

The Effectiveness of Football Economy Empowers Socio-Economic Development: A Case Study of Cristiano Ronaldo

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Abstract: This article primarily used Cristiano Ronaldo's 2018 transfer to Juventus F.C. Club as a case study to analyze and summarize how the star effect brought about by Cristiano Ronaldo in this event promotes the development of the football economy while empowering socio-economic development. Through case analysis, this article concluded in three aspects. In the football industry sector, the signing of football stars had positive effects on both the team and the league. It was recommended that the league and clubs introduce players with strong personal abilities as needed and actively exert their social influence to promote the development and improvement of the club and league. In the social development sector, the joining of football stars will promote the development of related industries. It was recommended that all regions attach importance to the development of football and actively promote the empowerment of the football economy in the social economy. At the same time, there were certain shortcomings in the model of empowering economic development through sports stars. It was recommended that players establish a good social image and moral literacy.

Keywords: football economy, sports economy, Cristiano Ronaldo, star effect

1. Introduction

The football economy's contribution to the global economy has grown in recent years, and it is now a key part of the global economic system. In 2021, the English Premier League, for example, provided 0.01% of world GDP (roughly 96.51 trillion yuan) [1]. The football economy's contribution to the social economy is complex, with some having an impact on the development of industries in the social economy, while others have an impact on the long-term development of the football economy's internal structure. The elements influencing the growth of the football economy are also numerous. Starting with the football star, the author wishes to investigate the role of the football star effect in the process of empowering the social economy in this essay. The complete book will utilize the famous football star Cristiano Ronaldo as an example to explore to ensure the efficiency of the exploration.

Cristiano Ronaldo is a constant and vital presence for Real Madrid. However, around 2018, Real Madrid began to make significant changes to their players on the pitch. Cristiano Ronaldo finally chose to depart for a variety of reasons and considerations. Juventus has long been the leading club in Italy's Serie A league, with a strong reputation and standing. Cristiano Ronaldo's arrival is obviously not a significant boost to his chances of winning the Champions League. At the same time, despite years of a lack of top-tier Serie A players and being heavily struck by the economic crisis,

Cristiano Ronaldo's entrance has generated significant traffic and attention, giving Serie A new life. At the moment, academics are focusing on the reasons behind Cristiano Ronaldo's transfer to Juventus and how other sports sectors might benefit from this tragedy.

The academic community has paid attention to Cristiano Ronaldo's celebrity effect, but all assessments have been undertaken in a specific area. Ziyang Zuo examines how local clubs might recruit superstars like Faker in the esports sector, using Cristiano Ronaldo's transfer to Juventus as the research object [2]. Ziyang Zuo investigates the impact of athletes' performance and personal abilities on their income in competitive sports using analogies [3]. Panji Putranto investigated the influence of Cristiano Ronaldo's arrival on Serie A club stock values [4]. The study looked at the favorable impact of Cristiano Ronaldo's statement that he would be joining Juventus' music department on the stock prices of Serie A club stocks 10 days before and after the announcement [4]. At the moment, experts' examination of the economic benefits of Cristiano Ronaldo's transfer to Juventus is mostly focused on the increase in his salary and achievements, with little consideration given to the incident's positive impact on the social economy. Scholars, on the other hand, mostly analyze the impact of the football economy from the perspective of the entire football industry, with little analysis of individual impact and role, as well as in-depth exploration and exploration on how to exploit personal advantages to promote the development of the football economy and social economy.

As a result, this essay will investigate how, in the example of Cristiano Ronaldo's transfer to Juventus, Cristiano Ronaldo, as a world superstar, leverages the star effect to promote social and economic development via the football economy bridge. For the football market, this study is beneficial for clubs and sponsors to better utilize the star effect to increase industry revenue; for theoretical development, it is beneficial to comprehensively analyze the contribution of the football economy to the social economy. This article will explore the positive impact that can be widely applied to the transfer of Cristiano Ronaldo to Juventus through case analysis.

2. Case Description

Cristiano Ronaldo, born on February 5, 1985, in Portugal, is a forward who is widely regarded as one of the best players in world football history. He has accomplished outstanding performances on the field and has received numerous honors. His outstanding achievement has also gained him widespread notice and attention. His fan base on the three major social media platforms—Instagram, Twitter, and Facebook—surpassed 400 million at the start of 2020, a milestone that not only topped the football industry but also ranked first in the world. Meanwhile, Cristiano Ronaldo has signed 31 sponsorship contracts spanning numerous businesses and fields throughout his career, making him the most valued player in the international football market. Cristiano Ronaldo revealed in 2018 that he will quit Real Madrid after nine years to play for Juventus F.C. Club (the following name is Juventus) after helping Real Madrid win the Champions League. On July 10, 2018, Juventus, the Serie A club, officially announced Cristiano Ronaldo's transfer from Real Madrid Club to the team for a fee of up to 100 million euros. This transfer is an example of Cristiano Ronaldo's star effect, and as a result, Juventus Club has improved significantly in terms of social attention, team revenue, and team stock price.

On social media, after Cristiano Ronaldo joined the team, Juventus' Instagram followers increased by 1.4 million, Twitter followers increased by 1.1 million, and Facebook followers increased by 500,000. Meanwhile, Real Madrid's social media fan base decreased by 1 million followers within 24 hours of Cristiano Ronaldo's official departure [5].

In terms of team revenue, 24 hours after the official announcement of Cristiano Ronaldo's joining, Juventus sold 520,000 Cristiano Ronaldo jerseys, resulting in a shortage of stores. Previously, in 2016, Juventus sold only 580,000 jerseys [5].

In terms of the team's stock price, before the transfer of Cristiano Ronaldo was officially finalized and announced, Juventus' stock rose by 22 percentage points from July 3 to July 5 due to the news that Cristiano Ronaldo was about to join. At the same time, its net worth increased by 175 million euros, and its market value increased from 650 million euros to 825 million euros. Within the six months since Cristiano Ronaldo joined, Juventus' stock price has risen from 0.7 euros to 1.81 euros, an increase of 91%, and its total market value has also increased from 650 million euros to 1.218 billion euros, making it one of the best stocks on the Italian trading market in 2018 [6].

In terms of league efficiency, since the 21st century, the Serie A league has been less competitive than major leagues such as La Liga and the English Premier League due to commercial development and overall team strength. The addition of Cristiano Ronaldo has promoted the attention and ratings of the Serie A league, and the Serie A league can also have greater profit space in league broadcasting rights and broadcasting costs.

In summary, Cristiano Ronaldo joined Juventus in 2018, which brought significant benefits to the Juventus club and the entire Serie A league, empowering the development of the Serie A football economy and bringing significant benefits to the team and the Serie A league.

3. Analysis on Problems

3.1. Effective on The Football Industry

In the football industry sector, the joining of football stars has brought certain positive effects to both the team and the league. In the incident of Cristiano Ronaldo's transfer to Juventus, after Cristiano Ronaldo joined the team, Juventus' Instagram followers increased by 1.4 million, Twitter followers increased by 1.1 million, Facebook followers increased by 500000, and Juventus' club stocks also showed a significant increase. This, after Cristiano Ronaldo's transfer to Juventus, brought higher attention to the team's events, attracted more viewers and sponsors to participate in the club's events, and thus promoted the increase in ticket sales and advertising revenue of his club.

Xuan Zhang posited that the phenomenon known as the celebrity effect exerts a discernible influence on various facets of sports event marketing, including but not limited to ticket sales and broadcasting rights sales. This study employs a case-analytic approach to examine the influence of various sports events and sports personalities, highlighting the significance of using the efficacy of sports stars [7]. Yunfeng Guo's study also presented multiple strategies for cultivating the sports celebrity impact and ultimately determined that leveraging sports superstars for the promotion of sports products is the most effective utilization of this phenomenon [8].

In summary, the signing of football stars has played a significant role in promoting the football economy.

3.2. Effective on The Social Development Sector

The signing of football players would encourage the growth of allied enterprises in the social development sector. In the case of Cristiano Ronaldo's transfer to Juventus, Juventus sold 520000 Cristiano Ronaldo shirts within 24 hours of the official announcement, resulting in a retail scarcity. To some extent, this has fueled the rapid growth of jersey manufacturers working with Juventus, bringing additional consumer demand to the connected manufacturing business. Manufacturing is only one of the industries that are relevant. For example, since Cristiano Ronaldo's transfer to Al-Nassr FC, the Saudi League's influence has grown, and more and more world stars have moved to Saudi Arabia, promoting the development of Saudi football to some extent, providing more jobs for society, and promoting social and economic development.

According to Xuan Cui, the growth of the football economy plays a crucial role in the whole social economy by providing a platform for enhancing its development [9]. Concurrently, he asserted that

the football economy has the potential to effectively mitigate issues such as unemployment and other multifaceted concerns across several sectors [9]. Moreover, the football economy has successfully facilitated the economic advancement of the manufacturing sector, leading to an overall increase in the societal economic value throughout the developmental trajectory [9]. Consequently, it effectively stimulates the comprehensive progress of the social economy [9]. Jun Zhuang also observed that the football economy has experienced significant expansion, encompassing various sectors [10]. This growth has not only addressed unemployment concerns by creating job opportunities for individuals but has also stimulated the progress of associated industries, including football manufacturing and sportswear production [10]. In summary, the development of the football economy plays a significant role in promoting the development of the social economy.

3.3. Negative Effectiveness on The Sports Star

A large amount of funds and resources are mostly concentrated in the hands of a few top players, and the social impact is caused by the personal misconduct of players. In the four transfer events of Cristiano Ronaldo's transfer to Real Madrid, Juventus, Manchester United, and Al-Nassr FC, he was affected by his competitive level. With the increase in Cristiano Ronaldo's age and the fluctuation of his competitive level, his influence is constantly changing, and the social evaluation of his ability is also changing with the fluctuation of his competitive ability. Not only that, but Cristiano Ronaldo has also engaged in inappropriate behaviors such as disobeying the head coach's commands and publicly bombarding the club, which have hurt his star effect and reduced his driving effect on the football economy.

In addition to Cristiano Ronaldo, Neymar has also been exposed multiple times to rumors of infidelity and multiplayer parties. In addition, Neymar has been absent from the Ligue 1 league for a long time due to illness, and his competitive level has declined. Therefore, in recent years, his reputation has become increasingly poor, and his value has continued to decline. Mason Greenwood, an outstanding player in Manchester United's youth academy, was arrested on January 30, 2022, after his girlfriend accused him of domestic violence. After 12 months of investigation and mediation, his charges were terminated on February 2, 2023. However, the social discussion and attention caused by this incident did not end, and his accusation also had a very negative social impact. Manchester United fans also had constant disputes over whether he could return to the club, and in the end, the club chose to dismiss him under immense public pressure.

Therefore, the utilization of the football star effect requires a good social image of the players themselves; otherwise, the star effect it brings will be negative and difficult to control, and it will also have a promoting effect on the football economy and social economy.

4. Suggestions

4.1. Teams Actively Introduce Players with Strong Personal Abilities

Leagues and clubs should introduce players with strong personal abilities as needed and actively harness the social power of sports stars to enhance club and league development and improvement. The recruitment of great players who are compatible with the club will aid in the improvement of the team's capabilities and competitiveness. At the same time, as a top player, they are quite appealing. Messi's transfer to Miami International, Cristiano Ronaldo's transfer to Al-Nassr FC Victory, and other transfer events, for example, have not only driven the development of the American Football League and the Saudi Football League but have also attracted more football stars to the league and increased the team's and league's broadcast income, advertising income, and ticket income. According to reports, the ticket price for the Miami International vs. Los Angeles LAFC match was the highest

in the American Sports League's regular season history, with the best-priced seats costing roughly \$17102 per ticket.

In summary, introducing players with strong personal abilities will not only improve the team's level but also help the team increase ticket revenue, peripheral income, etc., and bring greater attention to the league, thereby helping the league increase broadcasting revenue, etc. Provide impetus for the optimization and development of the internal structure of the football economy.

4.2. Promote The Development of Football Culture in Various Regions

Various regions value football development and actively promote the empowerment of the football economy in the social economy. At the moment, the football economy and socioeconomic development are becoming increasingly intertwined, and the success of the football economy frequently leads to socioeconomic improvement. It not only creates new work opportunities, but it also supports the growth of football-related enterprises. The development and innovation of team jerseys, player co-branded sneakers, club products, team tickets, and friendly matches not only increase consumer demand but also stimulate the production of local related enterprises, thus playing a role in the development of the social economy.

Based on the findings of Xuan Cui's study, it can be observed that the football economy has played a significant role in driving the progress of adjacent businesses. Furthermore, the expansion and advancement of the football industry have exerted a discernible positive impact on the growth of specific neighboring economies [9]. The growth of football markets in various regions, the emergence of football superstars, and the enhancement of football standards collectively contribute to the ongoing advancement of the football economy. Furthermore, the development of the football economy significantly influences the economic progress of society, infusing dynamism into the social economy [9].

In summary, the region continues to promote the development of football, not only improving the level of competition but also bringing consumer demand and increasing the production enthusiasm of related industries to the surrounding area, driving the diverse development of the local economy, providing new ideas for solving social problems, and promoting the vigorous development of the social economy.

4.3. Urge Football Stars to Establish A Good Social Image and Moral Awareness

Encourage football stars to cultivate a positive social image and increase moral restraints in order to mitigate their harmful impact. Football celebrities get a lot of attention and traffic. In everyday life, people actively participate in activities that build excellent moral character, such as social welfare, which not only raises public awareness of social issues but also serves as a benchmark to guide the public to continuously improve their moral level. English player Jack Grealish made a joyful gesture in honor of leukemia patients after scoring a goal during the World Cup. This behavior not only produced a positive player image but also enhanced public awareness of leukemia.

However, immoral and unlawful activity by sports stars can have a severe societal impact. For example, inappropriate behavior by players with a high social discussion and a large number of fans may produce team and societal problems as well as injury to fans. The Mason Greenwood domestic violence event has had a bad impact on society and clubs.

The development of a positive social image of celebrities is essential for increasing the implicit market impact of sports stars, according to research by Bendong Hu [11]. Based on his research, the emergence of sports stars or exceptional athletes fulfills the public's need for physical fitness and vitality [11]. Consequently, in order for clubs and leagues to delve into the concealed impacts of sports stars, it is imperative to cultivate a favorable societal perception of these sportsmen.

In summary, the establishment of a good social image and moral character among football stars can not only set a good example for the public and increase their attention to more public welfare activities, but also better unleash the star effect and empower social and economic development to a greater extent through the football economy.

5. Conclusion

In 2023, football superstars such as Cristiano Ronaldo, Messi, and Neymar successively left the five major leagues of European football. Looking back on their achievements in the football field, it can be found that these superstars not only promoted the prosperity and development of the football level but also provided the impetus for the development of the football economy and even the social economy. In this context, this paper takes Cristiano Ronaldo as an example, starting from the star effect he brought and, through the case of his transfer to Juventus club in the summer of 2018, exploring how the football economy exploits the star effect as a bridge to empower social and economic development.

This study aims to provide insights into the football market, specifically focusing on how clubs, leagues, and sponsors can effectively leverage the star effect of players to enhance revenue generation across various dimensions within the industry. Additionally, from a socioeconomic standpoint, this research will assist governmental entities in identifying novel strategies to bolster economic empowerment. Lastly, from a theoretical perspective, this study will facilitate a comprehensive analysis of the football economy's contribution to the broader social economy, thereby advancing scholarly understanding in this domain.

Nevertheless, it should be noted that the scenarios examined in this paper are constrained in scope and lack absolute generalizability. Cristiano Ronaldo is widely recognized as a prominent figure in the realm of sport, and his influence on popular culture is characterized by a unique and discernible impact. Nevertheless, the study's utilization of data analytic procedures and economic theories is constrained, hence diminishing the overall persuasiveness of the research. Moreover, there remains potential for further inquiry into the means by which to foster the evolution of football culture inside local communities, effectively harnessing the influential power of players to stimulate local economic advancement.

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