The Comparison of the Operation of Youth Basketball Training Camps in Four Cities in China

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Abstract: Since the founding of the People's Republic of China in 1949, the Chinese government has been actively promoting the development of sports in China. However, due to the initial development positioning as “competitive sports”—the choice of maintaining national dignity and national unity with high-level competitive sports. The Central Committee established the People’s Republic of China Sports Committee to manage and operate China’s sports teams. This constituted the sports system at that time: the government-led sports system. Although this can effectively concentrate resources and achieve great development in a short period to achieve the desired goals, it also inhibits the participation and support of social forces in sports undertakings due to excessive government intervention, resulting in the lack of sustainability. Moreover, the incompleteness of the management structure has led to the waste of resources and uneven distribution of resources: a large influx of resources into competitive sports makes other sports fields and events ineffective development and ultimately affects the healthy development of national sports.

1. Introduction

Due to development limitations, Chinese sports began to seek breakthroughs. Therefore, in 1993, the Chinese Sports Commission formulated the “Opinions on Deepening Sports Reform” and established 14 sports management centers, starting the first step in the reform of the sports system. In that year, the China Sports Commission has renamed the China Sports General Administration. Government-sponsored sports will be transformed into focusing on supervision and regulation, and the right to host sports will be promoted to society. Form a new system: a combined sports system. The government has functions such as policy-making, coordination, and supervision of sports. Social sports organizations carry out specific business development, project planning, and development of mass sports. This change has played a good role in encouraging social forces to support sports.

The State Council issued the “Several Opinions on Accelerating the Development of the Sports Industry and Promoting Sports Consumption” in October 2014, which thoroughly activated the social potential of the Chinese sports industry market. To encourage the social capital to enter the sports industry and promote the development of the sports economy. “Several Opinions on Accelerating the Development of the Sports Industry and Promoting Sports Consumption” mentioned the support of social forces from seven aspects: broadening the investment and financing channels of the sports industry, including the national fitness funds into the fiscal budget, giving tax incentives, implementing the land to use policy for sports facilities, improving personnel training and employment policies, improving the development and protection of intangible assets and innovation-driven policies, optimize the market environment, and relaxing restrictions on broadcasting rights. This movement attracted a large amount of investment in social assets, and China has also been able to truly socialize relatively mature sports such as basketball, and transfer the rights of competition to the hands of professional leagues, allowing civil organizations to truly implement people-oriented sports activities to achieve the goal of nationwide fitness and sports power.

2. Sources and Costs of Funding for Youth Basketball Clubs
From the ten basketball clubs surveyed, it is shown that, in addition to the core service revenue for youth training clubs as a source of funding, seven of them are currently benefiting from or have benefited from business cooperation.

2.1 Service Income

Service income is the main source of income for youth training clubs. Service items mainly include core services such as youth training, adult training, interest classes, and competitions. And there are additional charges such as catering, venue rental, fitness services, equipment/peripheral sales, and other related services around the core services. Moreover, there are more comprehensive services such as rock climbing which is different from the core services, but it can enhance the attractiveness of the club, and also increase the club's revenue.

As the core income of the club, service income is more stable and can cover the daily operating expenses of the club. According to the characteristics of service items and demand, the source of funds also has the following characteristics: seasonality and periodicity. Since most of the participants in the youth training club are students, large-scale and high-intensity training can only occur during the winter and summer vacations (winter and summer vacation classes, winter and summer camps) with relatively low academic pressure. The weather in Kunming does not change much in all seasons, and all are suitable for basketball training. In addition, training is mostly located in basketball halls and is not affected by the weather, so many periodic courses have been developed and maintained in scale. For example, evening classes cater to some students who have no time during the day, and weekly training classes or weekend classes have a fixed time or fixed group of people to allow students to develop habits or train together.

2.2 Commercial Cooperation

Commercial cooperation is between the club and other commercial organizations. In the form of sponsorship, the club provides a platform and the commercial organization provides financial resources to achieve win-win cooperation. In the process of business cooperation, the club is the sponsored party, mostly as a platform/media to provide the sponsor with exposure opportunities in exchange for funds to provide a guarantee for the club's operation. Sponsors will provide funds, resources, and other material support to the club in exchange for the exposure opportunities provided by the club, thereby increasing the visibility of their company and broadening the audience of their company, thereby achieving a positive cycle of corporate development.

Due to the limitations of youth training clubs, the commercial corporation is mostly completed with sports and youth-oriented enterprises. Clubs need to pay attention to brand compatibility and moderation when selecting partners. As a process of increasing influence, opposite brand ideas or incompatible product/service output will cause results that are contrary to expectations. Successful business cooperation should be a mutual benefit for both parties, each taking what they need.

2.3 Costs and Use of Funds

All activities of the club can be classified as commercial activities, so how to manage funds and use the existing funds to create maximum value is very important. In this survey, Kunming’s youth training club operating costs mainly comes from two parts: venue costs and labor costs, without advertising costs. Among them, there are no advertising expenses. The main reason is: these venues are one of the few relatively good indoor venues open to the public, it can attract some people and form an advertising effect. Moreover, most clubs have their self-media platforms and do not need additional advertisements. According to the data, among the operating costs of several Kunming youth training clubs surveyed, the clubs with more labor costs than venue costs have more staffing (sales, coaches) and fewer venues/campuses. Conversely, clubs with more venue costs than labor costs have more venues and fewer coaches. Generally speaking, in a club with a core service for youth training, the allocation of coaches is more important than the venue. Of course, the venue still needs to be maintained at a basic level. In the process of fund allocation, funds should be used to
improve the core competitiveness of the club. Quality is always higher than quantity. This is an important criterion for fund allocation.

| Shenzhen1 | √ | √ | | | |
| Shenzhen2 | √ | | | | |
| Shenzhen3 | | | | | |
| Kunming1 | √ | √ | | |
| Kunming2 | √ | √ | | |
| Nanjing1 | √ | √ | | |
| Nanjing2 | √ | | | |
| Nanjing3 | √ | | | |
| Chengdu | √ | | | |

Fig. 1 (Comparison of Funding Sources)

Figure 1 shows the source of funds for each club in each city in this survey. It classifies the source of funds and shows which type of funding source is included in each club to maintain the operation of the club (yellow fillings indicate inclusion).

From the figure, it is shown that the core training services are indispensable for youth training clubs, and whether consumers choose to consume depends on the degree of professionalism of core services, which is also the majority of funding sources. Moreover, the continuity of core services is a necessary condition for the long-term stable operation of the club. In addition, half of the clubs in this survey include additional services other than the core services. While increasing the diversity of the clubs, it also generates revenue and funding sources, to achieve the purpose of maintaining club expenses.

The data shows that among the clubs surveyed, only six clubs' funding sources include business cooperation. Most of the business cooperation is formed in the form of holding tournaments---other brands sponsor clubs to host competitions to achieve the purpose of expanding the influence of their brands. However, there are two more special business cooperation models among the six clubs. The first is the promotion of the business district---the business district invites clubs to settle in that area, to attract more audiences entering the business district, and therefore achieve the purpose of consumption and promotion. Another special kind of commercial cooperation is the cooperation between sports brands and clubs to produce some co-branded products and sell them. In this case, both sides can use each other's reputation and social resources to achieve mutual benefit and win-win results. Regardless of the type of business cooperation, there are strict requirements on the size and reputation of the club itself.

In this survey sample, only two clubs show that they have or have had government cooperation. What these two clubs have in common is that they are both larger, chained, and embedded basketball training clubs in the American system. Cooperation projects also basically revolve around personnel training and transportation.

In the comparison of funding sources, there is a youth training club that deserves special attention---Nanjing3. This club is the only club in this batch of surveys that includes all four types of funding sources. This not only means that their funding sources can cover their expenses well, but it is also an affirmation of their past performance because of the business cooperation and government cooperation.
Figure 2 shows the comparison of the expenses of the various clubs in this survey. The labor expenses are greater than, equal to, or less than the venue expenses. (Yellow fillings represent the situation of the club)

The reasons why the labor cost is greater than the venue cost include the large cost caused by the professional level of the coach, or because the venue is not expensive due to various reasons, for example, the venue belongs to the club itself, so there are only maintenance expenses and no rental expenses. Furthermore, some clubs utilize free venue resources through relationships, so that the daily expenses of the club can be greatly reduced.

The reasons why the cost of the venue is greater than the cost of labor include the high rents in cities and lots, the higher costs caused by a better venue environment, or a large number of venue costs due to the lease of a large number of venues. Similarly, the low labor cost can also cause the venue cost to be greater than the labor cost. The reasons for the low labor cost include the low professional level of the coaches or the insufficient number of coaches. In any case, it is not recommended that the cost of the venue due to the low labor cost is greater than the labor cost. After all, the core of the youth training club is a good training level, and in this, people or coaches are the essences. A good coach can attract more students to come.

In this group of surveys, there is a special club—Chengdu. The labor cost and venue cost of this club can reach the same level. They have more than forty branch campuses throughout the city, and each campus is equipped with about four coaches. They have achieved a relatively balanced state in their way.

### 3. The Source and Purpose of Youth Basketball Club Students/Category

Youth basketball clubs as a service industry, understand customers (students/it is very important to the source and purpose of students), which can make the club better understand what services attract most of the students, To facilitate them to adjust their service focus. The number of students mainly includes hobbies/enhancement skills (professional), physical fitness, high school entrance examination bonus points, and interest development.

#### 3.1 Hobbies/Enhancement Skills (Promoting Career)

This category is mostly self-initiated by the students and seeks more professional and systematic training outside after confirming their interests and hobbies. Such students generally have higher-level coaches and higher-intensity training needs. Some courses corresponding to these needs are: 1) Higher-density periodic training such as daily or every other day training classes. 2) Higher-intensity and more professional personal training classes. 3) Winter and summer camps with special characteristics with multiple training sessions in a short time and long time.

#### 3.2 Keeping Fit/Cultivating Interest
This type of student mostly participates in class registration under the leadership of their parents, and they are generally younger. This type of trainees will not have as high a professional requirement as the previous type. The courses that match this kind of students are: 1) Interest training class, for some teenagers don't know much about basketball/children who, the courses are more interesting than technical. 2) Some weekly training classes and weekend classes with longer cycles 1-2 exercises per week.

3.3 Bonus Points on the Zhongkao

These kinds of students have a clear goal and special orientation. These students have professional needs for the courses, and the coaches need to have strong professionalism and an understanding of the test items. The courses suitable for this type of students are: 1) Specially set physical exam/high school exam classes. 2) A private education class that can adjust the content of the course according to the requirements of the students.

In this survey, data from Kunming show that about 48% of the students whose main purpose is to improve skill, about 40% are those whose main purpose is to keep fit/cultivating interest, and about 11% students whose main purpose is to add points to the high school entrance examination. Among them, the proportion of students whose main purpose is to improve skill is the highest. This may be because as basketball training gradually enters the public’s sight, more teenagers who used to just play by themselves want to take a further step into their hobbies. The training club provided them with this opportunity to improve their skills. The proportion of students whose main purpose is to add points to the high school entrance examination is the least. The reason may be that most youth training clubs do not have a particularly in-depth understanding of the high school entrance examination and physical examination training, so there are no similar high school entrance examination training courses, or some clubs will recommend the students who have this kind of willingness to some more professional institutions, such as academy.

Figure 3 shows the comparison table of the proportion of students in each city from three dimensions: improving skill, strengthening physical fitness, and adding points to the high school entrance examination. Among them, the skill improving includes students who have their hobbies and who want to pursue a career. Physical fitness also includes students who want to cultivate interest.

In this set of data, half of Shenzhen’s students come from cultivating interest and keeping fit. The reason for this result is that Shenzhen is an emerging city and a more advanced high-tech city, so the improvement in basketball skill has not been paying too much attention. More people like basketball and want to train just to have a healthy and strong physique.
However, in Kunming, this group of data shows that 48% of people participate in the youth training clubs to improve their skills, and some of them have career development ideas. Part of the reasons for this can be attributed to the vigorous promotion of the Kunming government and local football stars so that more young people in Kunming can learn about it and have the opportunity to participate.

Nanjing’s data appears to be more extreme than Kunming’s. Statistics show that 60% of Nanjing’s youth training club trainees are to improve their skills or have the idea of career development. This shows that Nanjing will become a large-scale basketball talent transportation city.

Chengdu's data appears to be relatively average. However, the number of students in Chengdu accounted for the highest percentage of bonus points in the high school entrance examination. This means that about 30% of the students participating in the youth training club in Chengdu participated to add points to the high school entrance examination.

4. The Charging Standards and Methods of Youth Clubs

As a profitable club, the charging standards and methods are also important indicators for consumers to measure a club. Too high charging standards (low-cost performance) will discourage consumers. The too-low fee will affect the normal operation of the club. The charging standard will vary slightly due to the content of the course and the method of teaching. The main charging standards are divided into daily training classes, winter and summer camps, and private classes.

4.1 Daily Training Classes

The survey data shows that in clubs in Kunming, this type of course generally charges 100-150 yuan per lesson, with each lesson ranging from 90 to 120 minutes. Most of these courses are set as basic courses, that is, the course length is moderate and the course fees are moderate. To attract most consumers to participate in the course. Such courses are mostly medium-sized classes (about 10 students). On the one hand, they are the reasons for the control of the epidemic, and on the other hand, they are more suitable for teaching.

4.2 Winter and Summer Camps

Because of the professionalism and duration, such courses generally have slightly higher prices than daily training courses. Prices vary from four to five digits depending on the overall duration of the winter and summer camps. This type of training camp generally has more trainees gathered together for some more specialized training than the daily class. The fees are paid in a lump sum for the entire training camp.

4.3 Private Teaching Classes

Personal teaching classes are generally conducted one-on-one by the coach and the students, and a few have teams with friends and the coach conducts one-to-two small class lessons. Because it is more professional and the coach can make different training plans according to personal circumstances, private training classes will be much more expensive than normal training classes. Statistics show that the price of private classes in Kunming is about 400-800 yuan per lessons.
Fig. 4 Is the Average Charging Standards of Each Course in the Four Cities (Approximately Averaged from the Data of Each City). This Icon Can Clearly Show the Price of Each City.

From this table, we can find an obvious level of fees, from high to low in the order of Shenzhen>Kunming>Nanjing>Chengdu. And we can find that the price of personal training (one-to-one) is averaging 2-3 times the price of a daily class.

4.4 Charging Methods

The differential also gives consumers many different choices. The two main charging methods are: charging for each class and selling the class hours in packages.

4.4.1 Charge Per Lesson

This method of charging will charge each lesson at the regular price. The flexibility is more suitable for some short-term training students so that they don't have to worry about unfinished class hours. Each different course will also be marked.

4.4.2 Packaged and Sold Class

The charging method of hours is generally based on dozens of class hours as a whole and then sold to consumers (students) at a lower price. This charging method will get a one-time benefit in advance, and the students will deduct the hours they have purchased for subsequent courses. After paying, the students will think about using up the class hours, so that they can lock the students in the club in disguise, but how to deduct a suitable class time from ordinary courses and other more expensive courses is very important.

5. The Service Provided by the Youth Basketball Clubs

Youth basketball club will be the core competitiveness of a club. A club needs to achieve the best service quality and comprehensively expand related services to become the most competitive and Influential club. According to the survey, the youth basketball club in Kunming not only provides youth training but also adult training, court rental, gymnasium, and other related sports industry services. Individual clubs provide training services for other sports such as badminton, table tennis, etc.
Figure 5 is of additional services of the clubs in this survey, which can show whether each club provides additional services and what additional services are provided. (The yellow fill indicates that this club includes this additional service.)

From the table, we can find three clubs in Shenzhen. Two of them do not provide additional services. The reason for this phenomenon can be attributed to the fact that the rent is too expensive, and most clubs do not have their arenas/venues, and clubs with arenas only have enough space to provide venues for renting services.

The data shows that there are five, that is, ordinary clubs hold basketball games as an additional service. This is an additional service that is more suitable for clubs. It can not only assess the level of students but also create a certain amount of income and reputation for the club.

Kunming 1 is more prominent in this set of data. This club provides some additional services in sports and fun, but it is not directly related to basketball. This strategy can also attract a lot of curious people to the club, which is a disguised way increases the club’s popularity and the possibility of being understood.

### 6. The Management Model of Youth Basketball Clubs

Kunming youth clubs are generally self-operated arenas, each campus is equipped with coaches, non-coaching staff, etc. Each member has his independent division of labor and is directly under the boss. The main reason that Kunming has this kind of operation model maybe because there is no particularly large club, so the boss can have the energy to operate independently.

Most youth training clubs in Shenzhen rent venues from others, do not have their arena and do not have many campuses, generally only one or two campuses. This model allows the club owner to directly manage and be responsible for the club's big and small affairs. The main reason for this operating model can be attributed to the expensive venues, which makes most emerging clubs unable to afford self-operated arenas.

In this survey, the operating models of the two clubs are significantly different from those of the others. The first one is Nanjing 3. This club is relatively large. It has about 20+ branches in Nanjing, as well as some arenas particularly rented to others. Each campus operates themselves, but they use a unified set of teaching. The club is divided into management, personnel, marketing (promotion), finance, and coaches. Coaches do not classify their classes, which means that wherever there is demand, coaches need to run classes. This mode of operation allows the relatively balanced development of various campuses. It will not be said that the effect of which campus is completely better than the other is to protect the reputation of the club in disguise.

The second special club is the club in Chengdu. This club in Chengdu is also a large-scale club, even larger than that in Nanjing 3. This club Chengdu has40+ campuses and almost monopolizes the entire Chengdu youth training club market. This club does not have its independent venue, but they have a fixed campus, and they have long-term cooperation with those venues to rent their venues for teaching. This model reduces the burden caused by a large number of branch campuses. This club has cooperated with some sports schools to introduce graduated sports school students as coaches of
the club, ensuring the basic configuration of four coaches in each campus. This model reduces the
operating burden of the club and allows the club to quickly invade the market, but it also needs to
maintain a sufficiently high level of teaching to proceed smoothly.

7. Conclusion

Since entering the new era, China has gradually socialized sports to activate the market potential
of the sports industry. Among them, the youth training industry has developed rapidly based on
actual development needs such as improving the physical health of young people, popularizing youth
sports skills, and building diversified sports reserve talent training channels. With the support of
national policies, a large number of youth training clubs flooded the market. However, in the process
of development and operation of youth training clubs, their business methods, problems, and
characteristics will inevitably arise. Therefore, this article conducts a social survey on ten youth
basketball training clubs in four cities in China from the six aspects of the club's funding source,
source of students, charging standards, services provided, and management mode, and comparative
analysis of the results. Although most youth training clubs generally have different degrees of
similarity and overlap in business and management, each youth training club has its operating
characteristics due to local policies and environmental factors. This article does not compare the
characteristics of the various models to determine which is better or worse. Different business
models have their advantages. Under the environment in which the respective clubs are located, a
suitable business model can enable the youth training club to achieve the greatest degree of
development.

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