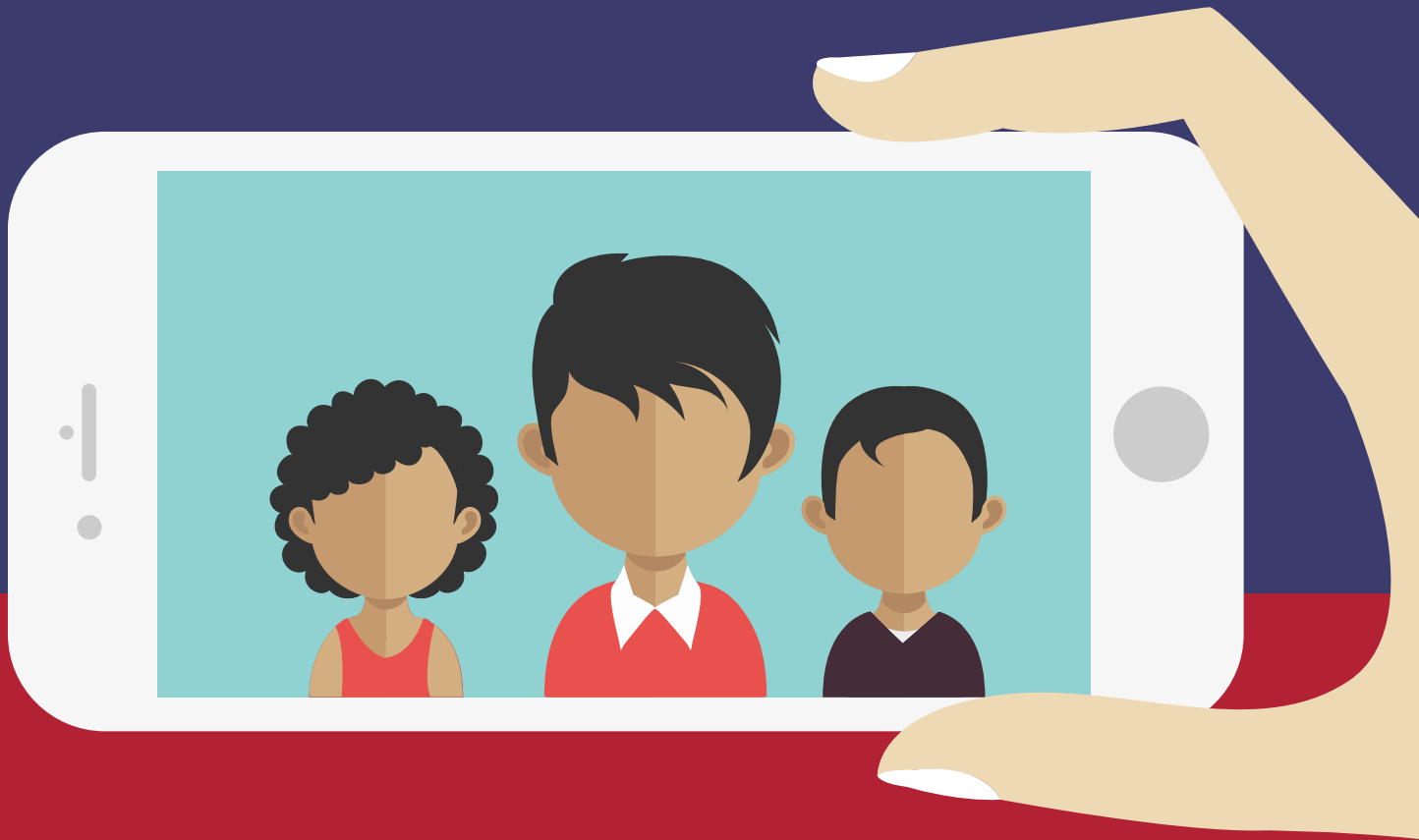


SNIPP!



DIVERSE AND DIGITAL

HOW MULTICULTURAL AMERICANS ARE ALTERING THE MARKETING LANDSCAPE

PART 3/3: MARKETING TO ASIAN AMERICANS

WHITE PAPER

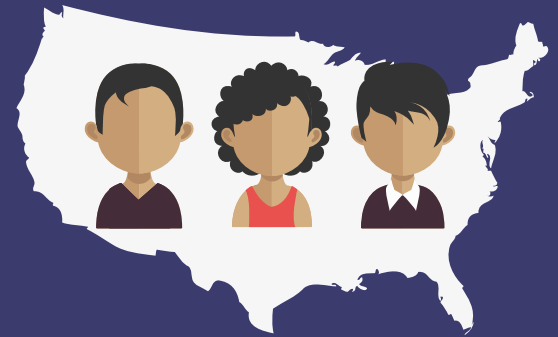
www.snipp.com

The American socio-cultural tapestry is becoming more diverse with each passing day – multicultural consumers, who account for 120 million people (about 35% of all Americans), are the fastest growing segment of the US population¹. Hispanic Americans, Black Americans*, Asian Americans and other Multicultural Americans are projected to make up a majority of the population by 2044².

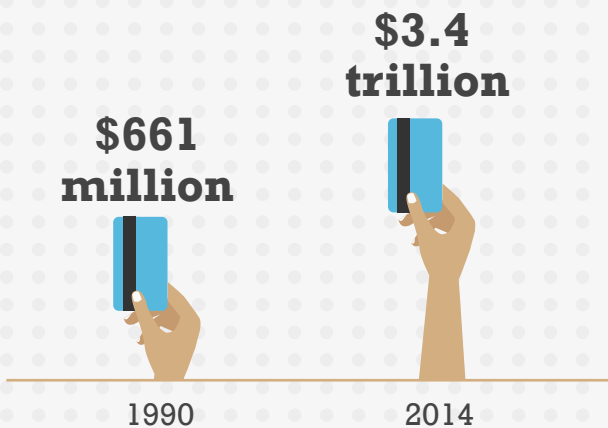
*Please note that the term 'Black Americans' has been used instead of 'African Americans' to indicate that the research for this multicultural demographic also includes people who come from outside Africa, such as the Caribbean.

120 million

The number of multicultural Americans in 2016



The buying power of multicultural Americans has grown exponentially.



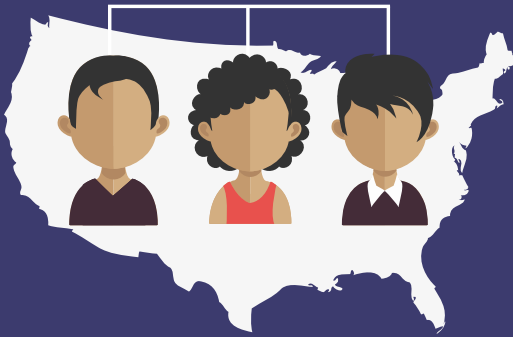
Not only is the Multicultural American population growing, but their buying power is growing at an exponential rate – from \$661 billion in 1990 to \$3.4 trillion in 2014 – more than double the growth of the total U.S. buying power within the same time span³. You may be surprised to learn that Multicultural Americans are younger than the general population and their buying power is projected to increase further⁴.

Not only that, but multicultural consumers comprise a high percentage of the “Super Consumers,” the top 10% of households who drive at least 30% of sales, 40% of growth and 50% of profits⁵. They are using digital devices and social media to celebrate their evolving cultural identities and connect with friends and family halfway around the world. And as they share their culture with their American friends, food, music and movies that were once considered ‘niche’ or ‘exotic’ become entrenched into mainstream American culture – think tacos, martial arts and dancehall music.

Multicultural Americans use their digital devices and social media to connect with friends and family.



MARKETER



Americans who come from a different cultural background are reshaping how marketers and advertisers connect with shoppers. How can marketers ensure that their communication is keeping up with this diverse and dynamic market?

Our whitepaper series will examine key stats and usage behavior of the three largest group of Multicultural Americans – Hispanic Americans, Black Americans and Asian Americans.

We cannot stress enough how important it is for marketers to keep in mind that not all Multicultural Americans are created equal – although we have organized this series of white papers by ethnic groups, marketers must be sensitive to the fact that two 30-year old Indian American women might be radically different in the way they respond to brands – based on factors such as the time they have spent in the United States, their subculture and their level of integration into mainstream American culture. Marketing to Multicultural Americans offers a huge potential for increased sales and revenue, but if campaigns are not carefully created and executed, marketers run the risk of offending and alienating shoppers.

Factors Marketers Must Keep in Mind When Communicating With Multicultural Americans



Time they have spent in the United States



Their Subculture

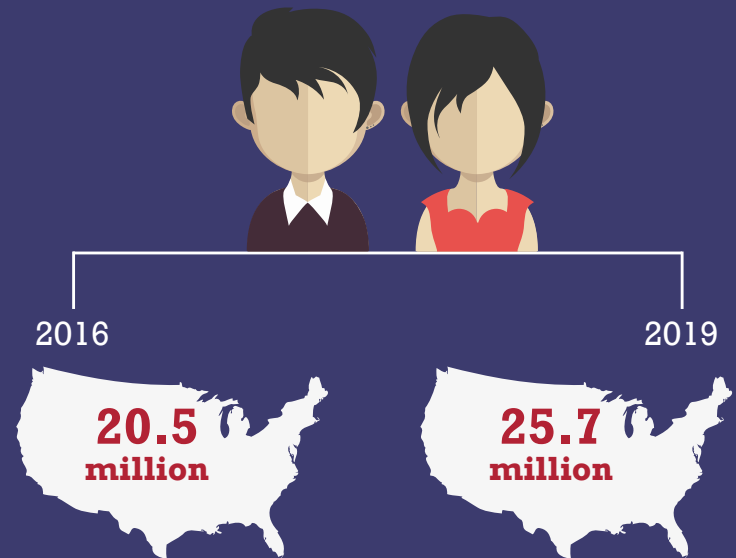


Their level of integration into mainstream American culture

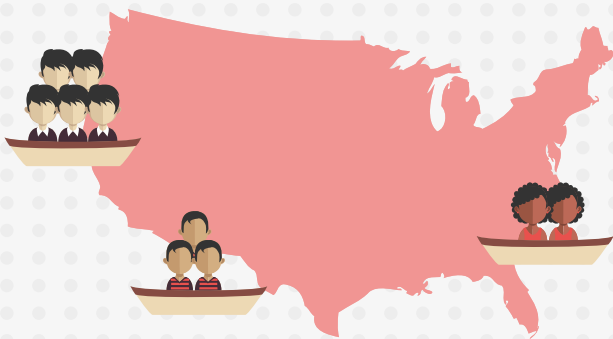
PART 3/3: MARKETING TO ASIAN AMERICANS

Asian Americans represent the fastest-growing, highest-income, and most-educated population segment in the United States⁶. From 2009–2014, the Asian American population grew 25%⁷. Almost 20.5 million strong, Asian Americans today represent 6% of the total U.S. population⁸. Driven largely by new immigrants coming to the U.S., the Asian American population is expected to grow to 25.7 million by 2019⁹.

The Number of Asian Americans



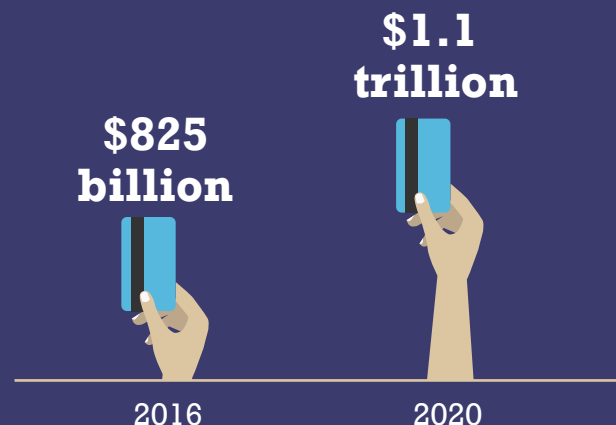
Net immigration of Asian Americans into the U.S. has exceeded immigration of other races and ethnicities.



U.S. Census projections show that by 2055, Asian Americans will surpass Hispanics as the largest immigrant group in the U.S. Driven primarily by emigration from China and India, net immigration of Asians into the U.S. has exceeded immigration of all other races and ethnicities since 2013¹⁰. Presently, 46% of Asian Americans live in the West, and 40% (1.65 million) of the total Asian American population growth from 2009–2014 occurred in the West¹¹.

Asian Americans are a powerful driving force in the U.S. economy, currently representing \$825 billion in buying power¹². Put another way, Asian American buying power is slightly larger than the gross domestic product (GDP) of Turkey, and in less than 4 years, this buying power is expected to increase 32% to \$1.1 trillion¹³.

The buying power of Asian Americans.



Asian Americans spend **2.4** times more than the general population on trips and travel.

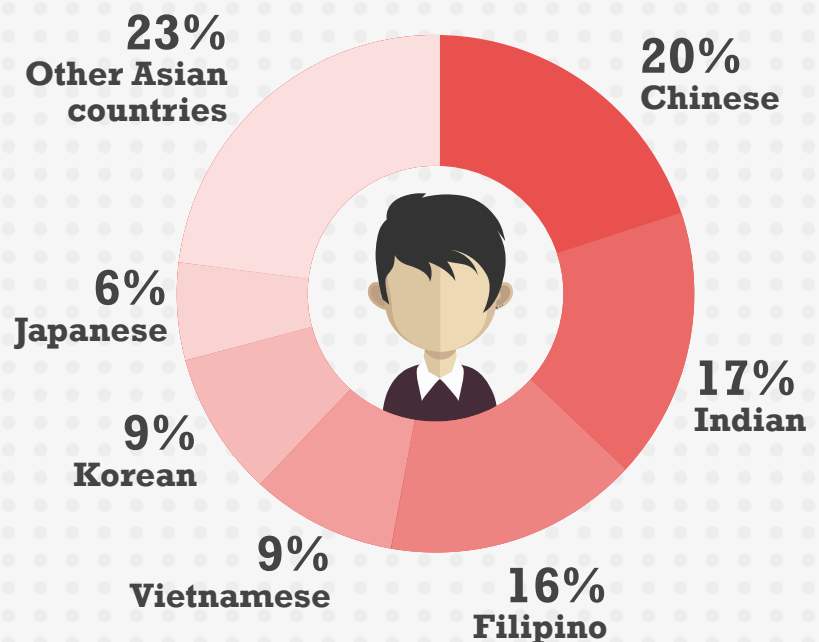


As a whole, Asian Americans' average yearly expenditure is just over \$53,000, which is 18% higher than that of the general U.S. population¹⁴. What are they spending on? In short: everything! Asian Americans over-index in spending on all clothing and apparel categories, child care, and small appliances¹⁵. One fact that may be particularly interesting to marketers is that Asian Americans spend 2.4 times more than the general population on trips and travel¹⁶.

ASIAN AMERICANS ARE ETHNICALLY AND LINGUISTICALLY DIVERSE

Understanding the diversity of the Asian American population is critical in order to optimize products and services to meet the needs of this diverse community. Hailing from more than 40 countries of origin, Asian Americans are a diverse group. Asian Americans of Chinese ancestry form the largest subgroup at 20%¹⁷ followed by Indian Americans at 17% and Filipino-Americans at 16%. The next largest groups are Vietnamese Americans (9%), Korean Americans (9%) and Japanese Americans (6%)¹⁸.

Demographic Break-up of Asian Americans

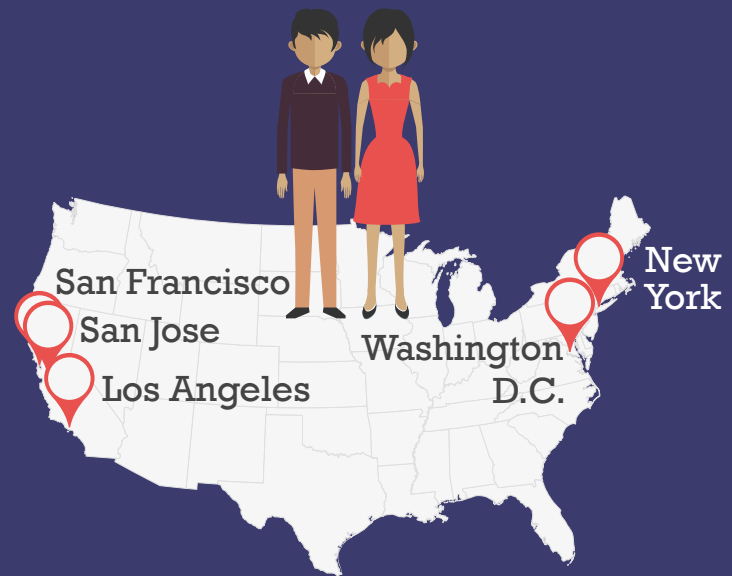


Asian Americans consume content in English as well as their native language. A study by Nielsen found that nearly half of Asian Americans are dual-language viewers, meaning that they watch English TV and also watch TV in an Asian language¹⁹.

POPULATION DENSITY IN CITIES

The majority of recent Asian immigrants live in large cities²⁰. In fact, 63% are located in 15 U.S. cities. The top 5 metropolitan areas for recent Asian immigrants are New York, Los Angeles, San Francisco, Washington D.C. and San Jose²¹. Therefore, digital marketing campaigns and promotions targeting Asian Americans could be run in these cities with the greatest population density.

The top 5 metropolitan areas for recent Asian immigrants:



On average, Asian Americans spend 19.1 hours online a week on a computer, smartphone or tablet.



INTERNET USAGE & STREAMING VIDEO ON DEMAND

An overwhelming majority (93%) of Asian American households have high-speed Internet access - which is 16% greater than the general population²². On average, Asian Americans spend a total of 19.1 hours online a week on a computer, smartphone or tablet, which is 0.8 hours more than the total US population²³.

SOCIAL MEDIA

Asian Americans are choosing to connect in-language on social media, with 42% communicating with friends in an Asian language half of the time or more on Facebook, and 44% of Asian Americans say that accessing cultural content not available on other media is an important reason for using Facebook²⁴.



44% of Asian Americans use Facebook for accessing cultural content.

LEVERAGING LOYALTY TO ASIAN AMERICANS

Asian American Millennial women, who are heads of their households, are tremendously loyal to brands and are very likely to purchase when they receive a deal or use coupons when stocking up – they are 31% more likely to use a manufacturer’s coupon when they make a purchase. They also make a much higher number of shopping trips to drugstores, department stores, and warehouse clubs – so seamless omni-channel marketing would greatly improve the shopping experience for these affluent and technologically savvy consumers. Marketers should focus on sending digital promotions for in-store discounts and other value-based promotions.

Asian Americans make a high number of trips to brick-and-mortar stores, so marketers should engage them with in-store discounts and other value-based promotions.



KEY TAKEAWAYS TO INCREASE ENGAGEMENT WITH ASIAN AMERICANS

TAKEAWAY #1 - EMBRACE THE DIVERSITY OF BACKGROUNDS

Asian Americans in the US come from many countries, each representing unique cultural values, beliefs and languages. According to a study by Facebook Insights, 81% of Asian Americans feel that their unique cultural heritage is an important factor that determines how they define themselves²⁵. Therefore, marketers must be aware of important holidays celebrated by the most populous Asian American groups such as Chinese New Year, Diwali, Holi, Eid, Tet and Christmas. It is worth mentioning that since many Asian holidays follow a lunar calendar, the holidays are not celebrated on the same day each year.



TAKEAWAY #2 - USE CRM TO CUSTOMIZE MESSAGING AND INVEST IN DUAL-LANGUAGE MARKETING

Since Asian Americans over-index in online shopping, tech adoption and smartphone usage, inbound marketing is a smart investment. However, most brands aren't targeting Asian Americans effectively²⁶. Treating Chinese, Korean, South Asian and Filipino consumers the same just doesn't work! Marketers must address their individual cultural nuances by segmenting their data and customizing content, imagery and creative for each group²⁷.

Marketers must engage Asian Americans by addressing their individual cultural nuances.



One way to do this would be through highly-customized, dual-language messaging. With close to half of all Asian Americans using languages other than English, dual-language marketing is more integral to reaching Asian Americans than other cultural segments. Three out of four are foreign-born and often feel more comfortable consuming in-language content. Even Asian Americans who speak English outside the home use in-language media and consider it a vital part of their cultural heritage²⁸. The languages that are most commonly spoken by Asian Americans in the United states are: Mandarin, Cantonese, Hindi, Vietnamese, Korean and Japanese.

TAKEAWAY #3 - INTEGRATE CONTENT THAT REFLECTS THE ASIAN AMERICAN EXPERIENCE

From celebrating holidays like Lunar New Year to viewing Bollywood movies, Asian Americans are passionate about staying connected to their culture and heritage. Marketers can help by providing unique and relevant content. For example, BuzzFeed is winning with Asian Americans by posting content that reflects the Asian American experience in a personal and spot-on way. By publishing articles such as "22 Signs You Grew up with Immigrant Chinese Parents" and "21 Annoying Comments Filipinos Are Tired of Hearing", BuzzFeed is a platform for Asian American voices that are fresh, funny and relatable²⁹.

Asian Americans are passionate about staying connected to their culture and heritage.



CONCLUSION

The Asian American population in the US accounts for about 6% of the total population and have a spending power that is expected to reach \$1.1 trillion within the next few years, so marketers cannot ignore the fact that this group is powerful. Extremely competent across devices, Asian Americans seek content both in English and in their native language – often at the same time. Marketers who can create multi-language and multi-channel communications will find great success in resonating with this globe-trotting demographic. As avid travellers, Asian Americans seek new thrills and exciting adventures both online and in every day life while always celebrating their own culture wherever they are, and brands must work to add value to these experiences.

Marketing to Multicultural Americans certainly presents a huge potential to drive sales and engage in lifelong loyalty, and marketers must ensure that their messaging genuinely connects with the demographic they are trying to reach. Our three-part series has covered three of the largest population groups in the United States – Hispanic, African, and Asian Americans – and has hopefully provided marketers with the information to authentically create targeted and effective marketing for each influential demographic.

CONTACT US

- ✉ lets.talk@snipp.com
- 🌐 www.snipp.com
- f www.facebook.com/Snipplnc
- t www.twitter.com/snippinc
- in www.linkedin.com/company/snipp

- Snipp is a global loyalty and promotions company with a singular focus: to
- develop disruptive engagement platforms that generate insights and drive
- sales. Our solutions include shopper marketing promotions, loyalty,
- rewards, rebates and data analytics, all of which are seamlessly integrated
- to provide a one-stop marketing technology platform. We also provide the
- services and expertise to design, execute and promote client programs.
- SnippCheck, our receipt processing engine, is the market leader for
- receipt-based purchase validation; SnippLoyalty is the only unified loyalty
- solution in the market for CPG brands. Snipp has powered hundreds of
- programs for Fortune 1000 brands and world-class agencies and partners.

REFERENCES

- ¹ The Multicultural Edge: Rising Super Consumers (2015), Nielsen
- ² Ibid.
- ³ Ibid.
- ⁴ Ibid.

REFERENCES (CONTD.)

⁵ Ibid.

⁶ Asian Americans: Culturally Diverse and Expanding Their Footprint (2016), Nielsen

⁷ Ibid.

⁸ Ibid.

⁹ Ibid.

¹⁰ Ibid.

¹¹ Ibid.

¹² Ibid.

¹³ Ibid.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ Ibid.

¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ <http://www.nielsen.com/us/en/press-room/2016/nielsen-Asian-Americans-flex-consumer-influence-across-regions.html>

²⁰ Ibid.

²¹ Ibid.

²² Asian Americans: Culturally Diverse and Expanding Their Footprint (2016), Nielsen

²³ <https://insights.fb.com/2015/03/05/closer-look-Asian-Americans-us/>

²⁴ Ibid.

²⁵ <http://www.adweek.com/socialtimes/facebook-iq-video-multicultural/630073>

²⁶ <http://www.adageindia.in/digital/digitalnext/how-buzzfeed-is-winning-with-Asian-Americans/articleshow/48363925.cms>

²⁷ Ibid.

²⁸ Ibid.

²⁹ <http://adage.com/article/digitalnext/buzzfeed-winning-Asian-Americans/299823/>