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How Major League Baseball Clubs Have Commercialized Their Investment in Japanese Top Stars

by Isao Okada and Stephen A. Greyser

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Abstract

When a Major League Baseball club signs a Japanese star player, it obviously tries to commercialize its investment in the player. The initial focus is on home attendance (ticket sales) and television audiences, plus merchandise sales. These elements are similar to those considered for any high-performing players. However, for Japanese stars, there is also the potential to attract significant fandom from the local Japanese community. This represents an opportunity for truly incremental local revenue for the team. In addition, teams try to attract revenue from Japan—such as from corporate sponsors, advertising signage at the home field, and visiting Japanese fans traveling to the U.S. to see these stars perform. In addition to treating team efforts at growing local Japanese community support, this paper examines seven factors for success in attracting revenues from Japanese companies and fans: pitcher or position player, player's popularity, non-stop flights from Japan, distance from Japan, non-sport tourist attractions in a city, size of Japanese community in the city and player's and team's performance. The most important factor, however, is the player's talent and popularity in terms of performance in both Japan and the U.S. and his media exposure in Japan including endorsement contracts. In addition, if a MLB club signs a Japanese position star player and is based in a city which is endowed with a variety of non-baseball tourist attractions, this would have a further advantage for the team.

The field-based research reported here is derived largely from analysis of team experiences with five principal Japanese baseball stars—Hideo Nomo, Ichiro Suzuki, Hideki Matsui, Daisuke Matsuzaka, and Kosuke Fukudome.

The paper's "2013 Reflections" (pp. 15-17) includes analysis of Yu Darvish of the Texas Rangers.

Keywords: Commercialization; Sports; Revenue; Sports Industry; Japan; United States;

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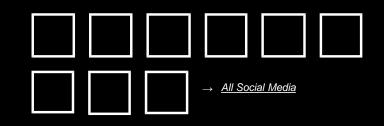
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