

# **Analysis on China Sports Wholesaling and Retailing Industry Development Situation and Suggestion**

## **-- Basing on the First Special Investigation Data of National Sports and Related Industry**

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### **Abstract**

**The sports wholesaling and retailing industry is the sports and related industry important constituent, it plays the important connection function of the production and consumption of sports and related industry. At present, our country sports wholesaling and retailing industry scale is small, the internal structure is unreasonable, the regional strength is big gap. In order to enhance our country sports wholesaling and retailing industry strength, we must do greatly and strong Sports wholesaling and retailing industry, leading sports wholesaling and retailing industry regional development coordinatedly, improving gradually sports wholesaling and retailing industry management level.**

### **Keywords**

**Sports Wholesaling and Retailing Industry; Sports and Related Industry; Regional.**

### **1. Introduction**

The wholesale and retail industry of sporting goods is an important part of sports and related industries, and belongs to the wholesale and retail industry of the tertiary industry. According to National Bureau of Statistics and the State Sports General Administration jointly promulgated the "Sports and Related Industries Classification (Trial)" in 2008, according to this classification standard, the wholesale and retail industry of sports goods mainly includes: sports goods sales, sports clothing sales and sports shoes and hats sales. The wholesale and retail industry of sports goods is an important link for sports goods manufacturers to realize profits, and it is also an important circulation industry that realizes consumer demand. It has an important impact on the scale and benefits of sports and related industries. The sporting goods wholesale and retail industry constitutes a sports goods wholesale and retail industry commerce circulation system by vertical channels, horizontal competition and regional division of labor. It plays an important role of "upstream production and downstream consumption" for sports and related industries. This research is based on the data of the first national special survey on sports and related industries. It mainly analyzes the development status of the sports goods wholesale and retail industry in 2006 and 2007, which understands the overall situation of the sports goods wholesale and retail industry, and compares the regional development status of the sports goods wholesale and retail industry. Analyze and find out the practical problems in the wholesale and retail industry of sporting goods, and put forward suggestions for the further development of the wholesale and retail industry of sporting goods in my country.

## 2. Comparing of Sports Goods Wholesale and Retail Industry in Regional

The Development Research Center of the State Council issued a report and put forward that during the "Eleventh Five-Year Plan" period in 2005, the mainland is divided into four major sectors: the east, the central, the west, and the northeast, and the four sectors are divided into eight comprehensive economic zones. The provinces (cities) of the special survey on related industries are limited by the regional scope, the number of provinces (cities) varies greatly between regions, and the comparison of regional sports and related industries is not comparable. Therefore, this study still adopts East Central and West division standards of the National Development and Reform Commission. The comparison of regional sporting goods wholesale and retail industry is mainly by the comparison of added value, employees and labor productivity.

### 2.1. Comparing of Added Value About Sports Goods Wholesale and Retail Industry in Region

This special survey involves 15 provinces (cities) in China. Because of incomplete data in Shanghai and Gansu, this study only includes 13 provinces (cities), the eastern and western regions include 4 provinces (cities), and the central region includes 5 provinces. The eastern part includes: Jiangsu, Zhejiang, Fujian, Guangdong, the central part includes: Shanxi, Henan, Hubei, Anhui, Heilongjiang, the western provinces (cities) include: Yunnan, Sichuan, Chongqing, Qinghai, the eastern, central and western provinces (cities) ) It can represent basically the situation of the wholesale and retail industry of sporting goods in the region. (See Table 1 and 7 for details)

**Table 1.** List of Added Value of Sports Goods Wholesale and Retail Industry in Region in 2006 and 2007 (Unit: 100 million yuan; Percentage)

Region	2006	2007
	Added Value	Added Value
National total	73.88	111.64
Total provinces surveyed in the eastern	52.01	82.06
Total surveyed provinces in the central	10.35	14.22
Total provinces surveyed in the western	3.41	5.25

At the end of 2006, the eastern, central and western parts of the wholesale and retail industry of sporting goods accounted for 70.40%, 14.01% and 4.62% of the national sporting goods wholesale and retail industry respectively. At the end of 2007, the added value created by the wholesale and retail industry of sporting goods increased by 3.776 billion yuan, of which the eastern region increased by 3.05 billion yuan, the largest increase, and the western region had the smallest increase, with only 184 million yuan. The added value created by the eastern, central and western regions accounted for the national sports 73.50%, 12.74%, and 4.70% of the wholesale and retail industry of supplies, the eastern sporting goods wholesale and retail industry has obvious advantages, with the largest increase in value added by 3.1 percentage points, while the increase in the west is relatively small, at 0.8 percentage points.

At the end of 2006, percentage of the sporting goods wholesale and retail industry accounted for 21.98%, 18.95% and 9.02% of the the central, western and eastern regions. At the end of 2007, the proportions of the eastern and western regions increased to a certain extent, while the central region was basically the same as the previous year. However, the ranking order

remained unchanged between of regions . The central and western sports goods wholesale and retail industries have certain advantages in their proportions, which also reflects the weak ability of other sports and related industries in the region to create added value.

**Table 2.** List of the proportions of the added value of the national and regional sports goods wholesale and retail industries by region in 2006 and 2007 (Unit:100 million yuan; Percentage)

Region	2006			2007		
	Sports and related industries	Sporting goods wholesale and retail industry		Sports and related industries	Sporting goods wholesale and retail industry	
	Added Value	Added Value	Percentage	Added Value	Added Value	Percentage
National total	980.32	73.88	7.54	1266.10	111.64	8.82
Total surveyed provinces in eastern of China	576.52	52.01	9.02	745.97	82.06	11.00
Total surveyed provinces in central of China	47.08	10.35	21.98	65.10	14.22	21.84
Total surveyed provinces in eastern of China	17.99	3.41	18.95	25.46	5.25	20.62

## 2.2. Comparing of Practitioners in the Wholesale and Retail Industry of Sporting Goods in Region

To a certain extent, the number of employees in an industry can reflect the ability to create jobs for the society, especially the reality of my country's large population. Make a positive contribution. (See Table 3 for details)

**Table 3.** List of employees in the wholesale and retail industry of sporting goods nationwide and by region in 2006 and 2007 (Unit: ten thousand people)

Region	2006	2007
	Practitioners	Practitioners
National total	24.83	32.57
Total surveyed provinces in eastern of China	4.81	6.58
Total surveyed provinces in central of China	3.97	3.09
Total surveyed provinces in eastern of China	2.32	2.86

At the end of 2006, the sports goods wholesale and retail industries ranked first, second and third respectively ,the eastern, central and western accounting for 19.37%, 15.99% and 9.34% of the national sports goods wholesale and retail industry employees. Guangdong is the most prominent, accounting for 58.63% of the employees in the wholesale and retail industry of sporting goods in the east; Shanxi in the central region ranks first, and Sichuan in the west ranks first, accounting for 57.68% and 60.34% of the region's employees respectively. At the end of 2007, the number of employees increased by 77,400 in the wholesale and retail industry of sporting goods. The number of employees in the eastern part increased by 17,700 people. The

eastern part created more jobs for the society, while the number of employees decreased by 8,800 in the central.

### 2.3. Comparing of Labor Productivity in the Wholesale and Retail Industry of Sporting Goods in Region

The labor productivity can be expressed by the ratio of added value to the employees in the sporting goods wholesale and retail industry, to reflect the level of labor productivity of the sporting goods wholesale and retail industry among regions. (See Table 4 for details)

**Table 4.** List of labor productivity in the wholesale and retail industry of sporting goods in the country and region in 2006 and 2007 (Unit: 100 million yuan; 10,000 people; 10,000 yuan/person)

Region	2006			2007		
	Added Value	Practitioners	productivity	Added Value	Practitioners	Practitioners
National total	73.88	24.83	2.98	111.64	32.57	3.43
Total surveyed provinces in eastern of China	52.01	4.81	10.81	82.06	6.58	12.47
Total surveyed provinces in central of China	10.35	3.97	2.61	14.22	3.09	4.60
Total surveyed provinces in eastern of China	3.41	2.32	1.47	5.25	2.86	1.84

At the end of 2006, the labor productivity of the sporting goods wholesale and retail industry was the most prominent in the eastern part, which was 3.63 times that of the national sporting goods wholesale and retail industry, 4.14 times that of the central part, and 7.35 times that of the western part. The labor productivity of the sporting goods wholesale and retail industry was relatively poor in the western. At the end of 2007, labor productivity increased by 4,500 yuan/person in the wholesale and retail industry of sporting goods. The eastern increased by 16,600 yuan/person, the central was 19,900 yuan/person, the western was 3700 yuan/person, The productivity is the best in the eastern labor and the increase in the central is the largest.

### 3. Suggestions for the Development of the Wholesale and Retail Industry of Sporting Goods

The growth of the wholesale and retail industry of sporting goods is inseparable from the needs of consumers. The wholesale and retail industry of sporting goods serves as a bridge between sports goods manufacturers and consumers. In order to develop the market for the wholesale and retail industry of sports goods, the wholesale and retail industry of sporting goods should respond actively to challenges, giving full play to the role of the market, and improving the corporate management level of the wholesale and retail sporting goods industry. Government departments should play a role in serving and regulating the market, cultivating the sporting goods wholesale and retail industry market, formulating policies which are conducive to the development of the sporting goods wholesale and retail industry, guiding the further development and growth of the sporting goods wholesale and retail industry, and creating new economic growth points.

### **3.1. Promote Actively the Construction of Modern Sports Goods Circulation Industry**

Firstly, we should promote actively the chain operation of sports goods wholesale and retail enterprises. Chain operation is the general trend of the future development of the commercial and retail industry. At present, although the chain industry of sporting goods wholesale and retail industry is developing rapidly, on the whole, the chain operation of sporting goods wholesale and retail industry is still in its infancy and a low level of development. The sporting goods wholesale and retail industry should improve continuously degree of organization and development in the direction of modernization. The sporting goods wholesale and retail industry chain can expand sales coverage, reduce the retailer's marketing costs, and promote the development of sports goods wholesale and retail enterprises in China.

Secondly, we should develop actively e-commerce in the wholesale and retail industry of sporting goods. E-commerce is the development trend of the modern circulation industry. It has been widely used in modern economic activities with the advantages of breaking through the limitations of time and space, convenience, and interaction. It is necessary to actively build a batch of sports wholesale and retail industry portals that integrate information release, price guidance, online transactions, resource allocation and other functions, because it can take advantage of the invisible market. We should encourage department stores, shopping centers, supermarket chains and other sales departments to build online shopping malls. Broaden the coverage of e-commerce in the wholesale and retail industry of sporting goods, and further enhancing the industrial level of the wholesale and retail industry of sporting goods.

Finally, we should guide sports goods wholesale and retail chain enterprises to extend from cities to rural areas. Sports goods wholesale and retail enterprises should adapt to the new situation of changing purchasing power distribution, increasing rural marketing outlets, expand sales coverage, improving the scale and organizational management level of existing chain enterprises. Government departments should promote actively the development of sporting goods wholesale and retail industry into chain operations. Relevant departments should simplify administrative approval procedures, creating a good external living environment for chain operations. Promoting development of sporting goods wholesale and retail enterprises chain operations orderly, fast and healthy.

### **3.2. Cultivating Actively Leading Enterprises in the Wholesale and Retail Industry of Sporting Goods**

Continuously optimize the industrial structure of the sports goods wholesale and retail industry, integrate resources, and gradually realize scale expansion. A number of sports wholesale and retail enterprises have developed into prominent main businesses, modern management, wide radiation and strong competitiveness, which can drive the overall development of the sports goods wholesale and retail industry. Gradually expand the limited scale of sports goods wholesale and retail enterprises, accelerate the transformation of traditional sports goods wholesale and retail enterprises and professional markets, and encourage actively powerful sports goods wholesale and retail enterprises and professional markets. Giving full play to the advantages of network, brand, information, distribution and management. Integrating social resources, and expanding and strengthen sports goods wholesale and retail enterprises. While adjusting, supporting and reorganizing a number of competitive large-scale backbone enterprises in the wholesale and retail industry of sporting goods. It is necessary to accelerate the modernization of small and medium-sized sports goods wholesale and retail enterprises, and improving corporation culture and innovation capabilities of scientific management technology. The innovation of corporate culture concepts and scientific management concepts plays a vital role in the future development of enterprises, and gradually improving the market competitiveness of sports goods wholesale and retail enterprises.

### **3.3. Giving Full Play to Regional Advantages and Guiding the Coordinated Development of the Sports Goods Wholesale and Retail Industry**

Government departments should guide actively the coordinated development of the regional sporting goods wholesale and retail industry. The eastern part should drive the development of the sporting goods wholesale and retail industry in the central and western regions. The demonstration effect of the sporting goods wholesale and retail industry should be brought into play in developed regions, which economically developed regions will drive the rapid development of other regions. The central and western regions should take into account the actual situation of the region's resource endowments, economic strength, and geographical characteristics. Selecting advantageous industries in the wholesale and retail industry of sporting goods suitable for the development of the region. They should formulate a long-term plan for the development of the regional sporting goods wholesale and retail industry. Formed regional characteristics, and gradually narrow the gap between the wholesale and retail industries of sporting goods.

### **3.4. Attaching Importance to the Training of Talents in the Wholesale and Retail Industry of Sporting Goods, and Gradually Improve the Management Level of the Wholesale and Retail Enterprises in the Sporting Goods Industry**

Talents are the core competitiveness of enterprises. The competition of modern circulation management talents has increasingly become the focus of competition among circulation enterprises. The key to promoting the modernization of the wholesale and retail industry of sporting goods is to cultivate a group of high-quality talents familiar with the wholesale and retail industry of modern sporting goods. Improving the scale and standardization level of the wholesale and retail industry of sporting goods by using advanced circulation technology and management methods. Whether sports goods wholesale and retail business can become bigger and stronger, it depends not only on whether it has a favorable geographical location, but also the company has a high-quality talent team. It should vigorously introduce and train sports goods wholesale and retail business management person. Further strengthen the training of existing employees of sports goods wholesale and retail enterprises, comprehensively improving the quality of employees, and cultivating and bringing up a group of skilled and experienced professionals in the sports goods wholesale and retail industry.

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