

The background features a complex, abstract design. On the right side, there is a dense, curved grid of thin lines in various colors (blue, green, yellow, red, purple) that create a sense of depth and movement. On the left side, several thin lines extend from the top towards the center, each ending in a small, solid-colored dot (blue, green, yellow, red).

nielsen

MULTICULTURAL CONSUMERS: THE NEW MAINSTREAM

OCTOBER 2015

TODAY'S AGENDA

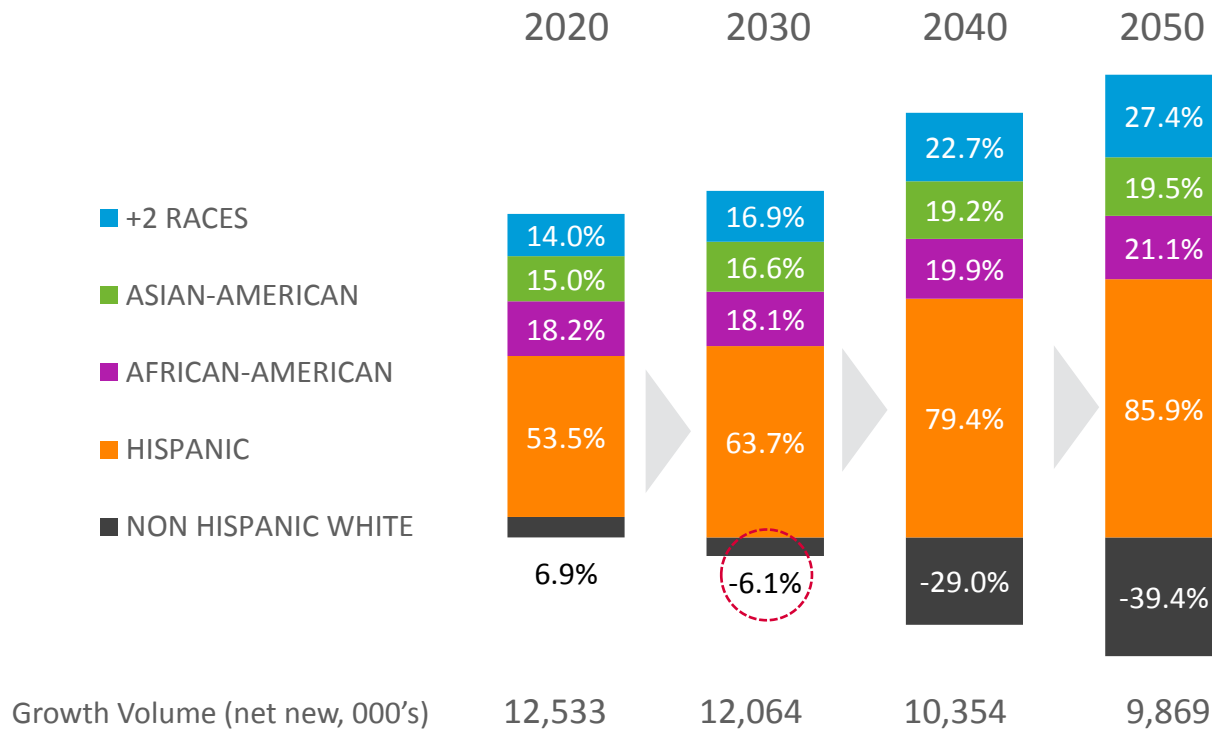
- The Changing American Consumer
- Multicultural Industry Impact
- How do you connect?
- Closing Thoughts

CHANGING THE FACE OF AMERICA'S FUTURE



AMERICAN DIVERSITY IS DESTINY

GROWTH IN POPULATION BY RACE & ETHNICITY



92% of the total growth in U.S. population from 2000 to 2014 came from multicultural consumers

THE REALITY OF A MULTICULTURAL FUTURE

Rank	Name	State	Nielsen DMA
1	Los Angeles County	CA	Los Angeles, CA
2	Cook County	IL	Chicago, IL
3	Harris County	TX	Houston, TX
4	Maricopa County	AZ	Phoenix et al, AZ
5	San Diego County	CA	San Diego, CA
6	Orange County	CA	Los Angeles, CA
7	Miami-Dade County	FL	Miami-Ft. Lauderdale, FL
8	Kings County	NY	New York, NY
9	Dallas County	TX	Dallas-Ft. Worth, TX
10	Queens County	NY	New York, NY
11	Riverside County	CA	Los Angeles, CA
12	San Bernardino County	CA	Los Angeles, CA
13	King County	WA	Seattle-Tacoma, WA
14	Clark County	NV	Las Vegas, NV
15	Tarrant County	TX	Dallas-Ft. Worth, TX
16	Santa Clara County	CA	San Francisco et al, CA
17	Broward County	FL	Miami-Ft. Lauderdale, FL
18	Bexar County	TX	San Antonio, TX
19	Wayne County	MI	Detroit, MI
20	New York County	NY	New York, NY
21	Alameda County	CA	San Francisco et al, CA
22	Middlesex County	MA	Boston et al, MA-NH
23	Philadelphia County	PA	Philadelphia, PA
24	Suffolk County	NY	New York, NY
25	Sacramento County	CA	Sacramento et al, CA

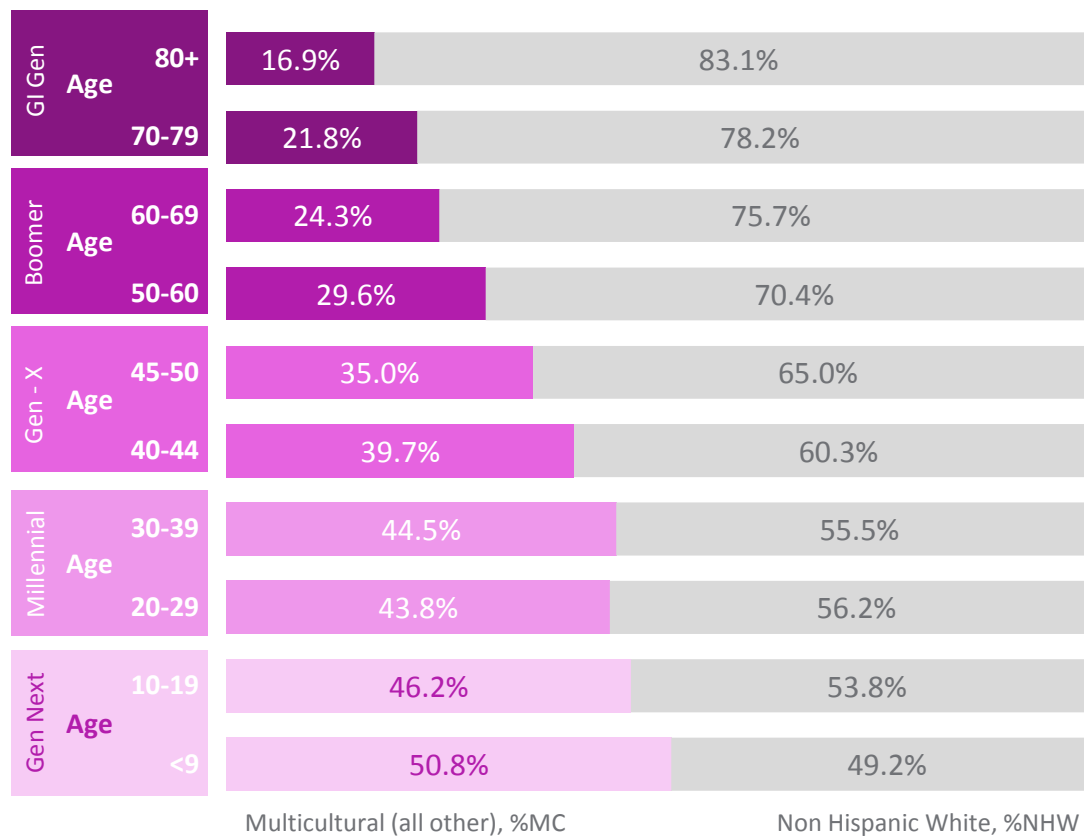
21 of 25

MOST POPULATED COUNTIES ARE
MULTICULTURAL MAJORITY

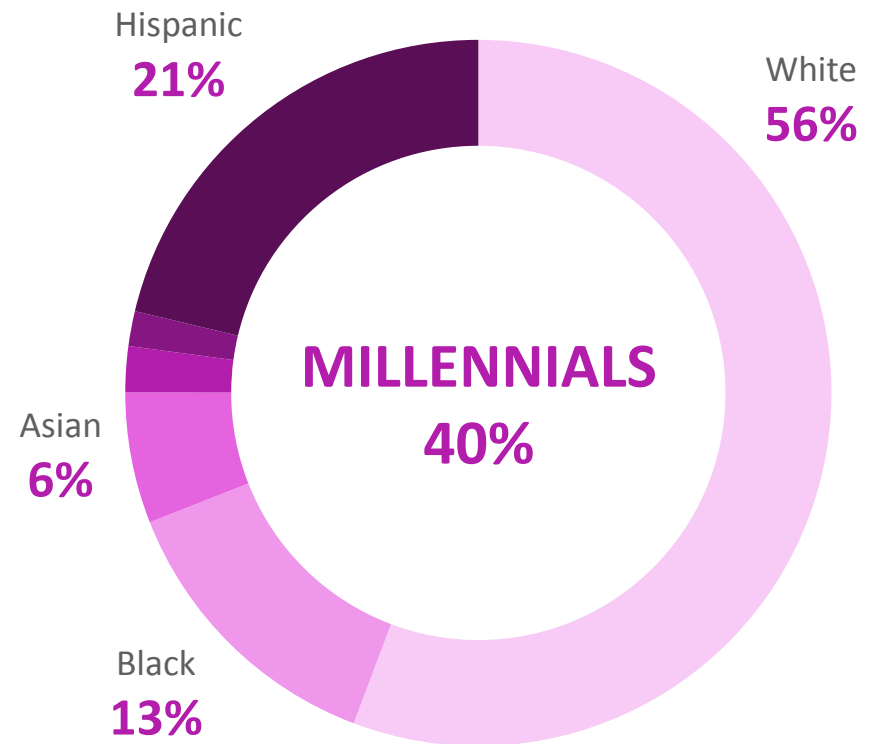
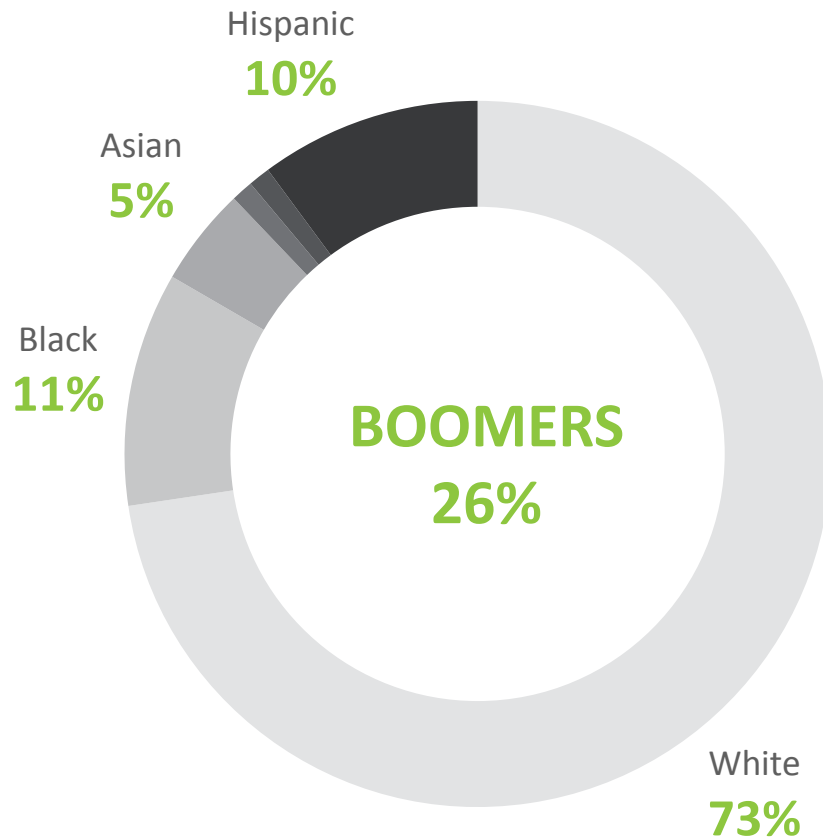


Source: Nielsen The Multicultural Edge: Super Consumers Rising March 2015 Report

GENERATION NEXT IS ALREADY A MULTI-CULTURAL MAJORITY



YOU CANNOT TALK MILLENNIALS WITHOUT ADDRESSING MULTI-CULTURALS



YEARS OF EFFECTIVE BUYING POWER STRONGEST AMONG MULTICULTURAL CONSUMERS



WHITE
NON HISPANIC



AFRICAN -
AMERICAN



ASIAN -
AMERICAN



HISPANIC

	WHITE NON HISPANIC	AFRICAN - AMERICAN	ASIAN - AMERICAN	HISPANIC
LIFE EXPECTANCY	78.7	74.3	87.3	83.5
MEDIAN AGE	42	32	35	27
YEARS OF EFFECTIVE BUYING POWER	37	42	52	57

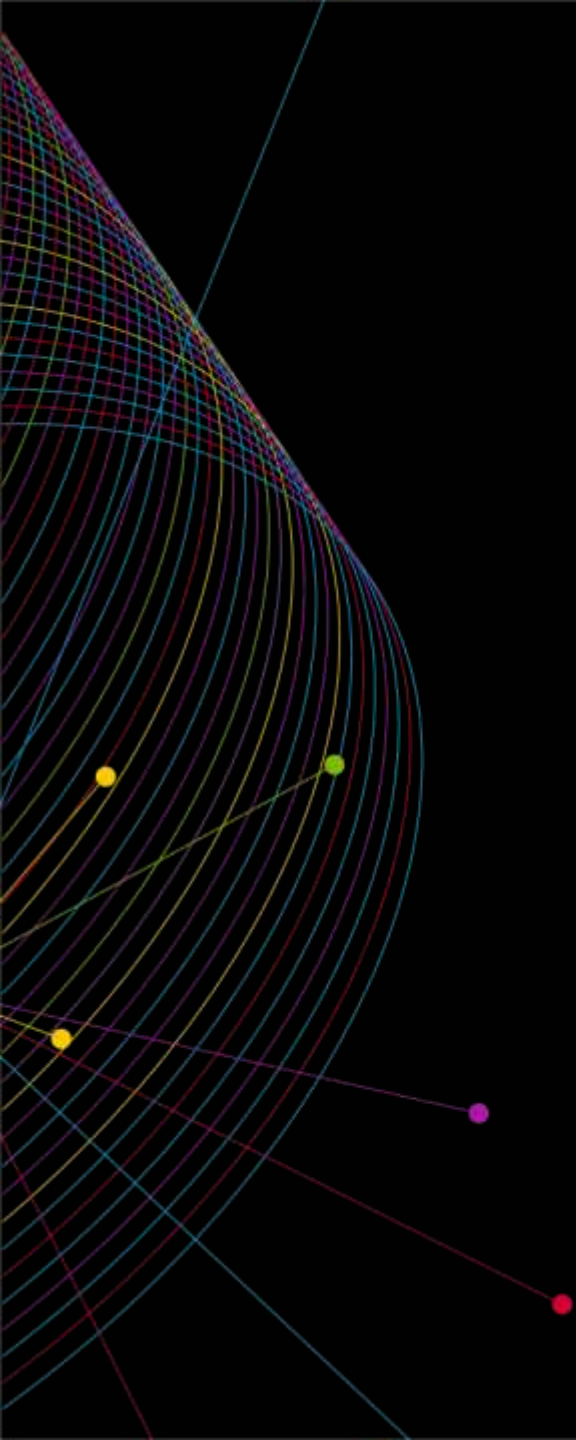
MULTICULTURAL CONSUMERS ARE TRANSFORMING THE MAINSTREAM

\$3.4 TRILLION
IN COMBINED MULTICULTURAL
BUYING POWER



+2.3 MILLION
NEW MULTICULTURAL
CONSUMERS EVERY YEAR





WHO IS TODAY'S LATINO?

HISPANICS ARE CHANGING

Hispanic population now is...



Better educated



More bilingual



More affluent



Younger

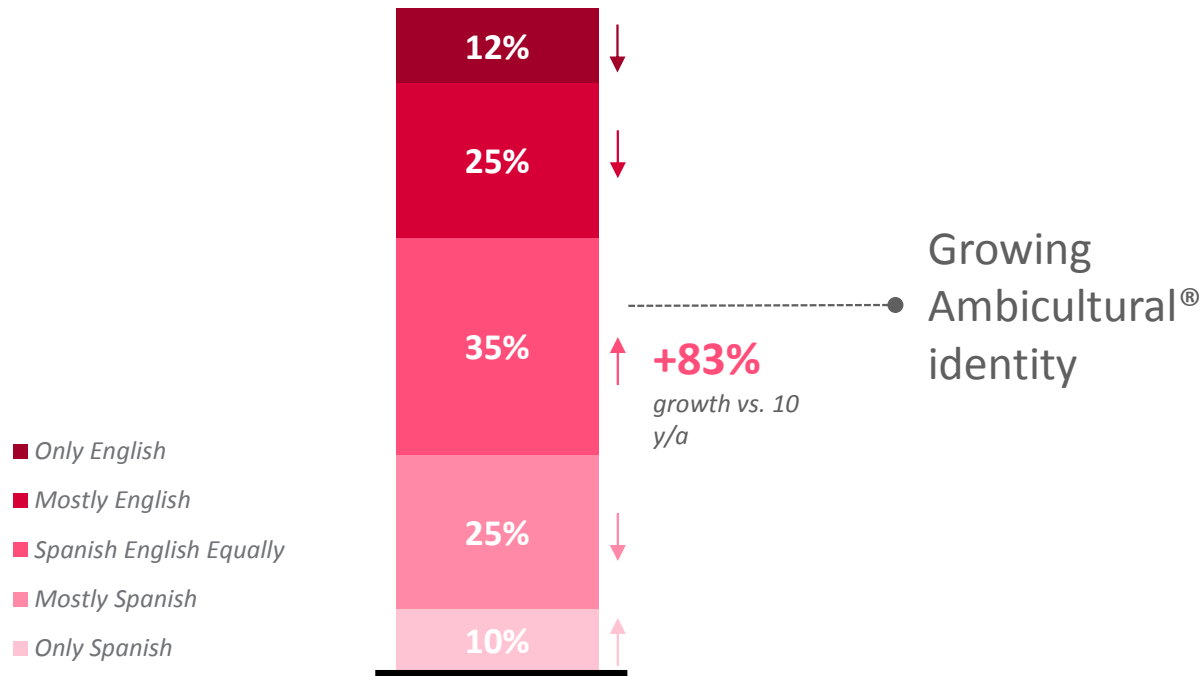


Digitally savvy



MERELY 22% OF HISPANIC HOUSEHOLDS SPEAK ONLY ONE LANGUAGE

Language Distribution Across Hispanic Households
(change vs. 10 years ago)



THE ROAD TO ACCULTURATION IS NOT LINEAR AND FOR MANY IT IS A MYTH



HISPANIC ADULTS SAY THEY WANT TO BE **MORE LATINO** 31%

HISPANIC ADULTS SAY THEY WANT TO BE **BICULTURAL** 60%

INTERMARRIED COUPLES CLASSIFIED THEIR CHILDREN AS **HISPANIC IN 2011** VS. 35% IN 1991 72%

HISPANIC PARENTS WANT THEIR CHILDREN TO BE **BILINGUAL** 90%

“CULTURAL DUALITY” IS MORE LIKELY THE NORM

PITBULL

"I was too Hip-Hop for Latin and I was too Latin for Hip-Hop....."



CULTURAL CONSTANTS FOR LATINOS



**TECHNOLOGY
IS A CULTURAL
ENABLER**

Allows us to
stay connected
to our roots
here and
abroad



**LANGUAGE
IS A
CONNECTOR**

We speak in the
language we are
most
comfortable in
different
environments



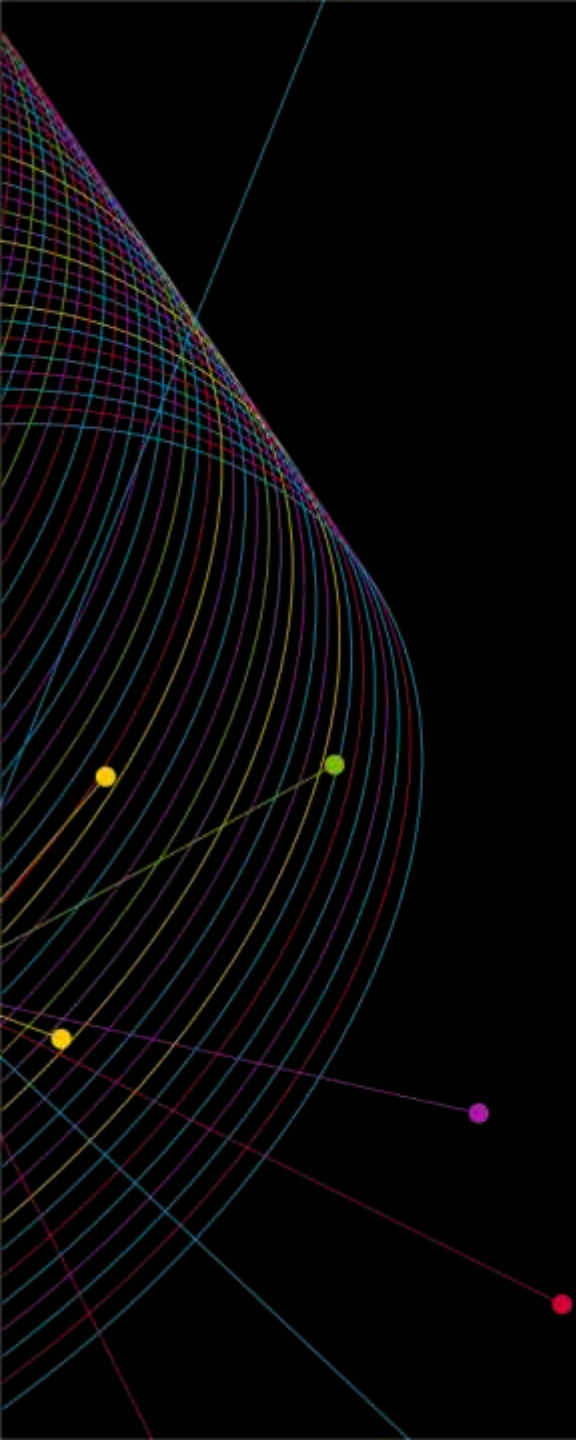
**CULTURE IS
ADDITIVE**

It will be passed
on



**FAMILY
COMES FIRST**

Often before
individual desires

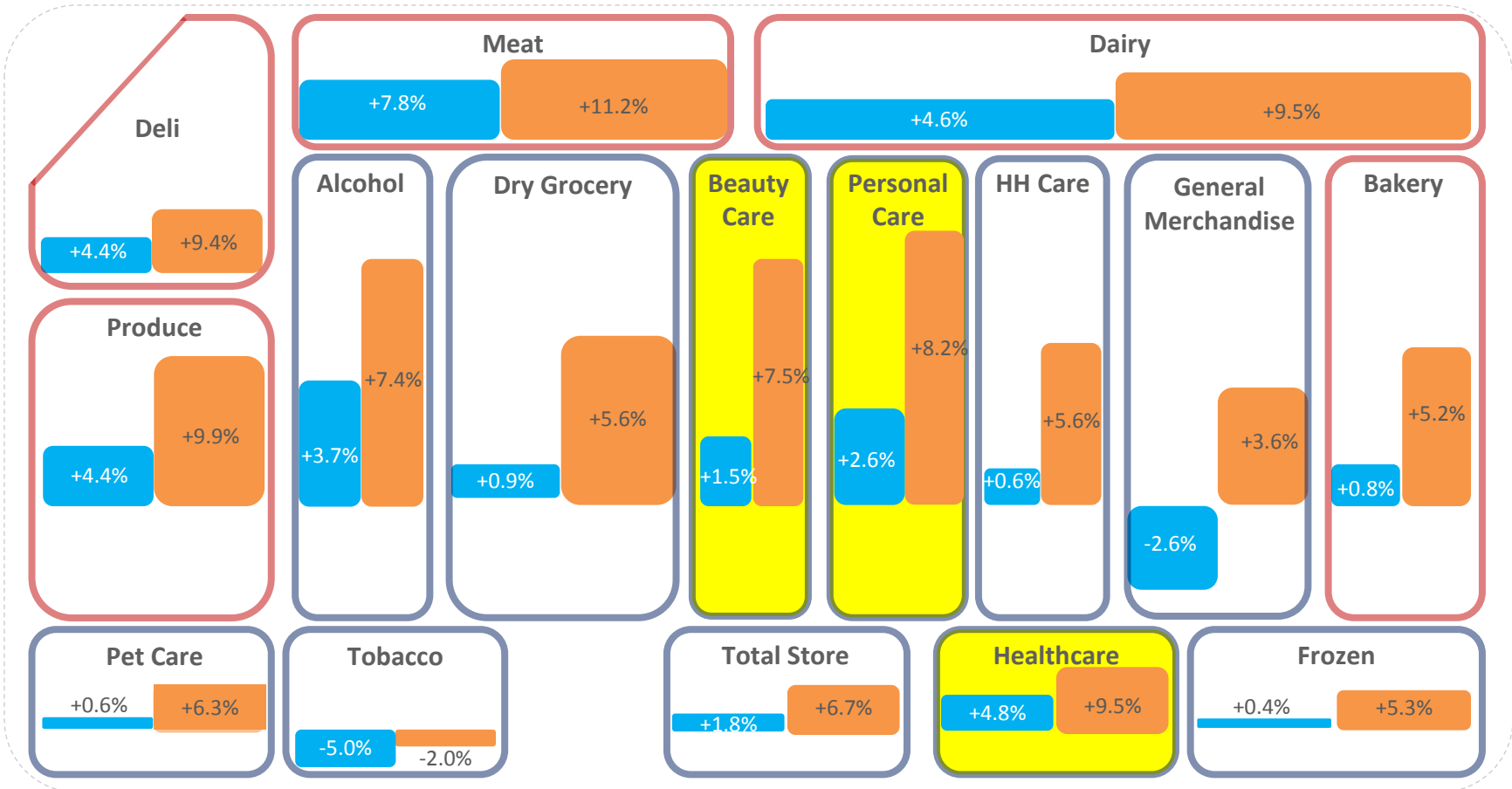


THE MULTI-CULTURAL IMPACT

HISPANIC GROWTH OPPORTUNITY IS NOW... PARTICULARLY IN HEALTH & BEAUTY CARE

Total Market
Hispanic

Dollar Volume Growth by Department



Source: Nielsen RMS, 52 weeks ending 3/21/15 – xAOC vs Hispanic

CONTRASTING TWO LATINA SEGMENTS

Cultural Mindset Drives Preferences for Traditional Beauty Approaches and Ethnic Products



LATINISTAS

- Beauty generates external validation
- Hispanic-centered and traditional
- Need to fit in and risk averse

- Follow their mother's footsteps
- Seek beauty product reassurance
- More comfortable with trusted brands
- Highly impacted by word-of-mouth

AMERI-FANS

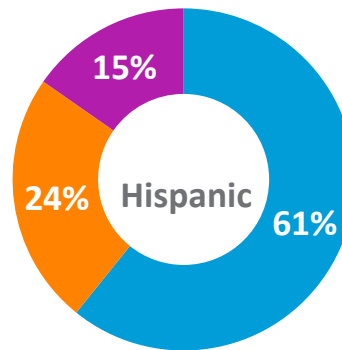
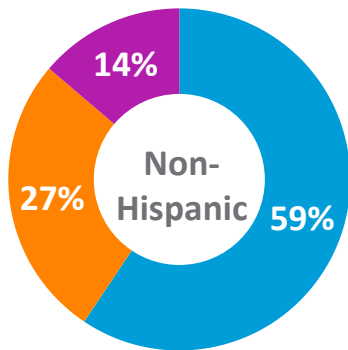
- Conforming yet individualistic approach to beauty
- Committed to being American
- Aspire to economic and material success; want to integrate into American culture



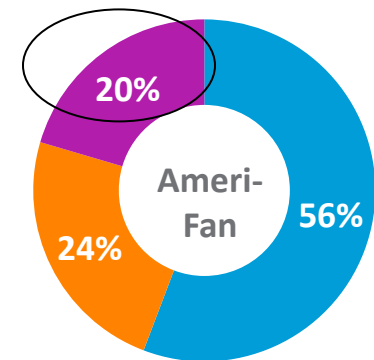
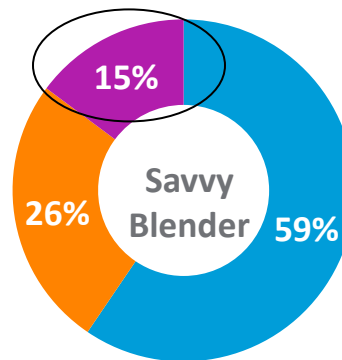
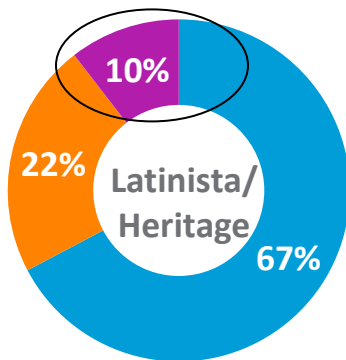
- Spend money on themselves and on beauty categories
- Open to specialized products and more regimen oriented
- Less likely to use ethnic beauty products
- Want to "keep up with the Joneses"

LATINA APPROACH TO BEAUTY IS MULTI-DIMENSIONAL

Out of the six Facial Cosmetics segments*, how many are buying...?



■ 1 Segment Only
 ■ 2 Segments Only
 ■ 3+ Segments



*Segments = Face Blush, Face Bronzer, Face Powder, Face Foundation, Face Concealer, Compact Kit

HOW DOES CLAIMED HEALTH CONDITION VARY BY MULTICULTURAL SEGMENT?

Ailment Index	% US HHs	Diabetes Type II	Chronic Constipation	Irritable Bowel Syndrome	Allergy
Caucasian	76%	99	99	110	101
Hispanic	13%	103	108	81	103
African-American	12%	114	107	70	91
Asian	4%	74	72	26	95
Lower Income	19%	118	144	126	99
Middle Income	42%	105	103	100	101
Affluent	39%	86	75	87	100

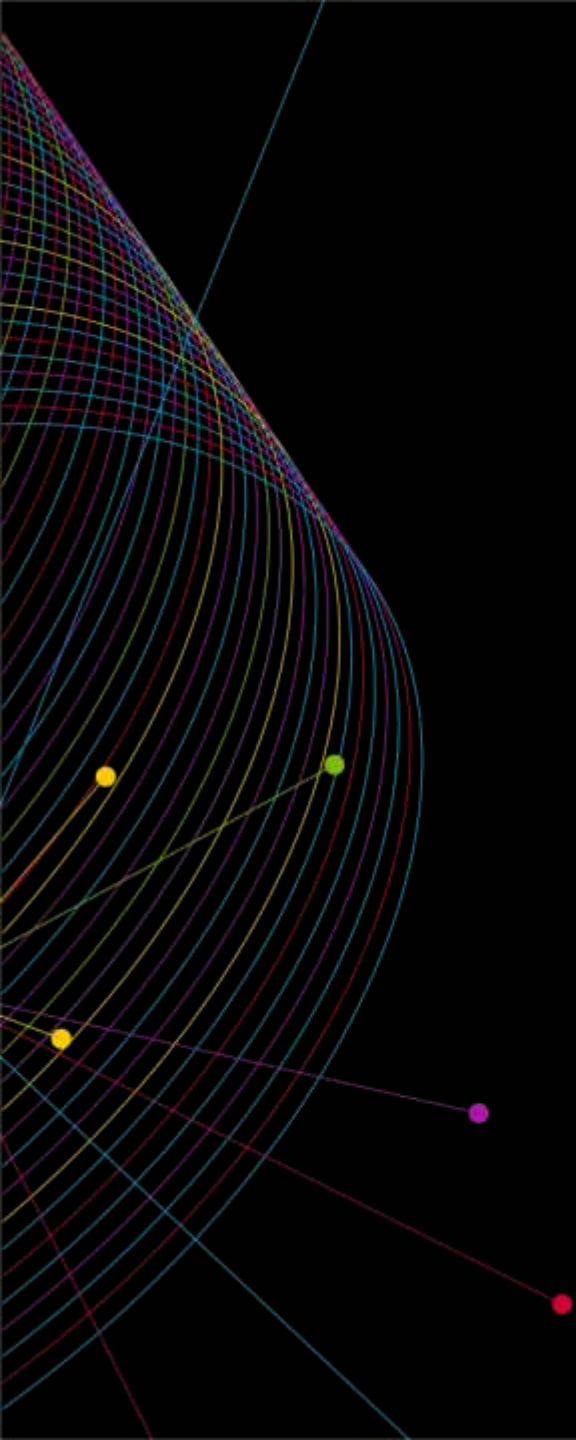
Understanding OTC Demand is Critical

The economic reality of health

THE MAJORITY OF HISPANICS* CONSIDER THEMSELVES IN VERY GOOD/EXCELLENT HEALTH

	Caucasion	African American	Hispanic	Asian
Total Rx Medications	2.6	2.0	1.7	1.5
Health Excellent/ Very Good	47%	41%	60%	48%
No Primary Doctor	16%	15%	22%	17%
Annual # Dr Visits	5.8	4.8	5.2	2.6
Has Health Insurance	92%	88%	89%	90%

Source: Nielsen Strategic Health Perspectives, June 2015, Survey of US Consumers. Sample sizes: White 3480, African American/Black 463, Hispanic 585 (note skews towards more acculturated Hispanics – survey conducted in English only.)

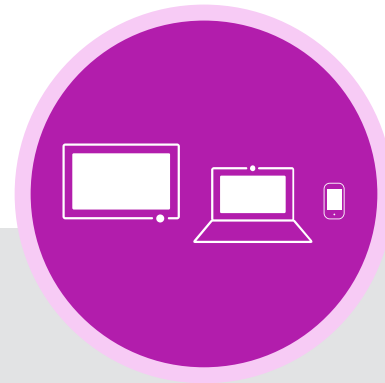


HOW DO YOU CONNECT?

SO... CAN WE CONNECT THIS TO MEDIA?

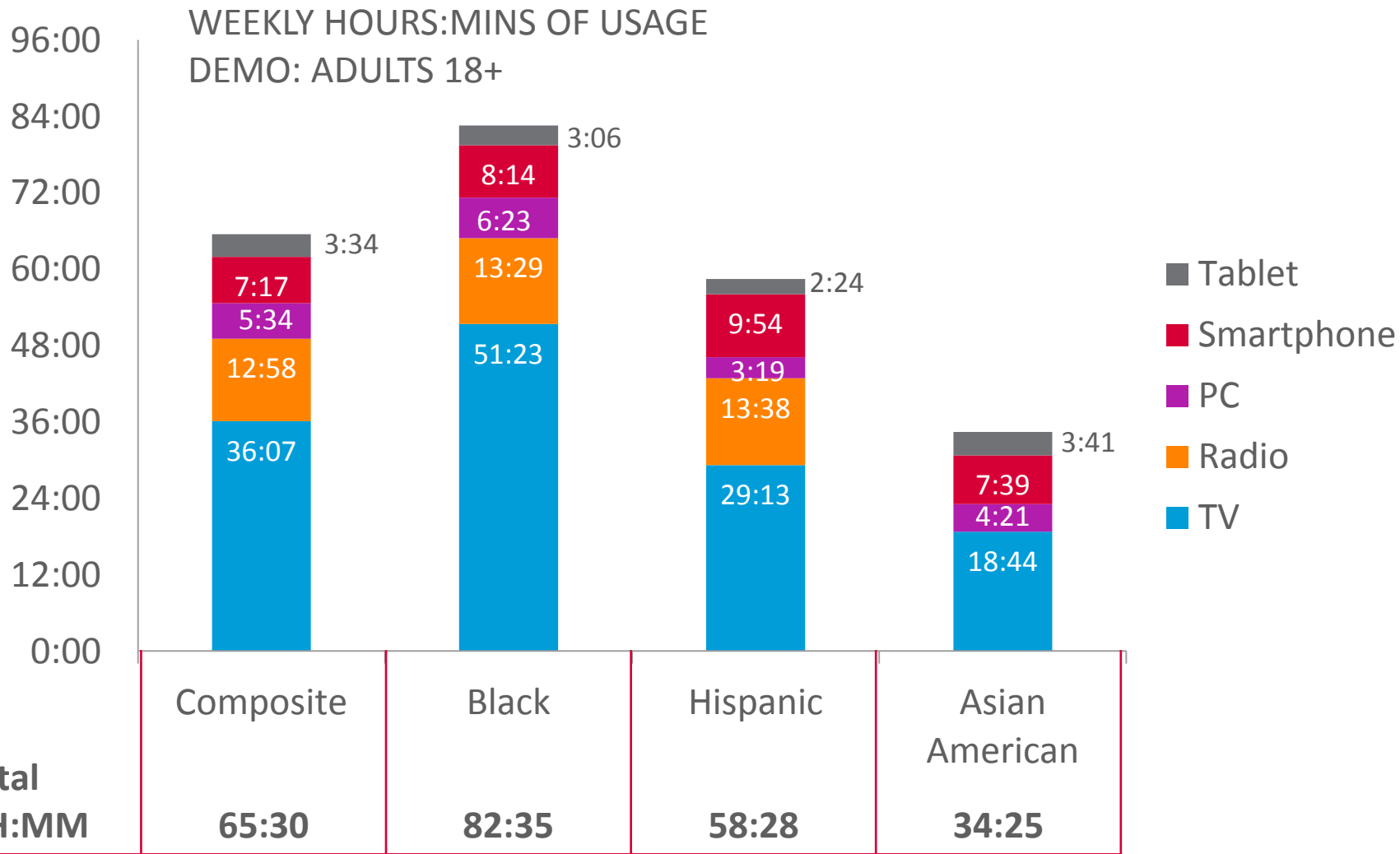


HOW DO ADVERTISERS FIND
AND TARGET MULTICULTURAL
CONSUMERS IN MEDIA?



WHAT ABOUT CONTENT,
PRODUCTS?

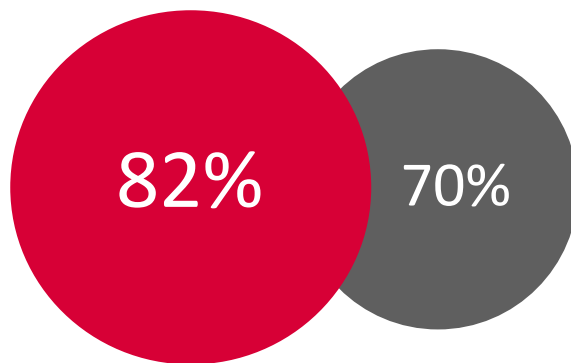
TV & RADIO STILL REIN SUPREME FOR OVERALL USAGE – MOBILE IS CLOSE 3RD



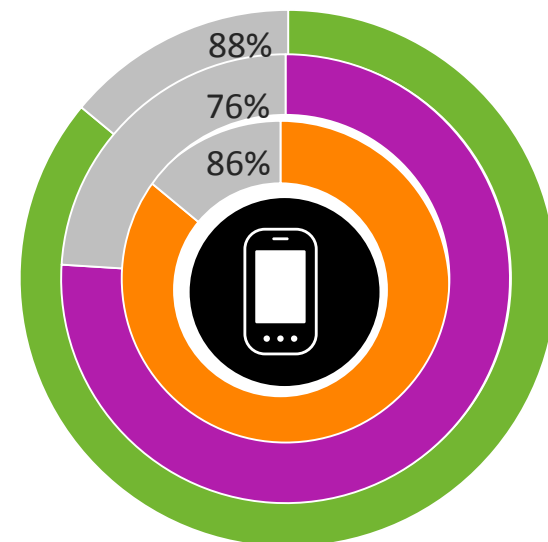
Source: Nielsen, Total Audience Report | Q1'15 | Adults 18+

TECHNOLOGY PROVIDES A BRIDGE BETWEEN CULTURAL, NATIONAL AND INTERNATIONAL BORDERS

INTERNET-CONNECTED SMARTPHONE USAGE FOR HEAVY CONSUMERS OF KEY CATEGORIES



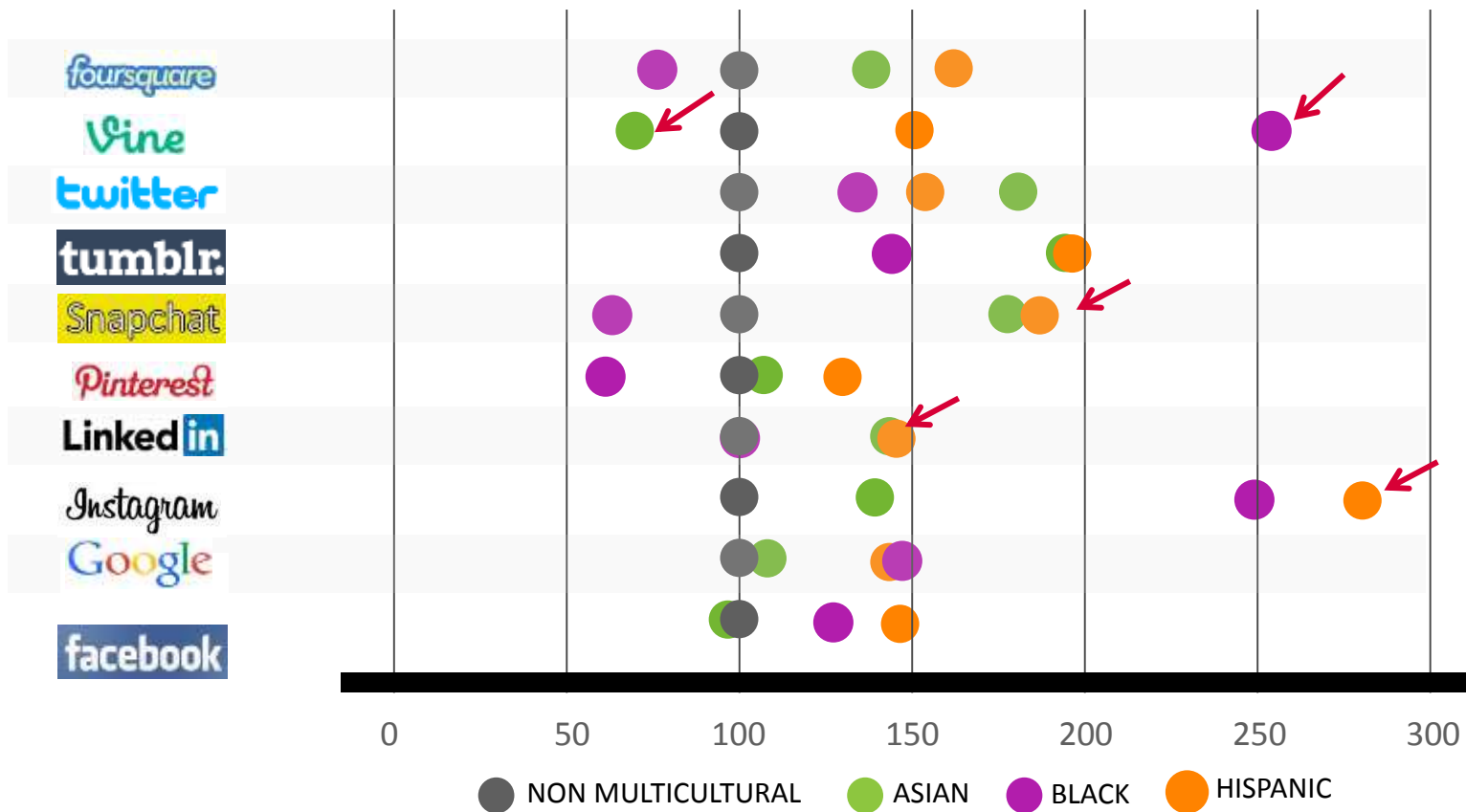
● MULTICULTURAL ● NON MULTICULTURAL



● ASIAN ● BLACK ● HISPANIC

TECHNOLOGY USAGE OFFERS CULTURAL CUES TO INFORM YOUR STRATEGY

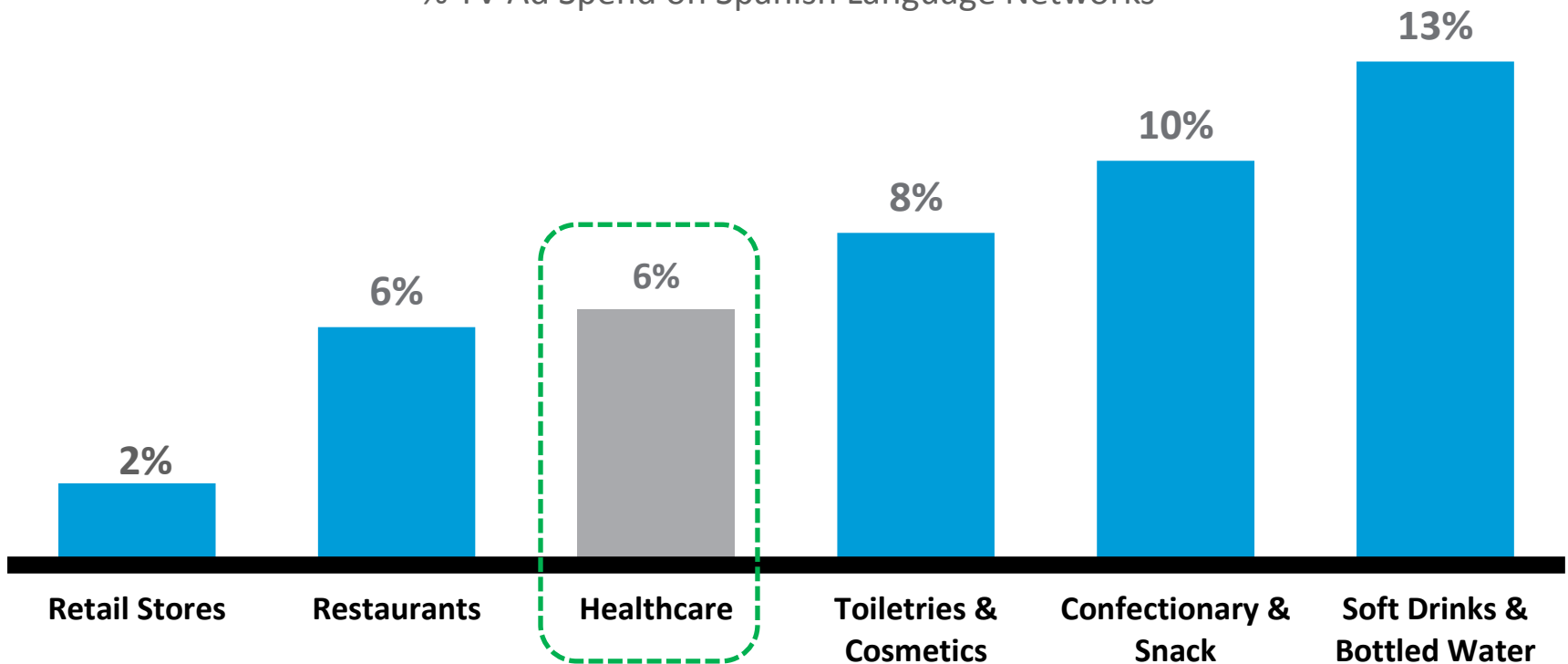
MOBILE APPLICATION DURATION INDEX FOR HEAVIEST USERS OF MOBILE APPLICATIONS



HISPANIC HEALTHCARE AD SPENDING LAGS OTHER SECTORS

2014 Category Comparison

% TV Ad Spend on Spanish Language Networks

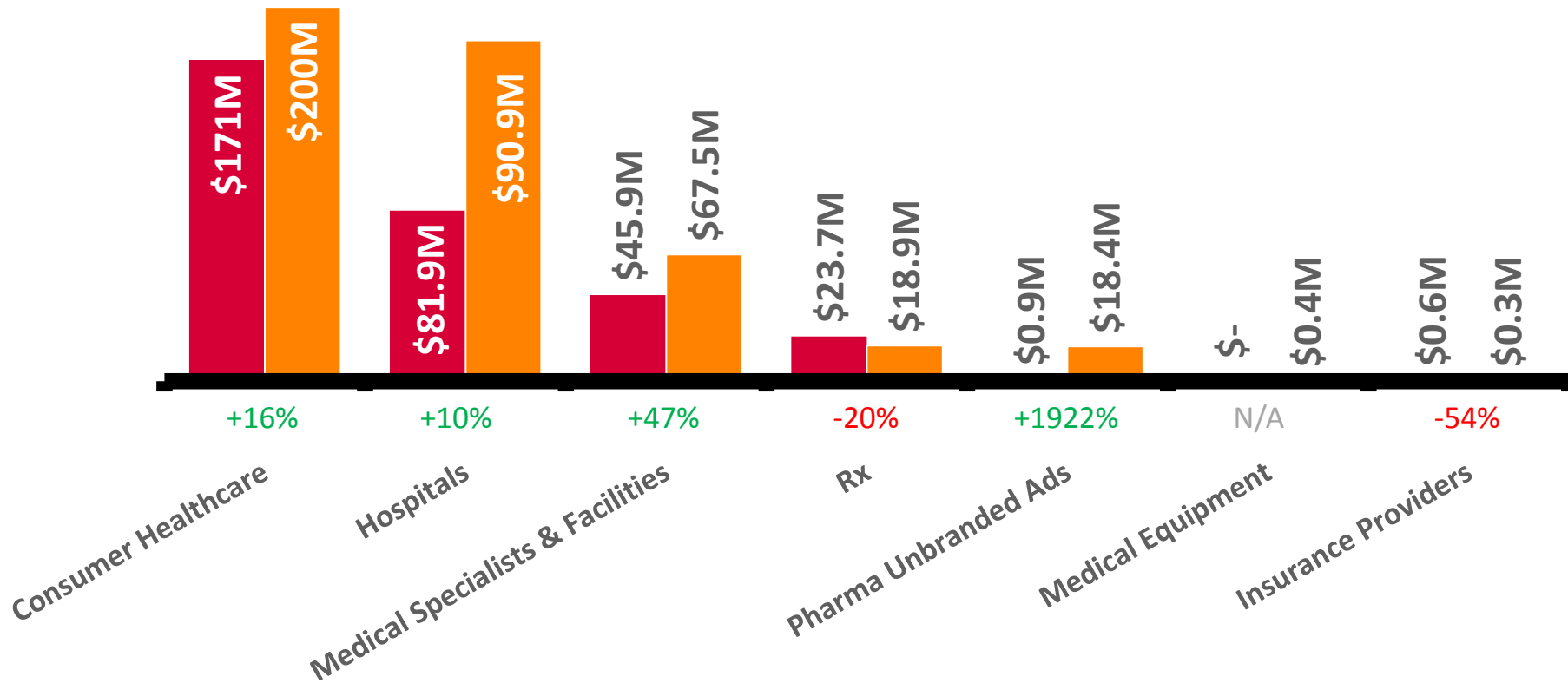


HISPANIC TV AD SPENDING FOCUSED IN CONSUMER HEALTHCARE, HOSPITALS & MEDICAL FACILITY

Healthcare Industry

Annual Spanish Language TV Ad Spend by Sub-Category

■ 2013 ■ 2014



HYPERCONNECTIVITY OF MULTICULTURAL CONSUMERS EXTENDS TO HEALTHCARE

% Respondents	White	African-American	Hispanic*	Asian
Ever used smart phone or app to compare similar medications	39	48	62	55
Say that commercials influence health insurance choice	4	16	19	17

Source: Nielsen Strategic Health Perspectives, June 2015, Survey of US Consumers. Sample sizes: White 3480, African American/Black 463, Hispanic 585 (note skews towards more acculturated Hispanics— survey conducted in English only*)

RETAIL AND MOBILE ENABLE A MORE CONNECTED HEALTHCARE SYSTEM

Retailers are investing to play a bigger role in healthcare delivery



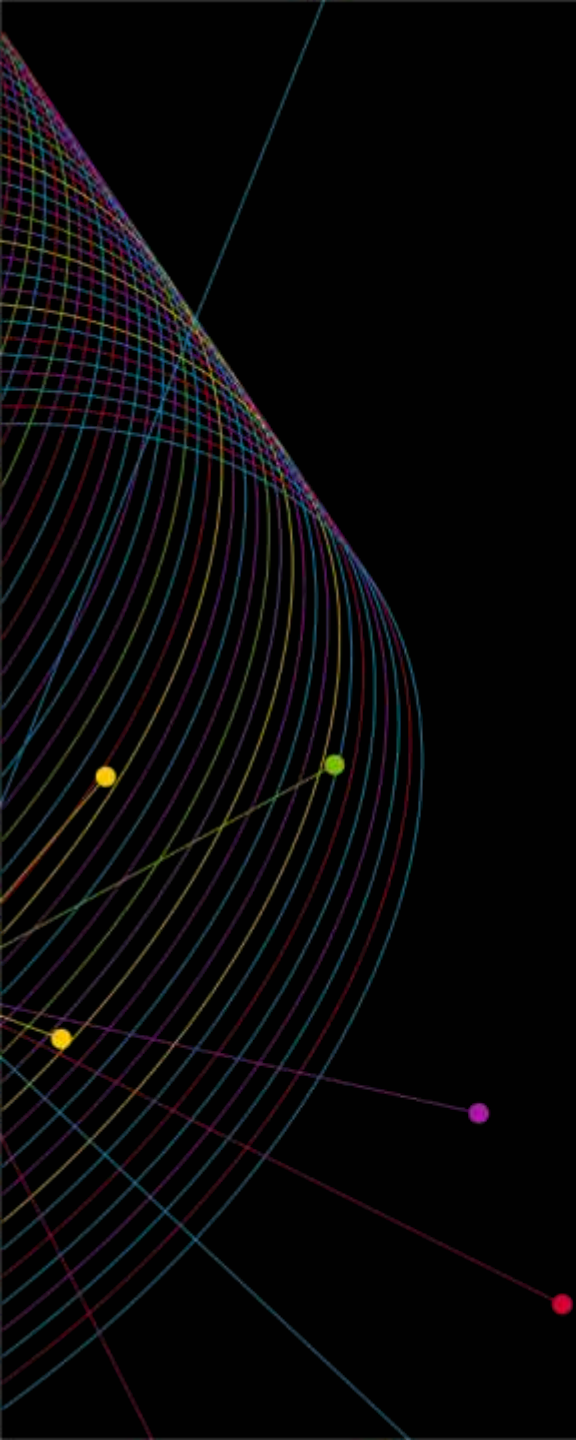
CVS Health partners with two new health systems

- MinuteClinic will **share patient visit summaries** with physicians for an affiliate organization with patient's consent.



America's Biggest Health Fair' is happening at Walmart

- 4,400 Walmart **provide free blood glucose, blood pressure tests and vision screenings** and offer product samples to all who attend



CLOSING THOUGHTS

CLOSING THOUGHTS



MAKE MULTICULTURAL A PRIORITY WITHIN YOUR CORE BUSINESS STRATEGY – *DON'T WAIT!*



THE LARGEST AND FASTEST GROWING HISPANIC SEGMENT ARE BILINGUAL AND *BLEND HISPANIC/AMERICAN CULTURE, IT'S NOT LINEAR*



MULTICULTURAL SIMILARITIES END WITH POPULATION GROWTH – THESE CONSUMERS VARY WIDELY RELATIVE TO HEALTHCARE NEEDS, PLATFORM USAGE & MOBILE APPLICATIONS



SPANISH TV ADVERTISING IS INCREASING YET STILL LAGS THE CPG INDUSTRY



RETAIL AND MOBILE OFFER SIGNIFICANT OPPORTUNITY FOR MORE PERSONALIZED AND COST EFFECTIVE HEALTHCARE AD DELIVERY

STAY CONNECTED



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