



Port Adelaide Football Club China Strategy

Port Adelaide Football Club's (PAFC) China Strategy is unique in Australian sport. It is also a great example of the potential for sport to assist businesses and communities in different countries.

A recent survey of Port Adelaide members shows they agree.

The China Strategy

Port Adelaide Football Club's China Strategy was born just over three years ago when a PAFC supporter living in Hong Kong suggested a move into the region. It is now a broad and profound initiative, designed to create a bridge between Australia and China, particularly in cities and provinces in which Port Adelaide is focused: Beijing, Shanghai, Shandong, Guangdong and Hong Kong. The development of Australian football remains an important aspect of Port Adelaide's engagement in China.

Port Adelaide supports university programs in Guangdong and increasingly in Shanghai, runs AFL programs in Chinese schools, and sponsors the Chinese national team and the South China Australian Football League (SCAFL). Last year PAFC recruited the AFL's first Chinese-born player - Chen Shaoliang. And in Round 8 of this year's season, Port Adelaide will take on the Gold Coast Suns in the first ever AFL match to be played for premiership points in China; 4000 passionate PAFC supporters are expected to join them there.

But PAFC's push into China is about more than simply game development. It adds enormous value to the Australia-China relationship, using the power of sport to bring people from diverse countries together and further mutual understanding and trust.

China and Australia

China has the largest population in the world, and the second-largest economy. In the last four decades, China has lifted 700 million of its own people out of poverty, and grown its economy by almost 10 per cent per year. China is easily Australia's largest trading partner, and research conducted by the Australia China Business Council has shown that in the next ten years Australia could create one million new jobs in health, education, tourism, finance and construction, as a direct result of our relationship with China.

There's no doubt that when Australia looks to our economic future, China remains the great hope. This is largely due to China's rising middle class. One conservative estimate suggests that China's middle class now numbers around 109 million people, five times the size of Australia's population. It has been predicted that by 2030, 93 per cent of China's population will fall into that category.

A growing middle class means a growing appetite for high quality cultural and lifestyle experiences. That includes sport - which is a popular and accepted Australian cultural expression. But sport is not just another consumer commodity - it also provides a platform that can be shared by people of diverse cultures, and creates a common language.

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The role of sport

Australia is a great sporting nation. We're good at it, we love watching it, we're ferocious supporters of our sporting heroes and many of us play a sport. Sport brings Australians together. What we don't always realise is that sport can also be a huge competitive advantage - and a powerful instrument of diplomacy.

As China's middle class grows so does their desire to live more healthy lives, eat better and play more sport. McKinsey has shown that 73 per cent of urban Chinese consumers now participate in sport and buy sporting goods. By way of comparison, the US figure is 70 per cent.

Australians have long appreciated the thrill and excitement of our own unique game of Aussie Rules. Port Adelaide wishes to share that excitement with a new audience, in the belief that there can be a widespread interest in our greatest cultural expression. The opportunity to commercialise sports IP and services has strong potential - but this is not the only value in Port Adelaide's strategy to engage in China.

Sport has become a recognised instrument of diplomacy, capable of deepening relationships and building connections between nations of diverse cultures. UN Secretary-General Ban Ki Moon has said: 'Sport has become a world language, a common denominator that breaks down all the walls, all the barriers. It is a worldwide industry whose practices can have widespread impact. Most of all, it is a powerful tool for progress and for development.'

The potential for business

As anyone in business knows, good relationships are essential to success in new markets. Cultural and language barriers can be a challenge to this. But sport can break through barriers.

PAFC has already derived a strong commercial benefit from its engagement in China. Mr Gui Guojie, founder of the massive property development company Shanghai CRED, is now PAFC's major partner, and a genuine lover of Aussie Rules. Mr Gui has been instrumental in bringing the game to his own country: he has said he wants AFL to be his 'gift to the people of China'.

By forging new relationships and building football loving communities in both nations, Port Adelaide Football Club has become a bridge, both for Australian businesses wanting to enter China, and for Chinese businesses entering Australia. It has piqued a popular interest in China, and is helping to change perceptions in both countries.



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But what do the supporters think?

How do Port Adelaide's most dedicated supporters feel about their club's push into China? PAFC and the Australia China Business Council (ACBC), with the help of survey company One-2-Ten, decided to ask them.

Over 600 Port Adelaide members participated in the survey, which asked a number of questions about the developing relationship between the club and China. The results showed an extremely positive response:

- **100 per cent of respondents had heard about the club's work in China, and 60 per cent said it made them more interested in China;**
- **98 per cent knew about the upcoming match in Shanghai, and 30 per cent were thinking about attending;**
- **Only 22 per cent had ever been to China before; but 60 per cent said that the match in China made them more interested in travelling there in the future;**
- **52 per cent said the club's involvement in China increased their understanding of China and the Australia-China relationship;**

And perhaps most encouragingly of all:

- **97 per cent said they thought a positive Australia-China relationship was good for Australia.**

Conclusion

Australians know that sport brings people together: office footy tipping and Grand Final barbeques are testament to that.

Deeper economic links between nations are built on closer diplomatic, cultural and personal ties.

Port Adelaide's China Engagement Strategy signals a new era in Australian sports diplomacy. To maximise the value of Port Adelaide's efforts, it is important that Australian businesses realise the potential of the platform that has been created. Few clubs have penetrated so deeply into the Chinese establishment in such a short space of time; and it is only just beginning.

CHINA STRATEGY

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The banner features two AFL players in action against a backdrop of the Shanghai skyline at night, with the Oriental Pearl Tower prominent. The text 'SHANGHAI 2017' is in large, bold, white letters with a blue outline. Below the image, there are three main sections: a black box with white text on the left, a central graphic with a fist and 'GC' logo, and a blue box with white text on the right.



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