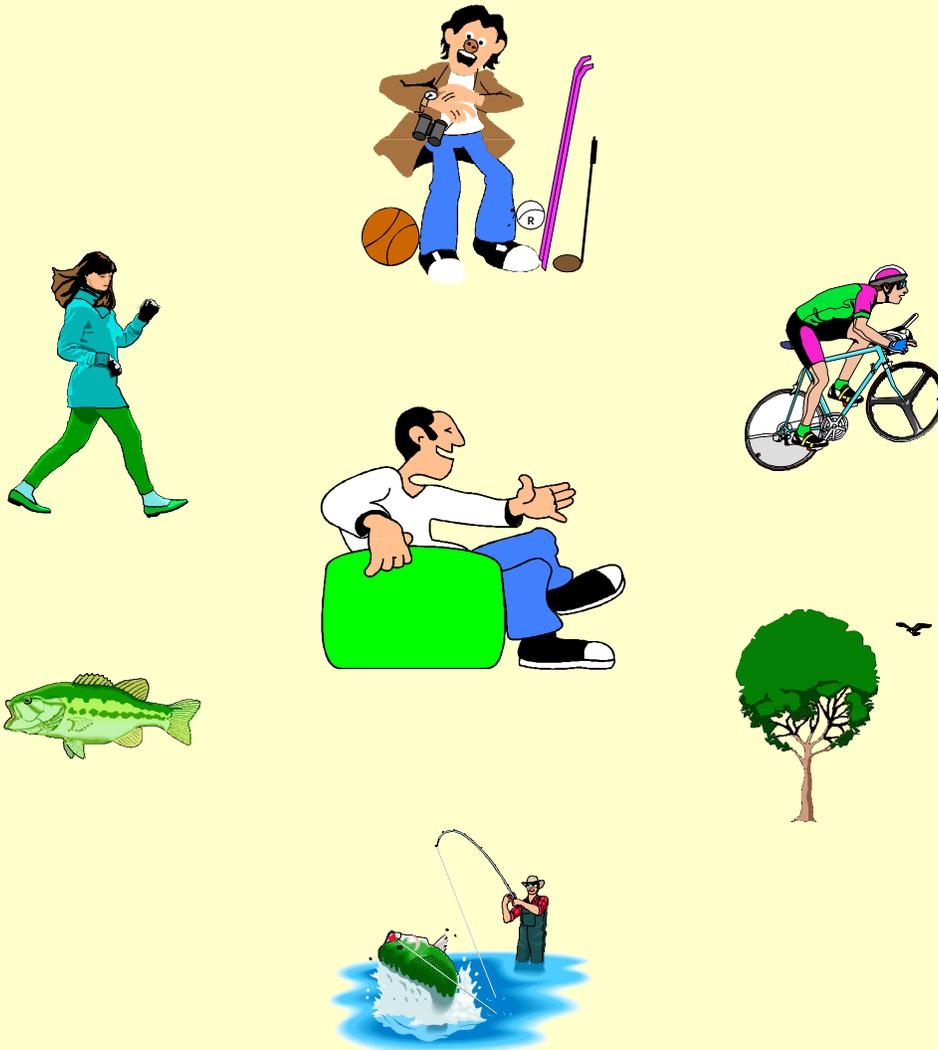


CHAPTER 4: MARKET SEGMENTS



As the analysis proceeded, patterns emerged showing that people who participate in one type of recreation very often participate in other, related activities. These shared participation patterns defined the seven market segments described in this chapter:

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1. The Sports Hogs
 2. The Fitness Buffs
 3. Nature Lovers
 4. Fishin' and Huntin' Avids
 5. The Bass Club
 6. The Passives
 7. The Do Nothings

People vary widely in the outdoor activities they pursue. Some like high energy, adventure recreation, while others prefer to stroll or sightsee and learn. One of the most important results of the NSRE is the division of the U.S. population into groups with similar outdoor recreation interests. These groups or market segments are meaningful for marketing outdoor recreation services and equipment, for the human powered recreation industry as well as outdoor recreation in general.

The market segment analysis identified higher-than-average and lower-than-average participation rates across the various recreation activities. As the analysis proceeded, patterns emerged showing that people who participate in one type of recreation often participate in other, related activities.

Each market segment represents tens of millions of people, and the participation patterns of each are distinctive (table 4.1). The identified patterns suggest that people in the different segments are seeking different kinds of experiences. Different kinds of experiences indicate a need for different marketing approaches. Individuals may be members of more than one segment, however, indicating multiple interest and motivations for outdoor recreation.

For manufacturers and suppliers of human powered outdoor recreation equipment and services, it is easy to imagine human powered outdoor recreation as a market segment of its own. The analysis described here, however, indicates that human powered activities may belong in a number of market segments. Such information can help the industry to design information to

appeal to different dimensions of the human powered outdoor recreationist's experience.

The Sports Hogs

About 19.6 million of Americans over age 16 (9.8 percent of that population) are Sports Hogs. This group is characterized by high participation in individual sports, team sports, winter sports, horseback riding, boating of all kinds, outdoor swimming, snorkeling, and watching outdoor sporting events and concerts.

Walking, picnicking, gathering outdoors with family and friends, sightseeing, and visiting beaches are also popular activities for Sports Hogs.

Two thirds of Sports Hogs are male, and 88 percent of them are less than 40 years old. About 12 percent are minority group members. Educational level is about the average for Americans over age 15, and income is near the average. Nearly half of Sports Hogs are in households with four or more members. That figure is considerably higher than for other groups. In keeping with their active lifestyle, an unusually high percentage of Sports Hog households have three or more cars.

NSRE respondents were asked whether they were constrained from participating in their activities. Those who felt constrained were asked additional questions. Results are summarized in table 4.2. For all market segments, the leading constraints are not enough time and not enough money. Eleven percent of Sports Hogs felt constrained. Given their high levels of activity, this low percentage is not surprising. Crowded

The 10 most popular activities for Sports Hogs and the percentage of Sports Hogs participating in each activity:



Activity	Percentage
Attending Sporting Events	86.4
Walking	80.5
Pool Swimming	80.2
Other Swimming	76.6
Visit a Historic Site	65.1
Running/Jogging	62.9
Volleyball	62.2
Basketball	60.8
Motorboating	56.5
Biking	54.3

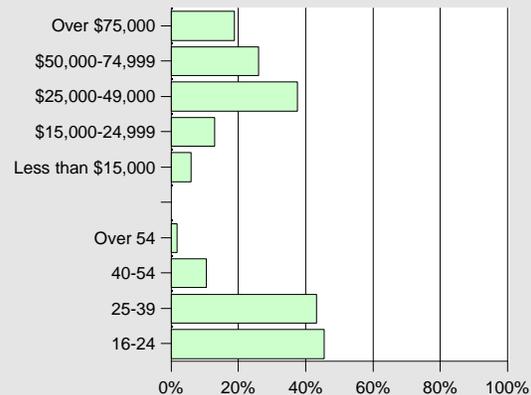


Figure 4.1—Income and age distribution for Sports Hogs.

The 10 most popular activities for Fitness Buffs and the percentage of Fitness Buffs participating in each activity:

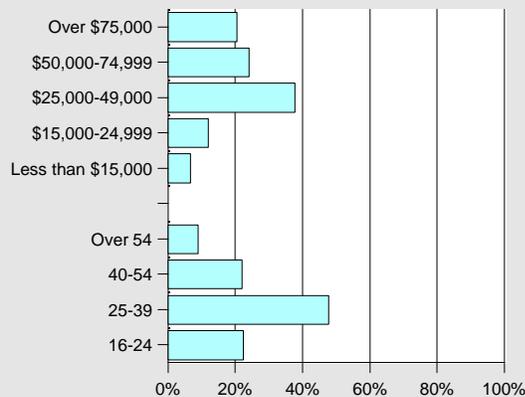
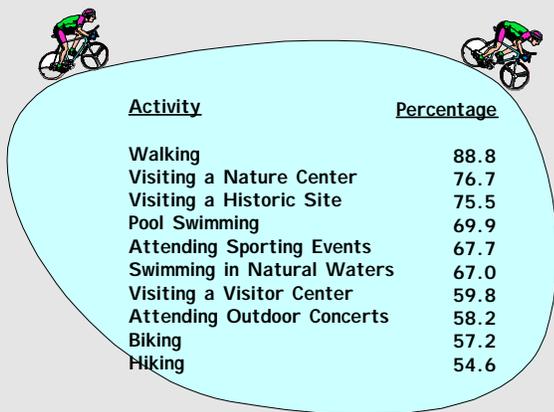


Figure 4.2—Income and age distribution for Fitness Buffs.

activity areas, inadequate information, and a lack of people to do activities with were frequently mentioned as constraints by Sports Hogs.

Many sporting goods manufacturers will recognize Sports Hogs as one of their primary markets. Sports Hogs appear to be interested in personal challenge and skill development. For this group, human powered activities are not necessarily nature-based, although they are outdoor activities. Sports Hogs not only want to be active participants in outdoor recreation, they appear to enjoy watching others excel in personal and team accomplishments. Their activities are often socially-oriented, suggesting that getting together with others is an important part of their overall experience. This group represents a special subset of the human powered market, with distinctively different expectations and motivations than other types of human powered recreationists. Less than 10 percent of the U.S. population accounts for such a large percentage of outdoor recreation activity and a high percentage of the purchases of recreation goods and services. A challenge to manufacturers and suppliers will be to develop strategies to increase the size of this group, because doing so would markedly increase sporting goods and outdoor equipment markets.

The Fitness Buffs

About 10.9 percent of Americans over age 15 (some 21.8 million people) are enthusiastic participants in fitness activities. These activities include running, biking, walking, hiking, and swimming. Most Fitness Buffs do not hunt or view wildlife,

and few of them participate in human-powered boating.

High interest in nature centers, historic sites, and visitor centers suggests that Fitness Buffs are people who are interested in the world around them as well as in their personal fitness. Fitness Buffs represent another subset of the human powered outdoor recreation market. They are well educated and interested in learning. Unlike Sports Hogs, they are not particularly oriented toward social activities. Their outdoor recreation participation appears to be aimed less at winning and more at health and fitness. Overall, they appear to be interested in personal improvement. Thus, their involvement in human powered outdoor recreation is motivated by different needs and interests than other human powered enthusiasts.

In comparison with Sports Hogs, Fitness Buffs are often older. More than a fifth are 40 to 54 years old, and nearly 10 percent are over 54 years old. Eleven percent of Fitness Buffs are minority group members, and slightly more than half are women. The proportion of women in this group is about the same as for the U.S. population as a whole. Over 70 percent of Fitness Buffs have attended at least some college, and 42 percent are college graduates. Family incomes are above average. The proportion living in households with four or more people is also above average.

Twelve percent of Fitness Buffs reported a constraint on their recreation activity. For those who felt constrained, the leading causes were insufficient time and money. Lack of someone to do activities with was another major constraint.



Relatively high incomes permit Fitness Buffs to purchase the equipment and clothing that are sometimes necessary.

The 10 most popular activities for Nature Lovers and the percentage of Nature Lovers participating in each activity:



<u>Activity</u>	<u>Percentage</u>
Walking	91.2
Visiting a Historic Site	81.7
Visiting a Nature Center	80.9
Wildlife Viewing	76.4
Birdwatching	73.6
Visiting a Visitor Center	71.3
Water-based Nature Study	64.6
Attending Sporting Events	58.0
Pool Swimming	56.1
Attending Concerts	51.9

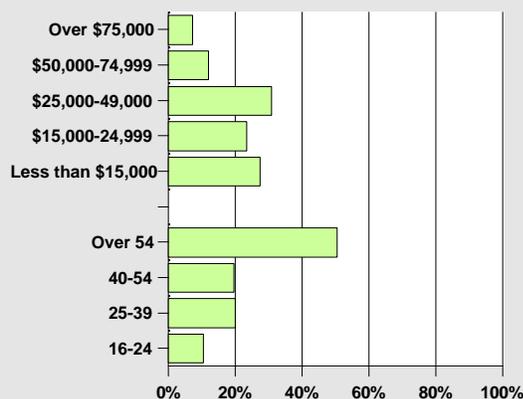


Figure 4.3—Income and age distribution for Nature Lovers.

Like Sports Hogs, Fitness Buffs very frequently participate in a wide range of recreation activities. Relatively high incomes permit Fitness Buffs to purchase the equipment and clothing that are sometimes necessary.

Nature Lovers

About 26.6 million Americans—13.3 percent of the people over age 15—are Nature Lovers. Nature Lovers participate in walking, birdwatching, wildlife and fish viewing, nature study, sightseeing, and going to visitor centers. Nature Lovers seldom hunt or fish.

Nature Lovers also represent marketing opportunities for the human powered outdoor recreation industry. Although they do not participate in rugged or challenging human powered activities, their interest in nature and the outdoors means that they may need outdoor recreation equipment to enhance their learning about and enjoyment of nature. Over 9 of 10 Nature Lovers are walkers, and they participate often in viewing activities. Thus, they may represent an excellent market for outdoor footwear and apparel, as well as educational support gear, such as cameras, binoculars, and educational information.

Most Nature Lovers are over age 54. Almost 13 percent are minority group members, and nearly two-thirds are female. Forty five percent have completed college and another 30 percent have attended or are attending college. Household incomes of members of this group are above average. A below-average proportion of people in this group live in households with four or more

members, and an unusually high percentage are in households with just two members.

A high proportion of Nature Lovers feel constrained in pursuing their favorite activities. In addition to insufficient time and money, they are often constrained by lack of a person to do activities with, inadequate information, crowding of activity areas, concerns about personal safety, and perceived pollution problems.

High levels of participation suggest a great deal of interest in nature and nature-based activities. High education levels suggest that materials written for people in this group can be directed at a high technical level. High incomes and small size households suggest an ability to pay for experiences, equipment, and services.

Fishin' and Huntin' Avids

About 8.2 percent of Americans over age 15 (16.4 million people) are what we call the "Fishin' and Huntin' Avids." This group is among the most active of market segments across all types of outdoor recreation. We call them Fishin' and Huntin' Avids because they are so very avid in all forms of outdoor recreation and because they have the highest rates of participation in hunting and fishing combined. But in addition to hunting and fishing, these people do a lot of camping, group activities, walking, and hiking.

Rates of hunting participation for members of this group are 30 percent for big game and 23.5 percent for small game. These are the highest rates among all of the market segments, but they still represent well under half of the group members. Thus, hunters could be regarded as a separate market

The 10 most popular activities for the Fishin' and Huntin' Avids and the percentage of Fishin' and Huntin' Avids participating in each activity:

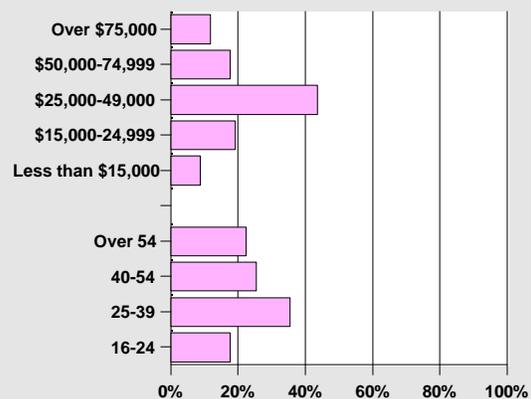
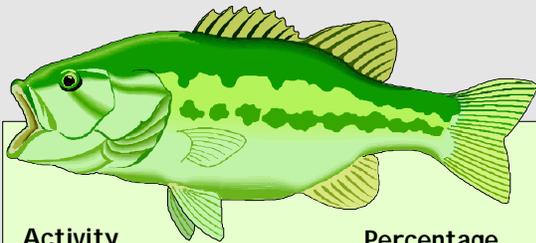


Figure 4.4—Income and age distribution for Fishin' and Huntin' Avids.

The 10 most popular activities for the Bass Club and the percentage of the Bass Club participating in each activity:



<u>Activity</u>	<u>Percentage</u>
Freshwater Fishing	80.6
Walking	74.8
Warmwater Fishing	69.6
Coldwater Fishing	69.6
Attending Sporting Events	54.1
Pool Swimming	45.5
Swimming in Natural Waters	43.3
Visiting a Nature Center	40.6
Motorboating	38.4
Visiting a Historic Site	36.3

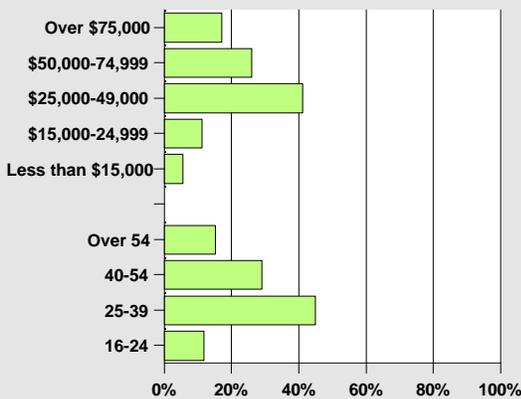


Figure 4.5—Income and age distribution for the Bass Club.

within this group. They are included because so many enjoy fishing as well as hunting. Fishin' and Huntin' Avids may also be of some interest to the human powered outdoor recreation industry. Although they do not appear to be particularly interested in human performance activities, they still participate in some human powered activities. For example, almost 90 percent of them are walkers. They may not be interested in purchasing specialized human powered recreation equipment, but they still represent a subset of the human powered market.

The distribution of Fishin' and Huntin' Avids is weighted toward middle-aged Caucasian males. Few people in this group are under 25 or over 55. Only 6 percent of the Avids are in minority groups. Fifty-eight percent are male. Education levels for members of this group are near the national averages. A high proportion of Avids are in households with just two people over age 15. The number of Avids in households with three or more cars is above average.

In addition to a love for freshwater fishing, it appears that members of this group share an interest in nature. That interest, however, is somewhat different from the interest of the Nature Lovers. The interest here leans more toward use and consumption of wildlife and fish rather than toward viewing and learning.

Only 13 percent of the members of this group reported a constraint on participation in their favorite activities. For those who reported a constraint, an unusually high proportion (93 percent) cited a lack of time as a constraint. As in other groups, many also cited a lack of money. Other frequently mentioned constraints were no one to do activities with, crowded activity areas,

inadequate information, and pollution problems.

The Bass Club

People in the Bass Club are primarily anglers. About 13.0 percent of Americans over age 15 (some 26.0 million people) make up the Bass Club. About 12 percent are minority group members, and 35 percent are female. Numbers of Bass Club members who have attended college are below average. Their family incomes are also below average. Households of various sizes are well represented. Some 47 percent of households have two cars.

The separate identity of Bass Club members from the Fishin' and Huntin' Avids indicates a different pattern of activity participation. Freshwater fishing is enjoyed by members of both groups. Bass Club members, however, participate more in warmwater fishing and motorboating than in other activities.

About 12 percent of Bass Club members mentioned a constraint on activity participation. Almost a third of those who mentioned a constraint said they lacked activity companions. Crowding of activity areas also was often mentioned.

The Passives

Almost 44 million Americans over age 15 (21.9 percent) do not participate in active outdoor pursuits. They go outdoors to sightsee, visit beaches, picnic, get together with family and friends, and walk. But they seldom engage in more vigorous pursuits.

The 10 most popular activities for the Passives and the percentage of their participation in each activity are:

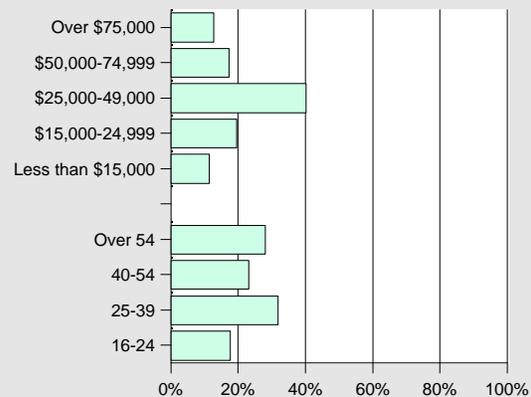


Figure 4.6—Income and age distribution for the Passives.

As one might expect, a lot of people who prefer passive pursuits are over 54 years old. A surprising 17 percent, however, are 16-24 years old. One would expect people in that age group to be more active in their recreation. The 24 percent minority group members among Passives is quite high. And the 57 percent females in this group is somewhat higher than the 52 percent for the population as a whole. Education levels and income levels are a little below those for the more active groups.

Since they are relatively inactive, the constraints on recreating for this group are of some interest. Some 19 percent mentioned personal health problems as a constraint on their activities. Thirty-two percent said they lacked an activity companion. Crowding of activity areas and inadequate information also were often mentioned as problems.

The Do Nothings

This is the largest of the identified groups. It includes about 22.8 percent of Americans over age 15 (some 45.7 million people).

The extremely low participation rates show that these people seldom recreate outdoors. About half of Do Nothings are over 54 years old. A fourth are minority group members, and 60 percent are female. Education levels and family incomes are far below average. As one might expect with so many people over age 50, households with one or two members predominate.

Numbers of cars are clearly lower than for other groups. It is probable that low income and advancing age restrict the recreational activity of many Do Nothings.

The 10 most popular activities for the Do Nothings and the percentage of the Do Nothings participating in each activity:

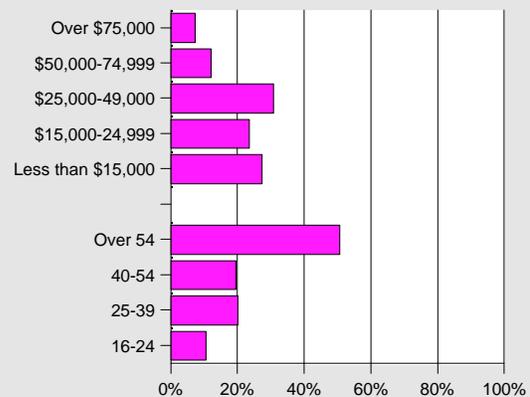


Figure 4.7—Income and age distribution for the Do Nothings.

Reducing safety concerns probably would increase the amounts of recreation activity by minorities, women, and all people over 50 years old.

These conclusions are supported by the constraints mentioned by members of this group. Only a little over half mentioned a lack of time as a constraint, while a relatively high 44 percent mentioned a lack of money. Thirty-five percent said that personal health problems limited their activities, and 18 percent cited a physically limiting condition. Twenty eight percent said they had no one with which to do activities.

Constraints Are Opportunities

To some extent, people may have listed constraints on their activities to provide excuses for not being as active as they thought they should be. In a large measure, however, the listed constraints present opportunities for outdoor recreation suppliers and supporters.

An important constraint for people in all seven market sectors is a lack of activity companions. This suggests that people might be attracted to recreate by providing compatible groups for them to join, or by finding ways to promote companionship and socializing at facilities or through other means.

Inadequate information was a fairly common complaint. Within outdoor recreation, it is possible that adequate information has been

compiled but that systems for distributing the information often fail.

Concerns about personal safety were often expressed by Nature Lovers, who are predominantly female, and Do Nothings, who are predominantly over 50 years old and many of whom are minority group members. Reducing these concerns probably would increase the amounts of recreation activity by minority group members, women of all ages, and men and women over 50 years old.

Human Powered Marketing Opportunities

This analysis identified seven distinct groups of outdoor recreationists. For the human powered outdoor recreation industry, this segmentation demonstrates that the human powered outdoor recreation market is more diverse than it might first appear. Sports Hogs and Fitness Buffs, for example, are both avid participants in human powered outdoor recreation. However, their motivations, expectations, and the satisfaction they derive from participation appears to be very different. Such differences suggest that marketing to the human powered outdoor recreation market could be designed for those other factors, and should not focus singularly on human powered equipment or services.

The human powered outdoor recreation industry may want to consider these points:

1. Sports Hogs and fitness Buffs represent a large proportion of the human powered market. Marketing to them, however, should be designed to meet different needs:

Sports Hogs are interested in competition, winning, and exciting challenge. They enjoy recreating in groups, and participate in a wide array of challenging activities, many of which are not nature-oriented or human powered. They also enjoy watching others participate in challenging sporting events. They can be reached through spectator sporting events, sporting enthusiast publications, and other sources of challenging sports information or action. They are interested in either team or individual challenges, with an emphasis on competition, winning, and mastery. Marketing human powered equipment to sports Hogs should focus on these experiences, rather than on personal fitness, skill development, or being in the out-of-doors.

Fitness Buffs are interested in personal health and individual accomplishment. They are more likely to hear messages aimed at the promotion of physical and mental health, including the emotional benefits of nature-oriented activities, the reduction of stress, and overall improvement in individual well-being. They are not as likely to be lured by socially-oriented messages. They may participate in some of the same activities as Sports Hogs, but the expression of their participation is radically different. They are interested in learning and are more likely than sports Hogs to pay attention to educational or technical information regarding their individual activity interests. Marketing to Fitness Buffs should include technical information and should highlight the personal benefits of specialized equipment, participation, and knowledge.

2. When marketing to Fitness Buffs, the almost equal participation of men and women should be noted. In addition, Fitness Buffs tend to have relatively high incomes, and therefore are better able to afford specialized equipment to enhance personal achievement and the attainment of better personal health. Fitness Buffs may be interested in a range of human powered activities, since these activities are the ones most able to promote physical health.
3. Nature Lovers, Fishin' and Huntin' Avids, Bass Club members, and Passives are all likely to participate in less physically challenging human powered outdoor recreation, such as walking, recreational swimming, and wildlife viewing. They are consumers of equipment that supports these activities, such as outdoor footwear, foul weather wear, other outdoor apparel, and equipment such as binoculars and cameras. They are not driven by the same needs for excitement or physical improvement as Sports Hogs or Fitness Buffs, and therefore will not respond to the same marketing messages. Marketing to these groups should focus on outdoor comfort and practicality of use during their outdoor activities.
4. Many Passives are women and minorities. Therefore, at least some of the marketing of human powered equipment and supplies should be designed to appeal to these groups. Because both of these groups frequently mentioned issues of safety as constraints to participation, addressing issues of personal safety during participation may encourage greater participation in human

powered activities, and therefore an increase in consumption of equipment and apparel.

5. As the baby boomers age, we can expect interest in health and fitness activities to grow. These aging baby boomers represent an opportunity for the human powered outdoor recreation industry to increase its market share by promoting the mental and physical health benefits of a variety of human powered activities that are rugged enough to be health promoting, but not too challenging for older adults. As technology improves human powered equipment, the fitness benefits of a wider array of activities will become available to aging Americans.
6. Increasing environmental awareness will help make human powered activities more attractive to a larger market share. The environmentally-friendly character of human powered activities can be used to market these activities to Nature Lovers in particular, but also to other concerned market segments, such as Passives and some Bass Club members.