

Market Strategy Analysis of Li Ning Based on SWOT and 4PS

Xiyu Deng *

Department of School of Humanities and Arts, Macau University of Science and Technology
University, Macau, China

* Corresponding author: 1220012846@student.must.edu.mo

Abstract. With the advent of the 21st century, the world economy is getting better and better, and people pay more attention to health and vigorously develop sports. With the tide of The Times, the development of sports companies is also getting better and better. This paper mainly discusses the market analysis of Li Ning Company. After years of development, Li Ning company, as a leading brand in China's sports industry, has shown a strong momentum of development in the market research. But at the same time, Li Ning also needs to constantly adjust and optimize our marketing operation and marketing strategy to achieve sustainable development. Li Ning's market research will be very helpful to other participants in the Chinese sports market to better understand the development of the market development trend and the internal needs of consumers and to develop more critical market strategies and product planning, to occupy a dominant position in the fierce market competition.

Keywords: Lining; 4ps; SWOT; Market strategy.

1. Introduction

With the continuous advancement of the globalization process, internationalization has become an important trend in the development of many enterprises [1]. The rapid development of globalization has led to the increasingly rapid development of the world economy. People will pay attention to their own health problems in the case of favorable living conditions, and physical exercise is the best choice for ordinary people. From now on sports have become an indispensable part of modern life. As a derivative of sports, the sports brand market also shows a strong development trend.

As a local brand in China, Li Ning company has a high visibility and consumer group in the domestic market. However, in the international market competition, Li Ning company faces many challenges [2]. Li Ning's brand since its establishment, with its unique brand culture and high-quality product quality, has won the love of the majority of consumers. The implementation of brand younger brands needs to generally meet the following conditions: brand image positioning for high-end brands, brand products with domestic and foreign sports brand market expansion and competition, and lining brands are also facing many challenges. Therefore, a thorough study of the marketing strategy of Li Ning's brand is of great significance to understanding its success and facing market challenges.

This paper analyzes the marketing strategy of Li Ning through the 4 Ps. First of all, reviews the development process of Li Ning's brand, and discusses the formation and evolution of its culture. Secondly, this paper focuses on Li Ning market positioning, product strategy, price strategy, channel strategy, and promotion strategy, in order to reveal the core elements and characteristics of its marketing strategy. Finally, combined with the changes in the market environment and consumer demand, the marketing strategy of the Li Ning brand is discussed, and targeted suggestions are put forward.

2. Background

Li Ning's development dates back to 1989, when Li Ning won 14 World Gymnastics Championships and 106 Gold medals in gymnastics competitions at home and abroad in 1990, Li Ning founded Li Ning Sports Goods Company, and his goal was to create a brand that stimulates people in sports and

helps people stay healthy. Li Ning's product line includes sneakers, clothing, equipment, and accessories to meet consumers of different ages, genders, and sports needs. The unique brand value of "Prince of Gymnastics" is accompanied by the growth and expansion of Li Ning Company. Li Ning peaked the influence that lit the cauldron at the opening ceremony of the 2008 Beijing Olympics. It wasn't until 2012, when the industry made major changes, that Li Ning became the largest sports brand in the area. However, Li Ning's brand has also faced some challenges and doubts in the past. For example, issues such as the location of the establishment, the proportion of foreign ownership and the nationality of senior managers have attracted public attention.

In 2018, Li Ning Group achieved a significant increase in operating revenue, exceeding the 10-billion-yuan mark for the first time, reaching 10.511 billion yuan, with a year-on-year growth of 18.4%. Its operational efficiency continues to improve. Gross profit margin increased to 48.1%, net profit margin increased from 5.8% to 6.8%, and operating cash flow also increased by 44%. In 2018, Li Ning company continued to maintain its positive development trend. The management of the company has put forward the development strategy of "single brand, multi-category and multi-channel", carried out the multi-sports operation under the core main brand of Lining, and formed their own business platforms. In addition, Li Ning also pays attention to the innovation of the store image matrix, showing the new image of China Li Ning fashion stores in the high-end business districts of second-tier cities, and constantly transforming and upgrading the sports experience of retail stores to attract young and fashionable consumers. Network new media integrates the characteristics of The Times into the new media communication. Its bottom-up, real-time interaction, and the communication mode of "everyone has a microphone" is more in line with the cognitive mode of young users and attract young consumers. This strategy helps to increase the brand influence and market share. At the same time, the company also focuses on brand building and innovation to adapt to the changing market environment and consumer needs. In general, Li Ning company has maintained a stable growth trend in the development after 2018 and achieved sustained growth in performance by optimizing the product structure, improving operational efficiency, expanding sales channels and other ways.

However, it should also be noted that the competition in the sports brand market is very fierce, and Li Ning company needs to further improve the quality and technical level of products, pay attention to innovative design, and enhance the international image and visibility of the brand. Only with the strength and advantage to compete with international brands, can Li Ning company achieve greater success in the international market [3]. At the same time, the company also needs to pay attention to the development trend of the industry and the changes in consumer demand and adjust its strategy and business model in time to maintain the leading position.

3. 4ps

3.1. Products

Li Ning brand product line is quite rich, covering sports shoes, sportswear, sports accessories and other fields, each product reflects Li Ning's pursuit of professionalism and fashion. In terms of sports shoes, Li Ning not only pays attention to the function of the shoes but also constantly innovates in the design and materials. For example, Li Ning's running shoes use self-developed damping technology, which can effectively reduce the impact on the feet and improve the sports performance of athletes in their daily lives and competitions. At the same time, the design of shoes is also fully considered the fashion elements, so sports shoes are not only sports equipment but also a fashion project that can show personality. In sportswear, Li Ning pays more attention to comfort and functionality. Its sportswear uses good air permeability, moisture absorption and rapid sweating materials to ensure that the athletes remain comfortable during the exercise. In terms of sports accessories, Li Ning also provides a wealth of choices. Whether it's a sports bag, wrist pads, knee pads, or other sports accessories, they all reflect Li Ning's attention to detail and the pursuit of quality. These accessories are not only practical but also stylish in design and can be perfectly matched with

Li Ning's sports shoes and clothes, providing athletes with a full range of sports experiences. worth studying. Li Ning designer skillfully combines the Chinese national wind elements and the West Street trend elements together to create the popular fashion wind products on the market. In the past two years, for example, the "China Li Ning" Fashion Week collection has attracted the attention of young consumers.

3.2. Price

The price of a product is one of the important factors that affect consumers' purchase decisions. Pricing strategies can balance the relationship between brand image, product value, and consumers' willingness to pay. High prices can lead to losses for consumers, while low prices can damage the brand image and reduce profits. Li Ning's products are priced at the middle level in the Chinese market, affordable that many people can afford. Then, Li Ning always does activities such as holiday sales, end-season discounts, membership points and so on. It not only gives preferential treatment to consumers but also increases its own economic benefits. Li Ning supports a variety of payment methods, such as cash payment, electronic payment, credit card payment, etc.

3.3. Place

The brand has quickly established a huge retail distribution network and supply chain management system in China, keeping up with the pace of Time, enhancing the status of e-commerce, and building an e-commerce ecosystem. In the financing process of the capital chain, they use the industrial chain to connect all levels of the capital chain, so as to improve efficiency and achieve the goal of improving profits. With the continuous expansion of product production scale, li Ning company's factory and production line orderly expansion gradually realized the return of capital. In other areas, Lining is equally worried. Li Ning company will have 13 logistics, warehousing, transportation integration, and unified distribution. They have set up three distribution centers in three major areas around the Yangtze River Delta, Pearl River Delta and Beijing to improve logistics speed and distribution accuracy.

3.4. Promotion

Founded by gymnast Prince Li Ning, the brand has carried profound sportsmanship and cultural heritage since its birth. With his outstanding achievements and far-reaching influence, Mr.Li Ning has injected a unique celebrity effect into the brand, so that the launch of Li Ning brand products, quickly won the favor and pursuit of consumers.

With the development of the brand, Lining has always maintained close contact with the sports community. Through the continued sponsorship of the Olympic Games and the Asian Games, Lining has not only successfully enhanced its popularity and influence, but also established a professional and reliable brand image in the hearts of consumers. These sponsorship activities not only allow Li Ning's products to be displayed on a broader stage but also bring more exposure opportunities and cooperation possibilities for the brand.

In 2018, Li Ning's brand took a major step forward, becoming the first Chinese sports brand to appear at New York Fashion Week. This landmark event marks the further promotion of the Li Ning brand's position on the international stage and also demonstrates its unique understanding and innovative practice of the combination of fashion and sports.

Before the promotion, Li Ning conducted an in-depth budget analysis to ensure that each investment point brings the maximum economic benefits. This excellent attitude is not only reflected in financial management but also runs through every link of brand development. In addition to working with stars and organizations in the sports and entertainment sectors, Li Ning also uses different marketing tactics and strategies in different markets. For example, in the European market, Li Ning focuses on the design and quality of high-end products and fashion and high quality, and in the South American market, Li Ning adopts preferential price and affordable marketing strategies to cater to the local

consumers' price sensitivity [4]. Li Ning brand pays attention to the spokesperson closest to the target consumer group and enhances the attractiveness of the brand through its image and influence. At the same time, Li Ning also attaches great importance to the actual display of products in the advertising. Through vivid and real scene reproduction, consumers can intuitively feel the advantages and characteristics of the product, thus triggering their desire to buy.

4. Swot

4.1. Strength

Brand culture and values. Li Ning's brand is named after the Olympic champion Li Ning, which has a certain persuasion and public credibility. The term Li Ning is the company's largest intangible asset of the company, is the development of Li Ning has become an indispensable industry giant [5]. This gives Li Ning a natural advantage in building a brand culture and values. The brand's concept that "people have unlimited potential, and sports make people more confident" has won the recognition of many consumers.

Product innovation and research and development capabilities. Li Ning company pays attention to product research and development and innovation and constantly launches new products according to the market demand. For example, Li Ning's ultra-lightweight 2024 shoes have been fully upgraded in design and performance, showing the company's strong research and development strength. Li Ning company's continuous product innovation has won the love of consumers and market recognition.

International view. In the process of development, Li Ning has continuously expanded his international vision, actively participated in international sports events and cooperation, and enhanced the international influence of the brand. At the same time, Li Ning also focuses on the combination of international popular elements and local culture to create a unique product. Let Chinese young consumers feel the charm from "made in China" to "created in China", from "Chinese products" to "Chinese brands" leap[6].

4.2. weakness

Market segmentation and target positioning. Li Ning has some problems with market segmentation and target positioning. Although its product line covers multiple areas, it is not prominent in some market segments. In addition, Li Ning's competitiveness in the high-end market is relatively weak, and there is still a certain gap compared with international brands.

Brand image and communication strategy. Although Li Ning has made some achievements in brand image construction, the communication strategy still needs to be improved. For example, some events in the past have caused public controversy, which has had a certain impact on the brand image. Therefore, Li Ning needs to be more careful in dealing with brand communication and public relations affairs

Lack of advertising efforts. compared with the huge advertising investment of international brands such as NIKE and ADIDAS, it is difficult for Li Ning's grassroots advertising strategy to attract the attention of modern consumers, whether from the selection of stars, the quality of advertising, or the carrier of communication.

Change in company strategy. Li Ning's product recognition is greatly reduced. As the national characteristics of the Li Ning brand gradually fade, its consumer customer base is also gradually aging. In order to attract new consumers, Li Ning has also made a lot of efforts in brand promotion, but its promotion method has not produced a large enough influence on the new target group [7].

4.3. Opportunity

Industrial growth and consumption upgrading. With the continuous growth of the domestic economy and the strengthening of the consumption upgrading trend, the sports goods market presents a huge development potential. Li Ning can take advantage of this opportunity to strengthen market expansion and brand promotion, and further increase the proportion of market share.

Digital transformation and online channel expansion. In the digital age, online channels have become an important way to sell sporting goods. Actively embrace digital transformation and intelligent development, and strengthen the interaction and communication with consumers through online stores, social media and other channels. Li Ning can increase its investment in e-commerce platforms and its own websites to optimize the online shopping experience and attract more young consumers.

Service focus downward. consumers generally reflect that big and other international brands neglect consumers in the domestic sales process. Due to the great influence of their brands, such companies seem to gradually ignore customer service and only use their own brand advantages for high-profile sales.

4.4. Threat

Increased market competition. the sporting goods market is fierce, not only the competition of domestic and foreign brands but also the emergence of emerging brands. These competitors could pose a threat to Li Ning in terms of brand awareness, product quality, and price. Therefore, Li Ning needs to constantly improve its competitiveness to maintain its leading position in the market.

Changes in consumer demand. With the diversification of consumer demand and the strengthening of the personalized trend, Li Ning needs to pay close attention to the market dynamics and the changes in consumer demand, and timely adjust the product strategy and market strategy. Dig into Chinese, enrich the product's cultural connotation with Chinese elements, show the brand image in the form of a fashion show, inherit and develop the spirit of the traditional Chinese culture, and reshape the brand and image; with the help of hot innovation marketing methods, launch challenge activities on the influential platform, support Xinjiang cotton in international events and open brand story exchange meeting, let KOL and share stories with consumers to enhance the brand influence[8]. At the same time, it also needs to strengthen the interaction and communication with consumers, to understand the real needs and feedback of consumers, so as to better meet the market demand.

5. Suggestions

5.1. Deepening Product Innovation and Technology Research and Development

Continue to invest in research and development, constantly launch innovative and technology products, and improve the competitiveness and differentiation of products. For example, the lining can develop lighter, more comfortable shoes, or advanced materials and technology can be introduced to create more unique sports equipment.

5.2. Strengthen the Brand Image and Cultural Construction

On the basis of maintaining the brand professionalism and sports quality, further strengthen the brand youth and fashion image, to attract the attention of more young consumers. According to China Merchants securities market survey analysis.

5.3. Optimize the Channel Layout and Retail Experience

While maintaining the advantages of online channels, strengthen the construction and management of offline stores to improve the image and service level of the stores. At the same time, it focuses on the integration of online and offline channels to create a seamless shopping experience.

5.4. Expand the International Market, Diversify Cooperation

On the basis of consolidating the domestic market position, actively seeking opportunities to expand the international market, and enhance the influence of the brand in the global scope. At the same time, we can cooperate with other well-known brands or institutions to jointly launch joint products or activities to achieve resource sharing and mutual benefit and win-win results.

5.5. Strengthen Supply Chain Management and Cost Control

Optimize supply chain management, and improve production efficiency and product quality while reducing procurement costs. Through fine management, realize the effective control of the cost, and improve the profitability of the company.

5.6. Focus on Social Responsibility and Sustainable Development

Actively fulfill social responsibility, pay attention to environmental protection and social public welfare undertakings, and improve the social image of the company. Li Ning company should adhere to the consumer as the center, pay attention to product quality and service, and at the same time increase technology research and development efforts, enhance brand image, expand market share and other suggestions.

At the same time, promote the implementation of a sustainable development strategy and realize the coordinated development of economy, society and environment.

The government should encourage and support enterprises to implement the brand development strategy: as early as 1996, The State Council issued the "Quality Revitalization Outline" pointed out: "implement the famous brand development strategy, revitalize the national industry. Encourage enterprises to produce quality products, and support qualified enterprises to establish brand-name products. brand is important support for the development of enterprises. By encouraging enterprises to implement the brand development strategy, the government can encourage enterprises to improve product quality, innovate service methods, and then promote industrial upgrading and economic development. An excellent brand is the name card of the country, which can show the country's economic strength, scientific and technological level and cultural charm. The government supports enterprise brand construction, which helps to enhance the image and status of the country in the world. In the context of globalization, enterprises are facing fierce competition from the domestic and foreign markets. By supporting the brand construction, the government can help the enterprises improve their market competitiveness and expand the domestic and foreign markets.

5.7. Downplay Li Ning's Personal Influence

Li Ning himself is successful as an athlete, but Li Ning company can not always rely on the personal influence of Li Ning to promote "Li Ning", "Li Ning" as an ordinary brand in accordance with the rules of the market. Perhaps a few years later no one knows the Olympic champion Li Ning, but all know Li Ning brand [9].

5.8. Reasonable Use of the Existing Resources To Solve the Credit and Security Problems

In order to solve the current credit and safety problems, the company establishes a good trust relationship with customers. For example, make full use of mature Taobao, Alipay and third-party logistics to provide outsourcing services for enterprise e-commerce business, at the same time, in the process of official direct network construction, fully consider network security issues, the possible loopholes in the network as perfect as possible, so as to better serve customers [10].

6. Conclusion

As a leading sports brand in China, after years of development, it has established a good brand image in the market. With the continuous expansion of the domestic sports brand market and the

diversification of consumer demand, Li Ning Company is facing fierce competition and broad market opportunities. According to statistics, the size of China's sports shoes and clothing market continues to grow, and it is expected to maintain a growing trend in the next few years. Through continuous research and development of innovation, Li Ning launched products to meet the needs of consumers, widely praised. Li Ning is expected to increase its market share by further expanding the market scale and improving its market awareness. Li Ning pays attention to the integration of online and offline in the channel layout. In terms of marketing strategy, Li Ning pays attention to the shaping and dissemination of brand image and improves brand awareness and reputation through cooperation with stars and holding various activities.

In the future, Li Ning can further enhance its brand competitiveness and market share by deepening product innovation and technology research and development and optimizing its channel layout and marketing strategy. Li Ning has shown a strong momentum in market research. But at the same time, we also need to focus on the changing market and changing consumer needs, and constantly adjust and optimize our strategies to achieve sustainable development.

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