

Celtic FC: an assessment of stakeholder engagement¹

Summary document²

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² This is a shortened version of the main report which can be accessed at XXXXXXXXXXXX .Readers who are interested in a more detailed description of the methodology and the data collection as well as the output tables should consult the main report.

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Introduction

Celtic Football Club has, since 1994, been owned by a public limited company, Celtic PLC, which itself is owned by approximately 28000 shareholders. The share offer, which followed the transformation from a private company to a PLC, has been described as ‘one of the most successful share issues ever made by a football club’ (Morrow, 2000).

As a result of this and the nature of the unusually strong attachment which shareholders/supporters have to such businesses/clubs, the company has very distinctive shareholder characteristic. As well as having a very dispersed shareholder base - with only a handful of large shareholders and a very large number of small shareholders - there is a very low turnover of shares, e.g. 2% share turnover for period September 2023 to August 2024 based on year volume of 1.91m and outstanding shares of 94.78M.³ There is no comparable figure for all for all companies that are, like Celtic PLC, listed on the AIM but historical data suggests it fluctuates around 4.2%⁴ Figures for some of the bigger football clubs in the UK are much higher. For instance, recent figures for trading in Manchester United shares are around 25%.⁵

A large proportion of those who purchased shares in the public share offers which took place in 1995, 1999, 2001 and 2005 have retained them or passed them to family members.

Celtic is a massive football club with a worldwide fanbase that is registered as a public limited company (i.e. Celtic PLC) on the AIMS London stock exchange with around 95 million ordinary shares and a diverse ownership base. Celtic face similar issues as other big football clubs with a single-tier board system in relation to fan/stakeholder engagement and thus, may benefit from a two-tier board system with an elected fan advisory board (FAB) in line with UK fan led review of football governance (Crouch, 2021). For instance, there is a major stakeholder engagement at Celtic PLC where around 28,000 small shareholders, large block individual shareholders, and others (the latter have their shares held in stockbroker accounts) with an overall significant minority shareholding do not have representation on the Celtic PLC's board of directors.⁶ Thus, it is important to investigate the views of Celtic's stakeholders on Celtic's engagement and governance arrangements including the concept of a Fans Forum and a Fan Advisory Board.

³ [CELTIC PLC CCP Trade recap - Stock | London Stock Exchange](#)

⁴ [AIM market statistics - ShareSoc](#)

⁵ [Manchester United Ltd. Class A Ordinary Shares \(MANU\) Stock Price, Quote, News & History | Nasdaq](#)
[Manchester United PLC, MANU:NYQ summary - FT.com](#)

⁶ [Fan Engagement and Football Club Governance: Celtic, Supporters' \(advisory\) 'shadow board' and the Celtic Trust – Celtic Trust](#)

Stakeholder Survey

The purpose of the current research is to obtain and consult with a representative sample of Celtic PLC's worldwide fan (supporter) base including 28,000 small shareholders in relation to important stakeholder engagement issues.

Method

An online survey, supported by Facebook (Meta) campaign ads, was designed and managed by SMRS⁷. An online questionnaire was deemed to be the most effective way to engage the views of a very large number of Celtic FC's stakeholders worldwide on the ownership and governance of Celtic PLC including issues such as the Fans Forum (FF) as well as the implementation of a Fan Advisory Board (FAB). This was particularly important given the fact that many shareholders do not appear on the Celtic PLC shareholder register. Their non-registration can be due to a variety of reasons including a change of address (e.g. since many of the small shareholders purchased their shares in the mid-1990s/early 2000s) or death (e.g. where next of kin/new owner has not changed the name and address on the share certificate(s)).

Overall, this resulted in actual engagement being much higher than might have been expected for an online survey of this kind (Sammur *et al*, 2021, Wu *et al*, 2022).

Data Collection

The two-phase Facebook ads campaign commenced for phase 1 around the end of the SPFL (Scottish Premier Football League) end of season 22/23 and phase 2 around start of new SPFL season 23/24 in conjunction with the commencement of UEFA Champions' League group stage games. Phase 1 commenced around Mid-May 2023 to the end of June 2023. The Facebook advertising focus was to encourage Celtic FC's stakeholders to participate in the survey in each of the three distinct geographical areas where there is a high concentration of Celtic fans including small shareholders, fan organisations and season ticket holders. The 'audience' targeted by the social media company was:

⁷ SMRS UK are a professional communications company with expertise in social media ad campaigns. Thanks are due to James Murray, Graphic Designer, Adam Smith Business School, University of Glasgow for providing Celtic-related photographs for this purpose.

- Location: Canada, UK, Ireland and USA)
- Age: 25 to 65+ years
- Interests: Celtic FC, stock exchange, football in Scotland, stock, stock market, share (finance) or stocks

Data description

A total of 8,226⁸ respondents accessed the online questionnaire/survey.

- Number who fully completed the survey 3,489 (42%)
- Numbers who partially completed the survey 4,737 (58%)
- Largest numbers of respondents taking the survey was in phase 1 which is in line with the outcomes for similar online survey projects (Liu & Wronski, 2018).
- After removing all under-18s from the survey the number of respondents reduced to 8070. Further data cleaning revealed that 279 respondents said they were not supporters of Celtic FC. Given the nature of the survey, the analysis was conducted only on those who identified as supporters of Celtic PLC resulting in a final sample size of 7791.

The total number of participants who indicated their affiliation to Celtic FC/PLC was 7,791 (Table 1). This can be broken down into 4 sub-groups;

- Supporters (5,488)
- Season ticket holders (2,911)
- Shareholders (1,413)
- Membership of a Celtic Fan Organisations (347)

It should be emphasised that each respondent can indicate as many of the affiliations as applies so these numbers do not sum to the total number of respondents, i.e. the affiliations are not mutually exclusive. In investigating whether different categories of Celtic stakeholder have different views, it is important to keep this point in mind.

⁸ SMRS estimated a response of 2,480 from an estimated 'audience size' of between 284,900 to 335,200

Data Analysis and results

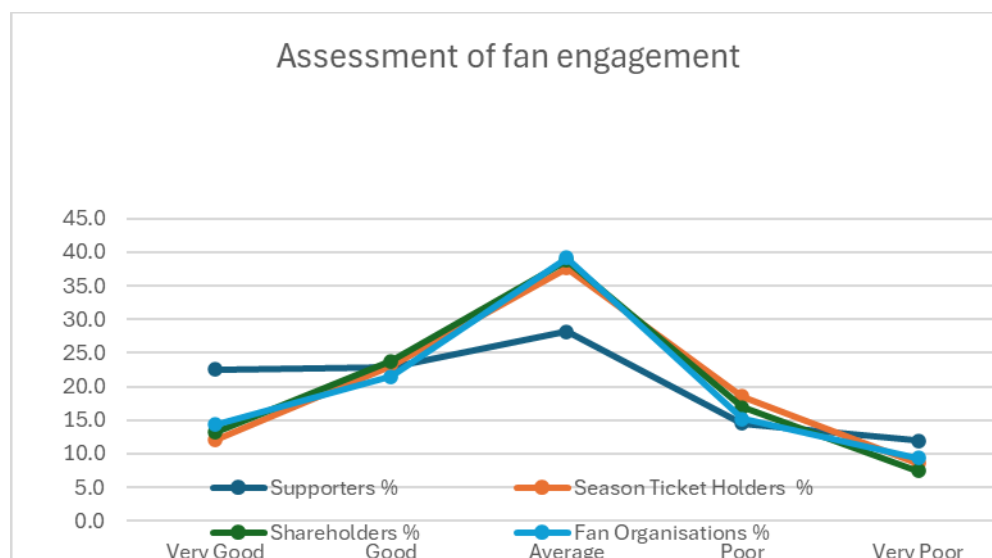
Supporter/Shareholder Engagement

In this section, we present the responses of the four categories of supporters separately to each question in turn, but it is important to remember that these categories are not mutually exclusive. The survey contained questions about small shareholder and fan (direct/indirect) engagement. 30% (420/1413) of shareholders indicated they engaged with Celtic PLC in their capacity as shareholders either directly or indirectly. However, when asked if they attended the Celtic PLC AGM 26% (362/1413) say they do. It is possible that those who don't attend AGMs engage in some other way with the Club.

The figure for supporters in terms of engagement with Celtic is higher: 39% (2128/5488) say they take part in fan engagement activities. When asked specifically about taking part in the Fans Forum, however, only 22% say that they do. Interestingly, a higher number, 1487 (27%), report that they take part in 'Other' categories of fan engagement. It is possible that respondents have taken a much broader view of what fan engagement means and have included all activities in which they engage with other fans as well as with the Club itself. In addition, those members of fan organisations, whose representatives engage directly with officers of the Club may interpret that as them participating in other forms of engagements. Future surveys should consider this possible interpretation when framing questions. Nevertheless, it does suggest that the Club's primary form of fan engagement, to which they give significant weight in their reports to PLC AGMs, is not capturing the views of fans to the extent that they appear to think. Moreover, supporters here are reporting a great degree of engagement with Celtic via forms other than the Fans Forum.

An assessment of the quality of fan or supporter engagement of Celtic FC by category of fan is contained in Chart 1 which highlights the trend and shows that the largest response for all categories is 'average'. 45% of supporters rate club engagement with them as Very Good or Good and 26%, more than a quarter, rate it as Poor or Very Poor. The corresponding numbers are 35%/27% (Season Ticket Holders); 37%/24% (Shareholders) and 36%/24% (members of fan organisations).

Chart 1: Assessment of fan engagement by category of supporter (%)



When asked how they rate Celtic’s shareholder engagement, the only relevant category of supporter (shareholders) give a similar response in that the responses are fairly evenly distributed around an average rating. More concerning for Celtic PLC is that, as Table 2 shows, almost a third of respondents rate the company’s engagement with them as Poor or Very Poor.

Table 1: Assessment of shareholder engagement by shareholders (%)

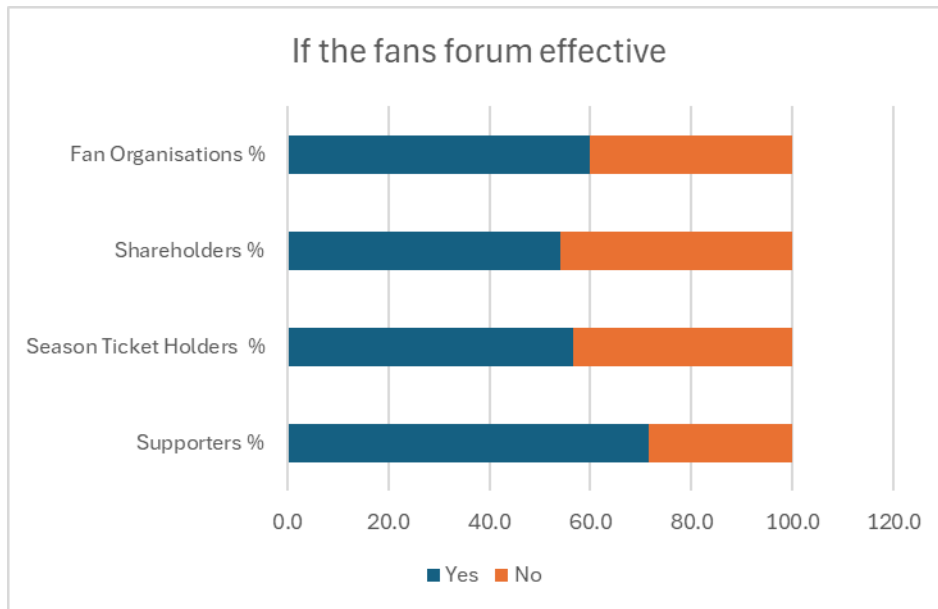
Response	%
Very Good	9.4
Good	20.6
Average	38.5
Poor	20.9
Very Poor	10.4
Don't Know	0.2
N	1007.0
Response Rate	71

Fans Forum

The value of the Fans Forum is further explored in a question which asks respondents about whether the Fans Forum is effective at communicating supporters and fan organisations’ concerns to the Club on important issues and what issues are

appropriate to discuss there. Chart 2 shows the responses to the first question. It is interesting to note here that there was a relatively low response rate to this question and this may be explained by the overall proportion of respondents who take part in the Fans Forum, which we know from our survey is 21%.

Chart 2: Effectiveness of Fans Forum



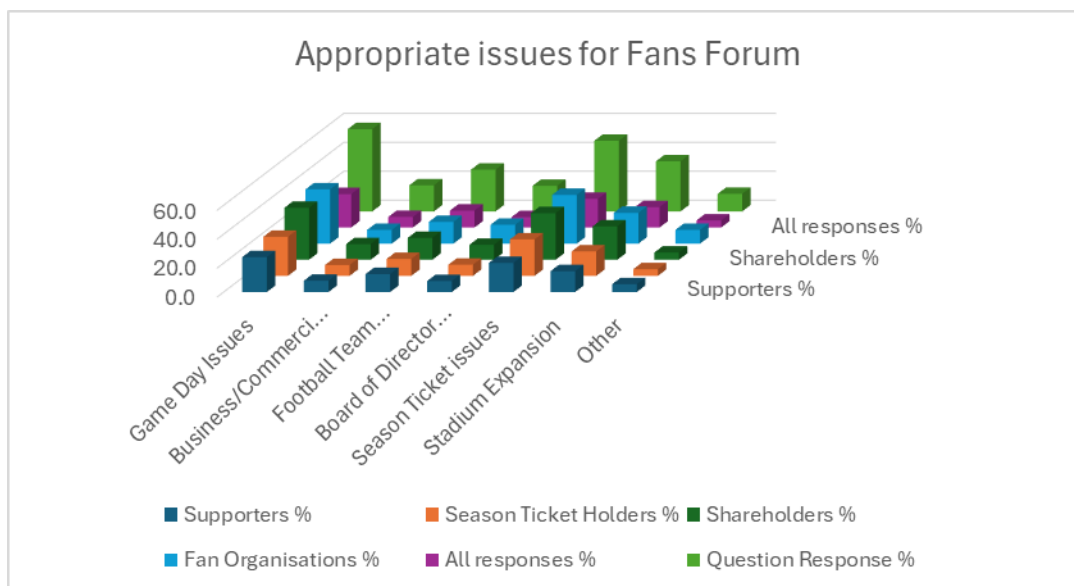
More than two thirds of supporters as a group think the Fans Forum is effective but that number drops considerably when we look at those who might be considered the more committed or active supporters. In particular, the Season Ticket holders, who are a commercially very important group, rate the effectiveness of the Fans Forum at 56%. When we look at the subset of respondents who report that they actively participate in the Fans Forum, the proportion who say it is effective in communicating their concerns to the Club on important issues is 76%⁹. A high score would be expected for these supporters given that, at the time of asking, they report that they actively participate in the Forum and therefore can be assumed to see a value in it. We did not ask respondents if they had previously participated in the Forum and that is something to consider for future surveys.

In terms of what topics are regarded as being appropriate for the Fans Forum to discuss, it can be seen from Chart 3 that the most popular across the board are game day issues,

⁹ This statistic is calculated from the survey response but does not appear in any table shown here.

season ticket issues and stadium expansion. It is more useful to consider the differences between groups than the absolute number in each case¹⁰. There is a degree of unity among supporters and season tickets holders on the one hand and shareholders and members of fan organisations on the other hand. The latter group, who might be among the more activist section of the support, express a greater desire to discuss game day issues as compared with the other two categories. It is notable that shareholders and members of fan organisations express a more positive view of the appropriateness of Season Tickets issues for the Fans Forum than Season Tickets holders as a group. Members of fan organisations are, again surprisingly, marginally more likely to say that Board of Director issues are appropriate topics for the Fans Forum to discuss than the shareholder group as a whole.

Chart 3: Appropriate Fans' Forum Topics



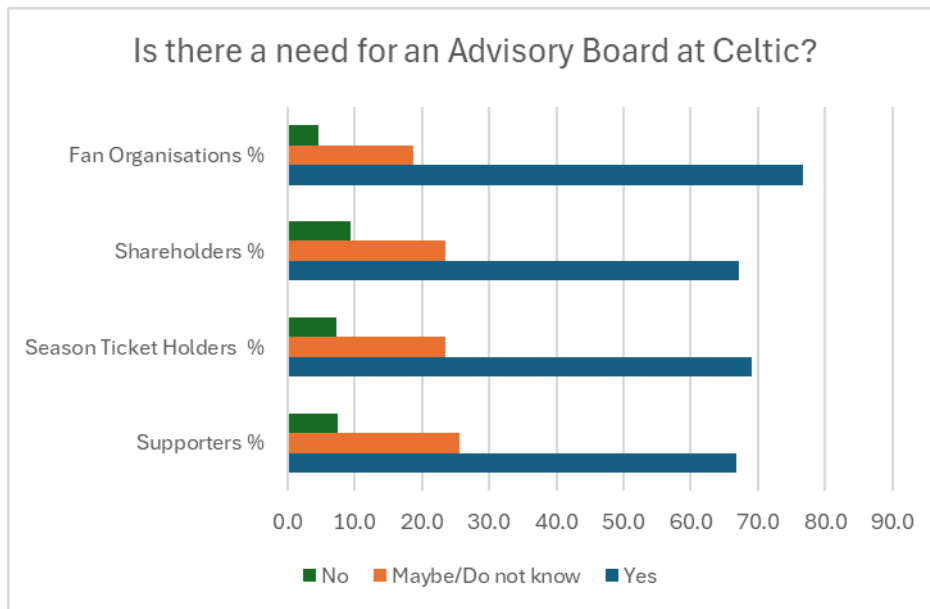
Fan Advisory Board

Respondents were told that the UK Fan Led Review set up in 2021 by the UK government recognised that an independent, elected fan advisory board (FAB) is the most effective form of fan engagement when 100% fan ownership is not feasible. Asked if they felt there was a need for a FAB at Celtic, they responded as set out in Chart 4. As can be seen there is a very large majority of positive responses to this question (dark blue bar),

¹⁰ See explanation in Footnote 16 in the main Report

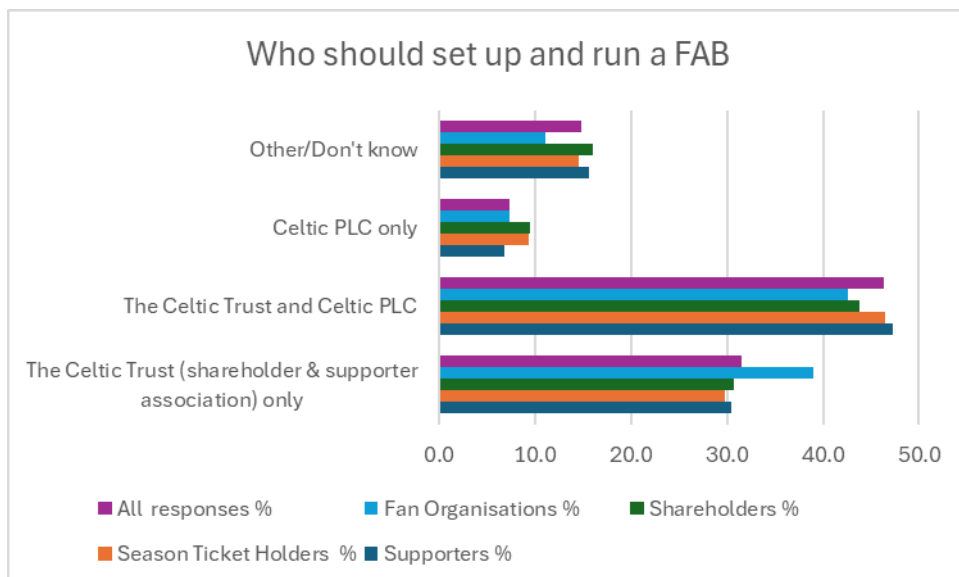
particularly from those who are members of fan organisations. This possibly reflects a desire to improve the engagement of fan activists with Celtic and to achieve a more formal process for doing so.

Chart 4: Is there a need for a FAB at Celtic FC



Respondents were further asked about which organisations should set up and run the Fan Advisory Board and the responses are contained in Chart 5.

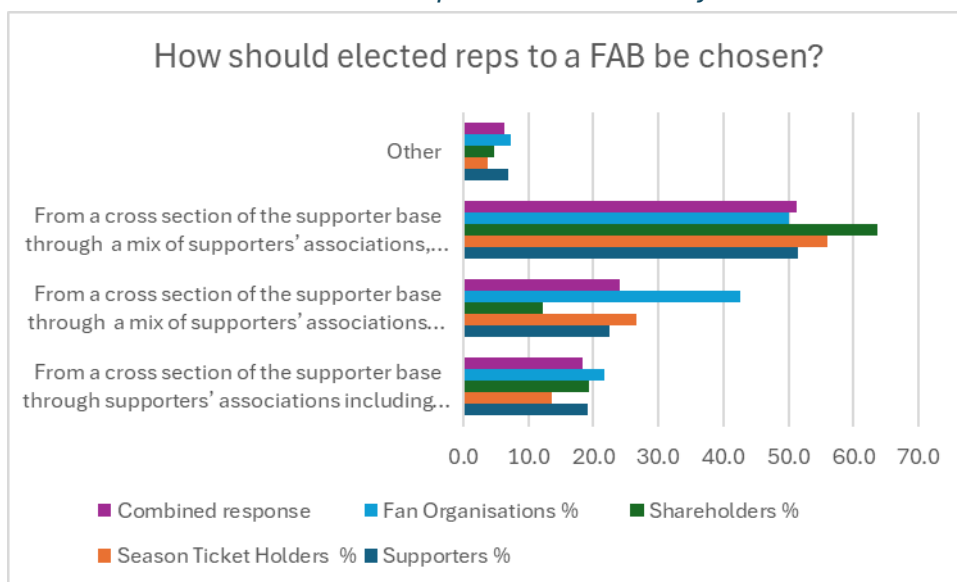
Chart 5: Who should set up and run a FAB at Celtic



There is overwhelming support for the Celtic Trust to be involved, either solely or in co-operation with Celtic PLC, in setting up and running a Fan Advisory Board with the highest support being for a jointly run FAB.

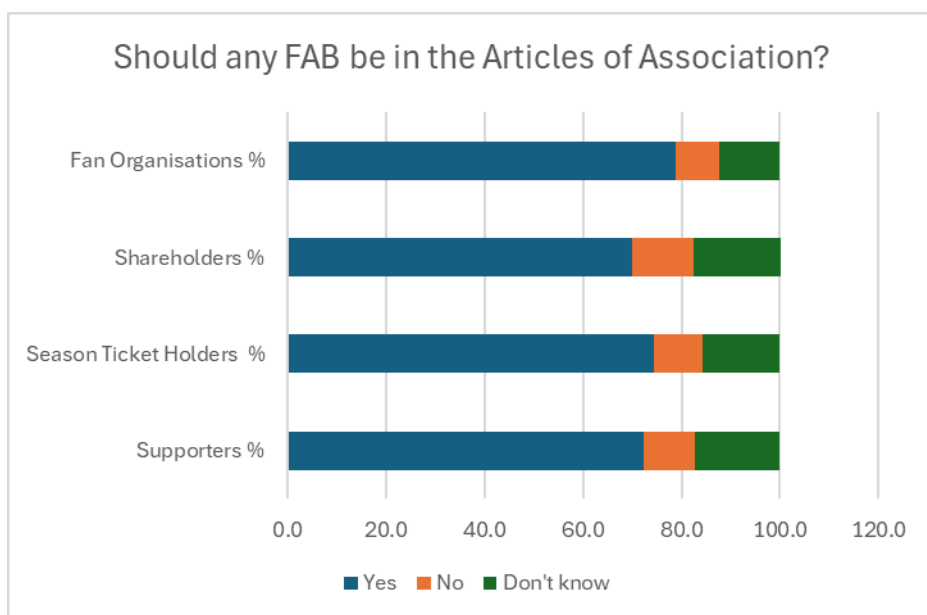
The comprehensiveness of the response continues in relation to the question about how membership of the FAB should be chosen. Here respondents not only respond in good proportions but also show a very clear preference for membership of any FAB to be representative of all the categories of supporters (as set out here). Chart 6 contains the responses. What is also notable is that almost one fifth of respondents across all categories would like membership to be chosen solely from fan organisations and almost a quarter would like membership to be chosen from fan organisations and season ticket holders.

Chart 6: How should elected representatives of any FAB be chosen



The confidence in, and support for, the idea of a FAB at Celtic is emphasised in the response to the question, should a FAB be incorporated into the Articles of Association of Celtic PLC. The responses to this question are given in Chart 7. It should be noted that incorporation would provide a greater degree of legal protection for both the PLC and FAB members but it is not clear whether this influenced the response to this question.

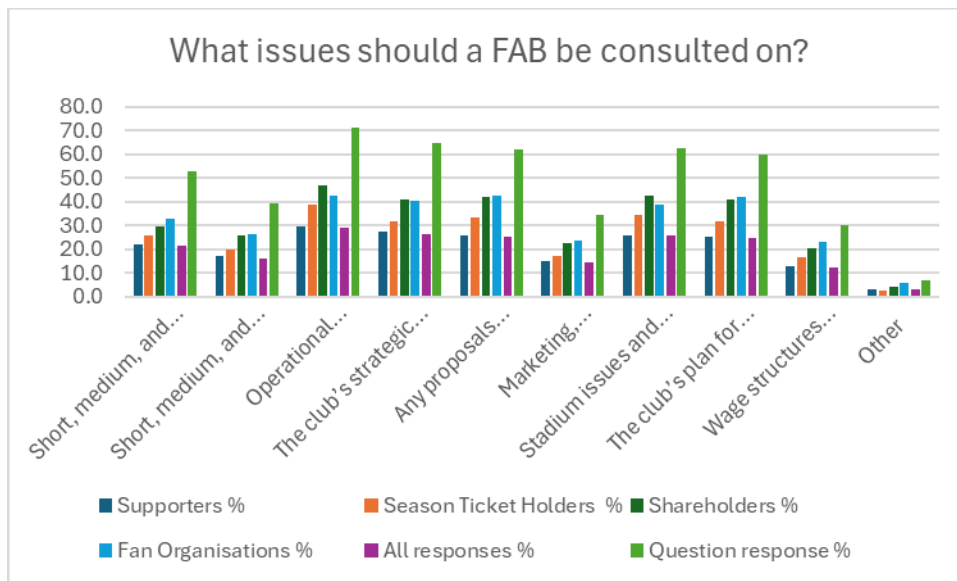
Chart 7: Should any FAB be incorporated into the Articles of Association



While a significant proportion of respondents are not sure about this, an overwhelming majority (70% or above for all categories) are in favour of any FAB being fully recognised and embedded in the Articles of Association of Celtic PLC. There is remarkable consistency in this across all categories.

There is also broad consistency, with some variation, across all categories in relation to what topics should be discussed at any Fan Advisory Board. These are contained in Chart 8 below.

Chart 8: What issues should a FAB be consulted on?



As with the question in relation to appropriate matters for the Fans Forum there is a split between the supporters and season ticket holders on the one hand and the shareholders and members of fan organisations on the other hand. There is a much greater similarity within the two pairs than between them. Overall, operational match day issues rank very highly and this is followed by Strategic vision and objectives, supporter engagement and ownership, plans for stadium expansion and heritage issues, e.g. renaming of stands.

Concluding remarks

This exercise is the largest independent survey of the views of Celtic supporters which has taken place in recent times. It is also the only survey which has examined in detail the attitudes of supporters to forms of governance and provides an insight into the kinds of issues about which supporters would like to be consulted. Very clear preferences are revealed in the results and, while there is a variation between categories of supports in relation to some questions, there is remarkable consistency in terms of the rankings which all categories of supporters give to issues in terms of their importance or the level of support for them being discussed with Celtic PLC. Fan engagement is rated overall as Average and there are worrying outliers in terms of the numbers of all categories of fans who say Celtic's engagement with them is Poor or Very Poor. Certain categories of

supporters, e.g. Shareholders, Season Ticket holders and members of fan organisations show even greater dissatisfaction with the quality of Celtic's fan engagement with them. It might be inferred that this group are in a better position to know than someone who describes themselves simply as a supporter.

Supporters of all kinds – supporters, season ticket holders, shareholders and members of fan organisations – are divided in relation to the effectiveness of the Fans Forum. While a majority state that they think it is effective, a significant minority – just under a third - state that it is not effective and that proportion is very much higher (40%+) for shareholders, season ticket holders and those who are members of fan organisations. There is remarkable support, across the board, for the concept of a Fan Advisory Board and, furthermore, the results show that supporters have given some consideration to how it should be set up and run and how elections should be organised.

Taken together these results show a level of dissatisfaction with current arrangements for fan engagement which Celtic PLC would do well to consider. Moreover, the more active supporter and the wider fan base are united, clear and consistent in relation to what they would like to see in terms of improvements. This provides useful information for the Board of Celtic PLC to factor into any discussions it has regarding improvements to the governance and stakeholder engagement of this famous and much-loved Club.

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