

# How Chinese Sports Brands Use the Olympics for Marketing: Case from Anta

Junyan Mu<sup>1,\*,†</sup>, Yunsheng Xu<sup>2,†</sup> and Wenze Zhang<sup>3,†</sup>

<sup>1</sup>Beijing National Day School, Beijing, China

<sup>2</sup>Faculty of Arts and Humanities (HG), King's College London, London, UK

<sup>3</sup>Arts and Sciences College, Ohio State University, Columbus, USA

\*Corresponding author: 3180205235@caa.edu.cn

†These authors contributed equally.

**Abstract.** For most well-known companies, in addition to the pursuit of brand sales, brands also focus on brand culture and brand image building so that a company can be sustainable in development and gain a competitive advantage. For sports brands, showing themselves in significant events is a moment that can reflect their brand image. The Olympic Games are arguably the most important among many sporting events. This article focuses on the strategies adopted by Chinese sports brands during the Olympics and how to maximize the benefits of the Olympics for their brands. Through the analysis of different case studies, we find that the Olympics is an excellent marketing opportunity for Chinese sports brands to promote their products, increase their sales, build their brand image, and make their brands more visible to more people. At the same time, they also found the limitations of marketing with the help of the Olympic Games, which may need external help to solve or internal self-coordination of the company.

**Keywords:** Sports Brand; Olympics; Marketing; China.

## 1. Introduction

As people's living standards improve, sports become an integral part of their lives, and with the rise of the sports industry and events, sports have become one of the primary forms of entertainment for people [1]. The increased interest in sporting events has led to sports marketing as one of the most prominent promotion methods in the global market, which can bring considerable benefits to companies [2,3]. In the short term, companies can improve their product sales by marketing through event sponsorship and other methods, and in a long time, they can better expand their awareness and help build their brand's image for brand building [4,5]. Among many sporting events, the Olympic Games, with its long history and massive scale, is the grandest and most eye-catching event. Therefore, for many sports brands, the Olympic Games is the best time for them to take advantage of the opportunity for sports marketing; if the brand can carry out appropriate marketing, it will bring significant progress for its development, but there are also cases of inappropriate marketing leading to a crisis, the significance of this article is to help Chinese sports brands find appropriate marketing methods [6,7]. The development of Chinese sports brands is complex due to the suppression of foreign sports brands. Sports giants such as Nike and Adidas are firmly occupying most of the market share, so helping Chinese sports brands to find ways to market themselves through significant sports events such as the Olympic Games may help Chinese sports brands to find some directions for their development [8].

## 2. Case background

As the most critical and significant sporting event in the world, the Olympic Games have a wide range of influence worldwide. If sports brands can fully use this marketing opportunity, they are likely to increase their brand power in a brief period and increase sales with the heat. Take Anta as an example; as early as the 2000 Sydney Olympics, Anta signed men's table tennis champion Kong Linghui as its brand spokesman and relied on the heat generated to attract traffic for the brand and

boost product sales, allowing Anta, which was still a small business back then, to exceed 300 million yuan in sales [9]. In the 2008 Beijing Olympic Games, Anta was not strong enough to compete with Nike, Adidas, and other international brands to fight for the title or sponsorship. Still, it also was influenced by the dividends brought by the Olympic Games and took the opportunity to expand offline stores and seize the market [10]. By the 2022 Beijing Winter Olympics, Anta has made a comprehensive layout in advance to make full use of the Olympic dividend, expand the brand influence and even usher in an explosion. In 2017, Anta officially signed a contract with the Chinese Olympic Committee and became the official partner of the Beijing Winter Olympics and Paralympics. A year ago, Anta had already targeted the Chinese market of Japanese ski brand Descente and partnered with its subsidiary to operate Descente China independently. Anta Group has almost half of the ski brand in its pocket through the acquisition.

Deep participation in the event deepens brand impression. During the event, all Chinese athletes wore professional competition clothing developed by Anta and provided clothing for judges, volunteers, and other personnel. The logos of Anta and its brands also appeared frequently at the competition venue, greatly enhancing brand sure.

In the form Sports Brand Value Lists of 2022 Beijing Winter Olympic Games produced by Sports Money, Anta ranked sixth, the highest among Chinese sports brands, the first and second-ranked Descente and Fila are also “Anta system” brands, enough to reflect the influence of Anta in the Winter Olympics.

Increase media diversion and expand celebrity effect. Anta was popular outside the competition, and people kept talking about it. On an opening day, the search volume for the keyword “Anta” reached 428,217 per day, an increase of 17,342% year-on-year. Through marketing pavement, like launching Olympic-related activities on Tmall, JD.com, Tiktok, and other platforms, signing famous athlete Eileen Gu as its brand spokesperson and top star in China, Yibo Wang, as its chief brand spokesperson. Anta’s total exposure on the social platform matrix during the Winter Olympics reached 12.75 billion, entire reading 15.75 billion, full video playback 770 million, total clicks 2494.8W, total interaction 1582.8W, total fan increase of 160.4W, which is a solid win.

They are establishing a high-tech image and increasing brand loyalty. From its cooperation with the Chinese Olympic Committee in 2009 to now, Anta has sponsored the Chinese Olympic Committee for seven consecutive years, created equipment for the Chinese national teams of 22 Olympic sports, invested a total of more than 3 billion RMB in scientific and technological research and development, and has experienced and relatively improved its strength. This Winter Olympic Games also reflected, such as for the competition staff and volunteers provide the competition uniform applied with warm material - poly thermal cotton, a heat storage layer using far-infrared heating, fast feel the friendly experience; an insulation layer to block the invasion of external low-temperature, blocking heat loss to improve about 20%, can lock the temperature, efficient warmth. Such technology is also used in Anta’s products for the public, hoping to give consumers a better sports experience and be recognized by more consumers.

### **3. The impact of the Olympics on marketing**

#### **3.1 The benefits of Winter Olympic marketing**

During the Winter Olympic marketing, Anta’s sales significantly improved. The Olympic technology product series developed by Anta Group for the general public was promoted through various channels, including online and offline, to realize the transformation of Olympic technology assets in the commercial end. In Anta’s official online flagship store, sales of several down jackets surged, the same national team model was out of stock most of the time, and several sports shoes exceeded 100,000+ sales in two weeks. The results report showed that Anta’s brand revenue was 13.36 billion yuan, up 26.3% year-on-year, and increased from 46.4% of total revenue in 2021 to 51.5% in 2022. In a sluggish global capital market atmosphere from late 2021 to early 2022, Anta bucked the trend, and its share price improved nearly 30% from its January low.

### 3.2 The limitations of Olympic marketing

Analysts believe that the marketing strategies launched by mainland sports listed companies for the Olympic Games may, in the short term, be beneficial to the company’s product sales and brand image and enhance performance. However, it will not be of much practical help to the company’s development in the long run. Long-term growth relies on the company’s strength, business philosophy, and other resources rather than short-term event-based stimulation. Take the 2008 Beijing Olympic Games as an example; before and after the Olympic Games; sports goods sales surged; according to media reports, some sports apparel companies’ stock-to-sales ratio (the ratio of the number of inventories to the number of sales) once reached more than 10, while the normal range is only 3-5. When the value fell back to the normal range, many companies were hit because they did not have time to adjust. However, Anta could avoid the inventory crisis because of the retail change experience learned from Nike, Adidas, and other international brands and the timely transformation, which also laid the groundwork for Anta to overtake Li Ning and become the number one sports brand in China.

### 3.3 Case analysis

The Olympic Games, the world’s most giant comprehensive games, have been attracting people’s attention worldwide since it was first held in 1896. Age not only that, the movement may inevitably promote the importance of international economic marketing in China, which is closely related to the direction of the industry chain and has received a significant leading role, therefore, how to seize the boom of the games and the international communication opportunity for the development of Chinese sports industry internationalization has become a problem worth thinking about. "Those who know more act as teachers" is a profound traditional Chinese proverb controlled in the nineties; western countries have on sports brand internationalization development and promote achieved noticeable results; in 1980, Nike set up the first base in China, which opened the Chinese market, Nike youth market, in 1997, Another well-known international brand, Adidas, entered the Chinese market and developed to the 2008 Beijing Olympics, where more than 3,000 athletes will be wearing Adidas professional sports equipment. Due to the backward economic conditions at that time, China did not join this soundtrack. Therefore, some successful overseas brands can become the object of our study; learning is not blindly copying their marketing methods and business models but taking the essence of the dregs of the path; we should develop in line with China’s national conditions and adapt to prospects of modern forms. Government is essential to Nike’s success. PESTLE’s analysis assesses the political, economic, social, technological, legal, and environmental aspects of external influence on Nike. The importance of each factor is scored in the figure 1 (highlighted in yellow).

Table: Nike PESTLE analysis

Political 8/10	Economic 7/10	Social 6/10	Technological 7/10	Legal 6/10	Environmental 5/10
- Government policy	- Recession	- Health consciousness	- 3-D printing technology	- Local regulations and practices	- Air pollution
- Tax	- Cost reduction	- Lifestyle	- U.S intellectual property rights protection	- Pakistan Government	- Water pollution
- Low interest capital	- Currency rate			- Child labour in Pakistan	- Health issues
- Political battles	- Marketing budget				

Fig. 1 The importance of each factor

The United States has favorable policies for many companies, including Nike, which include low-interest capital and good global tax deals. The U.S. government has helped Nike grow its products and business by providing low-interest capital and good international tax agreements. U.S. tax laws and several overseas authorities affect Nike. Current political conditions make it possible for the tax policies of any source, including the United States, to change significantly. Some pundits have suggested improving foreign tax rules that could affect how U.S. multinationals, including Nike, are taxed on their foreign income. Different political battles can complicate customs procedures and hamper imports and exports. Under the encouragement of these political policies, a "win-win" situation has been successfully formed. The effective low-tax policy and global agreement have ensured a smooth foundation for Nike on the road to international development. The many export quota has generated a tremendous tax for the government. In China's fast-developing trend, the potential opportunity for domestic sports brands lies in the exposure of Olympic enthusiasm and China's growing influence.

Therefore, the government needs to seize this opportunity to bring Chinese sports brands to the world. Altogether, there has been policy support, for example, the rapid development of the sports industry in our country, but the overall size is still small, energy is not vital, and there are still some institutional problems with some proposals; however, most of the policy in support of the improvement of Chinese brands in the domestic and refinement, the lack of China sporting goods worldwide, the practical support of globalization. More governments must provide favorable conditions like "fast track," and accurate international marketing strategies are also needed to go abroad. While elevating Chinese sports brands to the national level, with the help of the East Olympic Games in Beijing, Chinese sports brands can gain a foothold in the world market, where many strong players have time to adjust. However, Anta could avoid the inventory crisis because of the retail change experience learned from Nike, Adidas, and other international brands and the timely transformation, which also laid the groundwork for Anta to overtake Li Ning and become the number one sports brand in China.

The market for winter sports has exploded as a result of China's attempts to boost the number of Chinese residents who participate in snow and ice sports. The 2022 Winter Olympic Games in Beijing will include athletes who will make history, thus the growth of China's winter sports industry is not expected to slow down any time soon. In order to address global issues and safeguard the environment, Beijing has been committed to organising a clean, green, and inclusive Winter Games since 2015. Winter sports are more popular among consumers because of the interest that the Beijing Winter Olympics has produced in new economic revenue streams, shifting marketing tactics, and emerging trends. Winter sports have become one of the most popular leisure pursuits among Chinese consumers, which is a fascinating development given that many before such sports.

China made significant upgrades to its transportation system in advance of the 2008 Winter Olympics in Beijing, including the construction of high-speed train connections to the three Olympic venues (Beijing, Yanqing, and Zhangjiakou), which cut travel time from three hours to under an hour. This was built by China in an effort to stimulate consumer spending, the popularity of snow sports, and the tourism sector as a result of the Winter Olympics. Consumer interest in winter sports is providing China's local economy with new growth opportunities, including but not limited to rental venues and classes inside the winter sports olympic and the winter sports market brands. Additionally, China wants to create a sustainable environment for the Beijing Winter Olympic Games in order to benefit the local economy, the environment, and the local populace. However, the suspension of factory activity caused by China's hosting of the Olympics has hurt its economy. During the Olympics, domestic supply chains and workers have been put under pressure due to environmental attempts to eliminate pollution and haze for clear blue skies. Supply-side shock is occurring in industrial regions like Hebei, Shanxi, and Shandong as a result of limits on factory operations that impede domestic growth and the production of raw materials like coal, steel, and aluminium. To reduce severe air pollution that will linger, local governments have ordered factories inside certain areas to decrease or stop operations.

China's attempts to bring carbon emissions to a peak by 2020 have disproportionate effects on different provinces and economies in the North. Although the regions in Northern China account for 35% of gross domestic product, they account for 67% of China's carbon emissions. Since heavy industry occurs in the North, reducing the number of carbon emissions will have a greater positive impact on the economy. Halting factory work has negatively impacted workers' salaries with reduced operations and income slashes. For example, although forklift drivers are one of the least affected in the factory, workers' working hours have still been cut from 3 to 7 days.

#### 4. Conclusion

It can be seen that China proposes to promote the construction of new infrastructure to improve the level of industrial development driven by digital and green. On the one hand, new infrastructure will consume a certain amount of energy and increase emissions, but it still will also generate new demand, and the application of new technologies can significantly improve energy efficiency. In the long run, new infrastructure can help reduce emissions. The new infrastructure will play an essential role in achieving carbon neutrality. In addition, after years of development, carbon capture and storage (CCS) technology has reached the stage of large-scale development in European and American countries. It is also the primary technological means of carbon sequestration in the industrial field. But this is a bit of an efficient problem; many greens patented technology and production of raw materials in Europe and the United States, and other developed countries; in the future, if global climate change is an international and public business, these low carbon technology patents, and access may further liberalization to realize the theme of human destiny community consciousness. If cooperation can be achieved, raw material costs of Chinese firms will be significantly reduced, and manufacturers will be willing and able to produce more than one down. The potential economic growth of China will also be enhanced considerably. This is a massive boost to peak carbon and carbon neutrality.

The rise of China's sports industry is based on China's continuous progress in international status and comprehensive national strength. Still, its development will not be a sudden success. There are still some significant problems in the existing sports marketing strategy, such as the lack of national policy support and promotion degrees (spokesman, advertising, etc.). These problems have plagued and hindered the development of China's sports industry. Therefore, the industry has to develop a planned, organized, and sustainable road of globalization in line with national conditions and social realities.

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