



SPORTS AND HISPANIC MALES IN THE UNITED STATES

By TNS Media Services

Picture “sports” as a stock or a mutual fund. Your “investment goal” is to reach Hispanic males. Thinking about sports, would you buy, sell or hold your stock in the current economic environment?

The United States looks to be on the verge of a recession, or perhaps we are already there. When times are hard, people seek inexpensive forms of entertainment. Looking at the year so far, we see that ticket sales may be down compared to the previous year, yet television ratings for sports like NASCAR and the NBA are flat or slightly up.

If Hispanic males are among your primary target markets, our recommendation is to “buy.” This article is designed to provide a framework for making smart purchases — to help you ask the right questions so that you can optimize your strategy, track performance and measure Return on Objectives (ROO) and Return on Investment (ROI). We will establish the size of the market among Hispanic males in the United States, proffer a sense of the fan levels by sport and quantify how market performance is trending.

Ninety-four percent of Hispanic males are sports fans. Nearly half (48 percent) are avid sports fans. Compared to Q4 2006, the percentage of Hispanic males who rated themselves as avid sports fans increased five percentage points in Q4 2007. Sports offer a vehicle for tapping into the passion that drives about half of the target market, and which most relate to at some level.

Hispanic males are clearly big sports fans. However, it is vitally important that marketers utilize data that truly represents the Hispanic population in the United States. TNS has tracked sports interests in the United States since 1995 via the ESPN Sports Poll. The study includes Hispanics who participate in the English-only random-digit dial (RDD) daily tracker, about seven percent of the sample. By polling

in English only, we knew that we were missing more than two-thirds of the Hispanic population and delivering results reflecting only acculturated Hispanics.

In 2006, TNS and ESPN teamed up again to fill this information gap for the marketplace. We began tracking the Hispanic sports market in a way that captures both the acculturated and unacculturated audience. The most recent wave tells us that one-third of Hispanic males speak Spanish in their homes exclusively. Another 24 percent speak Spanish more than English. It is therefore imperative that researchers offer Hispanic respondents the opportunity to participate in their preferred language, Spanish or English. Given this choice, more than 70 percent of Hispanic males choose to participate in Spanish in TNS’ Deportes Poll.

This new approach to capturing the opinions and behaviors of the Hispanic audience is essential. Their sports of choice are very different from non-Hispanic Caucasians, and even different from Hispanic participants responding to the standard U.S. Sports Poll.

Soccer is by far the favorite spectator sport of Hispanic males. This is largely driven by country of origin. More than half of Hispanic males name one of the soccer leagues or Major League Baseball (MLB) as their favorite spectator sport. Mexicans, who constitute 65 percent of the U.S. Hispanic population, are tremendous soccer fans, as are those from Central and South America. Yet, Hispanic males of Caribbean decent are much more likely to be baseball fans, as this is core to the Caribbean cultures. Among all Hispanic males, MLB has increased steadily in popularity and is now the second-highest rated spectator sport to watch on television behind soccer, at around 13 percent.

The National Football League (NFL), National Basketball Association (NBA), and boxing also do very well among Hispanic males, and it would be a mistake not to consider these traditionally U.S. sports that are captured within single leagues. Although soccer is the favorite sport by far, passions are divided among the many specific soccer leagues, with which fans most identify. While soccer remains the star for the largely Mexican population, other sports will gradually grow in popularity when generational differences really begin to take hold. Hispanics in general are young and have a median age of 27 — much younger than the non-Hispanic Caucasian population. This has tremendous implications for marketers, leagues, networks and those looking to penetrate this audience. In particular, the fastest growing sub-segment within the population is teens that may very well become super fans, i.e., those who end up becoming fans of both traditional Hispanic sports as well as traditional American sports. Our data shows this is already beginning to take place, and it will be important to monitor any new patterns that occur due to generational shifts within the population.

While we advocate paying close attention to sports such as the NFL, NBA and perhaps more cost-effective options such as the Arena Football League, Hispanic males do not want to consume those sports in the same way as non-Hispanic males. Over the past four waves, we have seen that Hispanic males increasingly prefer to view traditional American sports in Spanish. This is likely due to greater availability of Spanish broadcasts of these sports. We are not seeing such an increase in sports traditionally considered to be strong in the Hispanic community, such as soccer and boxing. See table:

Prefers Sports Broadcast in Spanish	Q206	Q406	Q207	Q407
American Football:	18%	19%	24%	29%
Baseball:	25%	23%	29%	34%
Basketball:	21%	20%	29%	31%
Soccer:	54%	59%	59%	50%
Boxing:	41%	39%	40%	41%

When considering the opportunity within specific sports, question the data in front of you. First, was it collected in the manner described here? If it was simply derived by examining self-described Hispanics from an online Poll, cross-reference the results with another source. If your data is said to represent all fans, make sure that you also know the avid-fan-base percentage. There is an important distinction.

In a market with more choices than ever in sports and entertainment, our attention is scattered. Simply being a fan of a sport is not an indication of the level of attention one is paying to that sport. How dedicated are they? Will you have their eyeballs on Sunday afternoon? Are they the type of fan who checks their cell phone for scores while waiting in line at the grocery store? You need to know the percentage of avid fans – the diehards.

The percentage of avid fans for several sports increased from the spring of 2006 to the spring of 2007. We will be watching the upcoming wave closely to see if the increase continues in the spring of 2008. Below are the avid fan bases for some of the sports we track among Hispanic males.

AVID FAN BASES	Q206	Q207
World Cup Soccer	41%	50%
Mexican League Soccer	30%	39%
Boxing	31%	34%
CONCACAF Gold Cup Soccer	24%	30%
MLB	23%	26%
NBA	21%	22%
Copa Sudamericana	16%	21%

MLS

11%

17%

It is important to note that while Major League Soccer is not the strongest of the soccer leagues among Hispanic males, its popularity is growing in terms of interest, attendance and television viewing. When bundled with other sports that rank high in the Hispanic community, such as MLB or American football (NFL, Arena Football League, College Football), a strong package is created that touches a larger unduplicated audience compared to some of the Hispanic soccer leagues.

In conclusion, when considering investing in sports:

- Have a clear understanding of your marketing goals before selecting the sport. Even if a sport boasts a lot of fans, is it the right fit for your brand?
- Understand historical trends as you would when investing in a stock or mutual fund.
- Invest in market research. Make sure that your data is projectable to the U.S.-based Hispanic population overall
- Properties are happy to tell you how many fans they have. Find out how they define the fan base, and ask them to document the size of their avid fan base or most loyal followers. These are the people who pay closest attention to your program.
- Have a multi-media approach. Does your broadcast partner also offer a state-of-the-art website that works well with both computer and mobile-based Internet access? What about print and radio? Knowing that busy fans may miss a broadcast, a multidimensional approach will help to ensure that you reach your target market.
- Track your program by investing in the right type of market research. For example, if your focus is onsite activation at an National Hot Rod Association (NHRA) race, interview fans at the race, or at least collect their data and follow up with them. If sponsoring a soccer club or advertising on a cable network, discover if awareness of your campaign is growing over time. Are you moving the needle in a way that reflects your ROO and ROI goals?
- Most importantly, stay close to your target market and don't be afraid to let them drive.

The commissioner of the National Hockey League, Gary Bettman summed it up best at a sponsorship conference last June: "Our job is to find out where the fans want to be and bring our product to them." In this case, it's also important to take it a step further and probe with greater depth into the makeup of these new Hispanic fans. And with Hispanics slated to represent over 25 percent of the U.S. population by 2050, the time to start is now. That's the new world.