

The History Evolution and Development Tendency of China Sports Industry

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Abstract: This article sorts out the development history of China's sports industry, analyzes the economic data of the sports industry over a period of years, points out some problems existing in the sports industry structure, and summarizes the development trend of the sports industry, proposes the development path of technological innovation and industrial integration.

Keywords: Development pattern; Sports industry; Development tendency

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1. The development of sports industry in China

The development of China's sports industry is relatively late, before the reform and opening up, the sports industry is mainly as a supplement to sports undertakings, with the characteristics of government leading and public welfare. In 1984, the State Sports Commission issued the "Notice on the Further Development of sports", which proposed for the first time that "we should pay attention to economic benefits, actively create conditions for the implementation of multiple operations, and gradually transform sports into enterprises and semi-enterprises." In June 1992, the sports industry appeared as a formal concept and enter the market stage of sports industry as a tertiary industry.

In 2019, The State Council pointed out that the sports industry is an important industry in China to meet the growing needs of the people for a better life, and carried out precise policies on industrial layout, venues and other issues in the development of the sports industry. The sports industry has entered a stage of high-quality development.^[1] The future sports industry will become one pillar industry of the national economy.

2. China sports industry development situation

According to the National Bureau of Statistics, the added value of the sports industry increased from 0.45% of GDP in 2006 to 1.06% in 2021. In 2021, the total output value of China's sports industry has exceeded 3 trillion yuan, reaching 3117.5 billion yuan. In the 14th Five-Year Plan, the construction scale of the sports industry is expected to reach 5 trillion yuan in 2025, the GDP of the sports industry will account for 2%, and the sports industry employers number will exceed more than 8 million. By 2035, the sports industry will become one pillar industry of the national economy, accounting for 4% of GDP.

As shown in the figure above, the added value shows a straight upward trend, an increase of 12.46 times. In terms of growth rate, the growth rate of seven years were above 20%, the average annual growth rate is 18.6%. The growth of the sports industry has experienced two peaks. The first one was because the holding of the 2008 Beijing Olympic Games and the economic effect after the Olympic Games, which provides a strong impetus for the development of the sports industry, and the scale of the sports industry continues to expand. The second one was the strong inclination and support of the national policy for sports service industry in 2015.

The added value of China's sports service industry increased from 24.46 billion yuan in 2006 to 857.6 billion yuan in 2021, an increase of 35.1 times, the average annual growth rate of China's sports service industry was 28.4%, with the highest growth rate in 2015. Driven by dividends such as policies and capital markets, it has achieved leapfrog development, reaching a phenomenal 99.2%.

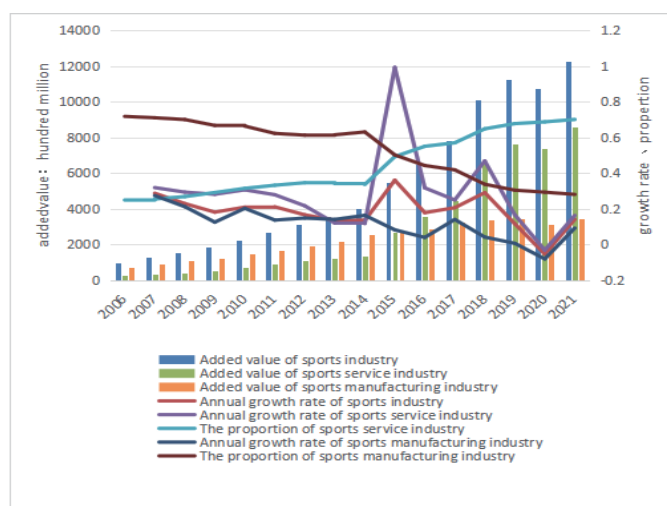


Figure 1. Development and change trend of sports industry over the years

(Data from the National Bureau of Statistics)

As for the proportion of sports industry added value, the proportion of sports service industry in 2006 was 24.9%, and the proportion increased to 70.0% by 2021.

Added value of China's sports manufacturing industry increased from 70.5 billion yuan in 2006 to 343.3 billion yuan in 2021, an increase of only 4.87 times. In the same period, the added value of the sports industry proportion from 71.7% of 2006 fell to 28.0% of 2021. The average annual growth rate of China's sports manufacturing industry is 15.1%, showing downward trend. There were four annual growth rates below 10%, far lower than the growth rate of sports service industry and sports industry in the same period.

3. The development trend of sports industry in China

At present, the high quality development has become a clear development idea of our sports industry. The sports industry needs to achieve high-quality development. One of the important manifestations in high-quality development is the optimization of industrial structure, which is reflected in the improvement of the relationship between various formats within the sports industry.^[2] There is a strong industrial correlation between the sports manufacturing industry and the sports service industry. The sports manufacturing industry provides the reproduction inputs for the sports service industry and connects the two ends of the sports service production and consumption. Making full use of the upgrading of sports manufacturing technology and products, will promote the good sports participation experience of the public, broaden the depth of development of sports service industry, and promote the coordinated development of sports manufacturing industry and sports service industry. However, in recent years, the slowdown of China's sports manufacturing industry has hindered the process of optimizing the structure of China's sports industry, and it is urgent to promote the quality and efficiency of China's sports manufacturing industry.^[3] It is undeniable that the development of sports service industry plays an important role in the rapid development of sports industry in our country. The optimization of China's sports industry structure needs the coordination of sports service industry and sports manufacturing industry.

4. Scientific and technological innovation is key for Sports manufacturing industry development

At present, China's sports manufacturing industry is at the low end of the industrial chain with low added value. There are still problems such as unreasonable structure, insufficient innovation, and weak awareness of intellectual property rights^[4], which seriously restricts its efficient development. External demand downturn, rising costs, overcapacity, development are serious crisis for China's sports manufacturing industry. It is imminent to promote the efficient development of sports manufacturing industry.

Insufficient investment in innovation has been a chronic disease in China's sporting goods manufacturing industry. It is urgent to develop new technologies and new products with independent intellectual property rights. With the development of digital technology achievements such as big data, artificial intelligence and the Internet of Things, new products and new formats of the sports industry continue to show vitality. The application of new production technology and process paradigm as well as scientific and technological innovation results can improve the scientific and technological content and product quality of the sporting goods manufacturing industry. All of those drive the upgrading of industrial structure, and improve the added value of products.

5. Integrated development of sport industries

Industrial integration refers to the process of deconstructing and reconstructing the original value chain of the sports industry,

which can break through the industrial barriers, blur the industrial boundaries to establish the new sports industry system.^[5] The sports industry can promote the formation of a new development model through the interaction with different types of industries such as tourism, health care and information. Mutual penetration of production factors, resource sharing, cross-complementarity of functions are helpful to sports industry. The integration of technology, product, market and business model will promote the development of the sports industry. Technology integration plays a fundamental role in enhancing the total factor productivity of the sports industry through the integration with digital technologies such as big data and artificial intelligence. Product integration is the change and innovation of business model basing on the market demand. Because of product integration, sports products and services can learn from the functional advantages of products in other fields, so as to optimize the product system of the sports industry. Market integration is by promoting the value chain of sports industry and other industries to format a new sports market border to obtain a wider range of markets, such as sports tourism, medical health, virtual fitness, etc. After the development of technology, product and market integration to a certain stage, the external boundary of the sports industry began to blur, the inter-industry barriers gradually broke down, the new organizational form and new management system between the sports industry and other industries gradually established. Finally it will form a new integration system of the sports industry.

6. Conclusion

The development of sports industries is an inevitable requirement for improving the physical fitness and health of the Chinese nation. It is conducive to meet the diversified sports needs of the people, ensure and improve people's livelihood, expand domestic demand, increase employment, foster new economic growth points, carry forward the national spirit, and enhance national cohesion and cultural competitiveness. In recent years, China's sports industry has developed rapidly, but the overall scale is still small, vitality is not strong, need to vigorously strengthen scientific and technological innovation, improve product added value and competitiveness. There are many new forms of sports and technology integration, such as sports digital content services, sports intelligent, wearable equipment manufacturing, and Internet sports services. China's sports industry is facing new opportunities and challenges. It is necessary to further consolidate the industrial foundation, enhance the development momentum, optimize the development environment, expand the market players, improve the industrial structure, release the development potential, and promote integrated development.

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