Attracting International Spectators to a Sport Event Held in Asia: The Case of Formula One Petronas Malaysia Grand Prix

Yasuhiro Watanabe, Hiroshima University of Economics
James J. Zhang (Advisor), University of Georgia

Malaysia has experienced a significant increase in tourist arrivals over the past decade; it is now one of the top tourist destinations in the Asia Pacific region. Malaysia puts efforts into internationalizing its various sporting events, which are an integral focus of contemporary tourism as part of national economic development. Sport events such as the Formula One Petronas Malaysia Grand Prix contributed to the continued growth of its tourist arrivals. However, among domestic industries in Malaysia, the sport industry including sport tourism has a relatively short history and is only considered an emerging industry. A question remains on what approaches to be taken to increase international spectatorship demand and satisfy their needs and wants by attending sporting events. Tourism offering as a co-product of a sport event represents a growing trend of products and services that tourists acquire before, during, and/or after a specific period of sport competition time of their stay in the destination country. When some countries with sport-related resources are recognized as sport destinations by people from other countries, activities to attract more in-bound tourists using their sport-tourism assets can be spurred. To expand in-bound tourists to Malaysia, the country’s diversified sightseeing resources are identified from the viewpoint of sport to promote sport tourism. An event that is attractive as a sightseeing resource would be high in the push factors for visitors seeking sightseeing and should incorporate the pull factors of sub-objectives, such as sightseeing spots and cultural activities, to make the event competitive in the international tourism market.

The purpose of this study was to examine the systematic influence of core product features, event operation quality, sport fan identification, and image of host city as a tourism destination on behavioral intentions of international spectator at a F1 event held in Malaysia. The current study adapted with modification the Levitt (1980) product-expand concept as a conceptual framework, which suggests that evaluation of the core, extension, and ecological environment services could lead to further understanding of consumer behavior intentions. Marketing of sport products requires an approach that may at times go beyond the approaches of mainstream business marketing (Mullin, Hardy, & Sutton, 2014). An augmentation of an international sport event would be tourism destination image that can been well packaged surrounding the core and extended products associated with the sport event.

A survey study was conducted for international spectators at a recent F1 Petronas Malaysia Grand Prix on the race day. Research respondents (N = 512) included 35.2% spectators traveling from European countries, 18.0% from Australia/New Zealand, 10.7% from Singapore, and 10.7% from East-Asian countries or territories, including Japan, China, Taiwan, and Korea. Data were randomly split into two halves, one for EFA (n = 256) and the other for CFA and SEM (n = 256). Statistical analyses were performed using procedures in SPSS 16.0 and Amos 16.0. The research questions were examined by conducting SEM analyses, which revealed that the data fit the proposed structural model well. The fit indices included CMIN/DF = 1.46, CFI = .90, RMSEA = .04 (90% CI = .04-.05), and SRMR = .05, which were all within the acceptable range. A second-order core product feature factor had a significantly (p < .01) positive influence on both of spectators' continuous Stay at Event (β = .22) and spectators' Intention of Re-patronage to the same event (β = .41). The fan identification factor had a significantly (p < .01) positive influence on spectators' continuous Stay at Event and Intention of Re-patronage, with large effect sizes (β = .53; β = .63), respectively. A second-order peripheral service factor was found to have minimum influence on Intention of Re-patronage (β = -.15, p < .05) and no influence spectators' Stay at Event (β = -.07, p > .05). Although the effect size was small, the destination image had a significantly (p < .01) positive influence on spectators' continuous Stay at Event (β = .15); yet, it did not influence spectators' Intention of Re-patronage (β = -.03, p > .05). The tested model explained approximately 45% of the variance in spectators' continuous stay at the event and approximately 60% of variance in spectators' intention of re-patronage.
The findings have provided some interesting implications for both theoretical development and practical applications. For a hallmark sport event held in a developing economy with a growing sport industry, it appears that the tangible and intangible factors that are directly related to the core product of the F1 event are critical to draw spectators, particularly those from international communities. It is important that event organizers and tourism marketers need to pay attention to this notion. In addition to understanding consumer behavior issues faced in marketing the F1 Petronas Malaysia Grand Prix, the findings of this study may be useful for F1 events in similar market environment. Other events held in Malaysia or the geographical region, such as the Malaysia Motorcycle Grand Prix and Malaysia Merdeka Endurance Race, can also learn from the knowledge gained in the current study. Based on the findings of this study, it appears important for a motor sport event not only to offer a great show in terms of racing but also to attract the interest of the younger generations and make them feel closer to motor-sport grass roots. Very importantly, developing Asian drivers in Malaysia could nurture the potential for a strong comeback of F1 in Malaysia.