

# Professional Football Clubs' Behaviour in the Market for the Best or Most Expensive Football Players

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## Abstract

Our objective is to know the behaviour of the Professional Football clubs when they buy those players who stand out for their talent or media value. For that reason we are going to make a descriptive analyse of the main variables related with the players' features. We have worked with the average of each variable for every particular club for the period of study (2000-2007). At the same time, we want to know the aggregate behaviour of the clubs in their Leagues.

The literature about the transfer market was not prolific at all until the nineties. Recently, econometric models began to be used for estimating transfer value from variables related to the features of players, of the buying and selling club and other control variables. The works of Carmichael & Thomas (1993), Carmichael, Forrest & Simmons (1997), Speight & Thomas (1997), Dobson & Gerrard (1999) and Gerrard (2001) contributed some evidences about the transfer prices. Garcia & Pujol (2006) maintain that the transfer for the best paid players is higher because they have a brand value. Barajas & Urrutia (2007) maintain that clubs need to buy top level players in order to reinforce the teams and because it is a way of getting more value. Poli & Ravenel (2007) study the football players market in Europe. Nevertheless, there are still many issues to study about the transfer market and how it works.

We have analysed the transfer market from 2000 to 2007 from the viewpoint of the clubs and Leagues. We have worked with a database with the 270 transfers which have a transfer price of over €10 million with no geographical restrictions.

We have look for the profile of the player demanded for the buyers clubs and Leagues. The employed variables have been selected among those used in the quoted articles. We have defined a ratio in order to know the potential of a footballer when he is bought. We think that is important to consider the relationship between the number of times that the player has played for his national team and his age at the time of the transfer.

The main findings of our study are:

1. Only 42 teams concentrate the 270 transfers of the period. Teams from East Europe and Asia began to buy expensive players in 2007.
2. Almost half of the buyer teams in 2007 were included among the 15 first clubs in the UEFA Club Coefficient Ranking 2003/2007.

3. The most sporting and economic powerful clubs in Europe are the clubs that on average have paid higher prices for getting the best players (table 1).
4. Juventus, Bayern, Real Madrid and Milan buy the older players on average. Liverpool, Atlético de Madrid and Parma look for the younger footballer on average.
5. Juventus, Barcelona and Real Madrid procure the players with the best potential according with the ratio number of international matches per age.
6. Spanish and Italian Leagues pay the highest average transfer price.
7. French and German Leagues buy older players on average than Italian and Spanish ones. Premier Clubs look for the youngest players.
8. Clubs of Top 5 European Leagues buy mainly players to other clubs belonging to its same league.
9. European clubs are used to acquire expensive Argentinean and Brazilian players after they have been successful in other European clubs.

Table 1: Payment on players by European football clubs

<b>Año</b>	<b>1*</b>	<b>2*</b>	<b>3*</b>
<b>2000</b>	<b>Real Madrid</b>	<b>Lazio</b>	<b>Roma</b>
<b>2001</b>	<b>Real Madrid</b>	<b>Juventus</b>	<b>Manchester Utd.</b>
<b>2002</b>	<b>Real Madrid</b>	<b>Manchester Utd.</b>	<b>Milan</b>
<b>2003</b>	<b>Arsenal</b>	<b>Barcelona</b>	<b>Real Madrid</b>
<b>2004</b>	<b>Inter</b>	<b>Barcelona</b>	<b>Manchester Utd.</b>
<b>2005</b>	<b>Chelsea</b>	<b>Milan</b>	<b>Real Madrid</b>
<b>2006</b>	<b>Chelsea</b>	<b>Manchester Utd.</b>	<b>Inter</b>
<b>2007</b>	<b>Real Madrid</b>	<b>Chelsea</b>	<b>Liverpool</b>

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