

Abstract

This paper focuses on an empirical analysis of the efficiency of English Premier League football clubs. Scholarly papers, that have focused on this topic previously, have reached different conclusions.

The aim of this thesis is to show whether clubs manage to spend their finances efficiently or not, and furthermore to identify the most efficient teams. For this purpose, we have used data from 2019/20 season. We focus on club expenditure (players' and other staff salaries, advertising, new player purchases) and income (tickets, broadcasting rights, sponsors and how many points they earned in this season. We will also take note of the capacity of the stadium.

The method used was data envelopment analysis with the CCR model, which is input-oriented, and the BCC model, which uses variable returns to scale, as they are the most appropriate for this purpose. The results show that big clubs or teams successful internationally are not more efficient than other league teams. The inefficiency is primarily due to poor use of resources, but also by the global pandemic of Covid-19.