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STRATEGIES FOR DEALING WITH FINANCIAL OBSTACLES IMPACTING THE SPORTS SUCCESS OF IRANIAN FOOTBALL CLUBS IN THE AFC CHAMPIONS LEAGUE ELITE

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Strategie radzenia sobie z trudnościami finansowymi rzutującymi na sukcesy sportowe irańskich klubów piłki nożnej w Lidze Mistrzów AFC Elite

Streszczenie

Niniejszy artykuł przedstawia strategie radzenia sobie z trudnościami finansowymi rzutującymi na sukcesy sportowe irańskich klubów piłki nożnej w Lidze Mistrzów AFC Elite. Po raz ostatni irański klub wygrał klubowe mistrzostwa Azji w sezonie 1992–1993, kiedy to klub Pass został zwycięzcą turnieju. Eksperti są zdania, że problemy finansowe klubów to najważniejszy czynnik uniemożliwiający sukces sportowy. Przedstawione strategie nie są uporządkowane według ważności, co więcej, ich lista nie jest zamknięta. Zamiast takiego podejścia użyto strategii w celu rozwiązania problemów finansowych klubów. Wyniki pokazują, że największe problemy finansowe wynikają z braku praw do transmisji telewizyjnych, sprzedaży biletów, działalności handlowej, zatrudniania

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słabych graczy zagranicznych, ceny VAR, własności państwowej, niewystarczającej infrastruktury sportowej oraz długów futbolu irańskiego wobec FIFA. Strategie mające przezwyciężyć te trudności zawierają uchwałę w sprawie płatności za prawa do transmisji telewizyjnych, większą liczbę kibiców, sponsorów finansowych oraz oficjalnych przedstawicieli, pomoc finansową państwa, zakup VAR z przychodów federacji w FIFA, przebudowę i renowację dużych stadionów, sprzedaż akcji klubów rządowych w obrocie pozagiełdowym, zobligowanie klubów do zapłaty starych długów.

Słowa kluczowe: piłka nożna, kluby, strategia, trudności finansowe.

Abstract

This article presents strategies for dealing with financial obstacles impacting the sports success of Iranian football clubs in the AFC Champions League Elite. The last time an Iranian club won the Asian club championship was the 1992-1993 season when the Pass club won the tournament. Experts believe the clubs' financial problems are the most evident reason for the lack of sports success. The strategies provided are not listed in order of importance, nor are they meant to be an exhaustive list. Instead, strategies are used to solve the financial obstacles of clubs. The results show that the most critical financial obstacles include lack of television broadcasting rights, ticket sales, commercial activities, hiring low-quality foreign players, price of VAR, state ownership, insufficient sports facilities, and debts of Iranian football in FIFA. Strategies related to these obstacles include a resolution to pay for television broadcast rights, more spectators, financial sponsors, and official agents, providing financial support by the government, buying VAR from federation revenues in FIFA, reconstruction and renovation of large stadiums, selling government clubs shares in the over-the-counter, and obliging clubs to pay the previous debts.

Keywords: football, clubs, strategy, financial obstacles.

Introduction

Football is the most important sport in the world. Football has engendered excitement among people in regions throughout Asia since its introduction in Asia. Numerous Asians enjoy football as practitioners, audiences, and fans; hence, the Asian markets for broadcasting football events and football-related goods have recently expanded. In addition, some regional football leagues, such as the Asian Cup and Asian Champions League, have also been created and changed. Within the past couple of decades, several club leagues in Asian countries have received great investments, and they are emerging in global competitions by recruiting international football players and coaches (Cho, 2013). Before the FIFA World Cup 2002 in Korea and Japan, there was a belief that Asian football teams could not succeed, and Asian footballers and Teams were criticized for lacking quality internationally (Weinberg, 2012). After choosing Korea and Japan as hosts for the World Cup, FIFA and the Asian Football Confederation (AFC) improved the situation of Asian football and its member associations to operate on a much broader scale than hitherto (Manzenreiter & Horne, 2007). With its slogan 'The Future is Asia' the AFC initiated the Vision Asia football de-

velopment program in 2003. It aimed to increase the standards of Asian football at all levels, including the field of play, administration, and sports science (Hassan & Hamil, 2010). Therefore, as mentioned, football has been developing in Asia.

Iran is one of the Asian countries that has consistently participated in various tournaments due to the passion of its people for football, achieving limited success such as two Asian championships for Esteghlal in 1970 and 1991, as well as Persepolis's appearance in two recent Asian club finals. However, it has been about 40 years since the last Iranian club won an Asian championship. Many sports experts believe that Iranian clubs face ongoing challenges, particularly financial instability and management issues that hinder their competitiveness at the international level (Khajeheian & Sedighi, 2018). Financial crises have affected clubs for decades, leading to heavy debts and mismanagement (Khajeheian & Sedighi, 2018).

The financial problems of Iranian football clubs stem from structural inefficiencies, government control, and lack of economic sustainability. Most Iranian clubs are state-owned, which leads to underinvestment and inefficiencies in management. Government policies restrict property rights and create a non-competitive environment, exacerbating financial issues (Biglari et al., 2024). Lack of financial transparency and reliance on government funding (65% of club financing) hinder the development of sustainable business models (Sheikh et al., 2012). Iranian clubs often lack effective marketing strategies, which limits their ability to generate income from fans and sponsors (Khajeheian & Sedighi, 2018).

Therefore, as various studies emphasize, the financial problems arising from the aforementioned reasons play a crucial role in the lack of success of Iranian football clubs in Asian competitions. This article outlines the financial obstacles Iranian football clubs face in achieving success in the Asian Champions League, which has recently been renamed the Asian Elite League. After identifying the financial barriers, it will propose solutions to each obstacle. This issue, which previous researchers have overlooked, will be addressed in this article so that the content can provide suitable solutions for overcoming the financial challenges facing Iranian football clubs. The significance of this topic lies in the hope that by resolving these financial issues, after nearly 40 years, an Iranian club can establish a strong presence in the Asian League and potentially achieve championship status.

The subsequent sections of this article will include the methodology for identifying obstacles and strategies, the presentation of the obstacles and strategies, and finally discussion and concluding the findings.

Literature review and background

The Club Football League in Asia

The Asian Football League is an annual continental club men's football competition that the AFC administered as the Asian Champion Club Tournament from 1967 to 1972 and then the Asian Club Championship from 1985–1986 to 2001–2002.

Only domestic champions took part in the competition from 1967 to 2002, except for the national association of the title holder, which allowed them to enter two teams. The competition was rebranded as the AFC Champions League in 2002–2003, with the best national associations (including Iran) being allowed initially two teams before this number increased to four, similar to its European counterpart (François, Scelles, & Valenti, 2022). Also, the outbreak of COVID-19 in Asian countries caused the Asian Football Confederation (AFC) to postpone the AFC Champions League. Finally, the Asian Football Confederation (AFC) decided to hold a sporting event in Qatar. The tournament resumed from 14 September to 3 October in four stadiums across Qatar, three of which are FIFA World Cup 2022 (Khanmoradi & Fatahi, 2023). The Asian Champions League in the 2023–2024 season, with a new format in the group stage, includes five groups of 4 teams in West Asia and five groups of 4 teams in East Asia. From West Asia, the first five teams and the top three second teams will go to the next round. It will be the same in the East. Clubs compete with each other in the elimination stage until the Champion is selected. In the 2024–2025 season, the AFC Champions League underwent significant changes, being renamed the Asian Elite League. The Asian Elite League is a new and enhanced format of the AFC Champions League aimed at increasing the competition level and the matches' appeal. This League is similar to the Super League that Florentino Pérez intended to implement in Europe, which faced opposition, but Asia will host it this year. The Asian Elite League features fundamental changes compared to the previous format. It consists of three tiers: Tier 1 has 24 teams, Tier 2 has 32 teams, and Tier 3 has 20 teams. Tier 1 represents the highest level of competition among these three tiers. In the new format, the Asian Elite League includes 24 teams, maintaining the previous tournament's structure, meaning that teams from both West and East Asia are participating, with 12 teams from the East and 12 from the West. Each team plays eight matches in the group stage, four of them at home and four away. Following the group stage, the top 8 teams advance to the knockout stage, played over two legs. Therefore, the evolution of the club football league in Asia highlights the importance of examining this long-standing league.

Persian Gulf League

The Persian Gulf Pro League is the highest tier in Iranian men's football. The Persian Gulf Pro League is one of the most competitive men's football leagues in Asia, as demonstrated by Iran being ranked fourth in the 2021 Asian Football Confederation (AFC) Club Competitions, behind Saudi Arabia, South Korea, and Japan, but ahead of Qatar, Uzbekistan, and China. Two of its clubs (Esteghlal and Persepolis) are among the best in Asia (Scelles & Khanmoradi, 2023).

Before the 1970s, Iran did not have an official national men's football league. Since 1970, the Iranian men's football first tier has held five titles: Local League (1970–1972), Takht Jamshid League (1973–1979), Qods League (1989–1990), Azadegan League (1991–2001) and Iran Pro League/Persian Gulf Pro League (since 2001: Iran Pro League 2001–2006, Persian Gulf Pro League since 2006). The number of teams and the competition format have changed over time. Since 1995–1996, a single group and round has been in place, with the number of teams ranging from 12 in 2000–2001 to 18 from 2007–2008 to 2012–2013. Since 2013–2014, the number of teams has been 16, with two teams being promoted from/relegated in the Azadegan League (the second tier since 2001–2002) since 2015–2016. The Iranian Football Federation established a professional men's League in 2001–2002. Over the 21 seasons were played till the time of 2021–2022. Persepolis was Champion seven times (including five times in a row from 2016–2017 to 2020–2021), Sepahan five times (the last time in 2014–2015), Esteghlal Tehran four times (including 2021–2022), and Foolad Khuzestan twice (the last time in 2013–2014), while Pas Tehran (2003–2004), Saipa (2006–2007) and Esteghlal Khuzestan (2015–2016) won once. Establishing a professional men's football league in Iran in 2001–2002 needs to be contextualized in the broader Asian football context (Scelles & Khanmoradi, 2023).

Financial Issues and Sports Success

The theoretical foundation supporting the study comes from previous literature that showed economics as an influential factor in sports success. We study these factors in Iranian football clubs to identify financial obstacles. According to Storm and Nielsen (2012), persistent deficits and growing debts among most top league clubs characterize state professional football in Europe. Rohde and Breuer (2016) state that financial success is driven by national and international sporting success and brand value; team investments drive sporting success, and team investments tend to be driven by (foreign) private majority investors. Feizabadi, Khabiri, and Hojjati (2013) indicated a significant positive relationship between AFC criteria and the success of countries' representatives in the Asian Champions League (ACL). Also, technical standards significantly predict the success of the country's representatives in ACL. More attention to technical stand-

ards will bring better results in the following seasons. Gasparetto and Barajas (2021) (Gerhards & Mutz, 2017) suggested that market value is crucial to explaining team performance. Buhaş, Buhaş, Grama, Herman, and Dragos (2021) showed a clear link between the decision of local public authorities to get involved in a given local sports activity and the achievement of outstanding results by local sports teams. Consistent financial support, high-quality sports infrastructure, transparent public-private partnerships, and strong partnerships between various local public authorities are the keys to developing performance sports. Quansah, Buraimo, and Lang (2023) showed that several variables, including the opponent and local derbies, drive ticket prices. The impact of team performance is asymmetric, affecting only the most expensive tickets. The research by Scelles, Dermit-Richard, and Haynes (2020) consisted of a comparative analysis of the evolution of TV rights in English Premier League and French Ligue 1 men's football over the 1980–2020 period. They showed that the main driver for TV rights is the leading domestic broadcaster's turnover. It illustrates that VAR has more of an effect than its stated purpose of correcting obvious errors. Hamsund and Scelles (2021) stated that all age groups were generally favorable toward using technology in the EPL to support referee decisions and provide more information to in-stadium fans.

Method

This article aims to identify the financial obstacles faced by Iranian football clubs in achieving success in the Asian Elite League and to propose solutions to address these challenges. This study uses an analytical approach to identify obstacles and provide solutions. A literature review and consultations with experts in the field were conducted to gather information regarding the financial barriers confronting Iranian football clubs. The research team synthesized and localized this information for Iranian football clubs through brainstorming sessions.

After identifying the obstacles, the research team engaged in frequent online meetings to analyze these barriers and identify the most significant ones. Initially, 20 obstacles were identified, and after a final review and synthesis, seven key financial barriers were localized for Iranian football clubs. Subsequently, the research team revisited the literature and collected the opinions of all team members to propose solutions for each obstacle. Each team member provided four solutions for each barrier. Finally, in group meetings, the obstacles that aligned most closely with the literature and the group's collective opinions were selected and included in the article.

The resources used for decision-making regarding the proposed solutions and obstacles included reputable academic articles, economic statistics, and re-

ports, as well as experiences and achievements of other Asian and European clubs in the field of football development. Thus, the financial problems were systematically analyzed, and by utilizing the proposed strategies, solutions for enhancing the position of Iranian football clubs in Asian competitions were offered.

Results

Iranian football clubs, such as the Champions League, need help to achieve success. Iranian football clubs are usually removed from the initial stages of sports competitions. Also, if they have a potential to achieve a high championship level, they cannot be successful. It is interesting to know that it has been several years since an Iranian club won the championship in the Asian Championship league. For the last time, Pass Tehran won the championship in 1993. We offer the most critical obstacles to the sports success of the Iranian football clubs in the AFC Champions League Elite. Then, we suggest effective strategies for each obstacle:

1. Three primary sources of income

Obstacle: According to the Deloitte economic report which determines the amount of income for the wealthiest teams worldwide every year, the three primary sources of income are the sale of television broadcasting rights, ticket sales, and commercial activities. However, Iranian football clubs do not have any share of the income from broadcasting rights. Persepolis, Esteghlal Tehran, and Tractor Club sometimes draw 90,000 spectators to the stadium. However, despite many spectators for some games for these teams, the average league attendance was below 10,000 people per game from 2009–2022. At the same time, the best European men's football leagues (England, France, Germany, Italy, and Spain) have an average of 22,500 to 45,000 spectators per game (Scelles & Khanmoradi, 2023). This is because only a few Iranian clubs, such as Persepolis, Sepahan, Esteghlal, and Tractor, have many spectators, and other Iranian clubs do not have a lot of spectators, sometimes around 500 people. Therefore, the average number of spectators in the League is deficient.

Furthermore, most teams in Iran have low stadium attendance and are deprived mainly of ticket sales. As for business activities, one of the only ways to generate income for Iranian clubs is through sponsorship and financial support. Nevertheless, only a few teams can earn a reasonable income this way, and the rest cannot conclude appropriate financial contracts due to the lack of spectators and fans. This is consistent with the idea that the teams in the Persian Gulf Pro League have historically had a low ability to generate income (Sadeghi, Asgharpour, & Gholchinfar, 2009).

Suggested strategy: According to the Iranian television, they ignore the issue of television broadcast rights. Also, this medium is under the government's control, therefore, the government can prepare a resolution to pay television broadcast rights from media revenues to sports clubs. This is the problem of the Iran Football Association, i.e. they need to make politics and policies to promote football. The same problem was experienced in Slovenia, but the Federation solved it. Also, if a sporting event (as a product) is attractive, its demand increases. Therefore, Iranian football clubs should provide the necessary conditions for more spectators to attend the stadium so that they can sell more tickets. To achieve this goal, they can use these strategies: development of sports facilities, construction of stadiums, facilities for spectators, promotion of ranking in the League, development of technology, and cultural events. The development of commercial activities, such as attracting financial sponsors, occurs in such situations because the demand for a product with traction (highly spectators' sports events) will increase.

2. Hiring foreign players with high market value but low-quality

Obstacle: Economic and financial difficulties make clubs unable to hire high-quality foreign players in the League during the transfer season, hence limiting the internationalization of the League. It remains to be seen whether foreign players in the Persian Gulf Pro League have sufficient standards to make a difference compared to Iranian players. As for football knowledge, in the Iranian Premier Football League, agents often introduce low-quality foreign players to club managers who lack sufficient knowledge in this area. As a result, the players do not have the necessary quality.

Strategy: Club managers should use official agents who have acceptable references and can use Iranian players who have played in foreign leagues as consultants to confirm the quality of foreign players. The government and the football federation can provide financial support for Iranian football clubs participating in the Asian Champions League and provide them with financial help to buy good-quality foreign players. What is more, clubs must specify their mid and long-term strategies, i.e. what they want to achieve. Is it to be the champion in 4 years' time or to develop Iranian football players? To achieve the former, it is necessary to have foreign players and coaches with the support of the club board and sponsor members.

3. Video assistant referee (VAR) technology

Obstacle: It is hard for Iran's football federation to fund the purchase of VAR because Iran faces many international sanctions. The total cost of VAR devices for all Persian Gulf premier league clubs' stadiums is estimated at 2,300 million

euros. This is so expensive, and the federal government needs a larger budget to buy VAR devices. One of the concerns caused by the absence of VAR in Iranian football is its impact on hosting Iranian clubs in the Asian Champions League.

Strategy: Since about 12% of EVS company shares are related to the USA, this company is unwilling to risk doing business with Iran regardless of the sanctions. The football federation should pay this money (2,300 million euros) directly to FIFA. The Football Federation has two ways to prepare this purchase. First, the football federation should procure the money from the government or parliament. Second, the Iranian Football Federation should pay this money from its revenues in FIFA that remained in the FIFA account in recent years due to sanctions. The International Football Federation could not transfer it to the account of the Iranian Football Federation.

4. State ownership of clubs

Obstacle: The AFC has considered some essential factors pertaining to the professional license of Asian clubs to participate in the AFC Champions League. One of the most important of them is the ownership of clubs. Persepolis and Esteghlal are two famous clubs in Iran that usually participate in AFC Champions League. These clubs are not private, and they have co-ownership. In 2021, the AFC would not permit them to participate in the AFC Champions League because they were not a private club and had co-ownership.

Strategy: The best strategy to solve the problems of the Persepolis and Esteghlal clubs and other Iranian state clubs is selling shares in the over-the-counter market. For example, after the stock offering of Manchester United on the London Stock Exchange in 1991, Malcolm Glazer bought the club in May 2005 for an amount of 800 million pounds. In August 2012, the club's initial public offering occurred on the New York Stock Exchange. Iranian clubs can also find affluent buyers by offering shares in the over-the-counter market and moving towards privatization.

5. Development of sports facilities

Obstacle: By allocating a budget of 533 m dollars, Saudi Arabia is going to build the King Abdullah sports stadium, and in this way, it will be better than other Asian countries in terms of developing sports infrastructure. In such a situation, some Iranian clubs, such as Persepolis and Esteghlal, do not have their own sports facilities and need to be in better condition regarding sports infrastructure.

Strategy: To solve this problem, the Iran football federation and government can use the following strategies:

A: Reconstruction and renovation of large stadiums, especially the Azadi sports complex, to host the Asian Champions League. Azadi Stadium was one of the

most modern sports structures in the world at the time of its construction in 1971. It has gradually fallen behind today's criteria and standards. The Asian Football Confederation received more than a hundred objections to agreeing to host the match between Persepolis and Kashima Antlers in the final of the Asian Champions League. A fantastic thing happened during the effort to fix these defects, and six unseen and new toilets were discovered in Azadi! This example shows the necessity of renovating the stadium.

- B:** The government is the most important provider of financial resources for sport in Iran. Therefore, government support is necessary to provide financial resources for developing and equipping stadiums.
- C:** Requiring Premier League clubs to buy or build exclusive stadiums in the long term. Many Iranian clubs do not have their stadiums and often hold their matches in rented stadiums reserved for the government.

6. The scary debts of Iranian football in FIFA

Obstacle: During the last two seasons, Esteghlal has been sentenced to pay 1,800,000 euros to Andre Stramaccioni and 650,000 dollars to Winfred Schaefer, two of its foreign head coaches, and now the managers of this club are trying to bargain and get discounts from these coaches. Despite Branko Ivankovic's brilliant record, Persepolis did not pay the coach's demands on time and is involved in a case of 1,118 m euros. The past cases of Iranian football debt and complaints against Iranian clubs by foreign players and coaches have caused Iranian clubs to either be threatened with removal from the Asian Champions League or not to have the proper budget to buy quality players. Funds are used to pay debts.

Strategy: The Football Federation announced the contract ceiling law to solve this problem. According to this law, clubs cannot buy a player or coach at a higher price than the set limit. The football federation should oblige clubs to pay the previous debts. Also, the Federation should prevent clubs from signing contracts with foreign players and coaches with tremendous market values higher than the club's income.

7. Club organization

Obstacles: Many Iranian clubs need help with their club structure, and many financial problems are related to insufficient organizational structure.

Strategy: Clubs need to be organized as a company and have structure:

Board with its president and members (sport, finance, marketing, head trainer, ...)

Sports director, responsible for sport and development

Head of research, responsible for combining science and praxis

Medicine department: medical doctors, physiotherapists, massage, nutrition, etc.

Discussion

This paper aimed to identify the financial obstacles facing Iranian football clubs in achieving success in the AFC Champions League Elite. By reviewing literature, texts, articles, and opinions from various experts, seven financial obstacles were identified through brainstorming sessions held by the research team. For each financial obstacle, corresponding strategies were proposed and identified by the team after conducting multiple sessions. The findings of this paper provide exciting and valuable information for football enthusiasts in Iran and Asia.

The first result showed that the three primary sources of income are the sale of television broadcasting rights, ticket sales, and commercial activities. Iranian clubs have limitations in getting these resources. This finding is consistent with the research by Biglari et al. (2024), Sheikh et al. (2012), and Bagheri et al. (2023), who believed that financial growth and investment opportunities for Iranian clubs are limited and that Iranian clubs struggle to secure income from television broadcasting rights. The recommendation of this study in this regard was that the government could pay television broadcasting rights to sports clubs, enabling them to attract more spectators and sell tickets. Strategies include developing sports facilities, improving league rankings, advancing technology, and attracting sponsors for high-traffic events.

The next obstacle identified in this article was hiring foreign players with high market value but insufficient playing skills. This finding is consistent with the research by Barden and Kozlak (2024) and Boto-García et al. (2023) that have highlighted the potential risks of recruiting foreign players. Iranian club managers should use official agents as consultants to verify the quality of foreign players. Government financial assistance can also be helpful.

The next obstacle identified by this article is the concerns related to funding the installation of VAR in Iranian football stadiums, which impacts the hosting of Iranian clubs in the AFC Champions League Elite. Various studies emphasize the impact of the Video Assistant Referee (VAR) on match performance, suggesting that it can be an advantage for better hosting of a football game. Studies across multiple competitions, including FIFA World Cups and the English Premier League, have consistently shown that VAR introduction increases playing time in halves and overall. VAR has also been associated with a reduction in offside and fouls. Additionally, the number of penalties awarded has been increased (Bao & Han, 2024; Kubayi et al., 2022; Li et al., 2024). The solution proposed by this article to address this obstacle is that the Iranian Football Federation can expand its budget either by the government's or parliament's support or by releasing revenues remaining in FIFA's account due to sanctions.

Another financial obstacle identified by this article is the state ownership of Iranian clubs participating in the AFC Champions League Elite, which limits the

potential for advancing financial objectives. This finding is consistent with the research by Sheikh et al. (2012) and Biglari et al. (2024). Approximately 65% of Iranian clubs rely on the government and industry-based funding, contrasting sharply with the private funding models in leagues like England (Sheikh et al., 2012). Underinvestment: state control results in chronic underinvestment in club infrastructure and talent development, limiting competitive performance (Biglari et al., 2024). The best strategy to solve the problems of the Persepolis and Esteghlal clubs and other Iranian state clubs is selling shares in the over-the-counter market.

Another financial obstacle presented in this article is the lack of sports infrastructure and dedicated stadiums for Iranian clubs participating in the AFC Champions League Elite. Various studies have emphasized the importance of stadiums for sports clubs, which is consistent with this finding. Stadium ownership provides financial benefits and serves as a platform for implementing Corporate Social Responsibility (CSR) initiatives, as seen in the case of U. C. AlbinoLeffe (Canini et al., 2024). Furthermore, stadiums are pivotal in generating substantial income through match-day revenues and hosting non-football events, contributing nearly 40% to European soccer revenue (Terekli & Çobanoğlu, 2018). The proposed solution of this study is the renovation and refurbishment of Iranian stadiums, such as Azadi Stadium, with funding provided by the government.

The issue of heavy debts owed by Iranian clubs to foreign players is a financial obstacle to the success of these clubs in the AFC Champions League Elite. The heavy debts of Iranian football clubs to foreign players are due to a combination of financial mismanagement, reliance on government funding, and structural inefficiencies within the clubs, which various studies have emphasized (Khajeheian & Sedighi, 2018; Sheikh et al., 2012). The Iranian Football Federation has introduced the contract ceiling law to address this issue.

The structural problems of Iranian clubs are the last obstacle introduced in this article. The structural problems of Iranian football clubs stem from a combination of government control, financial dysfunction, and legal challenges, which is reflected in previous research (Biglari et al., 2024; Ghodsirad et al., 2023; Mansouri et al., 2022; Sheikh et al., 2012). Inspiration stemming from the structure of prominent foreign clubs can help establish an appropriate organizational chart and proper structure in Iranian clubs.

Conclusions

This paper aims to identify the financial obstacles facing Iranian football clubs in their pursuit of success in the AFC Champions League Elite. This paper

presents notable obstacles and provides solutions for each, considering the existing conditions in Iran. Governments and football federations can facilitate the allocation of television broadcasting rights to Iranian clubs and create the necessary infrastructure for revenue generation and the development of commercial activities. Another recommendation is that club officials evaluate the quality of foreign players before signing contracts to avoid future financial issues arising from recruiting low-quality foreign players. The VAR system was implemented for the first time in some stadiums during the 2024-2025 season of the Iranian Premier League, but its quality is not high yet. Therefore, all stadiums should be equipped with this new technology by utilizing the expertise of foreign specialists. This technology can be funded through the Federation, the government, and private clubs. Privatization and encouraging the restructuring of clubs from state-owned to privately owned by selling shares in the stock market can solve some of the problems of Iranian clubs. When clubs are privatized, equipping and building dedicated stadiums could be the next step toward success, and financial resources for this goal can be better provided through a private structure.

Additionally, Iranian clubs should have a long-term plan to pay off all their debts to FIFA to avoid potential losses. Finally, the club structure should be reformed by following the example of successful foreign clubs. Under such conditions, many of the financial problems faced by Iranian clubs shall be solved, and they shall be able to participate with greater strength and quality in the AFC Champions League Elite.

In short, it can be said that Iranian clubs must overcome many obstacles in order to succeed in the Asian Champions League. One of the most significant obstacles is the clubs' financial problems. Taking into account the seven obstacles mentioned in this research, clubs need a long-term plan to solve their financial problems. The management of each club, the Federation, and the government of Iran should set these long-term goals. These are the three main sides of the financial sector of Iranian football.

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AUTHORS' CONTRIBUTIONS

Saeed Khanmoradi: Conceptualization; Methodology; Investigation; Formal analysis; Data Curation; Writing – Original Draft; Writing – Review and Editing; Visualization.

Shahrouz Ghayebzadeh: Conceptualization; Methodology; Supervision; Project Administration; Resources; Writing – Review and Editing; Funding Acquisition.

Andrew Sortwell: Formal analysis; Validation; Writing – Review and Editing; Visualization.

Mehrdad Moharramzadeh: Data Curation; Investigation; Writing – Review and Editing.

Janez Vodičar: Resources; Validation; Writing – Review and Editing.

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