

SPORTS

Anta, Li-Ning, Xtep: China's sportswear industry races ahead

May 12, 2023



Li-Ning is one of the local brands paving the way for China's global sportswear takeover. Image credit: Li-Ning

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On Tuesday, May 9 Goldman Sachs [published a report](#) detailing the predicted rise of the Chinese sports goods companies it tracks, forecasting that they will grow income between 15 to 21 percent this year.

Powerhouses Anta Sports, Li-Ning and Xtep all boast especially good growth prospects, the report says.

Last year, Anta's revenue in China overtook Nike's for the first time. Its revenue climbed 8.8 percent year on year to \$7.8 billion (RMB 53.7 billion) in 2022, topping Nike's \$7.4 billion (RMB 51.4 billion), reports [Yicai Global](#).

China is gaining further significance in the sports world in more ways than this, though.

Luxury houses are increasingly turning to Chinese sports stars as brand representatives.

For instance, Swiss watch leader IWC appointed Olympic gold-medalist [Eileen Gu](#) as its ambassador last year.

This year, Alfa Romeo Formula One driver [Zhou Guanyu](#) was named as Dior's endorser in China. Earlier this week, Prada announced it had appointed basketball player Yang Shuyu as its latest brand ambassador in the country.

The Jing Take: The factors propelling the predicted stellar growth of homegrown sports-related businesses are widely evident on a consumer level.

For example, hype around domestic players such as Li-Ning is intensifying, and the trending "[gorpcore](#)" aesthetic is driving sales for brands such as Anta-owned Amer Sports' Arc'teryx.

Anta now owns leading German sports brand Fila, as well as Amer Sports, which owns not only the Arc'Teryx but also Salomon label, further boosting its revenue streams.

Furthermore, as these labels are owned by a Chinese business, they are better able to engage in local collaborations and fuel expansion in China through connecting with consumers on a more relatable and authentic basis. Examples of this approach include [Arc'teryx working with Chinese hotel group Songtsam](#) and [Fila collaborating with Tmall Sports](#) on co-branded digital collectibles last year.

Meanwhile, the trend of sportspeople becoming luxury brand ambassadors is a global one that will continue to soar thanks to fandom on social media and the rising popularity of healthy living.

Another element contributing to the sports industry's rosy growth outlook in China is the fact that the government **backs it**, rolling out initiatives such as the **National Fitness Plan** which strives for fitness facilities across all counties, towns, and villages by 2025.

Luxury brands should ensure that athleisure lifestyles and Chinese sports industry expansion are both on their radar. These will provide collaborative opportunities, potent area of growth and targets for future investment.

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