

A Study on the Present Situation and Countermeasures to Develop Sports Listed Companies

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Abstract — With the development of China's economy, China's sports is also gradually expanding and becoming internationalized, but most of China's listed companies are still in a primary period on the global stage. There are still several problems which make Chinese sports difficult to develop in the international market. Based on the understanding of present situation of listed companies in Chinese sports, some problems are identified which limit the development of these companies in this field. Therefore some relevant countermeasures are put forward to deal with these problems, which are expected to play a guiding role in the future development of those enterprises.

Keywords- sports industry; listed company; development strategy

I. INTRODUCTION

At present, China's sports category of listed companies, especially like Anta and Li Ning and other international brands, have been in the leading position in the Chinese sports industry, which guides and promotes the development of China's sports industry, but on the whole, sports listed companies in China is relatively backward, but there are a lot of problems in both developing scale and operational measures, so it is extremely important to do the research on the present situation and the development countermeasures of sports listed company.

Listed company is a joint-stock limited liability company where share issues are firstly approved by the departments of the State Council or the securities administration departments and later implement company listing in the stock exchange. In the other way, the stock exchanges check the corporations, and then submit the listing application according to certain legal procedures. The listed companies are different from other companies, which can mobilize the entire market securities, encourage them to invest their companies, and gather some idle funds from society for company operation in order to quickly improve the enterprise development, expand the scale and increase corporate competitiveness and market share. Therefore, once joint-stock Co., Ltd. develop in a considerable scale, their stock will be publicly listed. Only in this way can those companies make rapid development, which is also a good development strategy step. In addition to the approval of the stock exchange, a number of joint stock limited liability companies must meet certain conditions before they can be listed [1-6].

At present, sports listed companies in China are mainly sports goods, American scholar once do simple definition for sporting goods: they discuss the definition of sports activities in narrow and broad sense, broadly speaking, sports activities mainly refer to some tools like sports equipment's and materials, and in a narrow sense, they mainly refer to the motion activities that we often see in daily life, whose degree of specialization is different from the broad sports activities. In China, related people points out that the so-called sports goods mainly refer to any sports equipment's and supplies involved in some sports activities for the purpose of holding some sports activities

II. THE PRESENT DEVELOPMENT OF SPORTS LISTED COMPANIES IN CHINA

Currently, sports Listed Companies arise in China in 2004 first, afterwards, dozens of also appeared on the market in succession. relatively speaking, they are listed later than foreign countries, so the scale of development has not yet reached the international level, but several listed companies like Li Ning, China Dongxiang develop quickly have certain positions in the international. sports goods listed companies China run main sports clothing, some sports outdoor supplies, etc.

If a company wants a better faster development, it must first have sufficient funds. through the market accumulation, many listed companies in China raised a large number of funds, which solved their fund operation, so as to promote the further development of several listed companies, and to provides conditions for the promotion of sports industry in the international competitiveness [7-10].

III. RELATED RESEARCH ON THE SPORTS INDUSTRY IN CHINA

In China, the sports industry has become a hot topic of research in the academic field in recent years, and sporting goods industry is the main part of sports industry. In China there are many scholars doing some research on it, through a large number of reading reference, it can be found that the majority of scholars researches has focused on the argument on the theory and policy, but most of which are more qualitative and standard research, and less in the research of listed companies. The following discussion is about the research objects of Chinese sports industry [11-15].

First, research on the sports brand. In the book the Expansion Strategy of Chinese Sports Activities, mentioned that China is a great country of production in sports activities but not a powerful nation, which still lacks competitiveness in the international market, and maybe even sports activities of the domestic market will be faced with shrinking phenomenon, so the development of Chinese Sports activities is still very great in potential. In the article is put forwards strategy and practical suggestions of the related brand activities expansion, which plays a guiding role in the development of China's sports activities. In the book the Expansion Strategy of Chinese Sports Activities, the meaning and significance of brand strategy of the sporting goods is summarized, the author Xie Lina also express a view on development strategy of sports brand: first of all, enterprise managers should have a strong brand awareness, strengthen brand construction, then plan measures in shaping the brand and designing it as a whole in order to build a strategic brand team for creating a good foundation for the development of the brand and promoting development of enterprise rapidly [5-9].

Secondly, the research on sporting goods industry cluster. Ebel Xi in his article, simply analyzed sporting goods industry cluster status and its current characteristics of development in China. Only to find many sporting goods enterprises produced and developed a single product or its greatly-relevant products in the form of a town, a product of pattern formation. The sporting goods industry set possesses good advantage, which is beneficial to the development of the whole industry.

Thirdly, the research on the international competition of sports. By studying the theory of diamond put forwards by Michael Potter in the book The Oretical and Empirical research on the Sports Activities, it can be concluded that sports activities in international competition may be restricted by factor of production of some enterprises and demand conditions and other aspects of the constraints, and then compared with foreign sporting goods, sports activities in China are sold in great amount in the international market while a piece of sporting goods in product design, price and other aspects has a great disadvantage over the international brand, so it can be

seen that it is a must to enhance their brand competitiveness and strengthen brand building if China sports goods have to obtain advantage in the international competition, .

Fourthly, the research on the sports listed companies. in sporting goods company financial statement analysis, Wu Tingnian indicate the related impact factors comprehensively considering overseas enterprise competitiveness, and sporting goods listed company characteristics. Combined with the actual situation in China, he created competitiveness evaluation index of Chinese sporting goods enterprise. Several of international brands developing in China was selected as the main research object. The detailed analysis on their financial statements, evaluation system, its development trend and operation strategies can provide a basis for the brand development of sporting goods enterprises in China [16-20].

IV. 4 THE PRESENT PROBLEMS EXISTING IN THE DEVELOPMENT OF SPORTS LISTED COMPANIES IN CHINA

firstly, the risk of sports listed companies in the international market competition

Since the 2008 Olympic Games in china and China's entry into the world trade organization, a large number of international sports brands have rapidly occupied the Chinese market, including almost all the world brands, whose designs also include clothing, ball games, and outdoor sports equipment and some chemical equipment's and so on. a number of international brands, like some of enterprises such as Nike and Adidas also gradually carry out international operations, and build branch offices in the Chinese market. due to cheap labor in China, these enterprises put their produce line into the Chinese enterprises, either produce or sell their production. It is known that Nike's sales in China add up tp nearly tens of billions of dollars, amounting to tens of billions of yuan. However, as to China's sporting goods listed brands like Li Ning, its income is less than tens of billions of yuan in a whole year. Thus fierce competition exists in the Chinese sports brands either at home or abroad compared with foreign sports brands, so China's listed brands of sporting goods have to develop as soon as possible so as to reach the foreign level [21].

Secondly, Chinese sports listed companies is facing the risk of trademark infringement of counterfeit products with years of development, Sports listed companies in China has gradually become brand enterprises, and their registered trademarks mostly have become "well-known trademark". trademarks of products have a great influence on the development of production, their sales and competition in the market. It is known that all of China's sports goods enterprises reached around 30000, some of which process domestic and foreign sports goods as business agents, while the other small enterprises produce fake products that are from well-known enterprises in

order to reap benefits. Such infringement occurred occasionally, which seriously affects the brand image of the well-known listed company and their marketing path, and occupy the division of the brand marketing groups, forcing these listed companies will reduce the economic benefits and then put the development at a disadvantage.

Thirdly, Chinese sports listed companies are faced with the problems of operating and producing cost.

The problems of inflation are not well solved in China, thus, raw materials and labor cost is increasing, which makes the sports listed company's operation in great trouble. In recent years, the phenomenon of labor panic (labor in great need) appears in some parts of in China, for which many enterprises have to increase employees' salary. with standards of consumption increasing, the price of raw materials is going up, for example, the price of cotton for clothing in recent years' double nearly. Such problems as the labor cost and raw material cost are not well solved, causing the listed companies to face the problems of increasing produce and operating costs continually and of gradually reducing the profit. Those can be not good to the development of listed companies [22].

fourthly, global sports listed companies is facing the situation of economic recession.

Due to the influence of a global financial crisis in 2008, the economy of many countries in Europe and America suffered a lot. Consumers in these areas reduced consuming desire for the sports goods, and sports products produced China were mostly sold in in Europe and America, so China suffered a lot as well. According to the Chinese consumer market monitoring and simple analysis, in 2009, sales of sports products in export in China decreased almost by the half of the amount in previous years, specifically speaking, their sales gradually reduced each month, which was worrying and seriously affected the sales capabilities of China's sports market. Then in 2011, the debt crisis in some European countries made information levels in the United States reduced, leading to global economy recession, thus, sports products demand in foreign countries was very difficult to restore, making the export of China's sports products face crisis, which affected the listed company's profit.

V. DEVELOPMENT COUNTERMEASURES OF SPORTS LISTED COMPANIES

first of all, it should be clear that the purpose of the listing is the overall development of the enterprise, whether sports companies or companies in other industries should recognize enterprise listing as a means of financing. Company should first develop a complete set of business strategy before listing, and makes it clear that they play a part in the enterprise development in the capital market, and then formulate specific development strategy under the background of capital market. Listed companies need not only realize the financing on the line,

but also make enterprise management system and governance structure more scientific, more convenient to reach international standards, and attract more investors and enterprise cooperators in a higher level so as to achieve the sustainable development of enterprises.

Secondly, companies need to know the risks that listing may bring for them. A listed company will certainly benefit a lot, but should generally understand the various difficulties and challenges after the listing. First, if the enterprise chooses the listing for itself, then the enterprise may be not prepared fully for the future rapid development after listing and not catch up with the market pace. so, not only will blind listing not promote the enterprise's further development and may even be a drag on the company's development. Till now, there are many sports brand products listing, some of which follow the trend. if there is no unique style of competition and development potential, it is difficult to get recognized by the capital market, which may will lead to financial capital shrinking phenomenon. Companies will also may be in danger of being acquired. Therefore, enterprises should definite their own developing strategies, assess the development needs reasonable, choose strategic measures according to their overall and practical situation, not blindly follow the trend.

Thirdly, the choice of listing places is also very important, first of all, make a general choice whether domestic or foreign, and understand the pros and cons. if foreign market to list is chosen, such problems should be paid attention as follows: first of all, the supermarket situation chosen in a foreign country, and the cost and profit for the choice; the choice of going to exchange to list is not random, which needs the financial cost including financing cost before the listing and the maintenance cost after the listing. These two costs is not a small number as to the enterprise; and furthermore, the exchange should be chosen carefully before listing, make a reasonable consideration for the problems such as advantages and disadvantages of varieties, liquidity problems and the time cost, and then select exchanges comprehensively for use. In addition, companies should also consider first the degree of difficulty discovered and financing problem in the future, finally, consider select the most suitable listing place; Also, the enterprises can refer to the ideas of reason according to the selection of peers and then make their own choices.in combination with the practice

Fourthly, be careful to choose intermediary institutions. some intermediary institutions will be invited to provide professional service in the process of enterprise operation, for example, employing some management institutions to help the enterprise carry on the management, employing a certified public accountant to do audit work for enterprise financial audit and deal with the operating assets. Enterprises can also employ some foreign assessment institutions to do the assessing work, which are closer to

the international level. If the enterprise chooses to list abroad, then it is the key to select foreign assessment institutions, the selected assessment agencies must be standard intermediaries of high-credit, because they have a better understanding of the development of the international market, which decide whether the listing of companies can operate normally.

Fifthly, improve the management system of enterprises, strengthen the internal construction of enterprises to lay a good foundation for the listing. China's sports enterprises emerge relatively late, especially sports goods have just started, so business development is not very perfect in all aspects. for the reason, China's sports enterprises should do a good planning combining with its own enterprise characteristics: for instance, improve their internal management mechanism to build a team of high quality, in China, sports product enterprises mostly are private, many of which are family business, so managers should handle the relationship with all the departments. Many family businesses hire professional managers to manage the enterprise, which is helpful to have the good effect for the enterprise in the process of operation.

Sixthly, enterprises should get along well with investors and be responsible for investors after the listing, which is the responsibility that the enterprise should bear, so enterprises need to develop a set of feasible investors' management system. First, there must be communicating ways between investors and companies so as to ensure that the information is reliable. In addition, companies should take certain measures to make investors believe that their investment is safe, reliable, and promising.

VI. CONCLUSIONS

In conclusion, the research and development of sports listed companies plays a very important role in the economic development of China's sports industry, only by constantly improving the operating mode of listed companies and make a full preparation before listing can listed companies in China have advantage in the international market, so as to ensure further development of China's sports enterprises.

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