

Research and Enlightenment of Expanding Economic Benefits of Professional Sports League – Take NBA as an Example

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Abstract. With the continuous development of economy, society and national economy, the public's attention and interest in sports increase, the professional sports league as become a new growth point of the national economy in the whole country, and the economic benefits generated by it are increasing day by day in the world. The rapid economic development of professional sports alliances has promoted the prosperity of the sports industry. The highly commercial operation mode and makes profits through ticket sales, media broadcast rights, sponsor cooperation and other ways. The high income of star athletes has a significant impact on the economic and social influence of the alliance. Taking NBA as an example to analyze how professional sports leagues expand the market. In the past, it were summarized and further studied. This paper will study the development ideas and strategies of NBA, to achieve a comprehensive understanding of the profit model of professional sports leagues, and to provide reference for the development of other sports leagues.

Keywords: Sports League; Economic Benefits; NBA; Internationalization

1. Introduction

With the development of social economy, the sports industry has gradually formed a mature road to promote economic development. As an important link in the development process of the sports industry, the professional sports league has gradually deepened and extensive influence on the structure of the sports industry, and also plays an important role in promoting the development of the economy. In recent years, with the continuous improvement of the marketization degree of the sports industry, the influence and competitiveness of the professional sports leagues have developed rapidly, and people pay more and more attention to the professional sports leagues, which makes the professional sports leagues drive the development of the overall economy. However, how to guide the development of the sports industry, especially the professional sports league, by analyzing the development trend of the macro economy is still worth our further analysis. Therefore, this study studies the economic benefits of professional sports league, and specifically studies the NBA league, and discusses the economic benefits of professional sports league in the four cases of star-making sports, recruitment of foreign players, digital media and the development of global competitions. First, the literature data method is used to analyze the case of NBA league, followed by the related research of professional sports league, sports industry and economic development. Secondly, the development of recruiting foreign players, digital media and global competitions in NBA league are restored through case analysis. At the same time, systematic analysis method is adopted to systematically analyze the relationship between NBA league and economic development, aiming to clarify the dynamic law of the relationship between NBA league and economic development, so as to effectively predict the trend of NBA league affecting economic development, and provide theoretical guidance for professional sports league to promote economic development. By analyzing the research and enlightenment of expanding the economic benefits of NBA professional sports league, the general

law between professional sports league and economic development is explored. On the basis of discovering the law, it rationally analyzes and predicts the development trend of professional sports league, which provides reference for promoting the development of economy of Chinese professional sports league.

2. Theoretical Analysis

Guo Zhiqiang pointed out that professional sports leagues have the basic attributes of commodities, which can meet people's material and spiritual pursuit, can be used and consumed by people, and it is worth mentioning that professional sports leagues can have a variety of consumption modes (explicit consumption and recessive elimination coexist. At present, the main consumers of professional sports leagues mainly include audience, radio and television media, gambling industry, corporate sponsors and the Internet [1]. Some well-known professional sports leagues such as NBA, NFL, English Premier League have achieved a lot of success in the development of the international market through successful marketing means such as star effect and the application of new media, and gained a large number of fan base. Brad R. Humphreys and Candon Johnso Through the study of surface sports league through the shaping of star athletes, improve the attendance rate, greatly increased the ticket fee. At the same time, in the cross-country transfer process, athletes promote the communication and integration of cultures from different countries through technical communication, and use the popularity of the league to create a huge market [2]. And with the development of network digital technology, professional sports, especially the NBA, can effectively make use of the network space to realize the growth of digital form and global resource allocation. The rise of digital broadcasting platforms and new media has improved the value of media copyright and become an important source of income for professional sports. By holding international competitions and inviting foreign teams to participate in the competition, the popularity and influence of the league are improved, thus achieving the purpose of increasing the fan market. Raised the overall revenue of the league, eventually leading to economic growth.

3. Case Reduction

NBA full name (National Basketball Association), is the world's highest level basketball professional sports league, is also one of the four major professional sports league in North America, since its inception in 1946, in addition to its own high sports level and comprehensive professional operation, successful marketing strategy and globalization promotion make its development become one of the world's most influential and popular sports league, the following article will explore it.

3.1. Star-making Movement

With the gradual rise of entertainment industry and new media, "star making" has become a conventional commercial means. By cultivating enterprise stars to improve the visibility and influence of enterprises, through a series of planning and activities, stars become the focus of the market and the masses.

The creation of superstars partly saved the NBA's precarious market, saved the alliance on the verge of bankruptcy, and became an extremely successful business operation. It was often a popular saying in China in the 1990s that one of the three things to do in the United States was to go to Chicago to see a Jordan game. From "Magic Johnson" and "basketball god" Michael Jordan to "King" LeBron James "black Mamba" Kobe Bryant, the NBA has created a large number of superstars to improve the league awareness, increase ticket revenue and other income. For example, Bryant led the All-Star poll in 2011, receiving 2.38 million votes. It is estimated that he created 2,4801,042) additional fans who increased attendance. Considering the average ticket price for the period of \$73.88, Bryant's attraction value is estimated at \$183,232 per game in attendance. He played 82 games in the 2010 – 2011 season, so Bryant's Star Appeal was worth an estimated \$15,025,024 that season. The number

of home games was 41. By a cost-effectiveness analysis, Bryant generated \$7,512,512 in additional revenue for the Los Angeles Lakers. That amount is less than a third of his salary (\$24,806,250) [3].

The NBA will tend to schedule potential starstars in more live games across the country, as well as better game time and opponent schedules in some key games. When Zion Williamson, for example, first entered the league, the Pelicans saw a huge increase in live broadcasts across the country, and the remaining schedule was considered the easiest team to compete for a playoff qualification. The NBA will actively help potential players to get more commercial endorsement contracts. Once the player becomes the brand spokesperson, it can not only increase the income of the player, but also further enhance the popularity and influence of the player through the promotion of the brand. Superstars like LeBron James and Stephen Curry have many famous brands.

Today, the influence of super star is still expanding, NBA star training plan also increasingly mature, when lebron James, Kevin Durant, Stephen garage and the league leader gradually old, the next batch of rising star gradually, such as Anthony Edwards, luka east qi qi, generation of generation, superstar market to the professional sports league always keep vitality.

3.2. Recruit Foreign Players

Every year, a large number of foreign players with NBA dreams around the world sign up for the draft. After appearing in national leagues, international tournaments or some basketball camps, they are eager to draft into the NBA. For example, young players from Europe and Africa will submit draft applications to NBA officials. After a series of evaluation and screening, they will have the chance to be selected by NBA teams in the draft. The scouts from the NBA teams look for potential foreign players around the world. They watch international events, and scouts recommend the right person to the team management based on how the players have performed in those events. Some foreign players who have proved themselves on the international arena will attract the attention of NBA teams. After these players become free agents, NBA teams can contact them and negotiate contracts.

Players' movement in professional leagues is also an important way of cultural exchange. In the process of transnational transfer, players not only bring technical communication, but also promote the spread and integration of cultures from different countries The growth of international players in the NBA: The 1990-1991 season: The number of international players (players born outside the United States) in the NBA was only 21, or 4.8 percent of the total. The 2000-2001 season: The number of international players increased to 45, or 10.2% of the total players. The 2010-2011 season: The number of international players reached 84, accounting for 18.7% of the total players. 2020-2021: The number of international players in the NBA has surpassed 100, or 107, or 21.9 percent of the total, from 41 different countries.

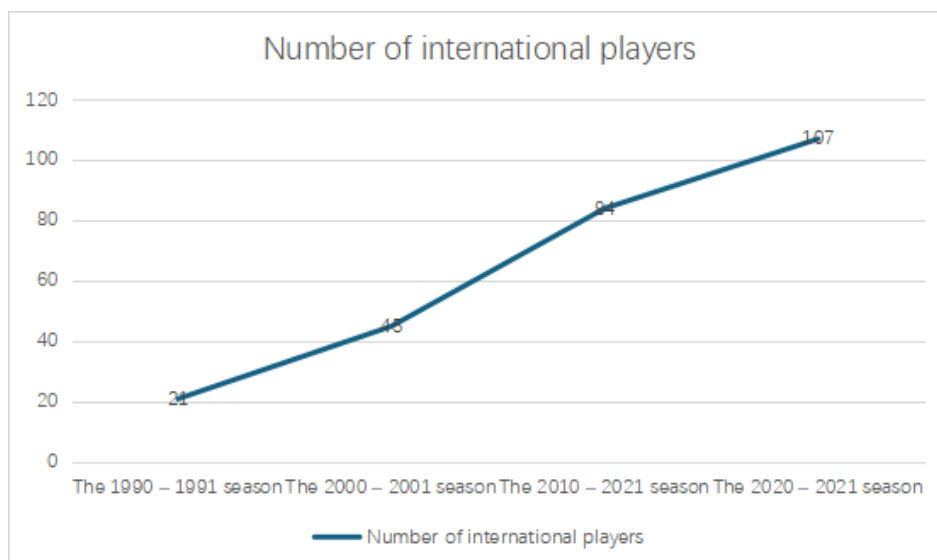


Figure 1. Number of international players

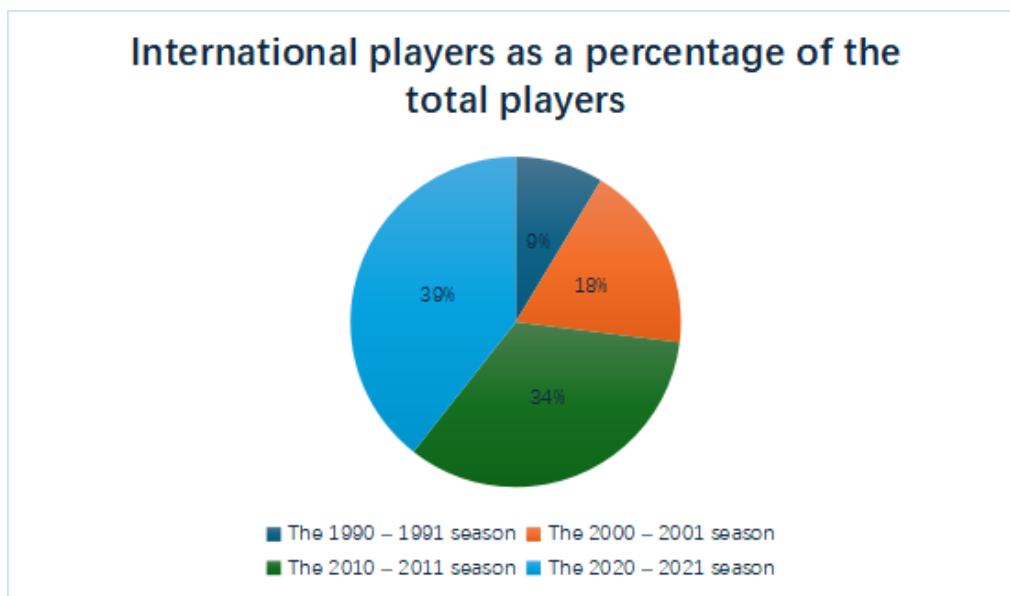


Figure 2. International players as a percentage of the total players

Figures 1 and 2 show the number and proportion of international players in the NBA in 1990-1991, 2000-2001, 2010-2011, 2020-2021, which can be clearly compared.

Take Yao Ming for example. Yao Ming has had a huge influence in China after joining the NBA, Liu Shaohua proposed that East Asia, especially China, paid great attention to the NBA, which further enhanced the internationalization of the NBA, and after bringing Yao Ming to the NBA (2002): the emergence of Yao Ming greatly promoted the popularity of the NBA in China [4]. In 2007, NBA signed a five-year cooperation agreement with China Central Television (CCTV), with an average annual audience rating of () more than 250 million people. In 2019, the NBA had 450 million followers in China. The NBA's partnership with Tencent has allowed the NBA competition to reach 500 million viewers in China through digital platforms.

By 2020, the NBA will generate about \$500 million from China, accounting for more than 10 percent of the league's total revenue. TV, advertising revenue, Chinese emotional investment in the NBA, ticket revenue and sportswear sales and so on.

It is worth adding that the NBA's strategy of introducing foreign players not only helps the league to achieve international market and profits, but also greatly promotes the development of world basketball concepts and technologies. In the 2004 Athens Olympics, the American Dream Six, led by Duncan, Iverson, Malone, and Kidd, was challenged by the Spurs star Manuginobili in the semifinals, but only won the bronze medal. In the 2023 Men's Basketball World Cup, the United States lost to Serbia in the rematch, Germany in the semifinals and the third place to Canada. More and more international players are going to the NBA, which has greatly promoted the level of world basketball.

3.3. Attach Importance to the Role of Digital Media

The globalization process of NBA benefits from the network digital technology, which makes the communication and communication across borders more convenient and attracts consumers and investors around the world.

2000: The NBA games are broadcast in more than 200 countries and regions, supporting more than 40 languages and covering about 700 million households. 2019-2020: The NBA has 1.5 billion global TV viewers, the league's games in 215 countries and regions, and broadcast in more than 50 languages the NBA is at the forefront of the digital media era. He was the first to broadcast the NBA on digital TV, the first to establish the league basketball website (NBA.com), opened the NBA official microblog in China, and opened an NBA online store. In November 2011, OUTUBE, the world's largest video website, signed a cooperation agreement with the NBA. These measures give the NBA

a large world market. The 2023 NBA playoffs had an average of 5.47 million viewers on ABC, ESPN, and TNT, making it the most watched playoff season in five years. Since early May, NBA games have included nine of the 10 top ratings of all television and 15 of the 20 under 50 since early April.

Kang pointed out that media broadcast rights are one of the most important sources of revenue in the NBA and have an extremely important impact on its revenue. First, the broadcast contract brings in huge amounts of money. For example, the nine-year, \$24 billion broadcast contract signed by the NBA with ESPN, ABC and Turner Sports in 2014 brings in about \$2.67 billion in revenue for the NBA. According to June 2024, the NBA is close to an 11-year \$76 billion deal with NBC, ESPN and Amazon, bringing annual revenue to nearly \$7 billion, almost 2.5 times the previous revenue [5].

Digital media has helped the NBA build a huge fan community, where fans can share their feelings, discuss players' performance, and share information about the event. This community atmosphere not only allows fans to participate more deeply in the event, but also cultivates a loyal fan base for the NBA.

3.4. The Development of the Global Sports Events

With the globalization of basketball, more and more international players enter the NBA and become regular players in the All-Star Game. The outstanding performance of these international players attracted the attention of their own fans to the All-Star Game and further expanded the global influence of the tournament. For example, international players such as Decnovitzki from Germany and Steve Nash from Canada have been selected for many All-Star games. The NBA All-Star Game is broadcast live on major TV stations and online platforms around the world, allowing fans around the world to watch the game in real time. At the same time, the NBA will also promote the games around the world, using social media, advertising and other channels to improve the popularity and attention of the All-Star Game.

The NBA provides an important platform for cultural exchange between different countries. By holding international competitions and inviting foreign teams to participate, the mutual understanding and integration of national cultures have been promoted.

Global competitions have also brought a large number of markets to the NBA, and NBA overseas competitions are an important part of the NBA's global strategy. NBA Global Games noted that the NBA has held more than 200 games in more than 30 countries and regions since its first overseas regular season in Tokyo, Japan, in 1991. These events have significantly increased the focus and participation of local fans in the NBA. The NBA's ratings and fan base in countries hosting international games have usually grown significantly. For example, after the Los Angeles Lakers played Shanghai in China in 2004, the number of NBA fans in China surged and the ratings soared. The NBA overseas competition has expanded the NBA's influence outside of China.

The NBA hosts basketball boundaries around the world, including basketball camps. NBA players, coaches and other professionals to be coaches to provide professional basketball training and guidance for local youth basketball fans. At the same time, it also provides opportunities for basketball players from all countries to exchange and learn, and promotes the popularization and development of basketball in the world. In addition to basketball training, basketball boundless activities also include a series of public welfare activities, such as the donation of basketball equipment and the construction of basketball courts, to help improve the local infrastructure and environment of basketball. This not only reflects the social responsibility of NBA, but also enhances the brand image and influence of NBA in the world.

4. The Implications for the Chinese League

CBA (Chinese Basketball Association) is the largest professional basketball sports league in China and the highest palace of basketball in China. Among them, Yao Ming, Yi Jianlian, Zhu Fangyu, Wang Zhizhi and other star players, once cultivated the golden area of Chinese men's basketball team

and achieved the eighth place in the world in the 2008 Beijing Olympic Games. In the era of rapid development of new media, CBA has also created effective propaganda means such as "Liao and Guangdong War" subjectively, which has effectively improved the audience rating. However, the decline in the performance of the Chinese men's basketball team in the World Series reflects the lack of the competitive level of the players. This paper believes that increasing the international communication of the CBA league can help the players to adapt to the development trend of world basketball, learn advanced basketball skills and improve their competitive ability. At the same time, it can help the CBA league to improve the world visibility, and also expand the domestic and foreign fan market, which is more conducive to the long-term development of the CBA league.

5. Summary

To sum up, NBA's marketing strategy has a long-term strategic vision, including various means, such as the introduction of foreign players, the use of digital media, and the development of global competitions, enabling it to have a wide range of fans around the world, and drive the development of related industries. Based on these methods and strategies, this paper studies the profound reference and reference significance of NBA for other sports leagues, and discusses the enlightenment of expanding the economic benefits of professional sports leagues. There is still room for discussion on how to overcome cultural differences in communication. Therefore, further detailed research can be carried out in the future to facilitate the in-depth research on this topic. Analysis and criticism, the NBA league has played an positive role in promoting international trade. However, due to the differences between different cultures, the league may encounter cultural conflicts and misunderstandings in the process of cultural exchange. This requires that the league must respect the differences of different cultures, strengthen communication and cooperation, and avoid unnecessary misunderstandings and conflicts when promoting cultural exchanges. In the process of pursuing internationalization, some leagues may put too much emphasis on cultural commonness and ignore cultural individuality. As a result, the league lacks characteristics and innovation in cultural exchange, and it is difficult to stand out in the fierce market competition.

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