

CONSUMPTION JUNCTION

What's your function as Asian American consumers?
 Writer Lisa Wong Macabasco Illustrator Linda Sarah

PURCHASING POWER

\$459 BILLION → Total annual Asian purchasing power in 2007. That exceeds the Gross Domestic Product (GDP) of all but 17 countries in the world in 2007.

WHICH KIDS GET ALLOWANCE?

- 62% Asian Americans (average: \$13.70)
- 58% Hispanics (\$12.20)
- 56% African Americans (\$11.30)
- 54% Whites (\$9.20)

Asian Americans have the most discretionary income (**\$25,400**) of all ethnic groups, compared to **\$20,800** for whites, and **\$15,200** for blacks.

Asian American purchasing power grew

71%

between 2000 and 2007.

Sources: Selig Center for Economic Growth, The University of Georgia, May 2007; U.S. Multicultural Kids Study 2004; Cultural Access Group Bureau of Labor Statistics; Selig Center for Economic Growth, third quarter 2007.

RETAIL

Asian Americans visit **eluxury.com** at a rate of over **SIX TIMES MORE** than the average Internet user.

NEARLY 1/3 of Asian Americans shop at a department store at least **1-3 TIMES A WEEK**.



26% of Asian Americans buy what they think their white neighbors will approve of, compared to 12% for Hispanics and blacks.

	ASIANS	OTHERS
Shop at ethnic markets for non-food items:	35%	8%
Shop online:	32%	18%
Shop in department stores:	45%	30%
Shop in convenience stores:	39%	24%
Do home shopping (TV or catalog):	18%	9%
Shop at discount warehouse clubs:	48%	36%

Sources: Quantcast.com; InterTrend Knowledge Center study 2006; Mintel/Greenfield Online, October 2007

ONLINE SHOPPING

\$138 Average online shopping expenditure in the last 12 months

\$180 → \$230
 (2005) (2006)

Average online spending in the Vietnamese segment increased dramatically from \$180 in 2005 to \$230 in 2006.

Source: InterTrend 2006 study

The number of Asian Americans shopping online doubled between 2005 and 2006.

The top products purchased online among Asian Americans are **apparel** and **books**.



MEDIA

78% of Asian Americans consume both ethnic (in-language) and English media.
12% consume SOLELY ETHNIC MEDIA
28% are Korean

Print has the highest ranked penetration across all ethnic segments, with the exception of Filipino (who consume television at a higher rate).

Asian Americans who prefer ethnic media to mainstream media—the lowest rate of all minority groups.

Three areas where Young Asian Americans are influencing American trends:

- > technology/gadgetry
- > anime/manga and
- > video gaming

First-generation Asian American youth prefer **POP** or **TOP 40**. Second-generation youth tune into **HIP-HOP** and **ALTERNATIVE** music.

Second-generation Asian American youth are twice as likely than their first generation counterparts to learn about trends via word of mouth. First-generation Asian American youth turn mostly to TV to learn about new trends.

Offer free samples!

The most effective strategy for getting Asian Americans to try new products or brands in the store.

Korean Americans consume the least amount of American foods, while Japanese and Filipinos consumed the highest amounts.

ASIAN AMERICANS ARE MORE LIKELY TO TRY A NEW RESTAURANT OR BAR ON A WEEKLY BASIS THAN ALL RACIAL/ETHNIC GROUPS (20% VS. 7%).



Sources: InterTrend Communications, Inc., 2006 study; U.S. Census Consumer Expenditure Survey, 2006; Mintel/Greenfield Online October 2007; Marketing to the Emerging Majorities, February 2007

OVER 44%

of Asian Americans shop at organic/natural stores like Whole Foods or Wild Oats, compared to 23% for all respondents.

Asian Americans spend 44% more on fresh fruits and 76% more on fresh vegetables than Whites.

Grocery Brands Asian Americans Use and Love

Nestle	46%
Haagen Dazs	44%
Dreyer's	42%
Breyer's	39%
Yoplait	39%

22%

Asian respondents who go "grocery shopping with family members for entertainment" more than once a week (compared to 11% for all respondents.)



65%

Asian Americans said they "make a conscious effort to recycle." (Compared to 57% for the general population).

Source: Mintel/Greenfield Online, October 2007

FOOD

GREEN

CARS



JAPANESE AUTO BRANDS are a top choice among Asian Americans, with Toyota and Honda having the highest ownership.

40%

Purchases made by Asian Americans, according to a 1997 survey of sales managers at BMW, Mercedes-Benz, Volvo and Acura in California.

Automakers spend about **\$250 million a year** to advertise in Hispanic media, yet spend just \$20 million a year advertising in Asian American media.

Sources: 2006 InterTrend study; "Ethnic Marketing Moving to Fast Track as Population, Buying Power of Minorities Grows", Automotive News, September 2005; Mintel/Greenfield Online, October 2007

Asian Americans Aged 25-34 = **HEAVIEST INTERNET USERS.**

Asian Indians and Chinese spend the most hours on the Internet.

Asians are much more likely to have purchased a laptop/notebook computer, MP3 player, PDA or camcorder within the past month.



Source: InterTrend 2006 study; Mintel/Greenfield Online, October 2007

TECH/NET