

THE NBA AS A MODEL OF INTERNATIONAL BUSINESS  
DEVELOPMENT: LESSONS AND STRATEGIES

by

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This thesis explores the National Basketball Association's (NBA) development into a global brand, analyzing its international business development strategies and their implications for organizations endeavoring to extend into foreign markets. Through an extensive literature review and empirical analysis, this thesis elucidates the NBA's development from a struggling domestic sports league to a dominant global entity, identifying key factors and strategies that have contributed to its success in foreign markets.

Drawing upon comparative analysis with another athletic organization, Major League Baseball (MLB), and a retail corporation, J. Crew, this thesis attempts to illustrate the strategies employed by the NBA to enter foreign markets and accomplish sustained growth as strategies applicable across industries. By analyzing similarities and differences in approach across these organizations, this thesis works to dispel the notion that the NBA's success internationally is a unique phenomenon, and in fact, should be looked to for gainful insight into international business.

As a result, this thesis puts forth actionable recommendations for international business development, derived from the NBA's experience and success. This thesis highlights the importance of technological modernization, the cultivation of strong relationships with foreign markets through methods such as localization, and a commitment to innovation and technical transformation. Through analyzing these factors' role in the development of the NBA internationally, this thesis demonstrates these strategies as essential tools for organizations looking to maximize their international success and penetrate foreign markets.

To conclude, this work emphasizes the NBA's international success as a model for international business development. By utilizing the strategies demonstrated by the NBA and discussed in this thesis, businesses can position themselves for sustained growth and competitiveness on the international stage.

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## **Chapter 1: Introduction**

### **Research Question**

This thesis will seek to answer the broad research question: what broader lessons and strategies can be extrapolated from the NBA's international business development and applied to the greater business world? To answer this question, this thesis will explore how the NBA took a predominantly American sport and globalized it to a variety of foreign markets, and what business and marketing decisions impacted the NBA's ability to grow and expand internationally. Finally, through a comparative analysis with a similar athletic brand and with a dissimilar corporation, this thesis will discuss how these decisions and strategies can be generalized to provide meaningful insight to other, non-basketball-related organizations and businesses.

### **Contribution to the Field**

While many organizations have attempted to expand their reach internationally, few have succeeded, due to a multitude of factors. Although there are conflicting perspectives on the implications of the NBA's success abroad, it is clear that at the very least the league effectively utilized key marketing and outreach strategies to maximize their international market. By working to dispel the notion that the NBA's success is localized to the sports industry and basketball, this research will work to highlight the value of the NBA process in a broader sense. Through identifying and analyzing the successful strategies utilized by the NBA in its international expansion, this thesis aims to formulate replicable strategies for businesses in any industry attempting to expand internationally. To conclude, this thesis intends to provide a



blueprint detailing how businesses can utilize some of the same strategies as the NBA to maximize their likelihood of successful international expansion.

## **Methods**

This thesis will primarily consist of a case study of the NBA and a literature review of existing contemporary, archival, and historical research and works. The first part of this research involves a collection of information pertaining to the NBA as a business and its history and path to international expansion. This will be the background of the introduction and the context provided in the thesis. This thesis will utilize this compilation of research to identify patterns, strategies, and key decisions that influenced the NBA's path to international domination.

The second part of the research will involve a more comprehensive literature review consisting of contemporary works speaking to the NBA's more recent actions and decisions, as well as research about the international efforts of two selected organizations: Major League Baseball (MLB) and J. Crew. It is here that the strategies identified to be key in the NBA's expansion will be explored upon and generalized to apply to these other industries. The NBA's process will be compared with the process of the other organizations, highlighting the differences in their approaches and where strategies gleaned from analysis of the NBA could have been applied. Through this methodology, this thesis intends to offer a clear and concise analysis of the NBA's international expansion strategy and illustrate the applicability of this strategy to the greater business sphere.

## **Internationalization of Business and Sports**

International business development is rarely linear or predictable. Every company or entity is unique in its value proposition, business model, and strategies for expansion.

Technological advances over the last forty years have contributed to the rapid globalization of

the business world. This globalization has made foreign markets more accessible than ever before, leading to organizations increasingly seeking to capitalize on global markets to drive growth, increase revenue, and diversify their operations.

Faced with an increasingly globalized and interconnected world, businesses and organizations are constantly searching for innovative solutions for expansion and replicable successful strategies for international ventures. The importance of developing these strategies cannot be overstated, as an effective market penetration strategy provides the most fit and gainful use of organizational capital (Forbes Business Council Expert Panel, 2022). The driving factors behind successful international expansion are a combination of innovative strategies and measured patience and initiatives. The primary considerations for an organization considering international expansion include the decision of what markets to enter and why, the type of mode of expansion to utilize, and the formulation of an international marketing plan, consisting of product, price, channel, and promotion strategies (Root, 1994).

The difficulty in developing these strategies lies in that for the most part, every business is a unique entity with its own product, brand history, and organizational structure. Entrance into international markets presents a plethora of difficulties for organizations, especially pertaining to adapting to foreign cultures and successfully selling in those markets. The challenges innate to these efforts stem from the complicated and nuanced combination of socio-cultural differences, linguistic diversity, regulatory frameworks, and consumer behavior unique to each market (Quelch and Hoff, 1986). The need to adapt and appeal to foreign cultures is one of the primary challenges in international expansion. Consumer preferences, communication methods, and general business practices vary across foreign markets, requiring proper evaluation and research. Additionally, linguistic barriers are major challenges on the road to market penetration,

highlighting the importance of successfully addressing these complexities through proper brand and marketing translation, localization of content, and the adaptation of messaging to fit local norms. Without effective strategies to address these challenges, an organization's brand recognition and consumer engagement will be severely limited. Aside from cultural and linguistic factors, developing strong relationships with foreign governments and key actors is a significant indicator of success for an international venture. The inherent complexity and irregularity of foreign regulations and governmental environments emphasize the need for scrupulous planning and risk assessment in these endeavors (Phu, Tien, and Chi, 2019).

Likewise, the sports industry has witnessed a similar shift towards globalization, with leagues and teams extending their reach beyond domestic borders in order to leverage new fan bases and potential revenue streams. The globalization of the sports industry has been made possible by many factors including increased media proliferation, rapid technological innovation, and the ever-growing popularity of sports worldwide. This variability in process and approach to international expansion amongst businesses leads to high variability in terms of levels of success. Therefore, as the scope of business increasingly becomes international for many companies, whether in the sports industry or another field, it becomes increasingly important to understand the nuance of successfully marketing and developing products for international consumption and distribution.

Over the last several decades, the National Basketball Association (NBA) has experienced overwhelming success in terms of expanding its brand and business internationally. Despite this, comprehensive reviews of its development and the broader implications of its success have yet to be made available. Through a detailed study of the NBA's development in terms of marketing and business decisions, this research aims to generalize the success of the

NBA's process to provide important international development lessons for the larger business world. By combining a historical review of the NBA and other organization's attempts to internationalize with an analysis of marketing and business initiatives, this work seeks to offer a refined perspective on how the NBA's success, at least facets of it, can potentially be adopted by other businesses endeavoring for international success.

## **Chapter 2: Literature Review**

### **The NBA as an Example of Success**

In examining the international business landscape, it becomes clear that amidst the countless failed efforts lies a prime example of successful international expansion and marketing strategies: the National Basketball Association (NBA). The proper assessment of the factors necessary for international success is a very challenging undertaking and results in many organizations failing to expand their reach beyond their domestic borders. Despite this, with reported revenue in 2020 of 8.8 billion dollars and an estimated projected revenue of over 13 billion dollars in 2024, the NBA has established itself as not only the most innovative sports league in the United States but also as the preeminent American sports league abroad. In some countries, the NBA is even challenging soccer viewership as the most consumed sports entertainment content. While domestic broadcasting rights, jersey sponsorships, and ticket sales play an important role in generating revenue for the league, increasingly it is becoming evident that the NBA's strategy is to continue expanding its reach internationally. With the international broadcasting rights for the NBA bringing in approximately 500 million dollars in 2023-2024, the decision of the NBA over the last thirty years to invest in international marketing and branding initiatives would appear to be paying off, with the potential for even further market penetration and revenue generation (Ozanion and Teitelbaum, 2023).

As this thesis reviews and analyzes the NBA's approach to international business and marketing, it will work to identify valuable insights into how the NBA has successfully approached these multifaceted challenges to establish a formidable global presence and extrapolate from those insights valuable strategies for the greater business sphere to implement in their endeavors.

## **Timeline of NBA's development internationally**

The beginning of the NBA as a global entity began with the appointment of David Stern as commissioner of the league in 1984. While basketball was already a sport played around the world, the league itself was nowhere near an international success. Before Stern's appointment, the NBA was ridden with drug use, financial mismanagement, and a lack of international attention and appeal. According to Alex English, the leading scorer in the 1980s, "We had the drug issue... Our image was rough. We were on tape delay. People thought the league was too black." The idea of bringing the league international was hard to conceive as the league was struggling with its brand and reputation domestically. Stern put a large emphasis on preserving and bettering the brand image of the NBA, recognizing that it would face significant challenges in being accepted internationally unless it had a more reputable brand image. For example, in 1986, Stern banned All-Star point guard Michael Ray Richardson for life as a result of repeated cocaine use. While a risky move at the time, as it could be seen as compromising the product or reducing its effectiveness, this strictness enforced his vision for the NBA as a more relatable and family-friendly product. Stern's efforts to reform the league's brand image through anti-drug reform and to strengthen the financial viability of the league through the creation of revenue-sharing mechanisms provided the NBA with the solid financial and organizational foundation it needed to begin extending its reach internationally.

Stern's decision to pivot the league's focus from team-oriented to player-oriented allowed the league to market individuals with personality and appeal, reducing the prior localization of NBA fandom. The Magic Johnson- Larry Bird rivalry helped propel the NBA onto the domestic stage, challenging the NFL for viewership. In the 1980s, recognizing that the NBA finally had a product to sell and stars to market, Stern began working on introducing foreign markets to the

NBA through the NBA Global Games initiative, while also expanding media rights to international broadcasters.

The NBA Global Games, while not having this moniker until 2013, under the guidance of Commissioner Stern, played a huge role in introducing foreign audiences to the product of the NBA. Under Stern's direction, the NBA in 1984 held its first preseason game internationally, with the Phoenix Suns and the New Jersey Nets facing off in Milan, Italy. While there wouldn't be another international NBA game until 1990, Stern found other avenues through which he could increase the international exposure of the league. Stern was instrumental in the foundation of the McDonald's Championship in 1987, which was an international professional basketball club cup competition that included a team representing the National Basketball Association, facing off against champion club teams from Europe, the National Basketball League (Oceania), and South America. Featuring NBA stars such as Michael Jordan, Bob McAdoo, Larry Bird, Magic Johnson, and Clyde Drexler, this endeavor provided a chance to market on the international stage during a time when NBA players were not allowed in the Olympic Games.

In 1990, the first regular season NBA games outside of North America were held in Tokyo, marking the NBA's entrance into Asia. In 1991, the Miami Heat and the Washington Bullets played a preseason game in Nassau, Bahamas, marking the NBA's entrance into the Caribbean. In 1992, the Houston Rockets and the Dallas Mavericks played a preseason game in Mexico City, introducing the NBA into Latin America. In 1993, the NBA preseason game in London marked its return to Europe. In a matter of only a few years, the NBA had quickly introduced its product to a variety of international markets.

The league saw marked success in its new product, helped along by media figures who introduced the American game to the world. An example is George Eddy, an American-French

former basketball player and journalist who has been identified as the man who might be most responsible for introducing France to the NBA. As the television broadcast voice of the NBA on Canal +, the French broadcaster to whom Stern sold the rights to the NBA to in France, gave popularity to the American-style game and basketball culture. Many French NBA players recall their first experience with the NBA being through Eddy's commentary and breakdowns (Krasnoff, 2020). Commissioner Stern similarly recognized the vast potential for the league's product in China. Understanding that while there was a preexisting passion for the sport, as China had voted to make basketball one of its two national sports in 1935, there was no following of the NBA specifically in China. Pursuing a marketing strategy of free dissemination, in 1987, Stern went to China and negotiated a novel deal with the Chinese State television provider CCTV. The deal stated that the NBA would provide videotapes with game footage for the Chinese provider to broadcast at no charge. While they would divide the advertising revenue from these broadcasts, there was little optimism that this would generate revenue, at least immediately. These broadcasts made NBA basketball free to watch throughout much of China. While the gains were not realized immediately, the NBA would begin to see the fruits of their labor in short order.

Stern's decision to enter the United States in the 1992 Olympics in Barcelona would prove huge in showcasing the NBA's product to an international audience (Gregory, 2020). Prior to 1992, NBA players had not been participating in the Olympics. Seeing this as a missed opportunity to market its product on the world's largest stage, Stern convinced owners to allow players to participate in the games. Following the 1992 Olympics, global interest in basketball, particularly the NBA, surged. Regarding the Olympic games' effect, Stern states "I think the point was that the world of basketball invited the NBA to join it, and we said yes. And they have



profited greatly from it, as have we — as has the overall sport of basketball. Now we see Dirk Nowitzki and Ricky Rubio and Tony Parker and Yao Ming and Manu Ginobili. And Luis Scola and Serge Ibaka and Luol Deng" (Greer, 2020). Prior to the 1992 Olympic games, at the start of the 1991-92 season, there were only 23 international players on NBA rosters, encompassing only about 6 percent of the total rostered players. The games had an incredible impact on the awareness of the NBA in both Europe and globally. It introduced the product to young consumers, inspiring many to become lifelong fans and imbuing young people across the world with dreams of playing in the NBA. Underlining this effect, Tony Parker, a Hall-of-Fame French-born NBA player and multi-time champion, often hailed as one of the most prominent international players in NBA history, stated "It had a huge impact in Europe. If you see interviews that I did or Dirk or Pau Gasol, we all were affected by the 'Dream Team.' Manu Ginobili — we all talk about it. That was the point that we were like, 'Wow, basketball is cool' and 'I want to go to the NBA. Maybe it's possible.' That was the first time that I saw them in real life because before it was the tapes. ... Now, they were in Europe, and all of them were there. It was pretty cool. It was a pretty cool experience. It definitely started for me after the Olympics" (Greer, 2020). Through the exposure generated by the Olympic Games, the NBA greatly impacted its markets in Europe and China.

Using the influence of these NBA stars as the game's representatives, Stern expanded the league globally through TV deals, strategic marketing, and effective merchandising. The "I love this game" campaign was one of the NBA's most recognizable slogans in the 1990s, interconnecting the global audience with an effective call to action and a sense of community. These efforts, combined with the decision of Stern to highlight the international players in the league from Peja Stojakovic in 1996, Dirk Nowitzki in 1998, to Yao Ming in 2002, set the base

for the NBA to begin cultivating and interacting with the European and Asian, primarily Chinese, markets (ESPN Stats & Info, 2019).

The arrival of Yao Ming to the NBA in 2002 truly allowed the NBA to ascend in China, as it enabled Stern to be able to use Ming as a brand ambassador who was able to truly connect with consumers in China. According to the NBA, Yao Ming brought 3.7 billion new viewers to the league (Sina Sports, 2011). Additionally, there are over 30 million Chinese viewers engaging with NBA events a week, as well as over three million engagements on NBA.com a day from Chinese consumers (Huang, 2013). The NBA's strategic partnerships that it formed upon entrance into the Chinese market have allowed it to engage consumers and potential consumers on a much more relatable level. The NBA founded NBA China in 2008, launching with four carefully selected partners, including the Bank of China Group Investment, Legend Holdings Limited, Li Ka Shing Foundation, and China Merchants Investments. As a group, these corporations invested 253 million dollars to acquire 11 percent of NBA China, which has allowed the NBA to foster deep relationships with the government, have more success working and negotiating with local broadcasters, and be more effective in translating the product to the Chinese consumer. The NBA has experienced success in China through the localization of its product that allows for Chinese consumers to more authentically engage with the league. For example, NBA China, during the half-time breaks of games during the Chinese Spring Festival, featured Chinese cultural figures and symbols such as the dragon and lion (Chen and Guo, 2014). While interest has dropped since Ming's retirement in 2011, the Chinese market is still incredibly active. This is evidenced by the season viewerships of the NBA in China, as for example, the 2014-2015 season was viewed by more than 650 million Chinese consumers (Shanghai Daily, 2015).

The appointment of Adam Silver as commissioner of the NBA in 2014 would set up a marked shift in the league's focus and emphasis on international marketing and development efforts. Building off the initiatives set into place by Stern, Silver continued to develop the NBA's international marketing and presence in the effort of making the NBA a truly global brand. Through his emphasis on global expansion, digital and technological innovation, and negotiations of new media deals that increased international exposure and accessibility, Silver has effectively increased the NBA's international presence and profitability.

Recognizing the importance of these international showcases as an avenue for increasing international exposure and attention, Silver rebranded these international showcases as the NBA Global Games, reflecting a concerted effort to utilize these showcases as an international marketing tool. Following its rebranding, the NBA held its first game in Southeast Asia, in the Philippines, and would then have its first game in South America, in Brazil. Since 2014, the NBA has hosted events in London, Mexico City, Johannesburg, Paris, Beijing, Shanghai, Mumbai, Japan, and Abu Dhabi. These events constitute the first arm of Silver's plan to increase the NBA's visibility abroad.

The next factor in Silver's international initiatives has been the establishment and development of NBA academies abroad. Since 2016, the NBA has established academies in Canberra, Australia; Zhuji, China; Mexico City; Delhi National Capital Region, India; and Thies, Senegal. These academies are supported by the simultaneous establishment of Jr. NBA programs, which have been put into place in around 75 countries (Holmes, 2020). These programs allow the NBA to introduce the sport to young consumers, creating lifelong fans of the NBA. It also allows for the NBA to develop foreign talent, which as discussed earlier, is an incredibly effective tool for international marketing. Developing players that could potentially

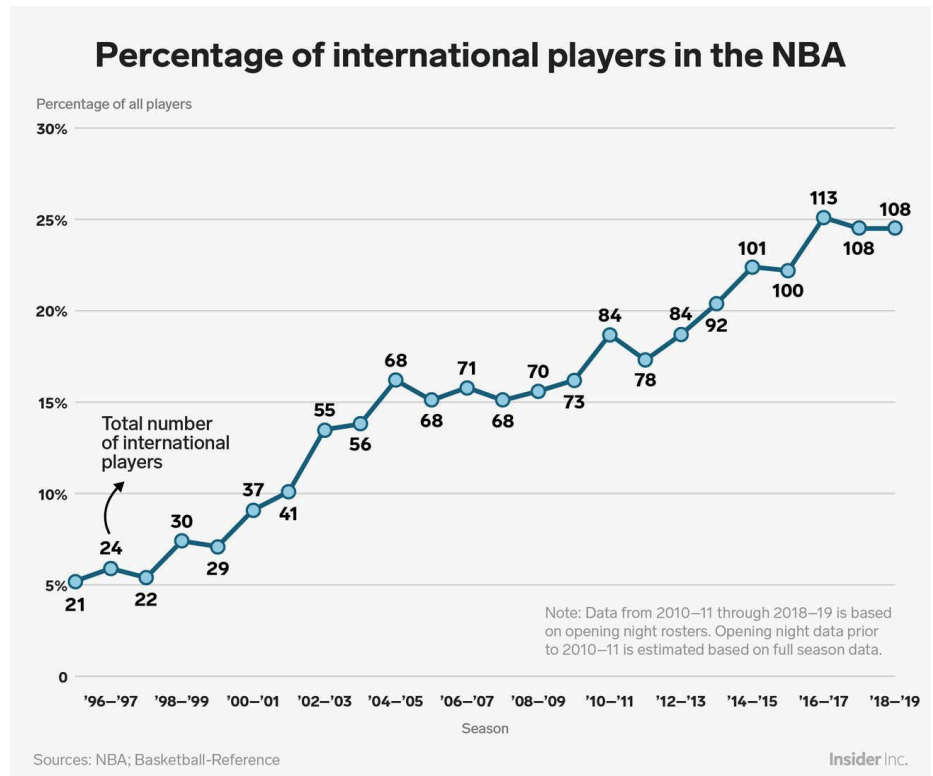
play in the NBA sometime in the future and connect to these international markets is a focus of the NBA under Adam Silver. Speaking to the effect that developing foreign players can have on the league, Silver stated that “We’ve opened up three academies in China. We just opened an academy in India, and in Africa, and in Australia. If, over time, we can help train and develop other great players in these markets, it’ll have a huge impact on the interest in our business” (Vollmer and Gross, 2018). While as of 2024 there are only three academies still operating, those in Australia, Mexico, and Senegal, these academies offer the NBA a wide range of opportunities to engage with foreign consumers. Additionally, Silver oversaw the founding of the Basketball Africa League in 2019, which has further allowed the NBA to expand its reach in Africa. While not pertaining to actual basketball, Silver has understood the importance of increasing name recognition, resulting in the NBA using non-basketball methods to increase visibility. These have included the establishment of attractions in foreign markets, such as the NBA Courtside Restaurant in Toronto and the NBA Park in Gramado, Brazil (Davis, 2023).

Chief among Silver’s approaches to international expansion have been an emphasis on broadcasting negotiations that encourage international exposure and pursuing partnerships with international brands. Silver has negotiated incredibly successful broadcasting deals with international distributors. In 2019, Chinese distributor Tencent signed a five-year, 1.5-billion-dollar deal to retain its position as the exclusive digital partner for the NBA in China. According to USA Today, this is the largest partnership outside of the United States for the NBA. Additionally, the extension of the NBA in China, NBA China, was valued at five billion dollars in 2019 as a result of these negotiations (Starjacki, 2021). Similarly, the NBA, attempting to solidify its place in the European market, has formed strong partnerships with major distributors and broadcasters. In 2018, the NBA and Sky Sports announced a new four-year broadcast and

multi-platform partnership, which was extended in the 2022-23 season. This partnership included 170 live games, and in recent years has been extended to include even more games and NBA events such as All-Star Weekend and the NBA Playoffs (Sky Sports, 2018). These partnerships allow for the NBA product to be distributed locally in foreign markets, and have the game explained in ways that foreign consumers can understand.

### **Data Analysis of the Present State of the NBA**

Currently, as of the 2023-24 season, the NBA is the most followed sports league in the world on social media, with approximately 210.2 million followers across all social media platforms (Curcic, 2023). Additionally, the NBA has stated that it projects fans from more than 200 countries to watch games in more than 50 languages this season.



#### Percentage of international players in the NBA

Year-over-year growth of international players in the NBA since the 1996-97 season

The global growth of the game is evident in that on opening day, a record 125 players born outside the United States, representing 40 countries, territories, and six continents, are on opening-night rosters (ESPN News Services, 2023), an increase of nearly a hundred players since the 2000 season. The NBA has experienced significant growth in its international viewership and engagement. As a result of the NBA Abu Dhabi Games in 2023, the NBA Arabic Instagram account noted a 279 percent year-over-year increase in engagements. Additionally, the NBA’s 18 localized social media accounts in Europe and the Middle East, which put out content in eight different languages, recorded an impressive 100 percent year-over-year increase in viewership. Additionally, likely due to the emergence of Turkish NBA star Alperen Sengun,

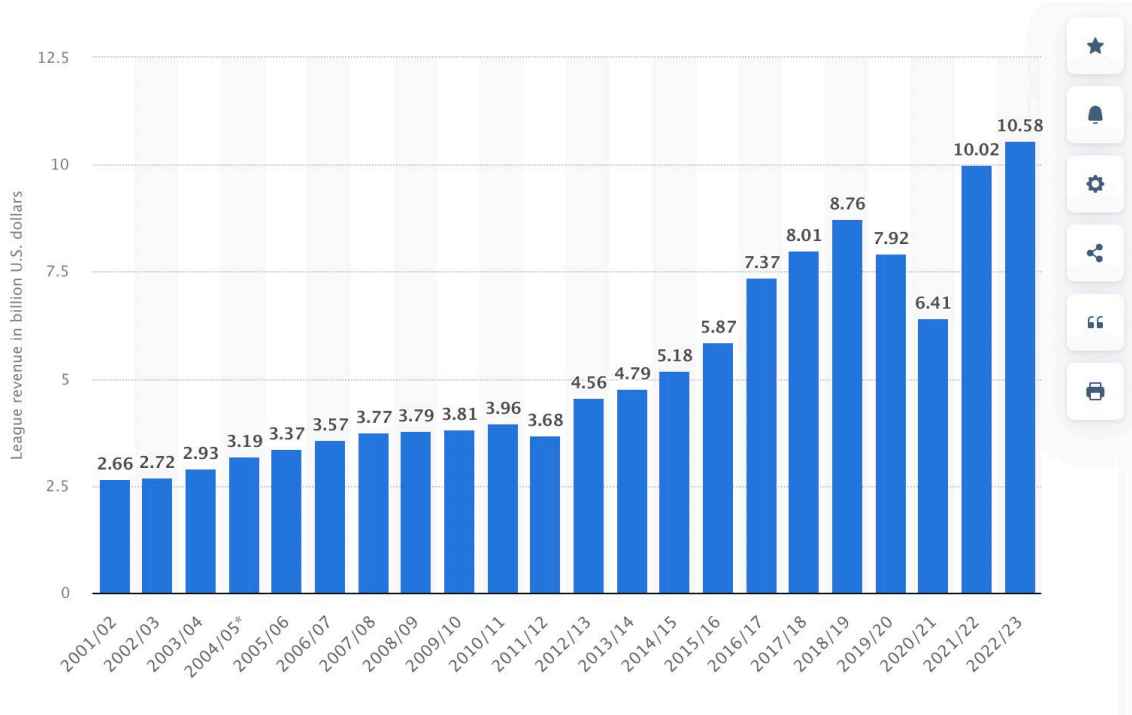
<sup>1</sup>Cash, Meredith, and Shayanne Gal. “NBA’s Trend of Increasing Number of International Players Appears to Be Slowing down - Business Insider.” BusinessInsider.com, Business Insider, 16 Oct. 2018, [www.businessinsider.com/growing-number-of-foreign-born-players-in-nba-slows-2018-10](http://www.businessinsider.com/growing-number-of-foreign-born-players-in-nba-slows-2018-10).

NBA League Pass subscriptions in Turkey increased by 41 percent year-over-year (NBA Communications, 2024). After hitting an all-time high last year, global business accounts for about 10 percent of total team and league revenue, with that number expected to continue to increase. According to StubHub, there is a projected 120 percent increase in international ticket sales, emphasizing this growth of international interest (Neelakandan, 2023).

The NBA and its subsidiary teams have effectively utilized international partnerships to increase their visibility abroad. Some of these partnerships include an e-commerce partnership with Rakuten and the Golden State Warriors, which began in 2017, and has recently been renewed at over 20 million dollars a year (Jones, 2022). Similarly, Bibigo, a prominent Korean company, signed a 5-year 100 million dollar deal with the Los Angeles Lakers in 2021 (Shaikin, 2021). The NBA has taken steps to expand the ability for teams to sign international partnerships, as in 2022 the league increased each team's international sponsor limit to ten. The decision to expand the number of international partners enables teams and the league to create new streams of revenue, while at the same time generating growth for the league in the context of consumer engagement and sourcing (Sim, 2022).

The NBA has explored additional avenues through which to boost international engagement, through both potential international expansion and increased international showcases. In the 2024-25 season, the NBA will have games in Paris and in Mexico City, capitalizing on their previous success in those cities. The NBA also has plans to have games in Abu Dhabi, Africa, and China, but will have to manage the complexities involved in finding space in a very condensed 82-game season for long-distance international travel. In terms of expansion, Silver has stated that cities such as Vancouver, Montreal, and Mexico City are all

serious candidates. Establishing another team in a foreign country would allow the NBA to



Total NBA revenue 2001-2018

NBA league revenue year-over-year

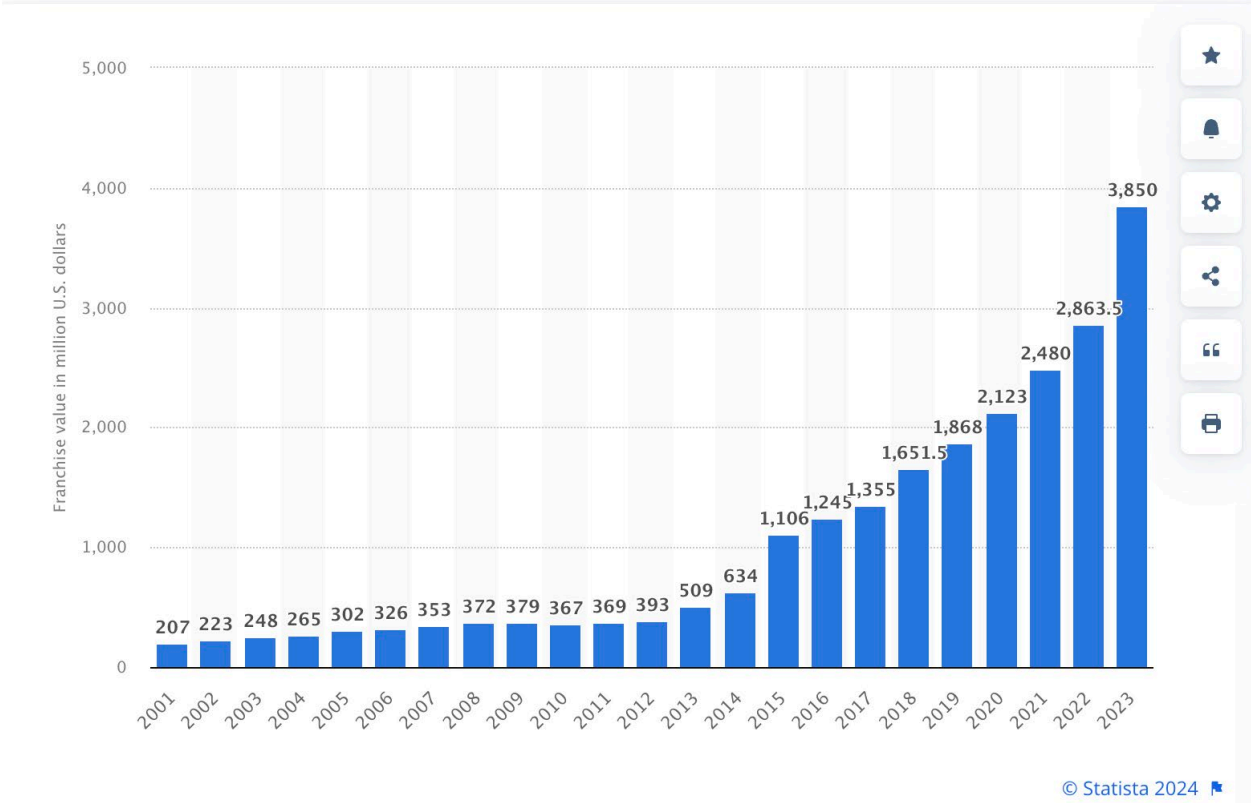
capitalize further on foreign markets and create new consumer bases that would be more engaged with the product and with the league. The internationalization of the NBA has resulted in the valuation of both the teams and the league increasing year over year as the NBA’s presence abroad has grown.

The NBA generated 10.58 billion dollars in revenue in the 2022-23 season, in large part due to its success in expanding its presence overseas. The league’s current deals for domestic broadcasting rights with ESPN and Turner Sports generate an average of 2.66 billion dollars a season, running through the 2024-25 season. Meanwhile, international rights, broken up amongst multiple distributors, generate roughly 500 million dollars a year. Additionally, the Chinese

<sup>2</sup> Gough, C. (2021, February 17). *Total NBA revenue 2001-2018* | Statista. Statista; Statista. <https://www.statista.com/statistics/193467/total-league-revenue-of-the-nba-since-2005/>



market generates roughly 500 million dollars a year for the league (Ozanian and Teitelbaum, 2023). The establishment of these partnerships and the value they have generated is clear from the year-over-year increase in the value of NBA franchises, as they have increased dramatically on a per year basis since the 2012 season when the NBA began emphasizing its international presence.



NBA average franchise value 2001-2019

The average franchise value of NBA franchises from 2001-2019

As a result of these developments, NBA franchises have reached an average value of over 3.5 billion dollars as of 2023, an increase of more than 3 billion dollars from the early 2000s.

<sup>3</sup> NBA average franchise value 2001-2019 | Statista. (2019). Statista; Statista. <https://www.statista.com/statistics/193442/average-franchise-value-in-the-nba-since-2000/>

With the upcoming new media deal, these prices will continue to rise. The new media deal currently being negotiated will have huge implications for the NBA's success both domestically and internationally. This deal emphasizes and reflects the NBA's desire to grow its international viewership, as it is nearing an agreement with three major distributors: Amazon, NBC, and Disney/ESPN. The deal is all but confirmed to be in the range of 11 years with a total value of roughly 76 billion dollars. Reportedly, ESPN is paying roughly 2.8 billion dollars per year for what is called the "A" package, which consists of the NBA Finals, primetime games, and the WNBA. Likewise, NBC is said to be paying 2.6 billion dollars per year for what is being called the "B" package, which could consist of things like a primetime studio show, select primetime games, and supposedly two playoff series. Finally, Amazon's roughly 2-billion-dollar package is said to be focused on the in-season and play-in tournament, as well as the WNBA (Cobb, 2024). The key focus for the NBA in these negotiations is the shift away from purely TV broadcast functions, with a move into streaming territory. Its potential partnership with Amazon will allow it to reach the 240 countries that Amazon streams in, greatly expanding its international reach. Additionally, the new deal will allow them to greatly raise the floor in their upcoming international streaming negotiations, which they are waiting to engage in until after the domestic negotiations are finalized, which is expected to happen in late 2024. This staggering new deal will give the NBA the leverage required to negotiate historic international streaming deals, as well as utilize the reach of Amazon. These developments suggest that the NBA has formulated effective and successful strategies to market and distribute its product on the global stage. The question then becomes, how?

## Chapter 3: Discussion of Research

### Key Facets of Marketing and Development Strategies

The three central features that have factored into the NBA's international growth include: a refined broadcasting strategy; the simultaneous utilization and development of local talent and resources; and an emphasis on digital transformation and innovation to penetrate foreign markets. The NBA's refined broadcasting strategy consists of several points of emphasis for the league. These include ensuring adaptability for local markets through negotiations with local broadcasters, emphasizing linguistic and cultural relevance, as well as increasing efforts to make the product accessible through the development of the NBA league pass. Growing partnerships with foreign broadcasters allows the NBA to market its product at a local level, without requiring the purchase of an extra product like NBA League Pass. These broadcasts, with local broadcasters and linguistics, help to connect foreign markets with the American league (Murray, 2019).

Similarly, the NBA has invested a significant amount of capital into developing NBA League Pass as a viable option for international markets. Working with the understanding that providing localized content and making their product easily accessible is key to reaching new audiences, the NBA has catered to the differences in foreign preferences, implementing changes to camera views, subtitles, announcers, and even how statistics and figures are discussed during the game. To make content more accessible for foreign viewers, the NBA has implemented an option to League Pass enabling customers to buy just the fourth quarter of out-of-market games, and additionally put out a ten-minute viewing option for just one dollar (Badenhausen, 2020). From 2021 to 2022, the NBA League Pass has seen its global viewership increase by 30 percent (Anderson, 2023). In China, broadcasting powerhouse Tencent produces a version of the NBA

all in Chinese. In Japan, broadcaster Rakuten is doing the same thing. As they have in the Philippines and Australia, more countries are expected to follow the trend. These localized live streams of games have a much greater engagement and view rate than American-produced broadcasts (Murray, 2019).

### **Development of Foreign Markets**

The second pillar of the NBA's strategy has been to utilize and develop foreign talent to drive both foreign interest and participation in the league, and to cultivate audiences and consumers of NBA basketball. The NBA's expansion into international markets underscores the organization's strategic emphasis on fostering foreign talent and community engagement. International players in the league drive engagement overseas, as has been evident throughout the league's history. In this sense, these players act as brand ambassadors to those international markets. Recognizing this, commissioner Adam Silver has made a conscious effort to develop pipelines of both talent and interest abroad, in the form of NBA Academies. Located in strategically key markets such as Australia, India, Senegal, Mexico, and China, these academies attract the top talent from their regions of the world and work to develop future talent for the league while simultaneously bringing the product of the NBA to these regions. These academies serve as incubators both for basketball talent and also awareness of the NBA. These academies embody the NBA's commitment to globalization, while also highlighting its focus on social and community development.

Along with its investment in talent and exposure development, the NBA has invested in numerous initiatives designed to introduce its product not only to foreign players but to foreign youth. Underlining these efforts is the introduction of Jr. NBA programs in these countries, which is instrumental in driving youth interest in the NBA and its products (Gomez, 2022). The

Jr. NBA program is intended to introduce basketball and the NBA to youth audiences and create life-long consumers. Through functions like youth clinics, and school and youth events, the Jr. NBA program produces pathways for engagement, participation, and brand loyalty, creating the foundation for sustainable future growth in international markets. In developing this culture of NBA basketball at the grassroots level, the NBA not only extends its talent pool but also builds a loyal consumer base that makes up the root of its global success.

On a similar note, the NBA has recognized that community engagement goes a long way in terms of fostering positive brand associations and encouraging youth and parents to engage with the brand. Often spearheaded by prominent NBA players, and utilizing foreign talent in foreign locations and domestic talent in domestic locations, initiatives such as NBA Cares and Basketball Without Borders aim at driving positive change and leaving a meaningful impact in local communities. NBA players and coaches participate in a variety of community outreach programs centered around topics such as education, basketball development, and health-related issues. Partnering with NGOs, local governments, and corporate partners, the programs host basketball clinics and hospital visits and also drive the development of schools, homes, vocational training centers, basketball courts, and technology centers (Beyond Sport, 2023). In this sense, the NBA leverages its platform to enhance the league's brand reputation and better its relationships with international communities and consumers.

### **Digital Transformation**

Finally, the NBA has experienced enormous success digitally adapting its product and utilizing social media to penetrate foreign markets. The NBA's success in the digital and technological landscape serves as a representation of its commitment to innovation. This commitment has driven the NBA to unprecedented levels of global engagement and consumer

connectivity for an American brand. A core function of the NBA's digital transformation is its willingness to adapt to new technology and its subsequent seamless integration into the consumer experience. Through these investments in innovation and adaptivity, the NBA has developed a digital presence that rises above physical boundaries and borders and has enabled the brand to rise to new levels of global interaction.

Paramount in today's digital landscape, the NBA has adopted social media as an instrumental tool in consumer engagement and brand promotion. The NBA has effectively utilized partnerships with both social media platforms and prominent influencers on those platforms to engage younger demographics and gain exposure to untapped markets. Through these partnerships and content generation, the NBA has both introduced unaware consumers to the product and cultivated an engaged community that spans across all platforms. For example, in 2020, the NBA invited Addison Rae, Charlie D'Amelio, and her sister Dixie D'Amelio, the three biggest young influencers on TikTok, with at the time, a combined 183 million followers, to All-Star Weekend. The influencers were included in more than twenty videos on the official NBA TikTok account while also showcased on a broadcast of the NBA Celebrity All-Star Game. One of the videos with Rae and the Chicago Bulls cheerleaders received over 49 million views (Badenhausen, 2020). Likewise, the NBA invited Chinese social media superstar and actor Dylan Wang to the 2024 All-Star weekend, generating massive engagement with the events in China. On WeChat, one of China's most popular social platforms, Wang reached an interaction rate of 484 million (Montgomery, 2024). As a result of the virality of social media and the crowdsourcing of some of its content to its global fan base, the NBA has developed a digital presence that reaches far beyond the boundaries of traditional media channels. This allows the NBA to reach millions of fans and potential consumers with each new post or piece of content.

Utilizing influencers in non-sports-related industries allows the NBA to create new target markets and bring awareness of their brand and product to customers who otherwise would not be engaged in basketball content.

Similarly, the NBA has kept up with the ever-increasingly digitized global landscape through innovative technological decisions and project undertakings. Understanding that customers are increasingly engaging with content and brands online, the NBA completely revamped its app, creating a one-stop shop for fans. The app is available globally and now offers a personalized experience that consists of team and league content, as well as live-streaming and portals to merchandising, ticketing, and other information for customers (McCaskill, 2022). Through the impact of mobile technology and data analytics, the NBA app is able to deliver tailored experiences reflecting the unique preferences and interests of consumers around the world. According to Chris Benyarko, Executive Vice President of direct-to-consumer for the NBA, “We think this platform makes it easy to be an NBA fan. It allows people to immerse themselves in what’s happening with the league. And there is much more to come” (Costa, 2022). The NBA app provides an immersive consumer experience through its various offerings, keeping consumers engaged and invested in the NBA brand even in the off-season.

On a similar note, the NBA has extended its digital transformation to include profit generation and innovation. Through the shift to e-commerce and digital merchandising, the NBA has created more accessible and popular avenues for monetization. The digitalization of the NBA allows fans to purchase merchandise and memorabilia, as well as streaming options, in a much more internationally accessible way. Similarly, the NBA has invested heavily in virtual reality (VR) and augmented reality (AR) technology. These investments have created new pathways for international consumers to engage with the product, as well as extending its reach to consumers

previously excluded from interacting fully with the product. The efforts of the NBA to keep up with the ever-changing digital landscape ensure that the league is at the forefront of consumers' minds and able to generate new streams of international revenue and engagement.



## **Chapter 4: Comparative Analysis**

### **MLB International Efforts**

In order to comprehend and contextualize the NBA's international business development in a broader business sense, it is necessary to briefly review and discuss the international efforts of other companies in comparison with the process of the NBA. In this section, the international efforts of two selected businesses, Major League Baseball (MLB) and J Crew, will be analyzed in relation to the path followed by the NBA. MLB was selected to compare the NBA with another major sports and entertainment brand, and J. Crew was selected to examine the broader applicability of the process followed by the NBA to a separate business industry.

The goal of this section is to highlight the key factors of the NBA's international business development as tools that can be applied ubiquitously across industries. While the NBA has established itself as the preeminent American sports league internationally, Major League Baseball (MLB) has also experienced significant success in terms of international outreach and exposure, utilizing some of the same methods as the NBA. In this section, we explore the MLB's international development efforts, discussing which strategies have produced effective results.

Whilst the MLB has to grapple with the fact that there are similar professional baseball leagues established in other countries, offering a similar product much like the NBA has to deal with in Europe, it has yet done well to position itself globally as the preeminent product in its category.

One of the key methods of MLB's international business efforts is its use of media partnerships to distribute content and promote its brand presence on an international scale. MLB has negotiated strategic partnerships with regional broadcasters and media sites to broadcast games, highlight reels, and league content to international consumers. Through their partnering

with local broadcasters and distributors, such as NHK in Japan (Since baseball player Shohei Ohtani's ascendance, MLB has struck deals with nine local broadcasters), MLB ensures widespread accessibility and cultural localization of its games, effectively meeting the different preferences and interests of international consumers (Janes, 2024).

The MLB has also focused on building brand partnerships and relationships as a method of improving its global relevance and visibility. Through partnerships and strategic collaborations with brands, sponsors, and people the MLB has increased its brand presence in many international markets. It has utilized its international talent to act as brand ambassadors, developing loyal consumer bases in many international markets. In Japan, for example, the MLB has utilized stars such as Ichiro Suzuki and Shohei Ohtani to penetrate a market that in the past, has been dominated by its domestic league. The economic impact of these star foreign players is huge, as according to Katsuhiko Miyamoto, an economist at Kansai University, Ohtani's economic impact for the 2023 season is estimated to be roughly 342 million dollars, including 7.65 million dollars spent by Japanese tourists traveling to the United States to watch his games. Additionally, Japanese companies are said to have spent 6.31 million dollars to advertise at Angel Stadium (Oi, 2023). Through these sponsorships and partnerships, the MLB has created meaningful pathways for brand promotion and consumer engagement abroad.

The MLB has also emphasized digital transformation and technological innovation as a function of international growth. Speaking to the league's commitment to innovation, MLB Chief Operations and Strategy Officer Chris Marinak states "We have an innovative model for how we engage fans digitally. All 30 clubs have transferred the rights to the website, to social media, to all digital properties, our app, and streaming of video to the league office, to get scale benefits. That has allowed us to invest in world-class capabilities in those areas. We have

hundreds of engineers working across many different things because we have the scale to do it. That allows us to drive innovation” (Roth, 2023). Chief among these innovations is MLB.TV and the MLB App, which allow international consumers to engage with the product and monetize that engagement through subscriptions and merchandise sales. The MLB has also embraced social media as a tool for engaging with fans, allowing it to reach a vast audience of potential new consumers and fans. Through its leveraging of social platforms and digital technology, the MLB has improved its ability to connect with consumers worldwide. As a result of its social media strategy and engagement, the MLB has created an immersive technological experience that allows its brand to reach and resonate with both realized and potential consumers internationally.

Additionally, the MLB has worked to increase its international exposure, and in turn develop foreign markets for entrance. In order to do this, the MLB has installed player development academies in many countries in Latin America, where baseball is already played ubiquitously, increasing the availability of talent for the league, as well as exposing young people to the product at a young age. As part of the MLB Trainer Partnership Program, academies have been established in Columbia, the Dominican Republic, Panama, and Venezuela. Similarly, in order to reach markets not already heavily exposed to the league, the MLB has put on both games and various camps and events abroad. These include the World Baseball Classic, sponsored by the MLB in part due to its incredible international reach; “the 2023 World Baseball Classic was seen in 163 countries and territories, with 63 different media partners broadcasting the tournament in 13 languages” (Brown, 2023). Likewise, the MLB launched the European Development Tournament in 2023, with camps held in the United Kingdom, France, Spain (WBSC, 2023). The MLB has also increased its international exposure through games held

abroad, as since 1996, Major League Baseball has played over 200 international games in 11 different countries and territories (MLB, 2024).

### **The Success of the NBA Compared to the MLB**

The success of the NBA and the MLB in expanding their reach into foreign markets can largely be attributed to the similar methods of development utilized by both organizations. Both organizations successfully used international exposure to develop foreign markets. The NBA and the MLB both have implemented foreign showcases and academies to introduce consumers to their products. The efforts to improve awareness surrounding their respective products has paid off as consumer awareness and engagement has grown year-over-year in foreign markets. The decision by both organizations to commit to effectively communicating and adapting their brands in foreign markets is a result of their commitment to localization. The use of local partnerships and broadcasters, as well as the use of foreign ambassadors has made the organizations much more approachable and familiar to consumers.

Additionally, both organizations have placed an emphasis on technological modernization and adaptation to ensure that the product is accessible and engaging for foreign consumers. The commitment to positive digital consumer experiences through avenues like the NBA and MLB app, accessible e-commerce channels, and innovative concepts like AR and VR ensure that the consumer experience abroad is both accessible and comfortable.

Factors of International Success	NBA	MLB
Increase International Exposure	<ul style="list-style-type: none"> <li>Global Games, Academies, International broadcast, use of foreign talent as brand ambassadors</li> </ul>	<ul style="list-style-type: none"> <li>World Baseball Classic, International broadcast, use of foreign talent as brand ambassadors, player development academies</li> </ul>
Developed Foreign Markets	<ul style="list-style-type: none"> <li>Localized exposure to product, effective local partnerships</li> </ul>	<ul style="list-style-type: none"> <li>Effective local partnerships, localized product through local distribution channels</li> </ul>
Technological Adaptation	<ul style="list-style-type: none"> <li>Emphasis on e-commerce, effective digital interfaces for consumers, digital accessibility of product, NBA App, League Pass, VR/AR</li> </ul>	<ul style="list-style-type: none"> <li>Engaging digital landscape for consumers, MLB.TV and MLB App, embrace of innovation in business strategies</li> </ul>

NBA vs MLB comparative table

Table comparing the different or similar methods used by the NBA and MLB in their international endeavors

## J. Crew's International Efforts

While the NBA has achieved substantial success in its international business efforts, there are many organizations that have experienced much more difficult paths to international success across varying industries. The experience of these organizations, specifically J Crew, serve as a cautionary tale, illustrating the challenges of venturing abroad without the proper strategies and preparation. In this section, J Crew's international efforts and failures are examined in relation to the NBA's success. Focusing on key factors such as market entry strategies, localization, product

exposure, and digital and technological innovation, valuable lessons and insights for businesses of any industry navigating the complexities of international expansion are identified.

J. Crew's venture into international markets offers valuable insights into the complexities of global expansion and the critical factors that underpin success in international business. From their withdrawal from Japan in 2008, to 2020, when they shuttered all of their stores in the United Kingdom and Hong Kong, the challenges faced by J. Crew in their international endeavors can largely be attributed to their failure to use several of the same methods as the NBA and MLB.

Initially expanding to Japan, UK, and Hong Kong through many brick-and-mortar stores, J. Crew failed to both maintain its brand identity and localize its products enough to feel accessible to foreign consumers. No efforts were made to change the brand's messaging, and effective local partnerships were not utilized to engage foreign consumers. J. Crew's product and brand messaging, which were successful in the U.S. as they catered to the localized preferences and history of Americans, did not align with the tastes and preferences of international consumers. J. Crew's American style was not adapted, something needed in markets in which European brands dominate (Brooke, 2014). Unlike the NBA, which has successfully localized its approach and content in order to engage with different countries, J. Crew insisted upon a uniform strategy that struggled to adapt to local fashion preferences.

J. Crew's failure to properly select and cultivate markets and effectively engage with consumers stands out in comparison to the NBA. Insufficient market research has led to a lack of understanding of foreign consumer behavior and prevented J. Crew from understanding the competition and the specific needs it would have to address in multiple international markets. This manifested itself in the lack of a relationship between J. Crew and consumers, highlighted

in its repeated angering of consumers, often as a result of raising prices by as much as 50 percent in foreign locations (Mao, 2014). An uneven pricing strategy alienated many foreign consumers. This lack of understanding was also represented in its lack of differentiation from competitors, as J. Crew did not fully understand how saturated foreign markets were with mainly European brands (Brooke, 2014).

While J. Crew did offer e-commerce options and a digital platform and ordering site, there was very little investment in its operation, functionality, and user experience. Investing in digital infrastructure and innovation is vital for reaching and engaging with foreign consumers in the digital age. J. Crew failed to develop a strong digital presence in foreign markets. At a time when e-commerce and digital engagement are important, J. Crew was unable to connect with foreign audiences. Unlike the NBA, which utilized digital platforms and technology to improve consumer accessibility and experience internationally, J. Crew's poor digital efforts and lack of technological innovation and adaptation meant they were not effective in connecting with consumers (Elmore, 2017).

J. Crew's marketing and partnership campaigns were not adequately localized. The company failed to create region-specific marketing strategies that would resonate with local consumers and did not utilize effective partnerships with local influencers and celebrities which would have helped develop credibility with foreign audiences. The congruence of these inhibiting factors meant that J. Crew had very little financial success with its international expansion strategy, forcing it to close stores and rethink its approach.

### **Where did J. Crew fail where the NBA succeeded?**

The different stories of J. Crew and the NBA abroad emphasize important differences in their paths to international business expansion and highlight the importance of strategic planning,

cultural adaptation and localization, brand promotion and engagement with consumers, and technological innovation in achieving international success.

One of the key areas in which J. Crew has faced challenges in its international expansion endeavors is brand localization and cultural adaptation. In contrast to the NBA, which over time has effectively adapted its product and marketing campaigns to engage with foreign consumers, J. Crew has experienced challenges in maintaining a balance between foreign preferences and brand authenticity. Therefore, J. Crew's domestic success has been difficult to replicate abroad due to a lack of consumer engagement and established history with its product in the market.

Furthermore, J. Crew's retail strategy and commitment to digital trends have been inadequate in the face of changing consumer behaviors in foreign markets. While the NBA embraced digital innovation and omnichannel accessibility to improve the consumer experience and create profit, J. Crew's reliance on traditional brick-and-mortar stores and limited digital presence diminished its potential to engage with consumers and keep up with online preferences.

Additionally, the lack of effectiveness of J. Crew's efforts to build relationships with foreign brands and ambassadors has negatively impacted its ability to gain foreign awareness and relevance. Compared to the NBA, which has utilized collaborations with key partners and figures to establish its brand relevance and position in foreign markets, J. Crew's endeavors have lacked authentic localization and have been unsuccessful in creating buzz among foreign audiences. In the end, J. Crew has faced difficulties in establishing relevance and engagement in an extremely competitive industry.

J. Crew's initial international business development endeavors were unsuccessful due to failures or a lack of emphasis on strategic focus, localization and adaptation, digital innovation,



and effective partnerships. In contrast, the NBA successfully leveraged those key factors to provide a culturally relevant and consumer-centric product, effectively reaching foreign markets all across the globe.

Factors of International Success	NBA	J. Crew
Increase International Exposure	<ul style="list-style-type: none"> <li>Utilized foreign showcases, partnerships, and brand ambassadors to introduce markets to product</li> </ul>	<ul style="list-style-type: none"> <li>Relied on a perceived awareness of the brand in foreign markets, did not heavily invest in local partnerships and ambassadors</li> </ul>
Connected with Foreign Markets	<ul style="list-style-type: none"> <li>Localized the product through local broadcasting, languages, and cultural references</li> </ul>	<ul style="list-style-type: none"> <li>Maintained the American brand image without any localization or adaptation to local trends, inconsistent pricing and treatment of foreign markets</li> </ul>
Technological Adaptation	<ul style="list-style-type: none"> <li>Emphasis on e-commerce, effective digital interfaces for consumers, digital accessibility of product, NBA App, League Pass, VR/AR</li> </ul>	<ul style="list-style-type: none"> <li>Relied on traditional brick-and-mortar stores, not emphasizing digital transformation, did not adapt to current state of marketplace, non-user friendly digital experience</li> </ul>

NBA vs J. Crew comparative table

Table comparing the different methods used by the NBA and J. Crew in their international endeavors

However, J. Crew has recently taken steps to reenter the international business landscape, with a refined strategy that mirrors some of the successes of the NBA. According to new CEO Libby Wadle, the company is refocusing on its digital presence and marketplace and no longer

relying on brick-and-mortar stores, shifting its marketing messaging to more inclusive messaging that will resonate with a broader audience, and trying to regain the trust of consumers, especially foreign consumers, by cutting out inconsistent pricing strategies. Wadle states that “We got pretty caught up — maybe too much — in just the commodity businesses and the basic businesses” (Hanbury and Hartmans, 2022). While it remains yet to be seen how successful J. Crew’s venture will be, through these key steps there is potential for its second attempt being successful at penetrating foreign markets.

## **Chapter 5: Prescriptive Next Steps**

In this chapter, insights gleaned from the analysis of the NBA's international business success are identified and made applicable to the broader business world. Through this analysis, businesses can improve their approach to international expansion, and more effectively sustain international growth. These highlighted strategies include the strategic entry into and choice of market, product and marketing localization, digital innovation, and strategic partnerships.

The careful selection of what markets to enter and what entry strategies to utilize is critical for any business attempting to successfully expand internationally. The NBA carefully selected and developed foreign markets prior to their entrance. These markets were chosen for their potential for consumer engagement, ability to adapt to cultural preferences, and an understanding of how to engage with specific foreign consumers. It is critical that businesses emphasize thorough market research and initial agreeability to a product, as well as understand the competitive landscape. These steps are necessary to identify markets with strong potential for brand resonance and to efficiently allocate resources. The careful selection of foreign markets prevents businesses from overextending their efforts and creating a strong foundation in select markets.

The NBA's success in foreign markets can in part be credited to its commitment to product localization. They have adapted their messaging, broadcasting, merchandise, and consumer experiences digitally based on local trends and nuances. It is necessary for businesses to commit to at least some level of cultural adaptation and localization to ensure the potential for relevance and engagement with foreign consumers. Key aspects of this include the translation of content and product messaging into local languages, adapting marketing campaigns to local trends, and partnering with relevant public figures or businesses. Successful localization of

products and brand messaging promotes trust and a willingness to engage amongst foreign audiences.

In a technology-driven society like our present state, a commitment to digital innovation is critical for engaging and reaching foreign consumers. The NBA has utilized and developed digital methods of creating interactive consumer experiences, social media campaigns, and platforms that drive engagement, and generate revenue. Digital transformation, e-commerce platforms, mobile apps, and social media are all integral in making a product accessible and engaging for foreign consumers. These tools allow businesses to counteract the distance effect of relevance and gather valuable customer data and input. Through an emphasis on technological innovation, businesses can ensure their global visibility and ability to adapt to trends in global markets.

The development of partnerships is an integral way to increase brand visibility and awareness in foreign markets. The NBA's partnerships with foreign organizations, sponsors, broadcasters, and charitable organizations have greatly improved in global visibility. Businesses must emphasize partnerships and collaborations that align with their brand values and goals, so as to properly communicate their brand ethos to foreign consumers. These actions enhance marketing efforts and provide a level of international credibility, comfort, and familiarity with brands. Furthermore, successful collaborations allow businesses to utilize established networks, connections, and resources, providing a greater chance at effective market penetration.

## **Chapter 6: Limitations and Biases**

One aspect in which this thesis is limited in is in its narrow scope of comparisons. While the MLB and J. Crew offer valuable insights and comparisons with both another entertainment brand and a brand in a separate industry, it does not encompass businesses operating in other industries, or even other brands operating in the same industries. A more thorough analysis could have been made if a larger number of other businesses and organizations were used in this context.

Additionally, there is a difference in the difficulty of marketing entertainment versus apparel. It is often conceived to more difficult to market and adapt clothes and apparel to local tastes and preferences, as it is more difficult to localize while retaining your identity when selling apparel than it is an entertainment product. However, as a result of generalization, these lessons remain applicable and true from a marketing perspective.

## **Chapter 7: Conclusion**

This thesis has worked to illustrate the NBA's journey to developing itself as a global entity, through analyzing its international business journey and strategy this thesis can elucidate broader implications of the NBA's success. Combined with a comparative analysis of the MLB and J. Crew, this thesis has identified key factors that have contributed to international business success, and in the case of J. Crew, the lack of which prevented effective international expansion. By comparing the path of the NBA to that of J. Crew, this thesis has worked to highlight how these insights are not relevant only to other sports or entertainment entities, but to businesses across all industries endeavoring for international business development.

The most significant takeaway from the findings of this thesis is that international business success is very difficult without the commitment to several factors. These factors include a careful selection of which markets to enter and how, as the NBA carefully laid the groundwork in foreign markets and took time to understand the markets they wanted to enter. Likewise, the localization of products and messaging has proven to be a significant factor in the efforts to engage and resonate with foreign consumers. Businesses must emphasize adaptation in their international strategies to foster trust and comfortability with the brand. Similarly, digital innovation is necessary to be able to engage with foreign consumers and ensure that products and the brand are accessible to those in foreign markets. The NBA has had incredible success leveraging its multitude of digital features to generate new streams of revenue and new avenues for people to become consumers. Other businesses must prioritize investments in digital transformation and the use of technology to engage with international audiences. Additionally, the development of key partnerships and collaborations have been critical to the NBA's success. They have helped establish the NBA in foreign markets and on the international stage by

improving its level of awareness in foreign markets and also lending credibility to its brand image. Businesses should replicate this approach, as it is important to recognize the importance of developing strong consumer relationships and creating a brand beyond the core product or service.

The difficulties J. Crew faced in its international expansion efforts highlight the importance of these findings. The company's lack of investment in digital innovation, market research, consumer engagement, brand messaging, and ineffective partnerships prevented it from achieving international success. The experience of J. Crew suggests that successful international business development requires an adaptable and long-term strategy, utilizing methodology that has been proven successful.

Likewise, the success of the MLB in utilizing many of the same methods as the NBA to expand internationally serves to illustrate the effectiveness of these points of emphasis for businesses and organizations. Both organizations successfully emphasized international exposure as a method of developing foreign markets. The commitment to both physical and digital exposure in foreign markets has served to vastly increase awareness surrounding their product. Similarly, the decision by both organizations to localize their brand and product communication through language, accessibility options, marketing messaging, brand ambassadors and partnerships have effectively established these organizations as culturally relevant and accessible in foreign markets. On top of these factors, both organizations invested and continuously invest in digital innovation and technological modernization. The commitment to technological adaptation ensures that there are accessible ways for foreign consumers to engage and experience the product, while at the same time creating new avenues for revenue generation.

Through the generalization of the strategies identified in the NBA's successful international business development, businesses can apply these lessons to their own international endeavors. These strategies will allow for greater potential in pushing through the difficulties of foreign markets and positioning themselves for sustained growth. This thesis presents a blueprint for leveraging these identified strategies to have the greatest chance at international business success and ensures that the NBA's international business experience is applicable to a more general business context.



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