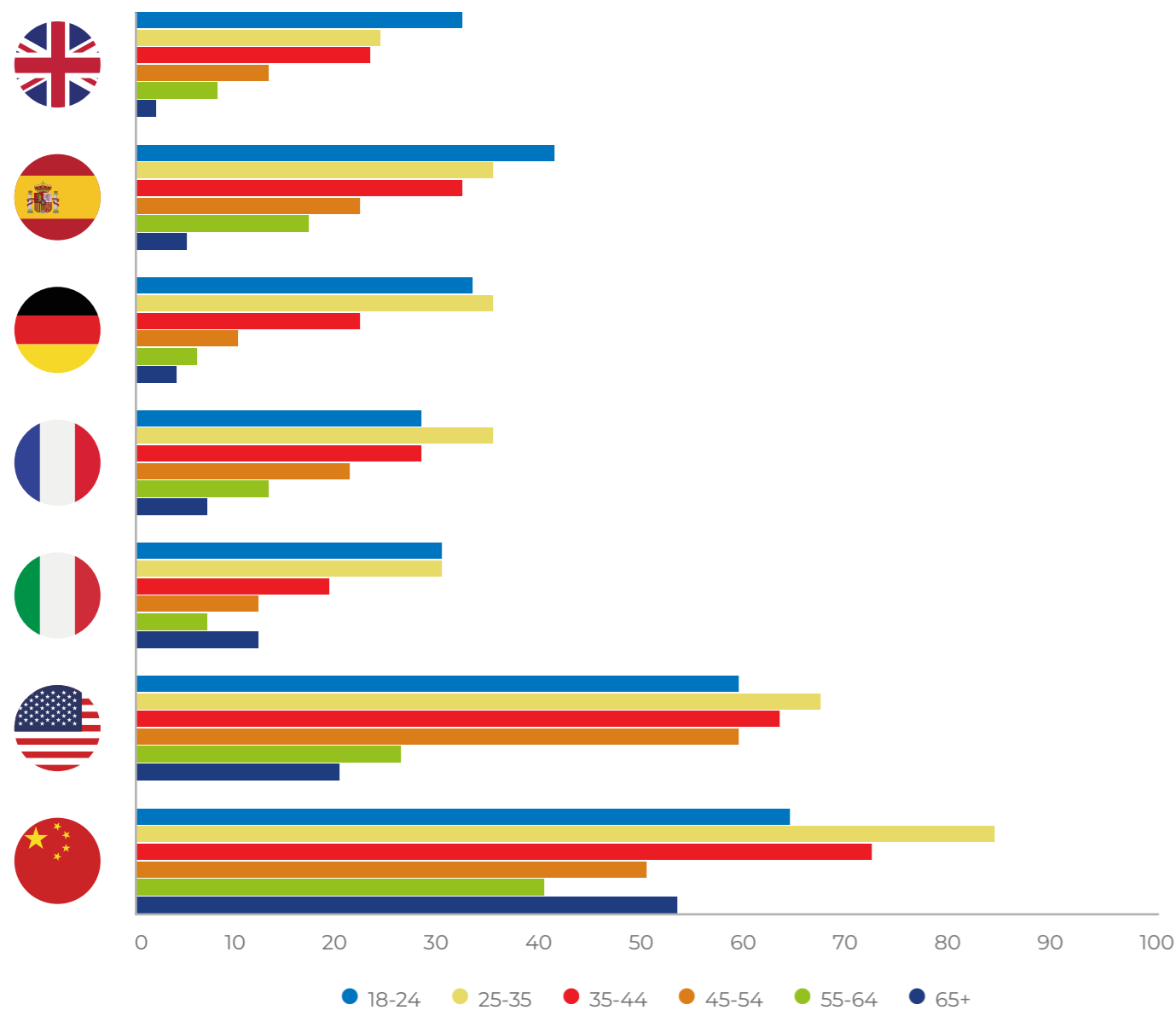
In the most recent wave of football fan research conducted by Brand Finance, Chinese respondents demonstrated the highest levels of interaction with esports in terms of playing and watching. Such findings would suggest that PSG’s strategy was well informed and can be leveraged to attract young Chinese esports fans to the club. French football fans also exhibited a strong interest in esports adding to the validity of this venture.

Age demographics are also consistent in each market analysed as younger respondents typically exhibited higher levels of interactions with esports. One can only expect this trend to continue over time as esports continues to grow at a rapid pace. That is to say that one can comfortably put their money on the current under-18 audience exhibiting even higher numbers than those exhibited below implying that the in the future we will likely see both younger and older fans closely aligned with esports in some way or form.

PLAYED AN ESPORTS GAME (% OF FOOTBALL FANS)



WATCHED AN ESPORTS TOURNAMENT (% OF FOOTBALL FANS)



When current football fans were asked about the desire for their favourite football clubs to have an esports teams there were mixed responses within the European markets, with most respondents stating their uncertainty over the idea. On the other hand, respondents in the USA and China were significantly more in favour of the idea, which certainly supports the potential of an esports based strategy for targeting these markets. This is not to say that such strategies cannot be effective in Europe, but more to illustrate the importance of understanding the market before diving in head-first.

MAKING WAVES - WHO ARE SOME OF THE BIGGEST AND MOST EXCITING BRANDS IN ESPORTS?

Over the last five years, we have seen several football clubs move into the esports space, and not just in the game of FIFA (the obvious pairing), but in various other popular titles as well. In 2015 Wolfsburg signed two FIFA players whilst PSG and Schalke entered the League of Legends space soon after. The likes of West Ham United and Copenhagen also entered the realms of FIFA and

Counter-Strike respectively. Following the early adopters', other clubs such as Manchester City have since become involved. AS Roma partnered with Fnatic, a global leading esports entertainment brand to help spearhead their esports division – since then the two parties have parted ways. Fnatic recently hosted the FIFA UK masters tournament over the period of COVID-19 lockdown, which saw clubs such as Manchester City, Sporting Lisbon, Southampton, and Roma all involved. Another major development bringing football and esports together was announced by Twitch, a leading live streaming platform for gaming. The Amazon owned streaming service have confirmed the launch of a dedicated sports channel in July 2020 with the likes of Juventus, Arsenal, PSG and Real Madrid already involved. Moves such as these continue to restructure and disrupt the traditional media space and change the way in which viewers interact with sport.

There are endless opportunities available for football clubs or any sports organisations as well as corporate sponsors to enter the realm of esports and really make a mark in an industry that is only going to grow year on years.

WOULD YOU LIKE YOUR CLUB TO HAVE AN ESPORTS TEAM, COMPETING AGAINST OTHER TOP CLUBS FROM EUROPE AND OTHER PARTS OF THE GLOBE? WHICH PHRASE BELOW BEST SUMS UP YOUR FEELINGS ABOUT SUCH A MOVE?



- Excellent idea – the club should do it
- Fairly good idea – the club should consider it
- Not sure
- Not a good idea – the club has other priorities
- A terrible idea – no way should the club do this

Fnatic – Merging the Markets



Founded 16 years ago, global esports entertainment brand, Fnatic, is no stranger to testing new waters within the esports space. The brand has consistently led the industry in performance and innovation, pushing the boundaries of how an esports organisation should operate.

Sam Mathews, its founder and CEO, saw the potential of esports before its explosive growth and has built one of the true pioneering organisations in the industry. With over 212 titles to its name, Fnatic has always been focused on performance and will continue to be committed to winning in all the titles it competes. More than winning, however, the organisation is acutely aware, as in all sports, that performance is not guaranteed and that other avenues for success are required.

Headquartered in Shoreditch, London, Fnatic has embraced its London image and heritage to create an apparel line that truly reflects who it is, giving their fans (and soon to be fans) an identity they can associate with. Fnatic Gear, its in-house brand of gaming products, has seen significant success as performance gear that is being developed for gamers with the help of Pro-Gamers.

While the world's sports leagues were unfortunately shut down during COVID-19, Fnatic and the esports industry recognised their unique position of maintaining continued communication with their audience through their most authentic method: streaming. Rather than just allowing their stars stream in their personal capacity, Fnatic re-invented a department within its business, called Fnatic Live, to be fully focused on creating an "always on" service for fans

to watch, engage with and come together as a community.

From talk shows to challenges to live tournaments and cross-title game-play, Fnatic Live provides entertainment to its loyal followers while simultaneously ensuring its sponsors receive additional exposure throughout this enforced downtime. This channel ensures that Fnatic maintains its relevance by providing value to fans when competitions are in short supply. Ultimately, this allows the organisation to connect and grow its fan base during one of the most difficult and transformative times in decades.

Esports is, without a doubt, one of the few positive stories to emerge from the lockdown. It has brought people together while offering more endemic brands an opportunity to see the value in partnering with teams like Fnatic. As an indus-



try leader, Fnatic announced partnership deals with both BMW and Gucci during lockdown.

Fnatic has taken all the learnings from traditional sports sponsorships to build a structure that uses in-depth market data, social tracking, video analysis and more to build a best-in-class client service environment. That platform then allows sponsors to truly have full transparency in terms of the ROI they receive from the partnership. In addition to being able to track all the outputs and measure them, Fnatic also utilises its in-house content production team to create everything from digital to physical assets, proving again that the organisation is able to provide a vast breadth of high quality services to its partners.

In addition to owning the industry's leading esports teams, Fnatic considers itself a full-ser-

vice agency composed of social media managers, designers, producers and videographers. The brand's objective is to help partners engage with its built-in audience to help plan and execute external strategies that best resonate with the fans it knows best. By working directly alongside partners through their agencies, Fnatic works to ensure that all content that is produced for a client allows for an authentic line of communication to the esports audience that cuts through the whitenoise and speaks directly to a very savvy market, while generating significant engagement and buy-in.

To highlight an example of how Fnatic fully immersed a partner into the gaming world, Fnatic partnered with OnePlus, a leading mobile device manufacturer. The company integrated its devices with a feature called "Fnatic Mode," a gaming

mode built into all its devices that optimises performance and reduces notifications during mobile game-play. This integration built a synonymous link between two worlds by moving beyond just a brand awareness component, but physically realising the companies' two shared themes of high performance and technical prowess.

As the world becomes evermore digital and brands are increasingly expected to be Gen-Z literate, it is no surprise that non-endemic partners and mainstream brands are now looking to esports alongside traditional sports when discussing how to allocate their sponsorship spend. Lockdown may have brought esports to the forefront quicker than anticipated, but there was never any doubt that the metamorphosing industry would be the ideal place to effectively engage and communicate with a progressive and digitally native audience.



Paris Saint-Germain, The Next Generation Club



Now one of the most popular sport teams in the world with c.90m followers, the pioneering French sports club encompasses men's football, women's football, handball, judo and since 2016, esports.

Established in 1970, Paris Saint-Germain (PSG) is the pre-eminent sports club in France. With its home city of Paris at the heart of the organization, following the philosophy of one unique city, one unique club, Paris Saint-Germain has transformed into one of the leading global sports club brands in the world. Since the club's acquisition by Qatar Sports Investments in 2011 and under the leadership of President Nasser Al-Khelaifi, the Parisian club has long identified the value in Esports and is committed to investing in the interests of the new generation of potential PSG fans. In 2016, PSG became the first European football club to make a major entry in the esports industry, as part to its diversification policy. This strategy was aimed towards diversifying brand awareness and expanding the brand's sporting footprint alongside other sports. At the time, Paris Saint-Germain was an early mover in esports - Four years later, it remains one of the core pillars of the Club's brand diversification strategy, as PSG looks to enter the next phase of its growth plan.

In June 2020, France's sporting powerhouse announced a return to Riot Games' League of Legends series, competing in the Pacific Championship Series (PCS) in partnership with ambitious upstart Talon Esports. The move ties PSG with the current PCS Spring Split champion, and marks the next chapter in PSG's Esports and wider brand diversification strategy, having been the first major European football

club to make a significant play into the space back in 2016 with the launch of the Club's Esports division. PSG previously competed in the vastly popular League of Legends competition as part of the launch season of PSG Esports, before the competition format was subsequently overhauled by Riot Games. Paris Saint-Germain and Talon Esports have concluded a multi-year team partnership agreement which sees the two entities operating a co-branded League of Legends team competing in the Pacific Championship Series across Taiwan, Hong Kong, Macao, South Korea, Thailand, Singapore, Malaysia and the Philippines. PSG Talon will play under the "PSG" tag and the PCS Spring Split winners will be immediately looking to qualify for the 2020 World Finals. The joint organisation will work to deliver competitive victories, with a particular emphasis on talent development and an athletic approach to competitive gaming. This will utilise both the commercial teams and content from each of the respective partner organisations, PSG Talon will together pursue commercial partnerships and regionally tailored content creation. As a young and tremendously ambitious organisation, PSG naturally saw Talon as a fitting partner. The partnership undoubtedly strengthens the Paris Saint-Germain brand visibility in its key markets and grants it exposure amongst non-traditional football audiences across the globe. Through these initiatives, the club is confident in building a viable Esports business within its own right. The PSG fans appreciate performance above anything else so the club aims to take its esports section to new heights.



Fabien Allegre, Brand diversification and merchandising director, Paris Saint-Germain had the following to say:

Q: By partnering with Talent Esport, you have strengthened your position in e-sport. Why this return to League of Legends?

F.A.: In 2016, we were the first football club to enter the e-sport space in a professional manner and with a long term vision in mind. We were already driven by the idea of reaching out to a much wider audience than the club's traditional audience. "Paris" is a dream all over the world, it was an opportunity that we had to seize. Our return to the League of Legends (LoL) is a strong signal of our intent in this space. We withdrew in 2017 because the business model proposed at the time by the publisher Riot Games no longer suited us and was not stable enough. As a result, we refocused on other games, in this case Dota2 with the LGD team, a leading Chinese team Brawl Stars a popular online mobile game. We are therefore returning to LoL in Asia, in association with Talent Esports on the Pacific Championship Series (Hong Kong, Macau, Malaysia, Philippines, Taiwan and Singapore), a major strategic development zone for the club. I think it's quite unique

for a major European football club to have teams on so many major esports games (LoL, Dota 2, FIFA and Brawl Stars games). There may still be room for another game, but PSG Esports is already looking good and we are happy with where we are! We don't claim to be the best e-sport team in the world, but we want to dig deeper and increase our audience and continue to grow the brand. Today he/she is not necessarily a football fan but tomorrow we want to make him/her part of the PSG family.

Q: Is the club's aim to generate additional income through e-sport?

F.A.: The club does not intend to build projects that are not at least balanced. Having results worthy of the PSG will take time. We'll always be a long way from the football figures because the business model is not yet mature although we see a bright future in this space. It's true that there are broadcasting rights, but these rights are carried by new media such as Twitch or other streaming players. There is no global federation either: each game is carried by different publishers with different sharing rules which can add to the complexities. Where we have to be careful is on the wage bill and not create a disproportion between the salaries of some of the Esport players and the

reality of the income for the club.

Q: Hong Kong, Taiwan and China: Would you say these are key strategic markets for the club?

F.A.: These markets are part of the club's strategy and international development. For our various PSG offices in Asia, having a brand developed outside football is a real asset and allows us to approach local advertisers who may be a little further away from the football club's sporting position. This is also why Esport is so important to us. It enables us to get in touch with new audiences, and to reach customers in areas where football is not mainstream. With our offices, our academies, our shops, our local collaborations, we are widely deployed to address a new clientele.

Q: What is the future of the PSG brand?

R: Paris Saint-Germain carries a rich heritage and history and the club fosters core values and a vision that has not changed since 2011. Paris Saint Germain has the ambition to be the first club of the New Generation: we want to address the fans of today and also of tomorrow. We are listening to their codes and to the air of the times. This is done so that we can constantly adapt ourselves and continue to make this brand and institution grow.



Stadia



2020 Stadium Brand Venue Performance Rating - Insights

Those with a memory of last year's table will have spotted a large number of changes. This is generally not because of changes in the stadiums themselves, it is because we have developed the system to include far more content. Furthermore, we have listened to views across the industry and adjusted the weightings to better reflect these views. VPR will continue to develop in this way with every interaction that we have. Here are a few key insights.

Tottenham Hotspur have risen from 4th to be this year's title winners. A major factor in this was the scoring of experiential and revenue-generating features – such as a Tunnel Club, Sky Lounge, micro-brewery, 360-degree concourses, safe-standing capability (the list goes on...). In many respects, it is extraordinary for a new stadium to make it to the top of the table, because we include some elements of history in our system – such as the number of major finals and international matches hosted in the last ten years, and the length of time with its current name. Furthermore, its capacity is considerably less than the likes of Camp Nou and Wembley.

Last year's winner, Estadio Santiago Bernabeu, slips to 5th, primarily because it scores so poorly with regard to the aforementioned features, and this is clearly a reason why the stadium is undergoing renovation. Nonetheless, 5th is still a huge achievement, and is achieved by strong performances in several areas – such as metrics corresponding to acoustics, compactness and location.

The Bernabeu's score is lowest in the revenue category, which initially felt wrong given that their actual revenue per fan is as high as anyone; but our view is that this high revenue is due to the stellar status of Real Madrid, rather than their stadium. This brings us into an interesting aspect of VPR, in that it reflects potential and can show whether a club is financially under-performing or over-performing in relation to their stadia. In the same way as football stats now refer to 'Expected Goals', we are now entering the realms of 'Expected Revenue'. More on this in the coming year! The eagle-eyed amongst you will have noticed that two Buro

Happold-engineered stadia sit at the top of the table. This is not because we have massaged the figures, it is genuinely what comes out of the metric structure when it's applied. Another stadium with a heavy Buro Happold involvement, the London Stadium, scores lower (17th) because of metrics like 'spectator density' and acoustic assessments of how much noise from the fans makes it to the pitch. The principle of reporting our findings without manual adjustment is important, because the aspiration of VPR is not to be 100% 'correct' or even 80%! It is to create a structure that allows informed decision making. With some clients that may involve completely overhauling the weighting system to suit their own preferences and aspirations for their club.

The Olympiastadion and the Giuseppe Meazza (San Siro) Stadium are two high profile and famous stadiums that fall outside the top 25, for different reasons. The Olympiastadion, like the London Stadium, suffers from not being purposely designed for football. While the San Siro has average view characteristics and minimal modern features. Unsurprisingly, Hertha Berlin, Inter Milan and AC Milan are all exploring alternative venues at this time.

Elland Road is an example of a stadium that might be considered old-fashioned, but is also regarded fondly in most fan surveys, such as those by the92.net. Its position of 30th is a strong performance for an old stadium of medium capacity, and is let down mostly by its revenue-generating capacity. Nonetheless, the platform is there for the stadium to rise like the club itself, perhaps in a similar way that the main stand at Anfield has lifted them into the top 20. Villa Park and Stamford Bridge have similar characteristics.

Of the 'Football 50', the lowest scoring stadium (with 25 points) is Bournemouth's Vitality Stadium - this came 75th out of the 75 stadiums studied. This will no doubt cause little surprise to those associated with the club, but it does serve to emphasise the importance of the club capitalising on their success under Eddie Howe and building for the future.

Fan Survey Responses and VPR

Buro Happold contributed a series of questions to the Brand Finance 2020 fan survey. In the following pages we look at the highlights of those responses, and their possible linkage with VPR. Respondents were spread evenly across 7 countries and 6 age groups.

Q: Which of the following stadiums have you ever attended to watch a live football game?

TOP 3

#1
Camp Nou – 18.6%

Club	FC Barcelona
Capacity	99,354
Country	Spain
Opened	1957
VPR Rating	79

#2
Allianz Arena – 15.2%

Club	FC Bayern Munich
Capacity	75,024
Country	Germany
Opened	2005
VPR Rating	76

#3
Santiago Bernabeu – 12.9%

Club	Real Madrid
Capacity	81,044
Country	Spain
Opened	1947
VPR Rating	80

HIGHLIGHTS

Camp Nou was the most visited ground of Europe's most prominent stadia. Of 7021 respondents, 1305 fans had visited

Tottenham Hotspur Stadium was the least visited of the four English stadia listed, scoring only 4.6%, compared to Stamford Bridge (7.6%), Anfield (12.0%) and Old Trafford (12.7%). Given its age, this is unsurprising, but it will be interesting to see how fast it catches its rivals

If we strip out the fans from a stadium's home country we can get a feel for the stadiums that people are prepared to travel long distances to visit. Camp Nou and Allianz Arena were still the top two in this regard, but Old Trafford comes in third. This is largely thanks to a high number of visitors from the USA and China

45.6% of German respondents had visited the Allianz Arena, the highest percentage for stadium visits within a home country


After Camp Nou, the most common trip for Chinese respondents was the Mercedes Benz Stadium in Atlanta

COMPARISON WITH VPR

- Despite their age and need for refurbishment, the survey emphasises the ongoing attraction of Real Madrid's and Barcelona's homes. The VPR table offers some understanding as to why these stadia are so popular, allied with the strength and glamour of the clubs of course
- The attraction of the Mercedes Benz Stadium in China and the US is reflected by its 2nd place in the table

Q: Which stadium would you consider to be the foremost 'destination stadium'?
 I.e. a stadium you want to visit at some time in your life regardless of who is playing.

TOP 3

 <p>#1 Camp Nou – 17.0%</p> <table border="1"> <tr><td>Club</td><td>FC Barcelona</td></tr> <tr><td>Capacity</td><td>99,354</td></tr> <tr><td>Experience Rating</td><td>84</td></tr> <tr><td>Revenue Rating</td><td>65</td></tr> <tr><td>Impact Rating</td><td>90</td></tr> </table>	Club	FC Barcelona	Capacity	99,354	Experience Rating	84	Revenue Rating	65	Impact Rating	90	 <p>#2 Santiago Bernabeu – 11.4%</p> <table border="1"> <tr><td>Club</td><td>Real Madrid</td></tr> <tr><td>Capacity</td><td>81,044</td></tr> <tr><td>Experience Rating</td><td>83</td></tr> <tr><td>Revenue Rating</td><td>71</td></tr> <tr><td>Impact Rating</td><td>83</td></tr> </table>	Club	Real Madrid	Capacity	81,044	Experience Rating	83	Revenue Rating	71	Impact Rating	83	 <p>#3 Allianz Arena – 10.3%</p> <table border="1"> <tr><td>Club</td><td>FC Bayern Munich</td></tr> <tr><td>Capacity</td><td>75,024</td></tr> <tr><td>Experience Rating</td><td>63</td></tr> <tr><td>Revenue Rating</td><td>78</td></tr> <tr><td>Impact Rating</td><td>73</td></tr> </table>	Club	FC Bayern Munich	Capacity	75,024	Experience Rating	63	Revenue Rating	78	Impact Rating	73
Club	FC Barcelona																															
Capacity	99,354																															
Experience Rating	84																															
Revenue Rating	65																															
Impact Rating	90																															
Club	Real Madrid																															
Capacity	81,044																															
Experience Rating	83																															
Revenue Rating	71																															
Impact Rating	83																															
Club	FC Bayern Munich																															
Capacity	75,024																															
Experience Rating	63																															
Revenue Rating	78																															
Impact Rating	73																															

HIGHLIGHTS

- Camp Nou was a clear winner
- Only 1.7% chose Tottenham Hotspur Stadium
- US fans chose Old Trafford as second overall
- Only 1.7% chose Estadio Mestalla
- UK fans scored **Anfield** higher than Old Trafford (12.6% vs 10.2%)
- Only 12.5% opted for 'none of these', indicating that most of the desirable stadia were included
- Younger people (under 44) preferred Allianz Arena to Anfield - above this age it's the opposite
- Spanish fans chose the Bernabeu, German fans chose Allianz Arena, but the French, British, Italian, American and Chinese all chose a stadium outside of their country – Camp Nou, in all cases!
- Stadio Olimpico was lowest of the 16 stadia offered, with only 1.3% choosing it

COMPARISON WITH VPR

- The 3 top scorers all sit within the Stadium Brand VPR top 8. All have the Wow factor
- The lowest scorer of the choices offered, Stadio Olimpico, is also the lowest scorer in our table, sitting 55th (not in the table)
- The low score for Tottenham Hotspur Stadium highlights that it takes time for a top performing stadium to become a Destination Stadium. The high score of Allianz Arena, however, shows that this does not take multiple decades to achieve

Q: Which stadium is most in need of redevelopment?

TOP 3

 <p>#1 Stadio Olimpico – 14.1%</p> <table border="1"> <tr><td>Club</td><td>AS Roma/S.S.Lazio</td></tr> <tr><td>View Rating</td><td>25</td></tr> <tr><td>Experiential Features Rating</td><td>39</td></tr> <tr><td>Pitch Sound Rating</td><td>56</td></tr> <tr><td>Pitch Perception Rating</td><td>39</td></tr> </table>	Club	AS Roma/S.S.Lazio	View Rating	25	Experiential Features Rating	39	Pitch Sound Rating	56	Pitch Perception Rating	39	 <p>#2 Giuseppe Meazza – 13.3%</p> <table border="1"> <tr><td>Club</td><td>AC Milan/Internazionale</td></tr> <tr><td>View Rating</td><td>61</td></tr> <tr><td>Experiential Features Rating</td><td>32</td></tr> <tr><td>Pitch Sound Rating</td><td>64</td></tr> <tr><td>Pitch Perception Rating</td><td>77</td></tr> </table>	Club	AC Milan/Internazionale	View Rating	61	Experiential Features Rating	32	Pitch Sound Rating	64	Pitch Perception Rating	77	 <p>#3 Old Trafford – 10.7%</p> <table border="1"> <tr><td>Club</td><td>Manchester United</td></tr> <tr><td>View Rating</td><td>70</td></tr> <tr><td>Experiential Features Rating</td><td>32</td></tr> <tr><td>Pitch Sound Rating</td><td>73</td></tr> <tr><td>Pitch Perception Rating</td><td>67</td></tr> </table>	Club	Manchester United	View Rating	70	Experiential Features Rating	32	Pitch Sound Rating	73	Pitch Perception Rating	67
Club	AS Roma/S.S.Lazio																															
View Rating	25																															
Experiential Features Rating	39																															
Pitch Sound Rating	56																															
Pitch Perception Rating	39																															
Club	AC Milan/Internazionale																															
View Rating	61																															
Experiential Features Rating	32																															
Pitch Sound Rating	64																															
Pitch Perception Rating	77																															
Club	Manchester United																															
View Rating	70																															
Experiential Features Rating	32																															
Pitch Sound Rating	73																															
Pitch Perception Rating	67																															

HIGHLIGHTS




- French fans said Stade de France, the Spanish said Estadio Mestalla
- But Old Trafford was the most common answer for US fans, despite them considering it 2nd in the Destination Stadium question
- In the UK, more fans selected Stamford Bridge than Old Trafford
- 37% of respondents said 'none of these', indicating that there are numerous stadiums in need of development!

COMPARISON WITH VPR

- The Stadium Brand VPR positions of Stadio Olimpico (55th), Guiseppe Meazza (29th) and Old Trafford (21st) are generally lower than stadiums of similarly large capacity, and low for the stature of the clubs that occupy them
- The experience score of Old Trafford is average, while the experience scores of Stadio Olimpico and Guiseppe Meazza are below average
- All 3 stadia score less than 65 for Revenue, and can be considered as holding their occupants back financially

Q. Apart from match day atmosphere, which of the following aspects is the single most important aspect of a stadium for you as a fan?

TOP 3

 <p>#1 Accessibility - 23.2% Parc des Princes</p> <table border="1"> <tr><td>Club</td><td>Paris Saint-Germain</td></tr> <tr><td>Capacity</td><td>47,929</td></tr> <tr><td>External Experience Rating</td><td>82</td></tr> <tr><td>Travel Rating</td><td>64</td></tr> <tr><td>Location Rating</td><td>88</td></tr> </table>	Club	Paris Saint-Germain	Capacity	47,929	External Experience Rating	82	Travel Rating	64	Location Rating	88	 <p>#2 History - 22.4% Estadio Mestalla</p> <table border="1"> <tr><td>Club</td><td>Valencia C.F.</td></tr> <tr><td>Capacity</td><td>55,000</td></tr> <tr><td>Opened</td><td>1923</td></tr> <tr><td>Last Renamed</td><td>1994</td></tr> <tr><td>Hosting Major Finals Rating</td><td>47</td></tr> </table>	Club	Valencia C.F.	Capacity	55,000	Opened	1923	Last Renamed	1994	Hosting Major Finals Rating	47	 <p>#3 Technology - 16.8% Tottenham Hotspur Stadium</p> <table border="1"> <tr><td>Club</td><td>Tottenham Hotspur</td></tr> <tr><td>Capacity</td><td>62,303</td></tr> <tr><td>Match day Revenue Rating</td><td>90</td></tr> <tr><td>Commercial Revenue Rating</td><td>90</td></tr> <tr><td>Revenue Gen. Features Rating</td><td>90</td></tr> </table>	Club	Tottenham Hotspur	Capacity	62,303	Match day Revenue Rating	90	Commercial Revenue Rating	90	Revenue Gen. Features Rating	90
Club	Paris Saint-Germain																															
Capacity	47,929																															
External Experience Rating	82																															
Travel Rating	64																															
Location Rating	88																															
Club	Valencia C.F.																															
Capacity	55,000																															
Opened	1923																															
Last Renamed	1994																															
Hosting Major Finals Rating	47																															
Club	Tottenham Hotspur																															
Capacity	62,303																															
Match day Revenue Rating	90																															
Commercial Revenue Rating	90																															
Revenue Gen. Features Rating	90																															

HIGHLIGHTS

The prominence of accessibility and history is a reminder to designers that it isn't all about creating something flashy!

History was also highly valued amongst those over 44, but ranked second to Accessibility

35% of UK respondents chose Accessibility, while Spain and Germany valued History higher

Chinese fans were the only ones to place compactness in their top 3. Perhaps because so many of their stadia have running tracks around them

In the UK, 'Individuality' was chosen above Technology

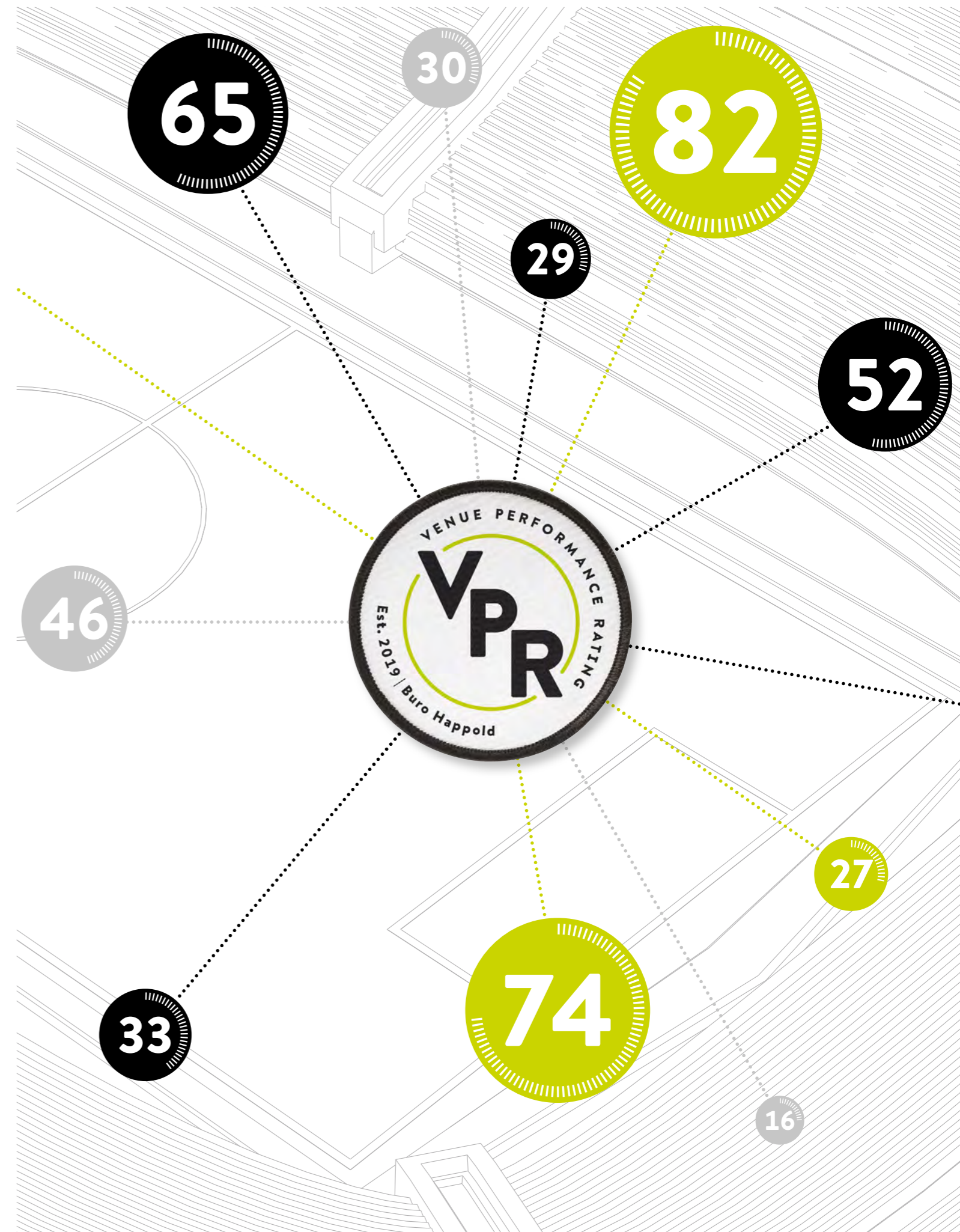
Only 2.8% chose 'none of these'; so size, history, technology, compactness, individuality and accessibility were observed to be key criteria for fans when it comes to judging their stadia

However, in the US and China, Technology was identified as most important

Technology was chosen second by those under 44, although still under History

COMPARISON WITH VPR

- ❑ VPR includes metrics that relate to accessibility, history and technology; with a reasonably even balance of weightings between them
- ❑ Size, compactness and individuality are also represented, together with characteristics that relate to atmosphere
- ❑ The reflection of these 7 major criteria is a key reason why the VPR is not purely a reflection of how new the stadium is, or how large it is





Methodology: Buro Happold Venue Performance Rating

Last year Buro Happold launched the Venue Performance Rating system (now commonly referred to as VPR). The first version appeared in Brand Finance's Football 50 of 2019, and was used as part of the brand assessment for the largest 50 clubs in Europe. The aim has always been to introduce 'stadium science', inspired by how sports science has transformed the way in which clubs (and fans, scouts, agents) appraise players. The purpose being that it can help owners and chief executives make informed decisions on the future infrastructure associated with their club.

This journey has continued, with the inclusion of more data, such as geospatial information and sentiment analysis. Furthermore, we have created **3D models** of every single stadium seating bowl in the Football 50 to improve our acoustic assessments and to allow the introduction of metrics like spectator density. Calibration and comparison with fan surveys, revenue metrics, client consultation, and other valuable sources of information from sites is an ongoing process that will continue to refine the tables in the coming years.

The key features of VPR are as follows:

- + It allows fans, players, owners, etc. to understand where a stadium sits amongst its rivals
- + It enables a capability for deep performance assessments of existing stadia, to truly establish their performance in relation to revenue, results and reputation
- + It enables a capability for predictive modelling, allowing us to compare multiple options/futures (with each other and with existing stadia)

VPR is broken into 3 primary league tables, Experience, Revenue and Impact...

Experience Rating - Scores the potential influence of the stadium and its surroundings on the experience of a typical fan on a match-day, rather than the team!

Revenue Rating - Scores the revenue generating potential of the stadium (match-day, commercial and broadcasting)

Impact Rating - Scores the potential influence of the stadium on what happens on the pitch – i.e. how can the stadium facilitate the 12th player effect?

The adjacent graphic shows the VPR wheel. This illustrates how the Experience, Revenue and Impact scores are generated. There are two further outer layers to this wheel which have been omitted to allow the wheel to fit on the page!

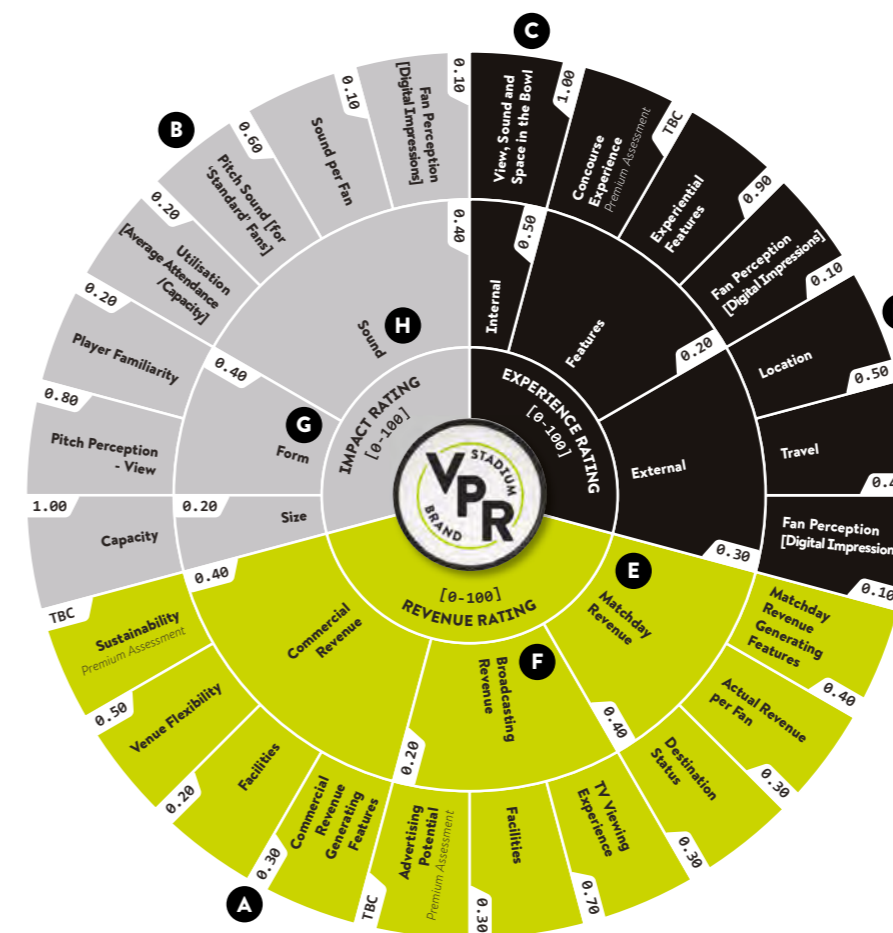
The value in the corner of each metric is a default weighting and this is very significant for two reasons:

- + The default weightings are there to generate our tables - the brand-focused tables, published yearly with Brand Finance, and the overall tables, published yearly on the Buro Happold website. The premium version of the tool allows Clients to adjust every single weighting, based on their club and their preferences
- + The premium version of the tool also allows clients to unlock metrics with a zero weighting and feed them into the modelling of possible futures. Sustainability and Concourse Experience are two very important examples of this

The Stadium Brand VPR table is produced specifically for Brand Finance, focussed on the 'Football 50' and with a slightly higher weighting for Revenue than Experience and Impact. Even when viewed from a purely financial perspective, it is still important to recognise the potential benefits to future revenue gained from a high Experience and Impact performance; for example, through higher attendances, strong fan engagement and better performance on the pitch.

[3D stadium model examples](#) →

VPR - EXAMPLE METRICS



A/ This value of 0.3 is a default weighting in the VPR tool

B/ Output from an acoustic engine within the tool that estimates the no. of decibels at various pitch locations

C/ Scores the contribution of view, sound and space factors to the overall experience of a typical fan. Contributing metrics include those relating to view quality and space provision, as well as an acoustic estimate of the noise within the stands

D/ Scores the contribution of location factors to the overall experience of a typical fan. Contributing metrics include the number of food and beverage outlets nearby, the amount of public space around the stadium and the stadium's proximity to the town/city centre

E/ Scores the match-day revenue generating potential of a stadium. Contributing metrics include the current revenue per fan and an assessment of 'destination status'

F/ Scores the broadcasting revenue generating potential of a stadium outside of team performance. Contributing metrics include the capacity, stadium orientation, UEFA rating and advertising capability

G/ Scores the influence that the form of the stadium can have on the pitch. Contributing metrics include spectator density, the average angle of the stands, and the number of people in the goalkeeper's field of view

H/ Scores the potential influence of a standardised group of fans on what happens on the pitch, predominantly via. acoustic measurement





Stadium Brand VPR Ratings

The 2020 Stadium Brand VPR table is provided below. The new Tottenham Hotspur Stadium claims top spot from last year's winner (Estadio Santiago Bernabeu), now that our data set has been expanded.

Our studies extend beyond the stadia of clubs in the 'Football 50' and the top 60 are shown here. Indeed, a number of clubs and their stadiums, such as Burnley, Villarreal and Bournemouth do not make it into the top 60.

STADIUM BRAND VPR RATING					
BURO HAPPOLD					
↑	STADIUM	EXPERIENCE	REVENUE	IMPACT	POINTS
1	TOTTENHAM HOTSPUR STADIUM	88	90	74	90
2	MERCEDES-BENZ STADIUM	82	87	71	86
3	PRINCIPALITY STADIUM	85	77	77	83
4	WEMBLEY	67	85	76	82
5	ESTADIO SANTIAGO BERNABÉU	83	71	83	80
6	CAMP NOU	84	65	90	79
7	VELTINS ARENA	81	73	67	76
8	ALLIANZ ARENA	63	78	73	76
9	WANDA METROPOLITANO STADIUM	67	71	77	74
10	JOHAN CRUIJFF ARENA	72	74	64	73
11	GAZPROM ARENA	60	82	57	72
12	STADE DE FRANCE	69	69	72	72
13	ESTADIO MESTALLA	90	53	79	71
14	GROUPAMA STADIUM	62	70	61	67
15	RHEINENERGIESTADION	66	65	61	66
16	AVIVA STADIUM	66	69	55	66
17	LONDON STADIUM	57	71	58	66
18	EMIRATES STADIUM	65	62	66	65
19	RED BULL ARENA	64	66	58	65
20	ANFIELD	65	60	68	64
21	OLD TRAFFORD	65	58	69	64
22	ETIHAD STADIUM	61	61	66	63
23	SIGNAL IDUNA PARK	70	51	76	63
24	SAN MAMÉS STADIUM	70	57	61	62
25	ALLIANZ STADIUM	51	69	56	62

Venue Performance Rating www.burohappold.com

STADIUM BRAND VPR RATING					
BURO HAPPOLD					
	STADIUM	EXPERIENCE	REVENUE	IMPACT	POINTS
26	ESTADIO BENITO VILLAMARÍN	64	54	67	61
27	OLYMPIASTADION	50	69	50	60
28	PARC DES PRINCES	74	56	52	60
29	GIUSEPPE MEAZZA STADIUM	45	64	63	60
30	ESTÁDIO DA LUZ	55	54	72	59
31	ELLAND ROAD	76	47	63	59
32	STAMFORD BRIDGE	74	45	68	58
33	RAMÓN SÁNCHEZ PIZJUÁN	68	53	57	58
34	MARACANÃ	53	59	56	57
35	CELTIC PARK	66	46	69	57
36	ESTADIO AZTECA	51	55	65	57
37	AMEX STADIUM	67	49	60	57
38	ST. JAMES' PARK	76	44	62	56
39	BORUSSIA-PARK	46	59	59	56
40	VOLKSWAGEN ARENA	59	59	45	55
41	RCDE STADIUM	54	58	51	55
42	WESERSTADION	69	41	67	54
43	VILLA PARK	57	49	61	54
44	HAMPDEN PARK	47	58	53	53
45	GOODISON PARK	71	38	67	53
46	ST. MARY'S STADIUM	51	53	50	51
47	STADIO SAN PAOLO	43	58	45	50
48	BANC OF CALIFORNIA STADIUM	49	56	42	50
49	STADE VELODROME	44	50	60	50
50	BAYARENA	54	53	42	50
51	CARROW ROAD	68	41	54	50
52	COMMERZBANK ARENA	46	47	61	50
53	SAPPORO DOME	52	56	37	50
54	LA BOMBONERA	49	43	62	48
55	STADIO OLIMPICO	25	61	46	47
56	RHEIN-NECKAR-ARENA	51	49	41	47
57	QATAR FOUNDATION	44	48	47	45
58	JOHN SMITH'S STADIUM	56	38	47	43
59	CARDIFF CITY STADIUM	51	39	50	43
60	SELHURST PARK	64	32	49	43

Venue Performance Rating www.burohappold.com



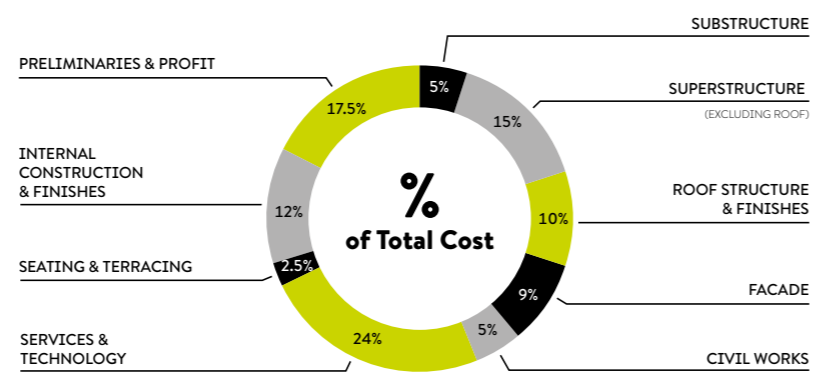
Tailor-made Stadia

It is easy to compare the brand-new state of the art Tottenham Hotspur stadium to Bournemouth's Vitality Stadium and say which is best. But would a replica of TH Stadium be the best stadium for Bournemouth to build? There are some basic metrics which can be used to develop an underlying understanding of a stadium's performance such as ticket sales and average attendance. However, in order to provide a rounded view and capture the "feeling" of a stadium and truly determine its success, a wider group of factors need to be considered.

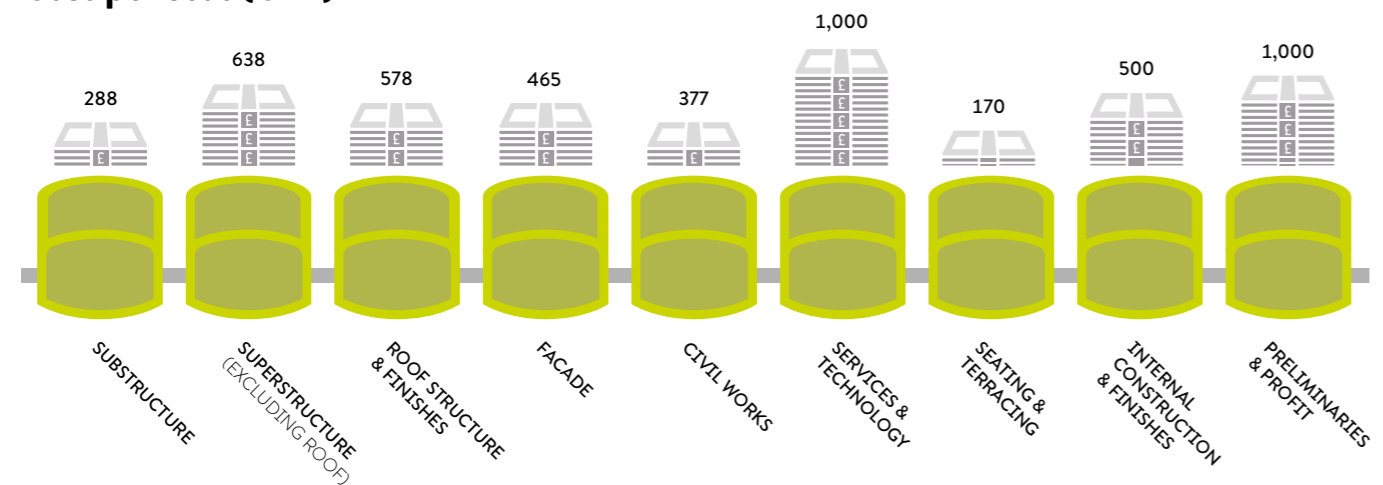
The Venue Performance Rating system and its underlying philosophy can quantify the performance of any given stadium in relation to the Impact it can have on the field, the Experience of the fans and spectators, and the Revenue it can generate. It allows clients to understand the expected performance of their new stadium based on the values that they and their fans + sponsors + players consider important.

Before we look at any specific clubs, we need to develop a baseline understanding of what costs are typically to be expected in the development of a stadium. Typically, just under 60% of costs are strongly related to the structure and architecture and 40% are associated with services, technology, preliminaries and profit.

A typical cost per seat can follow the breakdown shown in the below image - this example is based on a cost per seat of approximately £5,000 and at a total build cost of £250 million for a 50,000-capacity stadium.



Cost per seat (GBP)



Let's look at three different clubs, all in unique positions, Leeds United, Hertha Berlin and A.F.C Bournemouth and consider how they could spend £250 million. Each of these clubs are either already looking for a new stadium or considering it, however, what the best stadium might look like for them may be very different. Of course, each of these clubs may not have access to funds of this nature, but let's just consider them as real world examples for this exercise!

#1

Leeds United

Stadium	Elland Road
Capacity	37,890
Experience Rating	76
Revenue Rating	47
Impact Rating	63

Leeds are making strides back to their former glory and have returned to the English Premier League. One development approach might be to demolish and rebuild the John Charles Stand, Don Revie Stand and South Stand, and take the capacity to 50,000. 'Future 2' might be to relocate and create an entirely new stadium of 50,000 capacity. To compare these Futures, the VPR weightings could be dialled up to significantly increase the spend per head from the approximate £11 per head of the 2018/19 season. The concourse design at Tottenham Hotspur Stadium is a refreshing movement away from the old model of focussing on the 10% of guests in hospitality to make match day revenue - the other 90% will spend big if the experience is good enough! The aforementioned budget would not accommodate many of the revenue generating features of Tottenham Hotspur Stadium, but it could include for larger concourses that run all the way round the stadium, as they do at Spurs.

In the coming years we expect the competition for global viewers and digital impressions to increase still further, with broadcasters preferring certain venues over others. This is not just about high-cost technology; the return of standing to our grounds is an example of a development that isn't futuristic by any means. Imagine the viewing experience at the new Elland Road with 360 degrees of lower tier standing.

In summary, the over-riding theme of the design process should be 'nothing flash, but make the most of the fan-base!'.

#2

Hertha Berlin

Stadium	Olympiastadion
Capacity	74,475
Experience Rating	50
Revenue Rating	69
Impact Rating	50

Hertha Berlin are the only club in the Bundesliga without their own stadium, and with an average attendance of 64% you can see why they are desperate to move out of the Olympiastadion. This is not due to a small fan-base or poor team performance (over the past 6 seasons they have averaged a 10th place finish in the Bundesliga). Instead, it is due to the 75,000-capacity of the stadium and the fact that it was not designed for football. This is why the Olympiastadion came 48th in the VPR Impact table.

For a new stadium, Hertha could focus on a raw experience that takes advantage of their fanatical support and dial the VPR weightings up accordingly. One potential Future could maximise the capacity within a given volume, minimise the distance to the pitch, incorporate imposing stands behind each goal, and provide a low acoustically-reflective roof. Large screens could be wired up to something akin to 'Fan Strava'; where fans are encouraged to create noise and jump around.

In summary, the over-riding theme of the design process should be 'increase the power and influence of the fans!'.

#2

Hertha Berlin

Stadium	Olympiastadion
Capacity	74,475
Experience Rating	50
Revenue Rating	69
Impact Rating	50

#3

A.F.C. Bournemouth

Stadium	Vitality Stadium
Capacity	11,329
Experience Rating	31
Revenue Rating	30
Impact Rating	25

A.F.C Bournemouth have been performing consistently in the English Premier League for the past five seasons, but at the time of writing they appear to be heading towards the Championship. Regardless, of whether they escape the drop, the club will be looking ahead and focussing how they can become less reliant on broadcasting revenue. The Vitality stadium scored the lowest of all 75 stadiums studied as part of the 2019/20 VPR development programme - so the stadium is underperforming the team and the financial potential has not yet been fully realised.

To develop their own Futures, the VPR weightings could be dialled up to focus on quality rather than quantity, improving experience and increasing dwell time. Perhaps A.F.C Bournemouth could look to establish themselves as a forward-thinking and inclusive family club, with a sustainable stadium design that benefits the surrounding community. Perhaps the design could be flexible - it is often forgotten that many of us go to watch football in half-empty stadiums, so wouldn't it be great to design stadiums that can expand and contract in some way. Movable roof components could allow the stadium to start off at say, 25,000-capacity, but with the ability to grow at low cost.

In summary, the over-riding theme of the design process should be 'make a statement that Bournemouth are not going to fade away and grow the fan-base'.

In summary, all clubs that are looking to develop their stadiums or build new ones over the coming years need to look ahead and design in the flexibility to adapt to changing circumstances. Amongst all the uncertainty there is opportunity, so as stadium designers we need to be able to design for outcomes. The capability to design in this way is now more crucial than ever because we consider one thing is certain - stadiums will continue to strongly influence the revenue, results and reputation of all clubs.



Designing Stadia to Attract Top-Tier Naming Rights

Many articles have been written relating to stadium naming rights in recent years, and many relate to the perception that European clubs are missing out on potential revenue. In this piece we look to understand this in depth and ask ourselves the question 'can a new stadium be designed for top-tier naming rights?'

Comparison with the US

The US sports market has a long and interesting history of stadium and arena naming rights, with the top venues now attracting \$20 to \$30 million per year. Is this where Europe is heading?

Of the European leagues, the Bundesliga has a number of sponsored stadia, with the associated deals estimated at up to 6 million euros a year. The English Premier league in 2019/20 only had 5 stadiums with naming rights, with the Etihad and Emirates Stadiums most prominent and lucrative. The vast majority of these stadiums were named at the time of their opening, and a common pattern across Europe is that club's understandably see their stadium history as part of their brand. So it would appear that the potential revenue is currently not seen as sufficient to offset a loss of history (and fan anger of course!). In LaLiga, it will be interesting to see what lies ahead for Camp Nou and Estadio Bernebeu once their developments are complete. Aside from these 'mega-refurbishments', it would appear that the key step to a naming rights package is the move to a new stadium. This is less likely to be considered by fans as rebranding, and more likely to be accepted as a route to income that can help their team.

Built-in naming rights

It is clear that Europe is following a similar path to the US, but its progression is proportionate to the number of new stadiums and the quality of those stadiums. So, can a club design a new stadium with this in mind? We believe the answer is yes, and can be achieved using the Venue Performance principles behind the Stadium Brand table for the Football 50.

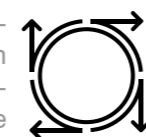
Recognisability



Whilst many high-specification stadiums have been built in the past 20 years, how many are recognisable around the globe? The Allianz Arena in Munich is an example of a design creating an iconic external form. On the inside, historic stadia are generally considered to have more charisma than modern stadia. We recommend to clubs that asymmetry and character are considered in new designs. This does not relate purely to the experience within the ground, it also relates to the viewing experience. If all modern stadia had the same colour seats, how many would be instantly recognisable on TV? In the Football 50 fan survey, 16.2% of respondents chose 'Uniqueness/Individuality' as their most important aspect of a stadium (27.5% of German fans). 22.4% chose 'History', so in total more than 38% of fans emphasised the importance of history or individuality. A stadium design that fails to recognise this will have a lower naming rights value.

The power of this, and all the other recommendations in this piece, can be enhanced if it is possible to identify a partner early and involve them in the design. The camera shutter roof of the Mercedes-Benz Arena in Atlanta could easily have been designed with Mercedes in mind.

Versatility



Can the stadium host more than just domestic football matches? A stadium large enough and appropriately specified to host major finals and international matches will get more attention. Going further, a closing roof (Veltins Arena, Johan Cruyff Arena, Principality Stadium) makes a venue more suitable for concerts and boxing. Going further still, the moving pitch at Tottenham Hotspur Stadium, and it's resultant NFL suitability, gives it the potential for huge worldwide exposure.

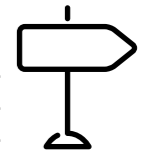
Reputation



All top brands wish to be seen as a force for good. Stadiums will be more attractive if they add to, and connect with, their communities. The published Key Principles of Development for Everton's new Stadium include 'Respecting Heritage', 'Harnessing the Environment' and 'A Legacy for Goodison Park'. Decision-makers and designers need to go beyond the minimum to create facilities that are open, inviting and inclusive.

The consideration of sustainability has to be visible and real. Operational carbon should be targeted as zero, and embodied carbon kept to a minimum. Acts such as Cold-play and Massive Attack are likely to prefer to play at venues with strong credentials. Amazon recently announced they would be sponsoring the new sports arena in Seattle and calling it the Climate Pledge Arena. This form of naming rights, where the company does not use its name, may perhaps be the way that the market grows in the UK in a way that fans are more willing to embrace. The Friends Arena in Stockholm (formerly Swedbank Arena) is another example of this.

Visibility



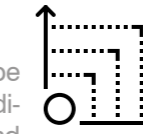
Less subjective than recognisability – literally, how many people will see the stadium over the years? Some stadium locations are better than others. A position next to a major highway will create good exposure, as will a position below a flight path. The new Everton Stadium will be visible to the cruise ships which travel down the River Mersey.

Dynamism



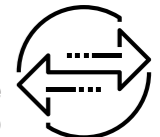
In surveys Tottenham Hotspur are regularly highlighted as young, ambitious and dynamic. Their state-of-the-art stadium, awash with technology, contributes to this. Clubs with a successful but faded history on the pitch often have an ageing fanbase. One way to address this with substance is to design a stadium that appeals to the young, whilst not forgetting those who have stayed loyal. This means technology, yes, but also safe-standing, room to socialise and reasonably priced beer!

Size



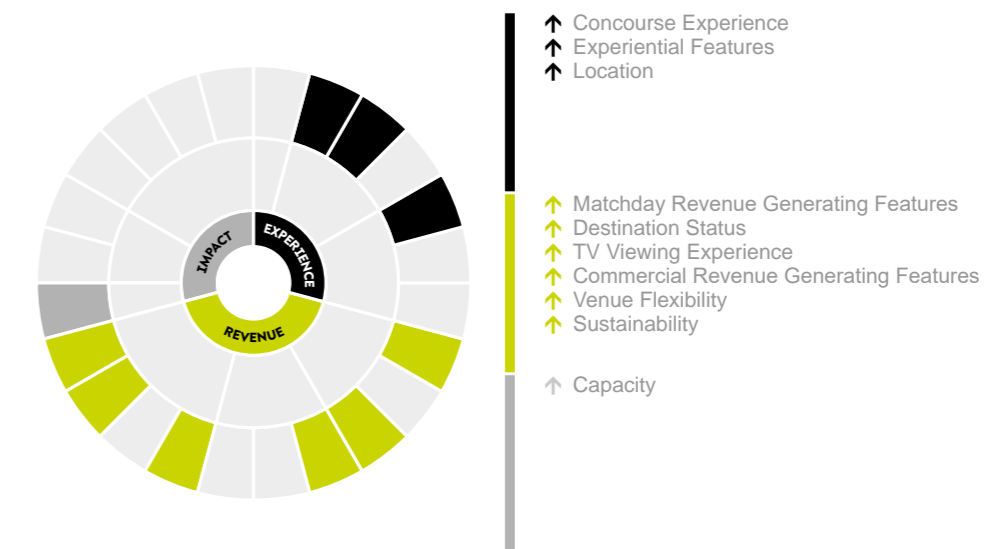
Size will be an influence, but it should not be the enemy of quality. Juventus's Allianz Stadium is medium in size, but high in status, and their arrangement with Allianz now extends to 2030. If we consider a construction cost figure of 10,000 euros a seat, the difference between a 60,000-capacity stadium and a 40,000 stadium is 200 million euros. It may prove a better return on investment to push for a venue that always sells out, with multiple revenue generating features. This quality-over-quantity approach may also be better suited to attracting a higher tier of naming rights partners.

Functionality & accessibility



Perhaps an easy one to overlook in the quest to impress, but a stadium has to work. It has to work for the club and its fans. If it's a pain to get to, a nightmare to get away and you have to leave your seat 5 minutes before half-time to get some food or use the toilet, that will have a negative impact on brand association. Consider a banking and insurance company called ABC – would they really welcome social media being full of statements like 'no-one wants to watch a game at the ABC!' and 'The ABC is horrendous!'.

The prioritisation of the above criteria can be facilitated by increasing the weightings in the VPR wheel; essentially turning up the dial on what potential commercial sponsors might be looking for. This outcome-based design philosophy can be combined with the evidence-based methodology of Brand Finance in determining monetary value ROI for sponsors beyond advertising equivalency. In this way, we can move away from naming rights being seen as 'selling out', and the result can be a better stadium for everyone.



The background is a dynamic, abstract composition. It features a central, bright white and yellow starburst or light flare that radiates outwards. The colors transition through a spectrum: yellow, orange, red, pink, purple, blue, and green, creating a rainbow-like effect. The overall texture is grainy and energetic, with a sense of motion and light. The text 'Top 50 Football Brands' is positioned in the lower-left quadrant, overlaid on the colorful background.

Top 50 Football Brands

A (Really) Long Time Coming: Liverpool Champions of England

Liverpool have undoubtedly always represented one of the biggest names in football, with a rich history encompassing a vast array of silverware. However, despite the club's size and stature, the Premier League trophy eluded them for 30 years. Prior to this year's success, the club had not been English champions since 1990, 2 years before the old Division 1 became the Premier league in 1992 and 1 year before the internet was opened to the public. The fact that the club went 30 years without winning the English title but still rank 2nd in England as 19 times winners (just 1 behind Manchester United) paints a clear picture of the side's dominance pre the Premier league

era. Not many would have predicted such a long wait, but any Liverpool fan can now rest easy as the title was secured in June with Manchester City's defeat at Chelsea.

Looking at the club's average league position in the last 30 seasons of Division 1 football, Liverpool averaged a finishing position of 2.5 compared to an average position of 4.5 since the start of the Premier League in 1992. Whilst the Premier League average is only 2 places lower, the difference in English titles over the two 30-year periods is 13:1 which is quite simply astonishing. But although the club has struggled to match historic performances in the league (up un-

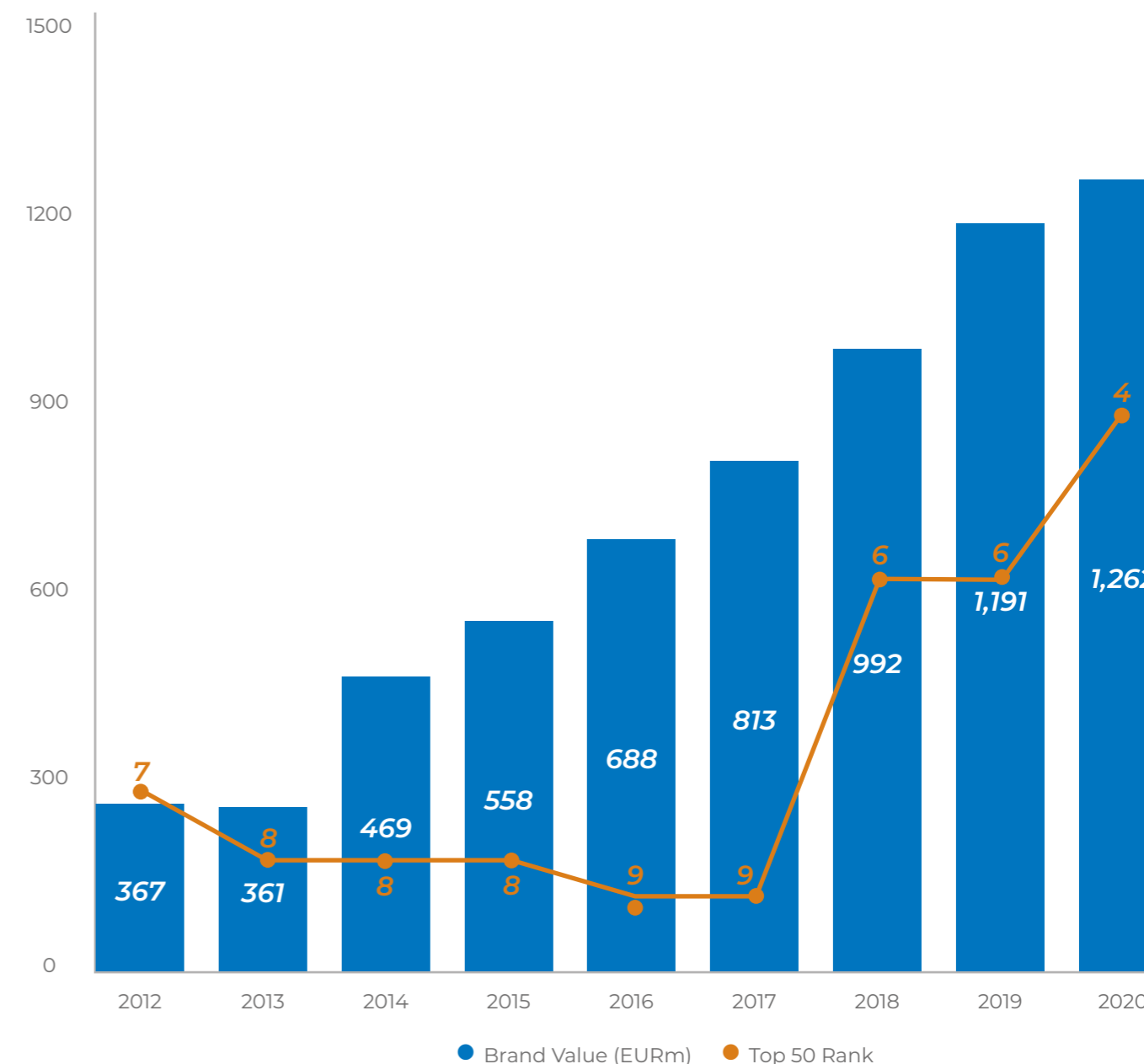
til now), the Liverpool brand has always sat at the forefront of English and European football.

2010 TAKEOVER: NEW ENGLAND SPORTS VENTURES (NESV)

In October 2010, Liverpool was acquired by NESV for £300 million (€349 million). At the time, incumbent owners Hicks and Gillet were forced to sell the club due to issues around debt repayments in what many viewed as a bargain deal for the new owners. To put the acquisition cost into perspective, Liverpool cost around 50% more than Neymar when considering his €222 million transfer to PSG in 2017. In 2020,



LIVERPOOL BRAND VALUE (EURm) AND RANKING



Brand Finance valued Liverpool at €4.7 billion, 13x the 2010 price paid by NESV. The club then got off to a slow start finishing 6th, 8th and 7th in the next 3 seasons. The 2013/14 season under Brendan Rodgers was a memorable one as an inspired Louis Suarez and Daniel Sturridge were the league's leading goal scorers with 31 and 21 respectively – however, this wasn't enough as Manchester City beat them to the title by just 2 points. With Suarez departing to Barcelona the next year and with local legend Steven Gerrard retiring in 2014, the club entered a rebuilding phase under new manager Jürgen Klopp in October 2015.

JÜRGEN KLOPP: THE CATALYST FOR MODERN SUCCESS

Whilst Liverpool have still had some triumphant moments in the Premier League era such as the famous "one night in Istanbul" where they came back from 3 goals down to beat AC Milan in the 2005 Champions League final, it's safe to say their five seasons under Jürgen Klopp's guidance have been their most successful. Since the charismatic German took over in October 2015, Liverpool has moved from the 8th most valuable brand in football to an all-time high of 4th in the latest rankings, with an increase in brand value of 126%. During this period, the club has made the Cham-

pions League final twice, winning it in 2019 and have recently been crowned English champions.

In 2020, Liverpool have a brand value of €1,262 million, and moved up two places (4th) eclipsing Manchester City (€1,124m – 5th) and Bayern Munich (€1,056m – 6th) and sit just 4% lower than fierce rivals Manchester United in terms of Brand Value (€1,314 million – 3rd). Despite being knocked out of the 2020 Champions League by Atletico Madrid, Liverpool are in a strong position to improve their standing in brand value rankings next year following their domestic title and guaranteed qualification in next season's Champions League.

FROM STRENGTH TO STRENGTH – A GLOBAL BRAND THAT CONTINUES TO GROW

Liverpool's brand strength increased from 91 to 93 which sees them climb from 5th to 3rd in this year's Brand Strength rankings. The increase also saw the club become the Premier Leagues

strongest brand, eclipsing Man Utd and just shy of 2nd place Barcelona. Furthermore, this increase in Brand Strength represented the biggest jump within this year's top 10 club brands. Real Madrid and Barcelona who remain above Liverpool on brand strength both experienced slight declines since last year.

Brand Finance's annual football fan research (see page 18 for more details) revealed improved levels of Club Following and Preference compared to 2019. Among UK respondents, Liverpool was the most favoured club, above Manchester United (2nd) and Arsenal (3rd). The club also ranked within the top 10 favourite clubs in

WHICH IS YOUR FAVOURITE CLUB OR THE CLUB YOU FOLLOW MOST CLOSELY

	 UK	 SPAIN	 GERMANY	 FRANCE	 ITALY	 USA	 CHINA
1	Liverpool	Real Madrid	Bayern Munich	Paris St. Germain	Juventus	Barcelona	Real Madrid
2	Manchester United	Barcelona	Borussia Dortmund	Olympique de Marseille	Inter Milan	Manchester United	Guangzhou Evergrande Taobao
3	Arsenal	Atletico Madrid	RB Leipzig	Olympique Lyonnais	AC Milan	Chelsea	Manchester United
Liverpool	7 st	11 th	9 th	7 th	21 st	5 th	9 th



France, the USA and China coming 8th, 5th and 9th respectively.

REVENUE GROWTH ACROSS ALL STREAMS

Off the back of placing 2nd in the Premier League and winning the UEFA Champions League in the 2018/19 season, Liverpool reported total revenue of €620 million representing a 17% increase from the previous season. The club sits as the 3rd largest in the Premier League in terms of revenue, behind Manchester United (1st) and Manchester City (2nd). The key drivers of this increase were broadcasting and commercial revenues which increased by 19% (€303 million) and 22% (€218 million) respectively.

Broadcasting revenue is the income stream most directly dependent on on-pitch performance, through distributions from the Premier League and Champions League where Liverpool are currently thriving. Broadcasting makes up nearly half of Liverpool's total revenue and the club accumulated €74 million in prize money for winning the European trophy in the 2018/19 season. However, recent success means Liverpool have reached a ceiling here,

and the club will need to develop matchday and commercial streams to stimulate future financial growth.

A prime example of development in this area is the club's new deal with Nike, initially set to launch in June this year, but pushed back to the start of the 2020-21 campaign due to COVID-19. Agreements were made to continue with New Balance for the remainder of the season. Nike were reportedly compensated for this delay, but the new deal is said to be in excess of the £75 million per annum Adidas currently pay Man Utd. If Liverpool can continue to perform on the pitch in the coming seasons, they will continue to attract rewarding partnerships from high calibre corporate brands, and have greater leverage to negotiate improved deals with existing sponsors. London-based bank Standard Chartered also represent a successful long-term partnership for the club, reaching the milestone of 10 years together in 2020. The two parties agreed a lucrative extension to the deal in 2018 which extends to 2023. Currently Manchester United and Manchester City lead the pack with commercial revenue of €320 million and €226 respective-

ly. However, Manchester United experienced a slight decrease in commercial revenue year-on-year which was perhaps consequence of sub-par on-pitch performances, meaning Liverpool have closed the gap substantially.

WHERE TO NEXT?

The club will be desperate to hang on to its talismanic coach and deadly front three in Mohamed Salah, Sadio Mané and Roberto Firmino, as they continue to search for silverware across all fronts. Other English power houses such as Manchester United, Chelsea and Arsenal will be looking to substantially strengthen their squads to mount a convincing challenge for next year's title. Liverpool will certainly start the competition as favourites, alongside Manchester City, but many have predicted a significantly closer affair compared to this season's dominating display by the Reds. Liverpool must now prove that they can deliver lasting success to continue developing their brand on the global stage; it will be interesting to see where the club stands in the 2021 Brand Finance club brand rankings.

1



BRAND VALUE
€1,419M

BRAND STRENGTH
94.9

BRAND RATING
AAA+

ENTERPRISE VALUE
€4,198M

MANAGER
ZINEDINE ZIDANE

FOUNDED
1902

SHIRT SPONSOR
FLY EMIRATES

ANNUAL VALUE 2020
€70.0M



KIT MANUFACTURER
ADIDAS

ANNUAL VALUE 2020
€110.0M



Real Madrid C.F.



Real Madrid were crowned LaLiga champions in 2019-20, a year after losing their hold on the UEFA Champions League. Real bounced back after a disappointing year in 2018-19 when they used three different head coaches before eventually turning to former manager Zinedine Zidane to steady the ship. However, despite losing 15% of

their brand value to €1,419 million, Real remain the most compelling brand in world football, although their advantage over their fierce rival Barcelona has been eroded, largely due to a lacklustre European campaign and a 3rd place finish in the league in the 18/19 season – the club has since been crowned LaLiga champions in the 19/20 sea-

son which puts them in good stead for next year's rankings. They have broadened their business offering by launching an innovation brand, Real Madrid Next, which aims to work with tech-orientated start-up companies. Real are also leveraging social media to increase fan engagement, introducing pay-per-use channel *Madridista Nation*.

2



BRAND VALUE
€1,413M

BRAND STRENGTH
93.6

BRAND RATING
AAA+

ENTERPRISE VALUE
€3,387M

MANAGER
QUIQUE SETIEN

FOUNDED
1899

SHIRT SPONSOR
RAKUTEN

ANNUAL VALUE 2020
€55.0M



KIT MANUFACTURER
NIKE

ANNUAL VALUE 2020
€155.0M

F.C. Barcelona

Barcelona lost their LaLiga title in 2019-20, but have won seven of the last 11 titles and their brand value of €1,413 million is closing in on rivals Real Madrid. In 2018-19 they under-performed in the UEFA Champions League, capitulating in the second leg of their quarter-final with eventual winners Liverpool. Away from the field of play, Barca have had internal political problems, but they are on track to become the first club in Europe to reach their objective of €1 billion in annual revenues, partly thanks to the decision to take licensing and merchandising in-house. The club has also demonstrated its willingness to embrace new concepts with the launch of its innovation hub and plans to provide investment funds for technology and sports projects worldwide. As part of the development programme for the Camp Nou, Barca hope to sell naming rights on a long-term basis, with the aim of securing upwards of €200 million.



3



BRAND VALUE
€1,314M

BRAND STRENGTH
91.5

BRAND RATING
AAA+

ENTERPRISE VALUE
€3,849M

MANAGER
OLE GUNNAR SOLSKJÆR

FOUNDED
1878

SHIRT SPONSOR
CHEVROLET

ANNUAL VALUE 2020
€64.0M



KIT MANUFACTURER
ADIDAS

ANNUAL VALUE 2020
€75.0M



Manchester United F.C.

Since Sir Alex Ferguson's departure from the club in 2013, Manchester United have struggled to find consistency in their performances having had 5 different managers over the 7-year period and an average league position of 5th. However, under the guidance of Ole Gunnar Solskjær, the club enjoyed a late surge in form which saw them go unbeaten in their last 14 Premier League appearances securing a 3rd place finish and a spot in next seasons Champions League. The club has been reinvigorated since the arrival of Bruno Fernandes in January this year coupled with the emergence of some exciting young

prospects. Despite this, brand value declined by 11% to €1,314 million and their position as England's top football brand is now under pressure, with their brand strength now overtaken by Liverpool. United has also seen debt levels rise and has faced criticism over its transfer market activity, which has failed to bring the Premier League title to Old Trafford since Sir Alex Ferguson's last season with the club. United's current shirt sponsorship deal, with Chevrolet, comes to an end in 2021 after a seven-year association and time will tell as to whether the club will secure an improved deal.



4



BRAND VALUE
€1,262M

BRAND STRENGTH
93.2

BRAND RATING
AAA+

ENTERPRISE VALUE
€3,702M

MANAGER
JÜRGEN KLOPP

FOUNDED
1892

SHIRT SPONSOR
STANDARD CHARTERED

ANNUAL VALUE 2020
€46.5M



KIT MANUFACTURER
NIKE

ANNUAL VALUE 2020
€75.0M



Liverpool F.C.

Liverpool are currently going through a renaissance on and off the field, possessing a strong team and a highly respected manager in Jürgen Klopp. As well as winning the UEFA Champions League in 2019 and the Premier League in 2019-20, Liverpool also announced the biggest kit spon-

sorship transaction in English football with Nike. The club has enjoyed strong profitability over the past few years, and this has undoubtedly helped in strengthening their brand, so much so that Liverpool are ahead of rivals Manchester United. Their brand value rose again, a 6% increase to €1,262 mil-

lion. The club was named the most popular in the United Kingdom in a poll by YouGov as well as in Brand Finance's annual football fan research. The club continues to expand their brand presence around the world, notably in Malaysia and Japan as well as North America and Europe.



5



BRAND VALUE
€1,124M

BRAND STRENGTH
88.8

BRAND RATING
AAA

ENTERPRISE VALUE
€2,748,

MANAGER
PEP GUARDIOLA

FOUNDED
1880

SHIRT SPONSOR
ETIHAD AIRWAYS

ANNUAL VALUE 2020
€45.0M



KIT MANUFACTURER
PUMA

ANNUAL VALUE 2020
€72.1M



Manchester City F.C.

Manchester City's financial prowess continues to grow, closing the gap on their neighbours Manchester United, although their brand value fell by 11% to €1,124 million. City have dominated English football over the past few seasons, winning almost every domestic honour, although they

lost the title they had won in 2018 and 2019 to rivals Liverpool. City are the flagship club within the City Football Group (CFG), which has expanded its presence into Belgium, China and India. CFG's shareholders now include Silver Lake, the US private equity firm and China Media Capital and CIT-

IC Capital from China, as well as Abu Dhabi United Group. City's attraction to international corporates was underlined once more with a multi-year agreement with Nissan. The club was charged with breaking Financial Fair Play rules but a two-year ban was overturned on appeal in July 2020.



6



BRAND VALUE
€1,056M

BRAND STRENGTH
91.4

BRAND RATING
AAA+

ENTERPRISE VALUE
€3,329M

MANAGER
HANS-DIETER FLICK

FOUNDED
1900

SHIRT SPONSOR
TELEKOM

ANNUAL VALUE 2020
€35.0M



KIT MANUFACTURER
ADIDAS

ANNUAL VALUE 2020
€43.0M



F.C. Bayern Munich

FC Bayern's position at the top of German football is as strong as ever, both on and off the field of play, as evidence by their 8th consecutive Bundesliga title and the DFB Pokal Cup triumph. Bayern generated record revenues in 2018-19 and posted a pre-tax profit of €52.5 million, highlighting the financial power of the club. But Bayern's brand value brand fell by 21% to €1,056 million, possibly impacted by underperformance in the Champions League. Bayern have almost paid-off their campus and their academy is close to being totally independent. The club has a culture of continuity and upon President Uli Hoeneß's departure, former Adidas head Herbert Hainer, already a member of the board, was his replacement. Similarly, when they disposed of the services of coach Nico Kovac, Bayern looked internally to appoint Hansi Flick.



7



BRAND VALUE
€967M

BRAND STRENGTH
85.6

BRAND RATING
AAA

ENTERPRISE VALUE
€3,346M

MANAGER
THOMAS TUCHEL

FOUNDED
1970

SHIRT SPONSOR
ALL

ANNUAL VALUE 2020
€25.0M



KIT MANUFACTURER
NIKE

ANNUAL VALUE 2020
€80.0M



Paris Saint-Germain F.C.



Paris Saint-Germain (PSG), thanks to the strength of its Qatari ownership, continue to lead French football, winning seven Ligue 1 titles in eight years and 16 major prizes during that period, but European success remains the holy grail for the Parisiens. PSG's brand value improved by

6% to €967 million and they are among the top five clubs in terms of revenues and have a global footprint that is still growing. The club's recent decision to expand its relationship with Unibet is aimed at building-out its presence in US, Asia and Australia. PSG have also opened an acad-

emy in Florida and the club has some outstanding talent within its squad, although the future of players like Neymar and Kylian Mbappe remains uncertain. PSG is also committed to women's football, although PSG Féminine has to contend with the world's leading women's team, Lyon.

8



BRAND VALUE
€949M

BRAND STRENGTH
89.0

BRAND RATING
AAA

ENTERPRISE VALUE
€2,488M

MANAGER
FRANK LAMPARD

FOUNDED
1905

SHIRT SPONSOR
THREE

ANNUAL VALUE 2020
€40.0M



KIT MANUFACTURER
NIKE

ANNUAL VALUE 2020
€66.0M



Chelsea F.C.

Chelsea posted a very large loss in 2018-19, a disappointing result in a season in which the club was absent from the UEFA Champions League, impacting their brand value which dropped by 2% to €949 million. There was some compensation, however, with Chelsea winning the UEFA Europa League for the second time in seven years. The club received a transfer ban from UEFA after breaking Financial Fair Play rules, a two-window punishment that was subsequently reduced to one. Chelsea's proposed redevelopment of Stamford Bridge has now been postponed owing to the absence of owner Roman Abramovich from the UK. The initial plans have now expired, so Chelsea will continue to have a disadvantage compared to their peer group in the UK and Europe, a relatively modest-sized stadium with little scope for commercial growth. However, the club is capable of attracting big corporate sponsors, as evidenced by its shirt sponsorship deal and other partnerships with companies like Hyundai and Unilever. The club qualified for the UEFA Champions League on the final day of the 2019-20 season beating Wolves 2-0.



9



BRAND VALUE
€784M

BRAND STRENGTH
87.6

BRAND RATING
AAA

ENTERPRISE VALUE
€2,114M

MANAGER
JOSE MOURINHO

FOUNDED
1882

SHIRT SPONSOR
AIA

ANNUAL VALUE 2020
€35.0M



KIT MANUFACTURER
NIKE

ANNUAL VALUE 2020
€30.0M



Tottenham Hotspur F.C.

Now firmly relocated into their impressive new stadium, Tottenham Hotspur may have plateaued with their current playing resources. They reached the UEFA Champions League final in 2019, but since then, have lost highly-rated coach Mauricio Pochettino. Away from the football field, the new stadium has left the club with a large amount of net debt, the second highest in European football, but their brand value still grew by 3% to €784 million. Tottenham eased their cash flow challenges during the lockdown by borrowing from the Bank of England, but the impact of the coronavirus crisis could be significant for a club counting the cost of a new stadium. At the end of 2018-19, they announced a long-term shirt sponsorship deal with pan-Asian insurance group AIA. The club remains prudent when it comes to player wages, however, but much depends on whether the club can retain talent on that basis.



10



BRAND VALUE
€719M

BRAND STRENGTH
86.9

BRAND RATING
AAA

ENTERPRISE VALUE
€2,051M

MANAGER
MIKEL ARTETA

FOUNDED
1882

SHIRT SPONSOR
FLY EMIRATES

ANNUAL VALUE 2020
€40.0M



KIT MANUFACTURER
ADIDAS

ANNUAL VALUE 2020
€60.0M

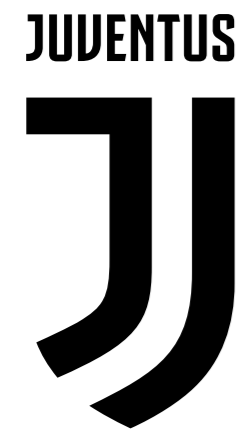


Arsenal F.C.

Currently 100%-owned by Stan Kroenke's Kroenke Sports & Entertainment, Arsenal have declined in recent years as a football team and have lost some of their financial power. The club has struggled to replace their long-time manager Arsene Wenger, firstly with the appointment of Unai Emery who has made way for Mikel Arteta. The club made a loss for the first time in many years and their finances continue to be impacted by the loss of Champions League football. Unsurprisingly, the club's brand value continues to decline, this time by 19% to €719 million. Their revenues have grown far less than their peer group over the past five years and the club has lost ground versus the growth of north London rivals Tottenham. Despite a lack of relative success, Arsenal still draws big crowds to their Emirates stadium despite some of the highest ticket prices in football. The club finished the 2019-20 season in their lowest position since 1995.



11



Juventus F.C.

BRAND VALUE
🔒

BRAND STRENGTH
🔒

BRAND RATING
🔒

ENTERPRISE VALUE
🔒

MANAGER
🔒

FOUNDED
🔒

SHIRT SPONSOR
🔒

ANNUAL VALUE 2020
🔒



KIT MANUFACTURER
🔒

ANNUAL VALUE 2020
🔒



Juventus having recently won the Serie A for ninth consecutive season, remain the most dynamic Italian club in terms of business model and in playing resources, the latter of which includes the world's first billionaire footballer in Cristiano Ronaldo. Juve's brand value was up by 11% to €676 million and they have opened up a bigger gap between themselves and the 12th placed club in the Football 50. The Turin-based club continues to expand its global presence, opening a branch in Hong Kong and running academies in the Middle East. Juventus have also partnered with the Lindbergh Hotels Group to launch the J Hotel, the first hotel to be built in Italy in collaboration with a football club. Furthermore, Juventus have benefited from an expansion and extended their stadium naming rights deal with Allianz, a seven-year deal worth €103 million. Juventus have a high level of net debt, but they are almost alone in Italy in owning their stadium. The Allianz may have restrictions in terms of its current capacity (41,500), but so far, utilisation rates at the ground are around 95%.

12



Borussia Dortmund

BRAND VALUE
🔒

BRAND STRENGTH
🔒

BRAND RATING
🔒

ENTERPRISE VALUE
🔒

MANAGER
🔒

FOUNDED
🔒

SHIRT SPONSOR
🔒

ANNUAL VALUE 2020
🔒



KIT MANUFACTURER
🔒

ANNUAL VALUE 2020
🔒



Borussia Dortmund (BVB), the world's best-supported club in terms of matchday crowds, have earned a reputation for talent development, focusing on young players within and outside Germany. While their team of exciting young players has pushed them into contention for honours once more, the club have benefited from record revenues and expanding business opportunities. However, their brand value declined by 9% in 2020 and they continue to trail way behind their nearest rivals, Bayern Munich. BVB has agreed an innovative shirt sponsorship structure in that they will have two sponsors, long-time partner Evonik (a 9.8% shareholder in the club) for internationally focused games and 1&1 for Bundesliga fixtures. The club has also stepped-up its global expansion plans, opening a Chinese office and working with DAZN to grow their presence on social media, with emphasis on South East Asia.



13



BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	KIT MANUFACTURER 🔒
MANAGER 🔒	ANNUAL VALUE 2020 🔒
FOUNDED 🔒	

Atlético Madrid

Atlético Madrid are a club in transition at present, on and off the field of play. Now in their third season at their very impressive Wanda Metropolitano stadium, Atléti have been working at reducing their high level of indebtedness, much of which accompanied the construction of the new ground. The

club saw revenues grow by 22%, tripled its profits in the 2018-19 season and extended its lucrative sponsorship deals with Hyundai and Telefonica. Their brand value increased slightly €469 million (+0.5%), and the gulf between Atléti and the big two in Spain remains enormous. While Atléti sold

star player Antoine Griezmann to Barcelona for €120 million, they spent a similar amount on young Benfica forward João Félix as part of a €250 million overhaul of their playing resources. Atléti have also expanded their global presence, making investments in Canada and Mexico.



14



BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	KIT MANUFACTURER 🔒
MANAGER 🔒	ANNUAL VALUE 2020 🔒
FOUNDED 🔒	

F.C. Internazionale Milano

Inter Milan are desperately trying to regain past glories and have committed resources to try and bring back the good times to the San Siro stadium. In 2019-20, they finished runners-up in Serie A, their best placing in nine years. Inter are on the cusp of change as their long-term shirt sponsorship deal with Pirelli is coming to an end and new sponsors are being sought. The club has also seen a number of Asian sponsors terminate their arrangements, along with the China-based marketing agency that helped secure regional partners for Inter. The club, along with co-tenants AC Milan, are hoping that the rebuilding of San Siro will reshape their finances. The strong potential of the club and its place in Italy has kept their brand value fairly stable at €466 million. Inter still draw very big crowds, but the club has a high level of debt and despite hiring Antonio Conte as coach, along with expensive new signings, silverware still evades the Nerazzurri.



15



BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



RasenBallsport Leipzig



As controversial as ever, RB Leipzig finished third in the Bundesliga in 2019-20 and enjoyed a good run in the UEFA Champions League. The club's brand value improved by 43% to €345 million. This represented another stage in the evolution of a club that continues to di-

vide opinion in Germany and world football circles. As part of the Red Bull multi-club ownership model, RB Leipzig have a solid financial platform behind them. They remain committed to youth development, nurturing young players that can be traded for substantial profits. This is

also mirrored in their hiring of Julien Nagelsmann, one of the youngest and most coveted coaches in European football. The club is well supported, averaging over 40,000 at the Red Bull Arena, but there is talk of the stadium being expanded in the near future.

16



BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



Leicester City F.C.

Leicester City have emerged as a new contender in the upper quartile of the Premier League, their status being elevated by their surprise title win in 2016 and impressive performance in the UEFA Champions League a year later. Leicester's brand value grew by a very impressive 44% to €333 million. This strong momentum at the club has enabled them to deal with the tragic death of their chairman and owner, who died in a helicopter crash in 2018. Leicester are looking to expand the capacity of their King Power Stadium and have invested in their training facilities. Leicester have developed into an attractive proposition for sponsors and the club has secured a number of new corporate partners, including Adidas, who have replaced Puma as their kit provider.



17



FC Schalke 04

BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



Despite being one of the best-supported teams in Germany, indeed Europe, Schalke are relative underachievers, despite producing a number of top-class players down the years. Their brand value has increased slightly to €325 million (+1.5%) and their brand strength has also grown. The club has one of football's most high-profile shirt sponsors in Russia's Gazprom and averages 60,000-plus in their Gelsenkirchen stadium. Schalke have worked on expanding their global presence, opening an office in China and stores in Asia and as well as rolling out a youth development scheme in the US. The club has also embraced esports, underlining its willingness to entertain new forms of income. During the coronavirus crisis, the club has faced some financial challenges, leading to players waiving wages.

18



Everton F.C.

BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



Everton's future rests on the development of a new stadium away from their traditional home at Goodison Park, an old-fashioned football ground that is restrictive from a commercial perspective. With the potential of a new stadium in mind, Everton's brand value has grown by 5% to €278 million. Everton's absence from the European stage means they have struggled to compete with the top English clubs both on the pitch and financially. Everton made a big loss in 2018-19 of £112 million and has a high level of debt. They have spent heavily over the past few years, but have been able to bring success to the club. Their wage-to-income ratio is especially high and the club has suffered from a lack of stability in the management of the team. Their current coach, Carlo Ancelotti has been hired to make Everton into a Champions League club.



19



BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	KIT MANUFACTURER 🔒
MANAGER 🔒	ANNUAL VALUE 2020 🔒
FOUNDED 🔒	

Wolverhampton Wanderers F.C.



Wolverhampton Wanderers are a club in the ascendancy and challenging at the top of English football's top level for the first time in decades. This is reflected in a 30% rise in their brand value to €242 million and a 6% increase in their brand strength. Owned by Chinese conglomerate Fosun International, Wolves also benefit from their involvement with so-called "super agent" Jorge Mendes who has links with Fosun and facilitates access to a broad range of players. Wolves are also moving forward commercially and have expanded their presence in China. Furthermore, after recording their best attendances since the 1970s, Wolves are looking to increase the capacity of their Molineux stadium. Their foray into European football in 2019-20 has also given the club a taste of what they hope will be a regular feature in the future.

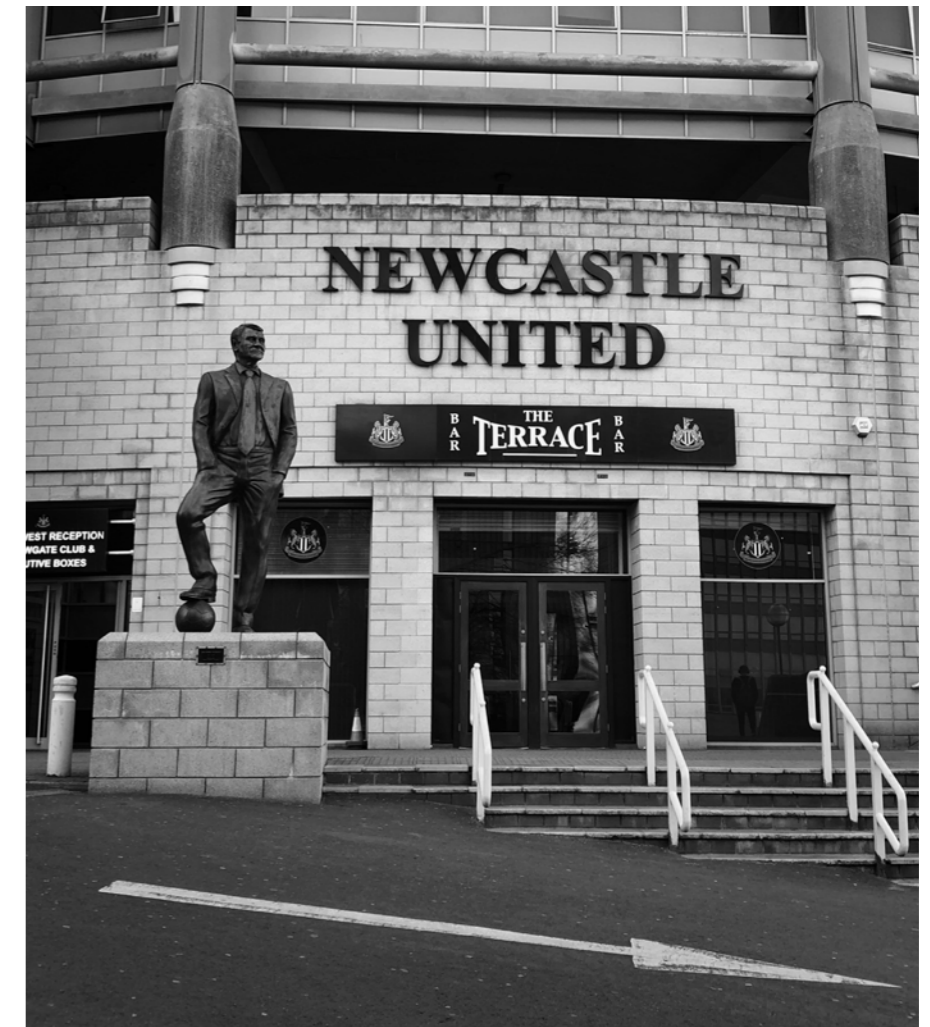
20



BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	KIT MANUFACTURER 🔒
MANAGER 🔒	ANNUAL VALUE 2020 🔒
FOUNDED 🔒	

Newcastle United F.C.

One of English football's great enigmas, Newcastle United have endured more than 50 years without a major honour, despite being one of the top clubs in the Premier League by average crowd. Newcastle have failed to be competitive over the past decade, largely because they have resisted any call to speculate or overspend. The club's brand value declined by 9% to €233 million in 2020 and owner Mike Ashley continues to be unpopular with frustrated fans. That said, Newcastle continues to be profitable and Ashley is on the brink of selling the club to Saudi Arabian investors. While this has raised concerns with regards to the country's human rights record, the Newcastle public are enthused by the prospects of the potential elevation to be a trophy-winning club again.



21



BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	KIT MANUFACTURER 🔒
MANAGER 🔒	ANNUAL VALUE 2020 🔒
FOUNDED 🔒	



Borussia Mönchengladbach

It has been a long time since Gladbach were Germany's top club, but there has been something of a resurgence at a club that was a dominant force in the 1970s. Their brand value increased by 2% in 2020 at €222 million. Gladbach started 2019-20 as one of the front-runners, but after the winter break, they fell away but still finished fourth in the Bundesliga. Gladbach demonstrated their innovative side when football returned in May 2020 after the lockdown, creating cutouts of fans to fill parts of their stadium. There was a setback when long-time sponsor Postbank terminated their agreement with the club. After 11 years. However, Gladbach moved quickly to confirm a new three year deal with Flatex, an online brokerage.



22



BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	KIT MANUFACTURER 🔒
MANAGER 🔒	ANNUAL VALUE 2020 🔒
FOUNDED 🔒	

A.C. Milan

Still a club that has cachet in the football world, AC Milan have declined in recent years and are a long way from their trophy-winning heyday. The club made a record loss of €146 million in 2018-19 and were spared a major crisis by a cash injection from their owners. AC Milan's brand value dropped by a very significant 35% to €215 million and their brand strength also fell by 6%. The club has run into Financial Fair Play issues but the crowds are still healthy at the San Siro. Heavy spending on the team has yet to yield positive results, but AC Milan does not generate enough income and their revenues over the past decade have struggled to keep pace with Europe's leading clubs. The Rossoneri have entered the field of eSports and remain one of the most recognisable names in world football.



23



BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



Bayer 04 Leverkusen



Bayer Leverkusen has long been backed by the pharmaceutical giant Bayer AG, who still pay a substantial sum each year to the club as well as sponsor their stadium. The club has also had a long-term shirt sponsor in Barmenia, who have extended their support to the end of 2023-24 season. Leverkusen are regular UEFA Champions League participants and reached the final in 2002, but they have yet to win the Bundesliga. Their objective is to be one of the widely-recognised top 16 clubs in Europe, but they also have global ambitions, notably China and more broadly, Asia-Pacific. Leverkusen are also investing in eSports. The club's brand value dropped by 4% in 2020 to €215 million.

24



BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



VfL Wolfsburg

Another club that has an unconventional model compared to Germany's 50+1 structure is VfL Wolfsburg. Wolfsburg have been backed by automotive company Volkswagen since its formation in 1945. The club is committed to diversity and has a thriving women's team,

who have been European champions twice and five times Bundesliga champions. The men's team has won just one Bundesliga and is among the poorest supported in the German top flight. Its brand value fell by 2% to €211 million, but the club is growing its worldwide

franchise and has opened an office in China. Although VW is the club's natural shirt sponsor, Wolfsburg attracts notable corporate partners such as Mitel and Interwetten. They are also embracing new technologies and became the first club to trial 5G at their stadium.



25



BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	KIT MANUFACTURER 🔒
MANAGER 🔒	ANNUAL VALUE 2020 🔒
FOUNDED 🔒	


West Ham United F.C.



Now in their third season at their new home, West Ham are still transitioning from their historic roots and have yet to leverage the opportunities the former Olympic stadium presents. For example, matchday revenues are comparable to the club's last season at the Boleyn Ground yet crowds are more than 20,000 higher per game. The club's brand value has suffered and declined by 18% to €210 million. While the supporters have found the move to Stratford challenging, the club has secured the largest sponsorship deal in its history with Betway, which is the biggest outside the Premier League's "big six" clubs. The club's revenues continue to rise, but they also have a relatively high level of net debt and their wage bill is also very high versus income. The club will be hoping David Moyes can raise the club's level on the pitch over the coming season.

26



BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	KIT MANUFACTURER 🔒
MANAGER 🔒	ANNUAL VALUE 2020 🔒
FOUNDED 🔒	

A.S. Roma



AS Roma are hoping that a new stadium in the Tor di Valle neighbourhood of the Italian capital will spark off a new era of growth for the club. Roma currently play at the 72,000 capacity Stadio Olimpica, but the new ground will house 52,500 and will cost €300 million. The club has a high level of debt at present, almost €300 million, and has a weighty wage-to-income ratio of 78%. Their brand value fell by 21% to €204 million and their brand strength has weakened over the past year. Roma has been for sale since 2019 and a possible €700 million deal involving the Friedkin Group fell through in the early months of 2020. The club also had discussions with Saudi Arabian investors.

27



AFC Ajax

BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



Currently going through a surge in popularity, Ajax have reclaimed their position as a club that develops and nurtures young players that yield decent profits. In fact, Ajax are the leading club for producing talent to the top leagues in Europe. This undoubtedly contributed to the club's 17% increase in brand value to €198 million. As the only major club in Amsterdam, Ajax enjoy 50,000-plus crowds at the Johan Cruyff Arena and are the best supported club in the Netherlands. Champions once more in the Eredivisie and semi-finalists in the UEFA Champions League, Ajax made substantial gains in selling some of their exciting squad, hence they made a profit of €133 million through player trading in 2018-19. Although the Eredivisie didn't complete its schedule for 2019-20, Ajax were named champions for the second successive season.

28



Crystal Palace F.C.

BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



Palace are enjoying their longest spell in the top flight in England and are planning to capitalise on their membership of the Premier League. The club are aiming to expand their Selhurst Park stadium in order to tap into a huge South London population. The development of the ground will cost around £100 million. Now back in profit after making a substantial loss in 2017-18, Palace have a very high wage bill and need to constantly develop and sell players - the latest big sale being Aaron Wan-Bissaka to Manchester United for £50 million. Their brand value increased slightly by 0.5% to €195 million in 2020. The club was up for sale early in 2020, but a possible deal fell through, leaving a degree of uncertainty over the future ownership.





S.S.C. Napoli

BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	KIT MANUFACTURER 🔒
MANAGER 🔒	ANNUAL VALUE 2020 🔒
FOUNDED 🔒	

Napoli are one of the most consistent clubs in Italy, but still languish in the shadow of serial title winners Juventus, the team they beat to win the 2019-20 Coppa Italia. They have the fourth biggest fanbase in Italy but their San Pao-

lo stadium has seen better days, despite ongoing redevelopment that includes the creation of a museum. They have signed a new lease with the municipality which keeps them at the ground until 2028. Brand value has fallen by

8% to €188 million. Owner Aurelio De Laurentiis is not popular and there was a failed attempt to buy him out by a Qatari consortium. Meanwhile, the club is building a broader profile and has opened an Amazon online store.



Olympique Lyonnais

BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	KIT MANUFACTURER 🔒
MANAGER 🔒	ANNUAL VALUE 2020 🔒
FOUNDED 🔒	

OL are one of Europe's most diverse clubs, not only a leader in women's football, but also keen to embrace other sports such as basketball. OL struck an agreement with basketball team LDLC Asvel to have their logo on the team's shirt and has also

merged its eSports team with Team LDLC. OL have also purchased US Women's team Reign. The club has a five-year plan to diversify revenue streams around its Groupama Stadium and have also committed to a new sports arena. OL, while still

a considerable distance from PSG, have the second highest wage bill in Ligue 1, some €310 million. OL's brand value improved by 1% in 2020 to €182 million, less than 20% of the brand value of France's leading club, PSG.



31



Burnley F.C.

BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



32



Sevilla F.C.

BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



Image: Andy Ford, Burnley FC

Reputed to be one of English football's best-run clubs, Burnley are much-admired for their realistic and prudent approach to competing in the Premier League. The club consistently makes a profit and their brand value increased by % to €167 million. They have a small home ground in Turf Moor and one of the lowest average attendances, hence they are highly reliant on broadcasting revenues to maintain their top flight status. The club is planning to make some improvements to their stadium. Burnley enjoyed the benefits of a European campaign in 2018-19 and the club has a strong reputation in the local community, assisting in the coronavirus crisis by offering Turf Moor to the National Health Service to take advantage of the facilities.

Sevilla feature among the top 50 clubs in the world by average match attendances but are aiming to grow their presence in Spain and in the global game. Their brand value increased by 2% reaching €159 million. Sevilla are also committed to grassroots development in emerging markets, such as in India where they are hosting soccer schools for young children. Back in Spain, Sevilla are looking to further invest in their training complex, transforming it into the club's corporate hub. At the same time, Sevilla are planning to expand their iconic Ramón Sánchez Pizjuan stadium beyond its current 43,000 capacity. Sevilla are one of the most successful clubs in European competition having won the Europa League five times.



33



Eintracht Frankfurt

BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



Eintracht are going through a resurgence at the moment as they prepare their home for the 2024 European Championships. The stadium, which has been known as the Commerzbank Arena, will soon become known as Deutsche Bank Park after Germany's top bank secured a seven-year sponsorship deal with the club in early 2020. The club has also reached an agreement with the city council to allow them to host concerts and other events all-year-round. Eintracht have also inaugurated a new first team training centre and a museum while they are also broadening their global footprint, opening offices in New York and in China. Despite the positives, Eintracht's brand value dropped by 7% to €150 million.

34



Southampton F.C.

BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



Premier League status is vital for Southampton in maintaining the club's current business model. In the past, the Saints have benefitted from a steady flow of sales, making them one of the best clubs at player trading. Lower levels of player sales contributed to the club posting a sizeable loss in 2018-19. Brand value increased by 3% to €149 million. At the same time, wages have increased as Southampton try to remain competitive and net debt has also risen. The club's owner, Gao Jisheng, has not invested more cash into the club and there has been talk of him selling Southampton to US investors. The club's excellent stadium continues to be nearly 100% utilised, although attendances have dropped a fraction at St. Mary's. Key to Southampton's future growth is retaining Premier status and also continuing its strategy of buying low and selling high.



Image: Southampton FC

35



BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



Brighton & Hove Albion F.C.



Brighton's plans for expanding their American Express Community Stadium have been put on hold owing to the coronavirus crisis. The club were aiming to increase the capacity of their ground to 32,000 in order to meet the demand for tickets among fans – they currently have a waiting list of some 8,000 people. Brighton's expansion also includes improvements to their training ground, creating a regional talent centre that can tap into young players in the area, and greater commitment to women's football. Much depends on continued membership of the Premier League, as evidenced by the club's high reliance on media income (79%) and a wage-to-income ratio of 70%. Brighton's brand value, benefitting from continued membership of the Premier, increased by 7% to €147 million.

36



BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



Valencia C.F.

Valencia have come a considerable distance since their finances imploded in the aftermath of the financial crisis of 2008. Their new stadium, which has sat unfinished for more than a decade, is set to be completed via a new project that will take them away from the Mestalla, the oldest ground in LaLiga. Valencia continue to broaden their global footprint and opened its first soccer school in Morocco, the first on the African continent, with the aim of tapping into local talent pools. Meanwhile, in Valencia, the club unveiled a pioneering seat delivery food service, the first stadium specific facility of its kind in European football. The club's brand value increased by 33% to €140 million and their brand strength improved by an impressive 16%.



37



1. FC Köln

BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



38



Olympique de Marseille

BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



Now back in the Bundesliga, Köln's brand value increased by 47% to €136 million after winning the second tier championship in 2018-19. A well-supported club that has often under-achieved, Köln saw their income decline substantially owing to lower broadcasting revenues but the club remains attractive to sponsors and business partners. Köln also partnered with a number of companies in developing a sport tech start-up initiative, which underlines the club's appetite to embrace technologies. The club has pulled out of opening a football academy in China and curtailed a relationship with a Chinese betting company, although remains interested in building links in Asia and China.



One of the most community-orientated clubs in English football, Watford had a goal of being the "best of the rest" – in other words, the leading club outside the top six – while quadrupling income. Relegation from the Premier League in 2019-20 following their final day defeat to Arsenal was a blow to this objective but the club will no doubt be aiming to bounce back next season. Whether they will stay at their homely Vicarage Road ground or move to a new site remains to be seen. There were plans to expand their existing site, but a proposal for a new ground has now been tabled. The club has also embarked on a digital overhaul, tailoring content for worldwide use rather than the UK in order to broaden their footprint. The recent tie-up with American Airlines is a demonstration of Watford's objective of developing a global presence. The club's brand value fell by 21% to €130 million.



BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	
MANAGER 🔒	KIT MANUFACTURER 🔒
FOUNDED 🔒	ANNUAL VALUE 2020 🔒

Watford F.C.

One of the most community-orientated clubs in English football, Watford had a goal of being the “best of the rest” – in other words, the leading club outside the top six – while quadrupling income. Relegation from the Premier League in 2019-20 following their final day defeat to Arsenal was a blow to this objective but the club will no doubt be aiming to bounce back next season. Whether they will stay at their homely Vicarage Road ground or move to a new site remains to be seen. There were plans to expand their existing site, but a proposal for a new ground has now been tabled. The club has also embarked on a digital overhaul, tailoring content for worldwide use rather than the UK in order to broaden their footprint. The recent tie-up with American Airlines is a demonstration of Watford’s objective of developing a global presence. The club’s brand value fell by 21% to €130 million.



BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	
MANAGER 🔒	KIT MANUFACTURER 🔒
FOUNDED 🔒	ANNUAL VALUE 2020 🔒

Athletic Club Bilbao

Athletic Club Bilbao are one of the most unique clubs in Europe in that they only recruit local players from the Basque region. At the same time, they are very adept at developing talent at their Lezama academy and selling on to other clubs for healthy profits, a feature of their business model for more than a decade. They are Spain’s fifth best supported club, with more than 40,000 packing into their distinctive San Mames stadium. Athletic remains a prudent club and was one of the better prepared for the pandemic crisis, with no debt and a healthy level of cash in the bank. Their brand value grew by 9% to €129 million in 2020.



41



BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	KIT MANUFACTURER 🔒
MANAGER 🔒	ANNUAL VALUE 2020 🔒
FOUNDED 🔒	

TSG 1899 Hoffenheim



After Leipzig, Hoffenheim are the most unpopular club in Germany owing to their ownership structure, which fans feel contravenes the 50+1 ruling in the Bundesliga. Owned by SAP founder Dietmar Hopp, Hoffenheim continue to defy the critics at their PreZero Arena. From a financial perspective, the club generated record income in 2018-19, boosted by involvement in the UEFA Champions League, but their brand value has fallen by 12% to €128 million. Hoffenheim are committed to sustainability and resource efficiency and 60% of all waste from their stadium is recycled. One of the club's notable initiatives involves tree-planting in Uganda. Furthermore, they are expanding globally with an academy in India. They have also launched a lifestyle brand, Umoja.

42



BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	KIT MANUFACTURER 🔒
MANAGER 🔒	ANNUAL VALUE 2020 🔒
FOUNDED 🔒	

SS Lazio



Lazio were the first Italian club to be listed on the stock market and the club's current administration is committed to ensuring they live within their means. Their brand value had little movement at €127 million this year. Lazio are seeking to expand beyond Italy as a compelling brand and have linked-up with Betway in order to build their presence in China. The club has also made efforts to improve their image by trying to eradicate right-wing fans with the "Love Lazio, Fight Facism" campaign. There are also plans for a new stadium, the Stadio delle Aquile, which will take the club away from Rome's Stadio Olimpico where they have played almost since their formation.

43



BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	
MANAGER 🔒	KIT MANUFACTURER 🔒
FOUNDED 🔒	ANNUAL VALUE 2020 🔒
	

Sheffield United F.C.

After a protracted internal wrangle over the ownership of the club, Sheffield United is now in the sole hands of Prince Abdullah bin Musa'ad bin Abdul Aziz of Saudi Arabia. Sheffield United won promotion to the Premier League in 2018-19, but this came at a cost. The club made a big loss and the wage bill rose to 191% of income. The change of ownership means that the club will pay £43.5 million for the Bramall Lane stadium, the training ground and other property. On the field of play, Sheffield United progressed well in the Premier League and with continued membership of the topflight, a substantial increase in revenues was expected for 2019-20.



44



BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	
MANAGER 🔒	KIT MANUFACTURER 🔒
FOUNDED 🔒	ANNUAL VALUE 2020 🔒
	

Villarreal C.F.



With a reputation as one of Spain's best-run clubs, Villarreal are expanding their presence in other parts of the world. In 2019, the club launched Villarreal Melbourne and established the first academy run by a Spanish club in Australia. Villarreal's training centre is one of the best in Europe and the club has one of the highest levels of Spanish players within their squad. The club also has academies in the US, Puerto Rico and Sweden. Villarreal feature among the top 20 or so clubs in terms of player trading and generate a significant percentage of their revenues from sales. Brand value increased by 1% in 2020 to €115 million.

45



BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	KIT MANUFACTURER 🔒
MANAGER 🔒	ANNUAL VALUE 2020 🔒
FOUNDED 🔒	


Aston Villa F.C.



Aston Villa are one of the biggest clubs in the Midlands region of the United Kingdom, and one of the early leaders of professional football. While the club has a rich heritage, they were relegated from the Premier League following the 15/16 season and spent 3 seasons there before returning to the topflight in 19/20. At many points in the season, the club looked destined for relegation but ultimately triumphed in a fierce relegation battle which came down to the final day of the season. The point earned against West Ham on the final day was enough to see them over the line and finish in 17th place, avoiding relegation. The 10th best supported club in England with an average attendance of more than 40,000, they will now be looking to re-establish themselves in the Premier League. Now under the ownership of NSWE, the company owned by Nassef Sawiris and Wes Edens, Villa posted a huge loss in 2019 and was dependent on a cash injection from their backers. Villa Park, the club's historic home, was sold to NSWE in 2019 for £59 million. The club has a strong regional brand but should benefit from their new sponsor Cazoo, the high profile and fast-growing digital car retailer.

46



BRAND VALUE 🔒	SHIRT SPONSOR 🔒
BRAND STRENGTH 🔒	ANNUAL VALUE 2020 🔒
BRAND RATING 🔒	
ENTERPRISE VALUE 🔒	KIT MANUFACTURER 🔒
MANAGER 🔒	ANNUAL VALUE 2020 🔒
FOUNDED 🔒	

S.L. Benfica



Benfica are one of European football's most prolific talent factories, acting as a conduit for South America as well as producing their own players that earn the club high transfer fees. Regular UEFA Champions League football – 10 consecutive years at group stage - gives

Benfica a huge advantage over their domestic rivals, along with average crowds of more than 50,000. They have also reached two UEFA Europa League finals. Although the club carries considerable debt, their financial performance is relatively healthy. Brand value, however, dropped

by 21% in 2020 to €114 million. Benfica have fully embraced the digital revolution and they are also looking beyond Portugal and have formed a partnership with the San Francisco 49ers. The club relinquished their Portuguese title in 2019-20 to fierce rivals Porto.

47



AFC Bournemouth

BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



48



Celtic F.C.

BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



Image: AFC Bournemouth

After five seasons in the Premier League, Bournemouth were relegated on the final day of the 2019-20 season despite a strong 3-1 win over Everton – the odds were stacked against them on the final day, however Eddie Howe's men came tantalizingly close to safety before Jack Grealish scored a late goal for Aston Villa which ultimately sealed Bournemouth's fate. Bournemouth's brand value declined by 32% to €110 million. The club also generated a sizeable loss in 2018-19. Bournemouth's wage bill has risen as they compete to stay in the Premier, resulting in an 85% wage-to-income ratio. Furthermore, media income accounts for 88% of the club's turnover, making them very vulnerable now they have been relegated. Bournemouth's stadium has a capacity of just 11,000 – little surprise that matchday income contributes just 4% to the club's revenues. The club is now 100% owned by Russian businessman Maxim Demin.

In winning 19 major trophies in the past decade, Celtic have strengthened their position at the top of Scottish football, but their brand value was down by 25% to €110 million. Financially, Celtic are way ahead of its domestic rivals, with a wage bill double their nearest challenger, but they struggle to keep pace with Europe's top clubs. They have participated in the group phase of the UEFA Champions League five times in eight seasons, but have yet to reach the latter stages of the competition. Celtic have secured a kit deal with Adidas that represents one of Scottish football's biggest ever sponsorship deals. Celtic's finances are healthy and they regularly draw almost 60,000 people to their Glasgow stadium.



49



BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



F.C. Zenit St Petersburg



Zenit have emerged as Russia's leading club, largely thanks to the support of energy giant Gazprom. The club's brand is impacted by claims of racism but Zenit is also involved in a lot of charitable initiatives, notably for COVID-19 victims. There is also a willingness to explore new avenues, such as the partnership with eSports company Konami and also the use of facial recognition technology at the Gazprom Arena, which will be one of the Euro 2021 stadiums. While Zenit are regular participants in UEFA competitions, Russian clubs invariably struggle to compete with European clubs that benefit from lucrative commercial and broadcasting revenues. Brand value declined by 14% to €100 million and brand strength fell by 9%. A second successive Russian league title in 2019-20 should help to restore some vigour to their brand.

50



BRAND VALUE



BRAND STRENGTH



BRAND RATING



ENTERPRISE VALUE



MANAGER



FOUNDED



SHIRT SPONSOR



ANNUAL VALUE 2020



KIT MANUFACTURER



ANNUAL VALUE 2020



Real Betis

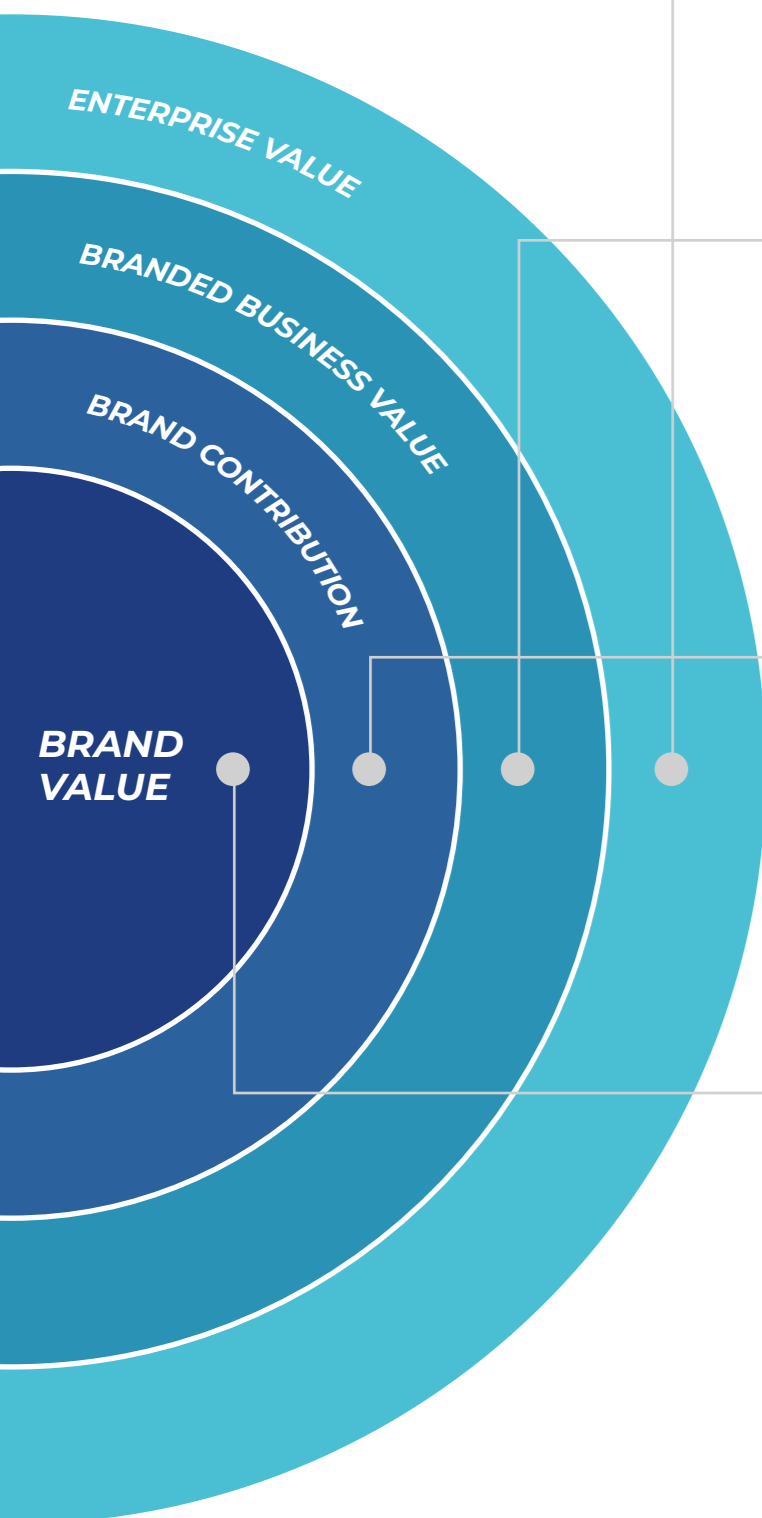
After Spain's big three, Real Betis, from the city of Seville, attract the biggest crowds in LaLiga. Renowned for their passionate fans, Betis are arguably one of the country's underachievers, with just one league title win to their name. The club is aiming to build a more global franchise and has targeted North America, notably the US and Mexico, as markets that could support brand expansion and attract global sponsors. The club is currently benefitting from a three-year shirt sponsorship deal with foreign exchange broker easyMarkets. Real Betis have been on a steady growth trajectory in recent years, but they are striving for regular participation in European competition, both to increase visibility and leverage UEFA revenue streams.





Methodology

Definitions



- [City Football Group]

+ Enterprise Value
The value of the entire enterprise, made up of multiple branded businesses.
 Where a company has a purely mono-branded architecture, the 'enterprise value' is the same as 'branded business value'.
- [MCFC]

+ Branded Business Value
The value of a single branded business operating under the subject brand.
 A brand should be viewed in the context of the business in which it operates. Brand Finance always conducts a branded business valuation as part of any brand valuation. We evaluate the full brand value chain in order to understand the links between marketing investment, brand-tracking data, and stakeholder behaviour.
- [MCFC]

+ Brand Contribution
The overall uplift in shareholder value that the business derives from owning the brand rather than operating a generic brand.
 The brand values contained in our rankings are those of the potentially transferable brand assets only, making 'brand contribution' a wider concept. An assessment of overall 'brand contribution' to a business provides additional insights to help optimise performance.
- [MCFC]

+ Brand Value
The value of the trade mark and associated marketing IP within the branded business.
 Brand Finance helped craft the internationally recognised standard on Brand Valuation – ISO 10668. It defines 'brand' as a marketing-related intangible asset including, but not limited to, names, terms, signs, symbols, logos, and designs, intended to identify goods, services or entities, creating distinctive images and associations in the minds of stakeholders, thereby generating economic benefits.

EFFECT OF A BRAND ON STAKEHOLDERS



BRAND STRENGTH

Brand strength is the part of our analysis most directly and easily influenced by on pitch performance, publicity, and brand management. In order to determine the strength of a brand we have developed the Brand Strength Index (BSI). We analyse perfor-

mance in three key areas: Marketing Investment, Stakeholder Equity, and finally the impact of those on Business Performance. Metrics within these categories include: stadium capacity, squad size and value, social media presence, on pitch performance, fan satisfaction, fair-play rating,

stadium utilisation and revenue. Following this analysis, each brand is assigned a BSI score out of 100, which is fed into the brand value calculation. Based on the score, each brand in the ranking is assigned a rating between AAA+ and D in a format similar to a credit rating.

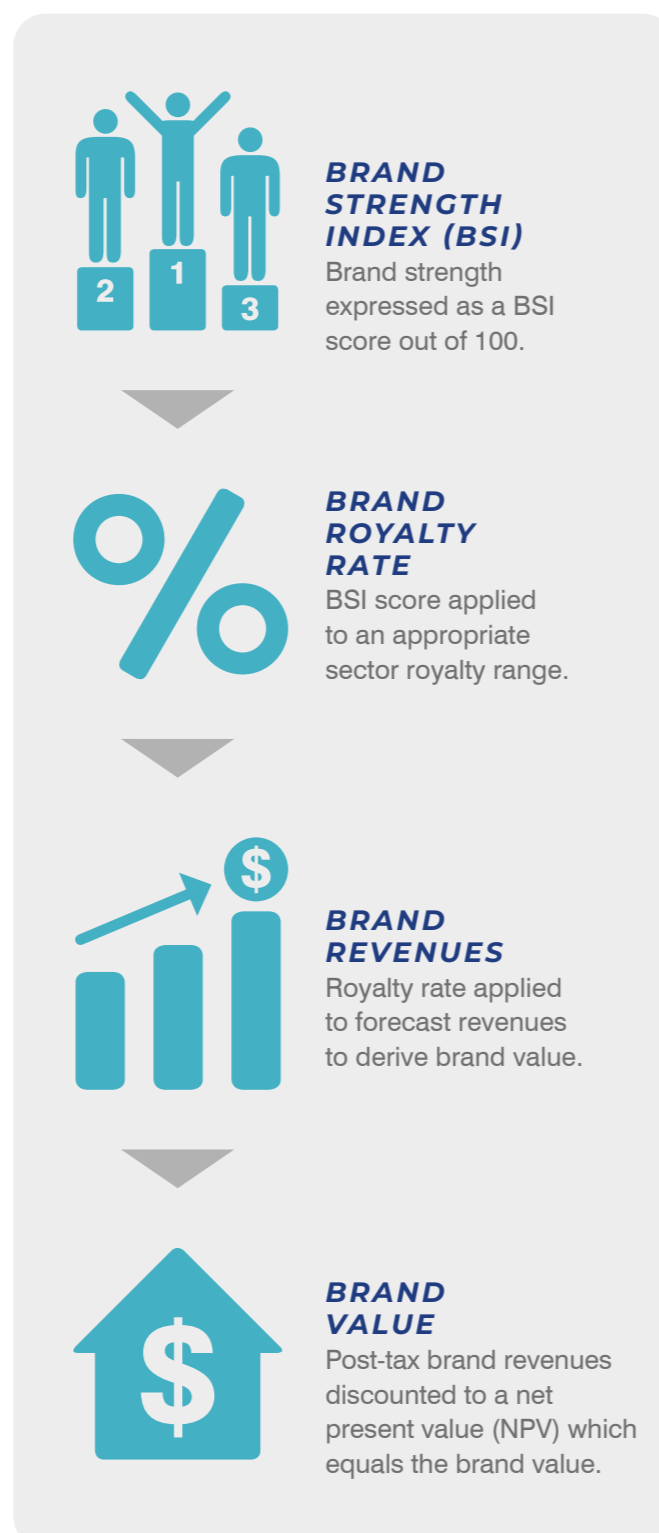
Brand Value Methodology

Brand Finance calculates the values of the brands in its rankings using the Royalty Relief approach – a brand valuation method compliant with the industry standards set in ISO 10668.

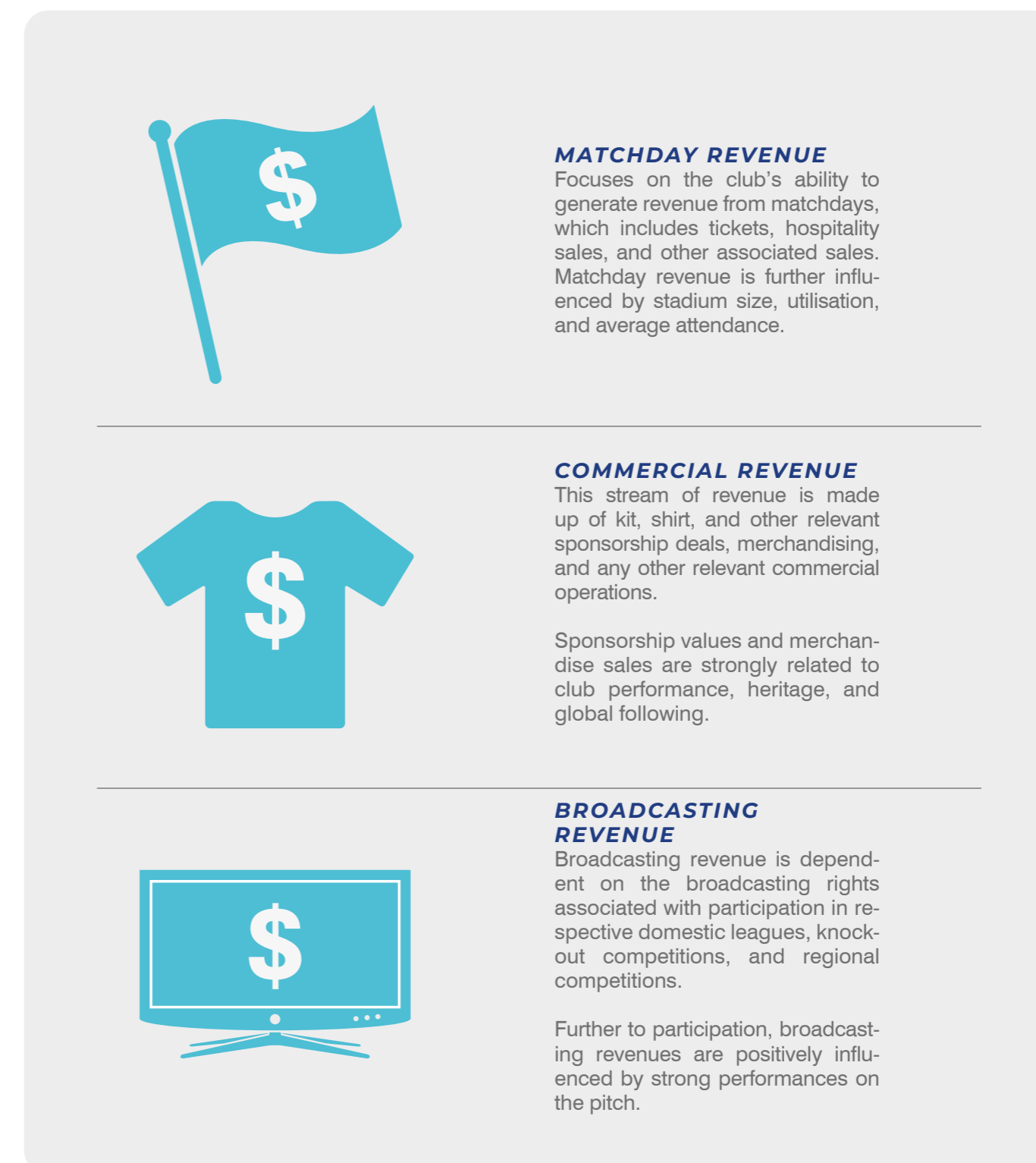
This involves estimating the likely future revenues that are attributable to a brand by calculating a royalty rate that would be charged for its use, to arrive at a 'brand value' understood as a net economic benefit that a licensor would achieve by licensing the brand in the open market.

The steps in this process are as follows:

- 1 Calculate brand strength using a balanced scorecard of football-related metrics assessing Marketing Investment, Stakeholder Equity, and Business Performance. Brand strength is expressed as a Brand Strength Index (BSI) score on a scale of 0 to 100.
- 2 Determine royalty range. As brand has differing effects on each source of income, revenues are split down into three streams: matchday, commercial, and broadcasting, each with a corresponding royalty range. For instance, due to the greater influence of the brand on sponsorship deals and merchandising, commercial revenues enjoy a royalty range with a higher maximum percentage than broadcasting or matchday revenues.
- 3 Calculate royalty rate. The BSI score is applied to the royalty range to arrive at a royalty rate. For example, if the royalty range is 0-5% and a brand has a BSI score of 80 out of 100, then an appropriate royalty rate for the use of this brand will be 4%.
- 4 Determine applicable football-specific revenues, which can be categorised under matchday, commercial, and broadcasting revenue.
- 5 Determine forecast revenues using a function of historic revenues and expected future performance.
- 6 Apply the royalty rate to the forecast revenues to derive brand revenues.
- 7 Brand revenues are discounted post-tax to a net present value which equals the brand value.



CLUB REVENUE STREAMS AND FORECASTING

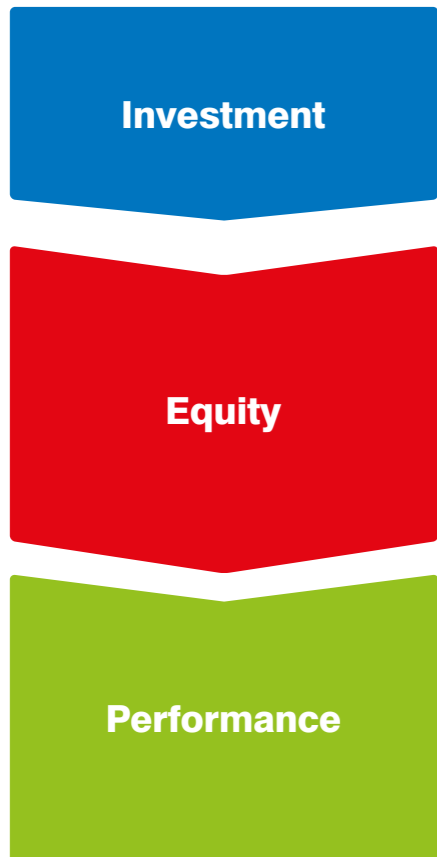


Brand Strength Methodology

Brand strength is the efficacy of a brand's performance on intangible measures, relative to its competitors.

In order to determine the strength of a brand, we look at Marketing Investment, Stakeholder Equity, and the impact of those on Business Performance.

Each brand is assigned a Brand Strength Index (BSI) score out of 100, which feeds into the brand value calculation. Based on the score, each brand is assigned a corresponding rating up to AAA+ in a format similar to a credit rating. Analysing the three brand strength measures helps inform managers of a brand's potential for future success.



MARKETING INVESTMENT

- + A brand that has high Marketing Investment but low Stakeholder Equity may be on a path to growth. This high investment is likely to lead to improved performance in Stakeholder Equity which would in turn lead to better Business Performance in the future.
- Online Following
 - Manager Performance
 - Squad Value
 - Stadium Capacity

STAKEHOLDER EQUITY

- + The same is true for Stakeholder Equity. If a club has high Stakeholder Equity, it is likely that Business Performance will improve in the future.
 - + However, if the brand's poor Business Performance persists, it would suggest that the brand is inefficient compared to its competitors in transferring stakeholder sentiment to economic value.
- FIFA Fairplay Scores
 - Internationally Capped Players
 - On Pitch Performance
 - Global Fan Market Research
 - Club Heritage

BUSINESS PERFORMANCE

- + Finally, if a brand has a strong Business Performance but scores poorly on Stakeholder Equity, it would imply that, in the future, the brand's ability to drive value will diminish.
 - + However, if it is able to sustain these higher outputs, it shows that the brand is particularly efficient at creating value from sentiment compared to its competitors.
- Matchday Attendance
 - Sponsorship Deals
 - Revenues

DATA REFERENCES

BUROHAPPOLD
ENGINEERING

ALLIGATOR



SimilarWeb



Deloitte



OXFORD
ECONOMICS

Bloomberg



Brand Finance Sports Services Team



Richard Haigh
Managing Director



Declan Ahern
Valuation Director



Steve Thomson
Insight Director



Benedict Baigrie
Consultant



Hugo Hensley
Senior Consultant



Jonathan Ong
Analyst

Contacts

For business enquiries, please contact:

Declan Ahern
Valuation Director
d.ahern@brandfinance.com

Richard Haigh
Managing Director
rd.haigh@brandfinance.com

For media enquiries, please contact:

Konrad Jagodzinski
Communications Director
k.jagodzinski@brandfinance.com

For all other enquiries, please contact:
enquiries@brandfinance.com
+44 (0)207 389 9400

For more information, please visit our website:
www.brandfinance.com

linkedin.com/company/brand-finance

twitter.com/brandfinance

facebook.com/brandfinance

instagram.com/brand.finance

