## Building Characteristic Sports Towns ——Opening A New Blue Ocean for the Economic Development of Sports Industry

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Abstract: When advancing the construction new-type urbanization was put forward to being an important move of urban economic development in the following decade in the 18th National Congress of the Communist Party of China, the characteristic towns' construction emerged as the times require. At the same time, the development of sports industry was lifted to a strategic height of national economic construction. This paper, taking the construction of characteristic sports town as the research object, with multiple research methods such as literature review method, case analysis method and expert interviews applied, makes "Building a Characteristic Sports Town" as the new economic growth pole of the development of sports industry, clearly analyzing the construction of sports town with PEST analytical method, which provides study and reference for opening up the new blue ocean for the economic development of sports industry.

Keywords: Characteristic sports town; PEST analysis; Sports industry; Economic development

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# **1. PEST Analysis on the Construction of Sports Town**

#### **1.1 Analysis on Political Environment**

n February 6, 2016, the State Council issued Several Suggestions on Advancing the Newtype Urbanization Construction in Depth, which comprehensively planned the new-type urbanization construction in depth and put forward the development of attractive towns with characteristic advantages. At the same time, it was also put forward to fully developing attractive towns in 13th Five-year Plan Outline of National Economy and Social Development. On May 11, 2016, the General Administration of Sport of China officially issued Notice on Advancing the Construction the Characteristic Town of Sports and Leisure (hereinafter referred to as Notice), which meant that sports towns officially gained the policy support. It was pointed out in the Notice that up to 2020, a batch of characteristic sports and leisure towns with distinct sports features, rich cultural ambience, integrated industrial cluster, fine ecological environment and benefiting people's health will be supported and constructed nationwide. On July 21, 2016, Ministry of Housing and Urban-Rural Development, National Development and Reform Commission (NDRC) and the Ministry of Finance jointly released Notice on Implementing the Cultivation of Characteristic Towns, which clearly pointed out: about 1,000 characteristic towns with various features and full of vitality are planned to be cultivated up to 2020, to lead and drive the towns construction nationwide. In the development of characteristic industries, great attention should be paid to inheriting traditional culture, protecting ecological environment, constructing livable environment and perfecting the construction of municipal infrastructure and public service. Through the cultivation of characteristic towns, more towns are expected to truly become the carriers of nearby urbanization, keeping more people to live in towns, attracting more surplus rural labor force and providing better public service and good living condition for town residents. NDRC and the Ministry of Finance also introduced a series of financial aid methods in succession. On policy, the General Administration of Sport of China provided certain subsidy, for constructing and perfecting sports and leisure facilities, organizing and implementing sports competitions and activities around the masses, at one time for the pilot towns included. Each project management center (project association) of the General Administration of Sport of China will provide standardized design patterns of sports facilities and allocate all kinds of competition resources for each town. In October 2016, the General Office of the State Council introduced Opinions on Advancing the Development of Fitness and Leisure Industry, which pointed out "depending on key sports projects and industrial demonstration bases of fitness and leisure, the local authorities are encouraged to cultivate a batch of service trade demonstration pilots featured by fitness and leisure."

## **1.2 Economic and Demographic Environment Analysis**

Fischer, an economist from New Zealand, once divided traditional industries into three classes: the primary industry include agriculture, forestry, animal husbandry, fishery, etc.; the secondary industry, generally called industry, is the industrial sector processing products (raw materials) provided by the primary industry and secondary industry itself. Mining industry, manufacturing industry, electricity, the production and supply of gas and water, construction industry, etc. be included; the tertiary industry includes circulation and service, which are divided into four levels, namely the circulation department, the department providing service for production and life, the department for improving scientific and cultural level and residents' quality and the department providing service for social needs. The sports industry includes sports noumenon industry, sports peripheral industry, sports intermediary industry and sports industry consumers. Wherein the sports noumenon industry, including sports competition and public fitness, is the core of the whole sports industry; the industry chain of sports peripheral industry includes sports goods providers, sports equipment providers, sportswear providers, sports tourism providers, sports betting providers, sports building providers, etc. The industry chain of sports intermediary industry includes sports advertisers, sports sponsors, sports insurance, etc. And sports consumer is the

deciding force of the sports industry. Characteristic sports town industry, with wide coverage, is an industry with the largest development basis, development advantage and development features. It is generally an integrative carrier of the complex functions of "industry, culture, tour, community". Some towns are of rather weak tour function.

#### **1.3 Social and Cultural Environment Analysis**

Sports characteristic towns should be equipped with distinct industrial features, profound cultural accumulation, collective and integrated industrial form, livable and comfortable ecological environment, highly integrated functional orientation and widely participated multiple subjects. What's more, sports characteristic towns should express the characteristic sports cultural connotation and the specific sports industry orientation, which integrates production and life, as well as living and traveling, mixing together multiple elements. Governments of all levels should try hard to cultivate the characteristic sports towns into carriers and platforms of sports functions which are simultaneously equipped with specialized industry, integrated function, ecological environment, flexible mechanism and clear space boundary.

## 1.4 Technological and Natural Environment Analysis

Sports characteristic town is the higher level of sports industrial cluster. The following sports industrial bases are rather mature ones in China: Shenzhen National Sports Industrial Base featured by high and new sports technical research and development and high-end competitions, Fujian Jinjiang National Sports Industrial Base featured by coastal sports and leisure and sports goods manufacturing; Chengdu Wenjiang National Sports Industrial Base featured by sports goods manufacturing and sports leisure and Beijing Longtanhu National Sports Industrial Base mainly focusing on the development of sports headquarters economy.

Take Beijing as the example, by answering the national call and under the general background of the government's policy support, all districts in Beijing, based on their natural geographical factors and scientific and technological development level, have built eight major sports industry gathering places with different industrial features and new-type functional orientations. They are Olympic Green Center, Longtanhu Sports Industrial Park, Chaobaihu Water Leisure Sports Gathering Zone, Ming Tombs Outdoors Leisure Sports Gathering Zone, Badachu Network Sports Gaterhing Zone, Daxing Fashionable Sports Gathering Zone and Miyun Aviation Sports Gathering Zone, all of which are of characteristics and regional advantages.

# **2.** Case Analysis of Sports Towns in China and Foreign Countries

## 2.1 Case Analysis of Domestic Sports Towns – with the Example of China's "Wanda Changbai Mountains International Sports Resort Town"

#### 2.1.1 Background Information

Changbai Mountains International Resort is located in China, it began construction in May 2010 and was completed in 2012. With beautiful environment, abundant industrial state, perfect supporting facilities, it is an international resort town integrating multiple functions such as recreation, catering, culture, entertainment, shopping and tour. The town was built based on its unique natural geographical advantage. Shops and sporting events with different features attract tourists from both home and abroad, playing an indispensable impelling role for the regional economic development of Changbai Mountains area and creating a rather good sports + travel life style for tourists.

#### **2.1.2 Function Division**

#### 2.1.2.1 Ski Resort

The ski resort of "Wanda Changbai Mountains International Resort Town" covers a total area of 7 square kilometers, with 43 ski runs equipped and 8,000 sliders available to be held simultaneously, which is a professional ski resorts meeting the requirements of international competitions such as the Winter Olympics.

#### 2.1.2.2 Golf Course

There are two characteristic golf courses in the resort, namely a 36-hole gorges golf course and a 18-hole forest golf course, respectively covering the area of 2.75 square kilometers and 1.34 square kilometers.

#### 2.1.2.3 Tourist Town

The tourist town located at the center of Changbai Mountains International Resort Area, integrating multiple functions such as shopping, catering, entertaining and relaxation, consists of supporting facilities like cultural center, Shaman Museum, hot spring bath center, shopping street and grand theater, creating perfect sports tourism experience for tourists from home and abroad.

## 2.1.2.4 High-End Resort Hotel Area

Supporting facilities in "Wanda Changbai Mountains International Sports Resort Town" includes nine tops and high-end resort hotels, such as the six-star Park Hyatt, sixstar West, five-star Hyatt Hotels, five-star Sheraton, etc., to meet all kinds of requirements from high-end consumers comprehensively and to create a harmonious and nice sports tourism style.

## 2.2 Case Analysis of International Sports Town with the Example of "Austrian Innsbruck Skiing Town"

## **2.2.1 Background Information**

Austrian Innsbruck Skiing Town, built in 1239, is an international famous ski resort which successfully held two Winter Olympic Games in 1964 and 1976 respectively. At the same time, it is the place where the headquarters of SOS, the largest children charitable organization, and the headquarters of Swarovski crystal located. It is of comprehensive public benefit and economic benefit. Either the Gothic architecture or the Baroque gate, or the Renaissance-style bridge is reflecting its unique charm of regional culture.

## 2.2.2 Geographical Advantages and Transportation Facilities

Austrian Innsbruck Ski Town is located at a geographical crossroad, with its east to Vienna, west to Switzerland, south to Italy and north to Germany. With unique geographical advantage, it could use all kinds of resources from all directions to attract sports consumers from all over the world. The town is located in the southwest region of Austria. Both external transportation of aviation and railway and internal traffic of the town are rather convenient and rapid.

#### 2.2.3 Distribution of Ski Resort

The town is surrounded by 10 famous ski resorts, the most famous of which are Stubaier Gletscher Ski Resort. Stubaier Gletscher, about 20-minute drive away from Innsbruck Town, is the local first-rated ski resort. Here, unique tourism resources and rare ski resources, complementing each other, are skillfully combined together, making the resort internationally renowned.

## 3. Prospect Analysis on Sports Town

China, one of the world's major players, is in pursuit of emerging as a powerhouse in the international community. As is known to all, the sport serves as an epitome of a country's comprehensive national strength. Both 2008 Beijing Olympic Games and 2019 Beijing-Zhangjiakou Winter Olympics serve as show windows of China's comprehensive national strength. In the expert interview, we have learned that as the Winter Olympics is approaching, Xianpeng Lin (vice chairman of Asian Sports Industry Association and deputy dean of School of Management, Beijing Sport University) comments that the ice-snow characteristic town, as a branch of the sports-oriented towns, is awaiting us. In addition, the sports-oriented real-estate industry is mushrooming with rapid development. According to the statistics, within less than six months after the characteristic towns and the related policies announced by the related ministries and departments in 2016, a number of real-estate listed companies have disclosed their plans on the construction of characteristic towns, such as Country Garden, Greenland Group, CFLD, and other famous real-estate enterprises. At the same time, Vanke, Myhome Real Estate, and other real-estate enterprises will put the characteristic towns high on the development agenda, and vigorously participate in the local construction of the sports-oriented towns, in order to share the economic benefits brought about by the accelerating sports industry.

### 4. Conclusion

In the era of the rapid development of IT application, the sports industry is full of vast potential. The sports-oriented towns, as the emerging economic growth of the sports industry, serve as the development mode and important carrier of new urbanization. This mode of development, characterized with the integrated pattern of politics, economy, culture, society, and ecological system, is beneficial to address various uncoordinated and contradictory issues in terms of the current urbanization in China. It, of prime significance, aims to dovetail with the national strategies of facilitating the sports industry and promoting the people's healthcare level, and serves as an important move to accelerate the national economy and blaze a new trail of the new blue sea of the sport industry. At the same time, the construction of the sports-oriented towns needs to integrate such multi-dimensional resources as interest, industry, culture, proceed from the local conditions, give full play to the advantages of agglomerating economy, shared economy, and wisdom economy, and renew efforts in the system control, thus injecting enormous vitality into the sports industry in China.

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