

# Resource dependence in football clubs: An analysis of the interplay between capital gains from athletes and media revenues in Italian Serie A League

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## Abstract

This study delves into the financial strategies of Italian Serie A football clubs, focusing on the relationship between revenues obtained through the sale of players' tags and those from broadcasting and media rights. Using Resource Dependence Theory (RDT) as lens, this research aims to understand how clubs strategically manage these two critical revenue streams amidst external pressures and dependencies. The analysis of balance sheet data, from nine clubs over eight seasons, reveals a significant negative correlation between the two variables for “long-lasting” clubs, suggesting a potential shift in response strategies to external market conditions, while it finds different results from incoming and/or growing ones. Findings offer insights for stakeholders in the football industry, emphasizing the need for agile management and governance structures.

*Keywords:* Resource Dependence Theory, Football Clubs, Serie A, Capital Gains, Media Revenues, Financial Strategy.

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## Riassunto

Lo studio esamina le strategie finanziarie delle società calcistiche italiane di Serie A, concentrandosi sul rapporto tra i ricavi ottenuti attraverso la vendita dei c.d. cartellini dei calciatori e quelli derivanti dai diritti radiotelevisivi e dei media in generale. Utilizzando la Resource Dependence Theory (RDT) come framework di riferimento, la ricerca analizza la gestione strategica, di questi due flussi di entrate, da parte dei club rispetto a pressioni e dipendenza da fonti esterne. L'analisi dei dati di bilancio, di nove squadre in otto stagioni, rivela una significativa correlazione negativa, tra le due variabili, per i club "di lunga permanenza", suggerendo un potenziale cambiamento nelle strategie quale risposta alle condizioni del mercato esterno, mentre trova risposte diverse nel caso delle squadre neoentranti e/o in crescita. I risultati offrono spunti interessanti per i diversi stakeholder del settore calcistico, evidenziando la necessità di strutture agili sia di management che di governance.

*Parole chiave:* Resource Dependence Theory, squadre di calcio, Serie A, plusvalenze, ricavi dai media, strategia finanziaria.

## 1. Introduction

As a global sport, football<sup>1</sup> has been evolving into a multi-billion-dollar industry (Deloitte, 2023), with clubs operating in elite leagues like Serie A (the first division of Italian professional football) dealing with multifaceted challenges. These clubs, in addition to seeking success on the field, must also navigate a complex financial landscape. Indeed, the peculiar nature of managing a professional sports club, especially a European football one, demands paying simultaneous attention to two interdependent aspects: sporting and financial goals (Ratten, 2021). The former, that is, results on the field, if achieved, can favor the inflow of capital (e.g. from broadcasting and media rights, sponsorships, ticketing) that improves the club's economic-financial condition; the latter, in terms of recorded profits, allows the club to be able to invest (e.g. in better athletes and technical staff, more advanced sports equipment and infrastructure), thus directly influencing the possibility of achieving better sporting results.

Thereby, the present research focuses on the interplay between two really important revenue streams for Serie A clubs: revenues from the sale of players' contracts before their deadlines (commonly known as surpluses from the "selling of tags") and revenues from the sale of broadcasting and media rights. Using Resource Dependency Theory (RDT) (Pfeffer and Salancik,

<sup>1</sup> Intending, with the term football, the sport governed by FIFA, and called soccer in North America.

1978; 2003) and relying on a quantitative approach to analyze the relationship between the two aforementioned variables, of nine clubs that played in the Italian Serie A during eight consecutive seasons (from 2013-2014 to 2020-2021), we aim to explore the existence and the nature of the relationship between the two selected revenue streams, trying to shed light on the strategic financial decisions made by clubs in response to external pressures and dependencies, by answering the following research question:

*RQ: Whether and how principles of the Resource Dependence Theory explain the ways in which Italian Serie A football clubs manage the relationship between the two critical resources coming from the sale of players' tags and the sale of media rights.*

Essentially, then, the present paper aims to contribute to the literature by using an exploratory inquiry, which was considered particularly suitable for venturing into relatively uncharted territory, useful for applying the RDT in a new context – namely, the professional sports industry and, more specifically, the management of football clubs – where its application has been rather limited so far (Unsal, 2023). Moreover, the paper's contribution also lies in providing an analysis that investigates the interplay between the key revenue sources of first-tier Italian football clubs – so far investigated only in isolation – and highlighting their strategic importance for the economic sustainability of the teams (Morrow, 2004). Ultimately – by filling these gaps and offering insights into how football clubs, as organizations, adapt their strategy upon the available resources and the external context – we broaden the stream of research focused on the management and governance of top-level sport clubs, with an exploratory work that paves the way for further investigations into their complex and unique functioning.

## **2. Background**

### *2.1. Resource Dependence Theory*

Resource Dependence Theory (RDT) has been a cornerstone in organizational studies since its inception by Pfeffer and Salancik (1978). The theory, in order to explain organizational processes and structures (Nienhüser, 2008), posits that scarce resources or uncertainty, push organizations to try to acquire them precisely with the purpose of reducing uncertainty (Yeager *et al.*, 2014). Organizations, in fact, often depend on resources and assets that they are unable to self-generate, such as raw materials, funding, human capital,

and information (Hall and Tolbert, 2008). For this very reason, they must engage in exchanges with other organizations in their environment or sector (Ortlieb and Sieben, 2008), understanding that the degree of dependence on a particular resource influences the amount of power the external entity wields (Davis and Cobb, 2010). In response to this condition, organizations must seek to modify their dependency relationships by employing various strategies – such as forming alliances or diversifying resource inputs – in an attempt to gain more control and autonomy, thereby reducing uncertainty over the supply of critical resources (Barney, 1991). Thus, the theory emphasizes power dynamics, both among organizations – suggesting they aim to minimize dependencies and maximize autonomy (Casciaro and Piskorski, 2005; Malatesta and Smith, 2014) – and between the organizations themselves and the environment in which they operate and interact, because the environment influences and affects their margins of action (Hillman *et al.*, 2009). In fact, only by being able to manage, according to their specific needs, the two balances mentioned above, organizations of the most diverse kinds can succeed in the intent of autonomously control their own operations but also achieve and maintain a certain desirable standard of efficiency (Ulrich and Barney, 1984).

Considering the statement by Ozturk (2021) about the necessity to analyze the issues of the sub-topics included in the empirical studies on RDT, we reflected on the fact that sports, and professional football clubs in particular, can potentially provide a fresh perspective.

Indeed, football clubs, are multifaceted organizations which grapple with diverse revenue streams, each presenting its own set of challenges and opportunities (Scelles *et al.*, 2013). By applying RDT, we can gain a deeper understanding upon whether and how clubs strategically manage these resources, especially when external market conditions fluctuate (Slack and Hinings, 1994). The importance of comprehending the resource dependencies of sports organizations, investigating their need for strategic management to ensure economic sustainability and success, lies precisely in the peculiar characteristics that distinguish them (Winand *et al.*, 2010). Within professional football, stakes are high, and the environment is dynamic, even more than in any other sport. Therefore, investigating into these dependences becomes even more crucial (Dobson and Goddard, 2010).

For this very reason, it is rather peculiar that studies which attempt to apply RDT to the complex ecosystem of professional sports remain scarce (Lucidarme *et al.*, 2018; Wicker *et al.*, 2013) and those that use its logic, to capture cues to point out aspects regarding management and governance of sports clubs, are even fewer (Sowe, 2019).

## 2.2 Revenue Sources of Italian Serie A Football Clubs

The financial landscape of professional football – especially that of the absolute elite of the top leagues of England, France, Germany, Italy, and Spain, the so-called “Big Five” – has been undergoing significant transformations over the past few decades. With skyrocketing player transfer fees, lucrative broadcasting deals, and global fan engagement, football clubs operate in a high-stakes environment (Deloitte, 2023). To date, the budget of a ‘Big Five’ football team is mainly based on two sources of revenue: those coming from the sale of TV and media rights and those coming from the sale (surpluses) of players’ contracts before expiry<sup>2</sup>. In the Italian context, this aspect becomes even more relevant, given the scarcity of clubs that own their stadium, thus leading clubs to depend on the two main resources.

Moreover, within the Italian football system, regulated upstream by the national federation (FIGC), the allocation of TV and media rights has been undergone several changes over the last 30 years.

Until 1993, the “Lega Calcio” – a private association, in charge of organizing sports competitions, to which belonged the clubs participating in the first two divisions of Italian professional football affiliated to the FIGC – centrally marketed the TV rights of the two leagues and the other national competitions, equally dividing their respective revenues (Gravina, 2011).

In 1993, the Lega Calcio introduced the distinction between encrypted and free-to-air rights. The Italian system was inspired by the Anglo-Saxon legal institution of encrypted TV rights and thus, since 1993, encrypted rights and free-to-air ones have been introduced. However, subjective rights had introduced as early as 1999. In essence, it was no longer the Lega Calcio to negotiate, but rather the clubs that, independently, managed the marketing of television rights of home matches, being the owners of their TV rights. Therefore, there were no longer centralized negotiations, together with the introduction of public bid auction to market the TV rights to private entities, with the goal of allowing Italian teams to earn more.

However, the new system, which was highly fragmented, resulted in excessive uncertainty about the teams’ revenues. As a result, in 2008, Legislative Decree Number 9 (known as Melandri Law) was introduced (Gravina, 2011). The new regulation, still valid today, extended the ownership of TV rights to the organizers of sporting competitions and events (meanwhile fragmented with the creation of an association for each league), as well as to the relevant participants, namely the clubs.

<sup>2</sup> In the case of some top teams, especially in England and Spain, another important revenue comes from the owned stadium.

In essence, clubs and leagues have now a co-ownership of TV rights, to be marketed in packages, set on a three-year period, that must consider the impossibility of selling live broadcasts exclusively to a single entity. Moreover, the Decree changed the definition of the asset from TV rights to audio-visual rights, thus marking the introduction of a new vision that extends the ownership of the asset to the images of the matches or the partial reproduction of them through all the media (Redazione Milano Finanza, 2023).

If the rights are sold in co-ownership, the distribution of their revenues is divided according to the following agreed rules (Pino, 2022):

1. 50% is equally divided among the 20 clubs participating in Serie A;
2. 30% is distributed on the base of sports results according to the following logic:
  - a. 12% based on the position in the standings at the end of the previous championship;
  - b. 3% from the total points obtained in the previous championship;
  - c. 10% based on the results of the previous 5 championships;
  - d. 5% based on the ranking that considers the overall domestic and international results recorded over time by each club.
3. 20% is allocated according to the catchment area, thus the fans of each club. This percentage is divided into:
  - a. an 8% that considers television audience;
  - b. a 12% that considers paying spectators at the home stadium over the previous three sports seasons.

Furthermore, this mechanism always relies, upstream, on the variability of the total figures on the basis of which the bid is awarded, which depend on numerous factors, starting with the general attractiveness of the sporting spectacle offered by the competition that prompts broadcasters to be willing to invest fluctuating figures. Moreover, an extra and very relevant element must be added to the described scenario. In fact, contributing to the pro-cyclicality of the system is the fact that the FIGC is a member of UEFA (Union of European Football Associations), that is an association that gathers within itself 55 national football associations around the European continent and represents the governing body of European football (UEFA, 2023). This implies that, on the basis of the position reached in the final standings of the national league for a given sporting season, Italian clubs have also the opportunity to participate in one of the three club competitions organized by UEFA and, consequently, to participate in the distribution of revenues from the sale of audio-visual rights regarding the matches of UEFA competitions. The sale of these rights, which, for obvious reasons of attractiveness, generates enormously higher revenues than those obtained by individual national leagues – we are talking about more than 2.5 billion euros for the recent sale

of three-year rights of the most important of UEFA competitions, the Champions League, alone (Dantas *et al.*, 2013) – is centralized and managed independently by UEFA itself, which then divides the amount among the participating teams. The point is that, even in this case, the division of revenues takes place on the basis of a series of factors essentially coinciding with those already discussed with reference to the Italian Serie A: the historical ranking of the teams, the size of the catchment area, the sporting results obtained in the competition – distributing a greater share to those who pass the first phase of the tournament and, therefore, play more matches – all completed, upstream, by a participation prize awarded to those who qualify for the competitions based, as already mentioned, on the position achieved in the standings of their national league in the previous season (the number of places available for each national league is variable and depends on the so-called “UEFA Ranking”) (Redazione Calcio e Finanza, 2023).

It seems therefore clear that this kind of system – beyond the fact that it tends to accentuate pre-existing differences among clubs by favoring those that have a longer history at high levels and a greater fan base – exposes clubs to elements of randomness related to sporting results. For instance, a bad season can cause a sharp decrease in revenues. In short, the sale of TV and media rights represents a very important component that, however, is only partially under the control of each club. It is precisely in this context that Italian Serie A clubs, on the other hand, could influence, in a much more autonomous and direct way, the revenues generated by the sale of their athletes’ tags. In fact, this source of revenue – which appears under the heading “other revenues” in the income statement, and it is often accounted for in a separate section – is based on the fact that players are considered employees, and their contracts are a part of clubs’ personnel expenses (Mancin, 2009). In essence, players are legally employed under the conditions set by Law 91 of 1981, which categorizes them as subordinate workers within a regulated professional sports framework. The rules and recommendations set by the Italian Accounting Board (OIC) classify a player’s registration as an intangible asset, subject to amortization over the contract period, with the player’s transfer price determining capital gains or losses. A transfer becomes a capital gain if the sale price exceeds the player’s book value, or a capital loss if it falls below (Bianchi and Corrado, 2004). A player’s book value at any given time is the original or acquisition cost of his contract minus any amortization that has already been accounted for. The valuation of players thus influences their market price and the resulting capital gains. The OIC provides specific recommendations, incorporating both transfer fees and associated costs, which are instrumental in setting the market value and realizing financial returns on player transfers. Thus, beyond borderline practices

involving the management, sale, and exchange of players' tags (Matesanz *et al.*, 2018), and consequently the interaction or connivance of two or more clubs (Neri *et al.*, 2021), which are not an object of focus in the present work, this source of revenue represents as important a resource for clubs as that coming from the sale of TV and media rights but, unlike the latter, much more controllable and manageable by the clubs themselves.

### 3. Methodology

To address our research question, we used a quantitative approach analyzing the budget data of nine Serie A clubs for eight consecutive sports seasons from 2013-2014 to 2020-2021<sup>3</sup>. The variables of interest were the percentage incidence of revenue from the sale of a player's tags (or surplus) on total revenue and the percentage incidence of revenue from broadcasting and media rights on total revenue (Andreff, 2018).

The first stage of our analysis focused on calculating the correlation coefficient between the variables for each team. Given the results obtained, we then examined in detail the relationship between the two variables, using a linear regression for each team and looking at the coefficients, the intercept, and the R-squared value, to test the fit of the model to the data, and the P-value to understand the significance of the coefficient.

The used data are the results of elaborations carried out by consulting the balance sheets of the clubs, included in the study, and given by them publicly available via web. In this regard, it should be clarified that the choice of the 9 clubs considered was justified by the need to include in the analysis, teams that had played in the Serie A championship for the entire period under investigation (all 8 sporting examined seasons)<sup>4</sup>. This time period, in turn, was deemed long enough to allow us to work with statistically significant data, and also useful to take into analysis what happened before and after the severe shock caused, even in the football industry, by the Covid-19 pandemic.

As for the tools used, the analyses were performed with the support of Stata, a statistical software widely used for data analysis both in academia and by companies, and the graphical outputs – with particular reference to Figure 1 – were generated with the help of Adobe Illustrator, a well-known image processing and vector graphics software.

<sup>3</sup> Actually, the latest available ones, considering that results of 2021-2022, set within 2022 balance sheets, are not fully publicly available yet.

<sup>4</sup> Another aspect was obviously related to availability of data. We indeed could not find all the data for Fiorentina, Bologna, and Udinese, so we could not consider them.



## 4. Results

The calculation of the correlation coefficient between the percentage incidence of capital gains from the sale of players' tags on total revenues and the percentage incidence of revenues from broadcasting and media rights on total revenues, for each team, is shown in Table 1. For only two clubs – Atalanta Bergamasca Calcio and U.S. Sassuolo Calcio – the response is almost nonexistent and for A.C. Milan it is not so significant.

Otherwise, results clearly show that the teams have a negative correlation between the two variables, suggesting that, in general, when the incidence of capital gains from the sale of players' cards increases, the incidence of revenue from broadcasting rights tends to decrease, and vice versa.

*Table 1 – Correlation coefficient between the percentage incidence of capital gains from the sale of players' tags on total revenues and the percentage incidence of revenues from broadcasting and media rights on total revenues for the 9 teams considered*

<i>Football Club</i>	<i>r</i>
A.C. Milan	-0.1373
A.S. Roma	-0.8457
Atalanta Bergamasca Calcio	0.0089
F.C. Internazionale Milano	-0.6732
Juventus F.C.	-0.8916
S.S. Lazio	-0.9034
S.S.C. Napoli	-0.9151
Torino F.C.	-0.9793
U.S. Sassuolo Calcio	-0.0084

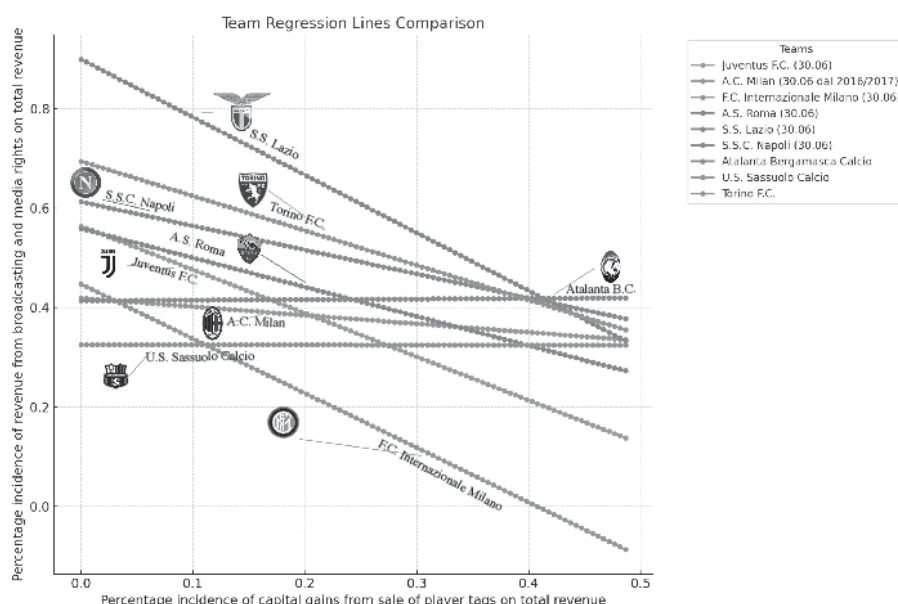
In light of this, as mentioned above, we decided to proceed with a linear regression analysis for each club. Clearly, for the three aforementioned teams, the P-value was not statistically significant, thus indicating that we cannot prove, for them, a relationship between the two variables.

However, for all the other examined clubs, the statistically significant P-value (less than 0.05) confirms the strong and significant negative correlation between the two variables. In teams such as Juventus F.C., A.S. Roma, S.S. Lazio, S.S.C. Napoli, Torino F.C., and to a lesser extent, F.C. Internazionale Milano, there is a significant negative correlation between capital gains and revenues from broadcasting rights. Those clubs, facing external pressures, might prioritize immediate capital gains over potential future media revenues (Stenheim *et al.*, 2020).

Figure 1 below reports in a single Cartesian axis – in which the x-axis is represented by percentage incidence of capital gains from sale of player tags on total revenue and the y-axis by percentage incidence of revenue from

broadcasting and media rights on total revenue – all the regression lines calculated with the purpose of providing an overview that clarifies in detail what has been explained. To consult the graphical output with ease, keep in mind that: each team’s regression line is plotted with a unique color, markers have been added to the lines to improve visibility, individual team logos have been added to further facilitate the reference of the figure. The results of the regression analyses performed, and shown in their entirety in Figure 1, confirm and model the relationship between the two considered variables more precisely, showing how they change in relation to each another.

Figure 1 – Graphical representation, in a single Cartesian axis, of the regression lines related to each of the 9 teams considered



Basically, then, the results shown highlight a clear trend in the performance of revenues from TV and media rights and those from the sale of players’ registration cards, in relation one to the other, for almost all of the clubs included in the study. However, in order to get into the strategic and operational management of the various teams, their revenue sources, and the circumstances that influenced the recorded relationship thus going beyond the “simply” completed statistical analyses it is necessary to take an additional step able to link the results with RDT principles thus addressing our research question. We therefore proceed to complete such a step – which requires a

deeper dive into the context regarding the managerial choices of each club – by resorting to qualitative and historical data, as described in the following section.

## 5. Discussion

Diving deeper into the case of each club aiming at, as mentioned above, to place the results of the statistical analysis within the actual context in which they were recorded we start with those for which was recorded a strong negative relationship between the two variables.

The case of A.S. Roma, one of the two main football clubs in the Italian capital, shows how the sale of key players' tags that yielded significant capital gains, such as that of Egyptian Mohamed Salah in 2017, took place during periods when, despite its constant and historical presence in Serie A, the club needed to compensate for lower revenues from TV and media rights, reducing dependence on external factors and balancing its key revenues on a level playing field by ensuring a more sustainable, but still suboptimal, financial stability, regardless of sports results.

The case of Rome's other main club, S.S. Lazio, also highlights an approach branded by strategic player sales during periods of lower media revenue, which aligns with the tenets of RDT and highlights the attempt to balance the uncertainties of sports performance with financial stability through careful resource management.

The cases of Juventus F.C. and S.S.C. Napoli are somewhat intertwined. In fact, Juventus' dominance in the Italian first division league, which lasted for practically the entire observation period (look at the graph in the appendix), and the excellent results it achieved also in the UEFA Champions League for several of the sports seasons considered (arriving twice at the finals), allowed the Turin club to have large amounts of capital from TV and media rights, invested in the market with the acquisitions of very expensive players' tags, such as that of the Argentine Gonzalo Higuain in 2016. During the same period, in order to balance the mismatching brought about by the large expenditures in the transfer market, Juventus also sold off the equally onerous tags of important players, yielding strong capital gains. In short, Juventus has also tried to manage its dependence on external resources by ensuring a steady stream of revenues from players' tags sales when necessary. S.S.C. Napoli, on the other hand, has managed vintages with lower revenues from TV and media rights, caused by fluctuating sporting results especially in European competitions, with the concomitant sale of expensive players'

tags of top players. For instance, before being transferred to Juventus, Higuain's tag was owned by Napoli itself.

As for F.C. Internazionale and Torino F.C., it should be pointed out that the former took advantage of its successes on the field, in the latter part of the observation period, to leverage media rights more effectively by reducing the reliance on players' tags sales on which, instead, it had leaned in periods of less satisfactory sporting results, such as with the sale of Mauro Icardi's tag in 2020. The latter, on the other hand, given the ranking position often away from the top of the league, seems to suggest a strong adherence to RDT principles. Indeed, by focusing on players' tags sales, it has sought to manage, over time, its dependency on the more unpredictable media rights revenue.

Essentially, the negative correlation, for all these clubs, between capital gains from the selling of athletes' contracts and media revenues suggests a potential strategic shift, driven by various specific reasons from case to case, aligned with RDT's principles. Clubs facing external pressures might prioritize immediate capital gains over potential future media revenues (Hill and Vincent, 2006). For that matter, the ever-evolving football industry presents clubs with myriad external pressures. From fluctuating broadcasting deals to changing fan engagement metrics, clubs navigate a dynamic landscape (Chadwick and Hamil, 2009).

The findings underscore the need for agile management and governance structures within football clubs. With the industry's volatile landscape, club executives must take strategic decisions, ensuring financial stability while positioning the club for future success (Garcia del Barrio and Pujol, 2016).

In addition, the results, added to the contextual analysis provided for each club, then, as mentioned, read through the lens of RDT, highlight power dynamics between the organizations and their environment, to minimize dependencies and maximize autonomy (Casciaro and Piskorski, 2005; Malatesta and Smith, 2014). Indeed, teams engage in exchanges with other organizations in their sector (Ortlieb and Sieben, 2008), understanding that the degree of dependence on a particular resource influences the amount of power the external entity wields (Davis and Cobb, 2010). They diversify resource inputs to gain more control and autonomy thereby reducing uncertainty (Barney, 1991). Moreover, reading the results of the statistical analysis, supported by an investigation of clubs' history, for A.C. Milan and especially for Atalanta and Sassuolo – that is, the three clubs for which different results were recorded than for the rest of the sample – reinforces and corroborates our interpretation through RDT.

In fact, differently from all the other teams, Sassuolo FC entered the second division, for the first time, in 2008 and the first division in 2013.

Independently from its sports results, this means that, in the analyzed period, Sassuolo started to acquire revenues from media rights only for few years, so without having a precise control over them. This aspect is even more relevant if we consider that this team is from a village of only 40 thousand inhabitants which already made a miracle in achieving Serie A. Therefore, especially in the first years, no one trusted it could stably remain in the first division for more than a decade. As a consequence, few teams could be interested in having stable relations with it according to power dynamics for what regards players' tags exchange. But most of all, it could not foresee any strategy in using resources from media rights, considering it has the lowest values for what regards points 2a, 2b, 2c and 3a, 3b of media rights division as showed in section 2, and obviously no rights from European competitions. In synthesis, Sassuolo, for at least three quarters of the considered period, had no tradition and consequently no trust in power dynamics with the other teams as well as a lower outreach on revenues from media rights. As a consequence, it could not act as the other Serie A clubs.

Atalanta Bergamasca Calcio, in the analyzed period, "grew up" a lot in terms of performances, passing from being a team which maintained itself "creating" new players to be "sold" to high level teams to being a top-level one (Corsi and Serpellini, 2017). Indeed, as shown in the appendix, its results passed from being ranked in the mid, low-level at the end of each season, to be stably among the first five. To achieve this change in its status it needed a change in strategies, both for what regards exchange of athletes' contracts and for what regards revenues from media rights. For what regards the former, Atalanta could not transfer any more all growing athletes, but had to maintain some of them to create a stronger team. In the case of the latter, there has been a great growth in amounts, because, being in the first positions, allowed it to participate also to UEFA championships in the last years of the considered period, consequently with a further increase of revenues coming from the media rights s. As a consequence, the relationship between the two variables, in the analyzed period, cannot be the same as for the other teams, thus explaining no significance of Atalanta's analysis.

Instead, a low significance in the case of A.C. Milan can be explained, once again, by a change in its performance and therefore possible strategy. Indeed (see the appendix) Milan, after winning its 18<sup>th</sup> title in 2011, had a period of crisis in results, and an exclusion from the UEFA competitions due to financial problems, to then come back among the first five at the end of the considered period (then winning again in 2022). So, this volatility and changing of role can explain why its results are not so evident in our analysis as they are for the other considered teams.

In light of what has been explained, there appears to be a strong difference between “long lasting” – i.e., all those clubs for which a strong negative relationship was found between the two variables analyzed, with the exception of the special case of Milan – and “incoming” or “growing” clubs, i.e., Sassuolo and Atalanta. Finally, to address our research question more plainly and directly – keeping in mind the contextual differences and specific situations of each club – it can be said that RDT principles explain the ways in which Italian Serie A football clubs manage the relationship between the two critical resources coming from the sale of players’ tags and from media rights through:

1. Resource Diversification: The clubs diversify their resources to reduce dependence on any single source of revenue;
2. Control Over Resources: By focusing on revenue streams over which they have more control, the clubs attempt to reduce external influence and uncertainty;
3. Strategic Adaptation: The shift in focus to more controllable revenue streams is a strategic response to the underperformance of another, less controllable revenue source;
4. Power Dynamics: The clubs are trying to mitigate the power that external entities (such as broadcasters) might have over them by leveraging what they can control.

## 6. Conclusion

Football’s global fanbase and multi-billion-dollar deals present clubs with both opportunities and challenges. As the industry continues to evolve, this research, grounded in RDT, offers a fresh perspective on how elite football clubs navigate their strategies. The significant negative correlation between capital gains from players’ tag selling and media revenues for several clubs, together with the analysis of the causes, especially to explain not significant ones, offer insights into the strategic decisions clubs make in response to external and contextual influences (Cox and Philippou, 2022; Wilson *et al.*, 2013). Indeed, our findings underscore the relevance of RDT in understanding the managerial behaviors of football clubs. The theory, traditionally applied in corporate settings, provides valuable lens for analyzing sports organizations, particularly in the context of resource management and dependency. Furthermore, the study contributes to the broader discourse on strategic resource management in sports, highlighting how clubs handle the balance between short-term financial gains and long-term stability.

In this respect, club managers and stakeholders can also leverage the reported insights to formulate more responsive strategies, adapting to the volatile nature of sports revenues. These include diversifying revenue streams and reducing over-reliance on unpredictable sources like media rights, keeping in mind the need to focus on long-term sustainability. Strategies that prioritize immediate financial gains should be balanced against the potential impact on the club's future market position and brand value.

Moreover, our study extends beyond the realm of football, offering a template for other sports organizations to examine their resource dependency and strategize accordingly. The principles of RDT, as applied here, are versatile and can inform strategic decisions in various sports contexts.

Therefore, although having the great limit of being based upon few clubs of a single football league and the additional limitation caused by the fact that it is built on limited direct supporting literature, this research provides a deeper understanding of the approaches and power dynamics at play.

Concomitantly, while offering novel hints, the present work also opens the door for more detailed future research, both empirical and theoretical. Apart from enlarging the number of cases, an important further stream regards the possibility to develop in-depth the analysis of individual clubs' management, understanding the external factors influencing their strategies and offering more granular insights into their decision-making processes. In addition, novel developments could also explore similar dynamics in other elite football leagues, or even in other top professional sports leagues around the world, providing a comparative analysis that may reveal unique strategic patterns or common challenges.

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# Appendix

Figure 2 – Teams' final ranking in the considered period

