

## Recent Developments and Prospects of China's Sports Industry

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Sport has always been a popular recreational activity, but now it is much more than that. Globally sport has turned into big business and rising industries in many countries, and has been identified as a growth area offering job potential.

With 30 years of fast economic growth, the living standard of Chinese has greatly improved. For many, sport industry in China is a sun-rise industry that is going to grow rapidly for decades to come. But until 2010, there was no official figures released regarding the size of China's sport industry. Shanghai University of Sport (SUS), entrusted by China's Sport Ministry and China's Statistics Bureau, had been working on the establishing of economic model and framework for sport industry calculation since 2006. SUS finished the theoretical research by 2007, providing the official methodology framework for calculating the economic value of China's sports industry.

From 2008-2010, commissioned by the Sport Ministry, we were involved in the sport industry survey by sampling 15 provinces based on previous study and collected sport industry statistics, producing the authoritative figures for China's sport industry(2006-2007) for the first time in history. Based on the industry survey, in combination of the

second national economic census of 2008, the economic value of 2008 was also assessed. The latest figure now is as of year 2010 (forecast based on previous data).

In terms of economic significance, the sport industry in China was estimated to be worth 222 billion RMB (US\$35 billion, 1/6th of US) in 2010, 13.44% higher than previous year, accounting for 0.55 % of total GDP and providing 3.37 million jobs. (SUS report 2010)

The present article also examined strengths and challenges of China's Sport Industry by three sectors: Elite sport, Participation sport, and Sporting goods. On the one hand, it can be argued that China's sport industry is faced with serious challenges: it is relatively small, still in its infancy stage, and development is imbalanced. On the other hand, many believe China's sport industry also has a great future. For many, small means potential, and actually risks and opportunities coexist as in Chinese translation for crisis. As sport industry is positively related with national economy, China's sport industry is expected to grow at a fast rate for many years to come, as some has predicted that the world's 2nd largest economy will grow with an annual growth of 8-10% for a foreseeable future.