

The Impact of Different Marketing Approaches on Company Performance Taking ANTA as an Example

Zhi Jing^{1,a,*}

¹*School of Economics and Management, Shanghai Institute of Technology, Shanghai. 200000, China*

a. 1811061103@mail.sit.edu.cn

**corresponding author*

Abstract: This research aims to explore the impact of different marketing strategies on the performance of Anta, a Chinese sportswear brand. The study utilizes SWOT analysis to identify Anta's strengths, weaknesses, opportunities, and threats and examines how traditional marketing, social media marketing, and sports event sponsorship affect the brand's performance. The research is based on a thorough review of the relevant literature and secondary data analysis. The findings indicate that Anta's strengths lie in its strong brand reputation, diversified product portfolio, and innovative design. However, the company faces challenges in the areas of distribution and international expansion. The study also reveals that social media marketing is a cost-effective and efficient way for Anta to engage with consumers and improve brand awareness, while sports event sponsorship can help the company enhance its brand image and reach a wider audience. In conclusion, this research provides insights into the marketing strategies that can help Anta improve its performance and competitiveness in the sportswear market. The study suggests that Anta should continue to invest in social media marketing and explore new opportunities for sports event sponsorship. The research contributes to the existing literature on sportswear marketing and provides valuable information for marketing practitioners and academics.

Keywords: company performance, SWOT analysis, marketing strategies

1. Introduction

ANTA Sports, a leading company in China's sporting goods industry, still showed counter-trend growth in the post-epidemic era. On March 21, ANTA Sports disclosed its 2022 results. In 2022, the company achieved revenue of 53.651 billion yuan, up 8.8% year-on-year [1]. This result reflects the outstanding performance of ANTA Sports in the domestic and international market promotion. After breaking 10 billion yuan in 2015, the company has achieved a leap from 10 billion yuan to 50 billion yuan in seven years, with a compound annual growth rate of more than 25%, ranking as the top Chinese sporting goods company for 11 consecutive years and leading the Chinese sports footwear market [2]. The role of its excellent marketing strategy and brand strength cannot be ignored in the display of these achievements. The authors argue that the impact of marketing strategy on corporate performance and market share is nevertheless very important. Therefore, this study aims to examine the factors that enable ANTA Sports to achieve a growth posture in the red sea of sporting goods, as well as to investigate the impact of different marketing approaches on its

corporate performance and to propose more effective marketing strategies to improve its market share and performance. Through the application of SWOT analysis and marketing theory, this paper will systematically analyze the current situation and future development direction of ANTA Sports in order to provide the company with valuable marketing strategy suggestions and references for future development.

2. Basic Theory and Analytical Tools

2.1. The Concept and Characteristics of SWOT Analysis

SWOT is a widely recognized strategic analysis framework that comprises four key elements of corporate strategic analysis: Strengths, Weaknesses, Opportunities, and Threats. Strengths refer to the advantageous conditions inherent within the company, such as the company's brand, technology, product quality, and management system. Weaknesses are the disadvantages or shortcomings within the company, such as the company's financial situation, talent management, and product design. Opportunities refer to the opportunities brought about by the external environment, such as market demand, industry trends, and changes in competitors. Threats are factors in the external environment that pose threats to the company, such as increased competition in the market, uncertainty in the policy environment, and emerging competitors. SWOT analysis provides companies with a framework for evaluating their internal and external environments, identifying and exploiting their strengths, addressing weaknesses, exploiting opportunities, and responding to threats. The results of the SWOT analysis serve as a crucial reference basis for strategy formulation.

2.2. The Application of SWOT Analysis in Operation and Marketing

SWOT analysis is an easy-to-use, comprehensive, practical, and actionable analysis method. However, these disciplines and settings may be grouped into five main categories, namely general management, academic and education, marketing and social media, health, and healthcare, and agricultural, in accordance with the examined literature [3]. In the academic and educational fields, SWOT analysis can help schools analyze their faculty strengths, subject specialties, opportunities, and threats to provide suggestions for improvement and strategic planning, such as the introduction of new courses and majors. In marketing and social media sectors, SWOT analysis can help businesses understand the competitive landscape, consumer needs and behaviors, and market opportunities and threats to develop appropriate marketing techniques. In the healthcare field, SWOT analysis can help organizations identify their strengths and weaknesses, such as the professional caliber of their doctors and nurses and medical equipment, and create relevant strategic goals, such as boosting equipment renewal and improving medical services. In the agricultural sector, SWOT analysis can help businesses create appropriate strategic plans, such as applying branding strategies and deploying sophisticated agricultural technology to increase production efficiency.

2.3. The Concept and Characteristics of Other Marketing Theories

The marketing mix refers to the four basic marketing tools (4Ps) that companies use in their marketing activities: product, price, place, and promotion, through which the strategies of these four areas are used to meet market demand and improve sales performance. These four areas can influence and interact with each other to form an overall marketing plan but also need to be customized according to the different needs of the market segment. Everything a marketer can do to raise the demand for its product from a certain audience is referred to as the marketing mix [4]. Firstly, ANTA's products have displayed exceptional performance because of ongoing innovation

and development. By performing market research and examining consumer feedback, the R&D team is committed to satisfying the demands of various customers. For instance, ANTA has steadily increased its market share in the market for basketball shoes as a result of the launch of high-performance basketball shoes that have won over both NBA and CBA players as well as customers. Second, ANTA's aggressive price policy has greatly aided in its success in the Chinese athletic goods industry. Aiming toward "cost-effective" product positioning, ANTA provides premium goods at competitive costs. Sports shoes from ANTA are 30% to 50% less costly than comparable items from foreign companies. Thirdly, ANTA's marketing techniques have also been successful. The business uses a variety of promotional tactics, such as discounts, and coupons, which have drawn a sizable number of customers. With its complete discount and coupon efforts throughout the Double 11 era, ANTA had positive results. In last place, ANTA has created a number of brick-and-mortar storefronts and online sales channels to provide customers with buying options. Customers may now acquire ANTA's items more easily via the company's official storefronts on e-commerce sites like JD and T-mall. Overall, ANTA's use of the 4Ps principle has improved the company's performance in the market and allowed it to keep its position as the top athletic goods brand in China.

Market segmentation refers to the subdivision of a large market into several smaller markets with different needs and characteristics. The purpose is to improve the accuracy and efficiency of marketing and to reduce the waste of resources. Typically, market segmentation can be classified based on several dimensions, including geographic location, demographics, behavioral characteristics, preferences, etc. This key strategy is essential to the development of a strategic plan for a brand. It is a decision-making tool for the marketing manager in the crucial tasks of selecting a target market for a given product and designing an appropriate marketing mix [5]. It can distinguish between different consumer demographic groups and ascertain which of these are drawn to a certain product. It can also create high-spending groups by utilizing a variety of commercial incentives [6]. By dividing its markets into many categories and concentrating on catering to each segment's unique demands, ANTA Company has been able to increase performance. With the use of this strategy, ANTA has been able to develop marketing strategies that are more effective in drawing in and keeping consumers. For instance, ANTA has divided its market into many sports categories, such as tennis, basketball, and running. With its own distinct wants and preferences, each sector is viewed as a different market. The R&D team at ANTA carries out market research to comprehend each segment's demands before creating goods that satisfy those needs. In order to provide high-performance basketball shoes that specifically cater to the demands of both professional and amateur players, ANTA has teamed with NBA and CBA players. Basketball players have praised ANTA's footwear, which has helped the brand capture a sizable portion of the market. In the running market, ANTA has created shoes with innovations that lessen the stress on the runner's feet and are intended for long-distance running. Age-based market segmentation is another strategy used by ANTA, with distinct product lines created for kids, teens, and adults. As an example, the children's product line from ANTA includes shoes that are made to be portable and durable with appealing patterns and colors for kids. To meet to the demands of clients in various parts of China, ANTA has also split its market based on regional distinctions. For example, ANTA's items made for clients in northern China have greater insulation and are better suited for cold climates, but those made for customers in southern China are more breathable and lighter.

3. Results of SWOT Analysis

3.1. The Strengths of ANTA

ANTA has a significant amount of brand awareness and influence. In addition to making major attempts to enter the worldwide market, the corporation has continually kept a dominant position in the Chinese market. The operation rights of FILA China were purchased by ANTA in 2009, SPRANDI was purchased in 2015, a cooperation agreement with DESCENTE was made in 2016, KOLON SPORT was incorporated in 2017, and Amer Sports was purchased in 2019 [7]. Through these well-timed alliances and smart acquisitions, ANTA has been able to broaden its product offering and market penetration, strengthening its competitiveness and brand recognition. The firm has improved its overall performance in the sports goods sector as a result of the significant brand effect that ANTA has had on consumers' purchasing decisions. ANTA's product lines are diversified and cover a wide range of categories, including running, basketball, soccer, outdoor, fitness, leisure, and more, allowing the company to cater to different consumer preferences. ANTA's brand strategy of "single focus, multi-brand and omnichannel" has led to the creation of three brand groups, which include professional sports, fashion sports, and outdoor sports [8]. The company's market capitalization has increased year by year, and since 2015, ANTA has grown to become the largest sporting goods company in China, with a market capitalization of over HK\$170 billion in 2019, ranking third in the global sporting goods industry. 2021, ANTA ranked 289th on the Fortune 500 list. 2021 annual results announcement showed that ANTA's annual revenue increased 38.9% year on year, reaching 49.33 billion yuan, ranking first in revenue for the 10th consecutive year. The annual revenue of ANTA grew 38.9% year-on-year to reach RMB 49.33 billion, ranking No. 1 in revenue of Chinese sports enterprises for the 10th consecutive year [9]. ANTA is a company that has a leading marketing strategy, constantly launching novel advertising campaigns and marketing activities. The company has cooperated with NBA star Curry and actively sought cooperation with major international events. ANTA has also invested heavily in advertising, which has helped to establish its own unique brand influence [10]. By using these innovative marketing strategies, ANTA has successfully increased its brand awareness and expanded its market share. Efficient supply chain management (SCM) is another key factor that has contributed to ANTA's success. ANTA has established an efficient SCM system that allows the company to control costs, improve production efficiency, and enhance product quality, all of which help to increase market competitiveness. The company has implemented several measures to optimize its supply chain, such as automating production processes, using data analytics to forecast demand, and establishing partnerships with suppliers to ensure reliable delivery of raw materials. Through these efforts, ANTA has been able to maintain a high level of quality and efficiency in its operations, which has contributed to the company's overall success.

3.2. The Weaknesses of ANTA

Despite having a sizable market share in China's sports brand market, ANTA's recognition is still behind that of global brands like Adidas and Nike. Given the industry saturation, ANTA finds it challenging to increase its market share. To deal with this, ANTA must increase customer preference and brand loyalty. The absence of core competitiveness presents ANTA with another difficulty. Its R&D is still in its infancy, and neither its core technology nor its product design team is mature [10]. Consequently, ANTA is less able to compete with renowned sports brands and confronts the possibility of alternatives. It still has a wide gap to bridge with the leading sports brands. To narrow this deficit, ANTA must further increase its market competitiveness.

3.3. The Opportunities of ANTA

The sports industry in China has been bolstered by government policies and initiatives such as "Outline for the Construction of a Strong Sports Country" and "Health China 2030", which reflect the government's recognition of the industry's potential and importance, and aim to promote public participation in sports and exercise. This has led to an increase in the potential consumer market for ANTA, as rising income levels and improved living standards have made sports and fitness more popular and accessible to the general public. Moreover, the sports industry has seen a steady increase in technical expertise, and collaboration among various brand enterprises is also on the rise. ANTA has been able to capitalize on this trend by investing in product technology research and development. The company has benefited from the solid foundation laid by predecessors in scientific and technological research and has continued to innovate with high-end technologies in its sports products. Overall, ANTA is well-positioned to benefit from the ongoing development of the sports industry in China, thanks to favorable government policies, growing public interest in sports and fitness, and advances in technical expertise and research [10].

3.4. The Threats of ANTA

In the current market, ANTA is up against quite a few obstacles, including the danger of substitutes. Since ANTA is a well-known local sports brand, it still trails leading global names like Nike and is fiercely competitive with other homegrown brands like Li Ning, Tebu, and 361°. Consumers have become more frugal spenders as a result of the global economy's downward trajectory, and profit margins are continually being squeezed by rising manufacturing costs and falling sales. Finally, the post-epidemic environment has had an effect on ANTA, putting the firm under a lot of burdens due to product backlogs and shop closings. For ANTA to maintain growth in the future and stay competitive, these issues must be resolved.

4. Impact of Different Marketing Strategies on ANTA's Performance

4.1. Traditional Marketing

With the growth of the Internet and social media, more and more companies are leaning toward digital marketing, yet traditional marketing methods still work and hold an important place in most industries and markets. They include advertising, promotions, personal selling, public relations, direct mail marketing, and event marketing. In terms of advertising and marketing, the most typical example of ANTA's brand communication is its sponsorship of the Olympic Games. As an official partner of the Chinese Olympic Committee, the ANTA sponsored 26 Chinese national teams. Since 2009, ANTA has been a strategic partner of the Olympic Committee for 16 consecutive years, with a total investment of more than 3 billion RMB, and 290 Olympic athletes have been on the podium wearing ANTA. With the diversified marketing strategy, ANTA has come out with a unique Olympic marketing path of its own [11].

4.2. Social Media Marketing

Social media's widespread use has fundamentally altered how businesses market. 2.77 billion people use the internet, and this rapidly growing social media marketing channel gives businesses new methods to connect with, engage, and communicate with their consumers [12]. ANTA collaborated with 77 Internet firms and 39 satellite media companies in 2019 to run "full coverage" advertising campaigns, receiving positive comments from the market [13]. Data shows that since January 1, 2022, ANTA's brand has topped the list of visitors on WeChat, Weibo, Baidu, Douyin,

and Toutiao. Among them, Weibo has been exposed and read 22 billion times [14]. In keeping with the live webcast trend, the ANTA brand chose the influencer live streaming method to draw traffic on Taobao, Douyin, and Weibo to continuously increase market awareness. To create personal IP, the ANTA brand's president used his own traffic to support the ANTA brand's publicity efforts and quickly create the celebrity effect. ANTA has published a digital collection with over 130 million readings and has garnered widespread interest from social groups when combined with other IPs. This will have the desired marketing effect by expanding the traffic region in addition to increasing the number of consumers.

4.3. Sports Event Sponsorship Marketing

The first sponsor of Euro 2020 is Adidas, which has been ruling soccer. In addition to this, Adidas is a long-time sponsor of the soccer balls used in the World Cup and the Euros. Since 1970, Adidas has been sponsoring all the soccer balls used in FIFA competitions. All the soccer balls used in the 2006 UEFA Champions League matches were sponsored by Adidas [15]. Sports brand sponsorship of sporting events is a form of event marketing, which is essentially a form of traditional marketing. And the fact that it stands alone and is elaborated separately shows its importance for sports brands. Sponsoring a sporting event allows the brand to gain exposure on the playing field and in the media, thus achieving marketing campaigns such as consolidating customer loyalty expanding new markets, and building brand image. From the very beginning, ANTA has sponsored a variety of different types of events and has entered the international arena in recent years. In addition to major events in China, ANTA has also provided strong sponsorship for a range of domestic and international sporting events. Over the past decade, ANTA has been actively involved in sponsoring various sports events and teams in China and internationally. In 2010, they signed agreements with the curling and short-track speed skating national teams, providing them with sports equipment. In 2012, ANTA provided the Chinese team members with the "Champion Loong Uniform" at the London Olympics. The following year, they signed with the Chinese Olympic Committee to provide awarding equipment for various international sports events. ANTA continued its sponsorship of the "Champion Loong Uniform" for the Sochi Winter Olympic Games in 2014. In 2015, ANTA entered the soccer market and signed the captain of the soccer national team. ANTA also provided support for the Chinese sports delegation in the Rio Olympics in Brazil in 2016. In 2017, ANTA became the official partner of the Beijing 2022 Winter Olympic Games and Winter Paralympic Games. In 2019, ANTA's sports apparel was showcased on the National Day float. Finally, in 2020, ANTA became the official sports apparel supplier of the International Olympic Committee. These sponsorships have helped ANTA to build its brand image and increase its visibility in the sports industry, both domestically and internationally.

5. Conclusion

In conclusion, ANTA Sports has been successful in building a strong brand presence in the domestic market, but faces several challenges in terms of expanding globally and competing with top international sports brands. However, ANTA has demonstrated a leading marketing strategy by launching creative advertising campaigns and investing heavily in brand building. Furthermore, efficient supply chain management has allowed ANTA to control costs, improve production efficiency, and enhance market competitiveness. However, ANTA also faces several challenges, including a lack of core competitiveness due to its late establishment and the rapid pace of change in the industry. Additionally, the threat of substitutes from other domestic brands and international giants such as Nike and Adidas remain a major obstacle to growth. The impact of macro-environmental factors such as the global economic downturn and rising production costs further

complicates the competitive landscape. Despite these challenges, ANTA has demonstrated a commitment to innovation and product development. The company has established an R&D studio and invested in new technologies, indicating a willingness to adapt and improve its product offerings. Moreover, ANTA has shown an ability to capitalize on major events such as the Beijing Winter Olympics, which has helped to expand brand influence and attract a wider audience. In the future, ANTA will need to continue to address these challenges and invest in innovation to remain competitive. As the global economy recovers from the pandemic, ANTA will need to adapt to changing consumer behaviors and preferences, while maintaining a focus on cost control and product quality. Additionally, ANTA should consider expanding its presence in international markets and building partnerships with major global sports organizations. With a focus on innovation and product development, along with a commitment to brand building and efficient supply chain management, ANTA has the potential to become a leading global sports brand in the future.

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