



Football 50 2017

The annual report on the most valuable football brands

June 2017

Foreword.



David Haigh, CEO, Brand Finance

Welcome to the 11th annual Brand Finance Football 50, the only study of its kind to analyse and rank football clubs by the value of their brands, providing a deep understanding of the opportunities and challenges facing the industry.

It is becoming increasingly important for clubs, no matter what their size, to recognise the value of their brands. Enduring fan loyalty, ever-increasing income from broadcasting rights and the deep pockets of owners can mean that brand is overlooked as an opportunity to maximise revenue by some major clubs. However, with the vast sponsorship deals agreed over the past couple of seasons such as Manchester United's £52 million-a-year deal with Chevrolet, it is clear that harnessing your brand in the correct way can be hugely beneficial in terms of generating added revenue that can be invested into playing staff or infrastructure.

Brand can be leveraged for financial gain across all three income streams, not just commercial (which includes sponsorship and merchandising). If we look at the 'broadcasting' stream, the record-breaking Premier League deal for the right to show games from the next three seasons reflects the strength of the Premier League brand. That strength comes both from the shrewd management of those in charge of the league, but also from the individual clubs themselves, whose mythology and iconography have

been integral to the league's development.

When looking to improve match-day revenue, the first and often only recourse is to attempt to enlarge stadia. The extra revenue from the Premier League has allowed many of its teams to do just that with Liverpool, Tottenham and Chelsea all in the process of increasing capacity at their grounds. This is without doubt a worthwhile endeavour, however it is not always possible, certainly in the short term. Focussing on the sorts of brand equity drivers that underpin the strategies of traditional commercial and retail organisations can be a much quicker and more efficient route to take. Improving match-day experience within the stadium, optimising retail opportunities and engaging with fans can reap rewards.

Huge investments are already being made in the design, launch, re-launch and ongoing promotion of football brands. As we have established, this makes sense. Unfortunately, most clubs fail to go beyond that, missing huge opportunities to effectively make use of what are often their most important assets.

Understanding the value of brands is key. As with any asset, without knowing the precise, financial value, how can you know if you are maximising your returns? If you are negotiating sponsorship of your brand, how do you know what is a fair fee? As a sponsor, how do you know which organisations are worth associating your brand with? When considering multiple sponsorships, how do you determine the funds to allocate to each? How do you best determine return on investment? Even players should take note. Few will be as commercially successful as 'brand Beckham', but image rights can be very lucrative and form a detailed part of contract negotiations. If you are intending to license your personal brand, how can you know the correct price?

Brand Finance has conducted hundreds of brand and branded-business valuations to help answer these questions. We have worked with companies of all shapes and sizes, from blue-chip internationals such as Vodafone and Shell, to football clubs and other sports franchises from Europe and the wider world. Whether you're an owner, marketer, director, sponsor, player or a fan, we hope you enjoy the Brand Finance Football 50 2016 and come away with a better understanding of why brands matter and what they can do for you.

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Acknowledgements

Brand Finance is the world's leading independent brand valuation and strategy consultancy. Brand Finance was set up in 1996 with the aim of 'bridging the gap between marketing and finance'. For over 20 years, we have helped companies and organisations of all types (including clubs, sponsors, leagues and governing bodies) to connect their brands to the bottom line.

We pride ourselves on four key strengths:

- Independence
- Technical Credibility
- Transparency
- Expertise

Brand Finance puts thousands of the world's biggest brands to the test every year, evaluating which are the most powerful and most valuable. The Football 50 is just one of many annual reports produced by Brand Finance.

For more information, please visit our website: brandfinance.com

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Methodology

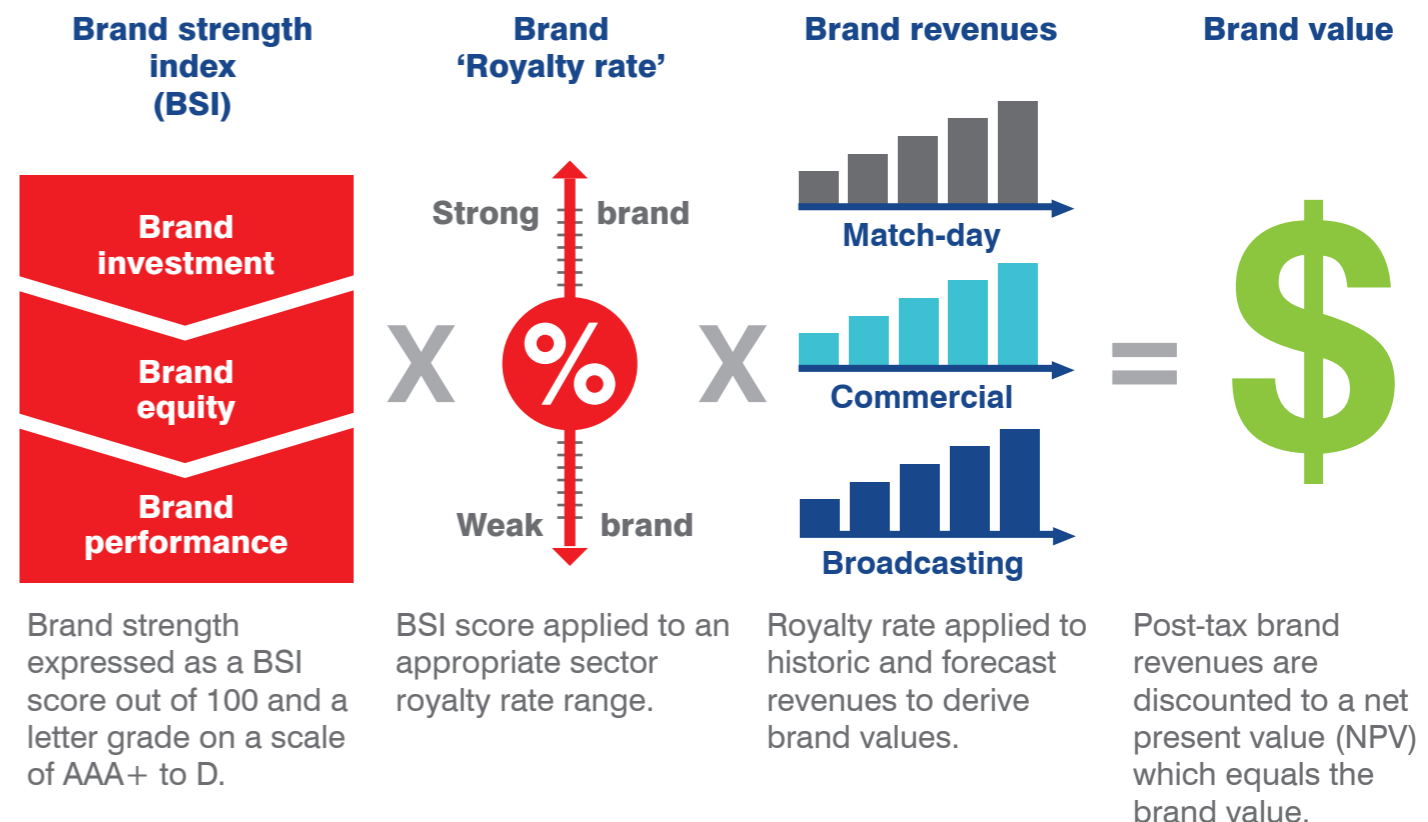
Brand Finance calculates the values of the brands in its league tables using the 'Royalty Relief approach'. This approach involves estimating the likely future sales that are attributable to a brand and calculating a royalty rate that would be charged for the use of the brand, i.e. what the owner would have to pay for the use of the brand—assuming it were not already owned.

The steps in this process are as follows:

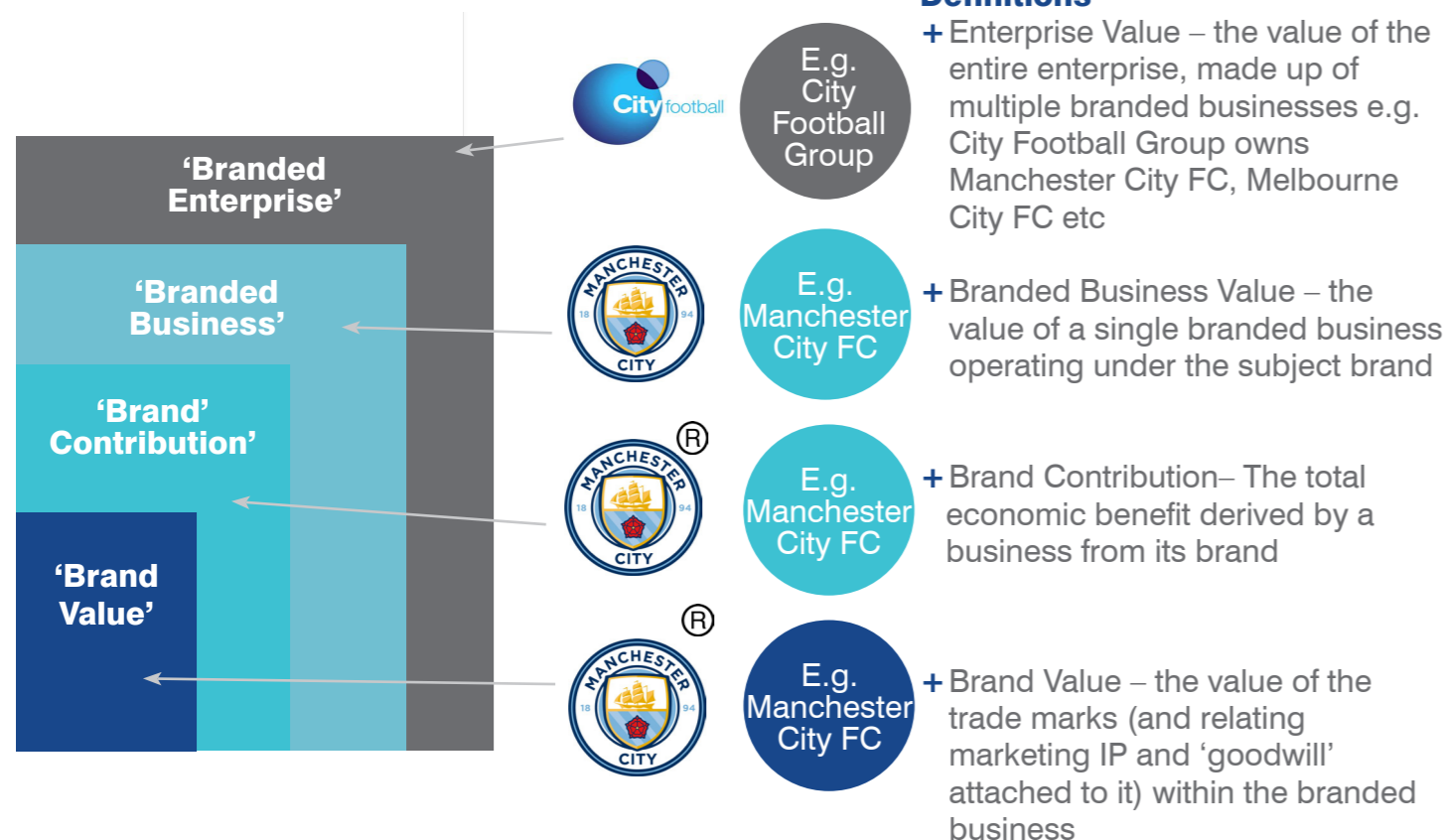
- 1 Calculate brand strength on a scale of 0 to 100: the BSI captures the ability of clubs to drum up popular interest and then convert interest into support and custom. The BSI covers three broad topics of: brand investment, equity in the form of emotional connection harboured by a brand, and bottom line commercial performance.
- 2 As brand has differing effects on each source of income, we then split revenues down into three streams: match-day, broadcasting and commercial,

which will each have their own respective royalty rate applicable to them. The royalty rates are derived by looking at comparable agreements and through in-house analysis.

- 3 Calculate royalty rate. The brand strength score is applied to the royalty rate range to arrive at a royalty rate. For example, if the royalty rate range in a brand's sector is 0-5% and a brand has a brand strength score of 80 out of 100, then an appropriate royalty rate for the use of this brand in the given sector will be 4%.
- 4 Determine brand specific revenues estimating a proportion of parent company revenues attributable to a specific brand.
- 5 Determine forecast brand specific revenues using a function of historic revenues, equity analyst forecasts and economic growth rates.
- 6 Apply the royalty rate to the forecast revenues to derive brand revenues.
- 7 Brand revenues are discounted post tax to a net present value, equal to the brand value.



Definitions



Brand

In the very broadest sense, a brand is the focus for all the expectations and opinions held by customers, staff and other stakeholders about an organisation and its products and services. However, when looking at brands as business assets that can be bought, sold and licensed, a more technical definition is required.

Brand Finance helped to craft the internationally recognised standard on Brand Valuation, ISO 10668. That defines a brand as “a marketing-related intangible asset including, but not limited to, names, terms, signs, symbols, logos and designs, or a combination of these, intended to identify goods, services or entities, or a combination of these, creating distinctive images and associations in the minds of stakeholders, thereby generating economic benefits/value”.

Brand Contribution

The brand values contained in our league tables are those of the potentially transferable brand asset only, but for marketers and managers alike. An assessment of overall brand contribution to a business provides powerful insights to help optimise performance.

Brand Contribution represents the overall uplift in shareholder value that the business derives from owning the brand rather than operating a generic brand.

Brands affect a variety of stakeholders, not just customers, but also fans, players, technical staff, strategic partners, regulators, investors and more, having a significant impact on financial value beyond what can be bought or sold in a transaction.

Effect of a Brand on Stakeholders



Brand Strength

Brand Strength is the part of our analysis most directly and easily influenced by on pitch performance, publicity and brand management. In order to determine the strength of a brand we have developed the Brand Strength Index (BSI). We analyse performance in three key areas; investment, brand equity and finally the impact of those on business performance. Metrics included within these categories include, stadium capacity, squad size and value, social media presence, on pitch performance, fan satisfaction, fair-play rating, stadium utilization and revenue. Following this analysis, each brand is assigned a BSI score out of 100, which is fed into the brand value calculation. Based on the score, each brand in the league table is assigned a rating between AAA+ and D in a format similar to a credit rating.

Brand Value

Brand value is calculated using the ‘Royalty Relief’ approach. For each brand a royalty rate is set. This is based on the % of revenues that would have to be paid for the use of the brand if it were owned by a third party. The stronger the brand, the higher the proportion of a business’s revenues are likely to be attributable to the brand rather than other business assets. Therefore in general, the higher the brand strength is, the higher the royalty rate will be. The royalty rate is applied to historic and forecast revenues, then discounted back to a net present value to determine brand value. The application of revenues explains how brand value and strength can diverge. It is possible for a club to have a very strong brand but one of mediocre value if revenues are low. Implementing the right brand and commercial strategy is the way to leverage brand for financial gain, improving brand value.

Executive Summary

Football 50



Real Madrid's superb season that saw victory in both La Liga and the Champions League, sees Los Blancos eclipse rivals Barcelona to become the world's most powerful football club brand. The brand power of both clubs was already formidable and unmatched by any other club worldwide. The fierce rivalry of El Clásico, their dominance on the European stage and footballing styles, that are as beautiful as they are effective, served to create brands that are unmatched by German, French, English or Italian rivals. Barça has always remained just fractionally ahead of Real however, until now. Real's brand strength score is up from 94.6 in 2016 to 96.1, edging ahead of Barcelona on 95.4, secured after wresting La Liga title from Barça and claiming a record 12th Champions League victory.

However, whilst Real can bask in the glory of its unparalleled reputation, it could be doing a lot more to capitalise on its on-pitch success.

Despite being football's most powerful brand, in terms of brand value, it still trails Manchester United by a considerable margin. United, despite finishing a disappointing 6th in the Premier League, is the most valuable brand in football, worth US\$1.733 billion to Real's US\$1.419 billion. United's success is partly the result of an enduring halo effect from the good times under Alex Ferguson. However, the most crucial ingredient has been the club's commercial nous and ability to convert its success into lucrative deals across dozens of industry sectors and national territories. In contrast, while Real has blockbuster deals such as its reported billion euro agreement with Adidas, it has not leveraged its brand equity to the same extent.

Real could perform significantly better in growth markets outside Europe too. In some, such as the Middle East, Real is popular, yet Brand Finance research (more information on page 32)

The 10 Most Powerful Brands

These are the most powerful Football brands, whose rating is based on Brand Finance's Brand Strength Index (BSI).

↑ Rank 2017: 1 Rank 2016: 2 Brand Strength Rating: AAA+		BSI Score 96.1
↓ Rank 2017: 2 Rank 2016: 1 Brand Strength Rating: AAA+		BSI Score 95.4
← Rank 2017: 3 Rank 2016: 3 Brand Strength Rating: AAA+		BSI Score 92.1
← Rank 2017: 4 Rank 2016: 4 Brand Strength Rating: AAA+		BSI Score 91.4
↑ Rank 2017: 5 Rank 2016: 6 Brand Strength Rating: AAA+		BSI Score 90.5
↑ Rank 2017: 6 Rank 2016: 7 Brand Strength Rating: AAA		BSI Score 88.4
↓ Rank 2017: 7 Rank 2016: 5 Brand Strength Rating: AAA		BSI Score 88.3
↑ Rank 2017: 8 Rank 2016: 9 Brand Strength Rating: AAA		BSI Score 87.9
↓ Rank 2017: 9 Rank 2016: 8 Brand Strength Rating: AAA		BSI Score 84.8
↑ Rank 2017: 10 Rank 2016: 11 Brand Strength Rating: AAA-		BSI Score 82.7

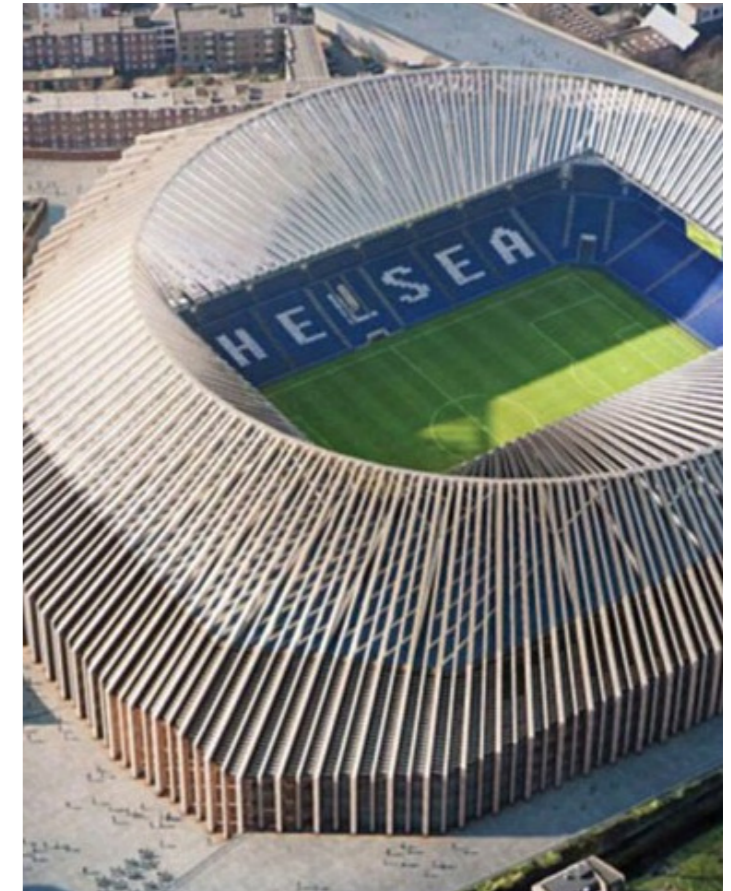
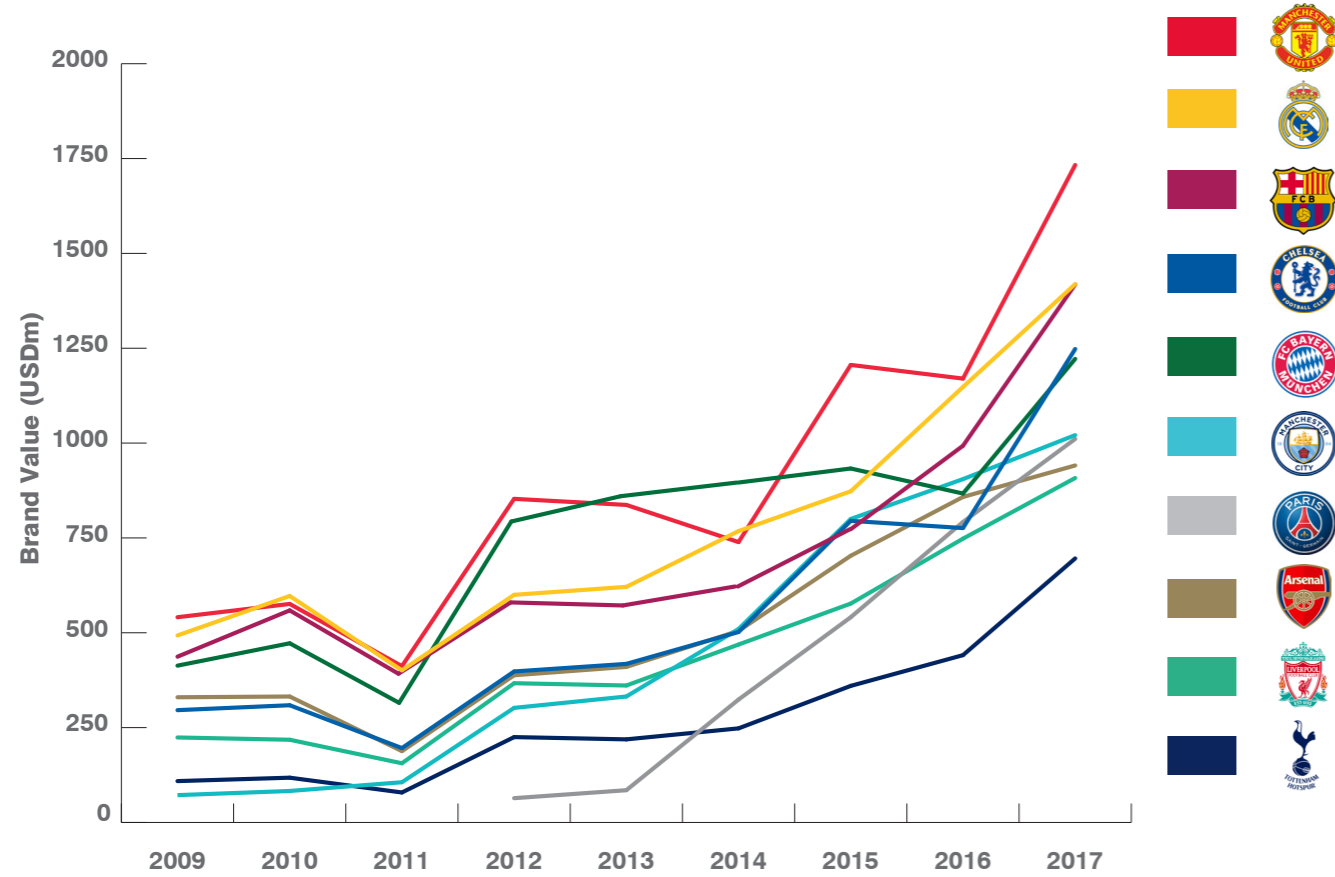
The 10 Most Valuable Brands

These are the most valuable Football brands.

	1 Rank 2017: 1 2016: 1 BV 2017: USD 1733m BV 2016: USD 1170m +48%
	2 Rank 2017: 2 2016: 2 BV 2017: USD 1419m BV 2016: USD 1148m +24%
	3 Rank 2017: 3 2016: 3 BV 2017: USD 1418m BV 2016: USD 993m +43%
	4 Rank 2017: 4 2016: 8 BV 2017: USD 1248m BV 2016: USD 776m +61%
	5 Rank 2017: 5 2016: 5 BV 2017: USD 1222m BV 2016: USD 867m +41%
	6 Rank 2017: 6 2016: 4 BV 2017: USD 1021m BV 2016: USD 905m +13%
	7 Rank 2017: 7 2016: 7 BV 2017: USD 1011m BV 2016: USD 792m +28% Brand Rating: AAA-
	8 Rank 2017: 8 2016: 6 BV 2017: USD 941m BV 2016: USD 858m +10%
	9 Rank 2017: 9 2016: 9 BV 2017: USD 908m BV 2016: USD 748m +21%
	10 Rank 2017: 10 2016: 10 BV 2017: USD 696m BV 2016: USD 441m +58%

Executive Summary

Brand Value Over Time



into the vast and therefore critical Chinese market demonstrates that Real has a lot of work to do; it lags not just United but also Bayern Munich in popularity.

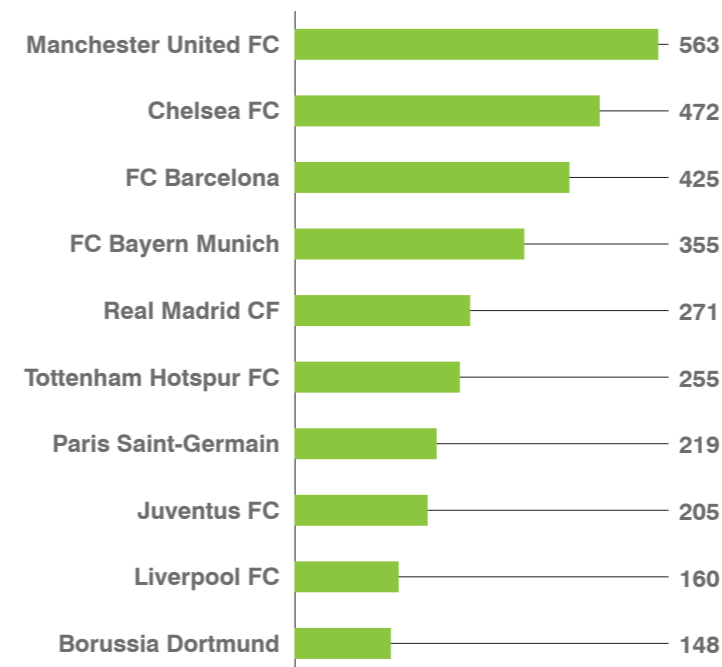
Real must now pay as careful attention to its off-pitch strategy as it does to its on-pitch performance. Newfound status as the world's most powerful brand ought to provide the club with powerful ammunition in ongoing discussions with Emirates to renegotiate the shirt sponsorship; Real must not miss the opportunity.

Premier League clubs continue to lead the world when it comes to commercialising their brands; six of the top ten most valuable football brands are English. Title rivals Chelsea and Tottenham have recorded some of the biggest gains this year after successful seasons that saw Chelsea regain its status as England's best under dynamic new

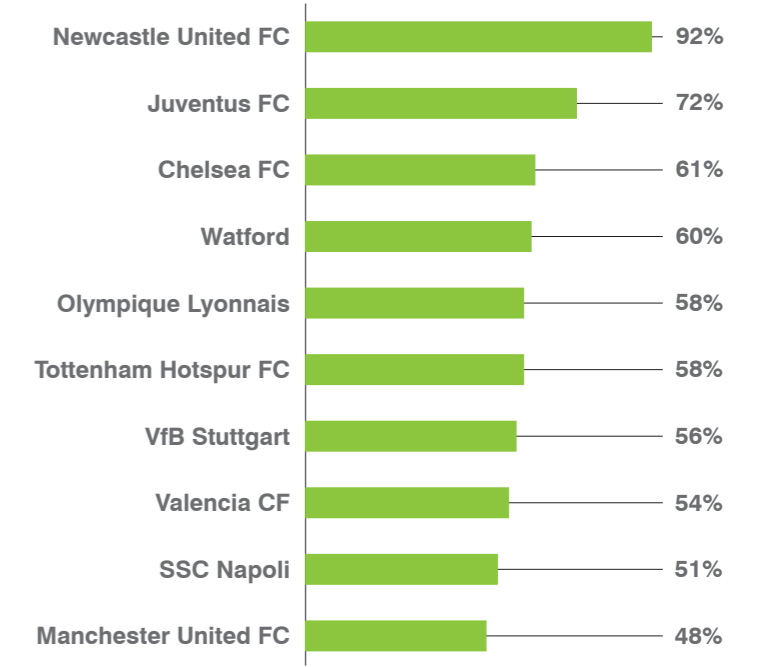
manager Antonio Conte. Commercially, Chelsea stand to gain significantly through a reported £900 million, 15 year deal with Nike as well as from a near 50% increase to the capacity of Stamford Bridge. Tottenham is also expanding its home; the new White Hart Lane has been innovatively designed and will offer 61,000 spectators the opportunity to see Spurs on home turf. Tottenham's brand value is up 58% on last year and Chelsea's 61% to US\$1.248 billion.

All Premier League teams continue to benefit from the vast revenues brought in by the latest broadcasting rights deal with Sky and BT. The relatively equitable split is particularly helpful to smaller clubs and helps to explain how a club such as Bournemouth (which joined the Premier League just two years ago and comes from a town of just 180,000 inhabitants) controls a more valuable brand than much longer established European

Brands – BV Change (USDm)



Brands – BV Change (%)



Executive Summary

top tier clubs such as Olympique Lyonnais, Inter Milan, and AS Roma. The costs of missing out on Premier League status are clear too. Another season in the Championship for Aston Villa and relegation for Sunderland see both drop out of this year's list.

Sunderland's loss has been Newcastle's gain. The Magpies' promotion will see revenues return and restore international exposure to the Tyneside club. As a result, brand value is up 92% to US\$247 million, making Newcastle this year's fastest growing brand.

Juventus' Serie A win and full Champions League run helped improve brand strength by three points, putting the Italian club in the top 5 for brand strength. Brand value has improved significantly too, growing 72% since 2016. However, like Real Madrid, Juventus has not adequately leveraged the strength of its brand for commercial purposes. Foreign tours, marketing investment, strategic partnerships with brands and even non-commercial

organisations can all help to improve willingness to purchase, whether that is merchandise, match-day tickets, or subscriptions to broadcasters of Serie A matches. Juve is somewhat constrained in its ability to strike marquee deals by the duration of its existing partnerships with Adidas and Fiat. Nonetheless, Italy's most valuable football club could do better.

Bayern Munich has stayed level in 5th. The Bundesliga title has increasingly come to seem Bayern's by right. The club is so dominant locally that glory can really only come from the international stage, so a failure to reach the Champions League semi-finals could mean 2017 is interpreted as a rather mediocre season. Though this year's on-pitch performance might possibly be seen as underwhelming, Bayern is making great strides off the pitch to enhance the value of its brand. The club is trying to make up for financial differences with European rivals by investing in China. Its new Shanghai office is the first of any European football club to open in mainland China. The club has also



Top: Bayern launches its Shanghai office. Below: Zenit and Nike's 'Reign Supreme' campaign

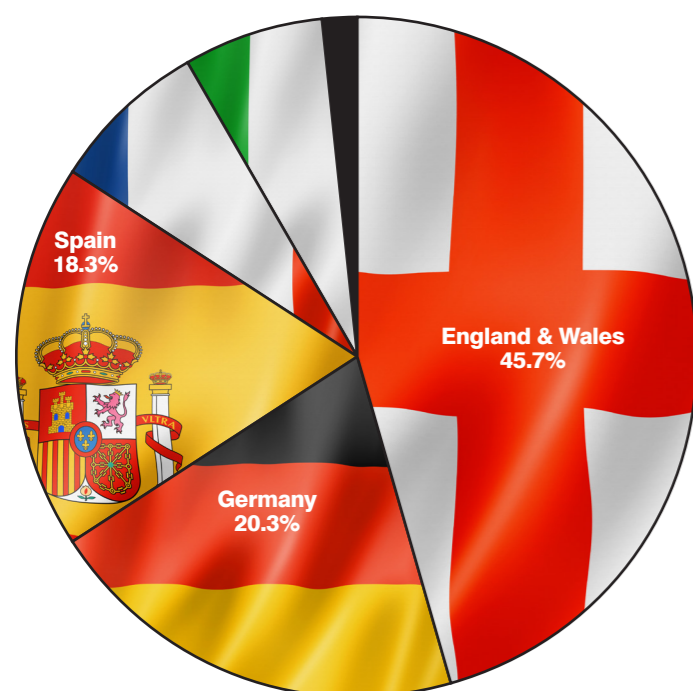
launched two football schools in Qingdao and Shenzhen this year, which has increased the brand's familiarity among young players, as has its intensive investment in social media. Bayern's hard work is paying off. Brand Finance's research shows that the club has a very strong presence in China, while the Bundesliga (generally less widely broadcast than La Liga or even Serie A) is China's most watched foreign competition after the Premier League.

Zenit St Petersburg is Russia's only entry in the top 50. Its €168 million commercial revenues (led by headline sponsor Gazprom) are the primary driver of brand value, putting it significantly ahead of the two major Moscow clubs CSKA and Spartak. The soon to open Krestovsky Stadium should help Zenit pull further ahead of the pack; its 68,000 capacity is more than 50% larger than any other club arena, allowing Zenit to leverage its brand

through enhanced match-day revenue. The stadium will be a key venue for next year's FIFA World Cup.

At present, the Russian Premier League creates limited interest outside the CIS, however as billions of fans focus their attention on the country, 2018 could be the perfect opportunity for Russia's clubs to strengthen their brands and build a following in Asia in particular. There are risks too though. Hooliganism was once known as the English Disease but is now more closely associated with Russia, which is also seen as a laggard on issues such as racism and homophobia in sport. Russian clubs must be mindful of the fragility of this once-in-a-generation opportunity, and plan carefully to improve awareness, win fans and secure commercial opportunities.

Total Brand Value by Country 2017



KEY

League	Country	Brand Value (USD billion)	Proportion
Premier League	England & Wales	9.3	45.7%
Bundesliga	Germany	4.1	20.3%
La Liga	Spain	3.8	18.3%
Ligue 1	France	1.6	7.6%
Serie A	Italy	1.4	6.6%
	Others	0.3	1.5%
	Total	20.4	100%

Brand Finance Football 50 Full Results (USDm)

Top 50 most valuable football brands 1 - 50.

Rank 2017	Rank 2016	Brand name	Country	Brand Value (USDm) 2017	% change	Brand Value (USDm) 2016	Brand rating 2017	Brand rating 2016
1	1	Manchester United FC	United Kingdom	1733	48%	1170	AAA+	AAA+
2	2	Real Madrid CF	Spain	1419	24%	1148	AAA+	AAA+
3	3	FC Barcelona	Spain	1418	43%	993	AAA+	AAA+
4	8	Chelsea FC	United Kingdom	1248	61%	776	AAA	AAA-
5	5	FC Bayern Munich	Germany	1222	41%	867	AAA+	AAA+
6	4	Manchester City FC	United Kingdom	1021	13%	905	AAA	AAA-
7	7	Paris Saint-Germain	France	1011	28%	792	AAA-	AAA-
8	6	Arsenal FC	United Kingdom	941	10%	858	AAA	AAA
9	9	Liverpool FC	United Kingdom	908	21%	748	AAA	AAA
10	10	Tottenham Hotspur FC	United Kingdom	696	58%	441	AA+	AA+
11	11	Borussia Dortmund	Germany	519	40%	371	AAA-	AAA-
12	13	Juventus FC	Italy	492	72%	287	AAA+	AAA
13	16	Everton FC	United Kingdom	344	24%	279	AA	AA+
14	14	FC Schalke 04	Germany	338	20%	282	AA+	AA+
15	12	Bayer 04 Leverkusen	Germany	332	14%	290	AA	AA
16	18	Club Atlético de Madrid	Spain	325	22%	266	AAA-	AA+
17	17	West Ham United FC	United Kingdom	303	11%	274	AA	AA
18	22	AC Milan	Italy	286	38%	207	AAA-	AAA-
19	20	Southampton FC	United Kingdom	281	26%	223	AA	AA-
20	19	Leicester City	United Kingdom	257	8%	237	AA-	AA
21	15	VfL Wolfsburg	Germany	256	-9%	280	AA	AA
22	33	Newcastle United FC	United Kingdom	247	92%	129	AA	AA
23	21	Stoke City FC	United Kingdom	227	7%	212	AA-	AA-
24	26	Swansea City	United Kingdom	226	29%	175	AA-	A+
25	23	West Bromwich Albion	United Kingdom	222	20%	184	AA-	AA-
26	New	Bournemouth FC	United Kingdom	220			A+	
27	30	Olympique Lyonnais	France	218	58%	138	AA	AA
28	29	FC Internazionale Milano	Italy	217	44%	151	AAA-	AA+
29	27	Borussia Mönchengladbach	Germany	208	20%	173	AA-	AA-
30	New	1899 Hoffenheim	Germany	194			AA-	
31	31	AS Roma	Italy	180	38%	131	AA+	AA+
32	37	SSC Napoli	Italy	177	51%	118	AA+	AA+
33	25	Crystal Palace	United Kingdom	175	-1%	176	AA-	A+
34	34	AS Monaco	France	170	36%	124	AA	AA-
35	32	Olympique De Marseille	France	164	27%	129	AA	AA
36	28	Hamburger SV	Germany	163	7%	152	AA	AA
37	New	1.FC Köln	Germany	162			AA-	
38	35	Hertha BSC Berlin	Germany	159	29%	123	AA-	AA-
39	42	SV Werder Bremen	Germany	155	40%	110	AA	AA-
40	New	FC Zenit St Petersburg	Russia	154			AA-	
41	36	Athletic de Bilbao	Spain	154	26%	123	AA-	AA-
42	43	Villarreal CF	Spain	152	38%	110	AA-	AA-
43	New	Burnley	United Kingdom	148			AA-	
44	46	VfB Stuttgart	Germany	148	56%	95	AA	AA-
45	New	RasenBallsport Leipzig	Germany	145			AA-	
46	50	Watford	United Kingdom	144	60%	91	A+	A+
47	38	AFC Ajax	Holland	144	24%	116	AA+	AA+
48	48	Valencia CF	Spain	144	54%	93	AA-	AA
49	New	Eintracht Frankfurt	Germany	140			AA-	
50	40	Sevilla FC	Spain	140	21%	115	AA	AA

Brand Finance - Football 50 Full Results (GBPm)

Top 50 most valuable football brands 1 - 50.

Rank 2017	Rank 2016	Brand name	Country	Brand Value (GBPm) 2017	% change	Brand Value (GBPm) 2016	Brand rating 2017	Brand rating 2016
1	1	Manchester United FC	United Kingdom	1354	71%	793	AAA+	AAA+
2	2	Real Madrid CF	Spain	1109	43%	778	AAA+	AAA+
3	3	FC Barcelona	Spain	1108	65%	672	AAA+	AAA+
4	8	Chelsea FC	United Kingdom	975	86%	525	AAA	AAA-
5	5	FC Bayern Munich	Germany	955	63%	587	AAA+	AAA+
6	4	Manchester City FC	United Kingdom	798	30%	613	AAA	AAA-
7	7	Paris Saint-Germain	France	790	47%	536	AAA-	AAA-
8	6	Arsenal FC	United Kingdom	736	27%	581	AAA	AAA
9	9	Liverpool FC	United Kingdom	710	40%	507	AAA	AAA
10	10	Tottenham Hotspur FC	United Kingdom	544	82%	299	AA+	AA+
11	11	Borussia Dortmund	Germany	406	61%	251	AAA-	AAA-
12	13	Juventus FC	Italy	384	98%	194	AAA+	AAA
13	16	Everton FC	United Kingdom	269	43%	189	AA	AA+
14	14	FC Schalke 04	Germany	265	39%	191	AA+	AA+
15	12	Bayer 04 Leverkusen	Germany	259	32%	197	AA	AA
16	18	Club Atlético de Madrid	Spain	254	41%	180	AAA-	AA+
17	17	West Ham United FC	United Kingdom	237	28%	185	AA	AA
18	22	AC Milan	Italy	224	60%	140	AAA-	AAA-
19	20	Southampton FC	United Kingdom	219	45%	151	AA	AA-
20	19	Leicester City	United Kingdom	201	25%	160	AA-	AA
21	15	VfL Wolfsburg	Germany	200	5%	190	AA	AA
22	33	Newcastle United FC	United Kingdom	193	121%	87	AA	AA
23	21	Stoke City FC	United Kingdom	178	23%	144	AA-	AA-
24	26	Swansea City	United Kingdom	177	49%	119	AA-	A+
25	23	West Bromwich Albion	United Kingdom	173	39%	125	AA-	AA-
26	New	Bournemouth FC	United Kingdom	172			A+	
27	30	Olympique Lyonnais	France	171	83%	94	AA	AA
28	29	FC Internazionale Milano	Italy	170	67%	102	AAA-	AA+
29	27	Borussia Mönchengladbach	Germany	163	39%	117	AA-	AA-
30	New	1899 Hoffenheim	Germany	152			AA-	
31	31	AS Roma	Italy	141	59%	89	AA+	AA+
32	37	SSC Napoli	Italy	138	74%	80	AA+	AA+
33	25	Crystal Palace	United Kingdom	137	15%	119	AA-	A+
34	34	AS Monaco	France	133	57%	84	AA	AA-
35	32	Olympique De Marseille	France	128	47%	87	AA	AA
36	28	Hamburger SV	Germany	128	24%	103	AA	AA
37	New	1.FC Köln	Germany	127			AA-	
38	35	Hertha BSC Berlin	Germany	124	49%	83	AA-	AA-
39	42	SV Werder Bremen	Germany	121	62%	75	AA	AA-
40	New	FC Zenit St Petersburg	Russia	121			AA-	
41	36	Athletic de Bilbao	Spain	121	45%	83	AA-	AA-
42	43	Villarreal CF	Spain	119	59%	75	AA-	AA-
43	New	Burnley	United Kingdom	116			AA-	
44	46	VfB Stuttgart	Germany	116	81%	64	AA	AA-
45	New	RasenBallsport Leipzig	Germany	113			AA-	
46	50	Watford	United Kingdom	113	84%	61	A+	A+
47	38	AFC Ajax	Holland	113	43%	79	AA+	AA+
48	48	Valencia CF	Spain	112	78%	63	AA-	AA
49	New	Eintracht Frankfurt	Germany	110			AA-	
50	40	Sevilla FC	Spain	109	40%	78	AA	AA

Brand Finance - Football 50 Full Results (EURm)

Top 50 most valuable football brands 1 - 50.

Rank 2017	Rank 2016	Brand name	Country	Brand Value (EURm) 2017	% change	Brand Value (EURm) 2016	Brand rating 2017	Brand rating 2016
1	1	Manchester United FC	United Kingdom	1551	44%	1077	AAA+	AAA+
2	2	Real Madrid CF	Spain	1271	20%	1056	AAA+	AAA+
3	3	FC Barcelona	Spain	1269	39%	914	AAA+	AAA+
4	8	Chelsea FC	United Kingdom	1117	56%	714	AAA	AAA-
5	5	FC Bayern Munich	Germany	1094	37%	798	AAA+	AAA+
6	4	Manchester City FC	United Kingdom	914	10%	833	AAA	AAA-
7	7	Paris Saint-Germain	France	905	24%	729	AAA-	AAA-
8	6	Arsenal FC	United Kingdom	843	7%	790	AAA	AAA
9	9	Liverpool FC	United Kingdom	813	18%	688	AAA	AAA
10	10	Tottenham Hotspur FC	United Kingdom	623	53%	406	AA+	AA+
11	11	Borussia Dortmund	Germany	465	36%	341	AAA-	AAA-
12	13	Juventus FC	Italy	440	67%	264	AAA+	AAA
13	16	Everton FC	United Kingdom	308	20%	256	AA	AA+
14	14	FC Schalke 04	Germany	303	17%	259	AA+	AA+
15	12	Bayer 04 Leverkusen	Germany	297	11%	267	AA	AA
16	18	Club Atlético de Madrid	Spain	291	19%	245	AAA-	AA+
17	17	West Ham United FC	United Kingdom	271	8%	252	AA	AA
18	22	AC Milan	Italy	256	35%	190	AAA-	AAA-
19	20	Southampton FC	United Kingdom	251	22%	206	AA	AA-
20	19	Leicester City	United Kingdom	230	5%	218	AA-	AA
21	15	VfL Wolfsburg	Germany	229	-11%	258	AA	AA
22	33	Newcastle United FC	United Kingdom	221	87%	119	AA	AA
23	21	Stoke City FC	United Kingdom	203	4%	195	AA-	AA-
24	26	Swansea City	United Kingdom	202	25%	161	AA-	A+
25	23	West Bromwich Albion	United Kingdom	199	17%	170	AA-	AA-
26	New	Bournemouth FC	United Kingdom	197			A+	
27	30	Olympique Lyonnais	France	196	54%	127	AA	AA
28	29	FC Internazionale Milano	Italy	195	40%	139	AAA-	AA+
29	27	Borussia Mönchengladbach	Germany	186	17%	159	AA-	AA-
30	New	1899 Hoffenheim	Germany	174			AA-	
31	31	AS Roma	Italy	161	34%	121	AA+	AA+
32	37	SSC Napoli	Italy	158	46%	108	AA+	AA+
33	25	Crystal Palace	United Kingdom	156	-3%	162	AA-	A+
34	34	AS Monaco	France	152	33%	115	AA	AA-
35	32	Olympique De Marseille	France	147	24%	119	AA	AA
36	28	Hamburger SV	Germany	146	4%	140	AA	AA
37	New	1.FC Köln	Germany	145			AA-	
38	35	Hertha BSC Berlin	Germany	142	25%	113	AA-	AA-
39	42	SV Werder Bremen	Germany	138	37%	101	AA	AA-
40	New	FC Zenit St Petersburg	Russia	138			AA-	
41	36	Athletic de Bilbao	Spain	138	22%	113	AA-	AA-
42	43	Villarreal CF	Spain	136	34%	101	AA-	AA-
43	New	Burnley	United Kingdom	132			AA-	
44	46	VfB Stuttgart	Germany	132	52%	87	AA	AA-
45	New	RasenBallSport Leipzig	Germany	129			AA-	
46	50	Watford	United Kingdom	129	55%	83	A+	A+
47	38	AFC Ajax	Holland	129	21%	107	AA+	AA+
48	48	Valencia CF	Spain	129	50%	86	AA-	AA
49	New	Eintracht Frankfurt	Germany	126			AA-	
50	40	Sevilla FC	Spain	125	18%	106	AA	AA

Brand Finance Football 50 Full Results - Brand Strength Rank

Top 50 most powerful football brands 1 - 50.

Rank 2017	Rank 2016	Brand name	Country	Brand Strength Rating 2017	Brand Value (USDm) 2017	Brand Strength Rating 2016	Brand Value (USDm) 2016
1	2	Real Madrid CF	Spain	AAA+	1419	AAA+	1148
2	1	FC Barcelona	Spain	AAA+	1418	AAA+	993
3	3	FC Bayern Munich	Germany	AAA+	1222	AAA+	867
4	4	Manchester United FC	United Kingdom	AAA+	1733	AAA+	1170
5	6	Juventus FC	Italy	AAA+	492	AAA	287
6	7	Liverpool FC	United Kingdom	AAA	908	AAA	748
7	5	Arsenal FC	United Kingdom	AAA	941	AAA	858
8	9	Chelsea FC	United Kingdom	AAA	1248	AAA-	776
9	8	Manchester City FC	United Kingdom	AAA	1021	AAA-	905
10	11	Paris Saint-Germain	France	AAA-	1011	AAA-	792
11	12	AC Milan	Italy	AAA-	286	AAA-	207
12	10	Borussia Dortmund	Germany	AAA-	519	AAA-	371
13	16	Club Atlético de Madrid	Spain	AAA-	325	AA+	266
14	14	FC Internazionale Milano	Italy	AAA-	217	AA+	151
15	15	Tottenham Hotspur FC	United Kingdom	AA+	696	AA+	441
16	18	AS Roma	Italy	AA+	180	AA+	131
17	13	AFC Ajax	Holland	AA+	144	AA+	116
18	17	SSC Napoli	Italy	AA+	177	AA+	118
19	19	FC Schalke 04	Germany	AA+	338	AA+	282
20	20	Everton FC	United Kingdom	AA	344	AA+	279
21	22	Newcastle United FC	United Kingdom	AA	247	AA	129
22	21	Sevilla FC	Spain	AA	140	AA	115
23	25	Bayer 04 Leverkusen	Germany	AA	332	AA	290
24	23	Olympique Lyonnais	France	AA	218	AA	138
25	28	Olympique De Marseille	France	AA	164	AA	129
26	40	AS Monaco	France	AA	170	AA-	124
27	37	VfB Stuttgart	Germany	AA	148	AA-	95
28	27	VfL Wolfsburg	Germany	AA	256	AA	280
29	30	West Ham United FC	United Kingdom	AA	303	AA	274
30	24	Hamburger SV	Germany	AA	163	AA	152
31	35	Southampton FC	United Kingdom	AA	281	AA-	223
32	31	SV Werder Bremen	Germany	AA	155	AA-	110
33	26	Leicester City	United Kingdom	AA-	257	AA	237
34	29	Valencia CF	Spain	AA-	144	AA	93
35	36	Borussia Mönchengladbach	Germany	AA-	208	AA-	173
36	34	Villarreal CF	Spain	AA-	152	AA-	110
37	33	Hertha BSC Berlin	Germany	AA-	159	AA-	123
38	39	Athletic de Bilbao	Spain	AA-	154	AA-	123
39	32	Stoke City FC	United Kingdom	AA-	227	AA-	212
40	38	West Bromwich Albion	United Kingdom	AA-	222	AA-	184
41	New	1.FC Köln	Germany	AA-	162		
42	New	FC Zenit St Petersburg	Russia	AA-	154		
43	New	1899 Hoffenheim	Germany	AA-	194		
44	New	Eintracht Frankfurt	Germany	AA-	140		
45	New	RasenBallSport Leipzig	Germany	AA-	145		
46	New	Burnley	United Kingdom	AA-	148		
47	41	Crystal Palace	United Kingdom	AA-	175	A+	176
48	42	Swansea City	United Kingdom	AA-	226	A+	175
49	New	Bournemouth FC	United Kingdom	A+	220		
50	43	Watford	United Kingdom	A+	144	A+	91

Top Ten Profiles



Brand Value
\$1.733bn
Brand Strength
AAA+ / 91.4



CHEVROLET
Shirt Sponsor
Annual Value
\$60.1m
£47.0m



adidas
Kit Manufacturer
Annual Value
\$96.0m
£75.0m



1 Manchester United

Manchester United is the most *valuable* football club brand for the third year in a row with a value of US\$1.733 billion. The club's huge commercial revenue streams helped to push brand value up 48% year-on-year to US\$1,733 million.

Following positive results for the fiscal third quarter, Manchester United's projected revenue for the full year ending 30 June stands at over £560 million with profits expected to hit up to £195 million. As with all Premier League clubs, United has benefitted from the huge new Premier League TV deal, worth £8.3 billion over the course of three years. The club is additionally future-proofing its broadcast revenue by investing in the MUTV app, which it has launched in 160 countries worldwide, as fans will be required to pay a relatively low monthly fee. The Netflix-like platform allows United to reach digital-savvy fans directly rather than through independent media outlets.

United's success can also be partly attributed to its unrivalled following in the Asian markets. Brand Finance's research study proved the Red Devils to be by far the most popular European club in China and marketing spend on events such as the #ILOVEUNITED series has helped to bring in not only fans but also additional revenue across Asia. Jose Mourinho's men did experience a difficult season on the pitch with a 6th place finish in the Premier League. However, United won the EFL Cup, a trophy Mourinho has historically done well in, and – most significantly – the Europa League title, securing a place in the next year's Champions League. Qualification for Europe's elite club competition means the brand will avoid triggering a £21-million reduction in the value of its Adidas kit deal. Significant investment is expected in the summer to bolster a squad that Jose Mourinho largely inherited. While United's brand has the strength to survive a difficult period, the club will be eager to end its wait for a Premier League title since Sir Alex Ferguson left in 2013.



Brand Value
\$1.419bn
Brand Strength
AAA+ / 96.1



Fly Emirates
Shirt Sponsor
Annual Value
\$27.9
€25m



adidas
Kit Manufacturer
Annual Value
\$44.7m
€40.0m



2 Real Madrid CF

Real Madrid is the most *powerful* football club brand, but in *value* terms, again finishes second. Its brand value is US\$1,419 million, up 24% on 2016. Real's dominant on-pitch performance since Zinedine Zidane took charge, along with a continued mass following, both domestically and in foreign markets such as Latin America, has helped the club overtake eternal rivals Barcelona as the world's strongest brand with a Brand Strength Index (BSI) score of 96.

The 2016/17 season has proved to be one of the best in the club's history. Los Blancos claimed the first ever back-to-back Champions League title (in its current form) and won La Liga for a remarkable 33rd time, after a 5-year wait. Real is also the current holder of the FIFA Club World Cup and the UEFA Super Cup title, both of which it will aim to defend later this year.

Madrid legend Zidane has managed to keep a squad full of egos both motivated and healthy through good man-management and consistent rotation. Cristiano Ronaldo, Real's biggest star, benefitted from an extended period of rest after Euro 2016, which allowed the four-time Ballon d'Or winner to produce his best displays at the business end of the season. It was a record-breaking year for the Portuguese as he became the club's and the Champions League's all-time top-scorer. Ronaldo, like Gareth Bale, renewed his contract with Real in the autumn of last year, and will be staying in Madrid at least until 2021. Real Madrid's brand has always been enhanced by its list of galácticos and Vinicius Junior, a recent signing who looks to be the next superstar.

Real Madrid's brand value has been bolstered by the 10-year kit sponsorship deal with Adidas. Although worth less than Barca's contract with Nike, fixed annual payments as well as 22.5% of sales on Real-branded merchandise are estimated at a still impressive €1 billion.

Top Ten Profiles



Brand Value
\$1.418bn
Brand Strength
AAA+ / 95.4

Rakuten

Shirt Sponsor
Annual Value
\$61.5m
€55.0m



Kit Manufacturer
Annual Value
\$173.2m
€155.0m

3 FC Barcelona

With a brand value of US\$1,418 million, following very strong growth of 43% year-on-year, Barcelona is closing the gap on Real Madrid, trailing its bitter rivals by just one million.

Barca's brand performance has been significantly improved by two huge new sponsorship contracts; a new record-breaking kit deal with Nike, worth a reported €155m annually, and a new shirt deal with Japanese internet retailer Rakuten, which will see the club earn roughly €55m every year, equally the most profitable of its kind in Europe. The Camp Nou redevelopment will also add to increased revenues, which should continue to push the club's brand value in future editions of the Brand Finance Football 50 study.

Barcelona's esteem is reflected in the high BSI score of 95. The team won Copa del Rey for the 29th time this year (more than any other Spanish club in history) but its performance in La Liga and the Champions League did not live up to expectations, raised by Barca's success in the previous seasons. 2015 saw Barça become the first European club to ever win more than one continental treble, while in 2016 it boasted a double win in the domestic competitions. This year however, the Blaugrana lost to Juventus in Europe and finished three points behind Real in the league, which saw Barca's brand strength fall behind that of Real.

This summer, Ernesto Valverde takes over from Luis Enrique as Barcelona's manager and has a big job on his hands to return the club to the summit of European football. Despite arguably the best front three in world football, Valverde inherits a squad that has struggled for consistency in mid-field with an ageing Iniesta and underperforming new acquisitions.



Brand Value
\$1.248bn
Brand Strength
AAA / 87.9

YOKOHAMA

Shirt Sponsor
Annual Value
\$51.2m
£40.0m



Kit Manufacturer
Annual Value
\$76.8m
£60.0m

4 Chelsea FC

Chelsea has seen a 61% increase of brand value to nearly US\$1,248m, while brand strength also improved significantly from 83 to 88. The club has soared back to the summit of the Premier League this year after a 10th place finish in 2015/16. The league victory has helped the club climb the Brand Finance Football 50 to 4th place, up from 8th last year. New manager, Antonio Conte, scrapped Chelsea's customary 4-2-3-1 formation after a convincing 3-0 defeat to Arsenal in October and implemented his favoured 3-4-3. The Blues proceeded to a 13-game unbeaten run which ultimately left the gap too big for Spurs to make up.

Chelsea signed the largest commercial deal in the club's history in 2016. Worth £900 million, the kit sponsorship contract with Nike will see the club earn £60m annually, starting from next season, a 100% increase on its current deal with Adidas. This follows the £40m annual deal with Japanese tyre company, Yokohama.

The Chelsea hierarchy hopes the Nike deal will help to support the brand's expansion into new markets and enhance Chelsea's ability to commercially compete with Europe's elite. As with many of the top Premier League and European clubs, Chelsea is actively looking to widen its fan base in regions such as Asia and North America in order to maximise revenue generation.

After the stadium redevelopments of London rivals Arsenal and Tottenham, Chelsea is also preparing to increase capacity at Stamford Bridge to 60,000. In the short run, this means Chelsea would have to move out of Stamford Bridge for three years from the 2018/19 season, but the £500 million revamp will mark an increase of almost 50% on current capacity, boosting match-day revenue in the long run.



Top Ten Profiles



Brand Value
\$1.222bn
Brand Strength
AAA+ / 92.1



Shirt Sponsor
Annual Value
\$33.5m
€30.0m



Kit Manufacturer
Annual Value
\$100.5m
€90.0m

5 FC Bayern Munich

With a brand value of US\$1,222 million, up 41% year-on-year, Bayern Munich finished fifth in this year's table. FCB is a hugely dominant force in Germany, both on the pitch and commercially. The Bavarians won their 27th league title, and fifth on the bounce. However, the team was knocked out of the German Cup and did not qualify to Champions League semi-finals for the first time in six years, after a controversial loss to Real Madrid. To achieve top-results in international football, the manager, Carlo Ancelotti, will need to rebuild the team with younger players, now that Xabi Alonso and Philipp Lahm have retired. The club's investment into a new academy and talks with PSV Eindhoven over a deal, allowing young Bavarians to practice while on loan with the Dutch club, are good steps towards sustainable fostering of new talent.

Rebuilding strong on-pitch performance is important for the brand's strength but to maximise brand value, Bayern will need to look for ways of closing the gap in TV revenues with top English and Spanish clubs. Despite a change to Bundesliga's broadcasting revenue distribution rules, that are expected to favour FCB over less prominent clubs, German brands remain overall at a significant disadvantage.

Although Bayern's footprint in key markets such as Africa and Latin America is limited, Brand Finance's research shows that the club has a very strong presence in China. Aimed at sourcing merchandise and sponsorship opportunities, Bayern's new Shanghai office is the first of any European football club to open in mainland China. The brand has also launched two football schools in Qingdao and Shenzhen this year, increasing the brand's familiarity among young players. On the domestic market, Bayern are turning to new digital solutions by launching a TV channel with its main sponsor Deutsche Telekom, and agreed an exclusive partnership with Apple Music to curate unique content for the platform's customers.



Brand Value
\$1.021bn
Brand Strength
AAA / 84.8



Shirt Sponsor
Annual Value
\$25.6m
£20.0m



Kit Manufacturer
Annual Value
\$19.2m
£15.0m

6 Manchester City FC

Manchester City increased 13% in brand value to US\$1,021m and improved its BSI score by two points from 83 last year. The club, nevertheless, dropped from 4th to 6th due to the very strong performances of Chelsea and Bayern Munich this year.

The season started amid huge excitement and expectation as new manager Pep Guardiola took over the reins from Manuel Pellegrini. After a kick-start, the club struggled for consistency through the winter, finishing 3rd in the Premier League, and was knocked out of the Champions League by AS Monaco already in the round of 16. Guardiola's first season in charge produced no silverware however the club is expected to make significant additions to the playing squad this year in a bid to challenge both domestically and in Europe. City has already secured the signings of Monaco winger, Bernardo Silva, for £43 million and Benfica keeper, Ederson, while more acquisitions are anticipated to renew a somewhat ageing core.

City Football Group is a unique organisation and with clubs in the US, Australia, South America and Japan, it has a truly global outlook. Manchester City's impressive brand growth in recent years has seen the club move towards the top of our annual study and it continues to increase its reach and open up new commercial revenue streams, both in the UK and abroad.

Compared to other elite clubs in Europe, City's kit sponsorship deal with Nike is relatively modest at around £15 million annually. However, with one of the most highly regarded managers in world football, a growing list of international stars, a large stadium capacity and a growing reputation around the world, Brand Finance sees Manchester City commercial revenues significantly increasing in the next five years.



Top Ten Profiles



Brand Value
\$1.011bn
Brand Strength
AAA- / 82.7

Fly
Emirates

Shirt Sponsor
Annual Value
\$27.9m
€25.0m



Kit Manufacturer
Annual Value
\$22.3m
€20.0m

7 Paris Saint-Germain

The most valuable among French football brands, Paris Saint-Germain retains 7th place with a brand value of US\$1,011 million, up 28% from 2016.

This year, the club broke its own records by reaching for the Coupe de France for the 11th and the Coupe de la Ligue for the 7th time. In fact, the Parisians have dominated both tournaments every year since 2015 and 2014 respectively. However, PSG came short in the two most prestigious competitions as the vibrant Monaco side managed to steal the Ligue 1 title from its grasp while the club crashed out of the Champions League to Barcelona despite a four-nil first leg victory.

Since the takeover by Qatari investors in 2011, PSG has become one of the best-performing teams in Europe after significant investment to the playing squad. For many, the policy of signing galácticos is to blame for the mixed performance this year, yet the club's president, Nasser Al-Khelaifi, announced a bold makeover of the team and an intent to spend even more. Manager Unai Emery will stay at least for another season, but the sporting director, Patrick Kluivert, is already gone, and many of the current squad could follow.

Following suit of other European clubs, PSG is looking to increase its revenues in Asia. Taking advantage of the owners' reach in the region, many of the brand's sponsors come from the Middle East, including the Qatar Tourism Authority, whose contract at €175 million per year was renewed last year despite controversy surrounding the valuation of the previous deal and subsequent UEFA sanctions. PSG also opened a football academy in Bali, supporting fan following in Indonesia.



Brand Value
\$941m
Brand Strength
AAA / 88.3

Fly
Emirates

Shirt Sponsor
Annual Value
\$38.4m
£30.0m



Kit Manufacturer
Annual Value
\$38.4m
£30.0m

8 Arsenal FC

Arsenal's brand value has grown just 10% this year to US\$941 million, and the club has fallen from 6th to 8th place. The Gunners have seen a shaky season, coming 5th in the Premier League and failing to qualify for the Champions League for the first time in two decades. This will result in at least one year without the significant Champions League broadcast revenues, and may see key players Alexis Sanchez and Mesut Ozil seek pastures new. Champions League football is also often key to attracting the best players from around Europe.

Arsenal's manager Arsene Wenger has faced criticism for the lack of Premier League success, and there has been significant unrest amongst the fan base with calls for a new man at the helm. In the wake of the FA Cup victory however, the Frenchman – now a 7-time FA Cup winner – has signed a new two-year contract which will see him through to 2019.

Arsenal may have beaten Chelsea to win the FA Cup but it finished 18 points behind its London rival and remains some way off in terms of sponsorship revenue generation too. The brand's kit deal with Puma, ending in 2019, looks underwhelming when compared to Chelsea's huge new contract with Nike. And although its shirt sponsorship deal with Emirates is more substantial, at £30 million annually, it still remains lower in value than Manchester United's contract with Chevrolet or Chelsea's with Yokohama.

However, Arsenal remains a well-run club with a strong reputation both in the UK and globally. Wenger has been handed a £100 million war chest for transfer deals in order to challenge for the Premier League title once more. As with Chelsea in the 2016/17 season, the lack of Champions League football next season may give the Gunners a chance to end the 13-year wait for another Premier League title and consequently produce significant brand growth.



Top Ten Profiles



Brand Value
\$908m
Brand Strength
AAA / 88.4



Shirt Sponsor
Annual Value
\$38.4m
£30.0m



Kit Manufacturer
Annual Value
\$35.8m
£28.0m



9 Liverpool FC

Jurgen Klopp's first full season in charge produced a 4th place finish in the Premier League and consequently grabbed the final Champions League spot at the expense of Arsenal. Philippe Coutinho has consistently contributed to the team's success, scoring 13 goals despite injury problems. The team didn't lose a single game to any of the top six clubs all season although the Reds often struggled at home against teams in the lower half of the division. Klopp will no doubt look to strengthen his squad in the summer as the club competes both domestically and in Europe next season.

Liverpool recently spent £110 million to expand one of its stands and increase stadium capacity to 54,000, expecting the revamp to bring an additional £25 million in revenue a year. Further plans for development are in progress, which will cost the club approximately £40 million; the stadium's capacity could exceed 60,000 and would further boost matchday revenues in the future.

The club has renewed a sponsorship contract with MBNA, a credit card company, extending the 19-year relationship, and also signed a new deal with baby gear producer, Joie. The partnership makes Joie the club's first Official Family Partner. Various marketing events and campaigns will be held, such as a football clinic for kids run by Liverpool coaches, aimed at boosting awareness of both brands and their relationships with future generations.

Like other European clubs, Liverpool has been targeting Asian markets to increase revenues but struggled to compete with counterfeit merchandise. To avoid a financial drain, the brand decided to launch a low-cost version of its 2017/18 official shirt in China, hoping that customers choose the original over fakes if they find the price more affordable. Although cutting down on foreign travels to better prepare for the season, Liverpool will play in the Premier League Asia Trophy in July.



Brand Value
\$696m
Brand Strength
AA+ / 79.1



Shirt Sponsor
Annual Value
\$20.5m
£16.0m



Kit Manufacturer
Annual Value
\$12.8m
£10.0m



10 Tottenham Hotspur FC

Tottenham Hotspur defends its top 10 status in the Brand Finance Football 50 table, having seen its successful season in the Premier League reflected by a brand value increase of 58% to US\$696 million. Given the strong finish as runners-up in the 2016/17 season and the ever-increasing expectation among the Spurs' fan base, manager Mauricio Pochettino and chairman Daniel Levy are under pressure to make the right decisions in the upcoming transfer window.

Tottenham has renewed its shirt sponsorship deal with AIA, the Asian life insurance group, hoping to increase following and revenues in the Asia-Pacific region, where more of its summer tours are expected to take place. The recent friendly against Kitchee SC in Hong Kong proved to be a successful marketing exercise as well as an inspiration to younger generations in the country.

Tottenham has recently spent £800 million on the construction of its new stadium that will seat over 60,000 spectators – almost double the capacity of the old ground. This is set to be complete for the season after next, with the team playing at Wembley throughout 2017/18. However, with the best home record in the league and the fact that Tottenham have not fared well at Wembley in the past, this could affect confidence in the team. The brand's new partnership with the NFL, which the stadium redevelopment is a central part of, will help to extend Tottenham's familiarity in the US and generate additional revenue thanks to hosting two NFL matches every year for the next ten.

The new stadium is supposed to revolutionise and modernise fan experience. It will boast its own micro-brewery, bakery, and private-dining club in a bid to encourage deeper engagement. Tottenham has enabled fans to visit its new White Hart Lane home in virtual tours thanks to a recently launched app.

Club Interview

Vfl Wolfsburg

Wolfsburg have enjoyed significant brand growth over the last five years through good on-pitch performance and an innovative brand strategy. The club made the Quarterfinals of the Champions League in 2015/16 while the women's team won it in both 2013 & 2014. We sat down with VFL Wolfsburg Managing Director, Thomas Röttgermann, to discuss Wolfsburg's brand performance and strategy.

How many people do you have working in your marketing/brand team?

In the Brand management team, there are 5 people working on strategy, design and production and one person overseeing the graphics and design of the digital channels.

Do you benchmark your brand value in any way?

We regularly benchmark our brand value in the German market with a brand tracking study and we also track our values on an international level.

Owned by the Volkswagen Group, Wolfsburg is seen as a forward-thinking club. In terms of brand, what distinguishes Wolfsburg from other Bundesliga clubs?

As a company owned club we always try to pay in for the Volkswagen brand and that was the reason we were the first Bundesliga club to invest in brand management. That is why our Brand Mission clearly focuses on a sustainable, innovative and passionate team approach as part of the Volkswagen and Club Brand identity.

From the historic background, it is interesting to mention that most Bundesliga clubs only have a two-sided relationship between its home town and the club. With our unique history, we have a three-sided relationship between home town-Volkswagen factory-Club. This distinguishes us from other Bundesliga clubs.



VfL Wolfsburg finished second in the Bundesliga in 2014/15 and made the quarter-finals of the Champions League in the following season. Did your impressive run in Europe's premier competition last season help to grow the Wolfsburg brand globally?

Definitely! Success on the field always boosts your recognition and awareness as a club and brand.

I think that after our home victory in the quarter-finals against Real Madrid, there was a higher attention for our club and the work that is done on and besides the pitch. Especially on social media, you get several chances to talk to new target groups on a global level.

Fortunately, we already invested into international media channels like Sina Weibo or WeChat in China as part of our sustainable international growth strategy.

VfL Wolfsburg women's team won the Champions League in both 2013 & 2014. How fundamental has the team's success been to the success of Wolfsburg as a brand?

This contribution to the club's brand is often underestimated but for sure, the women's team has played a tremendous part in the success of building Wolfsburg as a brand.

In the women's squad, we now have an international team with international players from all over Europe that also represent our club at international championships and, with Nadine Kessler, we had a player that was honoured as the FIFA world's best player of the year.

The heavy investment into women's football from big clubs like Paris St. Germain or Manchester City just shows the importance of women's football in building a successful football brand.



Club Interview

Vfl Wolfsburg

How, if at all, do you think the somewhat difficult 2016/17 season will affect the Wolfsburg brand?

Difficult seasons are always part of the football business. Besides the top European clubs it is nearly impossible to control the centre of your recognition, the sustainable success on the pitch. That is one of the main reasons why it is essential for clubs to invest in brand to get a better balance on your club/brand recognition.

This annoying season might throw us back in our attempt to grow as a brand, but hopefully our investments into our brand will help us to come back stronger and faster with the return of success in the next seasons.

The Bundesliga has a very strong following in Germany; in fact, it has the best in-stadia following of all European Leagues. However, the league is not as popular as the Premier League or La Liga in some growth markets. How can the league catch up with the two

“super leagues” and compete on an international scale?

La Liga and Premier League still have a lead because of their early international investments (maybe as former colonial powers) especially in TV rights and their international superstars.

However, the Bundesliga, with the help of the World Cup victory in 2014, is on the run to develop as an international top league and the last TV contracts with international broadcasters show the future path.

Bayern Munich are very dominant in the German market. Do you therefore feel international growth is where you need to focus?

First, you have to be successful in your home market to get the attention and to qualify for international interest, but the future is clearly international growth.

In the past, the Bundesliga was growing with regional partners, then with national partners and with the growth of the Bundesliga on the international level, the clubs need international partners for further growth and recognition.

For Wolfsburg, our alliance with Volkswagen helps to facilitate our mission to grow as a global brand and to attract international partners.

As you know, we have conducted market research in China for the report this year. Do you have a significant presence in China?

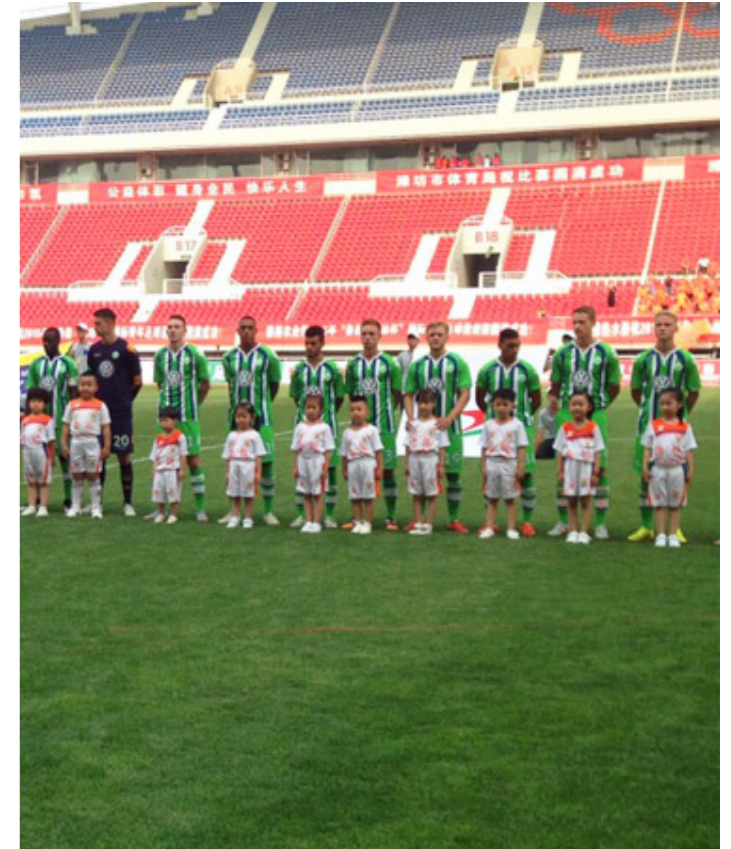
We see a clear development. We do market research regularly and it is obvious that our strategy and different key projects are successful. Our brand awareness and perception is already on a very high level and on our social media channels, our numbers are showing stable growth.

In our opinion, we are relevant in China because we believe in a holistic and sustainable approach together with our strategic partners.

What steps are you taking to grow the Wolfsburg brand in China?

For example, we do not only have friendly games in China but we also take part in the Weifang Cup with our under 19-team, China's biggest youth tournament since 2015. The opening of the first representative office of a Bundesliga club in Beijing also underlines our path in China.

Despite that, we believe that we – as a Bundesliga club with a famous tradition in successful developments of talents, can help China's clubs with their sustainable way to establish successful youth development in the following years. We already have several partners and we work together on an effective basis all over China already.



Understanding China's Football Fans



Andy Moore, Insights Director Brand Finance

"2017 is the first year we have conducted in depth research into how football fans engage with teams. The research took place in China across 10 cities covering 160 clubs from 8 national leagues. We wanted to understand the football fan, their knowledge, attitudes and most importantly engagement with the sport with a view to maximising revenue generation opportunities for club owners, sponsors and sports media outlets."



61%
of fans watch games live on TV



51%
of fans watch games online through streaming



20%
of fans have bought merchandise

Find Out More

Awareness of Leagues

Chinese football fans are most aware of their domestic league and the Premier League



Football Funnel

Guangzhou has the strongest conversion to loyalty in China

Club	Familiarity	Viewership	Affinity	Loyalty
Guangzhou Evergrande Taobao	89%	49%	34%	16%
Shanghai Greenland Shenhua	64%	38%	20%	8%
Beijing Sinobo Guoan	48%	34%	16%	7%
Shandong Luneng Taishan	39%	23%	8%	2%
Chelsoo	40%	25%	11%	2%
Bayern Munich	44%	33%	23%	8%
Real Madrid	42%	32%	21%	8%
Juventus	32%	21%	7%	2%
Manaco	12%	4%	1%	0%

Fan Behaviours

Fanatic fans are far more likely to buy merchandise of their favourite club or buy brands associated with football

- Unsurprisingly, active and fanatic fans watch more of their favourite club's matches than passive and armchair fans. 66% of active fans and 77% of fanatic fans have watched a match of their favourite team on TV while only 34% of passive fans and 50% of armchair fans have done so.
- Passive and armchair fans are very unlikely to buy brands associated with football - 10% and 17% respectively have done so - and even more unlikely to buy merchandise of their favourite club - 7% and 10% respectively have done so.
- However, there is a significant split when looking at active fans and a huge split when looking at fanatics. The majority of fanatic fans have bought merchandise of their favourite club (67%) and have bought brands associated with football (72%) while a significant proportion of active fans have done so - 33% have bought merchandise and 39% have bought brands associated with football.

When it comes to your favourite football club, which of the following have you ever done?	Total	Passive	Armchair	Active	Fanatic
Watched about it in newspaper online	43%	32%	30%	51%	73%
Follow league's club player on social media	29%	15%	16%	30%	52%
Share related articles online with my friends, family	31%	12%	17%	42%	66%
Engaged in related discussion - online or in person	38%	20%	20%	40%	73%
Watched games in a stadium	32%	18%	22%	40%	51%
Watched on TV at home/ out of home	58%	34%	35%	58%	77%
Watched online - live streaming	55%	30%	41%	58%	76%
Attended local fan events	21%	1%	12%	20%	52%
Bought merchandise of the club	26%	1%	15%	32%	57%
Bought brands associated with football	30%	10%	17%	39%	72%
Visited club website and signed up	16%	3%	10%	24%	52%

Club Viewership - Top 10



Key Information Areas

- + Engagement with different sports – How Chinese sports fans consume different sports and how that varies across different demographics
- + Popularity of Football – The popularity of football compared to other sports amongst different demographics
- + Fan knowledge – Awareness/watching/following/loyalty to leagues, clubs, players, recall of brands associated with football
- + Fan attitudes – What is “loyalty” among Chinese fans, how strong is the association with their favourite clubs
- + Fan practices – Viewership, readership, membership, content sharing etc.
- + Merchandise sales - Which fans buy the most merchandise

Key Outputs

- + Loyalty Funnel – Football funnel similar to the classic marketing funnel describing Chinese fans' association with clubs from 'familiar' to 'favourite club'
- + Loyalty drivers – Understanding of what drives loyalty amongst Chinese fans, why they support certain clubs.
- + Fan engagement – Analysis of how Chinese football fans follow and engage with their favourite football teams

Key Benefits

- + Club owners – Increase fan engagement, enhance loyalty towards club, realise fan value
- + Brand sponsors – Improve brand visibility, realise strength of brand association with club, ensure better reach of brand messages
- + Media outlets – Target content better, deliver relevant content, identify media platforms with highest potential

Sports Services



David Haigh, CEO
Brand Finance

“Brand Finance’s experience in valuation, analytics, strategy and transactions over the years has placed us in a unique position to understand the relationship between clubs, commercial brands and investors. Brands are an essential asset to be used, leveraged and associated with to engage fans and end consumers with the ultimate aim of improving shareholder value.

Brands are far more than just a cover to package the end product, they should be ingrained in the business culture and decision making process and nowhere is this more relevant than sports teams.”



Sports Services Clients



English Premiership Club - Brand Co

Brand Finance conducted a brand valuation for a major Premier League club to provide a formal independent opinion of the fair market value of the brand. The report helped this club to consider options relating to the transfer of the asset into a newly incorporated entity (BrandCo) and alternative financing opportunities.



Portuguese Liga Club - Brand Valuation and Royalty Rate Analysis

Brand Finance carried out a royalty rate analysis for a Portuguese club in order to determine the appropriate arm’s length royalty rates that the club should charge group companies for the use of the brand. An indicative valuation was also undertaken on the brand. The study enabled the club to comply with transfer pricing regulations whilst charging an arm’s length royalty rate to other group companies.



Arabian Gulf League Club - Brand Valuation and Strategy

Brand Finance is conducting brand valuation for a leading club from the UAE. The valuation involves an analysis of the brand in order to provide strategic recommendations for growing brand value.



Shell - Sponsorship

Brand Finance was asked by Shell International Petroleum Company Limited to conduct an evaluation of the costs and benefits of the Ferrari sponsorship. The top down approach to sponsorship evaluation thus provides compelling evidence that the Shell involvement in Formula One, and the link with Ferrari in particular, is an extremely worthwhile investment.



Global Insurance Company - Sponsorship

Brand Finance was appointed to conduct an audit on the brand’s rugby sponsorship. We provided an analysis to determine whether the brand’s existing measurement of sponsorship effectiveness was in line with best practice and also provided our opinion on whether the brand should continue its sponsorship. We identified how the brand’s measurement systems could be improved in order to better measure historic effectiveness, justify future investment and help strategic decision making for management.



Société Générale – Sponsorship Audit & Positioning Strategy

An audit of Asian sponsorship activities, including benchmarking against competitor activities and providing recommendations of sponsorship activities both relevant to Asian markets and aligned with Soc Gen’s brand promise and culture. The sponsorship report was used for management reporting and to prioritize marketing investment allocation.

Client Case Study

Femexfut

Background

+ The Mexican national football team (Selección Nacional de Fútbol) is fielded by the Mexican Football Federation (FEMEXFUT), the governing body of football in Mexico. The SNM marketing team sought Brand Finance to value the brand to strengthen their position in future sponsorship negotiation.

Challenge

+ Demonstrate the strength of the SNM brand compared to FIFA's Top 25 ranked global football teams to command higher sponsorship fees.

Approach

+ Designed a bespoke brand strength index based on national team KPIs.

+ Benchmarked the strength of the SNM brand against top 25 FIFA teams base on key performance indicators such as football viewership, World Cup performance, win percentage, sponsorship, player value, among others.

Outcome

+ Brand Finance's analysis provided FEMEXFUT with a detailed brand strength heat map that clearly communicates and highlights strengths and opportunities for the Selección's brand management team.

+ The valuation and analysis of the Femexfut brand has provided them with important next steps in an ambitious strategy to elevate the brand on a domestic and global level highlighting opportunities for sponsorship revenue growth and proving value to current and potential partners.



Local Insight

Laurence Newell, BF Mexico



Laurence Newell, Managing Director
Brand Finance Mexico

For instance, this year alone, the New England Patriots will most likely sell-out the Azteca Stadium for the second consecutive year as they face the Los Angeles Raiders in Mexico City.

Separately, Formula 1 will come roaring back into town in October, and the rumour mill has it that the Abierto Mexicano de Tenis will welcome Roger Federer as he swings through Acapulco for the very first time in his career, after successful appearances before sold-out stadiums of other great names of the sport such as Novak Djokovic and Rafael Nadal.

With this massive influx of world-class sporting events vying for sponsorship dollars, the ball is now in the sponsor's court to decide where to invest their capital, proving ROI as the focal point of any negotiation.

The teams who understand their analytics and the value of their brand will be the ones to secure relevant and economically beneficial agreements. If clubs are smart, they will begin to behave more like marketing and advertising machines offering wholly integrated marketing plans, activities, and importantly, the solid data to back up results.

Perhaps the most valuable lesson learned in our experience with sporting franchises in Mexico is that the most professional ones are run just like any other business: fans are regarded as consumers. As such, they must be strategically segmented in that manner; team owners and managers must establish clear plans and objectives that are backed by data, and of course, a strong product that wins is one that will gain financially both on and off the pitch.

Football continues to be king in Mexico but, to excel in the new and complex entertainment market, time has come for football clubs to step up to the line, call the right plays, and measure what matters.

'Shaping a New Agenda for Football Club Brands in Mexico'

For generations, football clubs in Mexico and Latin America – and for much of the world for that matter – have been primarily hobbies or side activities for wealthy business owners who parade their teams much in the manner that a person going through a mid-life crisis would buy a fancy sports car. Many teams are unlikely to yield returns and many clubs actually don't even make profit.

However, the professional sporting event landscape is changing at record-setting pace in Mexico. Though this bodes well for Mexican fans, a jump in the variety of sporting events in the marketplace means that football clubs now must compete not only for ticket dollars, but also for sponsorship dollars.

General Services

1. Valuation: What are my intangible assets worth?

Valuations may be conducted for technical purposes and to set a baseline against which potential strategic brand scenarios can be evaluated.

- Branded Business Valuation
- Intangible Asset Valuation
- Trademark Valuation
- Brand Contribution

4. Transactions: Is it a good deal? Can I leverage my intangible assets?

Transaction services help buyers, sellers and owners of branded businesses get a better deal by leveraging the value of their intangibles.

- M&A Due Diligence
- Tax & Transfer Pricing
- Franchising & Licensing
- Expert Witness

2. Analytics: How can I improve marketing effectiveness?

Analytical services help to uncover drivers of demand and insights. Identifying the factors which drive consumer behaviour allow an understanding of how brands create bottom-line impact.

- Market Research Analytics
- Brand Scorecard Tracking
- Brand Audits
- Return on Marketing Investment

3. Strategy: How can I increase the value of my branded business?

Strategic marketing services enable brands to be leveraged to grow businesses. Scenario modelling will identify the best opportunities, ensuring resources are allocated to those activities which have the most impact on brand and business value.

- Brand Governance
- Brand Transition
- Brand Architecture & Portfolio Management
- Brand Positioning & Extension



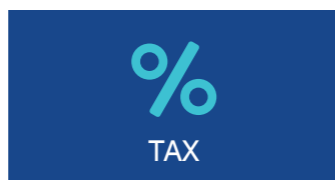
We help marketers to connect their brands to business performance by evaluating the return on investment (ROI) of brand based decisions and strategies.

- + Branded Business Valuation
- + Brand Contribution
- + Trademark Valuation
- + Intangible Asset Valuation
- + Brand Audit
- + Market Research Analytics
- + Brand Scorecard Tracking
- + Return on Marketing Investment
- + Brand Transition
- + Brand Governance
- + Brand Architecture & Portfolio Management
- + Brand Positioning & Extension
- + Franchising & Licensing



We provide financiers and auditors with an independent assessment on all forms of brand and intangible asset valuations.

- + Branded Business Valuation
- + Brand Contribution
- + Trademark Valuation
- + Intangible Asset Valuation
- + Brand Audit
- + Market Research Analytics
- + Brand Scorecard Tracking
- + Return on Marketing Investment
- + Brand Transition
- + Brand Governance
- + Brand Architecture & Portfolio Management
- + Brand Positioning & Extension
- + Mergers, Acquisitions and Finance Raising Due Diligence
- + Franchising & Licensing
- + Tax & Transfer Pricing
- + Expert Witness



We help brand owners and fiscal authorities to understand the implications of different tax, transfer pricing and brand ownership arrangements.

- + Branded Business Valuation
- + Brand Contribution
- + Trademark Valuation
- + Intangible Asset Valuation
- + Brand Audit
- + Market Research Analytics
- + Franchising & Licensing
- + Tax & Transfer Pricing
- + Expert Witness



We help clients to enforce and exploit their intellectual property rights by providing independent expert advice in and outside of the courtroom.

- + Branded Business Valuation
- + Brand Contribution
- + Trademark Valuation
- + Intangible Asset Valuation
- + Brand Audit
- + Tax & Transfer Pricing
- + Expert Witness

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