Marketing to Lifestyles: Action Sports and Generation Y

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Introduction

The youth market is a highly coveted consumer segment that is difficult to both reach and influence. The current youth market has been called the Echo Boom Generation, but it is most commonly known as Generation Y. This generation of Americans consists of individuals born between 1982 and 2003 (Howe & Strauss, 2000). Generation Y makes up almost 25% of the United States population, while Generation Y’s predecessor, Generation X, makes up only 16% of the population. Individuals born between 1946 and 1964 comprise the Baby Boom Generation, which currently makes up a larger percentage (28.2%) of the United States population (Gardyn & Fetto, 2000); however, this advantage will decrease as Baby Boomers continue to age. As the number of Baby Boomers decreases, the spending power and influence of Generation Y will subsequently increase. The sheer size of Generation Y, coupled with the reported spending habits of young people, makes this segment a desirable target of corporations and sport marketing professionals.

The action sports genre is a growing segment of the sport industry that has, in many cases, connected with the elusive Generation Y market (Bennett, Henson, & Zhang, 2002; Bennett, Henson, & Zhang, 2003; Bennett & Henson, 2003). Action sports are an eclectic collection of risky, individualistic, and alternative sports such as skateboarding, BMX biking, surfing, street luge, wakeboarding, and motocross. The growth of action sports has been demonstrated by increased media coverage and the addition of several major tours and events; concurrently, there have been increased athlete endorsements, corporate sponsorships, branding, and lay-athlete participation rates among members of Generation Y (Bennett et al., 2002; Kelly & Warnick, 1999).

Much of the aforementioned growth is partially due to the sport consumption habits of Generation Y. For example, McCarthy (2001) suggests that action sports boast over 58 million consumers between the ages of 10 and 24 who wield $250 billion in buyer power. Members of Generation Y consume action sports more than any preceding generation, leading some to label action sports as “Gen-Y sport” (Gordon, 2000; Petrecca, 1999). Accordingly, aggressive lifestyle marketing campaigns implemented by marketing specialists and practitioners have effectively targeted the Generation Y market through action sports using ad campaigns and platforms and activations at action sports events.

The marketing and promotion of action sports does not simply focus on the individual, collective sporting events, or athletes. This genre of sport has merged with music, apparel, and movie industries to form a large sporting culture (Fitzgerald, 2000). The action sport culture includes numerous apparel lines, video games, movies and documentaries, events, and concert tours. The influence of action sports is pervasive in Generation Y culture. A cursory look at commercials targeting Generation Y (i.e., Saturday mornings) demonstrates the influence of the genre. Companies and advertisers are more likely to use teens riding skateboards to promote products than traditional athletes like baseball or football players. Moreover, one of the highest grossing films of 2002 was XXX, an action film supposedly representing the modern day secret agent or James Bond. In this movie, actor Vin Diesel participates in action sports throughout the film. Perhaps nowhere are the effects of action sports more ubiquitous than in the video gaming business, which has grown into an extremely lucrative industry. Tony Hawk’s Underground and Pro Skater 4 have sold quite well among young consumers. As Liberman (2004) informs, Hawk’s videogame franchise is only outsold by John Madden’s professional football video game.

Another important indicator of the powerful influence of the action sports segment on Generation Y includes the explosion of grassroots and large-scale events, most of which have managed to obtain substantial corporate sponsorship. Currently, the five...
major action sports events include the Gravity Games, Gorge Games, Great Outdoor Games, Winter X Games and Summer X Games. Recently, Clear Channel-NBC announced it would sponsor the Mountain Dew Action Sports Tour, an event that will commence in May of 2005 (Lefton, 2004). The Dew Action Sports Tour will serve as a professional action sports regular season with stops in five cities. At the end of the Dew Action Sports Tour, individual leaders in event categories will be awarded prize money and the “Dew Cup” (Lefton, 2004).

These events represent an attempt by broadcasters, marketing firms, and advertisers to commercialize action sports into a package that will reach Generation Y in the form of a large-scale event. The first large-scale event was created by ESPN in 1995, an event initially called the Extreme Games and currently known as the X Games (Pedersen & Kelly, 2001). Originally, ESPN intended to create a marketing platform that would enable broadcast companies and sponsors to reach the elusive, and hard to influence, youth market. This creation of large-scale events and tours represents a critical step towards successfully influencing Generation Y consumers. Bill Carter, the president and partner of Fuse Integrated Sports Marketing, reinforces this message:

The media and advertising community are those responsible for developing, in part, the landscape that allows for any sport to become a successful platform for a brand. They have a simple formula: they respond to the interests of the demographics by way of developing advertising and media that sells to those groups. When they finally figured out, about five years later than it was actually happening, that action sports were a key pillar within youth culture, media and advertising responded accordingly. Since the involvement of TV networks and the advertising community, action sports have snowballed into something bigger and bigger, now with over 30 million participants. (personal communication, June 20, 2003)

Action sports are also popular on a grassroots level because many companies connect with action sports tours, such as Tony Hawk’s Boom-Boom Huck Jam, in an effort to reach Generation Y. Broadcasted by NBC, the Vans Warped Tour is an annual festival that tours throughout the United States and combines fashion, music, and action sports. Mountain Dew’s Free Flow Tour is another example of a grassroots effort that will likely expand the genre. Furthermore, action sports camps where beginning athletes can improve and refine their skateboarding and/or snowboarding skills have developed throughout the United States. In fact, a few of these camps have begun to attract older, more skeptical adult members of Generation X (Bennett et al., 2003).

Lifestyle Marketing (LM) and Action Sports

According to Hanan (1980), lifestyle marketing (LM) is “a strategy for seizing the concept of a market according to its most meaningful, recurrent patterns of attitudes and activities, and then tailoring products and their promotional strategies to fit these patterns” (pp. 2-3). LM targets the consumer segment by addressing the patterns common within the group (Swenson, 1990). As stated by Michman (1991), the goal of LM is to connect with the consumer through their lifestyle choices by assessing “how individuals spend their time, what they consider important about their surroundings, their opinions on various issues, and their interests” (p. 19). Some of these lifestyle choices include product usage and purchasing habits, media usage, preferred recreational activities, heroes and role models, ethnic and religious associations, and product awareness (Hanan, 1980; Michman, 1991; Swenson, 1990). Demographic and psychographic characteristics are also important considerations when implementing LM strategies.

Mullin, Hardy, and Sutton (2000) suggest that the integration of a company’s message with the lifestyle pursuits of a targeted market adds immediate credibility to the corporation or sponsor. Because leisure pursuits are such an effective avenue for presenting sales messages to consumers, association with a sporting event has become an important LM strategy. Events that are viewed favorably by a particular target market allow investors and sponsors to be viewed favorably as well (McDaniel, 2002; Mullin et al., 2000). In fact, the popularity of action sports events has led to commercial successes for sponsors, media, and athletes.

The lifestyle habits of Generation Y consumers have been well documented (Bennett et al., 2002; Bradish, Lathrop, & Sedgwick, 2001; Lim & Turco, 1999). Many youth in this demographic population are avid Internet surfers, are technologically savvy, and enjoy various forms of media, including television, magazines, and video games. In fact, media consumes a large portion of Generation Y members’ time, often between 33 and 38 hours a week (Henry J. Kaiser Foundation, 1999).

In addition to simply viewing action sports, it appears that members of Generation Y assume the lifestyle and actively participate in the sports. Skateboarding (20.1%), in-line skating (163.1%), snowboarding (238.8%), and roller hockey (51.9%) each realized significant and, in some cases, remarkable percentage growth rate increases from 1991 to 2001 among young people (National Sporting Goods Association, 2002). These growth rates were apparent.
across all age groups, but much of this change is due to the increases realized within the youth segment: Snowboarding rose from 1.8 million to 3.6 million participants during the 1990s; skin and scuba diving participation increased 75% from 1979 to 1996; rock climbing realized an increase of 3.3 million participants, from just under 5 million participants in 1993 to 8.3 million in 1997; and the number of people riding mountain bikes soared, from less than 4 million in the early 1990s to more than 8 million in 1998 (Bennett et al., 2003; Kelly & Warnick, 1999). Some individuals are spending large sums of money for extreme sports vacations at exotic locales, and serious extreme sports athletes compete in eco challenges throughout the world (Esquire, 2000).

Another characteristic fueling the action sports phenomenon is the grassroots campaign being driven by individual lay-athletes. Much of the increase in the participation rates of action sports can be tied directly to the individual nature of the sports, which appears to be an attractive feature for Generation Y. As a result, the more traditional team sport of baseball saw a participation rate decrease of 33% from 1990 to 2002, while sports such as skateboarding and snowboarding are among the few to experience large increases in participation patterns (Bennett, Dees, & Tsuji, 2004; Sporting Goods Manufacturers Association, 2004). Children are opting for skateboards instead of baseball bats and gloves, and an increase in “skate moms” signals a correlation with the “soccer mom” phenomenon of the 1990s (Bennett et al., 2004; McCarthy, 2001).

As reported by Coakley (2001), action sports provide members of Generation Y with an enticing alternative to the “increasingly exclusive, structured, performance-oriented, and elitist” organized youth sport programs prevalent in America (p. 118). According to Coakley, when children play by themselves, they are typically interested in action, personal involvement, a close score, and opportunities to reaffirm friendships. The importance of activity, excitement, and movement to members of Generation Y is easily correlated to the recent growth of the action sport genre as it focuses on intense, action-packed, risky, individualistic sporting endeavors.

**Action Sports Target Lifestyles**

Action sports events attempt to connect with Generation Y by capturing the lifestyle and culture surrounding these sports through live music and interactive elements. Event marketing allows broadcast companies like ESPN, NBC, and the Outdoor Life Network to aggressively seek corporate partners and sponsors whose products and image parallel the lifestyles exhibited by spectators and TV viewers of the different events. According to the general manager of the Dew Action Sports Tour, Wade Martin, companies are interested in action and lifestyle sports for a number of reasons. First, the growth and popularity of these sports, from a viewership and participation perspective, are overwhelming. Second, this category is an attractive and elusive demographic for advertisers. Third, companies believe they can be a leader in the area of action and lifestyle sports with respect to providing opportunities for corporate partners and sponsors through their brand. (personal communication, June 15, 2003)

The fact that this genre has recently flourished allows companies to re-focus their marketing efforts in an attempt to manipulate the consumption habits of Generation Y. Companies have the potential to sell more apparel and equipment to Generation Y if action sports and events thrive and prosper. Since action sports have the innate attractiveness and magnetism to reach this target market, a clear objective of the different events is to remain competitive and appealing. Carter explains:

Action sports speak to youth culture, as they represent elements that this demographic sees as important, including creativity, individuality, friendship/camaraderie (even within a competitive setting), and a style that can only be developed when not constrained by teams and rules found in traditional sports like football, baseball, and basketball. Our clients don’t necessarily utilize action sports for the “sport” of it, but rather to connect to a culture that teens identify with and claim as their own. Action sports are cool and why wouldn’t a brand want to be where cool is? (personal communication, June 20, 2003)

Action sports events also cater to the lifestyles of Generation Y consumers through interactive elements and live music. According to Eliza Russell, event coordinator of the Gravity Games,

The event includes various elements that capture the essence of the action sports culture, including an interactive village, live concerts from every genre, and professional demonstrations, in addition to amazing athletic competitions. Event attendees can ride a BMX bike on a dirt course or try skateboarding and inline skating on a street course, both built by the same guys who created our professional courses. People who come to the Gravity Games have the chance to be more than simply a spectator. They really become part of the action. (personal communication, January 15, 2003)
The fascination that Generation Y consumers have with action and lifestyle sports has generated increased interest among sport marketing agencies, major TV networks, and corporate entities. The marketplace is becoming much more competitive for companies involved with action sports; consequently, strategies shift the focus from development and awareness to continual growth and enhancement of brand image in order for the events to remain viable with Generation Y. This appears especially true since this generation is responsible for the increase in action sports popularity and retail spending. Capitalizing on this increase in popularity and Generation Y spending, through the enhancement of their brand image and partnerships with major TV networks, action sports events can continue to provide marketing opportunities for their clients who seek to influence this highly sought after, but very elusive, target segment. According to Carter, implementing and reinforcing this strategic initiative is critical if we are to provide added value for our corporate sponsors and remain a leader in the action sports arena. Our clients include brands that target teens and young adults, typically between the ages of 13-25. Sponsors include Pepsi’s Mountain Dew brand, Gillette’s Right Guard Xtreme Sport brand, Ford Motor Company, Motorola, Quiksilver, Burton Snowboards, and others. While their products differ (e.g., beverages, deodorant, automobiles, cell phones, surf-inspired casual clothing, and snowboards), what they have in common is a difficult-to-influence target. Note that I said difficult to influence, not difficult to reach, as they are very easy to reach – TV, radio, events, and magazines all reach them. What is difficult is to cut through the clutter of the millions of messages they are bombarded with and get them to identify with your brand. (personal communication, June 20, 2003)

According to Bennett et al. (2002), corporate sponsors continue to view action sports and action sports events as effective mediums for their message. One brand, Pepsi’s Mountain Dew, seems to have managed to get their message to Generation Y (Bennett et al., 2002). In fact, Pepsi has repositioned the Mountain Dew brand to be seemingly ubiquitous in the action sports world. Mountain Dew seems inextricably linked to action sports for an entire generation of consumers (Bennett et al., 2002). Thus, it seems appropriate that Mountain Dew would become the presenting sponsor of the Dew Action Sports Tour (Lefton, 2004). Heidi Sandreuter, a marketing manager with Pepsi-Cola Sports Marketing, contends that the brand sponsors action sports because of the positive consequences that have been documented. Sandreuter further explains the importance of leveraging Mountain Dew with Generation Y by attempting to connect and associate with the lifestyles of its members:

The edginess, irreverence and exhilaration of Action Sports was/is the perfect fit for Mountain Dew. These shared equities resonate powerfully with the teen male target, so by aligning with such edgy activities that teens enjoy or admire, Mountain Dew increases its brand affinity among a critical demographic. Mountain Dew also benefits from the fact that the Action Sports association is not just about tapping into a sport ... it’s about becoming part of a culture that provides endless ways of communicating to consumers ... through music, fashion, sports etc. Instead of just showing snowboarders and skateboarders in its advertising, Mountain Dew wanted to stand out as a true supporter of Action Sports. As a result, Dew became a sponsor of the ESPN XGames and the Vans Triple Crown as well as of numerous Action Sport athletes. And to further legitimize its presence in this space, the brand started its own grassroots skate park tour, the Mountain Dew Free Flow Tour, that recognizes and supports amateur skaters across the country. (personal communication, April 25, 2003)

Conclusion

Action sports events may increase in popularity over the next few years. Since action sports were founded by individuals seeking to be involved in participant-controlled sports, the genre may continue to have some mass appeal for the members of Generation Y (Coakley, 2001). Therefore, many companies and marketers will seek to benefit from the transfer of brand associations resulting from the firms aligning themselves with the events and athletes that appeal to the youth segment.

Certainly, there are valuable lessons that can be learned from the substantial growth of the action sports industry. Since there has been such a dramatic rise in the popularity and strength of the genre, practitioners should analyze the efforts made by those responsible for expanding the industry. For example, marketing campaigns and sporting event activations that connect with youth market lifestyles have an evident influence on the popularity of the sports and athletes. Obtaining sponsors that appeal to targeted markets or have the capability of transferring images is another objective that has been utilized by action sports marketers and managers. Finally, marketers should consider being authentic or creating a “cool” image when attempting to influence the youth market, especially one so large and filled with cynicism toward
corporate sponsorship. Choosing sponsors that can deliver on authenticity rather than simply provide a revenue stream may allow greater return on investment in the future for those targeting Generation Y.

The Dew Action Sports Tour and the action sports industry in general will provide a fertile ground of investigation for scholars and potential growth opportunities for the industry. It will certainly be interesting to investigate the effects of a professional tour on the action sports industry. Additional research efforts may focus on sponsorship and the advertising effectiveness of tours, events, athlete endorsements, and other marketing communication efforts. Since the events are more like festivals, with interactive elements, festival villages, and music, an examination on how these additional features affect consumer behavior would provide valuable research. Comparing the growth of action sports, including participation patterns and equipment sales trends, to more traditional and established segments of the sport industry through trend analyses seems especially important. Since events and tours are vitally important to the industry, exploration of consumer satisfaction with these events could add to the literature and aid practitioners. Finally, important social issues warrant analysis when considering action sports as a research stream. For instance, the health-related benefits associated with sports like skateboarding and BMX biking should be studied since the genre appeals to and depends on the youth market. Additional social issues should be assessed, including how the genre affects the family, organized youth sport, traditional coaching, and other social institutions.

The action sports industry could serve as a model for marketers, promoters, practitioners, and corporations attempting to connect with members of Generation Y. Associating their brands with large-scale, multi-purpose events, such as the X Games, Gravity Games, or the Dew Action Sports Tour may be a viable strategy for firms attempting to reach this elusive market. These events are replete with athletes, music, and interactive components that appeal to the lifestyle behaviors of Generation Y.

References
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