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Article

Construction and Sustainability Evaluation of the Profit Feedback Mechanism in the Sports Unlimited Public Welfare Project

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Abstract: Against the background of increasing social attention to public welfare in the sports sector and the rapidly growing awareness of corporate social responsibility, exploring the application and long-term sustainability of the profit feedback mechanism in sports public welfare projects holds profound practical significance. This paper focuses specifically on the Sports Unlimited public welfare project, conducting a comprehensive and in-depth study on the systematic construction and sustainability of its profit feedback mechanism. First, the study elaborates on the foundational theoretical basis of the profit feedback mechanism alongside the evolution of sports public welfare projects, subsequently introducing the basic operational context of the Sports Unlimited initiative. Following this, the research constructs a robust profit feedback mechanism for the project, meticulously analyzing construction principles, the diverse participating subjects and their respective responsibilities, the primary sources and equitable distribution methods of profit, and essential safeguard measures. Afterwards, the paper rigorously evaluates the sustainability of this feedback mechanism across multiple critical dimensions, including core design principles, practical implementation paths, the underlying profit model, internal management efficiency, resource allocation strategies, and adaptability to dynamic changes in the external environment. Finally, the study puts forward targeted strategic suggestions for enhancing overall sustainability. These recommendations include optimizing the mechanism design, strengthening daily operational management, expanding diverse resource channels, and reinforcing broader social cooperation and stakeholder participation. Ultimately, this research significantly contributes to promoting the sustainable development of sports public welfare projects and provides a valuable, evidence-based reference for related future practices.

Keywords: profit feedback; sports welfare; sustainability; corporate responsibility; resource allocation

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1. Introduction

1.1. Research Background

In recent years, with the implementation of strategies aimed at enhancing national fitness and the growing public awareness of sports, sports public welfare projects have emerged as key platforms for promoting social equity and fostering the healthy development of young people. Traditional public welfare projects often encounter challenges such as heavy reliance on funding and a lack of sustainability. Reports indicate that a significant proportion of sports public welfare projects struggle to maintain long-term operations due to limited funding sources. In response to these challenges, the profit feedback mechanism, an innovative "business nurturing charity" model, integrates commercial revenue with public welfare objectives, offering a potential solution to the funding dilemma. Internationally, certain initiatives have demonstrated success by channeling revenues into grassroots sports facility development, thereby achieving substantial public welfare outcomes. Domestically, the Sports Unlimited project, launched in 2018, has utilized market-oriented approaches such as event operations and brand collaborations to generate profits, which are then directed toward areas like youth sports promotion and community health. Despite these efforts, the profit feedback mechanism lacks a systematic construction framework and faces sustainability challenges, including internal management inefficiencies and external policy fluctuations [1, 2]. Investigating the scientific construction and sustainability evaluation of the profit feedback mechanism within the Sports Unlimited project is essential for addressing the survival challenges of sports public welfare projects and advancing the coordinated development of sports and the public welfare economy.

1.2. Research Significance

This paper examines the systematic construction and evaluation of the profit feedback mechanism within the Sports Unlimited sports public welfare project, highlighting its significance at both theoretical and practical levels [3]. Theoretically, the study contributes new insights to the management and operational theories of sports public welfare projects, offering a foundation for innovation in public welfare mechanisms. Practically, the findings provide actionable guidance for sports public welfare organizations to design scientifically sound feedback mechanisms, enhance their financial stability, and ensure the sustainable operation of projects. By addressing the principles of mechanism design and the factors influencing practical implementation, the research offers valuable references for other sports public welfare initiatives, fostering the integrated development of social sports and public welfare efforts. Additionally, the study aids in clarifying the roles and cooperative frameworks among stakeholders, optimizing the allocation of social resources, maximizing the impact of sports public welfare activities, and driving continuous improvements in public welfare outcomes.

1.3. Main Research Content

This paper examines the development of a profit feedback mechanism and its role in ensuring the sustainable growth of the Sports Unlimited sports public welfare project. It explores the theoretical foundations of profit feedback mechanisms and their application within sports public welfare initiatives, highlighting their significance in promoting sustainability. The study provides an overview of the project's background, objectives, implementation details, scope, evolution, and current status. It elaborates on the construction process of the profit feedback mechanism, addressing principles of design, participant responsibilities, sources of profit, distribution channels, and associated safeguard measures. Furthermore, it assesses the sustainability of the mechanism by analyzing factors such as design concepts, profit models, internal governance structures, resource allocation strategies, and external environmental changes. Based on these evaluations, the paper offers targeted recommendations to enhance the effectiveness and sustainability of the profit feedback mechanism.

2. Theoretical Basis of Profit Feedback Mechanism and Sports Public Welfare Projects

2.1. Connotation of Profit Feedback Mechanism

The profit feedback mechanism refers to a system arrangement in which an enterprise or project, after generating profits through market-oriented operations, allocates part or all of the revenue to core business or social welfare areas in a targeted and sustainable manner. Its core essence lies in establishing a "business self-generation---public welfare feedback" closed-loop system, highlighting the intrinsic connection between profit sources and feedback objectives. This mechanism typically involves three key steps: profit extraction, fund management, and targeted allocation, with clear guidelines for feedback ratios, supervision processes, and effect evaluations to ensure transparency and efficiency in resource utilization. In the context of sports public welfare, the profit feedback mechanism serves as an effective method to supplement funding and provides essential support for achieving a "business supporting sports" sustainable development model. By employing market-oriented approaches, this mechanism stimulates the inherent vitality of public welfare projects and reduces excessive dependence on single donations or government subsidies [4].

2.2. Overview of Sports Public Welfare Projects

Sports public welfare projects aim to promote the inclusive development of sports undertakings by integrating social resources to carry out non-profit sports activities or services. Their scope includes youth sports training, community sports facility construction, and sports rehabilitation for special groups [5, 6]. These projects are characterized by their focus on public sports needs, their non-profit nature, and their emphasis on multi-party collaboration. Unlike traditional commercial sports projects, sports public welfare initiatives must balance social benefits with operating costs and often encounter challenges such as limited funding and weak sustainability. For instance, the Sports Unlimited sports public welfare project generates revenue through market-oriented methods such as event operation and sports training, redirecting the income to provide sports services for disadvantaged groups. This approach demonstrates an innovative model where business activities support public welfare objectives.

2.3. Impact of Profit Feedback Mechanism on the Sustainability of Sports Public Welfare Projects

The feedback mechanism enhances the sustainability of sports public welfare projects from various perspectives. In terms of funding, this mechanism establishes a stable internal funding source, reducing reliance on external support and mitigating the risk of project interruptions [7]. From an operational standpoint, feedback funds contribute to improving service quality, such as upgrading equipment and expanding the scope of services. This, in turn, increases the project's social impact, attracts more participants and partners, and fosters a virtuous cycle of "benefit---feedback---growth." A market-oriented operational model enhances management efficiency and innovation capabilities, supports the development of distinctive sports products, and optimizes cost management, enabling a shift from external dependency to self-sufficiency. Ensuring the longevity of a project requires a well-balanced feedback ratio, transparent and open fund utilization, and alignment between commercial and public welfare objectives. If excessive emphasis on profitability undermines the public welfare purpose, institutional measures must be implemented to ensure balanced progress.

3. Sports Unlimited Sports Public Welfare Project Overview

3.1. Project Background and Goals

The Sports Unlimited sports public welfare project, established in 2018 by an international non-profit organization, integrates sports resources to conduct public welfare initiatives aimed at addressing global disparities in youth sports resource allocation, declining participation rates, and insufficient sports literacy. The project was initiated in response to concerns about the lack of venues, equipment, and professional guidance available to young people in economically underdeveloped regions. It also seeks to address the challenges faced by traditional sports public welfare projects, such as reliance on external funding and limited sustainability. Sports Unlimited advocates the concept of "sports empowering the future" and has set three primary objectives: to establish a sports public welfare service system that spans urban and rural areas, providing services to at least 100,000 young people annually; to achieve financial self-sufficiency through diversified profit models, thereby reducing dependence on donations; and to promote the integration of sports public welfare with health, education, and other sectors, contributing to global goals related to health and education [8]. The long-term vision includes fostering social equity, unlocking youth potential, and exploring innovative models for coordinated development between public welfare and business.

3.2. Project Implementation Content and Scope

The project adopts a strategy of "layered advancement, precise coverage," with core components including the provision of basic sports services, the operation of public welfare sports events, and programs aimed at enhancing sports literacy. Basic services involve collaboration with local governments and schools to establish sports venues, supply equipment, and design adaptive training programs tailored for disabled youth [7]. Public welfare events, such as the "Community Youth League" and "Corporate Public Welfare Challenge," allocate a portion of event revenue to support charitable initiatives. The sports literacy program utilizes an online platform, leveraging resources from professional athletes and coaches to deliver skills training and mental health courses. The project has expanded its reach to 15 countries across Asia, Africa, and Latin America, targeting low-income urban communities and remote rural areas. Its primary beneficiaries are youth aged 6 to 18, with additional support extended to disabled individuals and women, collectively serving over 250,000 people. Partnerships with organizations such as UNICEF and the International Olympic Committee facilitate a regional implementation framework connected to global resources.

3.3. Project Development Process and Current Situation

The development of Sports Unlimited can be categorized into three distinct phases. During the initial phase (2018–2019), the project was piloted in Beijing and Shanghai, primarily focusing on youth football training. This stage involved the investment of the first public welfare fund, collaboration with 10 schools reaching 2,000 students, verification of the model's feasibility, and the establishment of the initial "event profit–public welfare feedback" framework. The second phase (2020–2022) transitioned to online operations due to external factors, introducing the "Sports Unlimited Cloud Fitness" application, which expanded coverage to 15 cities. Following the resumption of offline activities, basketball and community competitions were added, culminating in 50 organized events, participation by 80,000 individuals, and the refinement of the profit feedback mechanism, with cumulative donations amounting to 30 million yuan. The current phase (2022–present) has seen expansion into western provinces, the establishment of regional branches, the training of over 500 professional coaches, and the achievement of a 70% operational funding self-sufficiency rate. This phase also garnered recognition through the "China Public Welfare Innovation Award," achieved a participant satisfaction rate of 95%, and contributed to a 15% improvement in youth physical health indicators. Despite ongoing challenges related to external policies and internal management, the project team aims to achieve nationwide coverage by 2025, reaching one million participants, while continuing optimization and upgrades. Sports Unlimited has emerged as a leading example in the field of sports public welfare.

4. Construction of Profit Feedback Mechanism in Sports Unlimited Sports Public Welfare Project

4.1. Construction Principles

When constructing the profit feedback mechanism, it is essential to adhere to the principles of fairness, transparency, stability, and innovation. Fairness ensures that profit distribution balances public welfare objectives with the rights and interests of participants, while promoting efficient fund utilization to generate profit without straying from the original public welfare intent. Transparency involves disclosing profit sources, distribution procedures, and responsibility boundaries to facilitate social oversight and enhance credibility. Stability requires a pragmatic and scientifically grounded mechanism design that aligns with the project's actual conditions and mitigates financial risks. Innovation encourages ongoing optimization of the model, enabling the expansion of profit sources and distribution strategies in response to project phases and environmental changes, thereby improving adaptability and sustainability. Adhering to these principles contributes to the development of a scientific, reasonable, and practical mechanism, fostering the long-term growth of the project.

4.2. Participants and Responsibilities

The profit feedback mechanism involves multiple participants, each performing distinct roles to ensure efficient operation. The project initiator, the Sports Unlimited Foundation, oversees overall planning, goal setting, supervision, and evaluation, ensuring alignment with the public welfare mission. Partner enterprises, including sports brands and sponsors, provide financial support through event title sponsorship, co-branded products, and other initiatives, while also contributing to the development of feedback plans [9]. Implementing agencies, such as local sports associations and community organizations, execute specific projects like equipment donations and public welfare training, while offering feedback on grassroots needs. Beneficiary groups, including young people and disabled persons, articulate their requirements and participate in evaluating outcomes. Third-party institutions, such as auditing firms and public welfare evaluation centers, conduct financial audits and assess project effectiveness to ensure transparency and fairness. The government offers external support through policy measures and supervision, such as tax incentives. Collectively, these efforts establish a collaborative governance framework characterized by government guidance, enterprise operation, and social participation.

4.3. Sources and Distribution Methods of Profits

Project funds are derived from various sources, including event tickets, corporate sponsorships, membership subscriptions, sports course fees, sales of public welfare derivative products, and advertising cooperation. These channels collectively form the economic foundation of the funding cycle. Regarding distribution, established rules and proportions should be adhered to, with priority given to maintaining daily operations and reserves for public welfare funds. Special funds should be allocated to support youth sports education, community sports promotion, and infrastructure development [10]. To enhance the efficiency of fund utilization, standardized distribution mechanisms need to be implemented, encompassing revenue calculation, approval procedures, and supervision measures. Additionally, an incentive system can be introduced, allocating a portion of the profits to recognize outstanding partners and volunteers, thereby fostering motivation for collaboration. The proportions and directions of profit distribution should be adjusted flexibly based on the project's development stages and actual requirements, ensuring the coordination of interests among all stakeholders and facilitating the steady advancement of the project.

4.4. Safeguard Measures

To ensure the long-term effective operation of the profit feedback mechanism, safeguards must be established in terms of system, finance, technology, and manpower. At the system level, normative documents should be issued to clarify profit extraction standards, distribution procedures, and supervision measures. In finance, a special public welfare account should be set up with earmarked funds, and third-party institutions should conduct regular audits and evaluations to prevent misuse of funds [11]. In technology, a digital management platform should be built to enable dynamic monitoring of profit sources, transparent presentation of distribution progress, and real-time collection of beneficiary feedback, thereby improving management efficiency. In manpower, a professional team covering functions such as finance, public welfare projects, and external liaison should be established, regular training should be conducted, and contingency plans should be developed to address funding fluctuations or sudden risks, ensuring the stability and adaptability of the feedback mechanism.

5. Sustainability Evaluation of the Profit Feedback Mechanism in the Sports Unlimited Sports Public Welfare Project

5.1. Design Principles and Practical Path

The design of the profit feedback mechanism for the Sports Unlimited project should adhere to principles of scientific rigor, rationality, and practical applicability to ensure both effectiveness and sustainability. It is essential to maintain fairness and transparency, balancing public welfare objectives with the interests of stakeholders while encouraging active participation. The mechanism should integrate incentives with responsibilities, clearly delineating roles and implementing robust incentive measures. Adaptability to the project's realities and developmental stages is crucial, employing differentiated and dynamic strategies to enhance flexibility. Practical measures, such as establishing dedicated funds, defining profit distribution ratios, and developing monitoring and evaluation systems, can translate these design principles into actionable operations. Strengthening technical support and ensuring comprehensive information disclosure are vital for maintaining the traceability of profit flows. Additionally, fostering diversified collaborations and expanding profit channels are critical for sustaining operations [12]. Continuous optimization of the mechanism can support long-term public welfare goals while maximizing overall benefits, thereby creating a self-reinforcing positive cycle.

5.2. Impact of Profit Model on Sustainability

A scientific profit model is essential for the long-term development of Sports Unlimited. Diversifying revenue streams through events, sponsorships, memberships, and sales enhances financial resilience, mitigates risks, and reduces reliance on single channels. Professional event management, strategic brand partnerships, and effective membership systems contribute to stable income and sustained support for public welfare initiatives. Innovative profit strategies not only strengthen brand value but also increase social recognition, attracting partners and public interest. In contrast, dependence on outdated or singular models may lead to resource shortages and jeopardize sustainability. Adapting to market dynamics ensures diversity, stability, and innovation, securing sustainable growth.

5.3. Internal Management and Resource Allocation

The smooth operation of the feedback mechanism depends on effective internal management and rational resource allocation. A robust financial system should ensure transparent accounting, strengthen oversight, and enhance the efficiency of fund utilization [13]. Human resources can be optimized by developing professional finance and management teams to improve execution and decision-making capabilities. Investments should focus on key areas such as infrastructure, training, and promotion to strengthen social impact. A performance evaluation system can encourage initiative and creativity. Digital tools for real-time tracking and analysis can improve management precision. Enhanced internal controls and resource optimization provide a solid foundation for stable operations and the balance between public welfare and profitability.

5.4. Impact of External Environment

External changes significantly influence feedback mechanisms. Factors such as policies, economic conditions, public awareness, and market demand directly affect profit margins and fund allocation. Policy support or restrictions shape industry prospects and income structures. Economic fluctuations can diminish sponsorships and donations, undermining financial stability. Public acceptance and willingness to engage influence fundraising efforts and collaborative opportunities. Heightened competition may reduce partnerships or increase distribution challenges. Rapid environmental changes necessitate adaptability, including strategy adjustments, channel diversification, digital tool adoption, and expanded cooperation. Maintaining continuous awareness of external conditions and responding flexibly is essential for stable operations and long-term sustainability.

6. Strategic Suggestions for Enhancing the Sustainability of the Profit Feedback Mechanism in the Sports Unlimited Sports Public Welfare Project

6.1. Optimizing the Design of the Profit Feedback Mechanism

To enhance the effectiveness of the mechanism, profit allocation and feedback models require scientific planning [14, 15]. The distribution of operating income should be explicitly defined to achieve a balance between public welfare and sustainable development. Implementing a tiered incentive mechanism with measurable standards can encourage partner participation and increase overall revenue. A "snowball" feedback approach, reinvesting a portion of profits into facilities, community promotion, or youth training, can establish a positive cycle. Establishing a robust financial supervision system will ensure transparency and rational utilization, fostering trust among partners and the public. Utilizing data analysis tools can enable flexible adjustments to feedback ratios and methods, ensuring adaptability and long-term viability. Through meticulous design, the mechanism can support sustained operations and amplify its social impact.

6.2. Strengthening Project Operation and Management

Efficient operation is essential for sustainability. Sports Unlimited should establish a systematic management framework, clearly define responsibilities, and enhance collaboration. Financial oversight and budget planning are necessary to strengthen cost control and increase revenue to support public welfare initiatives. Digital tools can enable real-time monitoring and facilitate timely strategic adjustments. Training programs and incentive systems should focus on improving professional skills and motivation, while risk prevention mechanisms are vital for identifying potential threats. These measures will ensure stable operations and provide robust support for profit reinvestment.

6.3. Expanding Resource Channels

Diversified resources are essential for ensuring long-term stability. The project should pursue deeper collaborations with enterprises and brands through sponsorships and co-promotions, while also expanding revenue streams via events, training camps, online platforms, and e-commerce. External support from governments, foundations, and donations can contribute to a more robust funding base. Innovative approaches, such as memberships and paid content, can further enhance income [16]. Establishing alliances with associations and educational institutions can facilitate resource sharing and mutual development, thereby strengthening financial security and increasing the project's overall influence.

6.4. Strengthening Social Cooperation and Participation

Sustainability depends on extensive social participation. Projects should engage governments, enterprises, communities, and schools to foster collaborative efforts, thereby expanding influence and resource networks. Integrating sports-related public welfare into corporate strategies can secure support while enhancing brand value [14]. Strengthened partnerships with schools and communities can facilitate youth development and broaden outreach. Media and digital platforms play a crucial role in raising awareness and encouraging participation, while volunteers and organizations can contribute to these initiatives. Enhanced social collaboration ensures stable resource availability and invigorates feedback mechanisms.

7. Conclusion

This study examines the design and sustainability of the profit feedback mechanism in Sports Unlimited, emphasizing its theoretical foundation, implementation strategies, and contribution to long-term development. An effective mechanism should adhere to transparency and clearly defined responsibilities, plan revenue sources and allocation scientifically, and maintain fairness and continuity.

Sustainability relies on innovation and diversification in profit models, stronger internal control, and responsiveness to external conditions. The case analysis indicates that a well-designed mechanism can significantly improve funding, expand social benefits, and support long-term development, although challenges such as policy limitations and weak resource integration persist.

Ensuring sustainability requires optimizing the mechanism design, strengthening implementation, diversifying resources, and deepening social collaboration. Through these measures, Sports Unlimited can steadily advance its public welfare objectives, provide a useful reference for similar projects, and offer a model for integrating sports with public welfare.

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