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Sports consumption behaviour among generation Y in mainland China

The Chinese Government has relaxed its tight control over sport (Stensholt 2004), the country is set to host the 2008 Olympic Games and every major sport franchise in the world is making plans for a full assault on the Chinese market. The game is on in mainland China, however despite the excitement about the market there is little understanding of sport consumption in China or the attitudes and behaviours of potential sport consumers. The bulk of the literature in consumer behaviour within sports relates specifically to developed industrialised nations, specifically USA, Canada, Europe and Australia. Of particular interest to academics and practitioners alike should be the potential of the huge generation Y market in China. Generation Y (those born after 1978) represent not only a current lucrative market but also represent the future development of sport and sport consumption in China. This exploratory study has revealed that generation Y consumers in China exhibit sports consumption behaviours which differ in numerous respects from their counterparts in the USA and deserve deeper study.

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Abstract

The Chinese Government has relaxed its tight control over sport (Stensholt 2004), the country is set to host the 2008 Olympic Games and every major sport franchise in the world is making plans for a full assault on the Chinese market. The game is on in mainland China, however despite the excitement about the market there is little understanding of sport consumption in China or the attitudes and behaviours of potential sport consumers. The bulk of the literature in consumer behaviour within sports relates specifically to developed industrialised nations, specifically USA, Canada, Europe and Australia. Of particular interest to academics and practitioners alike should be the potential of the huge generation Y market in China. Generation Y (those born after 1978) represent not only a current lucrative market but also represent the future development of sport and sport consumption in China. This exploratory study has revealed that generation Y consumers in China exhibit sports consumption behaviours which differ in numerous respects from their counterparts in the USA and deserve deeper study.

Background

Since the founding of the People's Republic in 1949, sports have enjoyed tremendous support and sponsorship from the government in mainland China (Zhang 2003). Early sports involvement however was more in line with military training sports and aerobic activity for fitness and was almost entirely based on participation. The more recent commercialization of sport in China has brought with it the whole philosophy of spectator sports and fan identification. However despite the influx of the largest American sports leagues – Major League Baseball (MLB), the National Basketball Association (NBA), the National Football League (NFL) and the National Hockey League (NHL), contracts and business decisions are being made with virtually no norms (Zhang 2003) and without the benefit of understanding Chinese sport consumers.

To date, most research in this area has focussed upon developed industrialised countries, most notably the USA, where sports marketing has become a multibillion dollar industry and is acknowledged as 'mainstream' in the marketing discipline. A large proportion of the current literature in sports marketing has focussed upon aspects of the motivations and behaviours of sports fans (Trail, Fink and Anderson 2003; Sloan 1989; Trail, Anderson and Fink 2000; Trail and James 2001; Stewart, Smith and Nicholson 2003). This has had considerable relevance to all organisations (for example, businesses, educational institutions, Governments, local voluntary clubs) involved in marketing sports and sports related services and merchandise. As with marketing generally, a better understanding of the behaviours of actual and potential target markets will improve the likelihood of success of such organisations in achieving their various goals.

Little academic research has focussed upon Asian sports consumers and marketing. Industry leaders such as the American NBA are already scratching their heads about the Chinese market because despite their massive 200 million strong Chinese audience, their western sports marketing strategies are based on grassroots participation programs and long-term team loyalty, neither of which Chinese sport consumers have a history of (Balfour 2003 and Zhang 2003). Academics and practitioners alike need a greater understanding of what motivates sport consumers in China if they are to make informed strategic sport marketing decisions. Most major sports leagues and franchises are desperately searching for the next Chinese sports superstar to leverage success like that found by the NBA with the giant Yao Ming (Hargrave-Silk 2004). Analysts agree that China is fertile ground for sports talent and sport spectators but sports marketing knowledge is limited at best (Balfour 2003).

Whilst not specifically about the Chinese market there have been some Asian based sport consumer studies. A study of spectator motivations for attending women's basketball games in South Korea found that 'entertainment value' of the event was the most important sociomotivational factor for people to attend games. Furthermore, younger fans did not have as high levels of fan identification and team image as older fans (>50) and spectators who attended alone (ie. not with family, friends) had higher 'salubrious' attraction (relieve stress, escape from daily routines). Hence, this study suggests that sports is a form of entertainment and must compete with other entertainment 'products' (Lough & Kim 2004).

Another study found that sports consumption is a complex phenomenon (Stewart, Smith & Nicholson 2003). While numerous models of sports consumption behaviour have been developed, it is acknowledged that such models need to be multi dimensional in character if they

are to adequately account for the influences of social, psychological and contextual factors affecting sports consumption behaviours. Unfortunately, to date, little empirical evidence exists to support such models (Stewart, Smith & Nicholson 2003). Social, psychological, family and economic contexts are likely to be important in China's generation Y market for sports consumption (Kuo1987; Zhao, Ren, Xing, & Xu, 2001).

A further study has examined the motivations of college students in the USA context (generation Y) to attend student games (Swanson, Gwinner, Larson & Janda 2003) and identified four significant psychological motivations: team identification, eustress, group affiliation and self esteem enhancement. The relevance of such studies in the context of China's generation Y population is presently questionable, given the low attendance at live games and the infancy of college level sports and their current limited economic significance. It appears that live game attendance and indeed television spectatorship is more likely to correspond with Chinese generation Y's obsession with American capitalism (Peilin and Yi 2000) than a grassroots progression from participation to college sports to professional leagues.

A recent Canadian study found that youth identified sports heroism with skill, pro-social behaviour and personal trait characteristics, rather than 'celebrity status' (Stevens, Lathrop & Bradish 2003). Further studies are needed to determine the attitudes of generation Y Chinese to sports heroes as the significance of 'celebrity status' of such heroes is currently unclear. Contemporary case studies suggest conflicting phenomena with idols such as Yao Ming and David Beckham providing huge leverage for basketball and soccer respectively, while fans are otherwise considered extremely fickle, turning away from teams if they lose and generally not making lasting connections with players or their respective sponsors (Balfour 2003).

An understanding of consumer behaviour towards sports consumption is particularly relevant to sports sponsorship. This is imperative in China where in the absence of lucrative television deals (where the bulk of USA team income is derived) teams and leagues are forced to rely more heavily on sponsorships to generate revenues (Balfour 2003). A study of sports sponsorship in China found that difficulties in sports attracting sponsors appears to be due to the gulf between the *sports centred* approach of sports product holders and the *marketing centred* attitude of potential sports sponsors (Geng, Burton & Blakerriore 2002). In essence, it has been found that there exist problems in reconciling the expectations of sponsors and those of sports products. Indeed, some big sports sponsorships in China have been discontinued in recent years (Balfour 2003). In order to address this problem, China's traditional 'social motives/national interest' approach to sponsorship (quite successful in the past) may have to be replaced by a stronger orientation towards understanding and meeting the needs of the sports consuming public, of which an educated generation Y is an economically significant component.

Methodology

This exploratory study involved the conduct of four focus groups, each group comprising six to eight generation Y Chinese students at a private University in Guangdong Province. The groups included equal representation of men and women aged between 19 and 26 years. The focus of the discussions was around what interest the students had in sport generally, their favourite sports, whether they play sport regularly/socially/competitively, whether they play sport based computer games, whether they buy/read sports magazines, if they surf the net for sports

information, watch sport on television, listen to sports on the radio, and more detailed discussions on their motivations for playing/not playing sport, if they attend 'live' games and whether they purchase sports merchandise and why.

Findings

Interest in sport. Males are generally more interested in sports than females. Males showed a better knowledge of sports, sporting events and sportspeople than did the females in the groups. This could be expected as part of a 'cultural' environment where traditionally, boys are regarded as 'more important' than girls, with girls assuming 'homemaking' rather than sporting roles.

While this was the universal opinion of participants, extensive observation around the campus revealed much social sporting activity among females who seemed to enjoy themselves playing socially and 'having fun' doing it. Mixed social sport was also observed, where the males seem to readily accept playing with girls on a social basis. The specific campus sports observed were basketball, volleyball and badminton.

Television role. Respondents indicated that television watching was very popular among young people, although access to television on campus was virtually non-existent. The researcher observed many instances of groups of Chinese, mainly males, watching sports events on television outside the fronts of homes in villages. It would appear that young people would watch sporting events of interest on television when it was available to them, for example when they are home on vacation. Television is the only avenue available for Chinese fans to view international sporting events.

Sports of interest and the role of competition. The main sports of interest to the focus group participants were soccer, volleyball and basketball and this was evident from the competitive and non-competitive activity around campus. Other lesser sports played however included badminton and table tennis. In addition to the social activity of sports, competitions were held among different sections of the University and there were also some annual individual events such as the University badminton competition. All competitive sport was internal to the university with no competitions outside campus eg. with other universities. The seriousness of competition was evident in the annual basketball competition between the foreign and Chinese teaching staff. Special sports uniforms were produced, officials sat in designated positions, trained referees were used and a big crowds attended. Spectators were actively involved in the games and responded quite vocally to notable pieces of game action. Focus group participants were mixed in their degrees of enthusiasm towards attending competitions on campus. There were no real stadium facilities on campus and even the main athletic oval had very little spectator seating.

Live attendance. These students very rarely if ever attended 'live' sporting events outside their immediate campus. One student remarked that it was very cheap to go to 'normal' competition games (about 3 Yuan only as entry to try to encourage attendance). The participants had little knowledge of attendances at 'club' level games in Guangzhou, but they believed that attendance at such local games is very low. Several participants said that tickets to international games and events may get up to 200 Yuan (\$A 35) for tickets, making them beyond the reach of students and other lower income groups. Generally the students did not relate to stadium type sports or large non-student crowds. They suggested that it was more likely that they had experienced large crowds and ritualistic type behaviour in relation to festivals and celebrations rather than sporting events. This concept is interesting and suggests that further insight is needed into the sporting

socialization of Asian students and how that might impact their consumption of sport in the contemporary market place.

Role of idols. Students are quite aware of the ‘top’ sportspeople with international reputations, both within China and overseas. There are numerous Chinese sports ‘idols’ well known to the students but virtually unknown in the West. Western athletes like David Beckham and Tiger Woods are also household names in China. There is also a keen interest in Chinese athletes playing in overseas leagues like Yao Ming the famous Chinese NBL star playing for the Houston Rockets in America. Their exposure to these athletes stems largely from television coverage of the relevant sports, and entertainment and celebrity interview type programming. The students also cited the Internet as a favourite source of information about their favourite sporting heroes, particularly foreign athletes and teams.

Sports merchandise. The purchase of sporting merchandise does not appear to be widespread among the students. Participants were in general agreement that they would purchase shoes, caps and shirts based on need and quality rather than because of an endorsement of a famous sports star. This seems to conflict with the appetite these students have for fashion ‘brand names’. They are quite conscious of ‘appearances’ and like to be seen to be up with the latest fashions and trends, whether in relation to clothing, cell phones or spectacles. However it should be stressed that the students in the focus groups were from the affluent middle class of Chinese society which would be reflected in all their purchasing behaviours. Generation Y youth from lower social levels including rural village populations may have quite different attitudes, motivations and purchasing behaviours.

Media used. Focus group participants were in agreement that the main media used for sports-related news are newspapers and the internet. Most students have used the internet to gather sports information and to play sport related computer games. There are few sporting magazines available in China and very few of the participants reported having read sports magazines at all. There was also limited use of radio for hearing 'live' sports events among the focus group participants. Generally it appears that sports interest among young people in this region is very much in its infancy and a rather sophisticated questionnaire developed to assess sports motivations and behaviours among generation Y youth in the West would be inappropriate at this point. There are undoubtedly 'keen' sports people among the young in China, but the feeling among the focus group participants was that a large majority are not into active sport participation or spectating and that they have not been socialized with a sporting media equivalent to that in the sophisticated Western sports markets.

Discussion

Many studies to date have found that the behaviours and motivations of sports fans are complex, multidimensional and highly related to the context within which the sports consumption experience occurs. In this respect, there is a paucity of academic studies generally on the behaviours of Chinese sports fans, particularly upon those within the educated, middle class generation Y segment with potentially high discretionary income levels. This exploratory study has provided interesting insights into the sports consumption behaviours of tertiary educated generation Y youth in southern China.

This study has revealed significant potential contextual differences and similarities between educated Chinese generation Y and USA generation Y of interest to marketers. *Firstly*, live game attendance is in its infancy in China. USA has several national leagues as well as a very well developed College sports framework, both of which rely upon live game attendance for a significant proportion of revenue. While national competitions are emerging in China, College level competition appears almost non-existent and live game attendance of any note seems restricted to international events only. *Secondly*, Chinese generation Y youth have not as yet acquired the levels of discretionary income of their USA counterparts. This restricts the demand for tickets to national and international level events and the demand for sports-related merchandise. Current levels of sports related merchandise purchases among Chinese youth appears low. The low levels of live game attendance has led to corresponding low levels of team attachment and team identification, so important in the USA sports environment.

Thirdly, it appears that live television is highly patronised by both USA and Chinese generation Y youth. However availability and purchases of sports related magazines, so popular and widespread in the USA, are at low levels in China. These media use characteristics have important implications for sponsors and marketers of sports related products and services and for media organisations themselves. *Fourthly*, given the high use of internet and television by generation Y in both China and the USA, there is a strong awareness of the world 'elite' sportspeople.

Conclusion

As China continues along the road towards a full market driven economy and discretionary income levels continue to rise, sports marketing will assume growing economic importance, particularly among the educated generation Y segment. Contextual differences between the West and China will demand that China-specific sports consumer behaviour research be conducted to gain such understanding. This exploratory study represents the first stage of a more extensive study which will involve further qualitative work followed by the design and administration of suitably constructed questionnaires targeted at different demographic sectors of actual and potential Chinese sports fans.

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