

Prior literature regarding sports franchises spending in relation to that same organization winning assumes that spending directly correlates with more wins on the field. In this project, we investigate the relationship between franchise valuation, market size, roster spending, and the number of TV households in a market and their relationship with on-field performance. Data was collected across all four major sports leagues in the United States for the 2022 seasons for our model. Using a K-means cluster analysis model, the 124 teams were categorized into four clusters. This resulted in evidence against prior literature that roster spending directly correlates with more wins on the field. In addition to the analysis, we discuss the implications these findings hold in relation to how teams can potentially achieve more success on the field in the future or sustain success going forward.