

Comparison of National Basketball Association with Chinese Basketball Association and Problem Research

Hongan Yao^{1,a,*}

¹Nottingham University Business School, University of Nottingham Ningbo China, Taikang East Road, Ningbo, China

a. biyhy21@nottingham.edu.cn

**corresponding author*

Abstract: As the world's top basketball league, the NBA's players are mostly outstanding in this field, whether in terms of technology or physical fitness, including clubs and other aspects, all of whom are top-notch entities. However, the Chinese CBA has shown a downward trend in recent years. This paper discusses the challenges facing the Chinese Basketball Association (CBA) in comparison to the National Basketball Association (NBA). The study highlights the differences in branding, market positioning, and ownership structures between the two leagues. CBA faces issues such as unclear brand identity, insufficient efforts to shape a distinct image, and a complex ownership model that hinders market-driven growth. The paper discusses the need for CBA to develop a strong brand identity, utilize brand ambassadors and slogans, simplify ownership structures, and promote social welfare activities to enhance its popularity and competitiveness. The study provides insights into how CBA can learn from the successful branding strategies of the NBA to foster its own growth and sustainability.

Keywords: CBA, NBA, Brand image, Ownership.

1. Introduction

In today's global landscape, the sports industry is seeing significant economic growth. The Asian professional sports league market, propelled by robust economic expansion and a large population, has garnered international attention. Notably, China has emerged as a key player, bolstered by initiatives outlined in the 1995 Guidelines for the Development of the Sports Industry aimed at enhancing economic policies. Consequently, this led to the establishment of professional leagues like the Chinese Super League (CSL) and the Chinese Basketball Association (CBA). The CBA, initially nascent, has evolved into China's foremost professional league, renowned for its strong brand impact and extensive influence [1]. Despite its advancements, however, the CBA has yet to achieve global prominence, differing notably from basketball leagues in the United States and Europe.

It is an effective way to summarize results according to existing data and literature. There are many research papers and data about the NBA, CBA and other levels of the league. According to Statista's prediction, the sports sector is expected to grow annually by 10%, and its market value is set to surpass \$680.74 billion in 2028. This has contributed to a rise in spectator turnout, social media activity, sponsor support, advertisements, and earnings from broadcasting sports events on television. The Chinese government projects that the sports and fitness market will generate RMB 5 trillion annually in sustainable national income by 2025. Compared to Western countries where professional sports

leagues are well-established, Chinese leagues are in the early stages of professionalization and industrialization. Since the late 1970s, China has been actively developing its elite sports system. The reform of the Chinese Basketball Association (CBA) mirrors the operational model of the NBA, the world's most successful commercial basketball league. Globally, basketball ranks second only to soccer in popularity, and the NBA has experienced substantial growth in viewership and revenue as a result [2]. The NBA has a sounder Emergency PR management team compared to the CBA. After noticing a decline in ratings, league executives immediately considered solutions such as adding divisions and tweaking the format. However, due to the Daryl Morey controversy, the NBA lost a significant global fanbase in China, which allowed CBA to capture some of these fans. Consequently, CCTV5 data indicates that in the 2019-2020 season, the CBA watched almost doubled. This increase shows encouraging growth for the league, with new fans and athletes joining the family. Despite this progress, the CBA cannot sustain this momentum without noteworthy innovations. This year, when CCTV5 rebroadcast the NBA playoffs, viewership for the CBA Finals dramatically dropped. The game's highest viewership rate was only 1.73%, and the overall attention for the live broadcast was a paltry 0.36%. Beyond the reduced quality of the games compared to previous seasons, CBA executives must investigate why so many fans chose to watch the NBA when it returned [3]. The average NBA team is worth \$3.85 billion according to an estimate by Forbes' estimate in late October 2023. That's an increase of about 35% in a year. The Golden State Warriors alone made \$7.7 billion during the 2022-2023 season [4]. China's basketball administration's failure to enhance its national teams raises a vital question: what led to their underwhelming performances in international competitions? This disconnect between sports management and national team achievements can be traced to several factors. One of the most plausible causes is the inconsistency that characterizes the CBA system [5]. As a result of leadership inconsistencies and parallel structures, middle-level bureaucrats often encounter conflicting objectives within their own departments. The target of communism in China obligates sports officials to pursue two inherently opposing objectives. These include showcasing the region through satisfying sporting performances and promoting economic growth within their jurisdiction. However, this duality of goals presents a challenge as the economic development objectives seek market-driven growth, while the political mandates discourage extensive deregulation [6]. The CBA aims to establish itself as the premier professional basketball league in Asia and the second-largest globally. However, several challenges hinder its brand development. Firstly, the league's target market positioning lacks clarity, impacting its brand image. There is a notable absence of a deeply resonant slogan and insufficient focus on quality building. Moreover, the CBA lacks influential brand leaders and spokespersons [7].

In contrast, in the realm of intercollegiate athletics, there is a pervasive trend of excessive spending on revenue-generating sports, despite only a few programs yielding profits. This trend aligns with a commercial model within NCAA departments, which has even led to the elimination of non-revenue Olympic sports [8]. Learning to stabilize commercial revenues while ensuring competitiveness could be beneficial for leagues like the CBA.

Furthermore, evaluating athletes' commercial value aids club owners and managers in maximizing benefits for both athletes and clubs. Superstars like Curry exemplify how effectively developed commercial values can enhance overall league appeal [9].

The objective of this article is to analyze the challenges facing the Chinese Basketball Association (CBA) in comparison to the highly successful National Basketball Association (NBA). The focus is on identifying the key differences in branding, market positioning, and ownership structures between the two leagues, and suggesting solutions for CBA to enhance its brand recognition, popularity, and revenue generation. By examining existing research and data, the article aims to provide insights into how CBA can adopt successful branding strategies from the NBA to become a more competitive and sustainable professional basketball league.

2. Problems

2.1. Brand

Currently, the CBA market development faces several challenges. Firstly, the efforts of the CBA to shape the league's brand image have been insufficient. The brand image encapsulates the essence and perception of a brand, embodying its message and significance. It serves as a multifaceted measure that requires analysis from various angles. As the personality traits of the brand within the marketplace and among the public, brand image mirrors consumer evaluations and perceptions. Hence, brand personality and reputation form the bedrock of a brand, highlighting its core essence and resilience, and serving as crucial metrics for assessing brand image. The brand image of the CBA league is the guarantee of its survival and sustainable development, and it is also the foundation of the club's culture and fan culture. The CBA brand image is in the creation period, although the promotion of the name, logo, theme song, and promotional slogan reflects certain local elements, there is still a big gap with the NBA in terms of player strength, event culture, player fan interaction, etc., and fails to fully reflect the unique brand personality of the CBA league. Incidents such as on-court violence, referees' misjudgments or omissions, arbitrary changes in schedules, uncivilized words and deeds of fans, game equipment failures, sponsor turmoil and other incidents emerge one after another, becoming the most criticized, most concerned and most negatively affected by the media, which greatly damages the brand image of the CBA league. For NBA teams, the idea of a brand is related to culture and how a team plays together. Teams need to build a strong brand identity that is authentic to the key players on the team. In the 2000s San Antonio Spurs had a team-first identity, the early 2000s Detroit Pistons had a defensive-oriented identity. These teams had a strong foundation and clear identity that helped them achieve the highest amount of success. Brand leaders are individuals who significantly shape and cultivate brands, infusing them with vitality, creativity, and a distinct personality. They play a pivotal role in fostering brand growth and resonance. For instance, numerous NBA superstars such as LeBron James, Kevin Durant, and Giannis Antetokounmpo have secured lucrative endorsement agreements with major global footwear and apparel giants like Nike. Additionally, brands like Adidas have developed signature shoe lines for players like James Harden, while Anta has established a series for athletes such as Kyrie Irving and Klay Thompson. These collaborations underscore the impact of brand leaders in leveraging athlete endorsements to enhance brand visibility and appeal. In CBA, one of the leading brands of sports equipment is Lining, which has also signed contracts with Dwyane Wade. Regrettably, the CBA Professional League currently lacks both a dedicated brand manager and a genuine brand spokesperson. Some famous CBA players like Jianlian Yi and Ailun Guo do not use their signature brands to help expand the popularity of CBA. By contrast, the NBA is a good example of cooperating with a brand successfully. It signed an eight-year, \$1 billion contract for branded basketball shoes and apparel that began with the 2017-2018 season with Nike. It is estimated that Nike brands control 90% of U.S. basketball shoe sales [4]. Their cooperation promotes the NBA brand development.

2.2. Publicity

Crucially, the league lacks a deeply resonant slogan and needs to enhance its overall quality. Companies should consider the brand as an object and develop an identity that reflects the customer's image and develop a slogan to express it well [10]. Every NBA team has its own slogan, because one or two teams often represent a city, it is significant to have a resounding slogan. It can always promote unity among the people of a region. For example, in 2022 Golden State Warriors' slogan "Gold-Blooded", it's a play on the term "cold-blooded". Different slogans contribute to the league's promotional efforts. In addition, there are many public welfare activities carried out at the game site,

coupled with many media reports and extensive participation in online forums, greatly promoting the popularity and attention of the NBA. However according to the audience feedback, most athletes didn't care about social welfare activities, these behaviors may have a bad influence on CBA's promotion.

2.3. Ownership

In addition, most of the types of team ownership in the NBA are individual equity. This ownership model allows individuals or groups to buy a team, and it also means that there is less government involvement because the owners of the teams handle the teams' operations. Managers can also enhance revenue generation by acting more decisively in the team's best interests. By contrast, The CBA has a more complex process of team ownership. Because of different policies, there are many types of owners, including sports administration bodies or sports colleges. This structure often leads to an unequal distribution of power among CBA teams, primarily because sports administrations or local governments frequently intervene in team operations despite lacking ownership [5]. The economic development objectives aim to foster market-driven growth, whereas political mandates discourage extensive deregulation [6]. CBA teams are privately funded (and some state-owned enterprises) and run by the public sector. However its property rights belong to the state, and the ownership of the league belongs to the state. For example, the Xinjiang team is a professional basketball club jointly established by the Xinjiang Uygur Autonomous Region Sports Bureau and Xinjiang Guanghui Industrial Investment (Group) Co., Ltd. Beijing Shougang Team was formerly known as the Beijing Men's Basketball Team, and later co-built the team with Beijing Shougang Group and officially changed its name to Beijing Shougang Basketball Team. They are all managed by the public sector, but Xinjiang is dominated by private enterprises, while Beijing is dominated by state-owned enterprises. According to the Xinhua News Agency reporter's survey of CBA in 2023, Xinjiang ranked third in the average attendance per game, and ranked first in the average attendance per game, while Beijing ranked fourth. In 2016, Yao Ming, president of the Chinese Basketball Association, discussed with the deputy general manager of the Beijing Shougang Club the issue of the right to operate the CBA and proposed the establishment of a secondary vocational basketball company. Its essential relationship with CBA company lies in whether the basketball association participates in the shares. However, if the middle vocational basketball company can obtain independent legal personality and the right to operate the league, it will be substantial progress for the separation of management and office of CBA.

3. Solution

3.1. Develop a Strong and Distinct Brand Identity

A crucial first step for the CBA is to establish a strong and unique brand identity that resonates with its target audience. This process should involve a comprehensive market research study to understand the preferences, perceptions, and needs of the CBA's fan base. Based on this research, the league can develop a brand identity that not only reflects its core values but also effectively communicates them to the public. One effective way to achieve this is to appoint brand leaders with extensive experience in branding and marketing. These individuals can work closely with the CBA's management to inject vitality, soul, ideas, and personality into the league's brand. Collaborating with leading sports marketing agencies can also be beneficial in creating a brand identity that is both innovative and memorable. Furthermore, the CBA should consider partnering with renowned sports equipment brands to create exclusive merchandise and endorsements. Similar to the NBA's successful partnership with Nike, such collaborations can help enhance the CBA's brand recognition and

popularity. By offering high-quality merchandise with a strong brand identity, the CBA can build a loyal fan base and increase revenue streams

3.2. Utilize Brand Ambassadors and Slogans

Leveraging star players as brand ambassadors is another key strategy for promoting the CBA and its products. By signing endorsement deals with top-performing players like Jianlian Yi and Ailun Guo, the league can create a strong connection with its audience and increase its appeal. These players can participate in promotional activities, social media campaigns, and public appearances to help build the CBA's brand image. In addition, developing a deeply resonant slogan for the league is crucial for promoting unity and enhancing overall quality. The slogan should be catchy, memorable, and reflective of the CBA's values. Each CBA team should also develop its own unique slogan to represent its identity and foster regional pride. These slogans can be used in promotional materials, game broadcasts, and social media platforms to reinforce the league's brand identity.

3.3. Simplify Team Ownership and Enhance Revenue Generation

The CBA's complex ownership structure, with various types of owners including sports administration bodies and sports colleges, has hindered its ability to foster market-driven growth. To address this issue, the league should consider simplifying its ownership model and encouraging individual equity. This can be achieved by allowing private individuals or groups to buy teams, reducing government involvement, and empowering team owners to handle operations more effectively. With a simplified ownership structure, the CBA can enhance revenue generation by adopting more decisive strategies. Managers can act in the team's best interests, leading to increased efficiency and profitability. This can help the league compete more effectively with other professional sports leagues and attract more investment and sponsorships. Additionally, a clearer ownership structure can also improve governance and accountability, ensuring that the league's resources are used effectively.

3.4. Promote Social Welfare Activities and Media Engagement

The CBA should prioritize social welfare activities and media engagement to enhance its popularity and promote its brand effectively. By organizing public welfare activities at game sites and collaborating with media outlets, the league can increase its visibility and attract more attention from its target audience. These activities can range from charity events to community outreach programs, all of which can help foster a positive brand image. Additionally, the CBA should encourage its athletes to participate in social welfare activities. By showcasing their involvement in positive initiatives, the league can create a stronger connection with its fans and promote a sense of social responsibility. This can also help mitigate the negative impact of incidents such as on-court violence or uncivilized fan behavior. Furthermore, leveraging online forums and social media platforms can significantly enhance the CBA's media engagement. By engaging with fans and promoting its brand through these channels, the league can reach a wider audience and build a stronger community. This can also help the CBA collect valuable feedback and insights from its fans, which can inform future strategies and improvements.

4. Conclusion

In conclusion, while the Chinese Basketball Association (CBA) has made significant progress in becoming a prominent professional league in China, it still faces several challenges in achieving global recognition and competitiveness. The CBA needs to clarify its brand identity, leverage star

players as brand ambassadors, develop a resonant slogan, simplify team ownership, and prioritize social welfare activities and media engagement. By addressing these issues, the CBA can enhance its brand recognition, popularity, and revenue generation, ultimately moving closer to its goal of becoming a top professional basketball league in Asia and the world.

References

- [1] Li, W. (2023). *Having Competitive Balance or Not: A Critical Issue for Chinese Basketball Association* (Master's thesis, University of Georgia).
- [2] Xu, Y. (2023). *The Development Trend of Chinese Basketball League Teams*.
- [3] Chen, Y. (2022). *Comparative Study on the Status Quo of Emergency Response Strategies of NBA and CBA During the Covid-19*. *Frontiers in Business, Economics and Management*, 6(1), 97-100.
- [4] Forbes. (2023). "NBA Valuation, <https://www.forbes.com/lists/nba-valuations/?sh=12de1cd86982>."
- [5] Slusher, A. J. (2016). *An International Crossover: Comparing The Chinese Basketball Association With The National Basketball Association*.
- [6] Jae Young Geum. (2020). *Study on the Development of Sports Industry in Peoples Republic of China: Focusing on the case of Chinese Basketball Association* (Doctoral dissertation, Graduate School of Seoul National University)
- [7] Zhou, Q. 2005. *Analysis of the main problems and Countermeasures of the development of Chinese professional basketball clubs in the past ten years* [J]. *Sports & Science*, (02)
- [8] Cooper, C., & Weight, E. (2011). *Investigating NCAA administrator values in NCAA Division I athletic departments*. *Journal of Issues in Intercollegiate Athletics*, 4(1), 5.
- [9] Li, C. (2024). *Research on Business Value Development Methods of Top Sports Athletes-A Case Analysis of NBA Players*. *Journal of Education, Humanities and Social Sciences*, 27, 103-109.
- [10] J, Kwak. "Congruity between the Effect of Sports Apparel Brand Slogan and Self-Image on Slogan and Brand Attitude- Moderating Effect of Self-Monitoring -." *The Research Journal of the Costume Culture*, 28 Feb. 2021, vol. 29, no. 1, pp. 121–133. Crossref, doi:10.29049/rjcc.2021.29.1.121.