

Companies

Li Ning makes the change to catch up

By Yu Tianyu (China Daily) Updated: 2010-07-01 09:37



Customers shopping at a Li Ning store in Beijing. The sportswear maker had 7,249 outlets by the end of 2009. [Yu Hongchun / For China Daily]

BEIJING - Li Ning Co, the Chinese sportswear maker endorsed by US basketball star Shaquille O'Neal, is undergoing a brand metamorphosis to revitalize and catch up with global peers like Nike in sales.

The company is also stepping up its overseas expansion pace and hopes sales from the global outlets to account for over 20 percent of its total sales by 2018.

For starters, the company intends to take the LI-NING brand global, said Zhang Zhiyong, chief executive of Li Ning. "By 2018, we expect the company to be one of the top five sports goods companies in the world."

According to Zhang, the revitalization strategy was chalked out in 2007 and the new face of the company has been evolved through a series of steps.

The company on Wednesday launched its Urban Sports range of products targeting young consumers. The new products are more fashion-orientated, packed with energy and reflect strong personalities apart from having an international flavor.

"Over 50 percent of our existing consumers are in the 35-40 age group. As part of the brand transformation we plan to reach out to more younger customers," said Zhang.

The Urban Sports range is ideal for both work and exercise, he said.

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Founded by former Chinese gymnastics champion Li Ning in 1990, the Hong Kong-listed company reported sales of about 8.3 billion yuan in 2009. It opened 1,004 new outlets in 2009, taking the total number of stores to 7,249.

Li Ning is also planning to rope in top creative designers

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to pump up its Crossover range of products. It has already bought in Polish artist Filip Pagowski to make the products trendier and more global in style and feel.

Fang Shiwei, chief marketing officer of Li Ning, said the company will continue to partner with top designers and

fashion houses globally.

Fang said LI-NING surpassed adidas in sales last year to become the second-largest sportswear brand in China after Nike. To catch up with its rivals the company is changing tack and spreading its focus to top tier cities apart from enhancing its strength in second- and third-tier cities.

Li Ning has also come out with a new logo, which is based on its original wavy-line design and displays a resemblance to the Chinese character for "people". The company also changed its slogan to "Make the Change", from "Anything is Possible".

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