

Bicycle Ownership And Opportunities For Outdoor And Sports Toy Sales

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With childhood obesity becoming an increasing concern in developed countries, physical activity is re-emerging as a trend in the toys and games industry.

Recent initiatives such as the "Let's Move" campaign in the US, launched in 2010, aim to encourage children to lead more active lifestyles and may boost certain toys and games categories, including outdoor and sports toys.

Euromonitor International takes a look at the cultural/lifestyle habits surrounding bicycle use as an indication of preference for outdoor activities.

Regional differences

Considering the relative cost of the two items, it may come as a surprise that a significant number of Western countries have a higher percentage of households which own cars compared to bicycles.

The US and the UK are particular examples, where car ownership exceeds bicycle ownership by 17 and 12 percentage points, respectively, due in part to suburban living and subsequent long commuting distances to work.

Singapore, South Korea and Germany, on the other hand, appear to have a greater appreciation of the benefits of bicycles, with households in these countries more likely to own a bicycle than a car.

Another interesting fact is that bicycle ownership is consistently increasing among families with children. For example, in Japan, 60% of single person households owned a bicycle in 2007 compared with 99% of couples with children, while in the US these percentages were 60% and 77%, respectively.

This suggests that families with children are placing greater importance on a healthier lifestyle and are more likely to buy goods they perceive as contributing to this.

What does this mean for toy manufacturers?

Firstly, if bicycle ownership is a good measure of outdoor and sports activities, this gives an indication of the countries where such a culture is relatively better established, for example Germany and Japan.

Growth opportunities may exist in these countries by attracting sports-conscious groups to toys and games through marketing and product design, e.g. sports-themed action figures such as Mattel's WWE series.

Additionally, an outdoor culture suggests more time spent among nature, thus indicating greater potential for nature-themed toys such as Schleich's animal figures, which enjoy significant popularity in Western Europe.

Alternatively, the greater importance placed on fitness and health among families with children signals a good climate for the outdoor and sports categories in countries where car ownership is higher than that of bicycle ownership.

Suburban families, with limited bicycle use, are likely to compensate for the lack of activity by buying more outdoor garden toys, such as paddling pools or trampolines.

Outdoor and sports toys make up a significant share of the toys and games industry, and are expected to account for an 8.7% share of traditional toys and games sales globally by 2014, or 9.6% and 10% of the Western European and North American traditional toys markets, respectively.

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