



# Research on Anta's Marketing Strategy

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**Abstract.** As a famous sporting goods enterprise in China, Anta Sporting Goods Company has regained the attention of the society as the official partner of the 2022 Beijing Winter Olympics. With the fierce competition in the market and changes in the market environment, Anta is constantly updating its own operation and market strategy. This paper analyzes Anta's current operation from the perspective of financial and market strategy, based on qualitative analysis and literature summary. This paper will take Anta as the research object in detail, deeply analyze the advantages and disadvantages of Anta's marketing strategy, and at the same time, give suggestions for improvement in view of the problems existing in Anta enterprises.

**Keywords:** Winter Olympics; Anta; Marketing; Strategy; sporting goods

## 1 Introduction

Anta is a well-known sporting goods enterprise in China, founded in 1994 and listed in Hong Kong in 2007 through its own development. From 2004 to 2020, the operating income increased from 311 million to 35.512 billion, a 114-fold increase. The company's total assets also rose from 297 million yuan to 51.867 billion yuan, and the assets scale also increased by 174 times. The current assets scale reached 32.717 billion yuan in 2020. After years of development, Anta has already become one of the first-line sports brands in China.

In the general cognition of consumers in the past decade, Anta is mainly oriented to the sinking market, and its product style is common, which is rarely seen in first-tier cities. Nowadays, the "old brand" with a history of 31 years has grown into the sports brand with the number one market value in China, and has a place in the international market. Behind this, in fact, it is inseparable from the Olympic strategy practiced by Anta for many years [1]. In 1999, Anta signed Olympic champion Kong Linghui as its spokesperson, thus opening the brand's Olympic marketing road. Compared with Mengniu and Yili, both partners of the Olympic Games, Anta's sports attributes are more in line with the Olympic Games and provide more convenience for its brand marketing. Since then, Anta has broken the game with all-round marketing in the close tie with the Olympic Games, realizing the curve surpassing and the brand value rising con-

tinuously. In the ever-changing market environment, Anta took advantage of the Olympic Games to achieve brand growth and gradually became a national sports brand in the eyes of the public. Taking Anta as the research object, this paper deeply analyzes the advantages and disadvantages of marketing strategies. At the same time, according to the problems existing in Anta enterprises, suggestions for improvement are given. Through the research of this paper, the author aims to comprehensively put forward valuable suggestions for the marketing strategy of Chinese sports brands and promote the further development of Chinese sports brands. At the same time, further improve the theoretical research of Chinese sports brand marketing strategy.

## 2 Financial ratio analysis

### 2.1 Profitability analysis

Profitability refers to the ability of an enterprise to make profits, also known as the capital or capital appreciation ability of an enterprise, which usually shows the amount and level of the enterprise's income in a certain period of time.

**Total operating income.** It can be seen from Table 1 that the total operating income of Anta and Li Ning is above the average. Anta's operating income rose sharply in 2018, much higher than that of the other four companies (Table 1). The development trend of other companies is relatively flat, which is due to the establishment of new systems and the improvement of business processing capacity, thus stimulating the growth of operating income. In 2019 and 2020, due to the impact of the financial crisis and epidemic, the operating income did not rise significantly, but it did not fall, still maintaining a steady upward trend.

**Table 1.** Total operating income (Unit: Billion)

	Anta	Lining	Xtep	361	Cabbeen
2015	11.12	7.089	5.29	4.459	1.356
2016	13.34	8.015	5.39	5.023	1.161
2017	16.69	8.874	5.11	5.158	1.089
2018	24.10	10.511	6.38	5.187	1.273
2019	33.92	13.870	8.18	5.632	1.275
2020	35.51	14.457	8.17	5.127	1.288

**Gross profit margin of sales.** It can be seen from Table 2 that the gross profit margins of Anta and Li Ning are completely above the average. Before 2018, the gross profit margins of each company were relatively stable, with little change. After 2018, the upward trend of Anta began to appear. This is also because the establishment of SAP system has promoted the growth of business volume, with the gross profit margin of sales reaching 58.15%, and the gap with other companies has become increasingly obvious.

**Table 2.** Gross profit margin of sales (Unit: %)

	Anta	Lining	Xtep	361	Cabbeen
2015	46.61	45.03	42.24	40.89	46.18
2016	48.4	46.23	43.2	42.01	47.9
2017	49.37	47.06	43.89	41.8	49.36
2018	52.64	48.07	44.31	40.6	45.45
2019	55	49.07	43.39	40.3	43.93
2020	58.15	49.07	39.14	37.87	47.23

**Average profitability.** The Net profit margin of sales refers to the comparative relationship between net profit and sales revenue of an enterprise, which is used to measure the ability of an enterprise to obtain sales revenue in a certain period. This indicator reflects how much operating profit can be made. Net profit margin of sales, also known as net profit margin of sales, is the percentage of net profit to sales revenue. This indicator reflects the net profit of each yuan of sales revenue. It can be seen from table 3 that Anta's profitability in 2012 -2019 is only that the average net profit margin of sales is lower than that in 2020 (Table 3). The reason for this change may be that due to the influence of COVID-19 epidemic, the cost of R&D products of enterprises has increased, while the price of products has not changed much [8]. This leads to low sales interest rate and reduced profitability.

**Table 3.** The average profitability of Anta

	2012—2019	2020
Net profit margin of sales	17.92239%	15.682%
Gross profit margin	48.33246%	58.1522%

## 2.2 Solvency analysis

It can be seen from the table 4 that Anta's current ratio is consistent with its quick ratio. From 2012 to 2020, the company's current ratio will remain between 2 and 4 in other years except that it dropped to 1.8 in 2019 (Table 4). Except that the quick ratio dropped to 1.52 in 2019, the rest of the years remained between 2 and 3. It can be seen that the company's short-term solvency is getting stronger and stronger, and the ability of current assets to repay current liabilities is enhanced. In addition, Anta's property right ratio and asset-liability ratio maintained a relatively stable long-term debt capacity from 2012 to 2017, and showed an upward trend from 2017 to 2020. This shows that the company's long-term debt ability has gradually increased.

**Table 4.** Anta's solvency

Year	Current ratio (times)	Quick ratio (times)	Equity ratio (%)	Assets and liabilities (%)
2012	2.80	2.56	44.76	30.92
2013	3.18	2.91	37.68	27.32

2014	2.94	2.66	42.21	29.68
2015	2.85	2.57	41.84	29.5
2016	2.68	2.38	43.72	30.42
2017	3.43	2.95	32.83	24.71
2018	2.55	2.17	47.54	32.22
2019	1.88	1.52	95.71	48.90
2020	2.79	2.32	100.85	50.21
2021	2.50	2.02	107.00	49.48

### 2.3 Analysis of operational capability

Inventory turnover rate, also known as inventory turnover rate, is the ratio of the operating cost (cost of goods sold) to the average inventory balance in a certain period of time. It is used to reflect the turnover rate of inventory, that is, whether the liquidity of inventory and the occupied amount of inventory funds are reasonable or not, so as to encourage enterprises to ensure the continuity of production and operation, and at the same time, improve the use efficiency of funds and enhance the short-term solvency of enterprises. Table 5 present from 2012 to 2020, Anta's inventory turnover rate showed a downward trend. This may be because Anta's market competitiveness is weakened, and its products can't meet the needs of consumers. This leads to a decrease in sales of goods and a corresponding increase in inventory of goods. At the same time, the turnover rate of accounts receivable is fluctuating and rising. Generally speaking, the higher the turnover times of accounts receivable, the shorter the average collection period, and the faster the collection of accounts receivable. But the sooner the better. Correspondingly, the shorter the average collection period, the better. If the actual collection days of accounts receivable by the company exceed the number of accounts receivable days stipulated by the company, the debtor's default time is long and the credit reliability is low, which increases the risk of bad debt losses. As a whole, the total asset turnover rate is around 1 in different years, of which the total asset turnover rate in 2018 is the largest, but it only reaches 1.11. This further shows that Anta's sales ability is low.

**Table 5.** Anta's operating capacity index data (unit: times)

Year	Inventory turnover rate (times)	Accounts receivable turnover (times)	Total asset turnover rate (times)
2012	7.25	4.95	0.84
2013	6.16	8.54	0.72
2014	6.29	10.19	0.83
2015	6.31	9.55	0.93
2016	5.96	8.01	1.00
2017	4.9	7.99	1.00
2018	4.43	7.73	1.11
2019	4.21	10.60	1.03
2020	3.04	9.31	0.76
2021	2.88	14.6	0.86

**Table 6.** Comparison of the average operating capacity of Anta

	2012-2019	2020
Inventory turnover rate (times)	5.69	3.04
Accounts receivable turnover (times)	6.13	9.31
Total asset turnover rate (times)	0.93	0.76

The average inventory turnover rate of Anta's operating capacity in 2012 -2019 is higher than that in 2020 (Table 6). This change may be due to the influence of COVID-19 epidemic. Although the product production capacity of enterprises is less affected, the purchasing power of consumers shows a downward trend, which leads to inventory backlog [8]. Further reduced the operational capacity of the enterprise.

## 2.4 Financial problems

Through the financial analysis of Anta, it is found that Anta has a series of problems in the process of brand marketing management. From the perspective of profitability, the overall profitability is good, but due to the increase of expenses, such as management expenses, sales expenses, financial expenses, etc., the net profit margin of sales shows a downward trend. From the point of view of debt paying ability, the debt paying ability of the enterprise is gradually enhanced, and the enterprise should maintain this state in the follow-up, thus providing the company's viability. From the perspective of operational capability, the overall operation of the enterprise is good, but the inventory turnover rate is decreasing year by year. This shows that the enterprise has insufficient inventory management in the process of brand marketing management, and at the same time, it needs to consider the problem of insufficient attraction to consumers caused by insufficient market competitiveness.

## 2.5 Summary of counter measures

Recently, with the development of many sports brands, the market share of Anta products is gradually decreasing. In the fierce competition, enterprises need to adjust their marketing management methods if they want to increase their market share. The sudden outbreak of the epidemic in 2020 disrupted the new plans of major brands, and because of the epidemic policy, consumers can only buy products through the Internet. Therefore, the competition among brands has shifted from offline to online. In view of this situation, Anta can use live broadcast to promote its products, and through cooperation with popular bloggers on the Internet, it can use its influence on consumers to promote the promotion of its products. This method breaks the established impression of consumers and Anta, and promotes the hot topic of products. Compared with shopping guide service in shopping malls, live broadcast can stimulate consumers' desire to buy.

### 3 Anta's marketing status

#### 3.1 The product portfolio covers a wide range

Anta's target market positioning is ordinary young people, high school students, college students, etc. living in second and third tier cities in China. Shanghai Anta Company currently owns Anta, Anta Kids, FILA, FILA Kids, DESCENTE, SPRANDI, KOLON SPORT, KINGKOW and many other sporting goods brands. Through the penetration of many brands into consumers at different levels, Anta's market covers the market segments of all kinds of sporting goods from high-end to mass, adults to children, professional to fashion. Basically formed a diversified and gradient brand matrix, which can meet the needs of all kinds of consumers for sports shoes and clothing.



Fig. 1. Various sports brands under Anta

In 2009, Shanghai Anta Company acquired FILA's franchise and trademark right in China from Belle for RMB 332 million. Through the acquisition, Shanghai Anta Company obtained the trademark use right, operation right and distribution network of FILA in mainland China, Hong Kong and Macao. At the same time, Shanghai Anta Company will also participate in the research and development and production of FILA series products. After adjusting and upgrading the business of FILA China, the operating performance of Fila brand was disclosed for the first time in the mid-2019 performance report. In the first half of 2019, FILA brand revenue was RMB 6.538 billion, a year-on-year increase of 79.9%, accounting for 44.1% of the total sports revenue of Shanghai Anta Company. It is of great significance to the sports performance of Shanghai Anta Company.

#### 3.2 Diversification of marketing methods

**Cross-border cooperation.** In order to attract the target consumers, FILA cooperates with designers such as Anna Sui, Jason Wu to launch a series of fashionable sportswear with fashion sense. At the same time, FILA also cooperated extensively with hipster stars, inviting former Australian Open champions Marion Bartoli, Roy, Thompson and other popular stars to carry out brand promotion and strengthen their own fashion sports characteristics. Shanghai Anta Company has a strong spokesperson resource, and ZhangJike, Zou Shiming, Wu Dajing and others are widely concerned and topical in

Weibo. The teaching video of "keep moving at Home" released by ZhangJike has an average of about 27,000 reposts, 15,000 comments and over 40,000 likes.

**Sponsorship.** In 2019, Shanghai Anta Company cooperated with China's variety entertainment in the form of clothing sponsorship. With the help of the platform of variety entertainment channels, it increased its popularity and drew closer to users. This helps to make the brand image younger and more fashionable. A total of 120 million effective exposures were obtained for this cooperation, with an estimated completion rate of 358%, and a total of 1.54 million clicks.

**Advertising.** In addition, Shanghai Anta Company has also improved the advertising of Internet patch advertising, cinema advertising, subway high-speed rail and so on, paying attention to the advertising spread of emerging media, and constantly enriching the advertising channels. Through this marketing method, the popularity of the company's products is expanded and the sales volume is increased [5].

### 3.3 Cooperation with multiple platforms

Shanghai Anta Company cooperates with JD.COM, Tmall, Vipshop and other e-commerce platforms. According to the data provided by Ali, in 2019, Shanghai Anta Company achieved retail sales of 3.529 billion yuan on Ali platform, with a compound annual growth rate of 130.15% in five years. Compared with 2012, the average selling price increased by 70.19% to 253.80 yuan. Shanghai Anta Company expects its online sales revenue to account for 20% of the company's total revenue in 2020, becoming one of the main growth points. In addition, depending on the attention and topicality of Weibo and WeChat official account, we will increase the purchase channels in consumption. When users read the content of WeChat official account, they can directly click the link to enter the relevant applet. Through the small program Anta Mall, you can place orders for products including the same paragraph and new products of the spokesperson. Table 5 is Anta Internet Marketing Platform.

**Table 7.** Shanghai Anta Online Marketing Channels

Anta Internet Marketing Platform	Marketing Content
Tmall, JD.COM, Vipshop	Double 11 and other promotional festivals, live broadcast with goods.
Tik Tok	Bring topics, arouses consumers' attention, recommends commodities and improves the conversion rate of commodities.
Xiaohongshu	Professional unpacking evaluation
WeChat official account	Read WeChat WeChat official account and orders goods through WeChat applet
Promote	Popular advertising apps, subway ads, big-screen ads, magazines, etc. from the media.

### 3.4 IP

As the official partner of the 2022 Beijing Winter Olympics, Anta developed the 2022 Olympic product series. The award-winning clothes worn by the Chinese delegation are made by Anta with the theme of "Dragon", which promotes the profound Chinese traditional culture and Chinese people's special worship of dragons. This is the result of Anta's continuous development and optimization on the basis of the original characteristics of the champion dragon suit. This not only reflects Anta's product design ability, but also increases the market for Anta. The English of IP is intellectual property, and the translation into Chinese is intellectual property. It is a marketing method to publicize the works (IP) according to their types and characteristics, so that the works (IP) continuously accumulate a large number of loyal fans. Generally, IP can be well known, and the other is to create a new IP. As a topic IP once every four years, the Olympic Games has a high degree of discussion. At the Rio Olympic Games, Shanghai Anta Company undertook to design and produce Chinese costumes, which was the beginning of the official launch of Shanghai Anta Company's Olympic marketing. Shanghai Anta Company has created a number of topic products specially sold on Tmall platform by combining the topic events and people of the Olympic Games. Netizens can also discuss the corresponding theme events and characters, and buy related theme products online. This achieves the dual effects of brand communication and commodity sales. In the 2022 Beijing Winter Olympics, Anta held the catwalk of the licensed commodity flag movement of the Beijing Winter Olympics, and kept a certain degree of discussion on the Internet. This will turn the single event of Shanghai Anta Company's release of Olympic dragon suit into a continuous topic of communication. Through the interaction between Olympic athletes and netizens on the Internet platform [6], this topic will continue to be hot, and the netizens' concern for the Olympics will be transformed into their concern for Olympic-related clothing and brands. The final reading volume of the topic reached 32.16 million. By strengthening the connection between Shanghai Anta Company and the Olympic Games, the core message of "Anta Building a Champion Dragon Clothing" was passed on to consumers, and the role of enterprises as national brands was demonstrated, which made consumers deeply impressed.

## 4 Conclusion

In recent years, with the economic development of the country and the continuous improvement of people's living standards, people pay more and more attention to health, and the consumption of sports goods has become an indispensable part of people's lives. Anta has established a good brand image in consumers' hearts with its close price. In view of the current development situation, Anta should make appropriate development strategies according to the market development and its own situation, strengthen brand publicity, expand brand influence and establish brand image. At the same time of launching global mainstream products, Anta can launch products that fit the culture of different regions according to the cultural differences of different countries, so as to attract consumers and make them feel friendly to the products. This move also improves consumers' trust in brands. The most important thing for the success of a brand is to fit



the market. Therefore, enterprises should investigate the market in time and develop products that meet the needs of consumers. Anta must strive to increase its market share in local areas, increase its overall marketing ability and increase its product profits. Bring forth the new, and use Tian Ji horse-racing strategy to deal with Li Ning, Xtep, Delphi and other enterprises. Keep good quality and low price, but also be fashionable. In Anta's competitive relationship, Anta's biggest competitor, that is, Li Ning, which poses the highest competitive threat to Anta, is an established sporting goods enterprise in China with mature marketing mechanism and mode. For Anta, how to improve the overall marketing ability and competitiveness in the marketing market in the future market competition is the key to the development of the enterprise. Anta employees should constantly learn from advanced marketing concepts, establish and improve the distribution network, strengthen the management of distribution channels and the maintenance of channel relations, and finally improve the coverage rate of Anta terminals. At the same time, in the construction of marketing team, we should strengthen the training, encouragement and restraint of marketing team. Constantly increase investment in technology development, pay attention to market research and improve the success rate of product development [7]. The company should identify the market, set up key regional markets, focus on target customers, and maintain the relativity of marketing strategy. In the optimization of product structure, Anta needs to focus on developing new products, and at the same time set up an elimination mechanism to update and upgrade old products. At the same time, the cooperation of the marketing department is needed to speed up the launch of new products.

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