Commercialization Bottlenecks and Breakthrough Paths for Sports Event Intellectual Property in China: Evidence from the Premier League

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ABSTRACT

This paper discusses why obtaining intellectual property rights (IP) in sports events in China usually does not bring sustainable profits. Based on literature review, structured case study and comparative analysis, this study puts forward an analytical framework, focusing on the monetization of rights, digital fan participation and governance structure. The Premier League (EPL) takes its time-tested business model as the main reference, which is characterized by strategic integration of media rights, direct digital interaction with consumers and revenue sharing mechanism aimed at supporting competition balance and long-term reputation. According to official data, from 2021 to 2023, the sports industry in China grew well. However, the parties who rely on events to make money are still very small. This shows that the biggest problem is not the lack of funds or audience, but the failure to achieve sustainable development after purchase. In the end, the organizers of China must adapt to its core mechanism, rather than simply copying the scale of EPL. This means developing a package of rights at different levels, improving the ecosystem of members and data, and changing governance to build a strong long-term brand.

Keywords: sports event intellectual property; commercialization; Premier League; direct-to-consumer; media rights; league governance

1. INTRODUCTION

Intellectual property rights of sports events have become one of the most important commercial assets in today's platform-based economy. With the rapid development of streaming media services, short video platforms, social media and data-driven marketing, event rights are no longer just understood as legal permission to play games. Instead, they operate as integrated commercial assets, which can create value through media exposure, subscription, sponsorship, derivatives, data services and fan community consumption. However, the acquisition of these rights does not by itself guarantee a stable or sustainable income. In China, there is still a huge gap between the purchase of event right and its long-term commercial realization.

According to official statistics released by the National Bureau of Statistics and the General Administration of Sport of China, the total output value of sports industry increased from 3.1175 trillion RMB in 2021 to 3.6741 trillion RMB in 2023, and the added value increased from 1.2245 trillion RMB to 1.4915 trillion RMB in the same period. However, by 2023, the added value of competitive sports and performance activities will only be 30 billion yuan; Sports media and information services reached 50.2 billion yuan; Brokerage, agency, advertising, exhibition, performance and design services accounted for 23.9 billion yuan. These figures show that although the sports industry as a whole continues to develop, the event-centered intellectual property marketing is still quite weak in structure [1-3].

In this context, this paper not only asks why capital loves intellectual property rights of sports events so much. He focused on a more practical question: Why buying event rights usually does not bring sustainable funds, and what mechanisms in mature international leagues can really suit China? We choose the Premier League as the main example, because it shows how rights packaging, digital fan operation and revenue sharing governance can jointly form a well-functioning marketing system.

2. LITERATURE REVIEW

2.1 Commercialization logic in sports events

Recent research shows that digital media has completely changed the way sports events create commercial value. Instead of just relying on traditional broadcasting, value creation now relies to a great extent on media integration and participatory interaction across multiple platforms (Zhang, Liu& Yu [4]). In addition, fans' participation in social media is not just passive consumption. He is eager for social interaction, entertainment and expressing his identity [5].

The following research emphasizes the key role of content strategy in this ecosystem. For example, Annamalai and others [6] point out that the vitality of content has a direct impact on participation, while Steiner, Pittman and Boatwright [7] show that such participation can predict the actual purchase intention according to the consumption background. Therefore, organizers of sports events need to change their attention: they need to establish lasting relationships with consumers through digital interaction, rather than just paying attention to the number of spectators.

2.2 League governance, broadcast rights and the research gap

There is another important aspect of sports marketing, namely institutional governance. Petes pointed out that selling broadcasting rights together does not automatically guarantee the balance between teams, but the rules of fund allocation are still crucial to the long-term balance of the league. Similarly, Freestone and Manoli [9] point out that the financial fair competition rules of Premier League (EPL) are helpful to financial stability without excessively damaging the integrity of competition. These results show that successful commercialization requires strong market demand and effective governance structure.

Despite these ideas, there are still major defects, especially for the sports market in China. First of all, the current books and articles often talk about media rights, fan participation and governance as independent things, but in real life, commercialization needs them to work well together. Then, when we talk about the policy of sports intellectual property rights (IP) in China, we usually give good general suggestions, rather than specific strategies that really work with proven examples. In order to make up for these shortcomings, this paper constructs a comprehensive analysis framework, combines the distribution of rights, directly transforms to consumers and coordinates governance, and uses EPL as the main comparative case.

3. METHOD AND DATA SOURCES

3.1 Research design and case selection

This study uses three complementary methods. First of all, literature review is used to explain and analyze important concepts, such as intellectual property rights of sports events, commercialization, fan conversion, and alliance governance. Next, this paper uses a structured case study method centered on the Premier League. This case is chosen because it provides a relatively mature and transparent example of how to organize media rights packaging, digital fan operation and income distribution in the alliance system. Finally, comparative interpretation is used to adapt these reference mechanisms to China's context, rather than treating them as direct replication models.

The choice of Premier League also shows the main goal of this study. The purpose is not to make a broad or abstract comparison between China and foreign leagues, but to find an operational mechanism that can be adapted in practice. On this basis, the analysis is limited to three specific aspects: the production of media rights, the direct conversion to fans, and the governance of alliance clubs. By narrowing the scope of research in this way, we have avoided overly general cultural discussions and focused on mechanisms that may be useful for China's actual reform.

3.2 Data sources and indicators

The analysis is based on four major source groups. The first group is the official industry statistics of China from the national sports industry announcements in 2021, 2022 and 2023. The second group includes the official documents of the Premier League on the sale of domestic rights, income distribution rules, governance arrangements and digital platform development [10-13, 15]. The third source is Manchester City's 2023/24 annual report, which is used as an illustrative example at the club level to show the relationship between digital influence and business income in the wider Premier League ecosystem. The fourth group includes peer-reviewed journal articles, which provide a theoretical basis for discussing media integration, fan participation, purchase intention and competition balance [4-9].

This study uses descriptive indicators rather than econometric modeling, because its main purpose is to explain mechanisms and learn policies from them. The indicators used include the total added value and segmentation of the sports industry in China, the distribution rules of the national broadcasting revenue of the Premier League, the value of the announced rights agreement, and the public data of the club's commercial and broadcasting revenue. Although these data can't establish a causal relationship at every consumer level, they are enough to determine the structural limitations of IP in marketing activities in China and clarify the reference mechanism observed in the Premier League.

4. FINDINGS

4.1 Structural constraints in China's event intellectual property commercialization

The first major discovery is that the growth of sports industry in China has surpassed the development in the field of event intellectual property, which should lead to high-value commercialization. As shown in Table 1, according to the official statistics in 2023, sports competitions and entertainment activities only accounted for 2.0% of the total added value of the sports industry, while sports media and information services only accounted for 3.4%, and services related to brokerage only accounted for 1.6%. This shows that the industries most directly related to the content, distribution and downstream monetization of sports events still occupy a relatively limited position in the broader sports economy. This also helps to explain why many events can attract public attention, but it is still difficult to turn attention into sustainable income.

Table 1. Event-IP-related value-added segments in China's sports industry, 2023.

Segment	Value added (RMB bn)	Share of sports-industry value added (%)
Sports competition and performance activities	30.0	2.0
Sports media and information services	50.2	3.4
Brokerage, agency, advertising, exhibition, performance, and design services	23.9	1.6

Source: compiled from [3].

The three categories in Table 1 are selected because they correspond most closely to the main revenue channels of event-IP commercialization: live competition content, media distribution, and brokerage or advertising-based activation. Together, they provide a useful proxy for the commercial conversion capacity of sports-event IP in China. However, these statistical categories do not fully capture all event-IP revenues, such as merchandise licensing, venue consumption, informal platform traffic, or club-level membership income.

The second limitation we often see is that we use "batch rights logic" instead of a complete "rights product" system. In the market discussion, people often think that the event organizers in China regard media rights as centralized transactions: a large platform buys a large package and then controls most of the subsequent traffic distribution. Because this paper does not make a separate case study of every right case, this passage should be regarded as a cautious description of a frequent trend, not a universal truth. Although this method can reduce the cost in a short time, it can also provide the platform with user access rights and the ability to make money downstream. Therefore, organizers can get instant income through sponsorship or copyright sales, but over time, they still can't collect user data, build membership systems or develop multi-level content products themselves.

4.2 Media-rights productization in the Premier League

The key lesson of the Premier League is not just that media rights can be very expensive. More importantly, the alliance regards rights as different media product combinations. According to the league's official broadcast guide, live audio-visual rights are sold together in a three-season cycle through a regulated auction process. In the 2019/20-2021/22 cycle, the 200 live broadcast games in each season are divided into seven domestic packages, each package is associated with a specific broadcasting market, and no broadcaster has the right to buy all seven. This arrangement avoids excessive concentration, improves the flexibility of negotiation, and transforms the competition inventory into a set of structured tradable rights products.

The same principle is still obvious in the next cycle. In December 2023, the Premier League announced that the UK copyright agreements signed with Sky Sports, TNT Sports and BBC were worth 6.7 billion pounds. Sky got four live packages, TNT Sports got one, and BBC kept open access abstracts. This is not just a bigger agreement on money; This is also a continuation of the alliance's strategy of transforming rights into products through different windows, formats and broadcast time. For the event organizers in China, the idea is simple: media rights should be divided into live broadcast rights, abstract rights, short video clips rights, data service rights and social media rights, rather than being sold as an indiscriminate bundle.

4.3 Direct-to-consumer digital conversion and fan asset accumulation

The second example of the tagging mechanism can be seen in how the Premier League turns viewers into recognizable digital users. In 2025, the league launched a new digital platform for fans, built around personalization. This allows fans to pay attention to the clubs, players and games they are most interested in. On the same day, it also announced a five-year partnership with Microsoft. The goal is to change the way 1.8 billion fans in 189 countries watch the game, using statistics from more than 30 seasons, 300,000 articles and 9,000 videos. The scale of this investment shows that the alliance is not only dependent on the license with other companies. It has also established its own first-hand digital environment, and users' behaviors can be tracked, classified and served more effectively.

At the club level, this larger ecosystem also helps marketing. Other business income of Manchester City in 2023/24 was 344.7 million pounds, broadcasting income was 294.7 million pounds, and competition income was 75.6 million pounds. This is not to say that every digital interaction will make money immediately. On the contrary, it shows that direct consumer-oriented channels and continuous digital participation can strengthen marketing. They create repeated opportunities to turn people into members, activate sponsors, sell products and provide quality content. In contrast, a big weakness of China is that many events still stay at the exhibition level. They haven't developed a stable system for first-party fan data, user loyalty or subscription-based value creation.

4.4 Revenue distribution and governance coordination

The third reference mechanism involves the governance of the alliance. The Premier League shares TV funds nationwide in the formula of 50:25:25: 50% is divided equally among all clubs, 25% is given according to the final position in the league, and 25% is paid as a surcharge, depending on the number of games played on TV. The same source also said that when the money for international TV broadcasting rights increases, it is shared with a formula that limits the ratio between the club share that gets the most box office and the club share that gets the least box office, that is, 1.8:1. This arrangement shows a principle that is often forgotten in China: the long-term value of rights depends not only on the size of the star club or audience, but also on whether the competition is credible, uncertain and willing to follow up with time.

The governance structure of the alliance strengthens this principle. The Premier League explained that its 20member clubs are shareholders, and each club has a say in the League. Through the above income distribution rules, the framework helps to reduce the risk that marketing is no longer associated with the long-term stability of competition. For the organizers of professional leagues and events in China, the idea is clear: income distribution, the sustainability of clubs and the credibility of rules are not secondary issues. They are part of the product itself, so they are also the value provided to broadcasters, sponsors and fans.

5. DISCUSSION AND LOCALIZED PATHWAYS

5.1 From exclusive wholesale rights to layered rights packages

The main meaning of the policy shows that from the exclusive and single right distribution mode to the diversified and layered right matrix, the organizers of China activities should decompose the activities according to the media, timing and consumption scenarios. A complete portfolio of rights should include real-time streaming media, delayed summaries, short video clips, data analysis services, social media alliances and user-generated derivative content (UGC) rights, as well as broadcasting in local languages. This decentralized approach reduces dependence on a single major buyer, promotes cross-platform synergy, and promotes dynamic pricing for different audience groups. As EPL shows, the commercial value of rights comes not only from artificial scarcity, but also from the strategic design of products [10,11].

5.2 From traffic acquisition to retention-oriented fan operations

The second very important idea is the strategic shift: we no longer need to gain a large audience quickly, but to retain fans for a long time. As we all know, the way to please fans and the way to motivate fans will change the way they buy and the quality of our relationship with them. China's sports operators no longer need to rely solely on platform algorithms or viral content in a short time. Instead, they must build a complete digital ecosystem at the level of alliances or organizers. These systems need to link viewing data, social media interaction, ticket purchase, membership benefits, merchandise sales and sponsor activities well. The ultimate goal is to create a path to turn anonymous viewers into loyal users, then become loyal members, and finally become consumers (LTV) who can measure their lifetime value.

5.3 From short-term capital logic to long-term league logic

The last point is about institutional governance [8-10,15]. The opaque fund sharing mechanism and unstable governance structure inevitably make the intellectual property movement enter a highly changing value cycle. The success of EPL shows us a basic principle: sustainable marketing depends on the collective confidence of broadcasters, clubs, sponsors and fans in the long-term competition integrity of the alliance. For China, this requires greater transparency of income distribution, strong financial discipline, stable competition framework and clear reinvestment mechanism, so as to turn business profits into long-term development.

At the same time, we must realize the limitations of direct transferability. The size of the PLA is rooted in a profound football culture and strong global demand-conditions that cannot be quickly replicated. Therefore, China organizers should focus on adjusting the basic mechanism, not just the scale: giving priority to rights differentiation rather than one-time sales, cultivating first-party fan assets rather than relying on third-party platforms, and ensuring the credibility of governance rather than short-term speculative investment.

6. CONCLUSION

Taking the Premier League as a reference, this paper shows that the main problem of intellectual property rights of sports events in China is the operation after obtaining the rights. The evidence in Table 1 shows that the part related to the activity content is still a small part of the value of the sports industry. This means that the expansion of the industry and public attention have not yet become a stable way to make money through active IP.

Therefore, this study shows that the organizers of events in China should adapt to, rather than copy, the mature alliance mechanism. They should create more different rights, better fan relationships and more credible governance rules. However, the analysis is limited because it mainly uses descriptive statistics and a single reference case. It does not test causality between events, platforms or consumer groups. Future research may compare multiple leagues or types of China events, use user data on the platform, and study how different rights distribution arrangements affect fan loyalty, sponsor value and long-term financial performance.

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