

IS6640

Group Project Report

Anta Case Analysis

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(i) Analysis of competitive landscape

Established in 1991, Anta is a leading sports brand in China, covering professional, fashion and outdoor sports through a multi-brand strategy. It has completed the omni-channel retail model with the help of ERP system and DTC strategy.

Porter's Five Forces Analysis

Bargaining power of buyers: the competition in the market is intense, which offers multiple options for customers and the brand needs to continuously offer value products.

Bargaining power of suppliers: a long and stable supply chain, but the price of raw materials also needs to be monitored

Threat of new entrants: the industry technology barriers are relatively high, through brand and channel layout, Anta can effectively resist new entrants.

Threat of substitutes: One major threat is from international and local brands, so Anta acquires high end brands and promotes technological innovations.

Competitors in the industry: global brands dominate the mid-high-end, and local brands face a crowded market. Anta acquires to expand clientele, and boost advantages with the United Olympic Committee's cooperation, but consumer loyalty needs a boost.

(ii) Competitive analysis of Nike and strategy comparison

Nike is a global leading brand with a globalized supply chain, it enhances user stickiness through diversified sub-brands (e.g. Converse) and digital transformation (e.g. SNKRS).

Competitive Strategy Analysis from Balanced Scorecard Perspective		
Perspective	Anta	Nike
Financial	Low prices lure budget consumers	Premium pricing and limited supply enhance brand image
Customer	Preferred suppliers: Multi-brand matrix (e.g. FILA, SALAMON), accelerated globalization strategy Customer partnerships: Low investment in customer interaction, brand loyalty needs to be improved by data analytics and personalization	Preferred suppliers: Coverage of over 190 countries. But Xinjiang cotton incident damaged reputation in China Customer partnerships: User engagement is increased through media and community activities: personalized experience through apps such as Nike, SNKRS, Nike Training Club, etc.

Internal Process/Business	Localized and responsive production, but there is risk of trade restrictions	Globalized production with geopolitical risk due to reliance on manufacturing in Southeast Asia
Innovation and Learning	Product focus: Cost-effective and eco-friendly functional innovation Technology leadership: Cloud logistics platform optimizes supply chain; less Advanced AI & Cloud Integration	Product focus: High-end technology-lead innovation, attracting quality seekers Technology leadership: Cloud computing, AI and big data analysis to improve efficiency; RFID and smart fitting rooms for in-store experience; Risk of data leakage

Current SIS System in use:

Mid-office system is a transfer station on the service side and data side. In business context, it provides reusable resources for different product lines under a parent corporation, ANTA Sports Products Limited. Alibaba Cloud, Huawei Cloud, and so on are available under this architecture. Functional centers, including the product center, inventory center, and marketing center can be integrated into the system. Additionally, code/program reusability can be improved by sharing general functions within the corporation, different brands, and product lines. The implantation speed of a new product requirement is slower because the mid-office may have a tight schedule and have different priority arrangements, especially when ANTA is following the strategy of “Big Mid-Office” (Baison, 2025). The scalability of the mid-office system benefits new features and new functionality development in cross-department collaboration. At the same time, it faces the risk of long-term development and launch as the mid-office has many requirements in wait. Thus, developing SIS with the existing codes and programs like the Old ANTA Running App, is a good option.

Outdated Running App

Features include: Location-based Service. Provide accurate statistical monitoring on users’ sports status, including speed, distance, pace, and time. PK mode: invite friends to join a PK room and start a competition. Running posture monitoring. With advanced chips and algorithms, the ANTA running app can check if a user is in the correct running status. Though ANTA has developed innovative features for its app, it has not been updated since 2016 leaving many users disappointed about its operation. Now that ANTA has developed a strong Mid-office system and the Nike Run App (the biggest competitor of ANTA in mainland China)

exited the Chinese market, it's time to utilize and reuse the old resources and invest them into the new strategy system.

Proposed SIS name: Anta Fit+

1. Run club feature

With Nike's Run Club no longer available in China, Anta can fill this gap by creating all-in-one running club with health tracking features. Unlike Nike separating different apps, Anta can integrate all features to offer a more convenient, comprehensive and engaging experience. It uses GPS and LBS to record the running distance, pace and real-time route. It also supports smartwatches and tracking health and workout progress. Furthermore, a community section allows users to share routes, photos and create challenges with friends. To encourage users, rewards and points can be earned for workouts and redeem discounts on Anta products. This keeps users motivated and increases customer stickiness to build loyalty. It integrates with AI data analysis and CRM systems to offer personalized training plans and product recommendations based on user needs, preferences and location.

Resources:

- a. Anta's strong brand identification in China and localized understanding.
- b. Access to large-scale user data from existing apps in a legal manner.
- c. Integration with Anta's current fitness ecosystem like smart wear and wearables.

Competitive Advantage: The **Run Club feature** gives the company a localized way to engage Chinese fitness enthusiasts but differentiate from Nike. This leads to **user loyalty, brand engagement, and increased product sales.**

2. Custom Running Shoes:

In this function, consumers can create and purchase running shoes according to their respective needs, including the shoe type, running pattern, and foot arch. Through this, Anta is able to provide more functional sportswear. Second, Anta's commitment to innovation and sustainable development is shown in the green materials that are provided according to consumers' choices. Anta's commitment to performance and sustainability was highly demonstrated after releasing the 'Champion Generation 2 Pro' in 2023 (Anta, 2024).

Moreover, the customization is also well supported by Anta's supply chain strategy. In comparison with Nike's "Nike by You," which takes more lead time, Anta's intelligent factory, which was launched in March 2021, has enhanced production efficiency and reduced the

delivery time (Wu, 2021). Therefore, Anta is now able to react more quickly to changes in the market and customers' demands.

Resources:

- a. Strong partnerships with material suppliers focused on sustainability.
- b. Access to vast consumer data from Anta's CRM and sales systems.

Competitive Advantage: Anta's **custom running shoes** feature provides a unique selling point by offering personalization, meeting consumers' needs in a modern age. With a **shorter lead time** than Nike, Anta can maintain **production efficiency**, taking a big step forward in the **functional sportswear market**.

3. AR Virtual Try-On:

Through Anta Fit+'s AR Virtual Try-On feature, consumers can virtually try on shoes and accessories using augmented reality technology on smartphones or AR glasses. This feature improves usability and customer engagement by providing individuals with a clearer idea of product fit, size, color, and style in a real-life environment. It also replicates various running environments, such as urban roads and seaside trails, through virtual reality technology.

In addition, Anta Fit+ provides personalized equipment recommendations after virtual try-on through an AI-RAG driven chatbot, while Nike Fit only uses AR for virtual try-on and size recommendations. Therefore, Anta Fit+ can effectively enhance its online influence and make Anta more competitive in the market because it combines AR, VR, and affordability to provide an affordable, user-friendly solution as an alternative to Nike Fit.

Resources:

- a. Anta's vast consumer dataset and advanced CRM system.
- b. Strong focus on user-friendly, cost-effective technology solutions

Competitive Advantage: This drives **higher user engagement** and the personalized recommendations in this function can provide Anta a huge edge in **customer experience**.

Conclusion

Currently, Anta faces strong competitors like Nike. Anta's current SIS is more like a middle-office system that facilitates the integration of multiple brands and departments. Now, Anta plans to propose and launch a new SIS called Anta Fit+, which will have running club functions, running shoe customization, and AR virtual try-on functions to compete with Nike. With more comprehensive experience than its competitors, this SIS aims to greatly improve user engagement, increase customer loyalty, and increase revenue.

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