Marketing and Business Operations Analysis of Modern Mainstream Sports Events: A Comparative Study of NBA and CBA

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Abstract. This study delves into the marketing strategies and business operations of contemporary mainstream sports events, focusing on a comparative analysis between the National Basketball Association (NBA) and the Chinese Basketball Association (CBA). In today's globalized world, sports have evolved beyond mere competition into lucrative entertainment businesses. The NBA and CBA stand as two prominent examples of sports leagues that have garnered massive fan followings and commercial success, albeit in distinct ways. The research investigates the multifaceted aspects of marketing employed by these leagues. It explores how the NBA's international expansion strategies and well-orchestrated marketing campaigns have enabled it to establish a strong global presence. Meanwhile, the CBA's unique approaches to catering to its domestic audience and its collaboration with local brands are scrutinized for their impact on the league's marketability. Furthermore, the study dissects the business operations behind these sports leagues. It analyzes revenue generation models, including ticket sales, broadcasting rights, merchandise, and sponsorship deals, to discern their efficiency and sustainability. By comparing the revenue structures and financial performances of the NBA and CBA, this research aims to provide valuable insights into optimizing the business side of modern sports events. Through this comparative analysis, we hope to shed light on the key factors contributing to the success of sports leagues in the contemporary era. The findings are expected to be of interest to sports industry stakeholders, marketers, and businesses seeking to understand the dynamics of sports marketing and business operations in a global context.

Keywords: Marketing strategies, Business Operation, NBA, CBA.

1. Introduction

CBA viewership has witnessed a concerning decline over the past few years. The total viewership of the CBA has experienced a consistent downward trend for three consecutive years, and the viewership for this season's final has reached an all-time low. This downward trajectory has raised significant concerns and calls for a thorough examination.

This paper delves into a comprehensive analysis of both the strengths and challenges faced by the CBA from a marketing perspective. By comparing the CBA to its more successful counterpart, the NBA, which shares a similar theme of basketball but has evolved differently, we aim to identify key areas where improvements can be made.

In this comparative study, we explore various aspects of marketing strategies, including international outreach, fan engagement, digital presence, and commercial partnerships. By juxtaposing the marketing approaches and successes of the NBA with the challenges faced by the CBA, we seek to extract valuable lessons and insights.

The ultimate goal of this research is to provide well-informed recommendations for the enhancement of the CBA's marketing strategies and overall appeal. By addressing the identified

weaknesses and building on the league's strengths, we hope to contribute to the revitalization of CBA viewership and the league's continued growth in the future.

2. The Advantage Analysis of NBA Marketing Strategy

2.1. Product

In the marketing mix theory, the CBA (Chinese Basketball Association) has an advantage in terms of product (Products include not only the goods yielded by enterprises but also various intangible services) [1]. The league's 12 teams and players enjoy a high reputation, ensuring the league's popularity in China. For example, in the 2021-2022 season, the Liaoning Flying Leopards and Guangdong Hongyuan clubs were known for having the most fans and attention, which contributed significantly to the high ratings for that season. It is worth mentioning that the semifinal match between the two teams had a high rating of 7.7976% [2]. The highest ratings in the history of the league appeared in the 2019 season opener, with more than 41.32 million people watching the game and more than 50 million viewers on CCTV-5, Tencent Video, Youku Video, and other platforms combined. Another noteworthy advantage lies in the players themselves. Within China's domestic basketball scene, one standout figure is Yi Jianlian from Guangdong Hongyuan, who boasts an impressive following of 16 million fans on Weibo, a popular social media platform. Celebrity players like Yi Jianlian, who have garnered such a loyal and extensive fanbase, possess the ability to generate significant attention. These celebrated players can leverage their influence not only to bolster their own profiles but also to direct public attention toward basketball as a whole. By doing so, they play a pivotal role in elevating the overall impact and commercial appeal of basketball games. This symbiotic relationship between star players and the sport's popularity creates a virtuous cycle, where heightened visibility and fan engagement lead to increased commercial opportunities and sustained growth for the sport.

2.2. Population of Audiences and Participants

Basketball, as one of the three major balls, has spread to 213 countries and regions around the world, and according to the report of the International Basketball Federation (FIBA), there are about 450 million basketball players and core basketball fans around the world. As a result, basketball also has a strong international influence and commercial value, with basketball leagues taking the world by storm on every continent. CBA is the highest-level of basketball League in China and Asia. Therefore, it has the highest potential to gain viewership from the 1.4 billion people in China. Currently, the country has about 150 million core basketball fans. The CBA, the top basketball tournament in China and the No. 1 basketball league in Asia saw its 2019 commercial revenue exceed RMB 1.2 billion [3]. With a huge domestic market, the CBA has the opportunity to become the world's top basketball league with the same influence and commercial value as the NBA.

2.3. High Loyalty Fans

The most important reason for fans to watch CBA is that "CBA is the league of Chinese people, and there is a sense of participation", which shows the team's love and national pride for the CBA league. Among the fans, those who have watched the CBA for four years are the most important reason. Among the fans, those who have watched CBA for more than four years accounted for 62.6%, which shows that CBA, as the most representative tournament of Chinese basketball, has accompanied the growth of a generation of fans and led them to love basketball more and be more devoted to it. This shows that CBA, as the most representative game of Chinese basketball, has accompanied the growth of a generation of fans and led them to love basketball more and be more devoted to watching the game. The teams with the highest fan base are Liaoning and Guangdong; the fans are mostly local fans supporting their own province. And the fan's attachment will be affected due to their locations. For instance, Northeasterners are more cheerful and fiery in nature. So, the Liaoning fans will seem more enthusiastic and fanatical; they are generally loyal to the Liaoning team,

and their support for the team is very high. This is the opposite of the relatively low-profile Guangdong fans, who are much more high-profile and talk about a lot of things in a high profile. Liaoning fans are better at expressing themselves and are more willing to share their opinions on the internet. Liaoning's fans are more passionate on the field, but sometimes they can be impulsive and often get into unnecessary conflicts with other players and fans [4]. Then they'll be considered as dysfunctional fans. But to the team's point of view, it might have some positive aspects. While dysfunctional fans might display extreme behaviors, their passion and enthusiasm can create an intense and energetic atmosphere during games. This atmosphere can motivate players and create a home-field advantage, boosting team morale and performance. High-profile or controversial fan behavior can attract media attention, leading to increased visibility for the team. This can result in additional coverage, discussions, and brand exposure, which can have positive marketing and financial implications. Dysfunctional fans can contribute to rivalries between teams, which can enhance the competitive spirit and intensity of games. Rivalries often attract larger audiences and generate excitement among fans, which can be beneficial for the team's popularity and revenue.

3. Disadvantages

3.1. Lack of Team Characteristics and Culture

Although teams can receive investment from advertising sponsors every year, according to statistics, each CBA team spends around 70 million yuan per year alone; take a look at what major expenses NBA teams need for a year. Firstly, it is the player's salary. The highest salary for NBA teams this season is 137 million for the Warriors, and with the addition of luxury tax, the Warriors have only paid $156 million for players' salaries. Of course, this is also the highest standard in the league. According to the average level of the team, the player's salary that the team needs to point out every year ranges from $120 million to $130 million. Next is the management team, don't think these people will be very cheap. The salaries of the general manager, head coach, teaching assistants, and others can easily reach millions, with each team paying up to $25- $30 million in expenses alone. Each team also requires 2 to 3 million yuan in hotel and transportation costs for away games, including salaries for players and coaching staff, as well as updates to the stadium and equipment. Therefore, the team's annual revenue from jersey sales and tickets is extremely important. However, it is evident that the Chinese Basketball Association mentioned in a statement released in 2022 that CBA's losses still exist, and there are often issues such as salary arrears for players, and the main reason is that the CBA lacks the team's unique culture, resulting in a lack of loyal fans Teams are similar, lack of attraction to spectators. Based on the Marketing Mix Theory, the product should require a unique selling point. Lack of one's own unique culture can make the entire game too rigid, with each team lacking its own characteristics. Only during the basketball game should it be noted that the support and love of off-court fans are an indispensable part. It is crucial for each team to establish its distinctive team culture, setting them apart from other teams. One practical approach could involve infusing local elements into various aspects of the team's identity. This might entail incorporating local aesthetics into their home court design or incorporating regional colors into their jerseys. By doing so, teams can create a stronger sense of connection and belonging among local fans. For instance, in the NBA, each team boasts its own unique identity and representative style. Consider the San Antonio Spurs, who epitomize team-oriented basketball, or the Miami Heat, renowned for their tough, resilient culture. These teams not only embody specific playing styles but also embrace local characteristics that resonate with fans. This is an area where the CBA can draw inspiration. By fostering a team culture that celebrates the distinctiveness of each region, the CBA can forge deeper connections with fans, encourage local pride, and foster a sense of ownership in the community. This approach has the potential to enhance fan engagement and contribute to the league's overall appeal.

3.2. Lack of humanistic care in marketing

Humanistic care will make players and teams closer to fans, which can make their favorite fans more aware of the team's importance to fans. For example, the NBA often allows players to travel to China and interact with some fans in person, which attracts many Chinese fans. Additionally, for many sick or disabled fans, they will provide special care, and the NBA has done a very good job in this regard, But the CBA has done very poorly, which makes fans feel that players are out of reach and can only be seen on TV. If CBA stars or players can put down their faces and enter the public with more humanistic care, the CBA will become better; the brand's lack of humanistic care, consumers might think their relationship with the brand is weak. Therefore, they might only maintain temporary fans or even nonfan. The team also want their fan to have vicarious achievement since it can better bond the brand and fans together; however, without humanistic care, fans will feel far away from their teams. For example, The CBA once invited a one-arm youth ZhangJiaCheng, to begin the game, which is a special ceremony in order to encourage the youth to persist in playing basketball. After he throws the ball into the air, players have no action; two players standing in the middle of the field don't try to get the ball as usual; they just wait for the ball to bounce off. players have no interaction with the youth, and the ceremony ends. Although CBA held this ceremony for kindness, it ended in an embarrassing way. There is a 5-year-old Utah Jazz fan called Gibson who unfortunately was Diagnosed with leukemia; after Utah Jazz knew this news, they contacted Gibson and 'signed' him for one day. He participated in the training of the Utah Jazz, and with the help from the player, he finished a dunk.

These two events show the difference between CBA and NBA about humanistic care. NBA also arranges players to have a lot of community activity with children, which can provide them with a great opportunity to have close contact with players.

4. NBA vs CBA: The Significant Differences

4.1. Publicity for Star Athletes

NBA and CBA are also brands featuring basketball. In comparison, CBA is inferior to NBA, CBA can learn from some methods used by the NBA to optimize. First of all, CBA's marketing strategy cannot attract sports fans to spend money. NBA often introduces new products and emphasizes the novelty of products by means of advertising. CBA's lack of innovation makes it difficult for consumers to regard it as an irreplaceable brand. The NBA, through the media, spread the game to the world while also producing some interesting programs to strengthen the personal charm of players so that they get a large number of loyal fans. NBA relies on these star players to get more and more people's love and support, which makes the NBA attract countless fans from all over the world to watch their games, buy their products, and increase the brand influence. CBA lacks the package for the players; it weakens the players' personal charm. For example, the personal charm of star players like Guo Ailun will be covered up by the CBA, resulting in the CBA having no extremely absolute star players. Of course, brands will lose exposure because they are not associated with star players.

4.2. Cross-brand Cooperation Strategy

Secondly, a brand not only needs to have visibility but also needs to cooperate with other brands to attract consumers by launching co-branded products. The NBA works with a lot of brands internationally, which makes consumers more familiar with the brand and more popular. CBA's lack of these partners has led to a lack of exposure to consumers. In addition, CBA's market size and popularity in the world are not high, may not become the first choice of internationally renowned brands, and eventually form a vicious circle. Not only has a place in the real NBA field but also NBA derivatives in the game field. The NBA series games developed by EA have become the object of global fans, but also today's hot games, and even many players like to play. [5]

4.3. Brand Positioning

CBA's brand culture is not prominent enough, and its brand positioning is not clear enough. Each NBA team has its own mascot, which is usually derived from the name of the team or local rare animals in the United States. [6] This makes the characteristics of each team in the NBA obvious, thus elevating the uniqueness of the entire brand, which the CBA does not currently possess. The CBA and NBA are brands that connect with players and teams. The NBA focuses on the image of players and teams and establishes a relationship with the brand, which attracts sports consumers such as fans. CBA does not build enough players and teams associated with the brand, resulting in consumers not finding the uniqueness of the brand. CBA's brand positioning and brand building are the weakest link; the lack of overall brand awareness caused the stagnation of market development, so the visibility and reputation of the entire league are completely in an empty state. The CBA is only positioned as a national sports competition, a means to popularize and promote sports, rather than a symbol [5].

4.4. Construction of Social Responsibility

Finally, CBA lacks humanistic care in player marketing. NBA pays attention to humanistic care in marketing, highlighting the social responsibility and participation of players and teams and increasing fans' sense of identity and loyalty to players and teams. The NBA holds "Book Month" every March when players from each team meet with fans. [7] Public welfare activities such as this help to shape the image of players in all aspects, not only on the court but also in many aspects of the role model, thereby creating a positive social impact. The NBA does these social care programs to build a positive brand image, brand recognition, and support. Consumers have a positive filter on the brand. However, CBA has less marketing in this respect, and fans are not loyal enough to players and teams, so the brand naturally cannot be recognized by consumers. CBA lacks positive social influence and public influence and has not established a more positive brand image. At the same time, humanistic care marketing can also attract more credible partners for the brand.

5. Suggestion

5.1. Enrich the Cultural Diversity of the Team

To solve the first problem of lack of cultural diversity, variation is an important point. The more distinct team can make the game more visually appealing to engage the audience. A successful team needs to have its own unique value, one that unites team members and inspires their fans.

How do diverse team characteristics? Teams can shape their culture by setting clear values and goals. For example, a team could set the core values of "unity, hard work" as a way to motivate the attitudes of players and fans. Then, based on the team's value, they could customize the logo, Jersey, and mascot with more design. NBA is a good model; they have a representative mascot, an impressive logo short, and a brainwashed slogan. As long as China is such a cultural country, it is easy to find some fantastic inspiration.

According to the problems of CBA, we can see that there is a large gap between how the NBA and CBA earn money from their fans, not only from buying tickets but also from purchasing some other goods and services.

From the data record, the highest CBA jersey sales volume is only 536 in 2021[8]; on the other hand, NBA Teams can design more creative jerseys that include their own culture. More creative and more individualized jerseys can help consumers develop brand image and brand awareness. Also, from Marketing Mix Theory--4V's, the producer, which is the team, should focus on distinguishing themselves from other teams to establish their own unique image [9]. There is a survey concluded that people who are related to one culture will be more likely and willing to buy a jersey that is similar and have a relation with that culture. However, if there is no connection between the jersey and the city's culture, consumers will be less likely to purchase the jersey.[10]

Also, the sponsor of CBA teams' jerseys LiNing can place some billboards inside the store. As a result, when people pass by or enter the LiNing store for some shopping, the big billboard with CBA players wearing their jerseys can attract people's eyes and help improve the brand image. For example, in the Adidas store, there are football players wearing their jerseys and shoes.

5.2. Enhance the Humanistic Care

During this summer, the Huston Rocket walked into the community and offered some help, like cutting and fixing trees. This kind of action can enhance the relationship between fans and players; it can better help fans understand the background and daily life of players and the culture of the team.

There is a little girl, a fan of the Warriors, who went to the Denver Nuggets just to see her idol, Curry. However, Curry didn't go to the game because of some problems, then the girl became really sad since her mom, and she saved money for a long time just this day. Then, when Warrior knows this, they invite the little girl to come to the home court to watch the game. They sit on the first row, and before the game, Curry had some interaction with her.

From Marketing Mix Theory--4R's, reaction between fans and teams is important. It can bring a positive attitude to fans and improve brand awareness. It can increase the perceived quality by improving the technical quality [8].

Meanwhile, the NBA has worked with the China Youth Development Foundation for a charity item [11]. During the charity, NBA has constructed four elementary schools, with 27 basketball courts, 39 sets of sports parks, and other hardware projects, for hundreds of rural schools around the country funded sports equipment, a reading center, computer room, digital library, kitchen, and other projects. Through this charity, those people who have a rare perception of the NBA will at least give the NBA a high and good brand awareness.

For example: Donating 1% of ticket revenue per game. Donating is a good way to raise the kindness of CBA among people and can make casual fans, and non-fans have a positive attitude towards CBA. Once these spectators have a positive attitude toward CBA, it will be a great opportunity to turn these spectators into fans. They can also donate some clothes to those poor people. Imagine you are walking on the street, and you might see some people collecting water bottles or cleaning the street in order to earn money, and they wear a shirt with the CBA logo on them. It will increase the popularity among people and increase the favorable impression among people.

Organize players to participate in some community games. From the Marketing Mix Theory--4R's reaction [8], this kind of activity can help people build brand awareness [12], and fans can also have deeper understanding of CBA. There is also no need to worry about players suffering an injury since we rarely see NBA players injured when having a game in the community.

6. Conclusion

Based on the extensive research conducted, our primary goal is to engineer a substantial and sustained increase in viewership over the span of three seasons (2024-2026). Furthermore, we aspire to elevate the viewership of the final matches to a minimum of 15, positioning them among the top-rated finals in the league's history, meeting or even surpassing the historical median viewership.

It is evident that the CBA, as an intellectual property (IP), holds significant untapped potential for further development and growth. While this research has unearthed valuable insights and recommendations, we acknowledge that more in-depth studies and improvements are necessary to fully unleash the CBA's latent potential.

In essence, our aspiration is to transform the CBA into a thriving and internationally acclaimed sports league. We firmly believe that with the right strategies, marketing initiatives, and improvements in various facets, the CBA can indeed achieve greater success and reach new heights in terms of viewership, fan engagement, and commercial appeal. It is our hope that the league's stakeholders will consider the recommendations presented in this study as a starting point for a brighter and more prosperous future for the CBA.

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