

Analysis of NBA revenue; What basketball stats are impacting NBA revenue?

## **Maximizing NBA Revenue through “Run and Gun” Basketball**

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## **I. Abstract**

This study examines the basketball gameplay factors that influence revenue for NBA teams. This study challenges some pre-established notions about revenue generation in the sport of basketball. This study reveals that a particular style of play, “Run and Gun”, can maximize revenue generation. These findings have critical implications for NBA front offices, owners, and coaching staffs.

## **II. Introduction**

The franchise values of NBA teams have skyrocketed in recent years, with teams valued at multiple billions of dollars. Most recently, the Los Angeles Lakers were sold for a valuation of \$10 billion, the largest sale of any American sports franchise to date. Interestingly, the Lakers were only the third-highest-valued NBA team, according to Forbes' 2024 franchise evaluations, which estimated their value at \$7 billion. The increasing value of NBA franchises is a recent phenomenon, as the sport is experiencing financial growth.

Are there styles of play that are financially rewarding or hurting the bottom line? Does on-court success translate to financial success? Does the ultimate form of on-court success, winning the 'Larry O'Brien' trophy, an NBA Championship, significantly impact team revenue and ultimately value? Revenue is the primary predictor behind franchise value, identified by model 1 of this study. This study employs linear regression analysis to examine the relationship between NBA franchise revenue and basketball gameplay statistics from the regular season, as well as team metrics that correlate with revenue variations, in order to develop insights into the style of play that maximizes revenue. Some of the findings of this study reinforce previous literature, and other components challenge preconceived ideas of what generates revenue in the

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NBA. This information is invaluable to franchise owners, investors, and fans or consumers of the NBA product(s).

### **III. Review of Literature**

A considerable amount of previous literature exists on team financial analysis and its connection to on-court performance. Only 16% of NBA teams operate at 100% operational efficiency [1]. With a minority of teams reaching their full potential, any advantage is crucial due to the financial incentives of competitiveness in the NBA. There are two main financial success strategies that NBA teams employ, with great franchises succeeding at both: teams that prioritize financial indicators, such as sponsorships and brand development, and teams that prioritize on-court success that translates to monetary gain. NBA teams experience higher revenue with increased postseason success, creating a strong desire for competition on and off the court for NBA franchises [2]. Researchers have begun modeling for specific gameplay statistics and their impact on team revenue [8]. Many rule changes and alterations to the style of play have been centered on increasing fan demand for the sport as an entertainment product [9].

A critical piece of prior literature is the theory of competitive balance in sporting events, known as the "uncertainty-of-outcome hypothesis," first proposed by S. Rottenberg (1965) [7]. The nature of basketball games is that they are a five-on-five sport, and one player has the potential to alter the outcome of a game significantly. This results in basketball being a very 'star-heavy' sport, and NBA teams are desperate to acquire star-level talent. Stars increase revenue dramatically while creating competitive advantages in their team's favor, with a measurable 'superstar effect' on revenue for games with a superstar playing [5]. NBA superstars are generally concerned with postseason success, as much of their legacy and reputation depends heavily on such achievements. As NBA teams compete for postseason success due to playoff

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payoffs [2], they attempt to cluster talent together to give themselves the best chance to compete. High-level NBA Players (Human Capital) are a key product for NBA teams for these two distinct but converging reasons. Being a star player is almost synonymous with offensive prowess, and player salaries reflect this [3]. This is in line with Rosen's (1981) proposal that only individuals of exuberant abilities receive heightened compensation, with 'good quality performers' undercompensated due to the existence of spectacular performers [6].

The previous literature provides context for the current methodology of the NBA team's construction, management, and market strategies. This study aims to identify what complementary decisions that team owners and management can make to enhance their strategy for competing on the court, and consequently, improve their financial performance. This study focuses on tailoring the basketball product to meet consumer demand while maintaining competitive advantages for postseason and market success.

#### **IV. Models**

This study highlights three primary models, each of which is a stepwise regression model, nested within a larger, higher variable-count model. These stepwise models are run through the AIC criterion to filter out inputs that are not statistically significant or marginally significant. '\*' indicates the level of significance for each variable in the regression outputs, with one star (\* $p < 0.10$ ) showing a marginal level of significance, two stars (\*\* $p < 0.05$ ) showing statistical significance at the 5% confidence level, and three stars (\*\*\*) $p < 0.01$ ) demonstrating a confidence interval that is significant at levels below 1%. Filtering through the AIC criterion provides the highest level of explanatory power and narrowed interpretations:

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Model 1, Real Value (Nested vs Full), is a Real Value regression model, which includes revenue in millions, attendance per game, and whether or not a team is in a 'Big Market':

*Real Value (in Millions)*

$$\begin{aligned} &= \beta_0 + \beta_1 \text{Revenue (in Millions)} + \beta_2 \text{Attendance per Game} \\ &+ \beta_3 \text{Big Market} + u_i \end{aligned}$$

Model 2, Basketball Gameplay Revenue Model (Nested vs Full), is a stepwise regression that predicts revenue using basketball gameplay statistics and team construction elements. Model 2 is the primary model of this study, drawing ideal style of play interpretations from the results of this regression output:

*Revenue(in Millions)*

$$\begin{aligned} &= \beta_0 + \beta_1 \text{Championship Won Last Year} \\ &+ \beta_2 \text{Championship Won This Year} + \beta_3 \text{Playoff Round Achieved} \\ &+ \beta_4 \text{All Star Count} + \beta_5 \text{All Defensive 1st or 2nd Team} \\ &+ \beta_6 \text{All NBA 1st Team Player} + \beta_7 \text{All NBA 2nd or 3rd Team Player} + \\ &\beta_8 \text{Attendance Position} + \beta_9 \text{Payroll Position} + \beta_{10} \text{Strength of Schedule} + \\ &\beta_{11} \text{Wins} + \beta_{12} \text{Age} + \beta_{13} \text{MVP} + \beta_{14} \text{DPOY} + \beta_{15} \text{COTY} + \beta_{16} \text{Other Awards} + \beta_{17} \text{Pace} \\ &+ \beta_{18} \text{3 Point Attempt Rate} + \beta_{19} \text{Free Throw Rate} + \beta_{20} \text{Opponent Free Throw Rate} + \\ &\beta_{21} \text{Turnover rate (Offense)} + \beta_{22} \text{Opponent Turnover rate (Defense)} \\ &+ \beta_{23} \text{True Shooting \% (Offense)} + \beta_{24} \text{Opponent eFG\%} + u_i \end{aligned}$$

Model 3 and 4, Playoff Rounds Achieved (Step vs. Full), and Wins (Step vs Full):

Measures playoff rounds achieved, and wins as the parameters respectively. These supplemental models use the same inputs as Model 2 (except for the predictors themselves, playoff rounds achieved and wins respectively), with the addition of the "Big Market" predictor. The

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justification for excluding this significant market predictor from Model 2 is to provide a more general model applicable to every NBA team, given that a minority of teams are in major markets. In contrast, the goal of this model is to be more inclusive of all variables that impact postseason success.

The notations of the models are as follows:  $\beta_0$  is the constant, or innate dependent variable intercept, in the absence of predictors.  $\beta_a$  is the coefficient on any given predictor, the predicted impact of increasing that input by 1 (or 1% for % based variables like 3-point attempt rate, etc.).  $u_i$  is the disturbance term used in all models to capture the portion of explanation not due to predictors.

## **V. Data and Descriptive Statistics Summary Results**

The data in this study is a cross-sectional data set collected from various reputable sources. Data concerning team market value and financial information comes from FORBES, sourced from STATISTA. Real team value is a calculation using FORBES team value adjusted for inflation by FRED CPI data for July 1st, 2024. All basketball statistics come from basketball-reference.com, the leading basketball-specific statistics site. Payroll Position is the only basketball statistic not originating from basketball-reference.com, coming instead from hoopshype.com, which organized data in a ranking from highest to lowest based on the U.S. Department of Labor Bureau of Labor Statistics. This dataset consists of financial data from 2002 to 2024 and basketball data from 2002 to 2025. The economic data for 2002 is incomplete; Team market value was not a part of the data provided by STATISTA in that year. Omitted variables from this study include ticket prices, fanbase tracking statistics, social media variables, or other possible explanatory variables not included in this study.

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Some basketball metrics are measured in terms of percentage points, including free-throw attempt rate, 3-point attempt rate, effective field goal percentage, true shooting percentage, and turnover rate. All of these percentage-based variables are already included in the regression, so a 1% increase in each variable is associated with its respective coefficient value in the regression. Payroll and attendance positions are ranking variables, where 1 is the highest and 30/29 is the lowest (depending on the year/ # of teams in that year). Team personal variables, such as all-star count or all-defense, simply count the number of players who fit that description on a given team in a given year, or if they were achieved. For example, in 2017, Warriors Forward Draymond Green contributed the following variables for his team: All-Star count, All-NBA 2nd or 3rd Team, All-Defense, and DPOY.

Some variables are analog, taking the values of 0 or 1, representing the absence or presence of a condition. These variables include: MVP (Most Valuable Player Award), DPOY (Defensive Player of the Year Award), COTY (Coach of the Year Award), Other Awards (MIP, 6Man, or ROTY), Championship (Won in current year) and Lagged-Championship (Won the previous year), and whether a team is in a Big Market (LA, Chicago, New York, or San Francisco).

**Table 1: Summary Statistics of Dataset**

### Descriptive Statistics

Variable	Obs.	Mean	Std. Dev.	Min	Max
True shooting %	717	54.667	2.539	46.9	61
Free-throw rate	717	28.216	3.866	19.4	41.7
Turnover rate	717	13.208	1.099	9.9	17.1

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3-point attempt rate	717	28.048	9.139	10.4	53.6
Opponent effective field- goal percentage	717	50.691	2.704	43.3	57.6
Opponent turnover rate	717	13.217	1.16	10.3	16.5
Opponent free-throw rate	717	21.51	2.845	14.5	34
Wins	717	40.216	12.236	7	73
Strength of schedule	717	-.001	.377	-.95	.96
Championship	717	.033	.18	0	1
Playoff rounds achieved	717	1	1.214	0	4
Lagged championship	717	.033	.18	0	1
Age	717	26.566	1.731	22.1	31.4
Pace	717	94.555	4.098	86.2	105.1
All-star count	717	.886	.856	0	4
All-NBA 1 <sup>st</sup> team player	717	.166	.391	0	2
All-NBA 2 <sup>nd</sup> or 3 <sup>rd</sup> team Player	717	.335	.551	0	3
All-defensive Team player	717	.333	.6	0	3
Most Value Player award	717	.033	.18	0	1
Defensive Player of the Year award	717	.033	.18	0	1
Coach of The Year award	717	.024	.152	0	1
Other personal awards	717	.105	.311	0	2
Attendance per game	717	16967.445	3586.339	162	22253
Big market	717	.185	.389	0	1
Year	717	2013.544	6.908	2002	2025
Real value	657	1487.193	1427.69	286.767	8800
Revenue in millions \$	687	186.654	101.873	63	800

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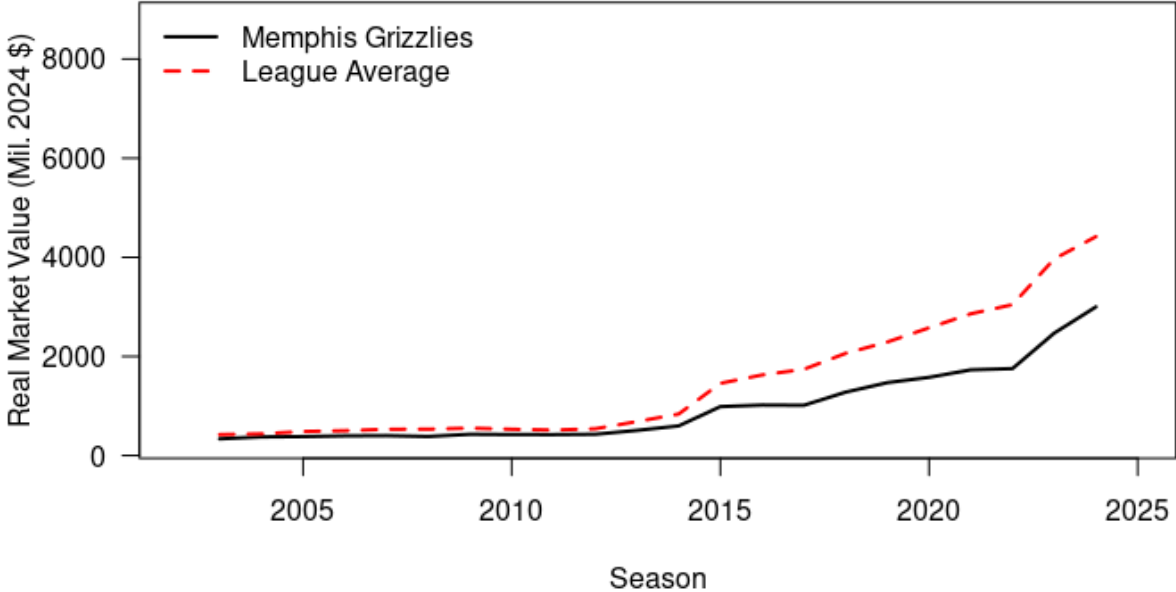
Clarifying some possible questions about the descriptive statistics: In the 2004-05 season, the NBA expanded to 30 teams; every year before that contained 29 teams for this dataset. Strength of Schedule is a normalized variable, meaning its mean should be 0 in the long run. A negative value indicates that a team had an easier schedule compared to the rest of the league. Playoff rounds achieved measures what round a team made it to, so a value of 4 means competing in the NBA finals, whereas a value of 0 means they missed the playoffs. Pace is the average number of possessions a team achieves per game, and Age is the average age of the team's players.

Attendance per game is the number of fans who attended throughout the regular season, divided by the number of games played. Lockout or shortened seasons should theoretically not impact this statistic, but outlier year(s) during the COVID-19 pandemic exist during the years of this dataset.

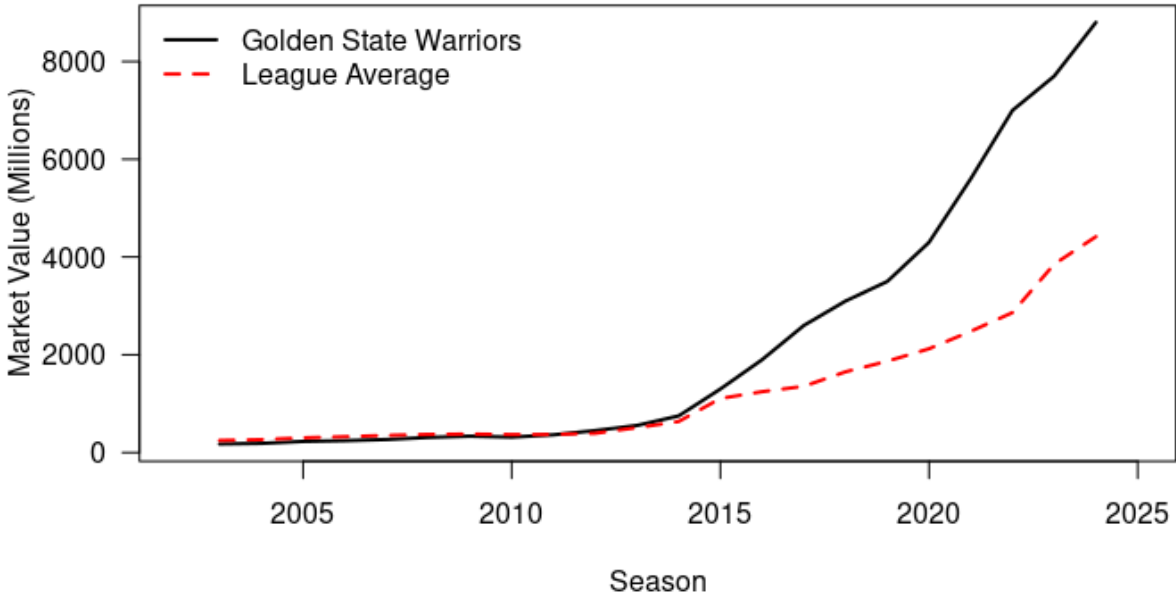
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Table 2(a and b): Graph of Real Value of NBA Franchises compared to Average Franchise

### Memphis Grizzlies Real Market Value



### Golden State Warriors Market Value

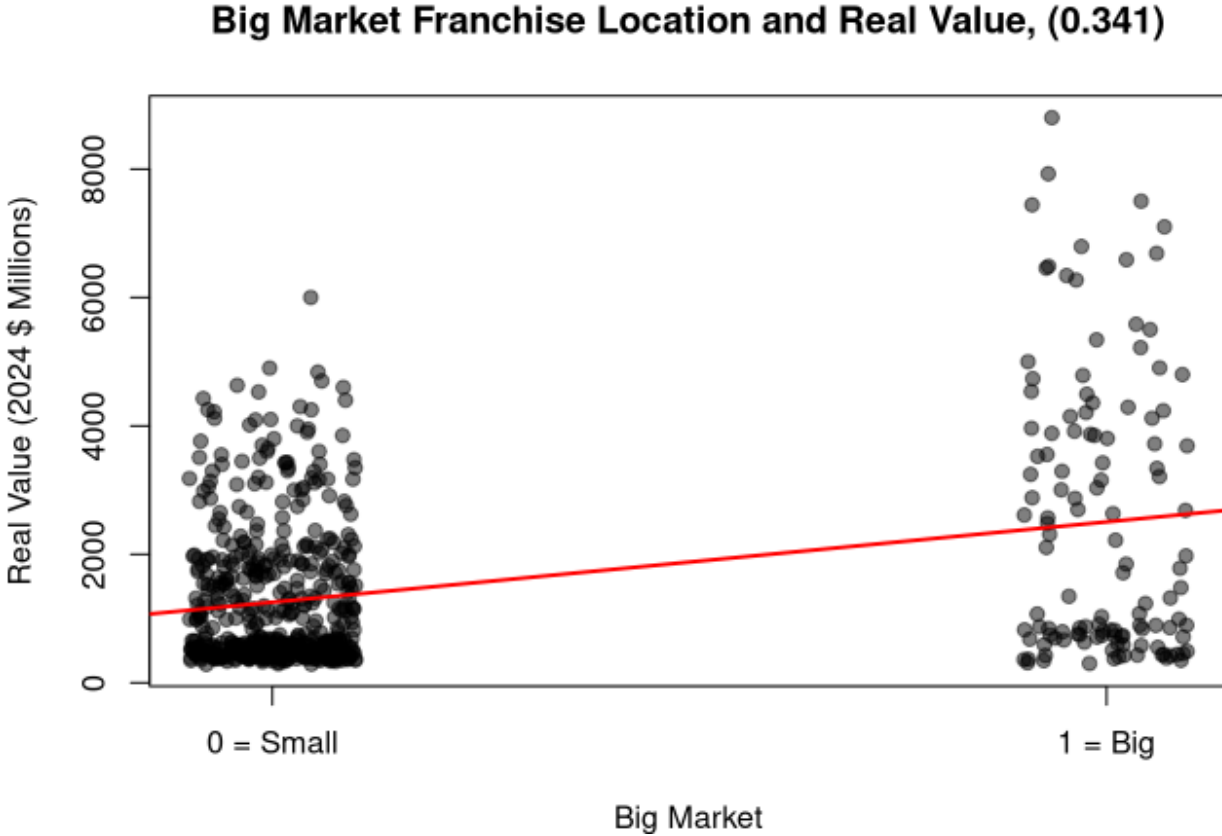


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The average NBA franchise has experienced substantial growth, mainly during the mid-2010s. In 2003, the average NBA franchise was valued at \$248 million, or \$423 million in real value. In 2025, the average NBA team is valued at \$4.416 billion. A third of NBA teams are currently above that mean value; notably, every team in a big market is currently in the upper third of franchise value, which has not always been the case.

The Golden State Warriors are the most valuable NBA Franchise, and the Memphis Grizzlies are the least valuable NBA Franchise as of 2024. The two value graphs above display these two teams, accompanied by a dotted red line representing the league average, which illustrates their evolution over time and their distance from the mean franchise.

**Table 3: Scatterplot of Big Market and Franchise Real Value**



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Table 3 shows that there is not a very strong correlation between the real value and whether a team is in a Big Market. The big market cities are defined by their ability to sustain more than one franchise from the same sport and are more favorable locations for sports franchises due to the increased traffic and attention. Although not strongly correlated, every team in a big market is currently above average in value. This has not always been the case, with teams like the Brooklyn Nets and Los Angeles Clippers consistently hovering around average valuation for most of the years in this dataset. The Golden State had a massive increase in value during the 2010s, surpassing any other team in the association, but had been consistently average before this jump. The Los Angeles Lakers, Chicago Bulls, and New York Knicks are the only teams in this dataset that have always been consistently above average in this time frame, all of which are beloved, historied franchises, which could explain their brand dominance during this study's frame, despite other teams in big markets not seeing their same sustained financial successes.

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## VI. Empirical Results

### Model 1:

#### Real Value: Nested vs Full Models

	(1)	(2)
	Nested	Full
Revenue in M	12.98*** (0.205)	12.95*** (0.193)
Big Market		249.5*** (50.61)
Attendance per Game		-0.0660*** (0.00511)
Constant	-992.1*** (44.46)	78.66 (91.51)
Adj. R <sup>2</sup>	0.859	0.890
N	657	653

Standard errors in parentheses

Revenue is statistically significant at all levels ( $p < 0.001$ ). Every additional million dollars in revenue is associated with an increase in the estimated real team value by approximately \$13 million (12.98 in the nested model, 12.95 in the complete model). Big-market teams are valued significantly higher on average, a quarter billion more than their small-market counterparts. Attendance per game is negatively associated with team value ( $-0.062$ ), which may initially seem counterintuitive. The logic behind this is explained by Joseph Koehn's paper [2]: As teams become more successful on the court, they increase the cost of tickets, which overall increases revenue but decreases attendance per game; thus, the interpretation of this study is that attendance per game functions as a proxy for ticket price, a predictor omitted from this study.

This model is statistically relevant. The adjusted R<sup>2</sup> of .89 indicates high explanatory power. This regression model indicates that simple financial variables explain 89% of the variation in team market value.

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Restricting the value model further, and examining the results of using only revenue as a predictor of real value, we see that revenue alone is a powerful predictor, even when all other coefficients are set to zero. Revenue as a predictor for real value can explain 85% of the variation as a sole predictor. This study's interpretation, which aligns with previous literature, is that revenue is the most important predictor for NBA Franchise Market Value.

### Model 2: Revenue Regression Model using Basketball Statistics as predictors

Basketball Gameplay Revenue Model (Nested vs Full)

	(1) Nested (Stepwise)	(2) Full Model
3-point attempt rate	3.782*** (0.502)	3.951*** (0.513)
Attendance position	-2.368*** (0.285)	-2.297*** (0.288)
Opponent effective field-goal percentage	17.20*** (2.083)	18.00*** (2.171)
Payroll position	-1.290*** (0.280)	-1.124*** (0.308)
Pace	4.391*** (0.931)	4.749*** (0.956)
Opponent turnover rate	-13.91*** (2.330)	-15.66*** (2.537)
Championship	36.15*** (12.60)	34.32** (13.76)
Free-throw rate	-2.983*** (0.745)	-3.155*** (0.792)
All-defensive team player	8.079* (4.260)	9.488** (4.710)
Strength of schedule	-15.38** (6.252)	-15.58** (6.515)
Turnover rate	11.78*** (2.981)	12.39*** (3.026)
Wins	1.684*** (0.454)	1.832*** (0.502)

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True shooting percentage	-6.073*** (2.243)	-7.405*** (2.345)
Opponent free-throw rate		1.550 (1.063)
Playoff rounds achieved		2.029 (3.312)
Lagged championship		23.15* (12.81)
Age		1.780 (1.725)
All-star count		-0.132 (3.850)
All-NBA 1 <sup>st</sup> team player		-8.059 (7.593)
All-NBA 2 <sup>nd</sup> or 3 <sup>rd</sup> team player		3.835 (5.211)
Most Valuable Player award		-17.03 (13.44)
Defensive Player of the Year award		-11.30 (13.32)
Coach of The Year award		-4.479 (14.53)
Other awards		-2.839 (7.100)
Constant	-771.4*** (111.8)	-850.2*** (132.6)
R <sup>2</sup>	0.705	0.711
Adj. R <sup>2</sup>	0.699	0.701
Observations	682	682

Standard errors in parentheses  
\* p<0.1, \*\* p<0.05, \*\*\* p<0.01

This model explains 70% of the variation in predicting revenue using basketball-related metrics. The first predictors to discuss are those of 'payroll position' and 'attendance position'. These predictors were chosen to serve as more universal, ageless metrics for franchise

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effectiveness. As ranking variables, a value of 1 means leading the NBA in that category, and a value of 29/30 is the lowest in the league, in that year. Dropping further down the comparative ranks of payroll and attendance positions has increasingly worsening impacts on team revenue, suggesting that a goal for increasing revenue should be to lead in payroll and attendance, compared to competitors.

Under the lens of winning basketball games, limiting mistakes and playing efficiently are cornerstones of success. Another cornerstone of winning basketball is having top-tier talent. Examining the basketball statistical predictors of revenue, the initial results appear counterintuitive.

Team personnel almost completely drop off in this model, except for 'all defensive team player(s)', which has a marginal effect but is not statistically significant. This includes all-star counts and all-NBA players dropping off, once gameplay statistics are accounted for. The interpretation of this output suggests that team efforts have a greater impact on revenue than individual efforts.

Playing good basketball is not rewarded according to this model. Higher turnovers on offense are associated with higher revenues, and stealing the ball/opponent turnovers are associated with lower revenues. True-shooting possesses a negative coefficient (-\$6 million), decreasing revenue for every one percentage point increase in true-shooting, but an opponent's effective field goal percentage increasing by one percent has a positive impact on revenue (\$17 million). Getting to the free-throw line has become an increasingly important way to generate points in contemporary basketball; however, it has a negative coefficient for revenue in this model (-\$3 million per FT/FGA percentage). The opponent free-throw rate dropped off in the stepwise model.

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Shooting threes has become increasingly more prevalent in contemporary basketball, and this model supports this stylistic decision from a revenue perspective, roughly increasing revenue by \$4 million per 1% of shot attempts. The strength of schedule is statistically significant at the 5% level, with a negative coefficient, suggesting that consistently playing stronger teams hurts revenue. Pace has a positive coefficient, so more possessions per game are better for revenue. Wins have a positive coefficient; being a better team is better for revenue. Winning the championship is a significant contributor to team revenue, but the number of playoff rounds achieved is not statistically significant. The interpretations of this will be expanded upon in the discussion section, following model 3.

### Model 3 and 4: Playoff rounds achieved (a and b) and Wins Regression (c and d)

<u>Determinants of Playoff rounds achieved (PR): Stepwise vs Full, Determinants of Wins: Stepwise vs Full</u>				
	(a) PR Stepwise	(b) PR Stepwise	(c) Wins Stepwise	(d) Wins Full
W	0.0433*** (0.00350)	0.0369*** (0.00599)		
All-NBA 1st team player	0.689*** (0.0843)	0.681*** (0.0899)	1.873*** (0.533)	1.698** (0.568)
All-NBA 2nd or 3rd team player	0.321*** (0.0627)	0.335*** (0.0634)	1.466*** (0.392)	1.544*** (0.399)
Strength of schedule	-0.393*** (0.0758)	-0.361*** (0.0788)		-0.250 (0.501)
All-defensive team player	0.207*** (0.0531)	0.223*** (0.0571)	1.158*** (0.340)	1.178** (0.360)
Turnover rate	0.0678** (0.0253)	0.0769* (0.0371)	-3.288*** (0.195)	-3.226*** (0.201)
Attendance position	-0.00819* (0.00338)	-0.0113** (0.00366)	-0.0599** (0.0216)	-0.0697** (0.0231)
All-star count	0.0988* (0.0456)	0.0912 (0.0476)	0.406 (0.292)	0.392 (0.302)

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True shooting percentage	0.0391 (0.0289)	3.414*** (0.116)	3.321*** (0.133)
Free-throw rate	-0.00736 (0.00984)	0.196*** (0.0585)	0.206*** (0.0621)
3-point attempt rate	0.00551 (0.00621)		0.0174 (0.0395)
Opponent effective field-goal percentage	-0.0310 (0.0268)	-3.092*** (0.114)	-3.066*** (0.124)
Opponent turnover rate	0.0582 (0.0314)	2.241*** (0.175)	2.184*** (0.181)
Opponent free-throw rate	-0.0127 (0.0132)	-0.532*** (0.0799)	-0.511*** (0.0818)
Age	-0.0176 (0.0213)		0.0657 (0.136)
Pace	-0.00425 (0.0120)	-0.239*** (0.0678)	-0.220** (0.0758)
Most Valuable Player award	-0.0101 (0.166)		1.555 (1.052)
Defensive Player of the Year award	-0.179 (0.164)		-0.543 (1.039)
Coach of the Year award	0.240 (0.182)	2.779* (1.126)	2.404* (1.151)
Other awards	-0.117 (0.0866)		0.519 (0.550)
Payroll position	0.00248 (0.00380)		-0.00302 (0.0241)
Big market	-0.0999 (0.0747)		-0.829 (0.474)
Lagged championship	0.0705 (0.157)		-0.233 (0.999)
Constant	-1.894*** (0.384)	-1.861 (1.628)	51.94*** (7.279)
R <sup>2</sup>	0.666	0.674	0.870
Adj. R <sup>2</sup>	0.662	0.663	0.867

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Observations	712	712	712	712
Standard errors in parentheses				
Standard errors in parentheses. * p<0.1, ** p<0.05, *** p<0.01				

These two supplemental models, which utilize the predictors of the revenue model and the value model, are combined to provide a comprehensive view of on-court success. The playoff rounds achieved, and the wins models are used to measure postseason success, championship competitiveness, and overall basketball competency. These regression results align with prior literature on this subject and are not the direct focus of this study; however, this model is essential in determining team strategy regarding star players and the decision on whether to pursue a championship and an ideal strategy.

Looking first to the playoff rounds achieved model can explain two-thirds of the variation in playoff rounds achieved. This model suggests that the best way to compete is to have as many all-star, all-NBA, and all-NBA first-team players as possible, thereby increasing the chances of advancing deeper into the playoffs. Interestingly, no gameplay statistics outside of strength of schedule, turnover rate, and wins survived the AIC test. The strength of the schedule, as reflected in the revenue model, negatively impacts the team's postseason success, suggesting that playing a more challenging schedule throughout the regular season has a detrimental effect on postseason performance. Wins and turnover rate are the other two predictors of postseason success outside of personnel determinants, both of which possess positive coefficients.

The wins regression is stronger, explaining 87% of the variation in wins, and largely aligns with prior literature, as well as the intuitive 'eye test' of 'good basketball'. Some of the things that could be deemed surprising in this model: Winning the championship last year has no statistical significance in contributing to wins in the current year. Age plays no factor in regular-season winningness, nor do individual awards won after controlling for all-NBA awards.

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## **VII. Conclusion and Discussion**

All three models are statistically significant, with the probability of a Type I error significantly below 1%. The primary analysis of this study focuses on maximizing revenue through optimizing style of play, team organization, and competing for championships. All models offer a significant level of explanatory power, with the revenue model utilizing basketball gameplay statistics and controllable comparative team organization metrics.

NBA games in recent years have seen increasingly higher scoring games, and this study supports this trend, identifying a revenue incentive for such a trend. The NBA has tweaked and adjusted the rules of the game throughout the decades to increase scoring, as fans generally tend to enjoy higher-scoring games over lower-scoring ones. This study suggests that an optimal play style for revenue generation: "Run and Gun."

"Run and Gun" closely resembles the "7-second or less" and "Pace and Space" playstyles, popularized by NBA coach Mike D'Antoni's Phoenix Suns during the 2000s. This playstyle was conceptualized as an idea initially to deal with Shaquille O'Neal's Lakers, due to his dominance over the game of basketball, being 'unbeatable.' This playstyle had ripple effects throughout the NBA, as some teams began to copy it, and it helped raise the scoring levels throughout the league. This study identifies the fast-paced basketball play style as a financial incentive for maximizing revenue. "Run and Gun" is an older approach to basketball, with its first NBA applications accredited to Doug Moe, NBA coach of the Denver Nuggets during the 1980s [10]. However, it did not have the same impact on the overall NBA as D'Antoni's systems. "Run and Gun" is chaotic and described as inexplicable or unplannable.

Interpretation of the revenue model: Winning matters, but given that you win the game, being as messy and chaotic as possible is beneficial. The primary theory is that more chaotic,

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high-speed games are rewarded with higher fan demand, as fans choose to support teams that follow this model, and creating a high-scoring game is imperative. "Run and Gun" revolves around winning a shoot-out. Scoring more than the other team when the final buzzer sounds is all that matters; efficiency does not matter if you win. "Run and Gun" is characterized by high pace, passing, and shot-chucking as key descriptors of the style, to achieve high-scoring games that result in a win. Critics of the "run and gun" approach argue that coaches will often allow the opponent to score, just so they can score in return, which is precisely the idea.

This study argues that incorporating systems akin to "Pace and Space", "7-seconds or less", and "Run and Gun" are the styles of play predicted to maximize revenue.

### **Conclusions**

According to the playoff model, turnover rate is the only gameplay statistic that survives as a predictor; with its positive coefficient, there is no evidence to suggest that a "run and gun" team would not be able to compete for a championship. Winning the NBA Championship is highly valuable for revenue, and consequentially market value. Having a team spearheaded by top-tier star talent, constructed to run in transition and shoot first, ask questions later, is the ideal roster for balancing competitiveness and revenue maximization. The results of the revenue model suggest that star talent is not necessarily required to maximize revenue; however, the portion of production they produce would need to be remedied through higher team competency. Having a fun, high-speed team is the primary predictor of revenue generation, according to this study.

Stacking as many star players as possible is key to creating competitive teams. Competitive teams, which possess adequate star talent, should also prioritize having all-

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defensive team players for postseason success, but play fast and loose during the regular season.

Non-competitive teams should strive to create the most chaotic and entertaining game possible, prioritizing entertainment over efficiency. They should utilize as many possessions and three-point attempts as possible.

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