



Why China is so important to the NBA

By: Austin Rader

October 30, 2019 — The National Basketball Association is the most watched professional league in China. The Premier League and Champions League are also quite popular in China, but not at the level of the NBA. The NBA towers over the other leagues like Yao Ming does over Adam Silver. And this statistic will stand for a long time. Case in point - at least 500 million Chinese watched at least one NBA game last season. That's almost twice the population of the U.S.!

Dwyane Wade has a lifetime shoe and clothing deal in China with Li-Ning. NBA stars such as LeBron James, Kobe Bryant and Steph Curry go to China once a year to promote their individual brands. And the World Cup, which was held in China this past summer, saw countless fans attending their soccer matches wearing NBA jerseys (we know that the NBA owns the hearts and minds of the Chinese sports fan).

The NBA's relationship with China started in the 1980's. Then commissioner David Stern long believed that the NBA should be a world-wide phenomenon, and set out to bring basketball to mainland China. He started by sending NBA games to the CCTV on videotape and told the state-run TV station it could air these games at no cost. By 1992, the league had opened an office in Hong Kong, and by 2004, the NBA was playing preseason games in China.

Nowadays, the NBA has billion-dollar deals in China.

Yet today, the NBA and China are mired in a conflict. This began when Houston Rockets general manager Daryl Morey sent a tweet that read "Fight for Freedom, Stand for Hong Kong," referring to the four-month old protests in the semi-autonomous Chinese territory. Morey deleted

the tweet immediately and issued an apology shortly after followed by NBA commissioner Adam Silver publicly apologizing.

But the damage was done. The next day, CCTV pulled the plug on showing the Los Angeles Lakers and Brooklyn Nets preseason games in Shanghai and Shenzhen.

What makes this conflict even more intriguing is that the Houston Rockets have such a huge following in China. When Yao Ming was drafted first overall by the Houston Rockets in 2002, he quickly became a global icon. Imagine this - the top pick in America's fastest growing sport was a seven foot Chinese center. Basketball fans in China became Houston Rockets fans.

The fact that this conflict was triggered by the Houston Rockets GM makes this worse. The Houston Rockets are "China's team."

Ever been to a Rockets game? You will see a lot of Chinese fans wearing red and white. However, after seeing this tweet, the Chinese government's consulate office in Houston issued a statement saying it "expressed strong dissatisfaction" with the team.

Yao Ming, who is now the president of the Chinese Basketball Association, said they were suspending their relationship with the Houston Rockets.

The NBA is the second most popular sport in America. What sets the NBA apart from professional football is the ability to market its athletes globally. Basketball is the most personal game in the world. It gives fans a connection to the player. There's no football helmet or facemask between the fan and the player.

It is a growing market

The NBA is growing nationally and globally, and especially in China. The players love touring around China in the off-season, meeting fans, running clinics, and playing in pick-up games. The fans absolutely love it too. It must be what it was like when the Beatles first toured the States.

500 million fans in China watched the 2018-19 season with 21 million tuning in to watch game six of the NBA Finals. The Chinese network CCTV 5 and NBA League Pass are how fans in China are able to watch these games.



Since Yao Ming announced he was suspending his relationship with the NBA, the NBA will certainly lose money on Chinese sponsorships, Chinese TV won't broadcast Rockets preseason games, and the business relationships the executives from both sides have, are now fractured due to Morey's tweet.

The leader of the player's union, LeBron James, had a chance to make it better by issuing a comment after the conflict began. But his comments made it worse, leaving people to

think that if it's not James money that's at stake, it's not as big a deal to him.

James Harden also spoke out, apologizing for Morey's antics. "We apologize. You know, we love China, we love playing there. For both of us individually, we go there once or twice a year. They show us the most important love. We appreciate them as a fan base. We love everything there about them and we appreciate the support that they give us individually and as an organization." Harden may have made a slight difference in this now fractured relationship between China's most beloved American franchise. But if there's a chance of this "suspended relationship" ending, it will take time.

If you are a teenager in China, you more than likely love the NBA



You watch your favorite player play when CCTV 5 televises their games, you buy a jersey or two, their newest shoes, and when they come to China for their summer tour, you come to see them and try and get an autograph. And if you play the game, you sign up for their camp.

The NBA needs China as a way to grow its sponsorships and endorsements for its league and players. Maybe the NBA needs China even more than China needs the NBA. China already has their own basketball league, and its president is the most beloved basketball player the Communist country has ever seen.

But I look at this way. Yao Ming chose the NBA as a place for his career. He built a fan base in his home country. He could have stayed home. But he chose the NBA. Jeremy Lin followed. The genie is out of the bottle in China. Young fans love the NBA, and there are 500 million people watching its product each season.

Adam Silver needs a plan. He needs to hold on to his objective of building revenue for the league and its players, while not bending to political pressure in communist China. Look, if Apple can do business in both countries, so can the NBA. He needs to bridge this quickly so the tension can leave the room. I have confidence in his ability to do this, and know he will do it quickly.

One final thought. Tweets can set off powerful social media storms that open up a lot of issues (political or otherwise). Often, the "response" to the problem is more important than the problem, and the NBA and its players "air-balled" this one from the start. Now it's time to get it right for all involved.