

Analysis of Marketing Strategy of Chinese Sports Brands – Taking ANTA Company as an Example

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Abstract: A good marketing strategy is a competitive advantage. This study aims to examine ANTA Company's marketing approach by utilizing literature analysis and integrated analysis methods with data collection. The main areas of focus include product strategy, price strategy, place strategy, promotion strategy and a SWOT analysis to analyze the effects of Anta's marketing approach, identify any shortcomings in the strategy, and provide appropriate recommendations for improvement. From the analysis of Anta's marketing strategy and the gains of the strategies, the research results show that Anta's marketing plan is primarily aligned with the buying potential of Chinese customers but there are 3 existing problems, such as minimal brand recognition outside China, lack of targeted marketing campaigns, and design issues. This case study provides several suggestions which specifically are brand concept and media, social media topics, measure and optimization, diversification of brand building and differentiation of domestic and foreign markets, innovation, and addressing controversies in response to these problems.

Keywords: Anta, marketing strategy, brands

1. Introduction

Organisations in the manufacturing sector think about the global expansion of their businesses to seek better opportunities and potential customers to increase profits in a fiercely competitive environment. An organisation competing in the global environment needs to be aware of its complex customer requirements as well as the similarities and differences of its competitors. As such, the concept of marketing is more complicated than ever before, requiring strategic planning for successful business.

Intense competition between businesses can be a consequence of external factors including customers, competitors, and stakeholders and grows due to fast shifts in global market paradigms. In such a situation, an organisation needs to have the awareness of its ability and the capability of its competitors to gain a competitive advantage; hence, the use of SWOT analysis to understand capabilities and potentials to build an efficient market strategy plan.

Anta is a Chinese sports brand that specializes in designing, developing, and manufacturing athletic footwear, apparel, and accessories. The company was founded in 1991 by Ding Shizhong and is headquartered in Jinjiang, Fujian, China [1]. Over the years, Anta has established itself among the leading sports brands in China, with a strong emphasis on innovation and technology. The firm offers a significant number of product varieties that cater to various activities and sports including basketball, running, training, as well as outdoor sports.

Anta has also been expanding its global presence and has acquired several international brands such as Fila, Descente, and Amer Sports [2]. The company sponsors many high-profile athletes and teams both in China and abroad, including NBA players Klay Thompson and Gordon Hayward [3]. In recent years, Anta has been focusing on environmental sustainability and is responsible for implementing a number of initiatives to minimise its environmental impact. It has also been recognized for its corporate social responsibility efforts, including its contribution to the fight against the COVID-19 pandemic [4]. This case study analyzes Anta's brand marketing using SWOT and provides marketing strategies and optimization suggestions.

2. Anta Brand Marketing Status

Anta is a Chinese sportswear company that has opted for a multi-brand strategy evident with the recent 2019 acquisition of Amers Sport. For example, the company promotes its products through different brand names, such as KINGKOW, KOLON SPORT, DESCENTE, SPRANDI, NBA, ANTA, FILA, and FILA KIDS [1, 2].

The company has transformed into a worldwide sports apparel conglomerate by using a comprehensive collection of brand names, and through the formation of an investor consortium that effectively obtained Amer Sports in 2019. Consequently, the group now has renowned international brands like Salomon, Arc'teryx, Wilson, Peak Performance, Atomic, and others [2]. ANTA Sports intends to tap into the potential of both the mass and high-end segments of the sports apparel market. The company's branches include Anta Enterprise Group Limited, Motive Force Sports Products Limited, and REEDO Sports Products Limited. The group operates in various regions, such as China, Singapore, the UK, Macau, and Hong Kong.

In addition, Anta's market covers the market segments of all kinds of sporting goods from high-end to mass, adults to children, and professionals to fashion [2]. They formed a diversified and gradient brand matrix, which can meet the needs of all kinds of consumers for sports shoes and clothing. The success of Anta's brand positioning has made it firmly grasp the target users, pointed out the direction for the development of the brand, and enabled Anta to seize the opportunity and successfully overtake the car in a corner. Therefore, in the market competition, enterprises must do a good job in the market positioning of the brand.

3. Anta SWOT Analysis

3.1. Strength

Strength in SWOT refers to an internal advantage or positive attribute of a company that helps it achieve its objectives and gain a competitive edge over its rivals [5]. Anta is one of the largest sports brands in China with a significant market share [6]. The company has been able to establish itself as a trusted brand in the country, which has helped it to maintain a loyal customer base. Thus, Anta's main strength is its prominent position as a sportswear manufacturer in China meaning it has a powerful brand recognition and reputation in that domestic market. Secondly, the company has a wide range of offers and is popular for its innovation, quality, and affordable pricing [7]. Lastly, Anta has also been expanding its global presence via acquisitions of international brands, which has aided it to acquire access to new markets and techs.

3.2. Weakness

Brand Awareness is low Beyond China and Targeted Marketing Campaigns. Anta's main weakness is its lack of brand awareness outside of China [8]. While it has been making efforts to expand globally, it faces stiff competition from well-established sports brands like Nike and Adidas. As a

result, Anta's first problem is in penetrating new markets and gaining the trust of customers who are not familiar with the brand. The latter may also indicate that Anta's brand awareness problem is due to its limited marketing efforts outside of China.

While the company has been expanding its global presence through acquisitions of international brands, it has not invested enough in promoting its own brand identity. As a result, Anta's marketing campaigns, which have primarily focused on Chinese audiences, have not been effective in creating brand recognition among consumers in other countries.

Secondly, Anta has faced criticism for its design and style, with some consumers describing its products as unappealing and outdated [9]. This perception of Anta's products may also contribute to the brand's lack of recognition in global markets, where consumers are exposed to a wide range of sports brands with cutting-edge designs and technology. This weakness is highly detrimental to its branding, especially in light of the intense competition and unremarkable global branding.

Thirdly, Anta is facing some growth difficulties in addition to brand problems [6]. The growth difficulties could be a consequence of channel expansions that are too fast. A good example of this problem is presented with the brand Amer Sports, acquired by a consortium of investors led by Anta in 2019. Unfortunately, the Finnish company that owns a portfolio of well-known sports brands such as Salomon, Wilson, and Arc'teryx (Anta) has faced financial difficulties in recent years, with its losses attributed to several factors, including slow growth in key markets and a decline in demand for winter sports products [2]. Additionally, Amer Sports' strategy of acquiring multiple brands has led to some integration challenges and high costs.

To overcome these serious brand awareness issues, Anta needs to invest more in marketing and advertising outside of China [9], emphasizing its unique selling points and highlighting the quality and performance of its products. The company must work to enhance its product design and styling to appeal to a broader audience to improve its brand image. These efforts can raise its visibility and gain a share in new markets, ultimately driving growth and profitability.

3.3. Opportunities

Opportunities in SWOT analysis refer to external factors that can benefit a company. These factors are not under the company's control, but the company can take advantage of them to enhance its performance [5]. Anta has several opportunities to capitalize on, including the growing demand for sportswear and fitness products worldwide. The company can leverage its technology and innovation to develop new products that cater to specific sports and activities. It can also focus on sustainability and social responsibility, which are becoming increasingly important for consumers [7]. Additionally, Anta can expand its retail and distribution channels to reach more customers globally.

3.4. Threat

Threats are external factors that can negatively affect a company's performance or operations. Identifying and addressing threats is important for a company's survival and resilience in the face of adversity [5]. Anta faces several threats in the highly competitive sportswear industry, foremost the emergence of new competitors and changing consumer trends [8]. Secondly, the industry is also heavily impacted by external factors such as economic conditions, trade policies, and supply chain disruptions. Lastly, geopolitical tensions and trade tensions between China and other countries could also impact Anta's global expansion plans.

4. Existing Marketing Mix Strategy Based on 4P Theory

Anta's product offerings include sportswear, footwear, and accessories for men, women, and children [2]. They focus on providing high-quality products that are affordable for their target market.

Anta's pricing strategy is competitive and affordable, which helps them stand out in the market [7]. They offer products at a lower price point compared to other leading sportswear brands, which appeals to budget-conscious consumers.

Anta has a strong presence in China, with over 12,000 retail stores in the country with significant growth in the international presence with stores in Southeast Asia, Europe, and the United States [7]. Additionally, they sell their products online through their website and third-party e-commerce platforms.

Anta has previously sponsored a range of high-profile athletes and teams, including the Chinese national basketball team, tennis player Novak Djokovic, and American triathlete Gwen Jorgensen [7]. Anta promotes its brand through advertising campaigns that feature high-profile athletes, such as Klay Thompson and Gordon Hayward [3]. They also use social media platforms to engage with customers and promote their products.

In addition, Anta sponsors major sports events and teams to increase brand visibility and build brand equity. By partnering with these athletes and teams, Anta can showcase its products and build brand awareness among sports fans and consumers alike.

5. Anta Marketing Strategy Optimization Suggestions

5.1. Enhance Brand Concept and Media

Anta's marketing strategy may be struggling due to a lack of differentiation in its product offerings, a lack of targeted marketing, and insufficient social media topics. The first suggestion is expanding globally or enhancing its presence in international markets through targeted marketing campaigns. This move means the company is a counter to a major weakness, a sound move based on literature [8]. The result could involve partnering with local retailers and influencers, as well as leveraging social media and online advertising to reach new customers.

One marketing effort to increase brand recognition outside of China, Anta should consider launching a global brand awareness campaign. In particular, creating a distinctive brand identity should be a priority to make it easily recognized in non-Chinese markets. Secondly, sponsoring high-profile sports events and teams tends to create a buzz, and lastly, collaborating with global influencers and celebrities [6].

To address these challenges, Anta could conduct customer research to better understand its target market and what topics they would like to see more of on social media.

To improve its marketing strategy, Anta may need to invest in more compelling content creation and social media management to increase its brand awareness and reach. For example, in the process of exploring the international market, Anta regards improving the popularity overseas (especially the US market) as the primary task of marketing communication and hopes to provide e-commerce websites with the operation of overseas mainstream social media represented by Facebook and Instagram [10]. Divert traffic, promote sales, increases popularity in the international market represented by the United States, and increase the number of fans by 100%. At the same time, carry out social media content marketing to enhance fan interaction and stickiness. However, the traffic of the e-commerce website in the United States is low, Anta's fans on mainstream social media are not very active, and the interactivity of the content is not satisfactory.

The company could also partner with social media influencers. Given the post-Covid era, Anta can use live broadcasts to promote its products reaching a wider audience, and through cooperation with popular bloggers or social media influencers on the internet, it can use its influence on consumers to promote the promotion of its products [11]. This method breaks the established impression of consumers and Anta promotes the hot topic of products. Compared with shopping guide services in shopping malls, live broadcasts can stimulate consumers' desire to buy. Also, it is crucial to create

more interactive content to encourage engagement and showcase their brand story and values to build stronger relationships with followers. By implementing these tactics, Anta could improve its marketing strategy and ultimately drive sales and brand loyalty.

5.2. Improve Measure and Optimize

Anta should continuously measure the performance of its marketing efforts and optimize its strategy based on the data. One such great idea is advised from the SWOT matrix. For example, SO (Strengths-Opportunities) strategies focus on leveraging a company's strengths to exploit opportunities in the market. On the other hand, ST (Strengths-Threats) strategies concentrate on using a company's strengths to minimize or avoid potential threats in the market [5]. Similarly, WO (Weaknesses-Opportunities) strategies aim to minimize a company's weaknesses while leveraging opportunities to generate new growth avenues. Conversely, WT (Weaknesses-Threats) strategies focus on reducing weaknesses while mitigating potential threats that could negatively impact the company's performance. For example, Anta's main weakness was mainly a limited global presence, a lack of brand recognition outside of China, and reliance on the Chinese market.

While Anta's main strength was its strong presence in the Chinese market, it is clear this is no longer sufficient. One area of improvement would be for instance, leveraging its diverse product portfolio through innovation. That is, the company should showcase its product diversity that ranges from athletic wear to casual wear. To effectively market this, Anta should showcase its products in a way that appeals to different customer segments. For example, it could highlight the performance benefits of its athletic wear for fitness enthusiasts, while emphasizing the comfort and style of its casual wear for fashion-conscious consumers [12].

5.3. Diversification of Brand Building and Differentiation of Domestic and Foreign Markets

To mitigate Anta's weaknesses, it should focus on expanding its global presence through strategic partnerships with established retailers in different regions [11]. Additionally, they should consider diversifying their product offerings to appeal to a wider audience. This could include developing specialized lines for different sports or demographics. For example, Anta's key opportunities include the growing global demand for athleisure wear, increasing interest in health and fitness, and the rising popularity of e-commerce [9, 10]. Thus, Anta should consider these opportunities.

That is, firstly, targeting the athleisure trend by expanding its athleisure wear offerings to capitalize on the growing demand for stylish and comfortable activewear [8]. These offerings would be highly likely to appeal to younger demographics for instance. Like earlier, this could include launching new lines of athleisure wear and partnering with fashion influencers to promote these products. Secondly, it can tap into the health and fitness wear products, as more customers are drawn in [9]. Once more, plenty of fitness influencers could serve as promotion partners or sponsor sports events that endorse wearing Anta products while exercising. Thirdly, there has been growing popularity of e-commerce, meaning Anta while utilizing social media should strongly consider a well-thought-out online presence to reach more customers such as launching a new e-commerce platform, partnering with online retailers, and investing in targeted online advertising campaigns [10].

Lastly, it is important to note that this expansion of its product portfolio to appeal to a wider range of customers also expands its potential revenue sources. Since, it involves entering new product categories, such as athleisure wear, and targeting new customer segments, such as younger consumers, it reduces the reliance on its main markets.

5.4. Innovation

As noted from the SWOT analysis, in the sportswear market competition is high presenting a major threat. Anta must therefore seek to set itself apart from the more familiar brands by coming up with innovative offers. One approach to mitigate the threat is highlighting its Chinese heritage and distinctness from Western brands. Additionally, Anta's product pricing was noted to be affordable with its extensive portfolio.

The numerous offerings rely on innovation and a starting point is more market research to learn about customer preferences. The unique selling point the company comes up with for its marketing must satisfy customer preferences. This highlights the importance of cooperation either with high-profile athletes or events in intensifying innovation.

Anta, an important actor as a partner of the 2022 Beijing Winter Olympics game, set up a research and design laboratory specifically for the Winter Olympics game in January 2020, for instance [13]. Anta has partnered with the Beijing Institute of Fashion to research and develop high-quality apparel and equipment for the 2022 Beijing Winter Olympics. In addition to supplying official clothing to Chinese athletes, Anta has collaborated with the Beijing Winter Olympic Organizing Committee to launch a series of licensed sportswear models in Shanghai. This move has attracted new customers to Anta and helped to enhance the brand's visibility and reputation. By focusing on providing top-notch clothing and equipment to athletes, Anta is positioning itself as a leading sports apparel brand in the market [8]. Anta's revenue projections indicate that by December 31, 2020, the company expects to generate 1,270 billion in revenue from footwear, 2,167.1 billion from apparel, and 114.1 billion from accessories, representing a 4.7% increase from the company's 2019 revenue figures [7].

Anta has also made some notable innovative advances with initiatives such as its ANTA Kinetic Energy Technology. Anta should showcase the benefits of such innovative products and technologies through creative and informative marketing campaigns.

6. Conclusion

Overall, Anta has a strong presence in China's domestic market but needs to invest in global marketing campaigns and product innovation to expand its reach and stay competitive in the crowded sportswear market. There are several ways the company can build its brand awareness via targeted advertising campaigns. Some common ones often used by rivals like Nike include partnering with high profile athletes, popular Chinese social media influencers or hosting engaging local events.

Beyond targeted marketing campaigns, the company should consider innovating its offers for example trendy athleisure. Investing in e-commerce platforms is also a very quick and less costly approach to making the company's offers more accessible to customers worldwide. These developments will require innovation which is also strongly suggested as the company seeks to distinguish itself from the intense competition in the industry.

SWOT analysis advises a healthy balancing that seeks to reduce weaknesses and a combination of innovative offers alongside effective marketing, will strengthen Anta's brand reputation. For Anta to stay in business and gain competitive advantages over its rivals, it needs to reconsider some aspects of its marketing strategy to solve the problems of brand recognition and inefficient target marketing campaigns. The analysis of Anta company's marketing strategy has important implications for businesses and marketers operating in the sportswear industry and beyond. This study can help other businesses understand the importance of building a strong brand, leveraging social media, focusing on innovation, and adapting to local cultural and social contexts to stay ahead of the competition.

The study relied on publicly available information and did not include interviews with key stakeholders. To build on this study, future research could explore the role of financial management, supply chain management, and product development in Anta Company's success. Further research

could also explore the challenges and opportunities faced by Anta Company and other Chinese sportswear companies as they seek to expand into international markets.

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