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MDCE panel on diversity will share success stories

Posted on November 12th, 2013 Written by [Wanda Kenton Smith](#)



I am absolutely thrilled to be presenting at the Marine Dealer Conference & Expo this November. I'll be moderating a panel discussion I pitched to the MRAA, titled "The New Faces of Boating." The topic is diversity and the importance of embracing new markets.

The boating industry is finally recognizing the opportunities represented by this critical topic, and many are listening with an open mind — eager to learn.

Anybody who has followed my marketing column since the late '90s knows that ethnic diversity and emerging market trends have been high on my agenda. I've posted at least a half-dozen columns over the years on minority groups to watch, ranging from women as key influencers in the buying process to the demographic leaps and bounds of affluent Hispanics, Asians and African Americans, along with lesbians and gays.

For years I have warned about demographic and population shifts looming on the horizon. I have cited projections and statistics that were ignored. Today, however, the industry leadership finally seems to be seeing the handwriting on the wall.

I don't want to steal my own thunder from the MDCE presentation, but I'll be sharing some pretty amazing statistics. I've described these changes as a seismic shift taking place right now across America. In fact, many of the major metro markets — Los Angeles, San Francisco, Atlanta, New York, Philadelphia, Miami and Houston, among others — have been transformed into new minority-majority markets.

My presentation at MDCE will include references to companies that have taken the lead in multicultural marketing and already are realizing a healthy return on their investments. Blue-chip names leading the charge include BMW, Lexus, Ralph Lauren, Tiffany & Co., Procter & Gamble, McDonald's, Target and AT&T, among others.

Take one of my personal favorite companies and brands, Harley-Davidson, which also sells a recreational leisure product. According to Polk data in a press release distributed by Harley, the company was the No. 1 seller of new street motorcycles (all engine sizes) in the United States to young adults (ages 18-34), as well as No. 1 among women, African Americans and Hispanics while maintaining the

top sales position to white men ages 35-plus.

From 2008 to 2012 in the United States, Harley posted double-digit market share gains in each of these consumer groups. Here's the game changer: In 2012, sales to these diversity markets grew at more than twice the rate of sales to Caucasian males. Nearly half of all new street bikes purchased by African Americans and Hispanics were rung up in happy Harley tillers.

As a female biker with 40,000 miles under my belt, I found it especially interesting that the company sold more new street motorcycles in 2012 to American women than all other brands combined. H-D has nailed it: It has captured the younger market, the women's market and several of the hot emerging diversity markets. Cha-ching!

I'm confident the Harley success story didn't happen by accident, but rather through strategic marketing initiatives that began at the top. Said H-D chief marketing officer Mark-Hans Richer, "The desire for individual expression draws customers from all walks of life because it's a universal human value that transcends cultures, generations and history."

He gets it. I believe the same thing can be said about boating.

My panel presentation will feature best practices from experienced multicultural marine retailers who have hands-on sales and marketing experience in some of these diversity markets. I can't wait to hear the lessons learned from Bob Pappajohn, president of M&P Mercury of Vancouver, who has been diligently working the Asian market the past few years, with growing success.

Chuck Cashman, East Coast vice president of MarineMax, will share what the retail behemoth has experienced in selling to Hispanics, African Americans and the lesbian/gay population.

Rob Youker of The Sportsman in San Benito, Texas, has a dealership that is on the Mexican border and a staff that is 90 percent Hispanic. He has also learned some strategies that have worked well for his business.

Lastly, former dealer of the year Carlton Phillips will discuss how his Prince William Marine has successfully earned African American boating business in one of the most affluent black communities in the country. It's one thing to hear about other industries and what they are doing or to read theoretical concepts, but another altogether to see it working in your own corner of the universe. Although these dealership panelists will be the first to admit they don't have all the answers, they do have real world experience to share, including mistakes they've made, as well as documented successes.

What's more, there are two visionary marine industry leadership organizations that are championing diversity and leading the charge. I had the opportunity to speak with Frank Peterson Jr. of the Recreational Boating & Fishing Foundation, whose forward-thinking organization has launched a strategic five-year Hispanic marketing plan. He was kind enough to agree to share some of his IBEX presentation with our MDCE audience.

The RBFF has hired Lopez Negrete, the largest Hispanic owned and operated agency in the United States, to handle its Hispanic marketing initiative. The agency has launched diversity marketing programs for blue-chip companies, ranging from Bank of America and Chrysler to Microsoft, NBC, Samsung, Kraft, Verizon and Walmart.

The RBFF is working this year to develop creative assets and a campaign microsite, which is necessary before launching 2014 test markets in Florida and Texas. The RBFF also has been working to educate

our industry as to why Hispanics are important prospects for fishing products and services.

Some of the factors RBFF shares range from the sheer size and growth of the Hispanic market (it represents 17 percent of our population and is the largest minority group in the country), to their more youthful median age of 28 (vs. 42 for non-Hispanic whites), with 23 percent of all U.S. kids under the age of 18. The RBFF also has defined three target markets for development and has helped profile the current Hispanic boat owner. Peterson says there are plans for industry webinars and other presentations. Bueno!

The industry's Grow Boating initiative also has adopted diversity as one of its major areas of focus. I'm excited to serve on an appointed nine-member Diversity Task Force. A task force survey is in the works in advance of an initial discussion in Miami in February.

Elsewhere on the diversity front, NMMA chief marketing officer Carl Blackwell, who does double duty with Discover Boating, has stepped up efforts to build an image library featuring a broader mix of ethnic groups embracing the boating lifestyle. He says his team will continually analyze media trends and market research for future advertising investment, and is considering ethnic boat show initiatives.

No doubt, we're in the infancy of diversity marketing. There is no quick answer or one-size-fits-all formula. It's not about translating from English to Spanish (be careful) or just changing color palettes and swapping out ethnic images in advertising. It's not about taking prescribed marketing practices that work well in one market and simply re-dressing them to fit another. Successful marketing diversity is all about authenticity. It requires understanding and respecting specific cultural nuances, many of which we don't even begin to comprehend. It compels marketers to dig deep and grasp demographic and psychographic drivers that will resonate with the audience of choice.

I'm a former ad agency owner and I've been a marine marketer for more than 32 years. I've launched easily a hundred or more multimedia advertising, marketing and PR campaigns. Although I know the marine market perhaps better than most, I'm the first to raise my hand and ask for help.

When it comes to marketing to diverse markets, we all need expert guidance. We must enlist those who can help us navigate all sorts of challenges. We must be willing to change our businesses and take calculated risks. We must learn from experts in other like-minded industries and from each other.

The RBFF's hiring of the largest Hispanic agency is definitely a step in the right direction. I can't wait to soak up everything they are willing to teach us. And I am ecstatic to be part of our industry's brand-new diversity initiative.

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