ATHLEX SPORTS JOURNAL

The Growing Influence of Broadcasting Revenue on European Football

Broadcasting revenue in football represents the largest source of income for most clubs, making it vital for competitiveness. To understand its influence on the modern game, it is worth examining the overall broadcasting revenue of each league, as it provides a useful context for the financial scale of each competition.

In recent seasons, the TV revenue generated by Europe's Top Five leagues has been the following: (1st) Premier League – €1.75 billion, (2nd) Bundesliga – €1.1 billion, (3rd) La Liga – €990 million, (4th) Serie A – €900 million, and (5th) Ligue 1 – €582 million.

Although the overall revenue generated by each league from broadcasting rights is useful, its distribution is far more important. This is because there is often a correlation between the effectiveness of TV revenue distribution and league competitiveness. The fairer the distribution model, the greater the potential for a competitively balanced league. This is because broadcasting revenue directly affects a club's financial reach, influencing decisions related to squad investment, training facilities, youth academies, and infrastructure, which can have a direct influence on sporting results.

Across most European leagues, audiovisual rights are managed through a centralised system. Clubs allow their league to market their individual rights as part of a collective package. The league uses this package to negotiate broadcasting deals and then allocates revenue according to the agreed distribution agreement with clubs.

At first, one may think that this is contrary to EU competition law. Article 101(1) TFEU prohibits agreements that restrict competition, and collective selling arrangements may fall within this prohibition because competing clubs agree to market their broadcasting rights jointly rather than individually. This effectively creates a single seller of media rights, reducing competition in the market. Nevertheless, in 2003, the European Commission recognised the unique characteristics of sport and accepted that collective selling can generate substantial economic and social benefits.

Revenue sharing is particularly important as it promotes competitive balance within leagues and supports solidarity payments to lower-tier clubs and grassroots football. As a result, collective selling may qualify for exemption under Article 101(3) TFEU where its benefits outweigh its restrictive effects. To ensure that competition is preserved, the Commission has required safeguards such as transparent and non-discriminatory tender procedures, limited contract durations, and the division of broadcasting rights into multiple packages.

Although most leagues follow the same broad structure, none of Europe's major leagues distributes broadcasting revenue entirely equally, meaning that each model reflects a balance between competing objectives. On one hand, leagues have an interest in maintaining competitive balance by ensuring that a greater proportion of broadcasting income reaches smaller clubs. On the other hand, the largest and most commercially successful clubs generate a significant share of the league's global appeal and may therefore argue that they should receive a greater proportion of the revenue they help generate. This creates a fundamental tension between rewarding commercial performance and protecting competitive balance.

The issue is particularly significant because broadcasting revenue does not operate in isolation. A club that consistently receives higher media income can reinvest it. Success can then increase the club's commercial appeal and exposure, creating a cycle in which financial and sporting advantages reinforce one another. Conversely, clubs receiving substantially less broadcasting income may find it increasingly difficult to close the gap, regardless of their sporting potential.

Therefore, the importance of broadcasting revenue extends beyond its value as a financial resource. Its distribution can influence the long-term structure of competition itself, determining the extent to which clubs are able to challenge established hierarchies. As broadcasting markets continue to grow internationally and media rights become increasingly valuable, the way these revenues are shared will remain central to debates surrounding financial inequality, competitive balance and the future sustainability of European football.

Broadcasting revenue has therefore become far more than simply another source of income for European football clubs. It has developed into a fundamental component of the modern football economy, shaping the financial capabilities of clubs and, consequently, their ability to compete both domestically and internationally. While the overall value of broadcasting deals demonstrates the enormous commercial scale of Europe's leading leagues, the distribution of that revenue is arguably even more important when considering its impact on competitive balance.

The centralisation of audiovisual rights provides leagues with greater negotiating power and allows broadcasting income to be distributed according to collectively established principles. This balance is increasingly important because financial

advantages can translate into sporting advantages, which can then generate further commercial success.

As broadcasting markets continue to expand and the global audience for European football grows, these revenues are likely to become even more influential.

The challenge for European football will therefore be to ensure that the increasing financial value created by broadcasting contributes not only to the growth of the game, but also to its long-term competitiveness and sustainability. Ultimately, how broadcasting wealth is distributed may prove just as important as how much wealth the game generates.