

PREMIER LEAGUE CLUBS HAVE HUGE OPPORTUNITIES TO INCREASE COMMERCIAL REVENUES

Following the close of the January transfer window, and as clubs' commercial departments gear up to acquire new and better sponsorship deals, it is the opportune time to take a look at just how important it is for football clubs to capitalise on their membership of some of the most watched sports leagues in the world.



Deloitte's Football Money League identifies the top 20 richest football clubs. All 20 positions are occupied by clubs that operate within the big five European leagues, with the English Premier League having the largest presence, accounting for 9 of the 20 places.

The value of broadcasting rights plays a significant contribution to overall revenue, with Deloitte's Football Money League reporting that of the €8.3bn generated in revenue in 2017/18, 43% resulted from broadcasting revenue. We are however beginning to see the value of these cycles for most of the big European leagues, with the possible exception of Germany's Bundesliga, somewhat plateau, resulting in a greater onus being placed on the clubs to drive revenue growth through their own individual activity, namely through commercial partnerships and match day revenue.

"The value of clubs leveraging their membership in this way cannot be understated or underestimated."

The Premier League is the most watched sports league in the world, broadcasting in 212 territories to 643 million homes and with a potential TV audience of 4.7 billion people. It seems only logical that clubs who occupy a much coveted 1 in 20 place in this league should and would capitalise on this membership - and some do.

Occupying the third spot in Deloitte's Football Money League, and with sponsorship deals generating 47% of their £590m revenue generated in the 2018 financial year, Manchester United is an example of how Premier League clubs can leverage their position to generate greater revenue. How

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While the default position of many clubs and likely many sponsors is to attribute a value to a partnership deal based on the number of 'eyeballs' the club can generate for the sponsor, this is a somewhat subjective and unsophisticated approach. By using our unique and specially cultivated algorithms Carteret Analytics is able to determine a commercial intrinsic value for each club, and build a bespoke commercial 'Playbook' for each club to make it more attractive to potential and current sponsors and ultimately increase commercial revenue significantly for the club.

The main focus of our commercial analytics team is to "cut out all the noise" by determining the correct data to analyse, and transforming it to make it incredibly attractive for sponsors. We

"This is not theoretical science, it is a real solution that provides demonstrable financial results."

take the current databases, identifying what we refer to as 'data-lines' and segment them into specific objective metrics that are extremely valuable to sponsors, with a maximal propensity to spend. This demonstration of how a partnership with that club can ultimately lead to an increase in

the data-lines propensity to spend on that sponsor's products, and creates a unique competitive advantage that will ultimately result in 'Bigger, Better and More' sponsorship deals and an increase in the club's presence, both nationally, but more importantly, globally.

The value of clubs leveraging their membership in this way cannot be understated or underestimated. By utilising our sophisticated algorithms, enabling us to ascertain the intrinsic value of the club and its data, clubs can generate greater commercial revenues, which in turn allows for the reinvestment in and development of the club. There is significant untapped potential here, and with the assistance of Carteret Analytics, creating better, more sophisticated and self-sufficient systems, clubs can really begin to reap substantial rewards.

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