Market Segmentation Based on Subculture: Comparing Sport Consumer Motives within Two Hispanic Subcultures to a Caucasian-American Majority

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Presentation (25-minute)

According to the 2000 U.S. Census, the ethnic population in America reached almost 80 million people. Ethnicity has been recognized as an important segmentation variable in marketing (Singh, Kwon, & Pereira, 2003) and a small body of literature currently exists that emphasizes ethnicity as a cultural determinant of consumer behavior (Deshpande, Hoyer, & Donthu, 1986; Donthu & Cherian, 1992; Holland & Gentry, 1999; Phinney, 1996). However, there is limited research to show how ethnic consumers behave and how they may react to different types of influences within American culture. Culture is a key that can unlock powerful marketing potential for professionals in their respective fields (Korzenny & Korzenny, 2005). According to HispanicTelligence, U.S. Hispanic purchasing power reached upwards of $700 billion in 2005 and is projected to reach $1 trillion by 2007 (Soto, 2006). Holland and Gentry (1999) noted, however, that study of culture as a marketing tool is new, and previous efforts have only focused on a single ethnic culture as the unit of analysis. There is still a need to look at culture as a marketing tool by focusing on the influence of different subcultures in relation to consumption.

The need for information on the Hispanic population based on subcultures has become more apparent because of the growth of the Hispanic population, the increase in purchasing power, and the shortcomings of past research. Leiblich (1988, p.181) noted that “advertisers are shelling out money for primetime spots and then scrimping on funds to test whether they work” to reach Hispanic consumers. By focusing on subcultures, marketers are able to get a better grasp on specific characteristics of their target market instead of making brash generalizations about an entire ethnic group. Many marketing campaigns have failed because marketers have generalized from one sub-culture to all.

Robinson (1998) posited the notion that although there are some pockets of pan-Hispanic melding in major cities, there is no such thing as a true Latino subculture. The author further contends that there are 17 major Latino subcultures in the United States today. Examples include: Cubans, South Americans, Puerto Ricans, Dominicans, Colombians, and New Mexico's Hispanics. The need to better understand the motives driving consumption behavior of various subcultures is apparent for marketing in general and sport marketing specifically. The purpose of this presentation will be to discuss a framework that may be used to study the influence of subcultures on marketing sport products, particularly live sporting events.

The presentation will deal with the motives of Cuban Americans and South Americans in comparison with European American sport fans for attending sporting events. A long list of motives contributing to sport consumptive behavior has been examined by various authors. The various motives include aesthetics, catharsis, drama, entertainment, escape, social interaction, and vicarious achievement (Sloan, 1989; Zillmann, Bryant, & Sapolsky, 1989). Much of the previous research has centered on the development and testing of scales that assess the motives of sport consumers (Funk, Ridinger, & Moorman, 2003; Trail & James, 2001; Wann, 1995). There has been no empirical examination of cultural differences in sport fan motivation. There has been research on racial differences. Wann, Bilyeu, Brennan, Osborn, and Gambouras (1999) examined the sport fan motivation of African Americans and African Americans and found that there were motivational patterns. Bilyeu and Wann (2002) extended the previous study by comparing African Americans and European sport fan motivation once again. Their findings suggested that there were additional motives that were not included in the original scale and by adding those motives, African Americans' motivation levels were much higher than African American levels found in Wann, Bilyeu, et al's exploratory study. This calls into question the current motives and whether or not there are motives that have not been explored that are important to the various cultures and subcultures that would prove fruitful in marketing efforts.

Several attempts have been made to develop integrative views of current research on cultural consumer behavior. However, existing models of the effect of culture on consumer behavior do not offer a framework in which literature can be adequately integrated, are not firmly grounded in theory, or do not contain a full account of how specific cultural dimensions affect specific consumer behavior components (Luna & Gupa, 2001). This presentation will introduce a theoretical framework for studying the motives of various subcultures, particular Cuban Americans and South Americans for attending sporting events.