

Research on Priority Development Mode of Sports Economy in China

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Abstract

The sports industry aiming at entertainment and athletics has achieved the global annual output value of over USD 450 billion, and is developing rapidly at the annual growth rate of 20%. Seen from industrial economics, the sports industry should break away from traditional development mode, integrate such industries related to entertainment economy as game, lottery, music, sports, tourism, media, film & TV play so as to attain prosperous development.

Keywords: sports economy, priority development, mode

1. Introduction

In this era with rapid economic development, new economic forms emerge successively. Entertainment economy also appears before us, which is named by Wolf, the chief consultant of world top media & entertainment company. What's entertainment economy? Wolf wrote in his new book of the same name that all economic activities in the society can be carried out in entertainment ways, "little business can avoid the influence of entertainment factors", "in the future market, the consumer products without entertainment connotation will have less market share". Wen Shuo, an expert in entertainment economy, said: "those people, events and things that enable people to feel relaxed and find fun and are relevant to entertainment or arts will provide entertainment function or relate to entertainment activity. The superb effect of entertainment economy is to integrate the products directly into the life for connecting with life closely." In brief, entertainment economy is a kind of economy based on the production and use of entertainment products; entertainment factor is the focus of competition of product and service, and the driving force for improving productivity and realizing economic growth. Chinese and foreign experts all deem that entertainment economy is expected to become a new economic focus, and it will be the most promising industry in the 21st century.

2. Sports Industry and Entertainment Economy

It's an indisputable fact in western developed countries that the sports industry is an important part of entertainment economy, which has been gradually recognized by the academic circles in China. In view of the development of sports theory in recent years, most scholars deem that the sports industry has transcended the single economic contest function and should become the regression and sublimation of game, fitness, entertainment and recreation by adapting to the trend of colorful material life, sufficient spare time and leisurely life style. The sports industry aiming at entertainment and athletics has achieved the global annual output value of over USD 450 billion, and is developing rapidly at the annual growth rate of 20%. (Liu Boli, et al., 2003) Does the sports industry need to further manifest and develop the nature and function of entertainment and will it have better development prospect? The author thinks it is entirely possible. Seen from industrial economics, the sports industry should break away from traditional development mode, integrate such industries related to entertainment economy as game, lottery, music, sports, tourism, media, film & TV play so as to attain prosperous development. According to SWOT analysis on the basis of present situation and future changes for the development of Chinese sports industry, the author thinks the Chinese sports industry should focus on the sports tourism and sports media under the influence of entertainment economy.

3. Development Prospect and Development Strategy of Sports Tourism Industry

3.1 Development Prospect of Sports Tourism Industry

The entertainment economy and tourism industry will become a new economic trend throughout the world, and

the tertiary industry providing recreational service will dominate the labor market around 2015. Francesco Frangialli, Secretary General of World Tourism Organization, has forecast that China will become the largest tourist destination country in the world in 2015 (Liu Boli, et al., 2002). Therefore, the authorities deem that the tourism industry has become the pillar industry of economy and new economic growth sector.

Since 1994, the sports tourism industry in China has rapidly developed at the growth rate of 30%-40%. According to preliminary statistics, there are more than 100 sports events or tourism festivals all over the country, with 11 sports tourism products. (Meng Fanyun & Wang Zhenglun, 1999) It can be seen that the sports tourism market in China has achieved preliminary development, and the sports tourism has become the important part of present tourism products and major development direction of future tourism products. Depending on Olympic Games held in Beijing, China's entry into WTO, *Opinions of the State Council on Further Strengthening and Improving Sports Work in the New Era*, favorable policies on sports industry as well as unprecedented opportunity and enormous potential, the sports tourism industry can integrate other industries into a industrial cluster, promote the development of regional economy and even national economy, and accordingly will be given special consideration by Chinese tourism departments and sports departments at all levels in the future.

3.2 Strategic Measures for Promoting the Development of Sports Tourism Industry

3.2.1 Emphasizing Sports Investigation and Research

Seen from tourists as tourism subject, different tourists have different demands for sports tourism. It is necessary to comprehend market scale and forecast future market potential through market investigation, thus determine the suitable investment, avoid excessive investment or insufficient investment which results in that the market cannot satisfy the demands of sports tourists.

3.2.2 Enhancing the Design and Development of Sports Tourism Products

The time is from sports tourists' receipt of services from tourism operation or tourism management organization to the successful completion of tourism activities and termination of above service; the contents cover anything utilized and enjoyed by sports tourists, including such tourism elements as boarding and lodging, traveling, shopping and entertainment, which must connect with each other closely and are planned in the preset schedule. For the design of tour routes, it is necessary to implement market principle, theme-highlighting principle, non-repetition principle, rhythm principle, flexibility principle.

3.2.3 Aggressive Promotion and Publicity

Presently many developed countries pay more attention to publicity on sports tourism. We should organize tourism publicity & promotion team to hold various tourism promotion conferences in other countries. Meanwhile, we have to invite overseas tourism organizations and news media to visit tour routes in China, thus elevate the reputation of Chinese scenic spots and tour routes, give full play to the charm of sports tourism resources and make all scenic spots famous.

3.2.4 Total Sales and Marketing

For sports tourism regions, it is necessary to determine the target market through market segmentation, establish the regional orientation strategy, formulate and select sports tourism product strategy and pricing strategy, and establish sales strategy and promotion strategy of sports tourism products. Furthermore, we should rectify market order, speed up the legal construction of sports tourism industry, improve the management level and service quality of sports tourism industry in an all-round way, and protect the legal rights and interests of consumers and business operators in sports tourism industry.

3.2.5 Cultivating Talents in Sports Tourism

We should launch sports tourism related courses in secondary vocational and technical schools and vocational high schools, make sports tourism specialty available in sports institutes or normal universities and colleges of sports, or establish this specialty in tourism departments of colleges and universities, so as to provide a large number of sports tourism talents for the society.

4. Development and Relevant Measures of Sports Media Industry

4.1 Development Opportunity and Potential of Sports Media Industry

Sports industry is essentially a kind of entertainment economy, especially its competitive performance industry; therefore, the sports media industry in our country has a promising prospect, relying on the times background of entertainment economy and the "benefit and advantage" of the flourishing development in sports competitive performance industry.

Currently in Europe, the integration between media and sports industries has become increasingly common, which can be seen from: I Sports organizations run media business; for example, famous MUFC has started its own TV channel to televises the special interviews of front-line coaches, star players and the matches of second-line teams, youth teams exclusively; II. Media organizations run sports business; the media not only buy rebroadcast right from event operators to runs, but also own their own professional sports clubs, such as Sky News television station under the renowned media tycoon Murdoch, which spent 300,000,000 pounds in buying out six years' rebroadcast right of FA Premier League and renewed the contract in 1996 to Year 2000 at the price of 569,000,000 pounds; at the same time, Murdoch also owns the shares of many professional clubs. (Gao Haichao, 2005) After he brought MLB "Dodgers" Team at the price of 350,000,000 US dollars, he purchased MUFC at the sky-high price of 1,000,000,000 US dollars as well. In the 2002 summer "Korea/Japan World Cup", the total revenue of about 35,000,000,000 US dollars was obtained, and the revenue brought to Shenyang from the final Ten match was almost 1,000,000,000 Yuan RBM. Although CCTV purchased the rebroadcast right of 2002 and 2006 two world cups at 24,950,000 US dollars, 20,000,000 Yuan RMB approximately, merely the 2002 world cup advertisement project bid inviting meeting have gained 180,000,000 Yuan RMB of advertisement fees. All the above cases demonstrate that sports media industry has vast market prospect and development potential and it will naturally become the field that the sports industry shall develop preferentially in the entertainment economy era.

4.2 The Countermeasure of Sports Media Industry Development

Seen from the experience in international and domestic sports media industry development, sports activities, especially large-scale sports events, such as Olympics and high-level professional sports league matches like "Italian Serie A", "NBA", whose media rebroadcast right operation is an important development content of the whole sports media industry. The expenses for the TV rebroadcast right of the recent sessions of Olympics are showing an ascending tendency.

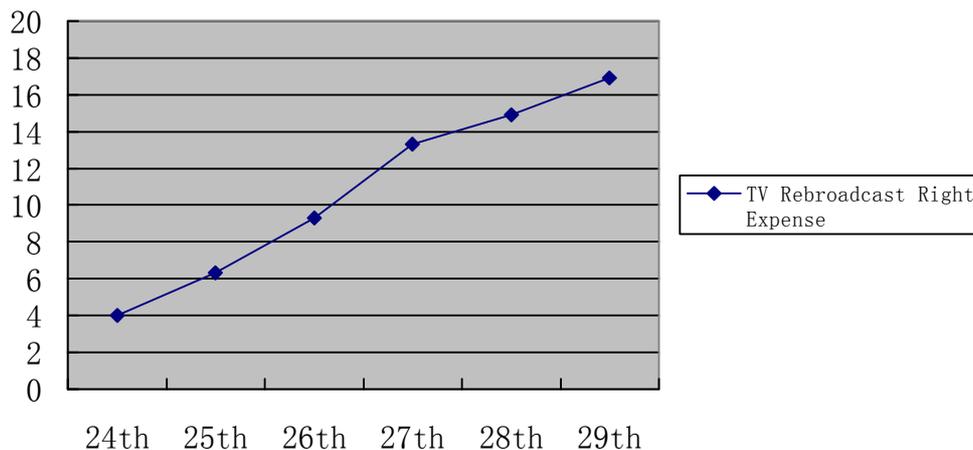


Figure 1. Graph of the 24-29th Olympics TV rebroadcast right expense increase (Unit: USD 100 million)

The revenue from media rebroadcast right has become one of the major income resources of American four professional sports leagues. Our country also obtains considerable incomes from media rebroadcast right; thus it can be seen that the promotion of development in sports media industry must rely on the success of the media rebroadcast commercial development in large-scale sports events and the fast development in sports competitive performance profession. Sports media industry could carry out active, reasonable promotion and packing of sports circulation products, in order to facilitate audience to know about and accept the products needed; the industry shall strengthen product service in order to adapt it to satisfy audience's demands. Moreover, the industry shall plan commercial event activities according to event needs, and the adoption of the relevant principles and methods of "attention economy" to explore market is also very necessary. Since the internationalization tendency of sports becomes evident day after day, the operation of the rebroadcast right of China's large-scale sports events shall go out of the country to integrate with the international world and obtain huge revenues from international market. At the same time, internationally famous sports events shall also lead China in. To depend on modernized information technology devices, such as digital television broadcasting system, cable television rebroadcast etc. to exploit event rebroadcast market is the prevailing trend. These

devices shall become the major future carriers for sports media rebroadcast right. At the same time, for recording and issuing the programs of large-scale sports events, the devices are one of the channels for media rebroadcast right derivation and increment; for professional sports league matches, to improve sportsmen's performance level, to boost the splendor of competitive performance, to elevate match scale and level, to enhance sportsmen's morality and cultivation and reputation are of great importance.

5. Conclusion

The tide of entertainment economy comes like a mighty torrent; the industrial development opportunity it brings is also once in a blue moon. Sports industry must face this tendency and clarify its own standing in entertainment economy industry community. According to the actual conditions, to develop sports tourism industry and sports media industry preferentially and quickly is the inevitable choice conforming to historical trend.

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