Marketing Sport to Asian-American Consumers

Irvine Clarke III and Ryan Mannion

Abstract

The Asian American market segment is the fastest growing minority group in the United States (Li, 2003). However, the potential of this important market segment for sport franchises remains relatively untapped. Differences in cultural values and general consumer behavior may compel sports marketers to adapt current marketing approaches. This paper explores the Asian American market as consumers of sport. Best marketing practices of current sports franchises are examined, and recommendations for sports marketers on how to successfully target the Asian American market segment are provided.

The Asian American Market

"The Asian American segment remains a 'segment of superlatives.' Per 2000 (US) Census data, Asian Americans are the fastest growing, most affluent, educated and reachable segment because Asian Americans are condensed in the top metro areas and states in the country."

(Vence, 2004)

Recently, the United States has seen tremendous growth in minority market—many of which are increasing at a faster rate than that of the overall population. In fact, Asian Americans are the fastest growing segment of these minority groups (Li, 2003) with 11.9 million people and currently composing 4.2% of the total US population (Fattah, 2002). California, New York, New Jersey, Massachusetts, Maryland,

Asian Americans have the highest median household income ($70,221) of any ethnic group, nearly 14.7% higher than that of non-Hispanic whites ... and have enjoyed a 116% increase in buying power over the past decade ..."

Washington, Virginia, Delaware, Nevada, Alaska, and Hawaii have the largest Asian American populations representing between 3.6 and 12.4% of the individual states' total population (United States Census Bureau, 2003). During the 1990s, the Asian American population grew nearly 72% (Fattah, 2002). Over the next five years, the Asian American market is predicted to grow 27%, and by 2050, the Asian American population is expected to comprise more than 30 million people (Ranganathan, 2003; Vence, 2004; Wellner, 2002).

In addition to the increasing Asian American population, the buying-power of this group is a major reason for the appeal of this market segment. As a group, Asian Americans have $296 billion of annual disposable income (Li, 2003) and are expected to reach $455 billion by 2007 (Wellner, 2002). Asian Americans have the highest median household income ($70,221) of any ethnic group, nearly 14.7% higher than that of non-Hispanic whites (Barbagallow, 2003) and have enjoyed a 116% increase in buying power over the past decade (Vence, 2004). Asian Americans also shop more frequently than any other demographic group (Li, 2003).

Ninety percent of the Asian American population lives in metropolitan areas (Ranganathan, 2003). Exhibit 2 details the metropolitan areas with the largest Asian American population, in both total Asians and by specific sub-cultures. The Los Angeles, Riverside, and Orange County, California region is home to the largest number of Asian Americans. The New York, Long Island, and Northern New Jersey region holds the second largest, followed by the San Francisco, Oakland, and San Jose region, the Honolulu, Hawaii region, and the Washington-Baltimore region.
Exhibit 1
Asian American Population by State

People indicating exactly one race, Asian, as a percent of total population by state

- 41.6 (HI)
- 3.6 to 12.4
- 1.0 to 3.5
- 0.2 to 0.9

Misconceptions about the Asian American Segment

Historically, many large corporations have avoided marketing to Asian Americans because of misconceptions about this particular segment. For example, one misconception is that there are too many cultures and languages for effective advertising to the segment. Although there are groups within the segment, many experts in the area of Asian American advertising believe that sensitivity to cultural nuances and adaptation of existing campaigns will suffice (Campanelli, 1995; Wiesendanger, 1993). Simply taking a general advertisement and placing it within the Asian American market is not effective and may even prove detrimental. Instead, creating a marketing campaign that is targeted to the Asian American market, but flexible enough to make the necessary subtle changes, makes it possible to target across groups within the Asian American market (Wiesendanger, 1993). For example, an advertising campaign appealing to Asian Americans with an inexpensive voice-over in the appropriate colloquial dialect has proven quite effective (Vence, 2004).

Another long-held misconception is that Asian Americans do not respond to advertising. In the past, because marketers did not focus on this consumer segment, little research had been conducted to determine effectiveness. However, some recent studies have discovered that Asian Americans do respond quite favorably to advertising messages that are designed specifically in their language (Delener & Neelankavil, 1990). According to Market Segment Research in Coral Gables, Florida, more than half of Asian Americans are more comfortable speaking their native language than speaking English (Wiesendanger, 1993). English is not spoken by 35% of the population, and another 24% primarily use their native language. In fact, nearly 56% of Asian Americans said that advertising in their native language would make them more inclined to buy a product (Wiesendanger, 1993).

Evidence of advertising success is beginning to appear. One particular company that chose to market its product directly to the Asian American segment is Martell Cognac. Martell Cognac sold well in China and Japan; however, sales were lackluster among Asian Americans. The company teamed with San Francisco-based AdLand to create print advertisements in Chinese and Japanese publications and poured $1 million dollars into the campaign. The advertisements were culturally sensitive and created in the specific languages of the target market. The campaign led to a 35% sales increase in the first year (Wiesendanger, 1993).

Asian American Consumer Behavior

Asian American consumer behavior varies from other minorities, making them a specialized market segment (Scarborough, 2000; Xu et al., 2004). One of the driving forces behind Asian American ideals is

“Family is a source of individual identity and provides a strong connection to Asian American heritage and tradition. Asian Americans hold families, and their well being, in the highest regard when making purchasing decisions …”
Exhibit 2
The Top Asian Metropolitans (by population)

<table>
<thead>
<tr>
<th>THE TOP ASIAN METROS</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>ASIA, JAPAN</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tokyo, Japan</td>
<td>1,886,401</td>
<td></td>
</tr>
<tr>
<td>Osaka, Japan</td>
<td>1,877,780</td>
<td></td>
</tr>
<tr>
<td>Tokyo Metropolitan Area, Japan</td>
<td>742,021</td>
<td></td>
</tr>
<tr>
<td>Tokyo, Japan, Chiba Prefecture</td>
<td>39,897</td>
<td></td>
</tr>
<tr>
<td>Hiroshima, Japan</td>
<td>45,616</td>
<td></td>
</tr>
<tr>
<td>ASIA, MOLDOV</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New York, New York</td>
<td>1,002,091</td>
<td></td>
</tr>
<tr>
<td>Los Angeles-Long Beach, CA</td>
<td>923,333</td>
<td></td>
</tr>
<tr>
<td>New York, New York</td>
<td>792,594</td>
<td></td>
</tr>
<tr>
<td>Philadelphia, PA</td>
<td>711,506</td>
<td></td>
</tr>
<tr>
<td>ASIA, MOLDOV</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New York, New York</td>
<td>223,366</td>
<td></td>
</tr>
<tr>
<td>Los Angeles-Long Beach, CA</td>
<td>171,909</td>
<td></td>
</tr>
<tr>
<td>New York, New York</td>
<td>176,684</td>
<td></td>
</tr>
<tr>
<td>Philadelphia, PA</td>
<td>162,893</td>
<td></td>
</tr>
<tr>
<td>ASIA, KOREA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New York, New York</td>
<td>312,369</td>
<td></td>
</tr>
<tr>
<td>Los Angeles-Long Beach, CA</td>
<td>282,817</td>
<td></td>
</tr>
<tr>
<td>New York, New York</td>
<td>226,599</td>
<td></td>
</tr>
<tr>
<td>Philadelphia, PA</td>
<td>209,742</td>
<td></td>
</tr>
<tr>
<td>ASIA, CHINA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New York, New York</td>
<td>4,955</td>
<td></td>
</tr>
<tr>
<td>Los Angeles-Long Beach, CA</td>
<td>3,607</td>
<td></td>
</tr>
<tr>
<td>New York, New York</td>
<td>2,829</td>
<td></td>
</tr>
<tr>
<td>Philadelphia, PA</td>
<td>2,648</td>
<td></td>
</tr>
</tbody>
</table>

(U.S Census Bureau, 2000)
family. Family is a source of individual identity and provides a strong connection to Asian American heritage and tradition. Asian Americans hold families, and their well being, in the highest regard when making purchasing decisions (Scarborough, 2000).

Asian Americans also tend to be extremely brand loyal and cost-conscious. They will not purchase the cheapest product on the market; they buy the best item on the market at the cheapest price (Scarborough, 2000). Asian American consumers also build relationships while doing business (Ho, 1997). Asian Americans believe in doing business with people over extended periods of time and tend to do business with people, not product attributes.

When advertising to Asian Americans, it is important to understand the culture and to stress family and faith (Ranganathan, 2003). Asian Americans tend to relate best to advertisements with which they can identify themselves in the ad (Wiesendanger, 1993). Asian Americans are 80% more likely to remember and respond to an ad that involves a situation familiar to their culture (Wiesendanger, 1993).

Sports Marketing

Only lately have sports franchises begun to realize the vast opportunities that minorities and ethnic groups provide for increasing sales revenues and fan bases. In the past, franchises have habitually marketed their product to the "typical" fan, sometimes neglecting minorities. Recently, professional sports leagues, such as the NBA and MLB, have made an effort to cater to these groups in order to increase revenues. The extreme growth in the Asian American population within the United States is providing franchises with increased opportunities to capitalize on these emerging market segments.

Examples of Sports Marketing to Asian Americans

In order to explore the best practices of sport marketing to Asian Americans, case examples are provided.

Houston Rockets—NBA

With the selection of Yao Ming, the 7-foot-7 inch center, the Houston Rockets solidified its efforts to tap into the huge Asian American population that resides in Houston, Texas. Houston is home to more than 225,000 Asian Americans, or about 4% of the city's population (Luo, 2003). The Rockets have integrated the option of reading the team's website in Mandarin, provided special packages to see Yao play against all of the notable centers in the game, and have placed team billboards across the city which read "Be Part of Something Big" in Chinese characters (Luo, 2003). The Rockets have also put their staff through Asian culture sensitivity training, hired Mandarin-speaking staff members, and have introduced a weekly radio show in Mandarin (Luo, 2003). For the 2003 Lunar New Year, the Rockets included a pair of colorful dragon "Power" dancers and Asian drummers as part of the player introduction ceremony. The Rockets also gave coupon-filled traditional Chinese envelopes called "hongbao" as a promotion for the night's game (Luo, 2003). Marketing efforts put forth by the Rockets have paid off thus far. For the 2002-2003 season, the percentage of Asian Americans who purchased group packages rose 12% (Painter, 2003). The Rockets have also obtained a sponsorship from the major Chinese beer brewery "Yanjing," which has become the official beer of the Toyota Center.

Golden State Warriors—NBA

To build ticket sales and sponsorships, the Warriors have begun targeting the Bay Area's large and diverse Asian American community (Ginsberg, 2002). The Oakland-based team is using the Houston Rockets star Yao Ming to help sell its product to the Asian American community. The Warriors offer a special ticket package that bundles Yao Ming and the Rockets' appearances at the Warriors' home court with games of the league's best teams (Lakers, Kings, Celtics, Nets, and Mavericks). They have named it the "Yao Ming Big-7" ticket package. The team has sold several hundred of these packages, mostly to the Asian American community of Oakland (Ginsberg, 2002). In order to promote this ticket package, the team sent its mascot to San Francisco's Chinatown and printed fliers in both English and Mandarin to promote the package as well as the games when Yao Ming was in town (Knapp, 2002). The November 27, 2003, game against the Rockets featured an in-game videotaped message which featured Yao thanking fans for coming out to the game (McCallum, 2003).

Along with this ticket package, the Warriors have introduced advertising campaigns in two local Chinese-language newspapers and have run advertisements on two Asian television stations that reach much of the Asian community within the Oakland region (Ginsberg, 2002). On August 22, 2002, a team of NBA players took on China's national team in the Warriors' arena, and the stadium was filled to its 22,000-seat capacity with mostly Asian American fans (Ginsberg, 2002). The next
move, according to Warrior team management, is to find an Asian player with which the Asian American community can identify (Ginsberg, 2002).

Other 2002-2003 NBA season promotions aimed at Asian Americans:

- Orlando Magic fans were treated to an Asian food fair, with sushi, egg rolls, and lo mein (Luo, 2003)
- In Chicago, several thousand Asian Americans enjoyed watching Yao Ming in a Bulls-Rockets game that provided a lion dance at half-time (Luo, 2003).
- The Memphis Grizzlies broadcast some of its games in both Mandarin and Cantonese and have hired a Chinese marketing liaison (Ginsberg, 2002).
- The Seattle SuperSonics also built ticket packages around games against Yao and the Rockets in order to capitalize on Seattle’s large Asian American population (McCallum, 2003).
- The Washington Wizards’ marketing director started a direct marketing campaign to target the large Asian American population in the area (Asian American make up 6% of the area population). The Wizards sent e-mails to Asian American groups in the Washington area, offering discounted tickets to Wizard home games (Ly, 2003).

“Marketing to Asian Americans is somewhat of a new idea in the sports community, so teams must employ expert marketers with experience in this segment.”

Seattle Mariners—MLB

Japanese superstar Ichiro Suzuki has opened the door to new opportunities for the Seattle Mariners. Not only is he an all-star outfielder, but his presence has led the Mariners to employ marketing activities to attract the Asian American population within Seattle. The Mariners have embraced the Japanese culture with its two Asian superstars, Ichiro and Kazuhiro Sasaki. Japanese merchandise, such as hats written in Kanji, the “Ichi Roll” (tuna sushi sold at the concession stand), and promotional “San Shi” headbands (San Shi = Strike three in Japanese) are all examples of how the Mariners are using its Asian stars to attract Asian Americans (Greene, 2001). The team has a Japanese-language section on its website. Also, when pitcher Kaz Sasaki takes the mound, the teleprompter displays his name in Kanji above his stats. Nintendo even has an ad in Kanji behind home plate (Greene, 2001).

New York Yankees—MLB

With the acquisition of Hideki Matsui, the New York Yankees began a more concerted effort to target the Asian community. The Yankees’ website included a link for a page named “Godzilla Watch,” which allowed fans to track Matsui’s performance on a page completely in Japanese (New York Yankees, 2004). Along with targeting the Asian population within New York City, the Yankees looked globally to increase a waning tourist economy by wooing Japanese tourists who would want to see Matsui play in the “house that Ruth built” (Whiting, 2003).

Los Angeles Dodgers—MLB

The Los Angeles Dodgers are regarded as pioneers in marketing to the Asian American consumer. In the 1990s, players like Hideo Nomo (Japan) and Chan Ho Park (South Korea) helped to attract thousands of Asian Americans to the ballpark where they found materials printed in Asian languages and special promotional activities targeted at their ethnic group (Marantz, 1996). During the 2002-2003 season, the Los Angeles Dodgers held three Asian American Community Appreciation days. In July, the Dodgers held Japanese American Community Day at a game against the St. Louis Cardinals. In August, the Korean American Community Appreciation game was held during a game with the Montreal Expos, and in September, the Chinese American Appreciation Day took place in a game against the Arizona Diamondbacks. Each game had a series of ceremonies that honored many famous people (both in the local community and in the national spotlight) who were of Asian descent. For example, tennis great Michael Chang, a prominent Chinese American, attended the Chinese American Appreciation Day (Updated! L.A. Dodgers, 2004).

Other MLB marketing activities aimed at Asian Americans:

- The San Francisco Giants plan to use Asian star Shinjo to promote the Giants to the huge Bay Area Asian population. The Giants hope to lure new fans to games, from both the Asian American community and from across the Pacific. The Giants also hope that Shinjo will lure Japanese companies to sponsor the team (Strasburg, 2002).
### Recommendations for Marketing Sport to Asian Americans

<table>
<thead>
<tr>
<th>Recommendations for Marketing Sport to Asian Americans</th>
<th>Action Tasks</th>
</tr>
</thead>
</table>
| Allow Asian Americans to Identify Themselves with the Product | - Increase Team/Player accessibility to the public (ex. autograph/photograph sessions in Asian American sections of cities—Chinatown, Japanese Fish Market)  
- Increase community involvement activities (ex. Support Charities, Youth Organizations, etc.)  
- Create opportunity for group affiliation and participation (ex. Promote team as a “Large Family” and allow for fans to feel a family atmosphere and bond with other fans through Group Packages, Special fan sections, etc.) |
| Involves In-Language Advertising and the Asian Media | - Advertise in Native Languages through Billboards, and in Asian American Media (TV/Publications)  
- Use Advertising/Promotion agencies that specialize in dealing with Asian Americans  
- Employ In-house experts on Asian Americans |
| Employ Asian American Marketing Professionals | - Allow for fans to purchase tickets as part of a “family package,” and promote your product as a family event  
- Asian Americans value family, and teams should try to create a perception in Asian American fans that links the product to family fun and togetherness |
| Create Family Packages for the Asian American Community | - Create a rewards programs for fans that spread the word about your product to friends and acquaintances (ex: “get a friend to purchase a package, and get half off of yours” and “bring a friend day”)  
- Employ famous Asians to help promote product in order to allow for Asian Americans to identify and accept the product |

*“Enacting programs which reward consumers for spreading the word about the product will allow the franchise to delve deeper into this segment.”*

### Recommendations for Marketing Sports to Asian Americans

The following are some possible strategies that sport marketers may use to attract Asian American consumers. While this is not an exhaustive listing of possible strategies, it does build upon the best practices currently employed to provide differentiated tactics for this unique market segment.

1. **Allow Asian Americans to Identify Themselves with the Product**

The first step in getting Asian Americans involved in purchasing is to allow them to identify with the sports product. Asian Americans are 80% more likely to respond to marketing activities and purchase a product if it involves a situation familiar to their culture or allows them to relate to the product in some manner (Wiesendanger, 1993). Not only are Asian Americans more likely to consume products that they can relate to, but sports fans also are more likely to support and consume a sport product with which they can personally identify (Trail, Fink, & Anderson, 2003; Vence, 2004). The recent trend of Asian superstars succeeding in American professional sports has served as an impetus between sports marketers and the Asian American community. Asian superstars such as Yao Ming, Ichiro...
Suzuki, and Hideki Matsui have allowed the Asian American community to identify with the teams, and thus, purchase more products. However, not all teams have the capability to use Asian stars to promote their product to the Asian American community and must look for other ways to build identification within this community.

There are certain activities that sports franchises can perform in order to foster fan identification with the Asian American community.

- **Increase Team/Player Accessibility to the Public:** When players are easy to reach, fans value and appreciate them (Sutton, 1997). Players should be accessible to the fans, and marketing activities should use the stars of the team to advertise to the segment. Players should make appearances in the Asian American sections of cities in order to allow the fans to gain experiences that link them to the team (e.g., autograph sessions in the Bay Area's Chinatown, photographs with Michael Jordan at the Japanese Fish Market). An increase in the accessibility of players will result in a greater number of fans who identify themselves with the team.

- **Utilize Community Involvement Activities:** Community involvement allows the team to promote the game, the team itself, and gain new fans (Sutton, 1997). Sports marketing directors of franchises targeting the Asian American segment should include community programs in their list of relation building programs. Charity work, social cause projects, and youth leadership programs are examples of programs that sports teams typically employ. Sending representatives and stars from the team to the Asian American community will allow the community to see that the team cares and will help form a relationship between the two groups. Targeting Asian American community schools, youth groups, religious organizations, and other Asian American groups with community relations programs will provide the team not only with positive public relations, but will also provide an avenue for increasing fan support within the Asian American community.

- **Create Opportunity for Group Affiliation and Participation:** Asian Americans intensely endorse the concept of collectivism (Oyserman & Sakamoto, 1997)—whereby, from birth onward, people are integrated into strong, cohesive in-groups, often with their extended families supporting them with uncompromising loyalty. This often results in joint action in the pursuit of a common objective (Okamoto, 2003). Teams should strive to promote this sense of belonging and affiliation to the team as if it were part of the consumers’ extended group. Therefore, if the team markets itself and the fans as a big collective assemblage and provides family packages to the games (allowing the convergence of previously established groups), the Asian American community is more likely to purchase the product. Using the strong idea of collectivism when targeting the Asian American community will allow this segment to find group affiliation and participation with the sports product, and consequently, they will have a stronger identification with the team.

"Using figures from the community or prominent Asian Americans to help promote a product is an effective way for the Asian American segment not only to relate to the product, but also to persuade this segment to purchase the product and build a relationship with the franchise."

2. **Involve In-Language Advertising and the Asian Media**

More than half of Asian Americans are more comfortable speaking their native language. In addition, Asian Americans may want to be talked to in their native language, not because they do not understand English, but because they feel that this shows that the marketer is reaching out to them, attempting to bond, and showing respect for their community (Vence, 2004). Marketers should choose media outlets that allow the franchise to reach Asian Americans (Asian American newspapers, Asian American television, etc.). For example, the Golden State Warriors employ advertising campaigns in two Oakland-based Chinese-language newspapers, and have also run advertisements on two Asian television stations that reach the Asian American community of the Bay area (Ginsberg, 2002). The Houston Rockets have also used in-language advertising. The Rockets purchased billboards that advertise its product in Mandarin, hoping to reach the enormous Chinese American group in Houston.

3. **Employ Asian American Marketing Professionals**

Sensitivity to cultural nuances in marketing to Asian Americans is extremely important (Ownbey & Horridge, 1997; Wiesendanger, 1993). Because Asian
culture is distinct, teams must be aware not to offend possible consumers. Marketing to Asian Americans is somewhat of a new idea in the sports community, so teams must employ expert marketers with experience in this segment. Using experts to assist with the marketing campaign will forgo many problems that could arise due to ignorance about the culture. For example, the Houston Rockets not only use Asian advertising firms, but have also put their staff through Asian culture sensitivity training in order to avoid possible problems when dealing with the culture of this segment (Luo, 2003).

4. Create Family Packages for the Asian American Community

Family is a source of identity and provides a strong sense of connectedness to the Asian American heritage and tradition. Although most franchises offer ticket packages to all consumers, a franchise should highlight these types of offers when advertising to the Asian American community. Offering family packages to the Asian American community is an effective way to foster fan identification because they will learn to identify the team and game as a family event. The “family event” will lead to repeat purchases, and eventually devoted fans.

5. Accentuate Word-of-Mouth Advertising

Asian Americans respond better than any other group to recommendations, friends, and other influencers. This segment is an extended community, and Asians stay in touch with one another (Vence, 2004). Word-of-mouth advertising is an extremely powerful tool in the Asian American community. Enacting programs that reward consumers for spreading the word about the product will allow the franchise to delve deeper into this segment. Programs such as “bring a friend day” and programs that reward people who bring new business to the team (e.g., “get a friend to purchase a package, and get half off of yours”) are ways to use word-of-mouth advertising within the community. Because Asian Americans regard recommendations from friends and relatives with the utmost respect, this type of advertising would be more successful and less costly than any other kind.

6. Use Prominent Asian Figures in Promotions

Previous research has shown that Asian Americans respond to and purchase products to which they can relate. Many franchises are using the Asian superstars on the team to help market their product. However, teams without Asian superstars should not forget about this key market segment. Tying key figures within the Asian American community to the franchise in some way allows for teams without stars such as Yao Ming, Matsui, and Ichiro to capitalize on the segment and provide ways for the Asian American fans to relate. The Los Angeles Dodgers brought Asian figures such as tennis star Michael Chang, University of Southern California assistant football coach Norm Chow, and the 2003 elected Chinatown Queen and Court to be part of the pre-game activities of a September 2003 game (Updated! L.A. Dodgers, 2004). Using figures from the community or prominent Asian Americans to help promote a product is an effective way for the Asian American segment not only to relate to the product, but also to persuade this segment to purchase the product and build a relationship with the franchise.

Conclusion

The recommendations presented in this study provide sports marketers with some insights into how to assemble a successful marketing plan when targeting the Asian American population. As research on Asian American consumers continues to become available, marketers will be able to build upon these recommendations in order to better serve this segment in the future. Future research might quantitatively investigate the cultural factors that influence sport marketing.

Certainly, Asian American consumers have the potential to evolve into an attractive sports market. Those with the best opportunity for success will embrace the cultural distinctions and devise specific marketing programs for this important market segment.

Notes

The recommendations presented here may find application for the marketing of sport to other ethnic groups. These recommendations are not intend to be unique to this particular market segment, rather, they illustrate plausible tactics for sport marketers desiring to reach the Asian American consumer.

References


McCallum, I. (2003). Sky Rocket: With his forceful play and a smile that transcends language, Houston’s 7’5” Yao Ming has given the league a needed boost on two continents. *Sports Illustrated, 98.* 15: 34.


