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This study examines the networks and strategy of Manchester City Football Club and City Football Group, central to the group’s emergence as a global entertainment organisation with a network of franchises worldwide. The study employs a case study design to examine both Manchester City Football Club and City Football Group (CFG)’s strategy. Drawing upon an extensive review of documentation pertaining to CFG’s strategic vision and approach, a network analysis of the brand’s constituent clubs, partners, and state- and corporate-investors was conducted, providing a macro-level view of CFG’s use of global franchising, media partnerships, and commercial agreements to extend CFG and the City brand internationally. The study’s findings afford a unique insight into CFG’s efforts to monetise and globalise through franchising, which provides insights into the convergence in sport of politics, entertainment, and business. Namely, how the global strategy enacted by CFG and the Abu Dhabi government (its owner) has leveraged sporting properties successfully. In turn, it extends their geopolitical and economic networks and grows the parent City brand as a global entity. The study’s findings afford a unique insight into CFG’s efforts to monetise and globalise through franchising. Namely, the global strategy enacted by CFG and the Abu Dhabi royal family (its owner) has leveraged sporting properties successfully. In turn, it extends their geopolitical and economic networks and grows the parent City brand as a global entity.

**PRACTICAL IMPLICATIONS (LIMIT 100 WORDS):**

No data available. Research represents an important step in examining the strategy of football club ownership and global club networks within sport. In this respect, the present research provides a new way to understand sport in a globalised, digitised and geopoliticised operating environment.
NETWORKS, STRATEGY AND SPORT: THE CASE OF CITY FOOTBALL GROUP

Introduction

Football has entered a third age, reflective of the sport’s global presence, wealth, and stature in geopolitical and economic affairs. Following sport’s initial sociocultural grounding in local markets and the club-based model (Giulianotti, 2002; Swain, 2020; Wheeler, 1978), the latter part of the 20th century witnessed an increasingly commercialised and mediatised era driven by neoclassical economic principles, mainly through the acquisition of clubs and broadcasting rights by wealthy global actors and financial speculators (Hoehn et al., 1999; Nauright and Ramfjord, 2010; Widdop and Chadwick, 2021). This acknowledgement of football’s global commercial appeal, alongside its lasting sociocultural and socioeconomic place, has been argued to have propelled a third era of new global owners acquiring European football clubs for politic-economic, geopolitical, and cultural gain (Chadwick, 2022; Chadwick and Widdop, 2021). This new era of football ownership has resulted in a change in clubs’ orientation and strategy, which in some cases are increasingly aligned with state-level geopolitical and economic interests.

These changes in football ownership and political importance are having profound consequences for sport, specifically an economic and political power shift marked by the rise in Asian and Eastern economies (see Giulianotti and Robertson, 2007; Rowe and Gilmour, 2009; Schulenkorf and Frawley, 2016; Silk and Manley, 2012). At the same time, the emergence of digital technologies, perhaps most notably Over-The-Top broadcasting and social media, is changing how people consume sport (Hutchins et al., 2019; Malter and Rindfleisch, 2019). Consequently, one view is that sport and entertainment are now converging; some have labelled this as the Disneyfication of football (MacInnes, 2017), though some now refer to Netflixisation (Pender, 2021).
Therefore, this study seeks to examine these changes in football, and the underlying ownership strategy employed by clubs seeking to leverage football’s local sociocultural importance as well as its global economic and political potential, for strategic gain. To do so, we take City Football Group (CFG) as a case to explore the unique ownership structures, diverse political and commercial actors involved, and the distinct strategic intent behind such structures. In doing so, we draw on Chadwick’s (2022) work to explore the networked geopolitical economies of franchised football club ownership, expanding upon the still emergent yet important line of research into football’s geopolitical place and use in global and domestic strategy. Specifically, we aim to answer the following questions:

1) What is the ownership structure of City Football Group and what different entities (actors) are involved?

2) How does the City Football Group use football to cross geographies in its strategy?

Literature Review

Sport and globalisation are inextricably linked. For example, Harvey et al. (1996) explored globalisation's impacts on sport – and sport's role as a purveyor of globalisation – across four dimensions: politics, economics, society, and culture. The authors note here how global- and national-level sport are equally implicated in international affairs and related machinations, highlighting the interconnected nature of globalisation and its transformational effects on regional, national, and international sport. As a result, sports brands are inherently tied to global forces and must exist and operate in an ever-changing and dynamic geopolitical, economic, and socio-cultural environment.

Football arguably provides the most visible illustration of globalisation's influence, celebrated by many as the world’s game and boasting an unrivalled popularity and reach.
Reflective of the sport’s ubiquity, as well as the myriad of economic, cultural, and technological influences at play, many have observed how football and the entertainment and leisure sectors have converged (for example, Carter, 2010). Indeed, a significant growth in the global broadcasting of professional leagues, sizable social media presences for the sport’s top players, a growing esports presence, and a global network of talent recruitment and distribution have all helped football transcend the sport and entertainment sectors.

We furthermore contend that such changes give rise to the need for sport to be conceived of as geopolitical economy. As Krieckhaus (2018) describes, adopting a geopolitical economic approach to the study of global trade, diplomacy, migration, and power at its core belies the view that geography plays a central role in a majority of international political and economic strategies, processes, and decision-making. In turn, geopolitics has come to describe the interrogation of geographic assumptions and interactions within political discourse and strategy, marked by state-actors, enhanced global trade and diplomatic networks, and international ideological and political processes. This is illustrated in Baldwin’s (2013) “second unbundling”, wherein international trade has progressively moved away from two-party trade networks – historically dominated by regional geography and access – and towards a three-party trade model wherein resource procurement, production, and distribution are more disparately located.

This “unbundling” is equally evident in the increasingly networked economies and nation-states present in a post-globalised world. This networked view of geopolitics was notably advanced by Lefebvre (1995), emphasising the roles that creativity, partnerships, and peripheries can play in an organization or state leveraging its geopolitical strategic connections and diversifying its offerings and access as mechanisms through which to drive growth and sustainability. Inherent within this view are two important components of contemporary geopoliticisation; first, the ability of creativity and diversification, such as the
employment of digital technologies and advanced communications media (Santaniello and Amoretti, 2013), to extend global networks and to serve as sources of legitimation and openness for actors in a geopolitical networks; and second, the opportunity for organisations to act as key players in geopolitical economies, as transnational corporations have dominant actors in global geography, politics, and economics (Harvey et al., 1996; Muller, 2012).

Indeed, the study of organizations as central players in geopolitics, possessing agency and political strategy, has been stressed as being of critical importance to advancing geopolitical research beyond mere state-focused classical geopolitics scholarship (Muller, 2012). Organizations in this context are constructed of socio-material networks – human and material resources assembled and ordered within the organization’s structure and strategy – employed both individually and in combination by the organization to achieve its objectives, both economic and political.

It is in considering these developments and the global growth and value enjoyed by football brands that a lack of analyses into the geopoliticisation of football and football club ownership is evident. Nation states and state-owned corporations have progressively invested in European and world football, taking on club ownership in England, France, Italy, Spain and more, as well as engaging in lucrative sponsorship agreements with clubs, leagues, and major rights holders, and have secured major broadcast distribution rights for Europe’s top competitions. The impacts of these investments and continued pursuit of football as a geopolitical tool have been myriad, ranging from the enactment of new financial fair play regulations both domestically and continentally, in-depth investigations into state-owned commercial sponsorship agreements, and the rise of new power-players in club football’s traditional hierarchy.

From a managerial perspective, though, the implications of football’s geopoliticisation – as well as the sport’s place in global affairs both economic and political – represents an
important area of study in need of further development. Faced with operating conditions in which globalisation, digitalisation, fan engagement and talent acquisition are key challenges, elite professional football clubs must proactively manage themselves according to the global challenges and opportunities they present. Yet this field of research has to date been relatively poorly served and has largely failed to keep pace with changes in the practice of strategic management within the sector, apart from marketing and social media strategy (e.g., Baena, 2019; Parganas et al., 2015) which has received more marked investigation. Nevertheless, three dominant approaches to football as geopolitical – and efforts to leverage clubs’ value on a global scale – reflect this third era of football and club ownership, and merit investigation.

First among the approaches taken by clubs seeking to expand both globally and glocally seen in recent years has been the exploitation of franchising in football (Williams and Peach, 2017; Kerr and Wijeratne, 2020). Not to be conflated with the North American league-team ownership structure and relationship, wherein professional sports organisations are purchased by team owners from a central league entity, granting the owner and team exclusive regional rights, in the context of global sport franchising refers to the acquisition or creation of a portfolio of brand extensions. The parent property purchases or creates a series of global sub-brands bearing the parent brand’s name, colours, and identity. Red Bull, Atletico Madrid, Ajax Amsterdam and Manchester City, amongst others, have all pursued such a strategy, assuming ownership of clubs around the world and rebranding them to align with the parent brand’s image.

From a strategic perspective, the costs and benefits of such an approach have yet to be explored in the extant management and branding scholarship. Instead, there has historically been widespread popular dissent expressed towards such a franchise approach to football, with specific objections raised regarding the homogeneity of such an approach, the neocolonialist undercurrents common to franchised football relationships, and the heavily
commercialised motives behind franchising. As Armstrong and Rosbrook-Thompson (2010) note in their analysis of Ajax Amsterdam’s creation of Cape Town Ajax, the club’s primary motives were to develop and exploit local talent for economic gain, and to grow the Ajax brand in Africa. The club was created through the merger of two local clubs (Cape Town Spurs and Seven Stars) and remodelled in Ajax’s colours and image. In so doing, the Dutch side established both a feeder club through which to develop and acquire or distribute talent (at a profit) as well as a potentially valuable marketing opportunity through which to share and grow the Ajax brand (Armstrong and Rosbrook-Thompson, 2010).

Additionally, the principles of football franchising align closely with brand extension theory; Gladden and Funk (2001) have previously argued that strategic brand extensions are an important driver of brand loyalty in sport, enabling properties to access new markets and identity and leverage new value propositions. By creating satellite sub-brands internationally, football clubs may thus be able to grow their fanbase and derive heightened loyalty for the parent brand. In this capacity, the homogeneity of a club's portfolio is advantageous: scholars have long argued that the perceived fit and similarity between a parent brand and its extensions is imperative to successfully leveraging the parent brand's identity (e.g., Apostolopoulou, 2002; Aaker, 1990).

Critics of such practices have often cited concerns regarding the McDonaldization of society and the Disneyfication of offerings resultant of such franchising models. McDonaldization, a term first used by Ritzer (1993), is characterised by the economic and cultural homogenisation driven by globalisation, evident in the standardised and highly optimised and quantified strategic management of otherwise discrete assets. Similarly, Disneyfication refers to the transformation and simplification of environments or entertainment options for the purposes of brand control and homogenisation of experience (Bryman, 2004). This homogenisation is argued to threaten local and domestic businesses and
practices, instead promoting a uniform and sanitised brand positioning to the detriment of smaller nations or economies. Nevertheless, the reasons for such a strategy can be compelling: the growing digital revolution in consumption witnessed in the last twenty years, rather than limit the excess of McDonaldization, has re-emphasised the automation of this system, specifically through new entrants to the market such as Amazon (Ritzer and Miles, 2019).

Second, professional football clubs have increasingly sought to engage with global audiences and to extend club brands internationally in recognition of the myriad advantages presented (including economic growth, talent development, and diplomatic influence). Clubs such as Paris Saint-Germain (state-owned by the Qatar Investment Authority) and Manchester City FC (predominately state owned by Abu Dhabi government), and more recently Newcastle United FC (predominately state owned by Public Investment Fund of Saudi Arabia) have actively sought to engage with overseas audiences using more formal, strategic approaches to branding (Mantoux, 2020), whereas Bayern Munich have successfully employed digital technologies as a means through which to build presence and profile (Baena, 2019). Similarly, clubs including Chelsea and Juventus have worked with overseas clubs as a means through which to acquire, develop, and control talent (Bond et al., 2020). Indeed, strategically allying with a geographically remote partner to acquire, develop and manage talent presents significant commercial and non-commercial benefits for football clubs seeking to expand operations globally and to leverage talent recruitment and development networks more forcefully.

Third, clubs have increasingly sought to expand and exploit commercial networks as means of accessing new markets and leveraging soft power through sporting properties (Burton et al., 2020; Chadwick et al., 2020). Soft power sponsorship networks, which we define as a global interconnection of economic entities connected through formal economic
contracts, have offered state-owned clubs the ability to both invest in their teams through affiliated corporations and investment vehicles, as well as the opportunity to diversify trade networks and economic relations. In line with Baldwin’s (2013) “second unbundling”, nation states have employed strategic commercial investments in sport as a means through which to extent diplomatic and economic integration beyond more traditional and regional ties, and in turn re-orient both economically and politically on a global stage.

The Rise of Networked Geopolitical Economies

The development of organisational networks by football clubs and the new era of club owners corresponds with similar developments in other industrial sectors as global politics, economics, and geography increasingly intersect and state interests in sport and business align. Indeed, football would appear to be drawing from the experiences of other industries as clubs seek to adapt to both external and internal challenges (Widdop and Collins, 2016). Organisational networks are commonplace in business, often connecting multiple stakeholders across boundaries (Borgatti et al., 2009), and with a global dimension. Organisational networks are a tacit acknowledgement that collaborative modes of operation enable the co-creation of value and enhance competitive performance (Bond et al., 2021). Such networks enable an organisation to be more flexible and agile (Granovetter, 2017), creating opportunities to improve market access and build market share (Granovetter, 2017), boost the efficient use of resources (Knoke, 2012), promote organisational learning, enhance expertise, and secure cost benefits through scale efficiencies (Burt, 2005). The potential benefits for football clubs are thus significant as club brands seek to navigate and leverage football’s growing geopolitical – and socio-cultural – place in sport and commerce.

Methodology
To explore the strategic management of franchise networks in football, a case study approach was adopted examining Manchester City Football Club (MCFC), and parent company City Football Group (CFG). CFG own 100% of Manchester City Football Club, and we therefore in what follows interchange between the two, with no assumption to ontological differences. The selection of CFG and the Abu Dhabi royal family’s investment in football as a strategic geopolitical pillar was informed by several key criteria: first, as an exemplar case, CFG and Abu Dhabi were identified to be the most prominent and established example of an elite professional football club having been acquired and diversified for geopolitical gain within football’s third era. Whilst other clubs have subsequently followed similar patterns of investment and for political gain (for example, Qatar’s ownership of Paris Saint-Germain, Saudi Arabia’s purchase of Newcastle United Football Clun), have adopted and expanded franchise models (e.g., AFC Ajax, Red Bull), and embraced mediatisation and Netflixisation as means through which to engage with global audiences and investors (for example, Sunderland AFC Ajax, Juventus FC), CFG’s strategic manipulation of MFCF and diversification of their network through a global franchise system was found to exemplify the geopolitical ideals examined here. As a case study in the strategic creation, development, and management of a network, CFG provides valuable insights into a growing phenomenon in sport.

Drawing from the principles of case study research laid down by Stake (1995), CFG were selected as an instrumental case through which to explore and gain insight into football club ownership’s geopoliticisation. Stake’s (1995) instrument case study methodology advocates for the investigation of a single case as a discrete unit of analysis, placing emphasis on understanding the specific context, and inner circumstances, of that case. In this respect, CFG was determined to afford the most full and robust exemplar case of geopolitical football ownership; CFG provides a level of complexity, is contemporary and is therefore of
significant interest to both scholars and those involved in the practice of strategic leadership and management. Consistent with this, the case study presented here is therefore evaluative, embodying the notions of intervention and implementation from a practical managerial perspective (Yin, 1992) and, from a social scientific perspective, cause and effect. In doing so, we have engaged Chadwick and Widdop’s (2021) assertion that 21st-century sport is founded upon a geopolitical economy in which strategic decision making is framed in terms of, and is a response to, geographic, political, and economic factors. As such, decisions about network formation and development are not founded solely on rational economic thinking but also reflect geopolitical necessity or expedience issues.

City Football Group

MCFC was founded in the late 19th century and was quintessential of its age. However, following an ownership change in 2008 and the recruitment of a new chief executive officer in 2011 (Tremlett, 2017), the organisation has since created a franchise network of ten football clubs worldwide. In tandem, an associated network of commercial partners, investors, government entities and geographic locations have also been established (Tremlett, 2017).

MCFC was first established in 1880 as St. Mark's (West Gorton), subsequently becoming Ardwick Association Football Club in 1887 and then finally adopting its present name in 1894. By the 1960s, MCFC had emerged as one of England's leading football teams and a growing force in European football. In 1970, the club won the UEFA Cup Winners Cup, a tournament that was later subsumed into the UEFA Cup (no known as the UEFA Europa League).

However, following this initial period of growth and success, the club experienced relegation to England’s lower divisions through the 1980s and 1990s, all whilst retaining a fervent local fan base. MCFC asserted its place as an important part of its local community...
during this period. The attachment of club, place and community were embedded whilst Manchester simultaneously experienced a considerable period of growth both culturally and economically. These local roots and community links were rewarded following Manchester’s hosting of the 2002 Commonwealth Games, when MCFC moved from its traditional Maine Road facility to the City of Manchester stadium, commonly referred to as ‘the Etihad’, on a 99-year lease from the Manchester City Council. This move was not without controversy, as the City of Manchester Stadium (as it was known upon completion) cost £112 million, of which MCFC had only paid £20 million (the remainder coming from government sources).

During this period, MCFC’s ownership structure and market position experienced significance developments. For a considerable period of its history, MCFC was owned by local businesspeople who were either fans or former players of the club. This ensured that its operating principles were dictated more by philanthropic motives than commercial ones or otherwise and helped to reinforce the notion that football clubs were important community institutions responsible for generating social capital. The commercial influence of North American sport in the last quarter of the 20th century and first decade of the 21st century challenged such a notion, as football clubs became more overtly commercial in their strategic orientation. In 1995, MCFC floated on OFEX, a way for small companies that could not meet full stock market regulations to sell their shares (Hamil and Chadwick, 2010). Later, in 1999, a global media corporation – BSkyB - acquired a 9.9% stake in MCFC; at the time, BSkyB also owned the contractual rights for the domestic broadcast of Premier League matches (Nauright and Ramfjord, 2010). Around the same time, two business entrepreneurs also took a stake in the club, marking a change in orientation for MCFC towards generating commercial revenues (Buckley and Burgess, 2000). Following this increased investment and improved commercial focus, the club regained Premier League status in 2002 and remained a permanent fixture.
The club’s appeal was enhanced by a combination of the potential financial windfall clubs could generate upon securing membership of the Premier League, supplemented in MCFC’s case by a large fan base and its preferential lease to play at its new stadium. Such allure resulted in the club’s acquisition in 2007 by deposed Thai Prime Minister Thaksin Shinawatra (Tremlett, 2017). However, his personal wealth, estimated at $850 million, was frozen by Thai authorities on suspicion of corruption and abuse of power (Herbert, 2008). This quickly led to the further sale of MFCF in 2008 to the Abu Dhabi United Group, a private equity company from the United Arab Emirates owned by Sheikh Mansour bin Zayed Al Nahyan (a member of the Abu Dhabi royal family and Minister of Presidential Affairs for the UAE). With such close connections to the government, CFG is commonly referred to as state-owned. In this capacity, MCFC afforded the Abu Dhabi royal family an important means of establishing legitimacy in the global market and extending their economic and diplomatic networks beyond the Middle East region. However, in 2011-12 ADUG expanded upon its global status and enacted a long-term strategic direction with the acquisition of a second club – New York City FC – and the creation of CFG as a parent holding company for the two organisations.

These developments are important in the context of MCFC, as across its history the club has played an important further role in terms of identity, place, and locality for the city of Manchester. The club’s substantial economic renewal and commercial growth has become of particular strategic importance for CFG for several reasons: CFG has sought to embrace the notion of glocalisation (Tremlett, 2017) in its commercial activities and employs the club's consumable past as a marketing asset (as in the case of the club’s 2019/20 away kit which was inspired by the Hacienda’s graphic design); the relatively inexpensive nature of the stadium’s construction costs helped to create an asset value that made City an attractive opportunity for investors; and the stadium’s location and real estate potential now serves as a focal node in
the convergent development of a sport and entertainment product portfolio (Desai, 2021). Incorporating marketing activity into the fabric of Manchester's popular cultural heritage has reinforced the importance of the local within a global structure.

The impetus for building a network of clubs (which are now commonly and popularly referred to as franchises), was provided when a new chief executive officer – Ferran Soriano – was recruited in 2012. Soriano was a tech investor and former airline executive who had, most significantly, been Economy Vice President at Spanish club F.C. Barcelona between 2003 and 2008. During his time in this position, Soriano had spoken openly about his vision of football’s future and how football clubs might respond to the opportunities this might create (MacInnes, 2017). He foresaw the convergence of sport and entertainment and the role those emerging digital technologies might play in creating and distributing products. Soriano conceived of this as involving the 'Disneyfication' of football, the characteristics of which are hybrid consumption (where multiple forms of delivery and consumption become interlocked), theming (where an institution is placed into a narrative that is unrelated to it), merchandising (where names and logos are used to sell items), and performative labour (where employees are simultaneously service providers and entertainers). As illustrated in Figure 1 by taking an egocentric network of CFG, we can build a structural profile of the economic relationships that have been guided CFG’s 'Disneyfication' and its strategic and ideological positioning. This structural perspective gives us a helicopter view of the global network allowing an exploration of the interconnected nature of these investments.

As the network demonstrates, following the acquisition of New York, CFG have since invested in or taken ownership of the following clubs:

- Melbourne City (Australia, 100% shareholding)
- Troyes AC (France, 100%)
- Montevideo Torque (Uruguay, 100%)
Lommel S.K. (Belgium, 99%),
Mumbai F.C. (India, 65%),
Girona F.C. (Spain, 47%),
Yokohama F. Marinos (Japan, 20%)
Sichuan Jiuniu F.C. (China, 29.7%).

The latter is of particular interest, as the acquisition took place in 2019 with a Chinese investor – China Media Capital Football Holdings – having bought a 12.4% of CFG in 2015. The announcement of this purchase coincided with a state visit to Great Britain by China’s President Xi Jinping, who travelled to visit MCFC’s facilities with then British prime minister David Cameron. Whilst there, Xi met Zayed Al Nahyan. At the end of 2019, a further portion of CFG was sold (10.4%), to US private equity investor Silver Lake (which is also invested in other sport and entertainment assets such as World Wrestling Entertainment and Airbnb). Based in California, Silver Lake is also invested into the likes of India’s Reliance Jio, which is based in Mumbai (location of CFG’s India franchise) and has also attracted investment from Mubadala (Abu Dhabi’s sovereign wealth fund) (Reuters, 2020). These geographic connections and economic relations are central to Dhabi’s strategy in leveraging CFG and integrating globally, enabling the nation’s leadership to develop trade relations with developing and advanced economies as a means of diversification and growth.

Data Collection

In constructing the study’s case, the research team began by analysing the recording, transcript, and slides of a 2006 presentation delivered by CFG chief executive Ferran Soriano – then vice-president and director finance for FC Barcelona – on his strategic vision for football club development. This presentation – and Soriano’s clear directive and strategy – informed the preliminary basis of the study’s analysis.
The research team subsequently collated and analysed data from a range of sources (see Table 1), including report archives, interview transcripts, audio-visual content, and participant observation over fifteen years (2006 to 2021), reflective of the need for case studies to employ multiple sources of evidence (Yin, 1992, 1994). For each data source, content analysis was undertaken using Cohen's Kappa to ensure inter-coder agreement within the research team (Landis and Koch, 1977). Consistent with Stake’s (1995) instrument case method approach, investigator triangulation was employed throughout the content analysis and coding process. Two members of the research team were involved in the analysis through each step, allowing for consultation and deliberation for each code and theme emergent within the data. As and when discrepancies in the analysis were identified, divergent codes were discussed and reconciled. Software used in the methodology was ‘R’ open-source software and Gephi.

**Egocentric Network Analysis**

Within social network analysis, the unit of interest is referred to as an “ego”, with affiliations, connection, or ties, to “alters” (Crossley, et al., 2015; Perry, Pescosolido & Borgatti, 2018). Social and economic network analysis can come in many forms, whole network, sociocentric and egocentric analysis are common types. Egocentric network analysis uses an individual unit as a case to study its connections, in contrast to socio-centric, whole network analysis. Given the case study research design, egocentric network analysis provides the most appropriate framework, as the network boundary is ego-centred, the analysis is case specific, sampling strategies are more flexible (Crossley, et al., 2015; Perry, Pescosolido & Borgatti, 2018). Upon completion of this data collection, an egocentric economic network of CFG was constructed, with a 1.5 level of reach, illustrated in Figure 1. An egocentric model captures relationships and connections to the ego (in this case, CFG), and the 1.5 level allows
relevant connections to these connecting organisations to be explored. This allows a generative structure surrounding the ego to be constructed. A systematic approach to construct the egocentric network was taken, generating a tie (connection) between CFG and an external entity if an economic relationship exists, wherein economic capital is exchanged between two entities in either direction. Furthermore, we take the assumption that when a state entity uses its resources to purchase or sponsor another counties cultural institutions – this is an economic tie and by definition an act of soft power which is inherently political, you cannot distinguish between the two. To that end, the network constructed is not exhaustive of all existing relationships; instead, it presents a cross-sectional view of a sporting economic network. However, the size of the network, consisting of 59 organisations across 89 unique ties, illustrates the complexity of the structure. It identifies the often-hidden complexities and networks that span the world of sport. Indeed, the network allows us to reconnect the idea of globalisation at the macro level with the interactions at the meso level between micro agents. This also allows us to add context to the rather abstract notion of globalisation.

Findings

An Analysis of City Football Group’s Network Strategy

As Figure 1 illustrates, there is a clear strategic intent behind CFG’s rapid expansion. The creation of a global network of CFG franchises has brought scale advantages. Each individual business unit can derive benefits from the collective power generated by the more powerful nodes in the network of commercial partners. This co-creation of financial and commercial value seems to be a dominant internal logic within CFG. The parent organisation’s apparel deal with Puma is one example of how and where this has happened, with a lucrative commercial agreement signed collectively across the network. At the same time, network members have been able to establish multilateral network links, with Nissan
being the most obvious example. The auto manufacturers have used their CFG partnership to establish individual sponsorship relations with Yokohama F. Marinos, New York City, Manchester City, Melbourne City, and parent group CFG, exploiting the partnership and its component franchises for global economic gain.

As CFG has globalised, it has also digitalised and commercialised at the same time. For instance, in 2017 MCFC launched its ‘Cityzens’ platform, a fan engagement initiative aimed at rewarding fans for their loyalty to the club. A year later, in 2018, the club took part in Amazon’s ‘All or Nothing’ series, a behind-the-scenes documentary. This has been consistent with Soriano’s quest for Disneyfication, as MCFC’s players served not just as footballers but also as performers in a show. Such commercial partnerships have resulted in several high profile and lucrative sponsorship deals being signed, of which several are especially notable. A significant sponsor across the group is Japanese multinational automobile manufacturer Nissan, which owns the majority stake in CFG’s partner club Yokohama (home of the global car conglomerate). Another is Etihad Airways, which is shirt sponsor (typically the most lucrative source of sponsorship revenue for a football club) of CFG clubs such as those in New York, Mumbai, and Melbourne. Etihad Airways is the state-owned airline of Abu Dhabi.

In 2019, CFG signed an apparel contract with Puma for the German sports apparel brand to supply six of its clubs with their famous sky-blue shirts. Worth £650 million over ten years, the deal marked a further development in the organisation unifying and standardising constituent parts of the brand, as CFG strives to create a consistent global image. It also prompted attempts by the two organisations to reconcile the global and the local. For example, most clubs in the network play in the same colour shirt, but Puma has also produced replica shirts for MCFC, drawing on the city's musical heritage. This roots the club's brand in England that draws from the notion of marketing a 'consumable past'. This degree of
glocalisation and local grounding for CFG is important from a network perspective: becoming an important part of its local community is illustrative of Granovetter’s (1985) theory of embeddedness, wherein social ties and constructs are inherently embedded within economic action as networked actors.

There is a distinct geopolitical dimension to Abu Dhabi's ownership of the club. This means that goal setting and the evaluation of outcomes is not measured solely or directly in terms of, for example, financial turnover and bottom-line numbers. When CFG’s franchise in China was announced (to be located in Chengdu), it was also revealed that Etihad Airways would be establishing a strengthened passenger hub at Chengdu’s airport (Chadwick, 2019). It has also been rumoured that CFG will buy a Russian franchise club, which coincides with strengthening political and energy-related ties between the UAE and Russia (Allen, 2021). This aligns with observations that nation-states and global actors see football club ownership as a means through which to establish relationships (Yu et al., 2019). More pertinently, the case of CFG demonstrates that strategy formulation and implementation and network formation are embedded. Such are the ideological, geopolitical, and economic changes taking place at this point in the 21st century; there are consequently lessons that can be learnt from the CFG case by businesses operating in other industrial sectors. This especially pertains to those engaged in or with rentier states (McManus and Amara, 2021); those that have sponsorship or other such relationships with state-owned entities (Chadwick et al., 2020); and those that deploy sport and associated business networks as the basis for national development programmes (Yu et al., 2019) or diplomatic activities (Reiche, 2015).

Organisations operating in this first quarter of the 21st century have encountered profound changes. Understanding how these changes manifest themselves through and interact with other contemporary socio-cultural and geopolitical changes is also observable from the CFG case. The convergence of sport and entertainment is given life via the notion
that running a football club is akin to running Disney. Though perhaps we are now
encountering the 'Netflixisation' of sport which may pose some interesting new challenges for
CFG and strategists in clubs across football. The central tenets of 'Disneyfication' nevertheless
provide some important insights into CFG’s strategy, which may help other service
organisations understand how to, for example, develop hybrid forms of consumption and
delivery (which are evident at multiple levels in CFG’s portfolio of organisations). This
resonates with the phenomena such as co-creation and presumption. Equally, CFG’s
utilisation of footballers and coaches as performative labour implies that other sectors can
enhance their serviced provision via a broader interpretation of the role and purpose of their
human resources.

Importantly, from a geopolitical perspective, it must also be acknowledged that Abu
Dhabi’s strategy in leveraging football to enter new markets and establish trade agreements on
a global scale operates in tandem with a broader strategic vision on the part of the emirate to
leverage soft power. In this respect, its investment into the network is consistent with the
typical strategies of other rentier states (e.g., Qatar, Saudi Arabia), who have similarly
invested heavily in sport as a means of establishing economic and political ties on a global
scale, and rebranding in the eyes of foreign investors, visitors, and governments. Given the
nation’s troubling human rights record and limited civil liberties, Abu Dhabi’s creation of the
CFG network can equally be seen as example of sport washing strategy: an attempt to distract
or divert attention away from misdemeanours of which Abu Dhabi is accused (Ronay, 2018).
Given the group's considerable success in extending its economic reach internationally and
normalising the state's investment in football and strategic use of sport to brand Abu Dhabi
and the UAE in a positive light, these efforts have invariably, albeit troublingly, been
successful.

Conclusion
The case of CFG illustrates how the geopoliticisation of football clubs is increasingly being advanced and exploited as strategies for addressing global giga-changes and their impact upon football and business operations. In such fast-changing, dynamic operating conditions, playing and winning remain important, as does commercial success, but addressing the challenges and opportunities posed by a shifting geopolitical order also now press. Networks such as CFG's clearly illustrate how one organisation – an amalgam of 19th, 20th and 21st influences in football – seeks to manage a complex array of influences strategically. There is some evidence of success, not least that constituent clubs of the CFG network have won and are winning. At the same time, the geopolitical and economic successes of CFG's majority shareholder – the Abu Dhabi government – can also be observed. Looking ahead, we believe that current giga changes affecting football and the world will continue to have a profound impact upon sport, business, and life in general. As such, we anticipate the further development, expansion and integration of CFG’s network, which we thus feel warrants further analysis. Such analyses will hold lessons for the future of football and, we contend, for organisations in other industrial sectors. Some might be keen to watch the on-field action, but arguably the more significant action is taking place off-field.

Managerial Implications

On this basis, and drawing from our analysis of CFG, we identify several key lessons which are applicable both to other football clubs and to sport in general, but also to businesses and organisations operating in other industrial sectors. Specifically, these lessons are:

- **Operating within giga-changes necessitates adopting innovative strategic approaches, which in turn provides opportunities for further innovation and strategic creativity to take place** – In football, business, in multiple other organisations, and across the world in general, we are encountering profound giga-changes of the kind that have arguably not been witnessed since the industrial
revolution. This dictates that the likes of CFG cannot buck the trend of developments impacting upon it, instead it must learn to operate within the changes. Conventional approaches to strategy and management still evidently provide the organisation's leaders with a basis upon which to build and craft strategy. One aspect of what CFG is doing is hardly unique, although the speed with which it has been developed, its scale and sophistication identify it as being creative: franchising. Additionally, it is especially notable due to the geopolitical and economic influences that have been shaping its deployment. The open embrace of, rather than a stubborn resistance to, football as an entertainment and lifestyle product, as well as being a source of digital content, demonstrates an understanding of football's core product features and the power it can help generate. This clarity and impact on the organisation’s globally networked strategy is especially notable in CFG’s case.

- **Global strategic networks are a means through which to deploy, manage and access resources, enabling the acquisition of other resources and the accumulation of power** – The creation of CFG and its network is an example of how an entity (in this case the Abu Dhabi government) has strategically deployed its resources in order to accumulate power and exert control (which we note above, from a geopolitical standpoint). This includes generating external rents (consistent with the emirate's status as a rentier state) and securing nation branding and reputational benefits. For CFG itself, the deployment of Abu Dhabi’s resources has enabled the organisation to establish a talent supply-chain that attempts to reduce uncertainty, mitigate risk and boost competitive advantage. CFG is thus a global exercise in value-chain management, set within the context of multiple networked strategic alliances. These alliances, or connected nodes, commonly appear to be framed as mutually beneficial bilateral and multilateral connections. This implies several key issues need to be
addressed, including, but not limited to, partner selection decisions, boundary management arrangements, and matters of strategy management and control. With success comes additional market power, enabling the subsequent accessing of further resources, including players, commercial revenues (from the likes of sponsors), and political influence (see, for instance, how the development of Etihad Airways is being connected to the development of CFG). For organisations seeking to deploy network strategy, a key lesson of CFGs network strategy is the multi-nodal deployment, and connected generation of, multiple resources.

- **The geopolitical and economic embeddedness of globally networked football results in new ways of evaluating strategic success** – Whilst winning football matches and achieving commercial success continue to be important for CFG and other such networks in football, in cases where state-connected investors are involved in a club or network other outcomes are being sought as a measure of success. Fundamentally, the accumulation of network power is one goal that the likes of Abu Dhabi's rulers want to achieve. This is bound up with the desire of nations and states to exert control over resources and, more specifically, to engage in relationship building and diplomacy, the projection of soft power and so forth. This necessitates that organisation’s such as CFG as well as others in their position establish evaluation tools and measures of effectiveness that extend well beyond bottom-line success.

*Theoretical Implications*

Additionally, the CFG case offers new insight into geopolitical theory of soft power, affording a new lens through which to examine and understand the role networks play in geopolitical economies and contemporary football club ownership. As illustrated by CFG’s extensive commercial network and extensive global sponsorship portfolio and portfolio diversification through franchising, Baldwin’s (2013) “second unbundling” would appear to
apply to sporting models as well as international trade; through its ownership of clubs spread
globally across different strategic markets, grounded in MCFC’s identity and core brand
value, Abu Dhabi have succeeded in raising both the United Arab Emirates’ global profile
and reputation, as well as integrating the nation into new economic alliances and sectors.

The present study’s findings further shed light on the important role mediatization –
and, by consequence, Netflixisation – plays in extending transnational networks and network
value. Through CFG’s strategic integration of new media, storytelling, and brand consistency
across its club network, MCFC and its owners have extended the club’s brand and in so doing
managed the narrative of the club and its ownership through owned and co-owned media,
whilst simultaneously glocalising satellite clubs to complement the MCFC parent brand and
serve as value centres for the ownership group internationally. Although Netflixisation
remains a relatively nascent concept, and the role of team-controlled media and content
remain new areas of study within sport management and corporate strategy in sport, the
example of CFG suggests that such avenues do present strategic and commercial
opportunities meriting further study.

**Limitations and Future Directions**

Ultimately, the case of CFG provides important insight into the growing
geopolicalisation of football and the use of major European football clubs as pawns in nations’
geographic, political, and economic strategies on a global stage. Through their ownership of
MCFC – and subsequent strategic management of the club’s partners, subsidiaries, and
external communications – the Abu Dhabi royal family demonstrate the potential role that
sport ownership can play in expanding trade networks, developing diplomatic relations, and in
exerting soft power on an international scale. Nevertheless, this remains an emergent area of
study in need of further exploration. The case study method adopted here offers a platform
upon which to build this line of research, however the extent to which the lessons learned from Abu Dhabi and CFG can be applied to other state-owned clubs (e.g., Paris Saint-Germain, Newcastle United), or to which the role that narrative control and media integration can play in geopolitical strategy beyond football, in particular, require further study. Likewise, football and clubs’ role in nations’ geopolitical strategies represent areas of imperative further study, given the unique sociocultural place football clubs possess, and the continued efforts of nations to exploit that sociocultural capital for political and economic gain. The extent to which such efforts are successful, which clubs represent prospective targets for such endeavours, and those network actors which may inform nations’ geopolitical efforts in club ownership all require additional study.

Furthermore, whilst not in the scope of this current paper it would be remiss not to draw attention to states use of sport as a means of sport washing, given that global sponsorship in sport networks could have darker tones of a mechanism for shifting attention away from regimes human rights abuses and other political policy undesirable to the international communities. Indeed, given the complexities and tensions in Europe at present, Russia’s use of sport as a vehicle for soft and now increasingly hard power draws increasing attention to what legacy global investment in sport actually brings.

References


Buckley, A. and Burgess, R. (2000), Blue Moon Rising: The Fall and Rise of Manchester City, Milo, Preston, UK.


Figure 1: City Football Group Egocentric Economic Network
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<thead>
<tr>
<th>Data source</th>
<th>Example</th>
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<td>Quantitative and qualitative Document archive and analysis</td>
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<td>Audio-visual content</td>
<td>Video recording of presentations, comments etc.</td>
<td>Qualitative Videography and audiography</td>
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<td>Interviews</td>
<td>Involving club officials and other key stakeholders</td>
<td>Qualitative Transcriptions</td>
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<td>Participant observation</td>
<td>Attendance at corporate events, conferences etc.</td>
<td>Qualitative Note-taking &amp; diary keeping</td>
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