

## The Development of the Ice Hockey Market in Beijing, China

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**Management - Strategic Management (Professional Sport)**

**20-minute oral presentation (including questions)**

**Abstract 2018-252**

**Saturday, June 9, 2018**

**8:05 AM**

**Room: Acadia B**

Internationally, ice hockey leagues have expanded beyond national borders, unlike the usual practice in global soccer. The Erste Bank Eishockey Liga has 8 teams in Austria, but also has teams from Italy, Hungary, Slovenia and Czech Republic competing as international teams joined in 2007. Where countries have few major cities, the multi-national league model is valuable in sustaining interest in high quality professional hockey. The newest model, and the most impressive since the expansion of the NHL, is the Kontinental Hockey League (KHL) (Russian: КОНТИНЕНТАЛЬНАЯ ХОККЕЙНАЯ ЛИГА) formed in 2008 with large-scale investment. In 2011 the KHL expanded beyond Russia. The league now has 29 teams in Russia, Belarus, China, Croatia, Finland, Kazakhstan, Latvia, and Slovakia, with further international expansion plans.

The most significant international expansion by the KHL was to add HC Kunlun Red Star in Beijing to the KHL in 2016-17. The experience of basketball in China after Yao Ming came to the NBA demonstrates the power of local grown talent to the Chinese market and to selling China internationally (Nauright, 2016). China is investing in 20,000 soccer schools, surely some of these sports schools could be used to develop youth hockey and other sport players as well as soccer stars (Nauright, 2015). China has grown from a base of virtually no players five years ago to more 1,101 registered players in 2016 supported by a substantial and rapid increase in facilities with 154 indoor and 206 outdoor rinks (IIHF, 2016).

After winning the right to host the 2022 Winter Olympics, China's government pledged to get 300 million people to participate in cold weather sporting activities before 2022. One of the particular target areas of growth is in the ice hockey market. Since 2007, cities such as Beijing have realized the expansion of numerous hockey clubs and youth teams as a result of the HC Kunlun Red Star ice hockey club. However, this growth has not been without challenges. For example, when Red Star was formed there were few sheets of ice in the Beijing region suitable for hockey. Hockey is not a traditional Chinese sport, nor one that had widespread following. The KHL and NHL seasons occur alongside the widely popular NBA and Premier League seasons, and equipment for hockey is expensive, so it is not an easy sport for all to take up similarly to basketball or soccer.

These challenges are not surprising as new markets tend to experience struggles due to the fluidity of logics (Greenwood, Raynard, Kodeih, Micelotta, & Lounsbury, 2011; Thornton & Ocasio, 2008) and issues of establishing legitimacy (Deephouse & Suchman, 2008). Organizations in these types of environments can face multiple institutional pressures and may not have the necessary mechanisms in place to combat these tensions (Greenwood et al., 2011; Kraatz & Block, 2008). This type of institutional environment often provides the necessary leverage for interested parties to undermine existing market structures and establish more favorable arrangements that suit their interests (Seo & Creed, 2002). Considering this, those hoping to establish new sport institutions within untapped contexts are burdened with the arduous task of simultaneously creating and maintaining institutional structures while working to establish legitimacy (Nite & Washington, 2015, 2016; Washington, 2004).

As such, the purpose of this study was to investigate the development of the ice hockey within China. We drew from the various tenets of institutional theory, specifically institutional work, to understand how Chinese authorities and other relevant stakeholders have created, built, and sustained the emergent ice hockey market in this context. Specifically, our research was limited to understanding the development of hockey in the city of Beijing as it is the home of Red Star, the 2022 Winter Olympics, and a major target market for NHL one-off games. This inquiry was guided by the following research questions: what factors at various institutional levels influenced the development of the ice hockey market in Beijing? How did institutional leaders respond to challenges that threatened the markets development?

## 2018 North American Society for Sport Management Conference (NASSM 2018)

To answer these questions, we employed archival research methods to document the history of ice hockey market development in Beijing, China. We systematically collected and analyzed data from numerous sources so that an in-depth understanding of the ice-hockey market developing model. Primary data sources included documents collected from the Beijing Municipal People's Government, Beijing organizing committee for the 2022 Olympic and Paralympic Winter Games, Beijing Municipal Sports Bureau, Beijing Hockey Association, HC Kunlun Red Star club, and numerous secondary documents such as the thesis of Li (2016), research reports from Xu (2016), Sun and Dong (2016). These multiple data sources allowed us to address the development model of ice hockey market in Beijing, and its primary advantages and challenges. In sum, we collected data that spanned 36 years of ice hockey development in China. Data analysis followed the inductive grounded theory approach, wherein we identified first order concepts, second order themes, and aggregate theoretical dimensions (Gioia, Corley, & Hamilton, 2012).

Initial findings suggest the ice hockey market in Beijing has framed this development model with opportunities and multiple resources. Beijing has received governmental support for ice hockey development, investment from the KHL, and the 2022 Winter Olympic is a good opportunity, and is bringing in additional funding and support. Beijing HC Kunlun Star Club has established a structure for other ice hockey clubs in Beijing and is stimulating the market. Youth ice hockey development in Beijing is providing ice hockey talent for the hockey market in Beijing. For example, many schools in Beijing have their own ice hockey team, and there have been youth ice hockey tournaments and leagues since 2008. Currently, there are more than 2,000 registered youth ice hockey players in Beijing. The development of ice hockey facility and equipment industries in China is progressively making it easier to participate in the sport.

We found that the ice hockey development model in Beijing faced challenges originating from its fast growth. First, there is a need for more professional specialists in ice hockey market. Second, the ice hockey market in Beijing is still relatively small, compared with other traditional sports like soccer or basketball. Third, there is a need for the professional criteria and regulation in the ice hockey market in Beijing. Finally, the ice hockey fan market needs to be developed in China.

This research offers meaningful implications for both theory and practice. First, this study provides insight into the struggles of establishing and institutionalizing a new sport into new markets. Second, this research outlines how interested parties can build, but also inhibit sport institutions in emerging markets. Finally, this research outlines the importance of instituting sport at multiple levels to build market foundations.