

Analysis of WTT's Business Model and Exploration of Commercialization Path Development

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Abstract: This study systematically analyzes the business model components, value creation logic, and commercialization pathways of the World Table Tennis Professional League (WTT). It explores methods to maximize commercial value while preserving the essence of sportsmanship, and identifies challenges and countermeasures through SWOT analysis. The findings provide theoretical references for the commercial operations of table tennis and other sports disciplines.

Keywords: World Table Tennis Professional Grand League (WTT); Commercialization pathway; SWOT analysis.

1. Introduction

The table tennis industry constitutes a comprehensive industrial ecosystem centered around the sport of table tennis, encompassing equipment manufacturing, tournament organization, education and training programs, leisure services, and related derivative businesses. As a globally popular sport, table tennis has long grappled with the challenge of balancing competitive influence and commercial value conversion efficiency. To address this issue, the World Table Tennis Professional League (WTT) was established in August 2019, taking full responsibility for tournament operations under the International Table Tennis Federation (ITTF). With athlete and fan needs at its strategic core, WTT is dedicated to restructuring the ITTF's tournament framework and business models. The initiative aims to elevate the sport's professionalization and commercialization standards, expand its global audience base, and ultimately strengthen its worldwide influence.

By 2025, the WTT tournament system had established a clearly stratified pyramid structure encompassing Grand Slam events, Challenger Series tournaments, and other competition tiers. Its commercialization efforts have yielded remarkable results (with Baishuishan becoming a global top-tier partner), while tournament regulations continue to be refined which including the removal of mandatory participation clauses for Grand Slam events, the introduction of Challenger Series exemption mechanisms, and significant increases in prize money. Notably, the WTT achieved its first-ever profit in 2024, less than five years after its establishment, contributing approximately \$1.5 million to the International Table Tennis Federation Group's consolidated profits.

The WTT is demonstrating robust growth momentum. In 2024, its combined commercial and event revenue exceeded \$52 million, marking a 200% increase from 2019 and achieving financial profitability. Looking ahead to 2025, through integrated event cycle planning, continuously refined competition strategies, and enhanced monetization capabilities for commercial rights, the WTT has established a sustainable profit model.

This study examines the core components of WTT's business model to systematically analyze its value creation logic and commercialization pathways, exploring how it maximizes commercial value while preserving the essence of

sportsmanship. By identifying challenges faced by WTT and proposing corresponding strategies, this research aims to provide theoretical insights for the sustainable development of table tennis and offer replicable experiences for commercial operations in other sports disciplines.

2. Literature Review

2.1. Theoretical Framework of Sports Event Business Models

Business models, as the core framework for enterprises to create, deliver, and capture value, have been extensively studied in the sports event industry in recent years. According to research cited in reference [4], a business model comprises multiple components including value proposition, target customer segments, distribution channels, customer relationships, core resources, key activities, partner networks, cost structures, and revenue streams. These elements collectively determine how enterprises achieve sustainable development through innovation. In sports events, business model design not only impacts economic benefits but also enhances social influence and brand value. For instance, sports events generate profits through revenue streams such as broadcasting rights sales, commercial sponsorships, and ticket sales, while requiring optimized operational costs to ensure sustainability [4]. Additionally, external factors like policy support, technological advancements, and evolving market demands significantly influence business model design. Therefore, in-depth research on sports event business models provides theoretical foundations for understanding their commercialization pathways.

2.2. Research Status of WTT and Related Sports Events

Currently, domestic and international scholars have conducted preliminary explorations into the business models and commercialization paths of the WTT and other table tennis tournaments. Reference [1], from the perspective of international professional tennis events, compared the tournament characteristics of the World Table Tennis Professional League (WTT), pointing out that WTT has significant advantages in competitive level and competition systems, but still needs improvement in global promotion and commercialization. Reference [2] analyzed the development

strategies of WTT based on SWOT theory, emphasizing its high commercial value in Asian and European markets, as well as its insufficient competitiveness in African, American, and Oceania markets. Additionally, Reference [3], guided by CIS theory, explored the brand image construction of the China Table Tennis Club Super League, proposing multidimensional optimization paths such as concept upgrading, behavioral improvement, and visual prominence. However, existing research mostly focuses on single dimensions and lacks systematic in-depth analysis of WTT's business model. For example, studies on WTT's revenue sources and operating costs are relatively scattered, and innovative explorations of commercialization paths are insufficient. This indicates that current research has certain limitations in integrative analysis and forward-looking thinking.

2.3. Research Gaps and Innovations

Through systematic literature review and comparative analysis, this study aims to address research gaps in in-depth analysis of WTT's business model and innovative exploration of commercialization pathways. First, we will employ literature review and case study methodologies to systematically examine WTT's revenue sources, operational costs, and profit models, revealing the operational mechanisms and potential risks of its business framework [2]. Second, regarding commercialization strategies, we propose targeted solutions integrating brand marketing, derivative product development, and global market expansion. Key initiatives include enhancing brand awareness through social media marketing and cross-industry collaborations, creating event merchandise and digital derivatives to meet diverse consumer demands, and developing region-specific market expansion strategies. These explorations not only enrich the theoretical framework for sports event commercialization but also provide practical guidance for WTT's sustainable development [5]. Distinct from existing studies, our research adopts a multidimensional perspective with strong theoretical-practical integration, aiming to offer innovative insights for commercialization strategies in WTT and other sporting events.

3. Analysis of WTT Business Model

3.1. Sponsorship System of WTT

Currently, the WTT's global top-tier sponsors are primarily Centennial Mountain, with historical partners including Shuijingfang, Agricultural Bank of China, and Yingli Oat Adhesive. Global suppliers encompass Red Double Happiness, Li-Ning, and Stika. In media partnerships, Weibo and Migu serve as WTT's key collaborators. However, sponsorship participation has shown a declining trend in recent years, with a relatively homogeneous and limited structure. Given that WTT's target audience is predominantly concentrated in Japan and South Korea, international brand engagement remains relatively low.

3.2. Broadcasting rights of WTT

In China, the exclusive media broadcaster is Migu, which holds the exclusive broadcasting rights for all WTT series events in China. In other parts of the world, the broadcasting rights are held by different media organizations. Overall, the cooperation model is relatively limited.

3.3. Ticketing revenue of WTT

Ticket sales at each WTT tournament venue account for 57% of direct revenue, forming the core income source. Together with broadcasting rights, sponsorships, and cultural merchandise, ticket revenue constitutes the revenue matrix of WTT events, with ticket sales serving as the cornerstone of the on-site spectator economy. Compared to similar tennis and badminton leagues, WTT leagues need to enhance revenue diversity strategies.

4. Exploration of WTT Commercialization Path Development

4.1. Regional Market Expansion

In the regional market layout of WTT, China, Japan, and Germany, as mature market regions, have accumulated over 50 million annual event viewership and more than 200 commercial sponsorship brands. Leveraging their existing foundations, they can continue hosting high-profile tournaments while deepening commercial collaborations and broadcasting rights. For potential markets such as New Zealand, France, and the United States, given their table tennis enthusiast bases exceeding one million, priority should be given to introducing star player tournaments to rapidly build core fan communities and exclusive sponsorship systems, gradually fostering market vitality and event influence. For emerging markets like Africa and Southeast Asia, initial efforts should focus on low-cost regular tournaments and youth events, with plans to host no fewer than 30 regular tournaments and 50 youth events annually. Simultaneously, a youth training support program should be implemented, delivering over 100 professional coaches to each region yearly to strengthen sports infrastructure. Additionally, by collaborating with local star players and launching broadcast channels in no fewer than 15 local languages, WTT events can achieve deeper roots and broader dissemination across regions.

4.2. Audience Group Expansion

In WTT's audience expansion strategy, veteran fans should be regarded as the core demographic, with over 80 million core viewers requiring in-depth tactical analyses and celebrity interviews to meet their professional viewing demands. For younger audiences and students, priority should be given to releasing highlights of exciting matches, daily life snippets of star players, and engaging challenges on short-video platforms, aiming to achieve annual platform follower growth exceeding 5 million to enhance table tennis' popularity and entertainment value. For family audiences, parent-child interaction zones and children's viewing seats should be established at venues, along with table tennis experience courses to encourage family participation. Targeting elderly communities, amateur exchange tournaments, and exclusive viewing events should be organized to promote healthy sports concepts. Additionally, esports-style broadcasts and cross-industry collaborations can attract diverse audiences, further expanding the appeal of table tennis.

4.3. Multifaceted Profit Model Construction

4.3.1. Derivatives

In developing WTT derivatives, the strategy should center on leveraging tournament IPs and star influence to build a

diversified product portfolio. Core offerings include WTT Celebrity Cards, signed jerseys (with products featuring athletes like Sun Yingsha and Wang Chuqin demonstrating strong market performance), and limited-edition event merchandise to meet core fan collectibles needs. Concurrently, introduce trendy apparel, digital accessories, and co-branded toys to attract younger demographics and sports enthusiasts. Expand into emerging markets through digital collectibles, virtual avatars, and esports skins. Collaborate with renowned brands to launch co-branded products that enhance brand value and buzz. Utilize multi-channel sales channels—including online stores, event venues, and authorized retailers—to create a closed-loop system where tournament excitement sparks product interest and drives conversions, extending WTT's influence from the field to everyday life.

4.3.2. Event Peripheral Service Development

To enhance the spectator experience and stimulate consumption, we will develop diversified peripheral services around WTT tournaments. Implementing tiered ticket pricing strategies, the core event targets over 80,000 single-session ticket sales while collaborating with surrounding commercial districts and cultural tourism sites to offer exclusive discounts. More than 50 on-site convenience service points will be established with professional volunteers providing consultation and guidance, complemented by interactive table tennis zones and engaging player meet-and-greet sessions. Over 500 local merchants will receive exclusive discounts, with consumption vouchers exceeding 3 million yuan distributed to boost regional spending. Free fan shuttle buses, discounted parking facilities, and shared bicycle services will address transportation needs. Additionally, integrated "event + cultural tourism" package tickets will be introduced, featuring over 30 "second-site" viewing points at hotels and shopping malls. The initiative aims to generate over 300 million yuan in regional consumption per tournament, establishing peripheral services as a key revenue driver for sporting events.

4.4. Brand Promotion Strategy

Brand promotion strategies should align with public preferences by establishing an integrated online-offline promotion model. This approach enhances WTT brand awareness through cost-effective and wide-reaching campaigns while strengthening the bond between the brand and its fans.

4.4.1. Online Promotion

Focusing on short videos and social platforms, we attract fans and traffic with engaging content. On platforms like TikTok and Xiaohongshu, we continuously update highlights of competitions and behind-the-scenes moments of star players, producing over 1,000 viral content pieces annually, with a total platform fan base growing by more than 5 million. We initiated topic interactions and competition betting activities, achieving over 300 million exposures per topic. Collaborating with sports and trend bloggers, we leveraged influencer influence to expand reach. We optimized live broadcast quality, with peak viewership exceeding 8 million per single live stream, while operating official accounts to deliver frequent competition updates, ensuring comprehensive online exposure.

4.4.2. Offline Promotion

Building on the host city's infrastructure, we launched community outreach campaigns. Strategic promotional

booths were set up in commercial districts, residential neighborhoods, and universities to reach diverse demographics. Events like campus table tennis tryouts and celebrity meet-and-greets attracted over 300 participants per session. Brand pop-up stores were established in collaboration with partner supermarkets and sports venues, distributing promotional materials through immersive offline experiences. These initiatives seamlessly integrated WTT into daily life, significantly boosting brand awareness.

5. SWOT Analysis of WTT

Table 1. SWOT Analysis of WTT

Strengths	Weaknesses
China's market monopoly position and strong commercial foundation The commercial value and traffic effect of star players Scale effect and potential for global layout Digital dissemination and innovation in the fan economy	Severe regional income imbalance and globalization challenges Over-reliance on star players with weak risk resistance Imbalanced bonus distribution and player rights disputes Insufficient financial transparency and regulatory risks
Opportunities	Threats
Global Sports Industry Growth and Consumption Upgrade Dividends Digital Transformation and Technology Empowerment of Spectator Experience Global Layout and Emerging Market Expansion Professional Sports Tax Reform and Policy Dividends	Intensified Competition in International Professional Sports Leagues Diversified Audience Demands and Risk of Attention Scattering Policy and Regulatory Risks and Compliance Challenges Awakening of Athletes' Rights and Escalation of Commercial Competition

5.1. Strengths

5.1.1. China's market monopoly position and strong commercial foundation

WTT has established core competitive advantages in the China market, with its revenue mainly derived from ticket sales and sponsor collaborations, and Chinese brands dominate the sponsorship system. Table tennis, as China's national sport, enjoys a solid grassroots foundation. The participation of star players and government support jointly promote the integrated development model of "events + cultural tourism".

5.1.2. Commercial Value and Traffic Effect of Star Players

Top-tier athletes such as Sun Yingsha and Wang Chuqin significantly boosted event box office revenues and broadcast viewership ratings, demonstrating prominent fan economy effects with a higher proportion of female fans, which effectively stimulated consumption of peripheral products.

5.1.3. Economies of Scale and Globalization Potential

The tournament system adopts a pyramid structure with a steadily increasing number of events spanning multiple cities worldwide, laying the foundation for establishing a global tournament framework akin to the Tennis Grand Slam system.

5.1.4. Digital Dissemination and Fan Economy Innovation

Through collaboration with social media platforms, an active fan ecosystem was established, achieving high exposure and engagement levels. The player persona

development and entertainment-oriented content strategies successfully attracted young audiences.

5.2. Weaknesses

5.2.1. Severe regional income imbalance and globalization challenges

The income structure is overly dependent on the China market, European events generally operate at a loss, and localized operational strategies remain imperfect.

5.2.2. Excessive reliance on star players leads to weak risk resistance capacity

Star players are prone to injuries due to high competition frequency, and their absence directly results in decreased event box office revenue. Meanwhile, the mandatory participation mechanism has also sparked widespread controversy.

5.2.3. Imbalanced bonus distribution and player rights disputes

Bonuses account for a relatively low proportion of total revenue, with significant disparities between singles and doubles events, placing lower-ranked players under considerable survival pressure.

5.2.4. Insufficient financial transparency and regulatory risks

Inadequate financial information disclosure, low alignment between expenditures and revenues, thereby subjecting the business model to external scrutiny.

5.3. Opportunities

5.3.1. Global Sports Industry Growth and Consumption Upgrade Dividends

The global sports market continues to expand, with a rapidly growing young audience demographic, while policies in various countries provide strong support for the development of the sports industry.

5.3.2. Digital Transformation and Technology Empowerment of Spectator Experience

Emerging technologies such as virtual reality (VR) and augmented reality (AR) enhance the entertainment value of sporting events, while social media platforms provide new monetization channels. Artificial intelligence (AI) technology can optimize fan interaction experiences.

5.3.3. Global Strategy and Emerging Market Expansion

The European and Asia-Pacific markets demonstrate significant growth potential. Localization strategies can further expand business opportunities, while the strategic support from the International Table Tennis Federation (ITTF) facilitates diversified development.

5.3.4. Reform of Professional Sports Tax System and Policy Dividends

The tax incentives introduced by China and related policies to promote sports consumption have brought dividends to industry development.

5.4. Threats

5.4.1. Intensified competition in international professional sports leagues

Professional leagues such as the Bundesliga attract top-tier athletes through localization strategies, increasing the risk of talent outflow, while the emergence of new competitions diverts audience attention.

5.4.2. Diversified audience demands and risk of attention dispersion

The event relies excessively on China players, while European audiences have different viewing preferences, and the issue of content homogenization may weaken audience engagement.

5.4.3. Policy and Regulatory Risks and Compliance Challenges

Uncertainty in tax policies, increasing international regulatory pressures, and potential operational burdens from professional sports tax system reforms.

5.4.4. Awakening of Athlete Rights and Escalation of Commercial Competition

Enhanced collective resistance awareness among players, increasingly fierce competition for commercial value, and potential forced reforms to the existing rule system.

6. Conclusion

6.1. Summary of Research Findings

The World Table Tennis Professional League (WTT), as a pivotal strategy implemented by the International Table Tennis Federation to advance professionalization in the sport, demonstrates distinctive characteristics in its business model through value proposition, core operations, and key partnerships. In terms of value proposition, WTT attracts top-tier athletes globally by establishing high-caliber competitive platforms, caters to diverse spectator preferences through innovative event designs, and provides sponsors with efficient brand exposure channels. Regarding core operations, WTT focuses on systematic event organization, management, and promotion, ensuring operational efficiency and professionalism through deep collaboration with partner cities and commercialized mechanisms. Additionally, the robust partnerships forged with the International Table Tennis Federation, local governments, and sponsoring enterprises have laid a solid foundation for resource integration and market expansion.

The WTT business model presents both strengths and weaknesses. Its brand advantage is significant, leveraging the International Table Tennis Federation's background and innovative tournament formats to achieve high global recognition. The organization possesses abundant player and venue resources, ensuring long-term sustainable development. However, notable market limitations exist, with weaker competitiveness in the Africa, Americas, and Oceania regions, coupled with uneven tournament coverage. The profit model remains relatively singular, primarily relying on sponsorship and broadcasting rights revenue without diversified strategies. To address these challenges, this paper proposes a series of commercialization strategies: market expansion initiatives, diversified revenue models, and brand promotion measures. These include implementing differentiated marketing campaigns to enhance emerging market penetration, developing derivative products to diversify income streams, and leveraging social media platforms to shape brand image, thereby boosting overall value and influence.

6.2. Research Limitations and Prospects

This study on the WTT business model's systematic analysis has several limitations. Firstly, constraints in data acquisition have resulted in insufficient research on regional market operational effectiveness, particularly regarding performance in economically underdeveloped areas.

Secondly, financial indicators such as cost structures and revenue distribution mechanisms could not be thoroughly analyzed due to limited data availability, which to some extent compromised the accuracy of research conclusions. Lastly, the absence of in-depth interviews with industry experts may have prevented the study from capturing critical practical insights and operational realities.

Future research could focus on the following key areas: continuously tracking emerging markets to demonstrate the tangible effectiveness of their business model expansion; conducting in-depth financial analysis to evaluate sustainable development potential; integrating quantitative and qualitative research methods with systematic stakeholder feedback collection to refine business model understanding; while exploring the role of emerging technologies like virtual reality (VR) and augmented reality (AR) in enhancing spectator experiences and addressing digital transformation challenges.

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