
ANALYSIS OF THE EFFECT ON THE MARKETING OF THE SPORT PRODUCT FROM THE "COMPETITIVE BALANCE" PRINCIPLE IN LATIN AMERICAN FOOTBALL AND BASEBALL COMPETITIONS

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ABSTRACT:

This paper analyzes the influence of the "Competitive Balance" principle in the marketing of the "sport product" in Latin America. The "Competitive Balance" principle represents a form of seen competitive balance, from the marketing point of view. Different dimensions of the "sport product", in order to be marketed, are identified and described. These dimensions are used to analyze the impact of the "Competitive Balance" principle in the marketing of the "sport product" of the professional leagues in Latin America. The main Latin American leagues of soccer and baseball are selected as case studies, based on three criteria: the capacity to generate income, the ability to attract fans to the games, and the ability to export athletes to other leagues. The analysis shows that certain dimensions of sport product are well developed, e.g., competition rules, but others are not, such as salary limits. Thus, the study finds an inadequate development of professional sports in Latin American in accordance with the "Competitive Balance" principle.

Keyword: *Competitive Balance, Professional Sport, Sport Product, Sport Marketing*

ANÁLISIS DEL EFECTO EN LA COMERCIALIZACIÓN DEL PRODUCTO DEPORTIVO A PARTIR DEL PRINCIPIO DE "EQUILIBRIO COMPETITIVO" EN LAS COMPETENCIAS DE FÚTBOL Y BÉISBOL LATINOAMERICANO

RESUMEN

Este artículo analiza la influencia del principio de "Equilibrio Competitivo" en la comercialización del "producto deportivo" en América Latina. El principio de "Equilibrio Competitivo" representa una forma de equilibrio competitivo visto, desde el punto de vista del marketing. Se identifican y describen las diferentes dimensiones del "producto deportivo", para poder ser comercializado. Estas dimensiones se utilizan para analizar el impacto del principio de "Equilibrio Competitivo" en la comercialización del "producto deportivo" de las ligas profesionales en América Latina. Las principales ligas latinoamericanas de fútbol y béisbol se seleccionan como casos de estudio, con base en tres criterios: la capacidad de generar ingresos, la capacidad de atraer fanáticos a los juegos y la capacidad de exportar atletas a otras ligas. El análisis muestra que ciertas dimensiones del producto deportivo están bien desarrolladas, por ejemplo, las reglas de competencia, pero otras no, como los límites salariales. Así, el estudio constata un inadecuado desarrollo del deporte profesional en América Latina de acuerdo con el principio del "Equilibrio Competitivo".

Palabras Clave: *Equilibrio Competitivo, Deporte Profesional, Producto Deportivo, Marketing Deportivo.*

I. INTRODUCTION

Professional sport in Latin America shows signs of growth and development in the commercial and business domains. This is observed in the performance of important leagues and their clubs, particularly, in sports such as football and baseball, basing such affirmations on the ability of these to attract fans to the stadium, on the economic profitability they generate, and on the virtuosity of their leagues to export sports talent to other borders. Examples of these leagues are the Mexican and Brazilian soccer leagues, and the Dominican and Venezuelan baseball leagues [5, 17]. All these leagues have in common the high levels of sports competitiveness, characterized by the balance of the competition, originated in the parity of their clubs, contributing this with the maintenance of uncertainty in the result, thereby increasing their attractiveness as a spectacle [2, 14]. This characteristic has its origin, in part, in the total or partial application of the "Competitive Balance" principle, which promotes the competitive balance between the actors of a professional sports league [1, 6, 10, 11, 12, 13]. This principle represents a form of conceiving Competitive Balance, from the point of view of marketing.

Competitive balance, in general, has been used to analyze the competitiveness of sports in diverse ambits and regions, such as US baseball and European football, since long ago, at least since the 1990's. In this context, higher competitiveness is associated with larger uncertainty. Diverse approaches and measures of competitive balance have been suggested and used, with interesting results. For instance, entropy as a measure of dispersion was used in [20] to show how the competitive balance has increased in the Major League Baseball (US-Canada), and to determine the factors for this increase. Also, [21] finds the improvement of competitive balance in the Major League of Baseball is due to inter-seasonal factors, like: free agency, a narrowing of team market size, and a compression of baseball talent. [22] shows the existence of a relationship (correlation) between aggregate attendance and competitive balance in Major League Baseball, i.e., demonstrates that an increase

in competitive balance generates more interest and attendance of the public.

Regarding European Football, results differ from those got in Baseball: the conclusion is that competitive balance has decreased over time. [23] shows, by using the standard deviation and the Herfindahl Hirschman Index measures to quantify the trends, that competitive balance has decreased in European leagues in general, studying 12 sample leagues over a time scale of 14 years. Among the factors for this, [23] identifies a lack of conformity of interests between different levels of clubs (between larger wealthy clubs and smaller outfits). In the same line, [24] uses cluster analysis to study eleven European football countries, from season 1963-1964 to season 2004-2005, finding divergences among countries about competitive balance, resulting Portugal, the Netherlands and Greece as the least balanced countries. Similarly, [25], focusing on the Rawlsian principles, concludes that competitive balance in European football has decreased, after analyzing four cases, the Spanish, English, Italian and German football leagues, between 1975 and 2016, finding that the Spanish case shows less inequality. [26] uses several measures of competitive balance to measure levels of concentration (within-season competitive balance) and dominance (between-season competitive balance) in the English Premier League, French Ligue 1, German Bundesliga, Italian Serie A and Spanish La Liga, selecting 22 seasons between 1995/96 and 2016/17, concluding that the French Ligue 1 is the most balanced league in terms of both, concentration and dominance measures. In order to improve the negative situation, e.g., a decrease of competitive balance, diverse studies have identified the key factors that must be better managed. E.g., [27] suggests to cope appropriately with the following factors: the distribution of TV revenue (at present, UEFA does not treat all teams equally, therefore, a system of distribution without market pooling has been developed and proposed); the salary cap system (which has been found to be a very effective tool in promoting increased financial equality among clubs and within leagues); and the possibility of introducing a playoff

system in football.

In relation to these previous studies, this paper proposes a different form of measuring competitive balance, via the “part conditio” principle, oriented towards favoring marketing. Thus, the “Competitive Balance” principle, as well as having a direct influence on the sport aspects of the professional sport, also can be a key impact in the marketing aspects of the “sport product” [1, 6, 10, 11, 12, 13]. The main goal of this paper is to study the influence of the “Competitive Balance” principle in the configuration of the “sport product” for marketing, in the professional leagues in Latin America. The next section will explain how we understand this principle.

The article is organized as follows. Section II describes our notion of “Competitive Balance.” Then, in section III, the methodology is presented. In section IV, the cases to be analyzed are chosen. Afterward, section V offers the evaluation of the effect of the “Competitive Balance” principle in the marketing of the “sport product” in Latin America. Finally, the most important conclusions of the analysis are carried out.

II. “COMPETITIVE BALANCE” PRINCIPLE IN PROFESSIONAL SPORT

II.1. “Competitive Balance” Principle in professional sport

Professional sport works as a spectacle, whose sport structure can assume two possible denominations: professional leagues and federated competitions. In general, professional leagues are associations of clubs with their own legal personality and autonomy, for the internal organization and functioning, with respect to the corresponding sports federation [5, 17]. In the other case, the goal of the sports federation is the organization of professional competitions, and they are affiliated with other international associations that govern the discipline. In this case, the clubs interested in participating in the competitions must comply with the requirements and dispositions dictated by them. Thus, the difference between professional leagues and federated

competitions lies in the higher independence of the clubs to determine their own operating rules and establish their own functioning and regulations, or, otherwise, adhere to preset rules defined by the federations.

According to [10], the “Competitive Balance” principle seeks to guarantee a general equilibrium in the competition, generating equal conditions among the participants of a league, in order to guarantee the uncertainty in the result, thus maintaining the attractiveness of the sport product, making it more interesting for all. This regulatory principle influences all aspects of the operation of a league, establishing parameters for the regulation of sports and commercial aspects, among others. Thus, the Competitive Balance principle, in addition to guide the equitable distribution of sports talent in order to maintain the balance of forces within the clubs, also favors the balanced distribution of the income of the participating clubs of the league, looking for the equality of conditions in all aspects, trying to guarantee competitive parity, and maintaining the attractiveness of the competition. It means that, in similar conditions in terms of income, it is more likely that the sporting aspects, mainly the recruitment of professional athletes and their impact on the performance of the game, will be much more balanced, granting equal opportunities for success to all. The application of this principle has allowed the most important professional leagues in the world to maintain their attractiveness and competitiveness over time [6, 11, 15].

II.2. Dimensions for the management of the “sport product” in professional sport

Some authors propose several categorical dimensions to analyze the professional sport as a product [5, 8]. These dimensions allow us to establish the characteristics of the “sport product,” as follows:

1. **Competition rules:** they establish the conditions through which the competitions will be governed, highlighting calendars, minimum conditions of participation, the general regulations of the competition,

promotions and descents, concessions of franchises, licensing of the clubs, among other things.

2. Salary limits: In professional leagues, clubs have a maximum amount of money to pay all players. That implies a maximum and minimum salary that an athlete can earn as part of their contract as a professional. This salary limit policy contemplates the existence of a luxury tax that must be paid by clubs that exceed the established salary limits, in order to generate a balance between all the clubs in the league.

3. Sports rights and transfers: The professional sport has as one of its main actors the athlete. The athlete generates economic benefits for those clubs that form or own their sports rights. In some sports such as football, when an athlete is formed by a club and this has the opportunity to transfer it to another, it has the right to receive an economic compensation for each year of training, if the new condition that the athlete will assume will be of "Professional" [7]. Similarly, the athlete, already a professional, owns sports rights that are his property, or may belong to the club that acquired it. These are established in the contract as professional athletes, and are convertible into income when they are transferred to another club. The transfers describe the policies and rules through which clubs can transfer their athletes to other clubs [4].

4. Distribution of income: refers to the policies and rules defined in the professional sports leagues, which regulate the way in which the member clubs distribute the income generated by the commercial portfolio of the sport product.

5. Commercial portfolio: this dimension is subdivided into the following categories:

a. Television and media rights: they are one of the most important options for the economic income, for the organizations of sports events [3, 16]. They consist in the session or transfer of the rights of

commercial exploitation of the sporting event to third parties, who, using the media, especially television, radio and social media, make their operations profitable, marketing them to other interested parties, usually interested audiences in the sport as a means of entertainment.

b. Brand licensing: refers to the possibility of using the rights of commercial exploitation of a brand under agreements of various kinds, which guarantee to those involved a share in the performance of the business.

c. Marketing and Sponsorship: with respect to marketing, a practical duality usually occurs [4, 8]: the first establishes that the league assumes the responsibility of managing marketing in a centralized manner, with benefits for all involved. The second gives authority to each participating club to apply its own marketing policies, so it is decentralized. In the field of sponsorship, it is an integrated communication strategy that pursues commercial and/or institutional objectives, exploiting the direct association between an organization, a brand or a product, with another organization, an event or a personality. The sponsorship functions as a commercial mechanism generate revenue.

d. Hospitality: In the case of professional sports, the stadiums are used to install a series of services and products for the public that attends the games. Services such as restaurants, hotels, shops, and museums are the most common options. To this, the income by ticketing, preferential places, and parking, among others, are added, which are usually used commercially by the show organizer.

III. METHODOLOGY

III. 1 Description of the methodology

The methodology to analyze the influence of the "Competitive Balance" principle in

the marketing of the “sport product” in Latin America, can be summarized as follows:

- i. To elaborate a conceptualization regarding the notion of “Competitive Balance” to analyze some professional Latin American sports, in terms of the application of such principle, which aims at favoring competitiveness and marketing. This step was developed in section II, above.
- ii. To choose the relevant case study. First, we need to define the criteria to choose some cases (countries) in two sports: soccer (or football) and baseball, and apply it. This will determine the sport leagues in Latin America with greater relevance in terms of “sport product” management in professional sports.
- iii. To determine, via consult with experts, analysis of specialized websites and media, the state of each of the dimensions analyzed, by identifying components that indicate the degree of fulfillment of each ambit for each case study; i.e., for the situation of either football or baseball in each chosen country.
- iv. To conclude about the fulfillment of the “Competitive Balance” principle for each dimension and case study, and in Latin America in general.

III. 2 Analysis of the information sources

As said above, step i was already performed in section II. The following two steps (ii and iii) are implemented as follows:

For the study of each league, the methodology takes information from three sources, involving diverse perspectives [19]:

- Official information, available on the websites of the selected leagues, as well as in their regulations and statutes.
- Specialized news, focused on the marketing area of the leagues’ object of study, published between 2015 and 2018.

- Interview with key people immersed in Latin American baseball and soccer leagues.

For the purposes of the analysis, the collected information was broken down into the following ambits:

- Identify professional leagues that apply the principle of Competitive Balance (see Subsections IV.1 and IV.2).
- Determine the components of the sports product portfolio that are managed using the principle of competitive parity as a basis (see Subsections V.1 to V.5).
- Describe each component of the commercial portfolio of the professional leagues managed under the principle of competitive parity (see Section V).

As an information analysis technique, a content analysis is applied, categorizing the information in accordance to the following subjects, and their categories [19]:

- **Disciplines:** professional soccer (or football) or baseball.
- **Countries.** As we will see below, the chosen countries are: for football: Argentina, Colombia, Mexico; and, for baseball: the Dominican Republic and Venezuela.
- **Source of information:** the sources specified before.
- **Unit of analysis:** application of the principle of competitive equilibrium or Competitive Balance.
- **Categories of content:** competition rules, salary limits, player transfers and income distribution.

Based on that, the sources of information of the Table 1 were obtained:

Table 1: Official websites on the Internet

Website	Sport	http	Country
Mexican soccer league (Liga MX)	Soccer	http://www.ligamx.net/	Mexico
Argentine Super Soccer League (SLA)	Soccer	https://www.saf.com.ar/	Argentina
Colombian soccer league (Liga Aguila)	Soccer	http://dimayor.com.co/	Colombia
Venezuelan professional baseball league (LPB)	Baseball	https://www.lvbp.com/	Venezuela
Professional Baseball Dominican League (LIDOM)	Baseball	http://www.lidom.com/home/	Dominican Republic

As described in Table 1, five official websites with information of interest for the research are identified. From them, the

competition regulations and foundational bases that support them were found, as described in the Table 2.

Table 2: Regulations and foundations

Website	Regulation	foundation bases
Mexican soccer league (Liga MX)	1	1
Argentine Super Soccer League (SLA)	1	1
Colombian soccer league (Liga Aguila)	1	1
Venezuelan professional baseball league (LPB)	1	1
Professional Baseball Dominican League (LIDOM)	1	0

Taking as references these sources of information, specialized news, and some experts, we proceeded to extract the most relevant data, and to perform the corresponding analyzes, in the next sections.

IV. SELECTION OF THE CASE STUDIES

To choose the case studies, the criteria of relevance used are: i) the capacity of generation of income of each league, ii) the ability to attract fans to each game, and, iii)

the ability to export athletes to other leagues. To achieve this purpose, a series of rankings generated by various organizations with expertise in the subject was used.

IV. 1 Selection of the professional soccer leagues for the analysis

The reference [9] identifies the twenty leagues of greatest economic power, expressed in the amount of annual income that they generate (see Table 3).

Table 3: The most powerful football leagues in the world

Position	League	Country	Income (\$)
3	Premier League	England	5.300.000.000
6	Bundesliga	Germany	2.800.000.000
7	La Liga	Spain	2.200.000.000
8	Serie A	Italy	1.900.000.000
9	Ligue 1	France	1.500.000.000
11	Petrobras league	Brazil	1.000.000.000
12	Premier Russian	Russian	977.000.000
13	Football League	UK	676.000.000
14	Sportoto Super League	Turkey	601.000.000
15	Liga MX	Mexico	555.000.000
16	Bundesliga 2 nd	Germany	550.000.000
17	Eredivisie	Holland	482.000.000
18	MLS	USA/Canada	461.000.000
19	J League	Japan	440.000.000

On the other hand, [18] refers to the that most fans have (see Table 4). leagues and professional sports disciplines

Table 4: Football leagues with the greatest number of fans

Position	League	Country	Average inflow per game
1	Bundesliga	Germany	43.177
2	Premier League	England	33.487
3	La Liga	Spain	28.773
4	Liga MX	Mexico	24.625
5	Serie A	Italy	23.893
6	Super league	Chine	22.580
7	MLS	USA/Canada	21.574
8	Super Liga	Argentina	21.347
9	Ligue 1	France	20.904
10	Eredivise	Holland	18.398

In the same way, [17] develop the ranking of countries with more athletes exported to other countries and leagues (Table 5 shows only Latin America).

Table 5: Ranking of Latin American football leagues according to the annual average of players that export.

Position	Country	Players exported to other leagues
1	Brazil	1.202
2	Argentina	753
3	Uruguay	288
4	Colombia	284
5	Paraguay	123
6	Chile	80
7	Venezuela	63

Based on these rankings, we select the leagues of the countries with the most efficient or performance indicators, on the three previous criteria. In particular, the soccer leagues that are studied will be: the Mexican Football League, based on its position among the twenty most powerful professional leagues in the world in terms of income generation (see Table 6); the

Argentine Super Soccer League, due to its outstanding performance and position as one of the most powerful in terms of its ability to export players, as well as maintaining high levels of stadium fans (see Table 6); and the Águila League of Colombia, due to its outstanding evolution as an exporter of footballers to America and Europe (see Table 6).

Table 6: Summary of the selected Professional Soccer Leagues

Position	Country	Most powerful soccer leagues	Soccer leagues with the largest influx of fans	Soccer leagues that export more players
1	Mexico	Place 16	Place 4	Undetermined
2	Argentina	Undetermined	Place 8	Place 2
3	Colombia	Undetermined	Undetermined	Place 4

IV.2 Selection of the professional baseball leagues for the analysis

With respect to the professional baseball leagues, for the selection of the leagues to study, the used criterion is "Number of baseball players that the leagues export to the United States of America", and will not

take into account the criteria of capacity to generate income, or influx of fans to the stadiums, due to the lack of reliable information. In this case, the website of MLB published the ranking of the most important professional baseball leagues in Latin America, according to the criterion mentioned. Table 7 details this aspect.

Table 7: Professional baseball leagues that more players export

Position	Country	Players exported to the United States
1	Dominican Republic	82
2	Venezuela	63
3	Cuba	23
4	Puerto Rico	17
5	Mexico	12

Similarly, the portal 12up.com published a classification, in order of hierarchy, of the main leagues of this sport in Latin America. This hierarchy is established based on the number of baseball players that contribute to the major leagues, as well as being organized under the rules of the Caribbean Confederation, and affiliated

with the Major League Baseball (MLB) of the United States. Specifically, this ranking places the Professional Baseball League of the Dominican Republic as the strongest, followed by the Venezuelan Professional Baseball League. The Table 8 details the chosen baseball leagues.

Table 8: Selected Professional baseball leagues

Position	Country	Affiliated to the MLB and organized by the conference of the Caribbean	Baseball leagues that export more players
1	Dominican Republic	Place 1	Place 1
2	Venezuela	Place 2	Place 2

V. ANALYSIS OF THE "COMPETITIVE BALANCE" PRINCIPLE

Here we analyze the chosen cases of professional sport in Latin America, by identifying the components that are satisfied in each dimension of the part conditio principle.

V.1 Competitive Balance and competition rules.

The competition rules establish the regulatory conditions for the development

of professional competence in any sports discipline. These, when based on the "Competitive Balance" principle, seek to guarantee the balance of competition in sporting terms, in addition to maintain the uncertainty in the outcomes. Therefore, it is of interest to study the degree of applicability that this principle has in the leagues of interest, reflected in its competition rules. In the regulations studied in the professional football leagues in Latin America, the following evidence was found (see Table 9):

Table 9: Football, regulations and competitive parity

#	Finding	No of cases	Apply "Competitive Balance"
1	The professional soccer leagues have a category of promotion and descent.	3	Yes
2	The professional football leagues encourage uncertainty in the final result, thanks to its competitive modality with eliminatory, semifinal and final phases	3	Yes
3	The participating clubs cover all their competition expenses, which is called "free seat"	3	Yes

The professional soccer leagues are focused on guaranteeing the uncertainty in the result, through the configuration of a competitive modality that maintains the attention of the amateur throughout the competition, including as part of this a calendar, an eliminatory phase, the playoffs, the semifinals and the final. In the three analyzed leagues, according to finding # 2 (see Table 9), in order to have good performance and become a champion, the clubs must travel a path where they must show that they are superior, competing with others that possibly are at the same level, which increases the interest of the amateur and the sponsors, thereby generating business opportunities that can be exploited through the configuration, and subsequent offer, of commercial portfolios.

In addition to this, according to finding # 1 (see Table 9), the competitive modality of the three studied soccer leagues incorporates the possibility of losing the category (descent), which generates an additional pressure on each club, in order to perform adequately, and not lose its place of privilege in the highest category. Additionally, the regulation called "free seat" is added, according to the finding # 3, which contemplates that in the three leagues each club must cover its competition expenses, which is a symptom of the need for equal conditions for competition among rivals. This evidences the application of the "Competitive Balance" principle or competitive parity, promoted in the regulations and bases of competition in the Argentinian, Colombian and Mexican professional soccer leagues. In the case of professional baseball, the findings are shown in Table 10.

Table 10: Baseball, regulations and competitive parity

#	Finding	No of cases	Apply "Competitive Balance"
1	The champion of the professional league is obtained from the dispute of a final to 7 games, to win 4.	2	Yes
2	Participating clubs cover all their competition expenses, which is called "free seat"	2	Yes
3	The Professional Baseball League reserves the participation of the clubs, through the exclusive franchise modality.	2	Yes
4	The professional baseball leagues encourage uncertainty in the final result, thanks to its competitive modality that has an eliminatory phase, round-robin and final series	2	Yes

In the Latin American leagues of professional baseball, taking into account the findings # 1 and # 2 of Table 10, to guarantee the uncertainty in sports results, through the competition calendars, as well as the different qualifying phases, is proposed. In addition, according to finding 4, the protection of the franchises is promoted, limiting the possibility that other clubs can participate in the leagues in the same geographic territories or cities where already clubs exist. This is a key aspect to ensure that a limited number of clubs can take advantage of the size of the business or the market opportunity, guaranteed exclusively for the original franchise, which is an evidence of the application of the principle "Competitive Balance". In this way, a club can generate as much revenue as possible, without having to compete with a direct rival in the same market, which gives greater economic possibilities that will subsequently be translated in a competitive capacity.

In the same way, according to the finding # 3 of this table, in the studied leagues, the practice known as "free seat" is fostered, seeking to guarantee equilibrium in the coverage of competition expenses. All baseball clubs must spend equivalent amounts, so the parity is maintained, being equally reflective of the application of the "Competitive Balance" principle. As seen, this first dimension of the first condition principle is properly accomplished.

V.2. Competitive Balance and salary limits.

With respect to the variable "salary limits" and its link with the application of the principle of competitive parity or Competitive Balance, by carefully studying the competition rules and the foundations of the leagues of interest, as well as the official websites, *there is no element to conclude that these professional leagues apply the modality of salary limits as a determinant of competitive equilibrium.* This omission reduces the goodness that the application of the "Competitive Balance" has in terms of contracting and paying players, since it does not limit the use of economic resources that can be allocated to this important activity within the management of a club, leaving to free decision of each club aspects like how much to invest and in whom to invest them when an athlete is hired. This is one of the reasons why there are competitive inequalities between clubs in the same league, as a result they do not have the same economic capacity to hire players. There are a few clubs that take the most outstanding talents. Thus, it is clear that the superiority of some clubs over others makes it impossible to guarantee uncertainty in sports results. In conclusion, the second dimension of the Competitive Balance principle is not satisfied.

V.3 Competitive Balance and transfer of players

For the variable "transfer of players", the most relevant findings are in Tables 11-12.

Table 11: Football, regulations and transfer of players

#	Finding	No of cases	Apply "Competitive Balance"
1	The regulations of the professional soccer leagues have regulations that guarantee the fulfillment of the economic compensation generated by the concept of training rights to the clubs that correspond to them.	3	Yes
2	For transfers between clubs in the same league, the training rights are stipulated in the currency of the legal course.	3	Yes
3	For transfers between clubs from a national league to an international club, the training rights are stipulated in the FIFA transfer regulations.	3	Yes

In the case of the three professional football leagues, the findings on the transfer of players describe the following scenario: when the transfer involves the athlete in his "amateur" status, then the regulations for the payment of training rights are applied equally to all clubs, and are universals. In the three leagues, if the transfer is in the same country, then the payment is established in local money (finding # 2 in Table 11); and if the athlete moves to another league in another country, then it is used in a foreign currency, according to the regulations of

the International Federation of Associated Football (finding # 3 in Table 11), which has specific rates, determined by the number of years of training that clubs have invested in the player. This way of managing the training rights is a reflection of the application of the "Competitive Balance" principle in player transfers.

In the professional baseball leagues, the most relevant findings are described in Table 12.

Table 12: Baseball, regulations and transfer of players.

#	Finding	No of cases	Apply "Competitive Balance"
1	Transfers are made between clubs under the modality known as Draft.	3	Yes
2	Transfers are made between clubs under the player exchange method.	3	Yes
3	Free agents have the freedom to contract with any club.	3	Yes

In the case of Latin American professional baseball, in both leagues the compliance with the "Competitive Balance" principle is observed in terms of the transfer of players, from one club to another. First, as described in finding # 1 of Table 12, the draft gives the lower-performing sports clubs of the immediately preceding season the possibility to select its reinforcements as a priority, from among the available athletes, in order to strengthen its competitive capacity, and thus raise the level of competition, contributing to the maintenance of uncertainty in the result. Similarly, according to finding # 2, the exchange of players is used, through which the clubs seek to improve their weak aspects, for which they give a player and receive another player to improve their athletic performance.

Finally, based on the finding # 3, the

leagues establish the modality of "free agent", player that at the end of his contract has the possibility of signing with any other club, which increases the possibilities of the clubs to increase their competitive capabilities, incorporating a player with this condition.

All these practices denote a high degree of interest in guaranteeing uncertainty in the competition, as well as the sport's balance between rivals. Alike the dimension analyzed in section V.1, namely competition rules, this principle (transfer of players) is accomplished, while the principle salary limits are not.

V.4 Competitive Balance and distribution of income

Regarding income distribution, and its link with the principle of competitive parity, Tables 13 and 14 offer the outstanding findings.

Table 13: Soccer, regulations and income distribution

#	Finding	No of cases	Apply "Competitive Balance"
1	The clubs affiliated to the professional leagues have the right to receive compensation for the income generated in the league.	3	Yes
2	The specific weights used for the distribution between clubs of the revenues collected by the leagues are an autonomous decision of the club assembly.	3	Yes
3	The leagues establish regulations for the distribution of their income.	3	Yes
4	Revenues from TV and media rights are distributed equally among all clubs	2	Yes
5	Revenues for TV and media rights are distributed, half in equal parts among all the clubs, the other half by merit and by number of appearances.	1	Yes
6	Revenue from marketing (not related to TV and media rights) is distributed equally among all clubs.	3	Yes

Table 14: Baseball, regulations and income distribution.

#	Finding	No of cases	Apply "Competitive Balance"
1	All revenue generated by the professional baseball league is distributed equally among participating clubs.	1	Yes

Regarding income distribution, according to findings # 1, # 2, # 3 and # 6 of Table 13, and finding # 1 of Table 14, in both, the soccer and baseball leagues in Latin America, the balanced and equitable distribution of the greatest amount of income generated is applied. It is assumed that being part of a society is an acquired right, contributing to the maintenance of the competitive equilibrium, thanks to the possibility of clubs to hire the best players in accordance to their circumstances. Therefore, it is considered a practice absolutely linked to the "Competitive Balance", which seeks to maintain the attractiveness of the competition. However, as described in findings # 4 and # 5 in Table 13, in some football leagues, specifically in

the Mexican League, in what corresponds to television rights, some variants are applied, stating that the club that most times appears in television receives an additional income for this concept. Television rights are the most important item for the league and its clubs to obtain resources, having an important impact on the competitive balance and the attractiveness of the competition. Concluding, the distribution of income principle is properly satisfied.

V.5. Competitive Balance and product portfolio

In terms of the sports product portfolio, the findings are shown in tables 15-16

Table 15: Soccer, regulations and product portfolio

#	Finding	No of cases	Apply "Competitive Balance"
1	The leagues are owners of all marketing rights associated with the competition.	3	Yes
2	The leagues carry out marketing practices of their product.	1	Yes
3	There is a clear commercial orientation and the existence of a product portfolio	1	Yes
4	The product portfolio of a football league is composed of naming, official ball, TV rights, merchandising, brand licensing and static and digital advertising.	3	Yes

Table 16: Baseball, regulations and commercial portfolio

#	Finding	No of cases	Apply "Competitive Balance"
1	The leagues are owners of all marketing rights associated with the competition.	2	Yes

Regarding finding # 1, Table 15 shows that all Latin American considered professional football leagues are engaged in protecting the marketing rights, establishing in their regulations and bases of competition the rights in this matter. However, according to findings # 2 and # 3 of the same table, although the foundational statutes and regulations grant exclusivity in the commercial exploitation of the league and its brands to the leagues themselves, only the Mexican Liga de Soccer applies marketing practices for its brand and product portfolio. The rest of leagues prefer to apply a conservative approach, and leave the possibility that clubs develop commercially on their own initiative. In this dimension, the application of the "Competitive Balance" principle is limited, only observed in the Mexican Football League. Similarly, in findings # 3 and # 4 of Table 15, there is evidence of the commercial focus of the soccer leagues, highlighted by a relatively high product portfolio, where the Mexican League stands out, for its commercial portfolio and its possibilities to generate income.

Concerning the case of professional baseball in Latin America, according to finding # 1 of Table 16, an important orientation towards the protection of the commercial rights of its leagues is perceived, but no evidence was found in relation to the commercial and marketing development, while the product portfolio is in the process of development.

In summary, the findings show that most of the leagues of soccer and baseball in Latin America only partially apply the "Competitive Balance" principle: Some dimensions, namely competition rules, transfer of players, and distribution of income are accomplished, while the principle salary limits is not, and the principle product portfolio is only partially achieved. Thus, there is a higher achievement with respect to certain aspects oriented towards the preservation of uncertainty in the result, such as the distribution of income, but in a much smaller proportion in aspects referred to hiring of players, as well as in the configuration of the commercial portfolio.

VI. CONCLUSIONS

This paper has analyzed the influence of the "Competitive Balance" principle in the configuration of the "sport product" for the marketing of the professional leagues in Latin America. For this, it has identified the different dimensions of the management of the "sport product", and the effect of the "Competitive Balance" principle in them, in order to determine some criteria to improve the "sport product" in Latin America from the marketing perspective.

Some dimensions of sport product are well developed, particularly competition rules, transfer of players, and distribution of income, but others are only fairly or poorly achieved: the principle product portfolio and the principle salary limits, respectively. Thus, although in some professional sports leagues in Latin America equitable income distribution mechanisms are used, the evidence found describes an average use of the "Competitive Balance" principle, or competitive equilibrium, as the governing guideline of the organization and management of the leagues. While there is some specific case that can be considered the exception (Mexican Football League), Latin America continues to bet on the traditional view of sport as a social and competitive activity, and not as a business. Certainly, the concern to distribute equitably the economic resources generated by the leagues is palpable, but their capacity to generate them is limited or is in the growth phase.

Latin American professional baseball has its best exponents in the Dominican Republic and Venezuela. These countries have the professional leagues of greater tradition and roots, although from the commercial perspective have not managed to fully develop. In these leagues, the clubs are the commercial protagonists. The leagues only group the clubs and govern the competition, through regulations and the application of sports tutelage. But the clubs must work on the commercial and product aspects, seeking to produce income to finance their participation in the competition.

With respect to soccer, the leagues have not much support in Latin America. The sports federations maintain the leading role in the organization of the professional competencies. There are few countries that have professional leagues with business autonomy. In addition, in the countries where exist the leagues, their commercial development is limited.

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