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The development of the market values of football clubs in the five major European leagues from September 2019 to September 2023

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Abstract:

The study aimed to identify the development of the market values of football clubs in the five major European leagues (Premier League, LaLiga, Serie A, Bundesliga, Ligue 1) from the beginning of September 2019 to the beginning of September 2023. We have concluded that these leagues have already been negatively affected to varying degrees by the Covid-1 pandemic, and there are varying capabilities among them to recover from this decline, as well as being affected by the movement of players, especially stars, whether arriving or leaving, as well as the volume of investments and television rights that provide good incomes for them. The Premier League model is also the most successful of these leagues.

Keywords: development - market values - football clubs - players - the five major European leagues.

1-Introduction:

Sports economics studies have occupied the attention of many researchers in recent years because of their major role in the economies of countries. It cannot be isolated from the variables surrounding it, as it is affected and influenced by them (Li & Mateos, 2022). Today we find that sports contribute to the added value of many countries, reaching 3% in South Korea, 2.9% in the United Kingdom and France, and 2.50% in Japan (Chenchen.Lv et al., 2022), sports today are no longer just recreational or therapeutic activities, but rather have become a fertile field for investments by major global companies and investors (METELSK, and all. 2022.). Today, we also find many European football clubs listed on stock markets, which is important for increasing the competitiveness and performance of these sports clubs and attracting investors (Floros, 2014), and openness to strategic investors, internal or

external, has had a positive impact on raising the market values of sports clubs (Rohde). & Breuer, 2017) and (Metelski, 2023) pointed out that the budgets of the best football clubs are constantly growing and the values of the best players are also increasing due to the increasing amount of money in this sport. Gerhards & Mutz (2017) also pointed out that among the most important indicators of the success of sports teams we find the monetary value of the team, expressed in its market value in addition to other factors.

Many recent studies have also proven that there is a relationship between the market values of sports clubs and their sports performance, as (Klobučník et al. , 2019) indicated that many sports clubs with market capitalization also have high sports performance in general, despite some exceptions, and (Scelles & Khanmoradi, 2023) also found in his study that market value has a significant positive impact on the size of the club's performance, as (Klobučník et al. , 2019) also in his study to the existence of a high positive statistical link between the sports performance of the club and its market value.

there is also a relationship between the market value of the club and the players. Majewski (2016) concluded in his study that the sports club can affect the market value of the players. According to (Scelles et al. 2020), the increase in competition is due to the participation of the best players and the high level of the game, as well as larger audiences and international broadcast rights in various countries of the world. (Müller et al., 2017) also pointed out that many studies have proven that the market value of sports clubs has a high correlation with the actual transfer fees of players, whose market value in turn is affected by their performance on the field (Majewski, 2016). (Scelles & Khanmoradi, 2023) indicated in his study that the market values of sports clubs are affected by both the arrival and departure of players. It may also involve the sporting public in the process of evaluating the market values of these players (Herm and all. 2014).

The European model is one of the most successful global models that can be studied in terms of market values to benefit from them by sports clubs around the world, especially the clubs of the five major football leagues, which will be the subject of this study by studying their development in recent years from the beginning of September 2019 to the beginning of September 2023 according to many variables, including the club's impact on the Covid-19 pandemic, as well as the results of sports clubs in their local and continental championships.

2-Methods

Methodology: Due to the nature of the subject, the researcher adopted the descriptive approach in his study.

Simple of study: The study simple represented The five major football leagues in Europe (Premier League, La Liga ,Serie A ,Bundesliga ,Ligue 1) .

Time domain: from the beginning of September 2023 to the end ending of January 2024.

3- results:

Table No. 01: Shows the development of the market values of the five major European football leagues from September 1, 2019 to September 1, 2023:

Value	Spt 1 ,2019	Spt 1 ,2020	Spt 1 ,2021	Spt 1 ,2022	Spt 1 ,2023
Premier League	€8.38bn	€7.68bn	€8.09bn	€8.37bn	€10.45bn
LaLiga	€5.66bn	€5.23bn	€4.82bn	€4.73bn	€4.68bn
Serie A	€4.90bn	€4.72bn	€4.82bn	€4.61bn	€4.67bn
Bundesliga	€4.23bn	€3.94bn	€4.08bn	€3.95bn	€4.09bn
Ligue 1	€2.93bn	€2.96bn	€3.36bn	€3.31bn	€3.48bn

Source: ww.transfermarkt.com

From the above table we find that:

The Premier League continued its dominance in terms of market value over the rest of the other European leagues, with a wide margin of more than double, with a market value reaching €10.45bn in September 2023, while LaLiga came second with a market value reaching €4.68bn in the same period. Serie A came third. With a slight difference from the Spanish League, with €4.67bn, while the Bundesliga came fourth with a market value of €4.09bn, and fifth, we find Ligue 1, with a value of €3.48bn.

Referring to the development of these market values, we find from September 1, 2019 to September 1, 2023 (with this period including the Covid-19 pandemic and its negative impact on market values), we find:

Premier League recorded a growth overall in the above-mentioned stage by 24. 70%, where the market value was €8. 38bn to rise to €10. 45bn, an increase of €2. 07bn, this value recorded a decrease in September 2020 to reach €7. 68bn from its value in September 2019 and after it was €7. 6bn at the beginning of February 2020 due to its impact on the Covid-19 pandemic that swept the world and disrupted various sports activities in general and football in particular, as well as the disruptions suffered by Premier League due to television broadcasting rights resulting from the suspension of matches and also Players' wages and market values are affected at this

stage. The market value at the beginning of September 2021 reached €8.09bn and €8.37bn at the beginning of September 2022, which is almost the same market value as September 2019, as we find that the market value of Premier League took almost three years after being affected by the Covid-19 pandemic to return to its tribal market value. In September 2023, it increased by €2.08bn in one year to €10.45bn, primarily due to the quality of Premier League players such as Haaland, as well as the television rights that have set records in recent years to transmit their matches, as well as the great competition they are witnessing between the major teams, as well as the ability of English sports clubs to win the Champions League three times in the last four years, namely Liverpool 2019, Chelsea 2021, Manchester City 2023 (skynewsarabia. 2023). We also record the dominance of English clubs in terms of market value over the rest of the clubs of the top five leagues (which we will present in the next component).

- LaLiga continued to occupy second place in terms of market value, but unlike the Premier League, its market value could not recover in the period extending between September 2019 (€5.66bn) and September 2023 (€4.68bn), but rather it continued to decline, after it was in September 2020 (€5.23bn) and also decreased in September 2021 to reach (€4.82bn) and then (€4.68bn) in early September 2022. This is due, in addition to the remnants of the Covid-19 pandemic, to the migration of the stars of the Spanish League, most notably the Portuguese Cristiano Ronaldo and the Argentine Lionel Messi, and we all know the extent of the great competition that was between the players in the stadiums and the broken numbers annually, which also moved outside the green rectangle in the field of marketing, advertising and publicity..., as well as the lack of competitiveness between Spanish sports clubs and the lack of sports passion despite the results achieved by LaLiga clubs such as Real Madrid and Sevilla. Especially in European championships (European Champions League, European Union).

Thirdly, Serie A was replaced with a market value of €4.67bn in September 2023 after €4.90bn in September 2019 was down by about €0.23bn. Following the trend of annual market values at the beginning of September, we find that the value decreased in 2020 to €4.72bn to rise slightly in 2021 to €4.82bn to decline again by trying €0.21bn in one year, and rising by €0.06bn in the following year, and therefore we find that Serie A is less affected than the Premier League during the Covid 19 pandemic, as well as less recovered after it and his clubs could not achieve European titles in recent years, as the last title of an Italian club in the Apcal Europa Inter League Milan in 2010.

-Fourth, Bundesliga came with a current market value of €4.09bn at the beginning of September 2023, after it was also €4.23bn less recovered after that and his clubs

could not achieve European titles in recent years, as the last title of an Italian club in the APCAL Europe League dates back to Inter Milan in 2010. Which means a decline in the value of €4. 23bn. Referring to the curve of the development of market values, we find that there is a fluctuation in these values, as they rise in one year and fall in the following year, as after it fell in September 2020 to €3. 94bn, it rose again in September of the next year 2021 to €4. 08bn, then decreased in September 2022 to €3. 95bn, to rise again in September 2023. This comes in light of the low performance of German clubs in general and the absence of the big stars from this league, and the focus of other clubs on training and selling their brightest stars such as Leipzig and even Borussia Dortmund, which could not keep its star Haaland, who is having good seasons in the Premier League with Manchester City.

Fifth, we find the French league Ligue 1, which was the only one of the five major leagues that maintained an almost upward curve (except for 2022) based on market values recorded at the beginning of September, as its current market value reached €3. 48bn after it was €3. 31bn at the beginning of September 2022, 3. 36bn at the beginning of September 2021, €2. 96bn at the beginning of September 2020, and €2. 93bn at the beginning of September 2019. Calculating the difference between 2019 and 2023, we find that there is an increase of €0. 55bn and looking at the market values of sports clubs, we find that Paris Saint-Germain is the highest and superior to French clubs (we will address it in the next element)

2- The development of the market values of the top ten clubs in the top five major football leagues in terms of market value:

Table No. 02: Evolution of the market values of the top ten clubs in the top five major football leagues in terms of market value

#	Club	League	Value Spt 1 ,2019	Value Spt 1 ,2020	Value Spt 1 ,2021	Value Spt 1 ,2022	Value Spt 1 ,2023
01	Manchester City	Premier League	€1.27bn	€1.06bn	€1.04bn	€1.01bn	€1.24bn
02	Arsenal FC	Premier League	€658.75m	€599.35m	€548.50m	€646.50m	€1.15bn
03	Paris Saint-Germain	Ligue 1	€975.50m	€788.65m	€998.95m	€924.45m	€1.04bn
04	Real Madrid	LaLiga	€1.18bn	€1.06bn	€783.50m	€786.50m	€998.00m

05	Bayern Munich	Bundesliga	€866.65m	€839.05m	€852.40m	€846.53m	€930.78m
06	Chelsea FC	Premier League	€794.75m	€880.10m	€881.50m	€810.50m	€925.70m
07	Manchester United	Premier League	€727.25m	€758.10m	€937.25m	€756.80m	€843.30m
08	Liverpool FC	Premier League	€1.07bn	€1.03bn	€879.50m	€865.00m	€797.30m
09	FC Barcelona	LaLiga	€1.16bn	€1.05bn	€686.00m	€793.20m	€784.00m
10	Tottenham Hotspur	Premier League	€979.50m	€721.55m	€697.00m	€657.30m	€705.30m

Source: www.transfermarkt.com

From the table presented above, we find that:

- Six Premier League clubs came in the list of the top 10 clubs active in the five major leagues with market value, namely Manchester City, Arsenal FC, Chelsea FC, Manchester United, Liverpool FC and Tottenham Hotspur, while we find in the list two clubs active in LaLiga, Real Madrid and FC Barcelona, one club from Ligue 1, Paris Saint-Germain, and one club from Bundesliga, Bayern Munich. While the list is devoid of any club from Serie A, where we find that Inter Milan is the first club in terms of market value, came with a value of €513.35m, which is less than the market value of the eighth Premier League, Newcastle United, whose market value came at €603.00m

Manchester City, active in the Premier League, continued to top the list of the highest market value in the five major football leagues with a value of €1.24bn, which is close to the value of the beginning of September 2019, which was €1.27bn, this value had decreased in September 2020 to reach €1.06bn, then €1.06bn in early September 2021 and then €1.06bn in early September 2022 due to the remnants of the Covid-19 pandemic, as well as its failure to win the Champions League title, which was a goal for the club, and the return is due to the rise in The level of the club's market value for the club's success in winning the Champions League title in the summer of 2023, as well as the star players who are active in the club, most notably the Norwegian star Erling Haaland, who came first in the Premier League in terms of market value of €180.00m. The Premier League is also one of the leagues whose champions will be unpredictable, as Szymanski (2016) arguing that sport only

interests consumers when there is uncertainty in results, and that to achieve this a competitive balance between competing teams is necessary.

- Arsenal FC club, second on the list, its market value increased very remarkably, as the club moved its market value in the last year, after it was €646. 50m in early September 2022, it moved to €1. 15bn, an increase that exceeded €450m, which is the highest, and an increase from the value recorded in September 2019 by €491. 25m, as the club has witnessed in recent years a shift in its policy after it was based on the formation and sale of players, today it has a competitive team that includes a number of high-level players.

-Third, we find the club Paris Saint-Germain active in Ligue 1, which came market value €1. 04bn the club's market value approached a third of the market value of Ligue 1 due to the policy of the club's Qatari owners who pumped huge sums of money to promote the club and bring international names in football, the club had succeeded in attracting Argentine star Lionel Messi before moving from it this season

-Real Madrid club came fourth with a market value of €998.00m. The Royal Club's market value decreased from €1.18bn in September 2019, reaching €783.50m in September 2021 and €786.50m in September 2022. Its impact was evident due to the Covid-19 pandemic, as well as the absence of Big stars on the Merengue list, especially after the departure of the Portuguese Cristiano Ronaldo, and the decline in the level of the Belgian Hazard, whom the club was relying on a lot, then rising to about €786.50m in one year after the emergence of many players in the team and the rise in their market values, such as Jude Bellingham the first in market value in LaLiga €180.00m

Fifth, the Bayern Munich club, active in Bundesliga, came with a market value of €930. 78m after its market value increased in the last three years (€839. 05m in September 2020, €852. 40m in September 2021 and €846. 53m in September 2022) after it was €866. 65m in September 2019, the club was then able to raise its market value, especially after it succeeded in signing the English star Harry Kane, whose market value reached €110. 00m, which is the highest value in Bundesliga

-Sixthly, Chelsea FC, active in the Premier League, came with a market value of €925.70m and a development value of approximately €131m compared to its market value in September 2019, which was €794.75m. Chelsea FC is among the clubs that are almost stable in terms of its market value due to its constant competitiveness and also in terms of the value of the players who are active in the club.

Seventh, we find Manchester United Club active in the Premier League also with a market value of €843. 30m, and if we compare the value with the value of September 2019, which was €727. 25m and a development value of more than €116 m, and for

reference, the market value of Manchester United was in September 2021 about €937. 25m, then it fell to €756. 80m in September 2022.

- Eighth, Liverpool FC came as the fifth Premier League club with a market value of €797. 30m at the beginning of September 2023, after it was €1. 07bn in September 2019 after the club won the Champions League in the summer of 2019, and despite a slight decline in its market value in September 2020 (€1. 03bn), but its market value decreased after that to reach €879. 50m in September 2021 and then €865. 00m in early September 2022, the club only has many stars, especially before the start of the current season 2023-2024, similar to Senegalese Mane and Brazilian Verminiho, who moved to the Saudi league.

-Ninth, FC Barcelona came as the second in LaLiga clubs in the list of the top ten with a market value of €784. 00m in September 2023 after it was €1. 16bn in September 2019, the cathlon club was severely affected by the loss of its most prominent stars, headed by Argentine Lionel Messi, the club's history maker with his many contributions to his titles, as well as the club's failure to achieve the Champions League title since 2015.

-Tenth came Tottenham Hotspur Club, which is the sixth Premier League club in the list, despite the decline in the club's market value to €705. 30m at the beginning of September 2023 after it was €979. 50m at the beginning of September 2019, but the club still maintains its presence in the list of the ten largest European in terms of market values and is mainly due to the great competitiveness of the club locally and in Europe, as well as the value of the players who are active in the club.

4- Conclution :

Through this study, we found that the five major leagues of European football have already been negatively affected to varying degrees by the Covid-19 pandemic affected by the suspension of sports activities at the beginning of 2020 and that are varying capacities between the leagues and their active clubs to recover from this decline.

The movement of players, especially the stars, also affected the leagues whether arriving or leaving, such as the departure of the stars of Real Madrid and Barcelona Cristiano Ronaldo and Lionel Messi, and the Spanish league was affected by their departure in terms of following fans as well and the decline in television views.

The volume of investments and television rights that provide good incomes also affects it. The Premier League model is also the most successful of these leagues.

Referring to the statistics presented in the Premier League and the clubs active in it dominated the market values of the five major leagues.

- We also conclude that winning one of the major titles, led by the Champions League, has a significant impact on the market value of clubs.

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