

THE FANS' VIEW ON COMPETITIVE BALANCE IN FOOTBALL LEAGUES

Each issue of UEFA-direct features a summary of a research project funded by the UEFA research grant programme. In this issue, Tim Pawlowski presents his research.



Tim Pawlowski is a professor of sports economics at the University of Tübingen. His research interests include the economics of league competitions and economic analysis of sports demand. He has conducted research projects for organisations such as the federal ministry of finance, the Hamburger Sport-Verein (HSV) and Major League Soccer (MLS).

His research has been published in journals such as Applied Economics and the Journal of Sports Economics.

Regulations governing salaries (such as the salary caps in the North American major leagues) and redistribution schemes (such as the redistribution of media revenues in European football) are common practices in professional sports leagues. The main reason for this is the desire to maintain a certain degree of competitive balance. This seems to be important, since the “uncertainty of outcome hypothesis” suggests that increasingly unbalanced sports competitions have the potential to negatively affect fans’ interest and, as a result, stadium attendance levels and TV audiences.

However, in European professional football, studies seldom prove that more tickets are sold when both teams have roughly equal chances of winning. Moreover, various studies show that football fans are even attracted by matches where the away team is the favourite (probably motivated by the opportunity to see top players and/or an upset). Furthermore, over the longer term, aggregate attendance levels have actually risen in some football leagues (e.g. those of Germany and England), even as those leagues have increasingly become dominated by a small number of teams over the last ten years.

At first glance, such findings suggest that competitive balance is of minor importance for football fans in Europe. This would clearly challenge the relevance and necessity of introducing more regulations in football with the aim of achieving more balanced competitions. However, so far, the only thing we really know is that competitive balance is of minor importance for football fans *at present*. Significantly, the question of whether (increasingly unbalanced) football competitions might be at risk of moving into territory where fans’ interest will tail off *in the future* remains unanswered. Clearly, finding an answer to this question is of great importance for the organisers of national leagues, as well as for UEFA. To find an answer, we first need to better understand fans’ views and perceptions regarding competitive balance.

This study therefore examines the relationship between perceived competitive balance in three European football leagues and fans’ intention to go to the stadium or watch a

match on TV. The data used was collected from 1,689 football fans in Germany, Denmark and the Netherlands by means of a written survey conducted in cooperation with local partners.

The results demonstrate that there are three different dimensions to football fans’ views regarding competitive balance, and that their perception of the level of balance does indeed vary across these short, medium and long-term dimensions (as illustrated in the figure), as well as across leagues. Significantly, around 70% of fans reported that they do care about competitive balance. Further analysis confirms that we might be close to the point where an increase in competitive imbalance could lead to a decline in fans’ interest in some football competitions in Europe.

Further details can be found here:
 Pawlowski, T. (2013). *Wettbewerbsintensität im Profifußball - Eine empirische Untersuchung zur Bedeutung für die Zuschauer*. Wiesbaden: Springer-Gabler Research. ISBN: 978-3-658-00210-7 (<http://www.springer.com/springer+gabler/bwll/book/978-3-658-00210-7>)
 Pawlowski, T. (2013). *Testing the uncertainty of outcome hypothesis in European professional football - A stated preference approach*. *Journal of Sports Economics*, doi: 10.1177/1527002513496011. ●

Thinking back over the last few seasons, what is your opinion of the league?

(1 = I do not agree... 4 = I agree completely)

