

Research on the Influencing Factors of Sports Industrial Clusters

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Abstract

The factors affecting the agglomeration of the sports industry are different from the traditional manufacturing and service industries. By studying the literature related to industrial agglomeration and combining the practical experience of sports industry agglomeration development, this paper finds that there are numerous and complex factors affecting sports industry agglomeration, but the research results are scarce. Further, this article sorts out and integrates the influencing factors of sports industry clusters, and finally summarizes the influencing factors into four points, they are: sports enterprises' own factors, industrial organization and institutional environment factors, technology spillover factors, economic development environment and supporting industry development factors. This article will serve as a guide to the agglomeration development of the sports industry.

Keywords

Sport Industry; Industrial Clusters; Influencing Factors.

1. Introduction

The sports industry is increasingly prominent in driving consumption levels and upgrading industrial structures, and plays a large role in improving the physical quality and meeting the spiritual needs of residents. Industrial clustering is one of the important ways to promote the optimization of local industries and economic development. In the context of the normalization of the global prevention and control of the COVID-19 and the still complex and volatile international trade situation, agglomeration has become a prerequisite for the high-quality development of the sports industry.

In recent years, scholars have conducted richer research on industrial agglomeration, which has great significance for this paper to explore the impact of sports industry agglomeration. For example, Zhou et al. (2013) studied that in the context of global economic integration, industrial agglomeration and supply chains are automatically combined to form agglomeration supply chains in order to achieve greater advantages [1]. Merima et al. (2014) argue that industrial agglomeration can alleviate the financial constraints of microenterprises through specialization and division of labor [2]. Arnold et al. (2020) explored the agglomeration effect and spatial externalities of the Hungarian pig industry [3]. Kim et al. (2021) explored the direct and indirect spatial spillover effects of tourism industry productivity [4]. On the basis of combing and summarizing related literature, this article sorts out and integrates the influencing factors of sports industry agglomeration, and finally summarizes the influencing factors into four points.

2. Sports Business own Factors

Undoubtedly, the agglomeration of sports industry is influenced by the development characteristics of sports industry itself. The three components of innovation capacity and human capital, capital security and capital accumulation, and corporate system and corporate culture together constitute the internal factors affecting the agglomeration of sports industry.

2.1. Innovation Capacity and Human Capital

How to innovate the development path of sports industry development and meet the growing sports needs of the people has become the focus of attention of scholars and practitioners related to sports industry. According to the consensus reached by numerous scholarly studies, industrial agglomeration can significantly promote corporate innovation. Although few studies have directly confirmed that sports industry agglomeration plays a direct role in promoting the innovation behavior of sports enterprises, according to the principle of knowledge externality, the enhancement of enterprise innovation ability is to a certain extent subject to knowledge spillover, while the endogenous economic growth theory also emphasizes that knowledge spillover has a positive effect on economic growth, so it can be concluded that the innovation ability of sports industry content is one of the important factors affecting the agglomeration of sports industry. At the same time, technological progress and technological innovation are constrained by the development of human capital. Human capital and sports industry agglomeration influence each other and make the development of regional sports industry form a benign path dependence. On the one hand, the agglomeration of composite human capital related to sports industry can provide stronger driving force for the development of sports industry. On the other hand, the development of sports industry in a certain region will create more demand for composite human capital.

2.2. Capital Security and Capital Accumulation

The capital expansion of sports enterprises can be divided into two categories: internal expansion and external expansion. Internal expansion refers to the expansion of sports industry through internal capital accumulation, while external expansion refers to the rapid expansion of sports industry through mergers, acquisitions and strategic alliances. Through the development history of sports enterprises in foreign developed countries, having sufficient capital security and relying on the capital market for capital expansion to achieve resource integration is one of the important factors for sports enterprises to be able to develop and grow. For example, in January 2015, Wanda Group spent 45 million Euros to acquire 20% shares of Atletico Madrid Football Club. In June 2016, Suning Group purchased approximately 70% of Inter Milan Football Club for a total price of approximately €270 million. It is easy to see that sufficient capital security and strong capital accumulation are among the intrinsic factors for sports companies to achieve merger and expansion.

2.3. Corporate System and Corporate Culture

Enterprise system forms constraints and incentives for internal personnel through internal and external governance. If enterprises adopt appropriate incentive strategies, they can stimulate employees' motivation, initiative and innovation, thus forming a more advanced concept for the development of sports industry, enabling the human resource potential of sports industry to be fully released, saving production costs and transaction costs, and promoting the development of sports industry clusters. An excellent corporate culture can improve the effectiveness of the corporate system while making up for the loopholes and shortcomings of the corporate system. At the employee level, corporate culture influences the thinking logic, psychological state and even behavior of employees; at the enterprise level, corporate culture influences the external phenomenon, corporate style and healthy development of the enterprise.

3. Industrial Organization and Institutional Environment Factors

The agglomeration development of sports industry is inevitably influenced by industrial organization factors. The following part will elaborate the industrial organization factors affecting the agglomeration of sports industry from two parts: market structure and

enterprise scale. This article incorporates ownership structure, financing structure and industrial policy into the institutional environment factors and discusses their effects on the development of sports industry clusters separately.

3.1. Market Structure

The market structure consists of market players, market pattern, and market concentration, mainly including scenarios of perfect competition, monopolistic competition, oligopoly, monopoly, natural monopoly, buyer's monopoly, etc. Taking the current situation of the development of China's sports industry as an example, competition in the sports market is gradually intensifying, but the market concentration is still low, and there is a situation where excessive competition and administrative monopoly co-exist. However, it is certain that the market structure has considerable influence on the development of sports industry, and deepening the internal organizational reform of sports industry, creating a good atmosphere for the development of sports industry, and improving the innovation ability of sports enterprises are the necessary way for the agglomeration development of sports industry.

3.2. Enterprise Scale

The new economic geography verifies the cumulative causal effect of the industry self-collective cycle based on three hypotheses: increasing payoff scale, transportation cost and imperfect competition. Sun et al. (2014) examined the effect of firm size on productivity and the mechanism of action using a semi-logarithmic model based on micro data of Chinese industrial firms and concluded that most firms' expansion is beneficial to productivity improvement [5]. Through the perspective of resource mismatch, Li et al. (2017) point out that resource mismatch leads to a breakdown of the correspondence between firm size and productivity, resulting in a situation where advanced productivity is underutilized and backward productivity continues to expand [6]. There are few studies that directly show that the size of sports enterprises has an impact on the development of sports industry, but it can be inferred that there must be a correlation between the size of sports enterprises and the development of sports industry. Further, we believe that the scale of sports enterprises has both "agglomeration effect" and "crowding effect". The reasonable allocation of production factors according to the actual development requirements of the sports industry and the actual needs of economic and social development is the key to the reasonable concentration of the sports industry.

3.3. Ownership Structure

The ownership structure refers to the proportional relationship between various economic components in the national economy, the dominant economic component determines the nature of a country's economic system, the basic form of ownership structure includes public and private ownership of the two categories. The ownership structure mainly influences the agglomeration development of sports industry through incentive mechanisms and governance paths, which differ significantly under different ownership conditions. Part of the ownership structure can well motivate the researchers to create new products and technologies due to the better incentive mechanism, while another part of the ownership structure causes the non-uniformity of the control and claim of the surplus value due to the existence of certain specific relationship on the principal and agent, which leads to some contradictions and conflicts in the management and thus causes short-sighted behavior.

3.4. Financing Structure and Industrial Policy

The financing methods of sports enterprises mainly include government financial allocation, advertising sponsorship, bank loans and bond issuance. Some sports enterprises still have outstanding problems such as high financing difficulty, high cost, single structure and

insufficient professional guarantee institutions. The agglomeration development of sports industry depends to a certain extent on the accessibility, consistency and low cost of enterprise financing. Therefore, how to improve the financing structure of sports enterprises is a problem that needs to be solved to achieve reasonable agglomeration and sustainable development of sports industry. Sports industry policy plays a guiding and regulating role in the development and agglomeration of sports industry. Sports industry policy has a certain influence on improving the layout, adjusting the structure and optimizing the configuration of the sports industry, and a perfect sports industry policy is the cornerstone to guarantee the sustainable, healthy and rapid development of the sports industry.

4. Technology Spillover

Technology spillover, that is, the positive externality of technology, is considered by most scholars as one of the main reasons for the formation of industrial agglomeration. Summarizing the relevant studies on technology spillover effect at home and abroad, we find that technology spillover effect can be divided into two major categories, which are technology spillover effect of domestic industrial transfer and technology spillover effect of foreign direct investment.

4.1. Technology Spillover Effects of Industrial Transfer

From the macro level, industrial transfer can be divided into domestic industrial transfer and international industrial transfer. Since the beginning of the 21st century, the phenomenon of industrial transfer from east to west in China belongs to domestic industrial transfer. In contrast, due to the declining demographic dividend and rising labor costs in China, international top brands such as Nike and Adidas have closed their domestic production lines and shifted to Southeast Asia for manufacturing. This phenomenon is known as international industrial transfer. Many scholars believe that industrial transfer has a positive technology spillover effect on less developed regions and has a certain impact on the development of regional sports industry clusters.

4.2. Technology Spillover Effect of Foreign Direct Investment

Multinational corporations play a role in the development of domestic industrial agglomeration that cannot be ignored. The use of technology spillover effect of foreign direct investment to foster regional industrial agglomeration has been put into practice in many fields and has achieved notable results. The technology spillover or technology crowding out effect of FDI varies over time and is proportional to economic development, infrastructure construction level and human capital level. Further, the impact of FDI on the development of local sports industry is multifaceted, which can either promote the development of local sports industry through technology spillover or create a crowding-out effect on the development of local sports industry and inhibit the development of local sports industry.

5. Economic Development Environment and Development Level of Supporting Industries

From the development history of sports industry in some developed countries, the effective local demand for sports industry gradually starts to form only after the economic development of a certain place reaches the middle and upper development level, and only after reaching the high income level is the sports industry expected to become the pillar industry of national economic development. Thus, economic development is the cornerstone of the development of sports industry.

5.1. Economic Development Environment

International economic development environment. With the increasing globalization and the gradual spread of digitalization, the economic development of a country is becoming more and more closely connected with other. As an important part of economic activities, the sports industry is naturally also affected by the changes in the international economic environment. The impact of international economic environment on sports industry agglomeration can actually be divided into two aspects: one is that a stable international economic environment is the basis for the development of sports industry agglomeration, and the other is that participation in international competition provides a broader market and platform for the development of sports industry agglomeration.

Domestic economic development environment. According to practical experience, it is easy to see that the level of sports industry development in developed countries is relatively high, and the clustering of high-end sports manufacturing and sports service industries is more obvious. Many scholars have explored the interrelationship between economic growth and sports industry development at the theoretical level, and agreed that sports industry development has a strong linear relationship with the level of economic development. The reason for this is that economically developed regions tend to have not only high per capita income levels, but also lead less economically developed regions in sports talent training, sports science research and sports infrastructure construction.

5.2. Development Level of Supporting Industries

The high-quality development of sports industry in a certain region must be the integrated development of sports industry and related industries and the overall development of upstream and downstream industries and supporting industries of sports industry. On the one hand, the integration of sports industry and related industries is the trend of the times. On the other hand, the core part of sports industry includes sports goods manufacturing and sales, construction, operation and management of stadiums, sports competition and performance, sports construction and leisure, sports education and training, etc. Its derivative industries cover sports food, sports medicine, sports rehabilitation, sports insurance, sports betting, etc. Its peripheral industries include catering, accommodation, transportation, logistics, property, construction, security, etc. Therefore, the development level of supporting industries is one of the influencing factors for the agglomeration development of sports industry in terms of both the development foundation of sports industry and the integration development of sports industry.

6. Conclusion

A reasonable sports industry agglomeration can promote the development of sports industry and sustainable economic growth. This article summarizes and summarizes the factors influencing sports industry agglomeration. The main conclusions of this article are: the factors influencing sports industry agglomeration include sports enterprises' own factors, industrial organization and institutional environment factors, technology spillover factors, economic development environment and supporting industry development factors. This article will serve as a guide for the development of sports industry agglomeration.

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