An Introduction to the...

Yankelovich MONITOR
Multicultural Marketing Study 2006

August 23, 2006
Multicultural Marketing Building Blocks

**Who?**
- Demographic and Geographic information

**What?**
- Behavioral and Transactional information
- Attitudinal and Motivational information

**Why?**
- More culturally relevant content and experiences means increased multicultural customer loyalty and revenue

- Many client companies skip this step
Introduction

- Engaging the U.S. Multicultural Marketplace: With Culturally Relevant Relationships

- Cultural Relevancy Equals Marketing Relevancy
  - Objective Culture
    - What you see
  - Subjective Culture
    - What is underneath the surface
Study Methodology

• Nationally representative sample

• 2,400 adults age 16+

• Two-step method (in participant’s language of choice):
  – Part 1: 30-minute telephone interview
  – Part 2: Self-administered survey via mail or Internet

• Collaborative Partners:
  – Burrell Communications
  – Dr. Felipe Korzenny, Center for Hispanic Marketing Communication, Florida State University
Six Key Themes & Dynamics

Understand I AM My Connections: Familial, Communal, Spiritual

Respect My Style: Real, Proud, Passionate

Recognize MY POV on the Marketplace: Some of You “Get Credit” For Trying, But Most Have a Long Way to Go

Appreciate My Roots: Know How Deep and Wide They Go

Celebrate My Aspirations: Some Are Personal, Many Are Collective

Be Where I Am: Let Me Drive the Experience
Recognize MY POV on the Marketplace: Some of You “Get Credit” For Trying, But Most Still Have a Long Way to Go

• Trust and Government and Institutions
• Stress and Control
• Trust in Brands
• Connecting with Brands Differently
Trust Declines by African Americans

**Total Agree:**

These days I am feeling more and more ignored by the U.S. government

82% 64% 72%

I believe that this country is still divided socially by race

82% 75% 66%

I believe that this country is still divided economically by race

82% 69% 58%
## Hispanic Trust Varies

<table>
<thead>
<tr>
<th>Total Agree</th>
<th>Foreign Born Hispanics</th>
<th>U.S. Born Hispanics</th>
</tr>
</thead>
<tbody>
<tr>
<td>More and more, I feel like this country does not want me here</td>
<td>36%</td>
<td>15%</td>
</tr>
<tr>
<td>How much do you trust the following institutions or entities to treat you and your family fairly (Top 3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal government</td>
<td>35%</td>
<td>20%</td>
</tr>
</tbody>
</table>

© Yankelovich 2006
Yet Trust in Brands Remains High….

<table>
<thead>
<tr>
<th>Total Agree</th>
<th>African-Americans</th>
<th>Hispanics</th>
<th>Non-Hispanic Whites</th>
</tr>
</thead>
<tbody>
<tr>
<td>It is risky to buy a brand you are not familiar with</td>
<td>55%</td>
<td>58%</td>
<td>41%</td>
</tr>
</tbody>
</table>

…But Brand Loyalty Must Not Be Presumed

<table>
<thead>
<tr>
<th>Total Agree</th>
<th>African-Americans</th>
<th>Hispanics</th>
<th>Non-Hispanic Whites</th>
</tr>
</thead>
<tbody>
<tr>
<td>I like to try different brands every once in a while just to see if I like them better than the brands I am currently using</td>
<td>81%</td>
<td>75%</td>
<td>79%</td>
</tr>
</tbody>
</table>
## Brands Offer Reassurance...

<table>
<thead>
<tr>
<th>Reasons for selecting a particular brand (Top 3 Box)</th>
<th>African Americans</th>
<th>Hispanics</th>
<th>Non-Hispanic Whites</th>
</tr>
</thead>
<tbody>
<tr>
<td>Always performs as promised</td>
<td>55%</td>
<td>52%</td>
<td>58%</td>
</tr>
<tr>
<td>Assures me a reliable company stands behind the product or service</td>
<td>52%</td>
<td>48%</td>
<td>45%</td>
</tr>
<tr>
<td>Tells me about the level of quality of a product or service</td>
<td>46%</td>
<td>47%</td>
<td>37%</td>
</tr>
<tr>
<td>Helps me eliminate risk and avoid a bad decision</td>
<td>43%</td>
<td>38%</td>
<td>27%</td>
</tr>
</tbody>
</table>
...And Social Status

<table>
<thead>
<tr>
<th>Reasons for selecting a particular brand (Total Agree)</th>
<th>African Americans</th>
<th>Hispanics</th>
<th>Non-Hispanic Whites</th>
</tr>
</thead>
<tbody>
<tr>
<td>The brands you buy tell a lot about the type of person you are</td>
<td>54%</td>
<td>45%</td>
<td>37%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Top 3 Box</th>
<th>African Americans</th>
<th>Hispanics</th>
<th>Non-Hispanic Whites</th>
</tr>
</thead>
<tbody>
<tr>
<td>I like to buy brands that make me feel I’ve made it</td>
<td>43%</td>
<td>39%</td>
<td>31%</td>
</tr>
<tr>
<td>The brand is popular with my culture</td>
<td>27%</td>
<td>23%</td>
<td>11%</td>
</tr>
</tbody>
</table>
### Information, Education Are Key

<table>
<thead>
<tr>
<th>Total Agree</th>
<th>African Americans</th>
<th>Hispanics</th>
<th>Non-Hispanic Whites</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing and advertising keeps me well-informed about new and better products</td>
<td>77%</td>
<td>74%</td>
<td>64%</td>
</tr>
<tr>
<td>Marketing and advertising gives me useful ideas and suggestions about how to make life easier and better</td>
<td>73%</td>
<td>70%</td>
<td>64%</td>
</tr>
<tr>
<td>I enjoy looking at or listening to advertising</td>
<td>67%</td>
<td>64%</td>
<td>34%</td>
</tr>
</tbody>
</table>

© Yankelovich 2006
Other Study Themes & Dynamics: An Overview

*Appreciate My Roots: Know How Deep and Wide They Go*

- Affinity to Heritage
- Hispanics and Retro-Acculturation
- Spanish Language: A Cultural Connector
- African Americans and a New Black Renaissance
- Changing Face of Multiculturalism
Other Study Themes & Dynamics: An Overview

Celebrate My Aspirations: Some Are Personal, Many Are Collective

- Striving for the American Dream
- Signs of Success and Accomplishments
- A Growing Affluence
- Impact of Entrepreneurship
Other Study Themes & Dynamics: An Overview

Be Where I Am: Let Me Drive the Experience

- Information and Communication: Barriers/Preferences
- Media Perceptions and Content Preferences
- Technology and Alternative Sources of Outreach
- Shopping Patterns and the Retail Experience
- Multicultural Market Rules of Engagement
Hispanic Acculturation Segments

Acculturation is an important lifestyle-influencing factor among Hispanic consumers and a key segmentation strategic tool.

- Hispanic Dominant - High Cultural Affinity (27%)
- Hispanic Dominant - Low Cultural Affinity (20%)
- Bi-Cultural (27%)
- Relatively Assimilated (25%)
African American Socio-Attitudinal Segments

Based on a hierarchy of needs, starting with rational factors such as product quality and price, and culminating with emotional triggers such as community involvement, emotional satisfaction, and feelings of empowerment.

- Community Leaders (12%)
- Community Loyalists (15%)
- Community Shoppers (12%)
- African American Culture and Heritage
- Value Loyalists (27%)
- Value Shoppers (21%)
- Value Leaders (14%)
Key Take-Aways: A Sampling

- Ethnic consumers display varying extended family dynamics.
- Ethnic consumers display a different community orientation.
- Feelings of discrimination remain high with African Americans.
- Trust levels stay high with U.S. Hispanics.
- Brand trust is high—but ethnic consumer still might look elsewhere.
- A strong reconnection to ethnic roots is taking place.
- Signs of success differ in many ways.
- Ethnic consumers are more open and use advertising and marketing in different ways.
Study Marketing Applications

• Craft culturally relevant messaging, based on rich attitudinal insights, to effectively motivate and influence your ethnic target audience to purchase your product or service

• Gain greater understanding of your ethnic consumer needs and desires to guide your new product development initiatives

• Develop and refine corporate and brand strategic direction and tactical executions

• Identify effective distribution channels based on ethnic consumer feedback

• Make more culturally and attitudinally informed business-building decisions to improve brand performance in the multicultural marketplace

• Develop more effective communication outreach approaches by better understanding ethnic consumer barriers and preferences

• Help identify best traditional and alternative marketing and media channels

• Maximize brand awareness efforts and improve brand positioning in the multicultural marketplace

• Utilize U.S. Hispanic and/or African American segmentation models to add precision to your targeting efforts

• Enhance brand acquisition and improve franchise maintenance efforts
Thank You

For more information about purchasing the Yankelovich MONITOR Multicultural Marketing Study, contact:

multicultural@yankelovich.com

877-656-8600

www.yankelovich.com