The Role of Social Support in the Development of the Sports Industry: A Comparative Study Between China and the United States

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Abstract. The evolution of the sports industry is intrinsically intertwined with the societal fabric it operates within. To foster and sustain vigorous growth in the sports industry, a comprehensive understanding of the current societal context and the derivation of insights from successful case studies are imperative. This paper embarks on a comparative analysis of the sociocultural disparities between China and the United States, recognizing the intricate interplay of political systems and public perspectives. Importantly, it highlights the pitfalls of adopting a one-size-fits-all approach, stressing the need for tailored strategies aligned with the unique dynamics of each country. The study scrutinizes several pivotal facets, including the place of sports in the collective consciousness, the population's consumer capacity for sports-related content and experiences, the degree of sports commercialization, and the methodologies employed in nurturing sports talent, contrasting the two nations. Drawing from the divergence in cultural philosophies, the paper endeavors to formulate a more nuanced and context-specific framework for the advancement of the sports industry in China. It underscores that the trajectory of future sports development in China hinges significantly on improvements in societal support, positing that without such enhancements, progress in the sector may remain sluggish. This comparative analysis seeks to provide valuable insights for policymakers, sports management professionals, and industry stakeholders in both China and the United States, offering a foundation for crafting strategies that are not only culturally relevant but also congruent with the prevailing societal ethos.

Keywords: China-US comparison, social development, Sports industry, Sports market.

1. Introduction

China is currently experiencing rapid economic development, but the development of sports competition lags significantly behind other industries. Both the nation and society in China lack substantial support for sports. In China, only a few sports events generate significant profits, with the Chinese Super League (CSL) and Chinese Basketball Association (CBA) being the most notable examples. Other sports events, typically organized for charitable, promotional, investment-attracting, or local facility improvement purposes, often require government subsidies to remain profitable. This disparity raises the question: why does the public in China exhibit less enthusiasm and support for the sports industry compared to the United States? In China, sports have not yet formed a complete industry chain but rather serve as a fundamental service for the public. In contrast, in the United States, sports have evolved into an industry closely linked with economic interests. This paper employs a comparative approach, analyzing and contrasting China and the United States to determine the factors leading to the differences in their sports industries.

2. Literature Review

2.1. Social Support

Social support refers to general or specific supportive behaviors from others, which enhance an individual's social adaptability and protect them from adverse environmental effects[1]. The development of sports industry depends on various forms of support from society. First, the construction of sports facilities, a crucial aspect of sports industry development, requires financial assistance. Second, a high level of sports popularity in the local society promotes the emergence of various sports-related sectors, such as sports medicine and sports science, as well as sports club summer camps, leading to an increased variety of sports. Lastly, as society advances, the demand for physical health and mental well-being grows, increasing the emphasis on sports, its cultural influence, and the healthy development of the sports industry.

2.2. Current Status and Comparison of Sports Industry Development in China and the US

There is a significant gap in sports infrastructure between China and the United States. China's sports infrastructure is relatively underdeveloped compared to the more comprehensive facilities in the United States. The sports industry in the United States has a long history of market development, a large scale, strong sports consumer awareness, high service levels, while in China, the sports industry's market development is relatively recent, with a lack of awareness among the public and relatively lower service levels [2].

In China, the sports industry has not yet formed a self-sustaining closed loop. Various aspects, such as sports peripheral services, sports equipment, and sports media, have significant room for improvement. The unclear market positioning and a lack of emphasis on sports industry development in China are evident. Much of the current sports investment in China seeks to promote non-profit goals, publicity, attracting investments, and improving local facilities, often requiring government subsidies. This has led to a situation where the general public does not deeply understand the economic aspects of sports and cannot connect sports with income. In contrast, the sports market in the United States is well-established, forming a complete economic chain in terms of talent supply, consumer audiences, and event income.

Moreover, the United States has a strong sports culture integrated into people's lives, representing a crucial part of social interaction and entertainment. The time and financial investments made by ordinary people in sports are substantial. Conversely, China lags in sports consumer awareness, and its spending capacity is weaker. People's understanding of the relationship between sports and the economy is limited. A significant portion of sports consumption in China goes toward sports equipment rather than physical exercise. China's resident consumption rate is lower than the global average, limiting the supply of sports consumption for the general labor force. For instance, in 2015, the sports industry in the United States generated an estimated value of around 500 billion USD, accounting for approximately 3% of the country's GDP during the same period. In comparison, China's equivalent value only accounted for about 0.8% of its GDP, even falling short of the world average of 2.1% [3].

2.3. Current Research on the Relationship Between Social Support and Sports Industry Development in Different Countries

Through case studies and the comparative analysis of the differing levels of sports industry development in various countries and regions, it is evident that the extent of social support plays a crucial role. For instance, the prosperity of the sports industry in the United States is closely related to its societal impact. Studies have used surveys, questionnaires, and interviews to analyze the degree of public involvement and spending levels in sports to evaluate the influence of social support on industry development [4]. Some scholars have suggested that enhancing social marketing and building sports communities could increase societal recognition of sports [5]. Overall, current research samples are extensive, offering diverse perspectives, and have preliminarily explained the

impact of social support on sports industry development. However, there is still room for improvement in terms of overall research quality and quantity, making this a focal point for future studies.

3. The Analysis of the Promotional Role of Social Support in the Development of the Sports Industry

3.1. The Promotional Role of Social Support in the Inheritance of Sports Culture

Social support plays a crucial role in promoting the development of the sports industry. On one hand, social support provides human resources for the sports industry. With the increasing societal emphasis on sports, more young people are getting involved in sports-related fields, nurturing professional talents for the sports industry, such as sports coaches, sports doctors, sports researchers, etc[6]. This lays the foundation for the improvement of the sports industry system. On the other hand, social support can stimulate the formation of the sports industry chain. Increased societal attention to sports enhances the level of sports consumption, expanding the size of the sports market. This leads to the diversification of sports products and clothing markets, more people participating in fitness and sports activities, thereby driving the rise of sports equipment, application software, and related industries. Furthermore, support from various sectors of society for sports projects also promotes the development of sports training programs and competitions. This creates a comprehensive sports industry ecosystem. Additionally, societal emphasis benefits the construction of sports-related infrastructure. For example, with the joint participation of various sectors of society, sports venues are better constructed and improved, directly enhancing the hardware conditions of the sports industry. Moreover, societal emphasis also drives continuous improvements in sports rules and management systems, which optimize the operation mechanism of the sports industry.

In summary, only with genuine societal attention and support can the sports industry establish a complete and sustainable industrial system. This requires extensive societal participation, integrating sports into daily life, making it an integral part of social culture. Only in this way can the sports industry, like other industries, form a complete system that includes the supply of specialized talents and the coordinated development of the entire industry chain. This is also a key issue that China's sports industry development needs to address.

3.2. The Application and Effects of Social Support in the Sports Industry in China and the United States

Due to the high level of understanding and recognition of sports in American society, Americans have an increased acceptance of sports. In the upbringing of children, parents actively encourage their participation in various sports activities, and children with strong sports abilities are welcomed and can even gain advantages when applying to excellent schools. School leagues in the United States are professionalized and sometimes even fully professionalized events. Excellent performance in these competitions receives widespread attention and various benefits.

In the United States, sports are essential in both social and recreational contexts. Furthermore, due to Americans having more leisure time compared to China, they invest more time and energy into sports. Many engage in sports for leisure, and there is a higher prevalence of extreme sports enthusiasts in the United States, leading to stricter requirements for the standardization and breadth of the sports industry.

4. Comparative Research on the Application of Social Support in the Sports Industry Development in China and the United States

The United States is internationally recognized as a sports powerhouse, and its sports development system provides insights for China's sports development. However, due to significant differences in

the political systems of the two countries, China cannot simply adopt the theoretical framework of the United States. China should explore a new system that aligns with its own political structure.

Compared to the United States, the sports industry in the United States is jointly formed and managed by the government, society, and the market. These three components cooperate to create a well-functioning economic chain. The government provides direction and policy support, the market generates revenue and growth, and society supplies new talent to the sports sector. The sports industry in the United States operates as a self-organizing chain with guidance from societal organizations. In contrast, China's sports industry is entirely government-controlled, with the government determining directions, investments, and standards. This leads to the following issues [7].

Firstly, Chinese sports events have historically been organized by the National Sports Commission, with sports funding entirely reliant on government allocations. As the pace of sports economic development accelerates, the demand for funding in the sports industry also rapidly expands. The current stock of funds for sports organizations is insufficient to meet these demands, necessitating the exploration of the potential for sports industry financing to address financial bottlenecks in sports economic development. Thus, on one hand, a sports financial center market must be established to break free from the constraints of planned economy, allowing funds to flow freely into the sports industry. On the other hand, the government has not provided sufficient and clear policy support for strengthening sports financial institutions, such as support for sports department-hosted sports competitions, operating income from sports venues, preferential policies for land requisition for sports venue construction, and low-interest loans. These measures to support sports industry development are currently insufficient, lacking incentive systems and preferential policies.

Secondly, in comparison, there is a significant profit gap between China and the United States in the sports industry. This is evident in ticket sales revenue, where the United States generated $17.7 billion in sports event ticket revenue in 2014, while China only earned 120 million RMB. Similarly, media copyright fees in 2014 for various sports events in the United States reached $14.6 billion, while China's awareness of copyright for sports events remains vague. Finally, regarding licensed sports merchandise, the United States saw sales revenue of 13.5 billion USD in 2014, while China has yet to establish a significant market in this area.

Currently, China's sports industry primarily operates on a "cottage industry" model with low technological content. Sports enterprises lack brand awareness, leading to a lack of industrial support for sports development. This results in a lack of economic motivation for competitive sports in China. As one Japanese businessman once lamented to his colleagues: "Why doesn't the business world in China take advantage of the glory of China's table tennis dominance in the world of table tennis for 30 years and engage in borrowing light operations?" This means using the influence of sports figures, events, and stories to increase the visibility of products and businesses, ultimately achieving significant economic benefits [8].

Finally, from the perspective of a market economy, no administrative force can control industrial layout. What products are produced and what is not produced is ultimately determined by the market. Industrial division of labor cannot be regulated by policies but is determined by market competition. Due to past limitations of planned economy, the sports industry structure in China is irrational, with some regions having redundant sports industries and duplicated sports resource construction, leading to resource wastage and inefficiency. Therefore, effectively managing competition and cooperation between regions during development is the fundamental path to increasing the scale and efficiency of the sports industry."

Please note that this is a lengthy translation, and it may not be 100% perfect due to the complexity of the source text. If you have any specific questions or need further clarification on any part of the translation, please feel free to ask.

5. Challenges in the Application of Social Support in China's Sports Industry

First, let's look at an example from the development of sports associations in Jiangsu Province, where challenges in the application of social support are evident. These challenges include: 1) At the macro level: Low-level policies related to sports associations in Jiangsu Province, a lack of personnel management systems, the absence of targeted tax incentives, and insufficient government funding support. 2) At the intermediate level: Unstable support from corporate entities, low levels of support from the general public, and a lack of community support for sports. 3) At the micro level: Insufficient internal governance systems within sports associations in Jiangsu Province, inadequate service capabilities, the unclear role of party branches within the associations, and a lack of support among associations [9].

5.1. Unreasonable Industry Structure

While acknowledging the achievements of China's sports industry, it's essential to address the existing problems. Under market economic conditions, the flow of capital is determined by capital profit rates. This has resulted in an imbalanced development of the sports industry's structure, with high-return and fast-profit sectors attracting more attention, while low-return and slow-profit sectors receive less interest. Such an imbalance in industrial development is detrimental to the overall sports industry.

5.2. Regional Disparities

China is vast and diverse, leading to regional disparities in economic development. Eastern coastal regions have experienced faster development compared to western inland areas, primarily due to various factors. In this context, the development of the sports industry also exhibits regional disparities, with significant differences between urban and rural areas, as well as between eastern and western regions. In eastern coastal areas, the sports industry has matured and become a pillar of urban economies, while in western and especially remote rural areas, sports consumption remains a luxury for only a few, and sports have not yet become part of the daily lives of the masses. Therefore, there is still a lack of a substantial sports market in western regions, especially in remote rural areas. Even in some provincial capital cities, sports consumption facilities often face low attendance. Addressing regional disparities, particularly in remote mountainous areas, with increased policy support, is a crucial issue for the sports industry [10].

5.3. Incomplete Industry Regulations

A market economy operates under the rule of law, and the sports industry also needs to achieve healthy development under legal constraints and protection. Currently, China's legal and regulatory framework for the marketization of the sports industry is still incomplete, and some commercial operations lack standardization, leading to occurrences of unhealthy competition and non-transparent practices. Establishing and improving the legal and regulatory framework for the development of the sports industry is necessary for providing legal guarantees and prerequisites for the marketization and standardization of the sports industry. Therefore, enhancing laws and regulations is an objective requirement for the development of the sports industry.

6. Recommendations

Firstly, China should adhere to its unique path, combining government leadership with market-driven dynamics. Ensuring the advantage of macroeconomic regulation in China, the active involvement of society can be guided and promoted, forming a cooperative situation where the government takes the lead while society contributes actively. Actively improving market mechanisms and granting society a degree of freedom will facilitate macroeconomic regulation and natural selection of resources.

Secondly, explore China's traditional sports culture, such as dragon boat racing, lion dancing, and martial arts. In contrast to Western sports, Chinese sports emphasize personal inner cultivation. However, in the modern era, these traditional sports should be integrated with mainstream sports culture, preserving traditions while keeping pace with the times. Actively tap into their vast potential, change sports patterns, promote traditional Chinese sports events, establish training institutions like clubs, and increase audience and attention.

Thirdly, relax restrictions on sports and allow businesses to commercialize sports, building a sports market. This encompasses areas like ticketing, media rights, sports merchandise, clubs, and summer camps, all of which can contribute to economic growth. Once a sports market is established and profitable, it will naturally attract more capital investment, and with increased funding, the market will expand further.

Lastly, promote sports knowledge and advocate for sports competition, encouraging people to prioritize sports. Improve the challenging aspects of the sports industry, create more sports-related job opportunities, and refine the classification and establishment of sports-related professions. When sports-related positions offer good employment opportunities and benefits, people will naturally dedicate more time to sports. When people voluntarily participate in sports activities, it will also drive economic development.

7. Conclusion

Research shows that social support has a profound impact on the development of the sports industry and is a critical external factor influencing its growth. The level of societal importance directly determines the extent of sports industry development. Secondly, China's sports industry lags behind the United States in terms of social support. The understanding and emphasis on sports in society are relatively low in China, limiting the further development of the sports industry. Additionally, this study underscores the necessity of establishing a comprehensive social support mechanism for the sports industry. China should take effective measures to enhance public participation in sports and increase consumption levels to better guide society's involvement in sports.

This study also reveals certain shortcomings, such as the need for stronger data collection and case analysis. However, overall, it highlights the importance of social support in influencing the sports industry and provides reference for improving the social support mechanism of China's sports industry. Future research should delve into issues such as regional disparities in sports social support and the role of social media in sports social support. Only by analyzing various details can we better promote the healthy development of China's sports industry."

Authors Contribution

All the authors contributed equally and their names were listed in alphabetical order.

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