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SUSTAINABLE DEVELOPMENT OF A CITY BY USING A FOOTBALL CLUB

## SUSTAINABLE DEVELOPMENT OF A CITY BY USING A FOOTBALL CLUB

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The aim of the article is to present ideas upon which a model of sustainable development through a football team (or club) can be set in practice. Football clubs represent more than just a simple sporting organization. They are a driver of the economy and of the society, and can also contribute to the local environment. The article focuses upon how the authorities of a city can use the local football club in order to reach economical, social and environmental development. After a brief presentation of how the investment in the club may look like, the article presents the development opportunities that a football club brings to its city of origin.

**Keywords:** sustainable development, football club, economy, society, environment.

**1. INTRODUCTION**

Professional football can be analyzed from various points of view. On the one hand side, there is the „classic” point of view, according to which football is just a sport. Other points of view, the interdisciplinary ones, present football as a component of the economy, of the society or of the culture. The interdisciplinary perspective also regards football as an instrument through which the sustainable development of a city can be achieved, and thus the authorities should include the local team in their urban management plan.

In order to obtain sustainable development through sport, football clubs must be seen as an economic factor, just as enterprises are, because the interest lies around how football clubs can contribute to assure the economic prosperity, the quality of the environment and the social equity.

The football club and its city of origin influence themselves, each contributing to the development of the other one. The transition from a production-based economy to a consume and services-based economy authorise the attempt to obtain sustainable development through a football club.

**2. THE INVESTMENT IN THE FOOTBALL CLUB**

The football club can contribute to the sustainable development of the city it originates from through the economy, the environment and the society. If they want to make use of the advantages football clubs

bring to the sustainable development, in the cities with a high demand for football entertainment<sup>1</sup>: the local authorities should invest in the local football club(s) (Sparvero and Chalip, 2007). Investment in football clubs can occur direct or indirect. The direct investment means that the financial, the material or the informational help local authorities offer reaches only the football club, which is the solo gainer. Regarding indirect investment, local authorities allocate funds to the general development of the city, and the football club takes advantage of this development. For example, having a powerful club in the city, the municipality decides to help by investing in the development of public transport services so as to facilitate the arrival and return of the fans to and from stadium. Because of the better transport conditions the football team now attracts more fans to the stadium and, as a result, increases its revenue from ticket sales. However, at the same time, the city also wins, through income taxes that the local authority charges. Higher incomes of the football club will also increase the revenues of the local authority.

Local authorities invest in football clubs awaiting from the latter ones to bring economic and social benefits to the community and to improve its image, as can be seen in Figure 1, which presents the investment-earnings relationship between city and football club.

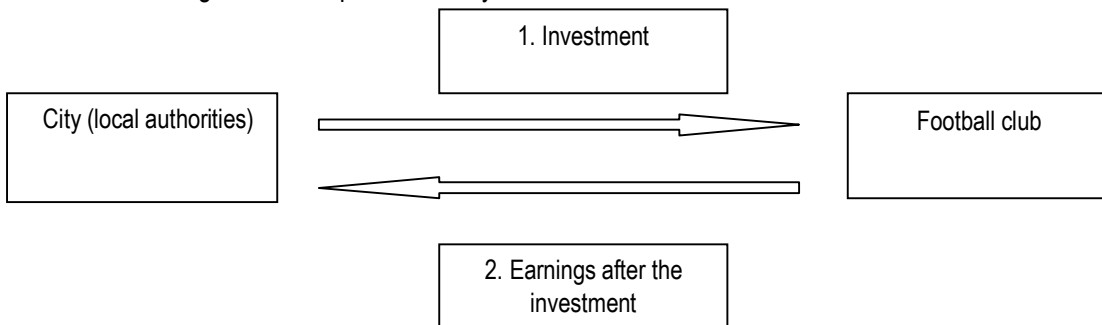


FIGURE 1 - THE INVESTMENT-EARNINGS RELATIONSHIP BETWEEN THE CITY AND THE FOOTBALL CLUB  
Source: own representation

Usually, local authorities invest in the football club by offering grants, financial aid, by helping the club improve its facilities or by developing public services, related to the production of football entertainment. The authorities intend that through such an aid the football club can develop and obtain higher performances, which, at their way, would attract greater revenue from the sale of admission tickets, retransmission rights, commercial rights<sup>2</sup> and naming rights, as well as from attracting sponsors and partners<sup>3</sup>.

<sup>1</sup> Otherwise said, where the sustainable development of the city can be based on football.

<sup>2</sup> The category of commercial rights may include licensing (the right to use the trademark of the club by a third party organization) or the selling of branded products with the club insignia.

<sup>3</sup> It often happens that sponsors and partners which join the football club also decide to invest in the city the club belongs to.

### 3. DEVELOPMENT OPPORTUNITIES THAT A FOOTBALL CLUB BRINGS

A football club has the capacity to contribute to the sustainable economical, social and environmental development of the city it belongs to, and not anyway, but by respecting the standard imposed through the definition set by the World Commission on Environment and Development Issues, more precisely "without compromising the chances of future generations to meet their own needs " (Botnari, Cobzari and Petroia, 2007). Sparvero and Chalip (2007) propose a model in which the football club contributes to the development of the city by helping the local economy, the local marketing and local social welfare, but, however, they do not refer also to the environmental development<sup>4</sup>.

#### 3.1. *The sustainable economic development of the city*

The football team contributes to the economic development of its city, among others, through the creation of workplaces, through the attraction of partners or through its contribution to the city marketing. The financial flows that the team generates are also part of the economic development, because the municipality can grow its budget by charging extra taxes, like for example revenue taxes. The factors through which a football team helps the economy of its city will be presented in the following lines.

#### 3.2. *Jobs creation*

Jobs relevant to a football club for city development are not those of athletes, because in the excessive globalization of today's football there rarely exists a local player in a team, but those of the persons who ensure the proper functioning of the club and the proper conduct of football entertainment. Thus, thanks to the existence of a local football team, there may be employment opportunities in positions such as ticket seller, vendor of soft drinks and food, vendor at the team's official store, gatekeeper, steward, chef at the club restaurant, doctor or accountant. The advantage of many such jobs, also called "stadium jobs", is that they do not require a special academic degree, so that jobless people can be employed, hence resulting a decrease of the local unemployment. An alternative would be, where possible, to offer jobs to teenagers, so that they can gain professional experience early in life.

#### 3.3. *Increasing revenues from taxes*

The existence of a football club leads to increased revenue from sales and income taxes. These taxes are levied by the authorities from the football club. The more successful and the more efficient in terms of sporting results the football club is, the more it will pique interest and, in some occasions, the number

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<sup>4</sup> Local marketing can be viewed as part of local economy. In this paper, marketing is viewed as a component of the local economy.

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of matches the team has to play can grow. For example, gaining trophies and obtaining qualification for international competitions bring revenues – to the budget of the football club – which may be taxed. Regarding sales tax, the best sources of local revenue are footballer trading<sup>5</sup>, memorabilia merchandising and entrance tickets sales. Also, by creating jobs, new workforce whose revenues can be taxed can be employed.

### **3.4. Local marketing**

A football club can advertise by functioning as an ambassador and promoting the city's image. Good promotion occurs if the name of the football club contains the name of the city it represents. By joining the two names, at every match of the football team, the name of the city will be announced. The city name will be perceived not just by the spectator crowd in the stadium, but also by those people watching the match on television or reading articles in the press, where the club name appears. Spectators and viewers often try to associate the football club with the city it comes from.

### **3.5. Tourism**

The reputation of the football club can contribute to tourism development. The more the club's status is representative for the city of origin, the more tourists will be tempted to visit that place. For example, Real Madrid is a symbol of the capital city of Spain, many tourists travelling to Madrid because they know that it is the host city of Real or because they want to visit the "Santiago Bernabeu" Stadium. The football club becomes a tourist attraction when it is included in the touristic circuit of the city. The "Santiago Bernabeu" Stadium and the football matches of Real are part of Madrid's touristic offer.

Meanwhile, the opposing team's supporters are also considered tourists. They are tourists who accompany their beloved team at away matches in order to watch it play live and to encourage it. So that the city economy can benefit from them, these travelers must spend as much time and as much money in the city during their period of stay for the football game. In this context, however, the local economy has to provide attractive offers, on which the tourists can spend their money.

### **3.6. The business environment**

A football club can attract businesses to town (Fløysand and Jakobsen, 2007), but this depends on the club's sporting success and on its importance in the local community. The greater the sporting success, the more tempted the companies will be to associate themselves with the football club and to try an

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<sup>5</sup> Footballer trading is the noun used to describe the buying and selling of football players.

image transfer<sup>6</sup>. Becoming sponsors of a successful club, chances are that the companies open local representations in the city, so that they can operate their business closer to the community of the club they invest in<sup>7</sup>. The emergence of new economic agents or the development of existent ones will contribute to the development of the cities business environment.

#### 4. THE SUSTAINABLE SOCIETY DEVELOPMENT IN THE CITY

In addition to the sustainable development of the economic environment that it can generate, a football club also has a social value and a potential to develop the society, especially by forming a local identity and a sense of belonging.

##### 4.1. Sustainable development of the society around a means of identification

For people, the football club is a symbol, a way of identifying themselves with the city they belong to, thus appearing a communion which brings the individual psychically and mentally closer to the club, but also to the city. The football team gives the person a way to spend its free time, that person being proud of the support she/he gives to the club as a fan. Famous cases are the ones of football teams belonging to mining regions, where because of poverty, local authorities didn't afford to provide residents with a highly developed socio-cultural offer. In the early twentieth century, the couple of hours spent weekends at the stadium to encourage the local team were the nicest way for people to fill their few available spare time with joy. In this way, communities were formed, and they persist in some mining cities of the world. For example, two of the three best placed average audiences in Bundesliga, the top flight football league in Germany, are held by the stadiums of Borussia Dortmund and Schalke 04 Gelsenkirchen, both football clubs coming from mining cities.

##### 4.2. Socialization

Having the ability to bring people closer to each other, a football club can contribute to a better socialization between these people. Football becomes for people nothing else than a common topic of discussion, gathering them in one or more groups and enabling them to exchange information on their favorite club. Ever since it has been played in an organized way, that is the mid nineteenth century, football was one of the best solutions to gather people at the same place. The stadium becomes the host of the mass of people, making the thousands or tens of thousands or even hundreds of thousand

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<sup>6</sup> Companies will try to transfer the values promoted by the image of the football club over their own image and to benefit from the transfer by increasing customer confidence in the own brand.

<sup>7</sup> Fans will be tempted to try products or services the sponsors of the club offer. The consumption of the sponsors offer will be facilitated if the sponsor will be present with a local business.

of fans present there to feel as a group which has the same purpose, namely to support the cities favorite team.

The stadium is also one of the places where people get to (better) know each other and to exchange views, to socialize. The same outcome have the pubs in the city, where local fans gather to watch the football match on TV. Also regarding the groups, the associations of fans should not be forgotten, nor, apparently insignificant at first glance, the road to and from the stadium. Football is usually consumed in groups, with family or friends, not individually. Groups are formed before the start of the match and last until after the final whistle of the referee. People in close relationship go together to the stadium, they watch the game together, and they also return home together. Football gives people the opportunity to spend more time with friends and dear ones, bringing its contribution to the harmonious development of human relations in the city. Football leads to the occurrence of a “street corner society”. This term was coined by William Foote White, who, in a research done in 1943, used it as to refer to the communities that were built around an area. Football simply falls within the context described by White, forming communities within the city it originates from.

## 5. THE SUSTAINABLE ENVIRONMENT DEVELOPMENT IN THE CITY

Undoubtedly, football also pollutes the environment. The stadium is an artificial structure that destroys part of the natural structure and which uses pretty much energy and other resources. Then, to get to the stadium, spectators use vehicles whose gas emissions deteriorate the quality of the air. During the match, the atmosphere created by the fans in the stands generates noise that pollutes the environment. And at the end of the game, when leaving the stadium, many fans leave their waste after them.

But, on the other hand side, football is not an industry, but a service and a sustainable development based on services is less polluting than one based on industry. Football is not steel, nor petrochemical or extractive industry. The pollution created by a football match is lower than that produced by a steel mill or a refinery. Basing its sustainable development on football, the city is more environmentally friendly than it would be if it adopted a development plan based on industry.

Next, there will be presented, in short, several factors and types of pollution from a football game, but also some ways to control them.

### 5.1. Traffic

Traffic is a cause of atmosphere pollution (Socolescu and Ciobotaru, 2006) and, in order to contest it, the local authorities of the city should invest in creating a good public transport infrastructure, so that the

fans can use the public transport to come at the stadium and, by doing so, to not use their own cars. This reduces the movement of cars and hence the exhaust gas emitted into the air.

### **5.2. Noise and liquids pollution**

Noise and liquids pollution are among today's most difficult environmental problems (Bran and Rojanschi, 2002), football sometimes having to deal with them. The noise pollution is created by the 'whirlpool' around the football game, the coming and leaving of people to and from the stadium, but also by noise made by fans during the game. Prohibiting supporters to demonstrate in order to not pollute the sound would not be consistent with the spirit of football, but the municipality or the club management could take measures such as placing the stadium in a removed area, where there aren't any buildings. Another option would be to use soundproofing materials in renovating or building the stadium. Liquids pollution at a football game is sometimes produced when spectators use pyrotechnics to create a visual show for encouraging their favourite team. The solution for combating pollution by smoke can be a law banning fans from using pyrotechnics in the stadium.

### **5.3. High energy consumption**

Organizing a football game requires a high energy consumption, the stadium facilities having to be set in function. One of the biggest energy consumers is the floodlights installation (when games are played in floodlight). A solution for reducing energy consumption in the city would be, as far as possible, scheduling matches at a time ensuring natural light, so that floodlights can remain unlighted.

## **6. CONCLUSIONS**

At the time this paper was written, not one, but more Romanian football clubs faced serious financial problems, some of them having to liquidate their activity. Some of these clubs were located in areas with high touristic potential, so there came the question why not try to bind sustainable development with football?

The research shows that, by uniting their forces, both the local football club and the local community can win. Investment in one of the parties brings revenues which can be reinvested in the other party. The reinvestment can bring other funds to the club and the community, so we can talk about a win-win situation.

Intense research has been carried on to how a major sports competition, like for example a football world cup or the Olympic Games, can improve the economy, the society and the environment of the

host city (Chalkley, 1999; Crompton, 1995), but few authors have tried to demonstrate how a professional sports club, not an event, could do the same (Fløysand, 2007; Sparvero, 2007).

As could be read in this paper, investment in a football club can lead to the sustainable development of its host city, thanks to job creation, local marketing and tourism opportunities, or lower pollution as compared to heavy industries. Not to forget is the financial sector, because the more and the higher the incomes of the football club, the higher the revenues from taxes for the host city. Business partners can be also attracted to the community, for example through sponsoring the local club.

The study does not present a real case, but just some theoretical ideas. Analyzing how a football club and its host city have managed a win-win situation, however, would be an interesting subject for future researches. For example, a closer look on how the two German clubs reminded in this paper, Borussia Dortmund and Schalke 04 Gelsenkirchen, have managed to develop the society in their local towns in the interbellic years could be a good real life case. Even with its limits, this paper contains guidelines both for football clubs managers who want to diversify the revenue sources of their organization and for municipality managers who would like to increase the budget of their city.

In conclusion, a city and its local authorities have to regard the local football team in a more complex view, not just as a „sports producer”. The football club does not just produce sporting entertainment, but it also contributes to the sustainable development of the local society, economy and environment, a reason for the local authorities to use the club from an interdisciplinary perspective.

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