



THE GROWING AFFLUENCE OF AFRICAN AMERICAN CONSUMERS IS PRESENTING A NEW CHALLENGE TO MARKETEERS. **HY MARIAMPOLSKI** REPORTS FROM SAN FRANCISCO

BIG SPENDERS

The recent Hurricane Katrina disaster in New Orleans betrayed an unpleasant fact about American race relations - the persistence of differences in life chances between whites and blacks. Nevertheless, there is another emerging truth - the growing affluence of African Americans.

Census 2000, which counted 36.4 million African Americans, pointed out that during the previous decade their number grew six times faster than the

non-Hispanic white population. Even more significantly, census data for the same period show that the mean income of AfAm households grew 25.8%, more than four times as fast as that of non-Hispanic white households. More than 1.4 million upper-income African American households boast an annual income exceeding \$75,000. Growing numbers of these increasingly affluent families are living in the suburbs. By 2010 the total

buying power of the African American market is expected to approach \$1 trillion.

The reasons for marketers to stay in close touch with this consumer segment are well articulated in a new book by Pepper Miller and Herb Kemp provocatively titled "*What's Black About It?*". Most importantly, the authors assert, African Americans are the innovators and trendsetters whose influence goes well beyond their own purchases.

Blacks are more likely than whites to keep up with fashions, from music and TV to technology. They outspend whites in numerous categories including home electronics and clothing. They are more likely to be saving for their children's education, pay stronger attention to personal grooming and are increasingly turning to travel as a leisure pursuit. Back in the household, African Americans spend 30% more on their weekly groceries than the US average.

Blacks are brand loyal and trust media that represents "our perspective." *Ebony* and *Essence* magazines are the most popular among nearly 150 publications in which studies show nearly 9 out of 10 readers have confidence. Some advertising campaigns are wisely trying to address the affluent end of the market, such as a recent Chrysler campaign featuring charming banter between bold magnate Lee Iacocca and babe magnet Snoop Dogg.

Miller and Kemp warn that reaching African Americans can be a minefield. Common mistakes involve lack of attention to generational sensibilities and linguistic sensitivities. "*What's Black*" tells marketers how to target this group the right way.

The picture is not entirely rose-tinted. As Texas A&M Sociology Professor Rogelio Saenz points out in a current bulletin from the Population Reference Bureau, the persistent economic disparities continue to leave African Americans "disproportionately vulnerable to the next urban calamity." Blacks are still less likely to own a car or a phone; about 75 percent of African Americans aged 25 or older do not have a college diploma so unemployment continues to plague Blacks. Nevertheless, the evidence suggests that increasingly the images used to represent Blacks in America will reflect their growing aspirations and affluence.

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