

Hispanics and Boating Survey

Executive Summary

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Prepared for:

The Recreational Boating and Fishing Foundation

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RECREATIONAL
BOATING & FISHING
FOUNDATION

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Overview and Purpose

The information contained in this report summarizes the results of a market research study conducted by Cultural Edge Consulting, Inc. on behalf of The Recreational Boating & Fishing Foundation (RBFF). The purpose of this study was to understand current and prospective Hispanic boat buyers. In particular, the study:

- Examined attitudes, awareness, behaviors about boating and boat ownership;
- Determined path to purchase, stages and key triggers to move Hispanics down the purchase funnel; and
- Determined best ways (media channels) to reach potential Hispanic boat purchasers.

Project Methodology

Phase 1 - Qualitative

The up-front qualitative phase consisted of 20 in-depth qualitative interviews with sales associates, boating prospects and boat owners, each lasting approximately 1 hour and 15 minutes:

- 10 interviews among sales associates;
- 6 interviews among owners;
 - 3 recent purchasers (less than 12 months);
 - 3 established owners (1 to 5 years); and
- 4 among prospective owners

Qualitative research was conducted in Miami and Houston, two important boating markets, in October of 2014.

Phase 2 - Quantitative

The follow-up quantitative phase consisted of 587 online surveys among self-identified Hispanics, who either owned boats or considered themselves likely to buy one within the next two years:

- 337 owners (234 established/103 recent); and
- 250 prospective owners

Quantitative research was conducted nationally (with a focus on California, Florida and Texas), between November and December of 2014.

Qualifying Criteria

In order to participate in the research, participants were screened to:

- **Recent owners**: bought a motorized boat less than 12 months ago;
- **Established owners**: bought a motorized boat more than one year ago;
- **Prospects**: Intended on purchasing a motorized boat in the next 6 months (qual) or next two years (quant);
- **Sales associates**: sales people with experience and success selling to Hispanics (qual only);
- 25 years of age or more;
- Mix of self-identified Hispanics across acculturation levels (skewing bicultural); and
- HH income \$40K or more;

Executive Summary

Attitudes and Motivations

- The predominant attitude that motivates boating in general is that it is a form of escape from everyday life.
 - Boating offers a way to stay active and experience nature and provides a feeling of adventure and tranquility.
 - Fishing is a fairly common boating activity (sometimes with friends/co-workers), but is not as frequent as cruising on the water, sunning, swimming and watersports with extended family and friends.
 - Taking the boat out alone is much less common with only 13% of owners taking the boat out alone for the various activities measured.
 - Boat usage among owners is fairly high with 77% of owners reporting that they take the boat cruising on the water (the most common activity) three or more times per year.
- As with general market consumers, exposure to boating generally motivates the desire for a boat. There generally is some exposure to the activity in childhood or adulthood. Living near water, fishing or growing up around boating tends to increase this tendency.
 - 34% of owners and 35% of prospects report that owning a boat is something they always wanted.
 - *For US Hispanics who were raised in Latin America (and immigrated), owning a boat is largely out of the question in the households they grew up in. Unless they were a part of the socioeconomic elite (most are not), it simply wasn't within the scope of possibility. Spending time around the water, fishing with dad (in Mexico, Cuba, etc.) exposed them to boats, but it was simply not within the realm of possibility to own one.*
- Throughout, respondents spoke of the "invitation" that often jumpstarted the desire and passion to get a boat for themselves. This often consisted of a friend inviting them (and their spouse or family) to join them on a boat outing, which exposed them to a wonderful, social and peaceful time out on the water with good friends.
 - For some this was the impetus to start looking for a boat for themselves.
- Once there was a realization that a boat was something they could afford, it became a symbol of success and an important way to reward themselves for their hard work and achievement (81%).



Tener un bote me hace sentir que cumplí mi sueño.

Having a boat makes me feel like I achieved my dream. Spanish-preferred, Boat Owner, Houston



- *It is important to note that aspiration and success hold a different cultural context than in the General Market. For Hispanic boat owners, purchasing a boat (or another higher ticket item) is a stop on the multi-generational path to achievement that started with an immigration backstory: either the individual immigrated or they were raised by immigrant parents. Either way, they were raised with the mores and values of the immigrant experience (overcoming struggles, escaping classism and socioeconomic circumstances).*
- *Thus the purchase of a boat takes on an altogether different cultural and emotional significance. For the general market, success is a personal achievement and often an attempt*

to live up to or exceed parents' standard of living (millennial and generation X consumers are more likely to have affluent, educated baby-boomer parents versus Hispanic consumers). For Hispanics it is achieving what their parents may not have had the fortune to achieve and it is a familial success. They are fulfilling the immigrant dream and justifying the sacrifice they or their parents went through to get to this point. In essence, it is their American dream.

- Another important aspect of boat ownership among Hispanics is the social component: being the “enabler” of social togetherness (or, in Spanish, *convivio*). 86% mentioned this as being important.

- *Here too, is another significant cultural context. Hispanic culture is more “collectivist” in nature versus “individualist” as the general market culture tends to be. Hispanics have more frequent get-*



Yo salgo con mi hijo, la novia de él, mi esposa. Caben 7 personas en mi bote.

I go out with my son, his girlfriend, my wife. 7 people can fit in my boat. Spanish-preferred, Boat Owner, Houston



togethers that include a wider range of family and cross-generational ties than the general market and the social circle is often more important than individually focused activities. There is a lot of social value to “bringing people together” (the “convivio” mentioned above) and the boat provides a unique and rewarding way to do this.

- Among Hispanics, “spending time with the family” is the single largest motivator for deciding to buy a boat (43%) as well as “entertaining family and friends” (29%) and “spend time with friends,” (28%).
 - In fact most respondents in the study went boating with their spouses (81%) and their friends (62%). Going alone or with just one buddy was less common.

Obstacles to Boat Owning

- Despite the positives of boating, the most significant obstacle to boat ownership is the perception of affordability.
 - 29% of the owners reported that realizing affordability was one of the key motivators to finally deciding to buy a boat.
 - Among prospects, the top obstacles to buying a boat are related to affordability – “I think the boat's maintenance (repairs, gas, storage, etc.) is too expensive,” “I think boats are too expensive,” “I don't want to borrow for it,” and “I don't think I can afford it”
 - *As mentioned above, for those raised in Latin America, boating was seen as something that only the wealthy, affluent class could afford. For those who were born here of immigrant parents, the same mentality existed (though for different reasons). That is why the emotional and cultural context of realizing this “affordability” is quite different from general market buyers.*
 - Other significant obstacles which are likely similar to general market buyers include not having anywhere to store the boat, not having a way to tow it and not knowing if they would have enough time to use the boat enough.

Path to Purchase – “Ahaa Moment” and Steps

- While desire to own a boat can be common and long-held, realizing that boat ownership can be an affordable reality is a major trigger to actively research and consider options
 - 36% of boat owners credit “being able to afford it” for making them realize they were ready to purchase a boat, the single largest unprompted response.
 - *Again, realizing that they are now in the position to potentially buy a boat for themselves is a huge “aha moment.” For many Hispanic boat buyers, they are likely the first in their families to buy a boat, which is a source of great pride.*
- The consideration, research and shopping phases do not appear to be separated by specific activities; instead, more research is indicative of getting closer to making a purchase
 - Owners report a consideration/research phase length of 7.6 months on average and a shopping phase of 4.2 months on average, totaling 11.8 months or approximately one year
- Current owners and previous owners who are looking to buy a new boat tend to spend less time in the path-to-purchase cycle.
 - First-time buyers are more likely to purchase pre-owned boats as they are more affordable in terms of upfront costs.

Path to Purchase – Sources of Information

- Among the more important sources of information on boating was word-of-mouth. Respondents in the qualitative phase reported regularly seeking out friends and family for assistance, advice and input on the boat purchase process. In the survey, 31% reported talking to friends who had boats in the research process.
- Advertising did not seem to play as big a role in the research phase, though about half of owners or prospects recalled any advertising for boating.
 - TV and print were the most common forms of advertising recalled (the Florida Sport Fishing show, for example).
 - While advertising recalled was predominantly in English (76%) few recalled seeing or hearing any ads in Spanish (24%). Many felt that this would help motivate and increase Hispanic sales in the process.
 - *It is important to note, that while many boat buyers are likely consuming media in English and are fairly proficient in English, it is not often their native tongue so they may not have the same comfort level and emotional connection to English-language communications. Current boating advertising may lack a focus on the values that are important to Hispanic boat buyers (the “togetherness,” achieving the American Dream, among others), regardless of what language it is in. Advertising is all about being relevant and connecting emotionally to the consumer. Being*



En Miami, hay un *market* Latino muy grande, y deben de publicar en Español, pero no lo he visto.

In Miami, there is a big Latino market, so they should advertise in Spanish, but I haven't seen it. Spanish-preferred, Boat Owner, Miami



in-language is not necessarily as important as being "in-culture" (meaning reflecting the mores and values of the target).

- Dealership visits are an important part of the research and shopping process whether the prospect buys from a dealership, broker or individual
 - Almost half of those who reported purchasing from a dealer claimed that they visited three or more dealers.
 - 69% of those who reported purchasing from an individual reported having visited at least one dealer.
 - While all buyers are looking for a good price/deal, those who buy from individuals are more often seeking lower prices from a familiar source.
 - In contrast, those who buy from dealers are more often looking for brand and good service.
- Dealership visits may also encourage a shorter path to purchase with those who purchase from dealers reporting a total consideration/research/shopping period about half that of those who purchase from individuals (8.5 months vs. 15 months)
 - Given the assortment of options and available financing, it is easier for boat shoppers to find the boat that they want from dealers than from individuals

Path to Purchase – Shopping/Purchasing

- The family, specifically the spouse or partner, is very influential in consideration and in the purchase decision, with two-thirds of owners reporting that their spouse/partner was very or somewhat influential in their decision to buy
 - 78% of owners felt that it was very or somewhat important for the salesperson to answer questions for the spouse/partner and other family members at the point of sale
 - *This ties into earlier findings that boating is a collective experience that the spouse is more often than not going to be involved in. The wife's buy-in is crucial and so wife-friendly features may hold more importance.*
- Respondents were generally satisfied with their purchase experience. Once they found a dealership that they felt attended to their needs, they were likely to purchase from that dealership.
 - Respondents reported not feeling welcome at some dealerships and that being the primary reason they did not return to that dealership. This included lack of interest from sales people when asking questions and downright being ignored. They attributed this lack of attention to:
 - Bad customer service in general;
 - Discrimination due to their Hispanic ethnicity; or

“ I have to find a happy medium between what my wife wants and what I want. *Prospect, Miami* ”

- Salespersons' perception that they weren't qualified buyers (didn't look like they could afford it), which is also tied to a perception of ethnic and/or socioeconomic discrimination.
 - Quantitatively, 14% of recent owners did not feel as if they were treated like valued customers by the dealership from which they purchased.
 - *It is important to note that this emphasis on "good customer service" comes from a very different place than for the general market boat buyer. Simply put, there is a racial/ethnic as well as a socioeconomic and even psychological component. As immigrants or children of immigrants, they have a heightened sensitivity to being dismissed or disregarded in retail situations. When people first immigrate to the US, they often have insecurity and challenging moments in retail situations due to linguistic and cultural issues. That insecurity is internalized and they are very wary of avoiding similar situations in the future even as they become more proficient in those situations. Those born in the US may not have as much sensitivity to this, but have experienced similar experiences as children with their own foreign-born parents. As such, even though they are more acculturated to the way of life in the US (including the retail experience) there are internalized sensitivities to the experience that makes good customer service even more important.*
 - *Additionally, it is important to note that what defines "good customer service" may be different for Hispanics than for the non-Hispanic consumer. non-Hispanics, for example, non-Hispanics often prefer sales associates to not be over-bearing or overly helpful until they personally ask for assistance. Sales associates will often "give the buyer some space" to not appear too pushy. Hispanics, on the other hand may interpret this "giving of space" as being standoffish or dismissive. As such, salespeople may need to be trained in the nuances of how Hispanics buy in order to not send the wrong message. These are subtle cues that make a huge difference. When Hispanic boat buyers report being "ignored" it may not simply be a case of a salesperson that is not good at his job. It may be a misinterpretation of the salesperson's intentions (e.g. giving the buyer space can be interpreted as ignoring the buyer because they are Hispanic). Again, Hispanics and non-Hispanics often have different body language and expectations regarding personal space, attitude and engagement in a retail setting.*
- Most respondents in the study felt that being able to use Spanish was at least somewhat important in their buying process (67% felt that Spanish would be at least a little helpful for the boat buying process and a good 37% think that Spanish would be very or extremely helpful).
 - This was more accentuated among Spanish-preferred and foreign-born buyers at least in the discussions held with consumers. Bilingual and/or English-proficient buyers felt that they could navigate the sales process in English fine.
 - *Again, it is important to accentuate that while bicultural Hispanics may rationally not have any preference as to what language business is conducted in, there is a cultural component that is*



Yo fui a Outdoor World Bass Pro Shop donde ellos no se interesaban en ayudarme. I went to Outdoor World Bass Pro shop and they didn't seem interested in helping me. Prospect, Houston



important. Bicultural sales associates are able to develop a rapport and connect emotionally with Hispanic buyers either linguistically, culturally or both.

- Hispanic buyers expect sales associates to inform and educate them (70% of buyers felt this was important to their most recent purchase) and, according to the sales associates we spoke with, more so than non-Hispanic customers.
 - Hispanic respondents expected the sales associates to spend more time with them informing and educating them about the boat choices, options, features, boat safety and boating in general. Sales associates who had experience selling to Hispanic buyers also confirmed this, suggesting that it often required more work to sell Hispanics than non-Hispanics.
- The salespeople are also expected to answer questions for the whole family not just the (generally male) buyer.
- *This tendency to expect salespeople to be “experts” in their field is seen in numerous other retail categories with Hispanics. Once there is a trust in the salesperson, there is less cynicism and more trust in that salesperson’s expertise and an expectation that the salesperson will help educate them further and find the right boat for them. The salesperson becomes part of the research process. With non-Hispanic White customers, the salesperson is generally there to help close the sale; rather than necessarily educate them, though it can play a role.*
- Negotiating a good deal was very important to Hispanic buyers (86%) as it likely is with non-Hispanics. They expected there to be some back and forth and ultimately, a compromise that netted some sort of deal for them as buyer. In the in-person discussions, inflexibility to negotiate or even offer at least a minimal concession was one issue they had with the sales process at some dealerships.
 - Sales associates also echoed this same notion that Hispanics want to negotiate and “no haggle” policies tend to frustrate them and turn them off considerably.
 - *In this case, cultural norms regarding purchasing and negotiating plays a role as well. In Latin America, there is a win-win mentality in the negotiation process (less adversarial) and likely that tendency is carried over to US Hispanics who immigrated (or whose parents immigrated as negotiation is a skill often learned from parents). There is an expectation of patience and flexibility in the sales process. In Anglo or American culture, there is more of an adversarial approach. The buyer is trying to extract concessions from the seller and get what he or she wants from the seller who is trying to do the same.*
- Part of getting a better deal (increasing affordability and value) may involve alternative credit options for some Hispanics who may need to or want to finance a boat, but may not have established good credit.
 - While Hispanics are often resistant to using credit, 46% of owners have financed their boats and 49% of prospects expect to do so as well.
 - *Latin American attitudes about financing and credit differ from American attitudes due to the historic lack of credit options in Latin America, particularly for those in B- and C+ socioeconomic*



Para mi, el mejor vendedor es el que educa a la persona. For me, the best salesman is someone who educates a person. Prospect, Miami



scale (SES) consumers. US Hispanics who immigrated from Latin America are strong believers in avoiding debt or borrowing as that is a cultural norm in Latin America (this is slowly changing, but historically this has been the case). It is better to save up to buy something than “borrow” to buy it. As they acculturate, they become more open to building and using credit, but there is still some residual reticence to carrying debt that the salesperson needs to overcome.

Implications and Opportunities

- Hispanic-oriented communications for ads, web presence and collateral materials should focus on family as spending time with the family is the single largest motivator for boating and boat purchases
 - Copy that focuses on accomplishing the lofty goal of owning a boat, family entertainment, social outings and fun is likely to be more effective for a larger proportion of the potential Hispanic boating market than materials that focus solely on individuals participating in watersports and/or hunting and fishing activities.
 - Imagery that includes a spouse/partner, children and a group boating activity is likely to be particularly appealing to this segment in that it reflects the reality that family members are very involved in the consideration, research and buying processes and that boating is a collective activity.
 - Spanish-language and/or in-culture communications will likely increase comfort with the boat buying process for the 77% of owners and intenders who speak some Spanish as well as those who are proficient in English but may prefer a culturally-relevant appeal (in either language).
 - Having Spanish-language communications, POS, salespeople or advertising acts as a welcome sign for Hispanics, signaling that the establish values Hispanic customers (even if they don't need the Spanish to conduct the actual transaction).
- Affordability is the key to triggering purchase and any Hispanic sales strategy should be designed around the initial boating experience (invitation) and the perception of affordability to spark active research. It also emotionally connects to the aspirational aspect of owning a boat that is so important to this consumer.
 - Potential Hispanic buyers, particularly first time buyers generally are concerned about being able to afford not only the boat itself, but the maintenance and usage costs as well.
 - Making certain that Hispanic buyers understand the costs associated with buying, owning and operating a boat will increase comfort with the buying process and potentially separate potential customers in the consideration/browsing, research and shopping phases.
 - While financing increases affordability, sellers should be careful to approach the subject understanding the cultural aversion among Hispanics about borrowing for non-essential items.
- Every dealer visit represents an opportunity to move the potential Hispanic buyer further along the path-to-purchase, even if every visit does not result in a sale.
 - Owners and intenders alike report multiple dealer visits and at every stage of the purchase process, even if they eventually purchase a used boat from an individual.

- Hispanic customers are often sensitive to not being taken seriously as buyers, even if they are only browsing to explore options or check out prices, so making them feel welcomed and valued customers can increase repeat visits which can potentially result in a sale.
- Sales people should be trained in the nuances of how selling to Hispanics can be quite different from selling to non-Hispanics: taking time to develop a rapport, approaching them and offering help immediately rather than “giving them space,” spending additional time informing and educating them, not rushing the sale, offering some concessions in the negotiation process, among many other cultural nuances.
- Involving the family is an important element of the Hispanic path-to-purchase, as family members influence options considered and the ultimate purchase.
 - The spouse/partner is particularly important in that they can veto a potential sale if they feel snubbed or can influence a potential sale if they feel comfortable with it
- Flexibility and offering concessions in the negotiation process is important. Buyers should never feel that the dealer will not budge in the purchase.
- Education of the Hispanic buyer at the point of sale is an important element of the dealer visit as they expect more hands-on explanation and information from the salesperson. This increases their comfort level with purchasing a boat from that particular dealership.
 - Topics should include not only boat buying itself, but issues of ownership, usage and maintenance
 - The salesperson should direct the information to all the family members to increase the influence that they can exert on the buyer and make them feel part of the process.
 - Bicultural and Spanish-speaking associates can help increase buyers’ comfort with the boat-buying process and make them more likely to buy from that particular dealership.
- Consider educational workshops, sea-trials and other community events to increase visibility of boating in Hispanic communities as well as to help get prospects to that “ahaa” moment sooner.
- Consider promoting the boat show events in Spanish to encourage Hispanic prospects to come to the shows.
- Cross-promote in the fishing aisle of outdoor goods stores or in outdoor-oriented media or spaces. Hispanics who fish are likely to be interested in boating eventually.