



**2017
NBA**

RED CARD



GOLDEN STATE WARRIORS ARE THE MOST INFLUENTIAL TEAM ONLINE IN CHINA.

KOBE BRYANT IS THE NUMBER ONE BASKETBALL STAR ONLINE IN CHINA.

THE NBA IS THE MOST DOMINANT SPORTS ORGANISATION ONLINE IN CHINA.

EUROPEAN FOOTBALL CLUBS ARE MORE POPULAR THAN THE NBA TEAMS ONLINE IN CHINA.



Welcome to the first ever NBA Red Card. Following the legacy of the Red Card, we are now taking a deep dive into the digital performance of the NBA in China.

The NBA is more popular than ever in China, with the 2017 Finals gaining over 190 million viewers on mobile alone. The position of the NBA, and indeed basketball, in China has been well documented for years, however, the popularity of NBA teams online has been widely unexplored, until now.

Over the last 5 years, the NBA has been pushing its online presence through big partnership deals with market leaders like internet/gaming giant Tencent and China's favourite microblogging platform, Sina Weibo. The results of the partnership with Weibo have already been visible, for example, during the playoffs the NBA's official account gained 2.9 billion video views and 15.5 billion hashtag reads. Most recently, the NBA organised a local 5v5

tournament in Beijing and livestreamed all games online on Weibo, setting the pace for all other sports organisations in China.

However, the NBA also faces challenges in the future. One emerging trend is that teams and players are increasingly focused on building their own digital ecosystems in China. While the players are already free to pursue this long-term goal, teams face the issue of a number of restrictions from the NBA. The NBA has made it clear that they intend to manage all of the team's digital and social media in China. This approach will ensure a strong online presence for all 30 teams, however, it may also lead to a lack of personalisation and difference between accounts which will mean that they miss the best positioning of some teams.

I would like to congratulate both the Golden State Warriors and Kobe Bryant as the winners of the NBA Red Card. Both are examples of what dedication towards the

Chinese market and outstanding online performance achieves.

We are looking forward to welcoming the Warriors and the Timberwolves to China this October. This year's China Games series marks 38 years since NBA teams first came to China. Over that time, they have excited millions of fans and have done a huge amount for the development of grassroots basketball in China. We are also looking forward to monitoring the digital future of the NBA and its teams in China.

Thank you and I hope you enjoy the report.



Andrew Collins
Mailman Group Founder & CEO
andrew@mailmangroup.com
@ACMailman





Introduction	Snapshot of Digital in China	NBA China Timeline	
1	2	3	
	4	5	6
	Team Ranking	Player Ranking	NBA vs. Football



The NBA Red Card is the first report to analyse the influence of the NBA, its teams and players online in China.

The NBA Red Card follows the globally recognised Red Card report, the industry standard ranking of European football's performance online in China. This report measures the performance across 8 different metrics. Our goal is to educate sports teams, organisations and professionals about the basketball digital landscape in China and demonstrate new opportunities and potential challenges.

Basketball is widely regarded as the most popular major Western sport in China. For decades, NBA superstars, legends and franchises have toured China to promote the growth of the sport and the NBA's

brand in China. Over the past 5 years, new commercial opportunities have continued to arise from the digital, media and sponsorship ecosystems for the league, teams and players.

Mailman is China's leading sports digital consultancy and marketing platform.

Established in 1999, we were in China before social media, or smartphones. We've grown up alongside China's digital marketing industry and we're the only marketing agency to truly place digital at our core.

We specialise in helping global sports organisations build a successful brand in China and to date have helped many of the world's biggest teams, athletes and brands develop their business in China. Our services include: digital strategy, media partnerships, PR management, activation, brand sponsorship and training/education.



TENCENT AND THE NBA

In early 2015, the NBA and Tencent, one of the leading technology organisations in China, agreed on a 5-year digital partnership for a reported \$500 million. The partnership consists of various agreements. Primarily, it includes the digital broadcasting rights for all NBA content, which Tencent distributes through their digital ecosystem. Tencent also hosts the NBA's Chinese website and has developed a localised NBA app for the Chinese market.

The results so far have seen a 66% increase in viewership, and average

mobile viewership of NBA games has doubled. This is not surprising, considering that well over 50% of the NBA's fans are millennials, for whom mobile is the first point of internet access.

The deal is the NBA's largest international partnership and is a major milestone in the NBA's journey in China. Tencent is driving the NBA's digital package, and has opened the league up to their ecosystem of 963 million online users. For Tencent, the most valuable asset in the deal is the data and user base they gather, which more than doubled to 400 million main users since obtaining the NBA rights.

"There is still free content out there, around 300 games that we'll broadcast for free this season. If the fans feel that this isn't enough and have a higher requirement, they'll then have to subscribe to the NBA package. This is the route that China's sports subscription models will definitely have to follow. (...) If a fan really loves basketball, then the paywall is not an issue for them. Our subscription users this season have significantly increased at a level we've never seen before"

Ewell Zhao
General Manager of Tencent Sports



WECHAT

WeChat has grown to over 963 million total monthly active users. It remains a vital part of Chinese netizen's everyday life, developing from a messenger app to a unique, multichannel CRM platform, including in-house mini-programs, advertising opportunities and mobile payment.

The NBA's WeChat account is the most followed sports account on the platform. Every month it attracts around 1 million total reads. No NBA teams have set up a WeChat account yet.



SINA WEIBO

Weibo is China's number one social media platform for brand awareness and viral content. In 2017, it grew to over 365 million monthly active users. The NBA has over 33 million followers on this platform, more than its current following on Twitter.

The NBA has been active on Weibo since 2010, earlier than any football organisations. For NBA teams, this platform is their most influential marketing tool, enabling them to individually engage with their fan base in China and promote their individual brand values.

NBA CHINA TIMELINE

Basketball first introduced, later promoted by the military for its cohesive power.	Washington bullets become the first team to visit China.	First NBA game aired on CCTV.	First NBA Finals broadcasted live in China.	Yao Ming drafted No.1 by the Houston Rockets.	NBA opens office in Beijing.		
1896	1979	1986	1994	2002	2002		
		2004	2008	2010	2015	2016	2017
		First NBA China game.	NBA China founded.	NBA launches its first social media channel in China.	NBA signs partnership with Tencent.	Minnesota Timberwolves become the first NBA team with a Chinese minority owner.	NBA China and Sina Weibo sign partnership.

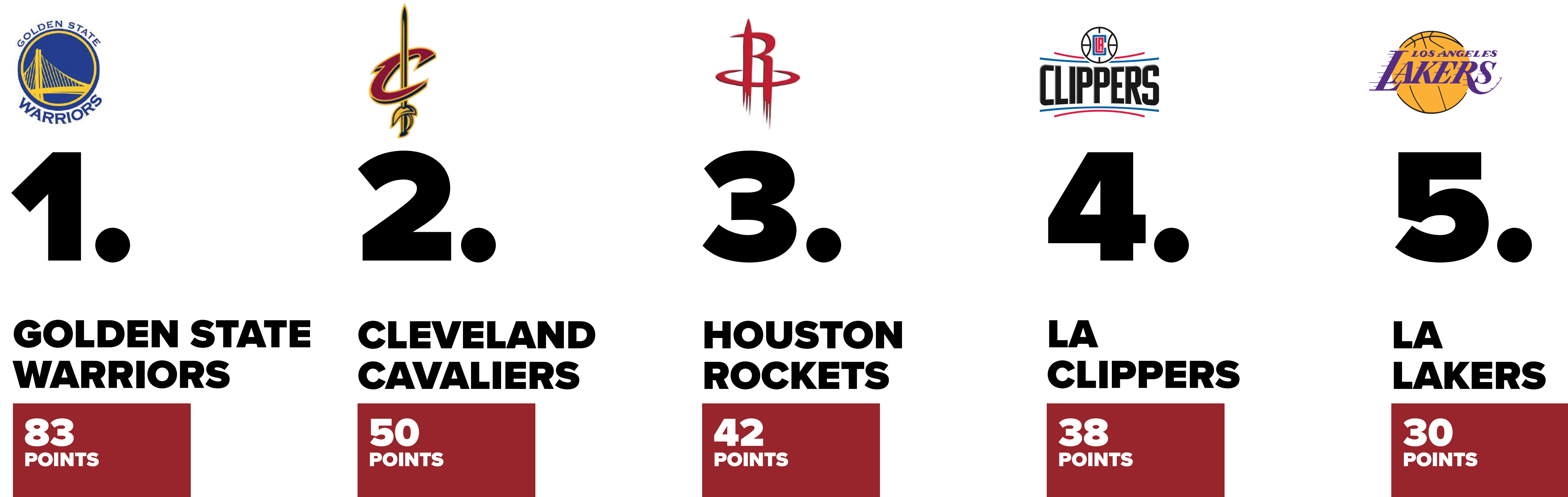
2017

NBA

RED CARD



MOST POPULAR NBA TEAM ONLINE IN CHINA



The NBA teams were assessed across the following metrics.

- 1. Weibo followers
- 2. Weibo follower growth
- 3. Weibo engagement
- 4. Mentions on Weibo and Baidu



WARRIORS VS. AVG. NBA TEAM

6X

**More
Popular**

The Dubs are the undisputed number 1 in China. Their huge popularity is illustrated by a number of figures, for example, they grew 6 times faster (nearly 900,000 new followers) and had a 17 times higher average engagement than the average NBA team last season. These social trends translated into game viewers as 50.6 million people tuned in to watch the Warriors bring home the Larry O'Brien Trophy this June.



WARRIORS IN CHINA

- 1. Success.** Golden State's recent success is fueling their popularity online. Chinese fans are heavily influenced by their current performance.
- 2. China Tours.** Klay Thompson and Stephen Curry both toured China in 2017 with their personal sponsors. Being present and active in the market brought the club closer to its fans.
- 3. The Curry Effect.** Basketball fans are also heavily influenced by star power. Visiting China every year since 2013 (except 2014) Stephen Curry is the most popular active NBA player online.
- 4. Dedication.** The Warriors were the first team on Weibo, gaining a head start online. They also engage with the biggest online KOLs, for example, more than 27,000 fans engaged with their recent collaboration with Chinese entertainer Luhan.

2017

NBA

RED CARD



MOST POPULAR BASKETBALL STARS ONLINE IN CHINA



1.

**KOBE
BRYANT**

**119
POINTS**



2.

**STEPHEN
CURRY**

**103
POINTS**



3.

**JEREMY
LIN**

**99
POINTS**



4.

**DWYANE
WADE**

**86
POINTS**



5.

**STEPHON
MARBURY**

**76
POINTS**

The basketball stars were ranked according to the following metrics:
1. Weibo followers 2. Weibo engagement 3. Weibo follower growth
4. Mentions on Baidu and Weibo 5. Chinese website presence
6. Digital coverage China tour 7. Digital sponsor coverage in China



KOBE IN CHINA

Kobe has nearly twice as many followers as Curry

6 of the last 10 years, Kobe's shirt was the highest selling

For 14 consecutive years Kobe travelled to China, first in 1998

Kobe Bryant China Fund has raised over 42 million RMB

LeBron James has 38 million followers on Twitter, but has no presence online in China.

HOW KOBE WON



"I'm so grateful to have been announced as the #1 basketball star online in China. Stay tuned fans... there's going to be plenty more to be excited about in the future #mambamentality"

Kobe Bryant

Even though Kobe is no longer playing in the NBA, his legacy still reigns supreme in China. Following his retirement, and Weibo's 1 billion read hashtag #KB20#, he has continued to engage with Chinese audiences focusing on his future away from the court. This has included live streams, ecommerce programs, TV shows, China tours and endorsement deals with several local brands.

The Icon Market:

Chinese fans' team preference is heavily influenced by the top talent in the sport.

The Warriors are currently benefitting from Stephen Curry's presence online and offline. In the same way as the Cleveland Cavaliers with LeBron James, despite him not being online.

Fans who started following the NBA in the early 2000s are generally Lakers fans because of Kobe and there was huge interest in the Houston Rockets during Yao Ming's career was at his peak. The latter NBA hall of famer is the key reason for Basketball's huge success in China.

The icon market phenomenon can be illustrated best by the Lakers. They were the most followed NBA team until Kobe's retirement last year, since then, they have dropped down to 5th on the list.



THE NBA IS...

6X

More Popular

The NBA is the number one league online in China. The long-term focus of the NBA on new technologies and areas of growth has impacted its success dramatically. The result is that the NBA is 7 times more discussed online, has 5 times more followers and is 6 times more engaged than the top 3 European football leagues combined online in China.

THAN THE EUROPEAN FOOTBALL LEAGUES ONLINE IN CHINA

Leagues and teams were compared according to the following metrics:

- 1. Weibo Follower
- 2. Weibo Follower Growth
- 3. Weibo Engagement
- 4. Mentions on Baidu and Weibo
- 5. Digital Presence during China tour
- 6. WeChat reads
- 7. Website

EUROPEAN FOOTBALL CLUBS ARE...

2X

More Popular

European football clubs operate much more independently from their respective leagues than NBA franchises. As such, they have been able to build their own digital ecosystems in China without the influence of league-wide policy. As a result, the clubs are mentioned 3 times more online than the NBA teams and have double the amount of followers. More recently, NBA teams have begun to increase their efforts in this area.

THAN THE NBA TEAMS ONLINE IN CHINA



HOW THE NBA WON

1. Power of the League

The NBA has a monopoly on all global rights, allowing teams to individually market their brands within a strict 150-mile radius of their hometown. This means that the teams are not allowed to run ads or monetise digital or social content outside of this territory. They use this asset by distributing the majority of content through the league's own channels. The result of this strategy is that the fans associate themselves more strongly with the league.

2. Resources

The result of the power of the league is that the NBA has more financial power than any football club or league, with which they can activate their fans in China. Initiatives such as their 5v5 tournaments,

Junior NBA and the China Games are completely owned by them and as such have huge implications for popularity, brand reputation and recognition.

3. Grassroots

Basketball has been present in Chinese society for around a century. This has allowed the sport to grow organically and develop an active fan base. Social followers of the NBA are extremely engaged with the NBA's official accounts, due to their passion for the game. The NBA are continuously investing in the grassroots landscape in China. The livestream of the NBA's 5v5 tournament in Beijing this summer was a great example how to turn these efforts into digital.

HOW THE FOOTBALL CLUBS WON

1. Dedication

European football clubs are now putting a large emphasis on marketing themselves as global brands which is not a priority for NBA teams. This is because of a more fierce battle for the domestic sports market and the control that the league has over the teams abroad. It is demonstrated by this year's preseason, which saw 14 European football teams visit China, whereas only 2 NBA teams will make the trip.

2. The Nature of Football

Football fans in China generally focus on the clubs and players that they find interesting, rather than the leagues as a whole. This again links to the power and independence of European football clubs

and how this shifts the attention of the fans in China towards them rather than the leagues. For example, Red Card 2017 winner Manchester United scores over 40% more points than NBA Red Card 2017 winner Golden State Warriors.

3. Issue of NBA structure

The power of the NBA does have some other disadvantages. One being their intent to manage all of the team's digital and social media in China. The main issue with this will include a lack of personalisation across team accounts. This similarity will result in a less than ideal positioning of the teams for their target audience. Teams that want to run their own accounts can, however, they will remain limited by the 150-mile rule.

ANY QUESTIONS?

For questions about the report
contact max@mailmangroup.com

For business opportunities
contact david@mailmangroup.com

For consulting and advisory services
contact andrew@mailmangroup.com

2017

NBA

RED CARD