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Football and Entrepreneurship: Some Insights from a Football-Mad Country Without a Single World Cup Trophy

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Abstract

Southeast Asia may be considered forgotten in the world of football as no country in this region can compete with any football countries in Europe or the neighboring countries such as South Korea, Japan, and Australia. Countries such as Indonesia, Malaysia, Vietnam, and Thailand have never competed in the World Cup, but one should not ever doubt their continuing fervor for football. The question arises as to why these countries cannot translate their potential into actual achievement football-wise achievements and in terms of sport-based entrepreneurship. This paper uses the concept of sports entrepreneurship and entrepreneurship as a process to capture the essence of football entrepreneurship from the context of Indonesia, the largest and most populous country in Southeast Asia. The study identifies several ways to encourage creativity and innovation as part of value creation in football entrepreneurship in the country.

Keywords: Football, Entrepreneurship, Southeast Asia

1. Introduction

Football fanaticism and traditions have long been known in many countries. Football has become part of identity in South America (e.g., Brazil, Argentina, Uruguay), European countries, and Africa (e.g., Nigeria, Ghana, Senegal). Such fanaticism and traditions are unlikely expected to occur in Southeast Asian countries. The expectation turns out to be untrue. The people of these countries are as passionate about football as those from South America and Europe. In a way, such passion for football is more than expected. Football fans in Indonesia, Vietnam, Thailand, and Malaysia follow the world of football closely. In particular, they enjoy the English Premier League, Serie A, and La Liga. To put this into perspective, TVRI, the state-owned television channel in Indonesia, regained popularity in 2019 after it broadcasted the English Premier League as its “killer content.”

In addition, outsiders will be amazed to see how football fans based in Indonesia show their support for their clubs. Every time Persib Bandung and Arema Malang (two strong football clubs from Liga 1 Indonesia) play in front of their home crowd, thousands of people will come and show their support by singing and interesting choreography. However, recent Kanjuruhan tragedy which is the saddest tragedy in Indonesian Football has shown the dark side of Indonesian football. As a result of the incident that includes soccer fans from Arema Malang and polices, 135 people reportedly died. Similarly, every time the Indonesian national football team (Garuda) plays their games, it

is supported by at least sixty thousand people flocking to Gelora Bung Karno (the biggest football stadium in Indonesia). Such was also the case when the Malaysian national football team (Tiger) performed in their home crowd and stadium. Vietnam portrays another interesting story. This country has never been seen as a strong national team for a long time. In recent years, however, Vietnam has transformed itself into the strongest football national team in Southeast Asia as it is close to paving its way to join World Cup 2022 in Qatar. In short, Southeast Asian countries, in particular Indonesia, can be seen as football-mad countries. They have so much passion for football but have had no success in the World Cup competition. This suggests that these countries are incapable of translating their passion for football into achievement.

More than 662 million people populate the Southeast Asian region. The number no doubt promises a big market for football. This paper focuses on why countries in this region, especially Indonesia, the largest and most populous country in Southeast Asia, cannot translate the hype and love for football into achievements, such as participating in the world cup. Until the 1970's Indonesian national football team could easily defeat Japan national team. Today, it is hard to imagine that would be the case. The recent FIFA ranking (fifa.com, 2022) has shown the fall of Southeast Asian football, including Indonesia (155th), Malaysia (147th), Thailand (111th), and Vietnam (97th). The ranks are significantly lower than other Asian countries' rankings in AFC, including Australia (39th), Japan (24th), and South Korea (28th). Furthermore, the paper also portrays the dynamics of football in Indonesia by examining some important actors such as football fan headquarters, football club owners, footballers, and, (not) surprisingly, politicians. I borrowed some concepts from entrepreneurship to capture the dynamics of Indonesia's football, especially sport-based entrepreneurship, as suggested by Ratten (2011, 2020) and Ratten and Jones (2020). These studies have shown the importance of the stakeholders in developing the industry. Sport-entrepreneurship essentially emphasizes the importance of value creation in innovating the industry. This paper will contribute positively to sport-based entrepreneurship by answering this question: How can stakeholders help transform the potential of Indonesia's football into better football achievements and high-growth businesses?

2. From creativity to innovation

As Davidsson (2020) suggested, entrepreneurship is a process that includes both intention and action. He further explains that "those who express a dream, ambition, aspiration, willingness, or intention to start a business without ever doing anything to bring this to realization hardly deserve to be included in a sample of new venture creation processes" (p. 368). In line with this viewpoint, Mazzarol and Reboud (2020) emphasized the importance of creativity in the entrepreneurship process, for example, by ensuring entrepreneurs can benefit from networks. Put differently, the entrepreneurship process starts from intention and the right mentality, followed by action based on creativity and networks or partnership. In a broader sense, these conceptualizations align with the sport-based entrepreneurship suggested by Ratten (2011, 2020), who understands sport-based entrepreneurship as value creation shaped by stakeholders in the sports industry and government as policymakers. Indonesia has 270 million people, and most of them are football fans made up of kids, and adults. It is important to seek out what could be done to transform such demographic advantage into fruitful innovation.

Innovation implementation requires consistency and a supportive innovation climate. As mentioned above, the Indonesian national football team could easily outperform the Japanese national team in the 1970s. In a way, this suggests that Indonesian players have the potential in terms of talent and skills. So, what has gone wrong? Sin Tae Yong, the coach of Indonesia's national team from South Korea, shared his opinion on this. He recently has shown some progress for the national team by successfully taking the Indonesian football team to the Asian Cup after defeating Kuwait in 2022. In his professional opinion, Indonesian footballers, past and present, have no significant differences in talent and skills. The problem is that Indonesian footballers cannot compete because they lack stamina. This is what is lacking in both Liga 1 and Liga 2 in Indonesia, thus resulting in their low quality. In terms of endurance, Sin Tae Yong stated that his players had difficulties following his instructions and strategies because they could only play well for no more than sixty minutes. This disadvantages Indonesian footballers as football is a physical sport that requires endurance. Jose Mourinho, one of this era's most famous football coaches, shared his dislike of this type of player. He said, "In the end, he wasn't considered because he has no stamina, no physical impact and isn't a big-game player." (Dickenson, 2017). He further said (Bate, 2022):

"The key to success remains the same - it's all about the strategy. You cannot predict everything but the more prepared you are, the more you can put into the training. You can reduce that unpredictability and that gives the feeling of making your choices and decisions easier. You know that football games have some risk of course, but you have to try to reduce that risk by preparing the best you can."

Similarly, entrepreneurial strategy can only be implemented if the resource needed is available (Mazzarol and Reboud, 2011), in this case, the player's stamina. This capital is very basic, and most observers and football actors in Indonesia will strongly agree with it. It is interesting to know why this has happened from an entrepreneurship perspective. I would argue that there are at least two reasons why players do not possess such basic capabilities as footballers. First, Indonesian footballers are not prepared mentally to become professional players. They do not have self-confidence, personal ambition, and strategic paths that they believe can lead them to become professional footballers. Their environments also do not support their aspirations as they do not think football can become high-earners. In short, these footballers have had no support system. As a result, they remain amateur. As such, they do not find it entirely necessary to follow the standard of being a footballer, such as nutrition, discipline, or basic skills. This is in contrast to footballers in developed nations. In Australia, for example, those who aspire to become professional footballers are fully supported by the education system. (As a matter of fact, football is considered the least favorite national sport in Australia compared to Australian Rules Football, Rugby, Swimming, and Cricket). I personally have witnessed some young Australians in Years 9 and 10 who were committed to becoming future professional footballers and have created career paths for themselves. I have never seen such systematic efforts in the context of young talented footballers in Indonesia.

Secondly, I would argue that the root of all problems is the short-term perspectives in implementing sport-based entrepreneurship in Indonesia. For example, while Indonesia's football league has been well established since 1994, it has not been able to raise the standard of the football stadiums. In general, these stadiums are old and poorly managed. Several accidents have resulted from such a failure. Several years ago, two supporters of Persib Bandung (the elite team in the Liga 1) lost their life because of overcapacity, causing a chaotic situation for the supporters queuing in the stadium. Moreover, the owners of football clubs prefer to invest in foreign players that presumably can lead the club to win trophies or build a political reputation instantly.

The investment in football clubs for political reasons is gaining currency in Indonesia. Since football is the most popular sport in the country, it makes it easier for the owners to attract fans by buying existing football clubs. Erick Tohir, the current Minister of State-Owned Enterprises, gained popularity after he bought Inter Milan-the elite club of Serie A, although he then sold it. Buying the football club has advantaged him in initiating his political career begins. Recently, he, together with Kaesang, son of current Indonesia's president, bought Persis football club, a club competing in Liga 2 in Indonesia. While investment is not unusual, it can be seen as a political move to increase his popularity even more. It is worth noting that recently some young entrepreneurs followed Mr. Tohir's footsteps by investing in football clubs as the club owners. One of them is Raffi Ahmad. He is the most famous celebrity endorser in Indonesia, with 24 million subscribers to his YouTube channel. He bought the Cilegon FC from Liga 2. One year later, the club was successfully promoted to Liga 1 in 2022. This is again to see how young entrepreneurs have seen football as a way to strengthen their imperial businesses as a whole. It remains to be seen whether they can create a balance between business logic, political logic, and football logic in order to effectively implement sport-based entrepreneurship in football (see fig. 1)

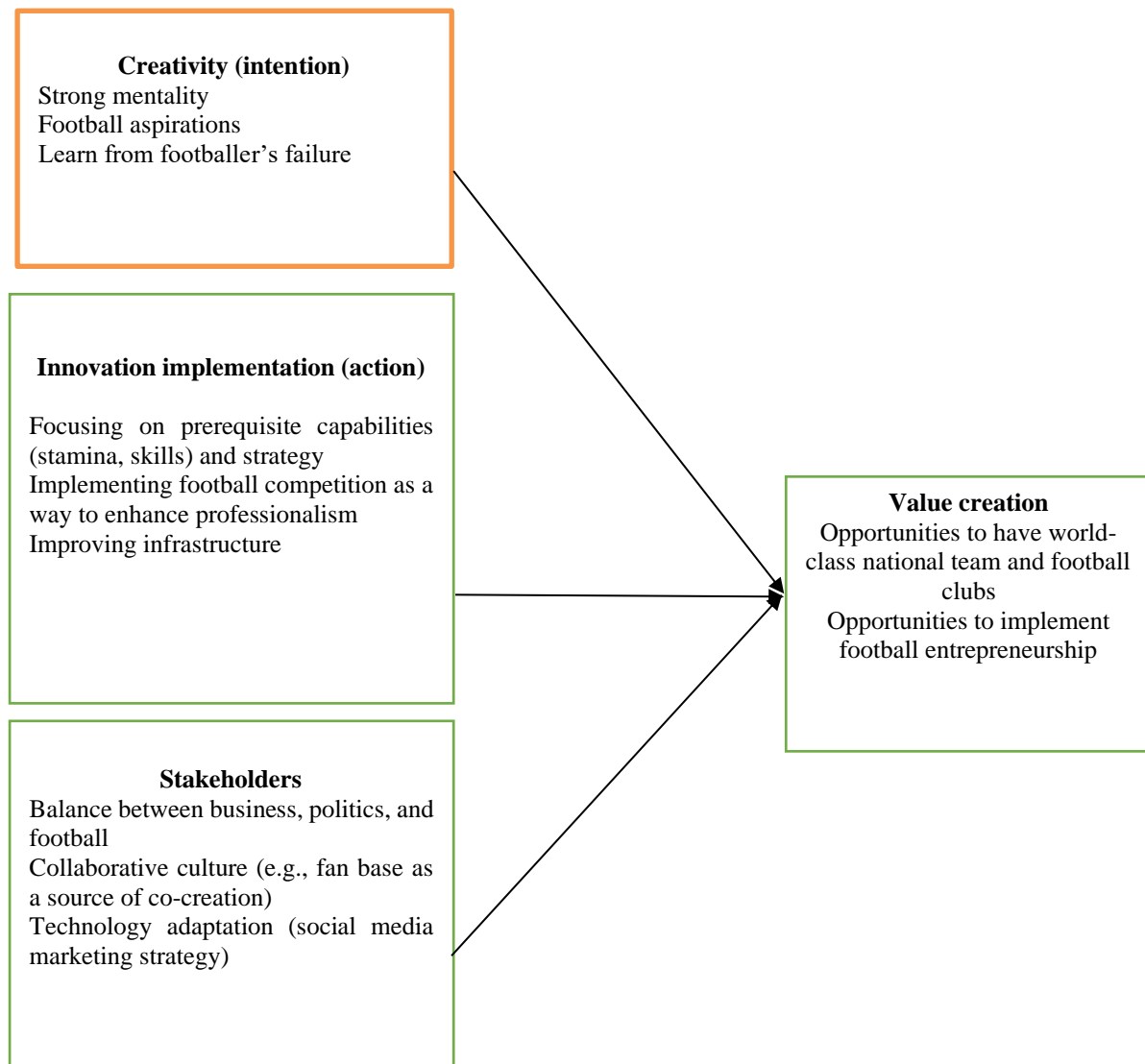


Figure 1: Dynamic aspects of football entrepreneurship in Indonesia

Fig. 1 is based on the conceptualization of sport-based entrepreneurship by Ratten (2011, 2020) and entrepreneurship as a process (Davidsson, 2020). I used their figure to divide football entrepreneurship in the context of Indonesia. These concepts include creativity (intention), innovation implementation (action), and the role of stakeholders. As Ratten (2020) suggested, all of them are expected to lead to value creation. Although creativity and innovation are closely linked, they show differences. While creativity focuses on producing new insights, ideas, or solutions to problems, innovation focuses on the adoption, implementation, and successful implementation of the ideas, insights, and solutions (Amabile, Conti, Coon, Lazenby, & Herron, 1996).

I also think that stakeholders can play a greater role in football entrepreneurship. They may include football club owners with little or no knowledge about football as a sport, but they can imprint entrepreneurial spirit into the football organizations. They may have their own agenda outside football, or they can use football as their stepping stone for political purposes, but they need to consider football beyond business logic. In other words, these entrepreneurs can contribute positively in terms of business logic, but at the same time, they also need to learn more from football logic. Football legend like Paolo Maldini of Milan symbolizes not only the club but also football itself. With this in mind, it is never a mistake to include football logic from someone like him.

We cannot also ignore the fan base as the ultimate reason why football clubs exist. They are part of stakeholders equipped with football logic and are not reluctant to contribute positively to monetary and non-monetary support. For example, Bali United, the champion of Liga 1 in 2022, was the first Indonesian football club that has offered its shares through the Indonesia Stock Exchange from June 2019. Ever since its fans have enthusiastically funded

their club by buying its shares. Regarding this, McCarthy, Rowley, and Keegan (2022) have suggested that it is imperative for football clubs to closely interact with fans by implementing an effective social media marketing strategy. They pointed out that this strategy should be based on trust, representing a mutually beneficial relationship between the club and fans. This means technology adaptation by clubs essentially will not reduce the importance of fans as the heart of football clubs. In the near future, clubs can benefit from the distinctive role of fans in value co-creation (Kolyperas, Maglaras, & Sparks, 2019), which signifies such mutually beneficial relationships.

3. Conclusion

Following the conceptualization of sports entrepreneurship (Ratten, 2011, 2020) and the entrepreneurship process (e.g., Davidsson, 2020), this paper has identified football entrepreneurship in the context of Indonesia manifested in three concepts: intention, action, and the role of stakeholders. Regarding intention, footballers need to have a strong mentality as they are similar to entrepreneurs: they are dealing with a high-level uncertainty without a support system in Indonesia. In terms of action, it is important to focus on core issues such as football's basic capabilities and strategy, better infrastructure, and professional leagues. The latter should be seen not only from business logic but also from football and community, particularly fans' logic. Stakeholders can contribute positively to football entrepreneurship, especially by showing the balance between their entrepreneurial strengths and football knowledge. The recent phenomena in Indonesia suggest that successful young entrepreneurs eagerly purchase the existing football clubs. Such an investment may create added value as long as the new owners can incorporate the non-business logic in football. By combining football and entrepreneurship, we can expect, sooner rather than later, that the countries in Southeast Asia in general and Indonesia, in particular, will be able to translate their passion for football into great achievements in football and entrepreneurship.

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