



# SIGNIFICANT, SOPHISTICATED, AND SAVVY

THE ASIAN AMERICAN CONSUMER  
2013 REPORT

nielsen  
.....

AN UNCOMMON SENSE  
OF THE CONSUMER™

# EXECUTIVE SUMMARY

As the fastest-growing U.S. multicultural segment with significant purchasing power, Asian Americans are affluent, well-educated, geographically-concentrated, and technologically savvy. Asian American buying power continues to increase and is projected to reach \$1 trillion by 2017.<sup>1</sup> Building on their heritage, academic achievement, adaptability, and rising spending clout, Asian American consumers are a powerful economic force that can represent significant growth opportunities for the nation's businesses.

In this report, Nielsen reveals that Asian American purchasing behaviors and viewing patterns are different and unique from the total population. By paying close attention to these demographic insights, cultural dynamics, shopping, and media usage trends, organizations could create actionable opportunities to better connect with this important segment. Notable highlights in this report include:

- The Asian American community continues to be the fastest-growing multicultural segment in the U.S., with a current population of nearly 19 million. This represents a growth rate of almost 58% from 2000 to 2013, mainly spurred by immigration.<sup>2</sup>
- The average Asian American household's income continues to soar and represent the highest of all multicultural segments. Asian American households on average earn more than general U.S. households and are more likely to have incomes of \$100,000 or more.<sup>3</sup>
- Asian American growth is expanding beyond the traditional hubs of the West Coast and New York City; however, the overall population continues to congregate in urban, metropolitan areas. Several counties across 12 states experienced an Asian American population increase of more than 200% over the last decade, while all states except Hawaii experienced 33% or more growth.<sup>4</sup>
- The Asian American family has a larger-than-average household and often has multiple generations living together. Culture, value, efficiency, convenience and a strong emphasis on the family shape the buying behavior of Asian Americans and often drive their purchasing decisions.
- In 2012, Asian American households spent 19% more than overall households, over-indexing in key categories including food, transportation, housing, clothing, and insurance.<sup>5</sup>
- The Asian American basket size is almost as same as those of the average shopper, but they visit stores more frequently and spend about the same annually as non-Asians. Asian Americans are interested in value purchases as they spend more dollars on deals compared to non-Asians. However, they will pay a premium for quality and brands.
- Asian Americans make more trips than the general population to warehouse clubs, mass merchandisers, and drug stores.
- Asian Americans are the leading segment of online shoppers. Seventy-seven percent of Asian Americans have made an internet purchase in the past year, compared to 61% of the general population.<sup>6</sup>
- Asian Americans are digital pioneers, adopting technology faster than any other segment. With higher rates of smartphone usage, online video consumption, and internet connectivity, they are redefining the way they watch, listen, and interact.
- In-language and culturally relevant media and services are key to reaching a broad segment of Asian Americans. Even those who primarily speak English outside their homes are tuning in to in-language media and consider their cultural heritage as an integral part of their identity.

<sup>1</sup>UGA Selig Center Multicultural Economy Study 2012.

<sup>2</sup>2013 Nielsen Pop-Facts Update Demographics. Includes Asian American population by single race or by race alone or in combination categories (AOIC).

<sup>3</sup>U.S. Census Bureau, 2011 American Community Survey.

<sup>4</sup>U.S. Chamber of Commerce Foundation, The Millennial Generation Research Review, November 2012.

<sup>6</sup>Nielsen Scarborough Research, USA+; 2013 Release 1.

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## SECTION ONE:

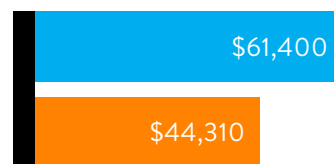
CONSUMER  
BEHAVIOR  
OF ASIAN  
AMERICANS

As the fastest growing multicultural segment, Asian Americans have emerged as a powerful economic force. Asian Americans are about six percent of the population in the U.S., but they have an outsized – and increasing – impact on the consumer marketplace. With a growth rate that is over 4.9 times the general population's at 57.8% v. 11.9% from 2000 to 2013, Asian Americans will be an important consumer segment well into the future.<sup>7</sup>

In 2012, Asian American households spent 19% more than overall households. Ringing up an average of \$61,400 in expenditures, Asian American households particularly over-indexed on food, transportation, housing, clothing, and insurance.<sup>8</sup>

The spending power of Asian Americans outpaces that of the coveted millennial demographic, those currently in their 20s and early 30s. At \$61,400 the average Asian American household spends nearly 40% more than the average millennial household. And furthermore, the younger millennial is spending even less, averaging only \$31,400 per year in 2012.<sup>9</sup>

For marketers, understanding the Asian American population is critical for realizing the bottom-line potential of many key product and service categories.

2012 AVERAGE CONSUMER  
EXPENDITURE

● ASIAN AMERICANS\* ● MILLENNIALS<sup>10</sup>

40%  
ON AVERAGE,  
ASIAN AMERICAN  
HOUSEHOLDS SPEND  
40% MORE THAN THE  
AVERAGE MILLENNIAL  
HOUSEHOLDS.



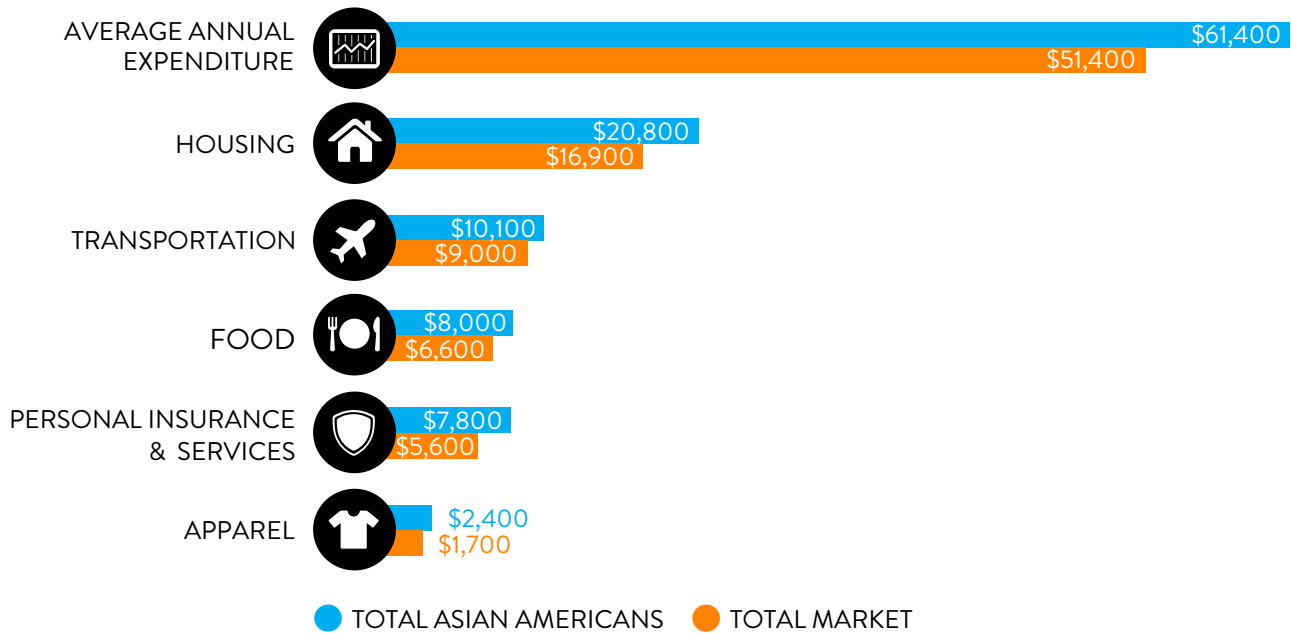
<sup>7</sup>2013 Nielsen Pop-Facts Update Demographics. Beginning with the 2000 Census, Asian/Pacific Islander group was divided into two groups. This report will focus only on the Asian category because of the lack of robust data on Pacific Islanders. In this report, data may be shown for the Asian American population by single race or by race alone or in combination categories (AOIC).

<sup>8</sup>Bureau of Labor Statistics, Consumer Expenditure Survey, 2012.

<sup>9-10</sup>2012 Consumer Expenditure Survey, U.S. Bureau of Labor Statistics, Table 2100 (by Race) and Table 1300 (by Age).

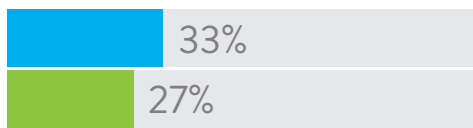
\*UGA Selig Center Multicultural Economy Study 2012.

## 2012 ANNUAL HOUSEHOLD EXPENDITURE SURVEY



Source: Bureau of Labor Statistics, Consumer Expenditure Survey, 2012

### PERCENTAGE OF DOLLARS SPENT ON DEALS



- TOTAL ASIAN AMERICANS
- TOTAL NON-ASIAN AMERICANS

Source: Nielsen Homescan, Total U.S. 52 weeks ending 12/29/2012, \*UPC-coded products.



## 2 IN 3

ASIAN AMERICANS ARE WILLING TO PAY MORE FOR QUALITY.

Source: 2012 GfK MRI Survey of the American Consumer

How and what Asian Americans decide to buy is often shaped by their cultural values and experiences as immigrants or children of immigrants. Three out of four Asian American adults are immigrants, and many carry bicultural identities. While they continue some shopping habits developed from their culture or previous experience in their country of origin, they are also open to new ideas.

As immigrants that understand the challenges of having to start over in a new country, many Asian Americans are interested in getting value for their money. They spend 33% of their dollars on deals, compared to 27% for non-Asians. While Asian Americans are prone to purchase on deals, they are also concerned about getting the best products and services for their families, even at a premium. About 78% of Asian Americans say they like to shop around before making a purchase, and two-thirds say they are willing to pay more for quality.<sup>11</sup>

Brands are also important to Asian Americans, as many of them emigrated from countries where U.S. and global brands denote status and ensure quality.<sup>12</sup> They are 16% more likely to say brands are the best indicator of quality. For food, Asian American consumers are 29% more likely to say they'll spend more for name brands, even if a comparable generic is available. For drugs, they are 23% more likely to favor brand names.<sup>13</sup>

<sup>11,12,13</sup>2012 GfK MRI Survey of the American Consumer.

35%

OF ASIAN AMERICANS  
ARE “SWAYABLE  
SHOPAHOLICS.”

135<sub>INDEX</sub>

ASIAN AMERICANS ARE 35% MORE  
LIKELY TO SWITCH BRANDS FOR  
VARIETY AND NOVELTY.

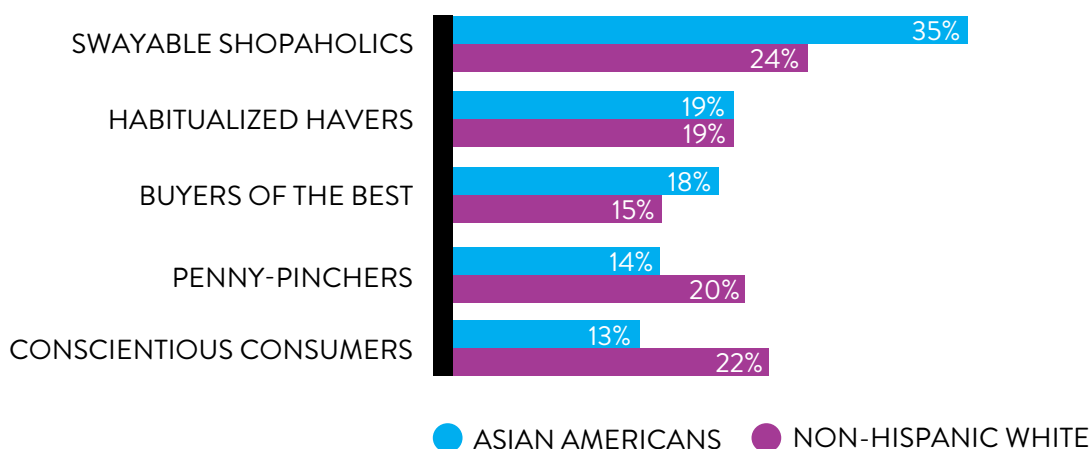


Asian Americans are open to changing brands. In particular, those who are immigrants are being exposed to many new brands for the first time and are having to reestablish their brand preferences. When asked to pick a buying style, 35% of Asian Americans said they are “swayable shopaholics,” meaning they enjoy the act of buying and are impulsive buyers who are willing to pay extra for image-enhancing products. They also are 35% more likely than the general population to say that they’ll switch brands for the sake of variety and novelty.<sup>14</sup> By the same rate, they describe themselves as people who are among the first of their friends to try new products or services.

To find out which brands to try and to keep up with the latest trends, many Asian Americans are receptive to advertisements. They are 15% more likely than the general population to say that they regard ads as sources of information. Celebrity endorsements catch their attention; they’re 40% more likely to say that stars in an ad may encourage them to consider or buy a product.<sup>15</sup>

While the buying power of Asian Americans makes them important to marketers, their consumer behavior makes them even more attractive. Given that Asian Americans are price-conscious yet willing to pay a premium, have high brand awareness, and are open to ads, outreach to them can have high impact.

## 2013 BUYING STYLES



Source: Nielsen, Scarborough Research, USA + 2013 Release 1 GfK/MRI Data

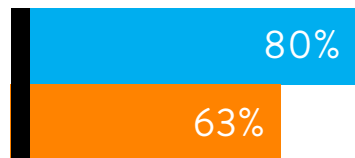
## FAMILY VALUES DRIVE SHOPPING BEHAVIORS

Across all Asian American ethnicities, a strong emphasis on family shapes purchasing decisions. Their larger-than-average households, which include grandparents, parents, and children, represent a wide variety of consumer needs and opportunities under one roof.

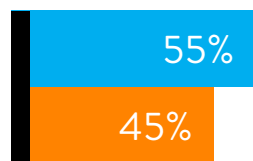
About 28% of all Asian-headed households include two or more adult generations, double the rate of non-Hispanic white households. They are more likely to be married than the general population (59% v. 51%), and their children are more likely to live with two married parents (80% v. 63%).<sup>16</sup> More adults in the home often means more wage-earners, pushing up the household income. Fifty-five percent of Asian American households have at least two employed adults, compared to 45% of all households.<sup>17</sup>

Like their household make-up, their shopping decisions involve a mix of priorities. Juggling the care of children and elderly parents means that they're looking for efficiency and convenience. To that end, they have more readily adopted technology to search for options and ultimately to help with buying. Asian Americans tend to over-index on spend in categories such as baby needs, fresh produce, and prepared foods.

### FAMILY DYNAMICS



“Children more likely to live with two married parents.”



“Households have at least two employed people.”

- ASIAN AMERICANS
- ALL AMERICANS

Source: Pew Research, The Rise of Asian Americans, 2012

**28%**  
OF ALL ASIAN-HEADED HOUSEHOLDS INCLUDE TWO OR MORE ADULT GENERATIONS, DOUBLE THE RATE FOR NON-HISPANIC WHITE FAMILIES.



<sup>16</sup>Pew Research, The Rise of Asian Americans, 2012

<sup>17</sup>Nielsen, Scarborough Research, USA+; 2013 Release 1



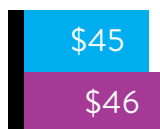
## WHERE ASIAN AMERICANS SHOP

Attracted to a variety of products and deals, Asian Americans make frequent shopping trips to different types of stores. Although they ring up almost the same per trip as the general population (\$45 v. \$46), their frequent trips are a reflection of shopping habits and preferences in many Asian countries where smaller dwellings and a preference for fresh produce lead to more shop visits. More frequent visits to the stores mean that they are exposed to more products.<sup>18</sup> About 39% of Asian Americans say they tend to make an impulse buy.<sup>19</sup>

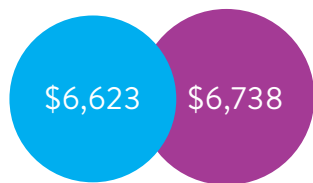
Grocery stores still represent the most frequently visited channel by Asian American households. In addition, Asian Americans make more trips than the general population to warehouse clubs, mass merchandisers, and drug stores, where different categories of items are available, from beauty products to electronics to groceries. They are less frequent shoppers and tend to under-index in smaller formats, such as convenience and dollar stores, which do not appeal as much to the needs of a larger family.

### ASIAN AMERICAN CHANNEL-SPECIFIC PREFERENCES<sup>20</sup>

#### BASKET RING \$ PER TRIP



#### ANNUAL BASKET RING \$ PER HOUSEHOLD



- ASIAN AMERICANS
- NON-ASIAN AMERICANS

#### ANNUAL SHOPPING TRIPS PER HOUSEHOLD



<sup>18,20</sup>Nielsen Homescan, Custom Asian population projection, Total U.S. 52 weeks ending 12/29/2012, based on total basket ring, excluding gas only or Rx only trips.  
<sup>19</sup>2012 GfK MRI Survey of the American Consumer.



## SHOPPING TRIPS PER HOUSEHOLD

### WALMART BANNER



### TARGET



## BASKET RING \$ PER TRIP

### WALMART BANNER



### TARGET



- ASIAN AMERICANS
- NON-ASIAN AMERICANS

Source: Nielsen Homescan, Custom Asian population projection, Total U.S. 52 weeks ending 12/29/2012, based on total basket ring, excluding gas only or Rx only trips

The shopping habits of Asian Americans reflect their bicultural identity. For example, Walmart, known for offering everyday low prices, captures more total Asian American and non-Asian trips and commands larger total basket size than Target in the mass merchandizer format. However, Asian Americans also over-index on trips to Target compared to non-Asians most likely because of its trendy and urban brand imagery; and bolstered by Target's aggressive urban store concept in key cities/states with high Asian concentration (ex. New York City, Chicago, Seattle, San Diego, Glendale/Pasadena, California).

In the grocery store format, ethnic supermarkets have long been an important shopping destination for Asian Americans and have grown in scale and popularity as the population of Asians have increased. Many Asian Americans make their primary grocery purchases at ethnic supermarkets, which are known for their fresh produce, lower prices, and unique cultural products.

Increasingly, the ethnic supermarkets are not only offering ingredients often found in the Asian kitchens, but have increased their offering of more culturally diverse foods thus attracting many more non-Asian shoppers. Meanwhile, mainstream supermarkets have recognized the importance of carrying more Asian products. The growing diversity in mainstream supermarkets in turn appeals to Asian American shoppers, who are also attracted to the deals and convenience of those stores. Such cross-cultural mixing illustrates why marketers should recognize and take advantage of Asian American shopping trends.

ETHNIC SUPERMARKETS HAVE LONG BEEN AN IMPORTANT SHOPPING DESTINATION FOR ASIAN AMERICANS AND HAVE GROWN IN SCALE AND POPULARITY AS THE POPULATION OF ASIANS HAVE INCREASED.



## A DRIVE TO BUY ONLINE

For easy comparison shopping and the most diverse product selection, nothing beats the internet, and Asian Americans are the leading segment of online shoppers. Seventy-seven percent of Asian Americans have made an internet purchase in the past year, compared to 61% of the general population. Twelve percent of Asian Americans spend \$2,500 or more in one year on internet shopping, nearly twice the rate of the general population. Asian Americans over-index on nearly every major category of goods, including electronics, travel, event tickets, clothing, groceries, medicine, and toys.<sup>21</sup>

Asian Americans often go online to do research as well as find coupons for both online shopping sites and brick-and-mortar stores. They are 56% more likely than the general population to read consumer reviews, 31% more likely to get coupons from internet sites or mobile applications, and 53% more likely to use a daily online deal such as Groupon.<sup>22</sup>



ASIAN AMERICANS  
ARE TWICE AS LIKELY  
TO SPEND \$2,500 OR  
MORE PER YEAR ON  
INTERNET SHOPPING.

77%

OF ASIAN AMERICANS  
HAVE MADE AN  
INTERNET PURCHASE  
IN THE PAST YEAR.

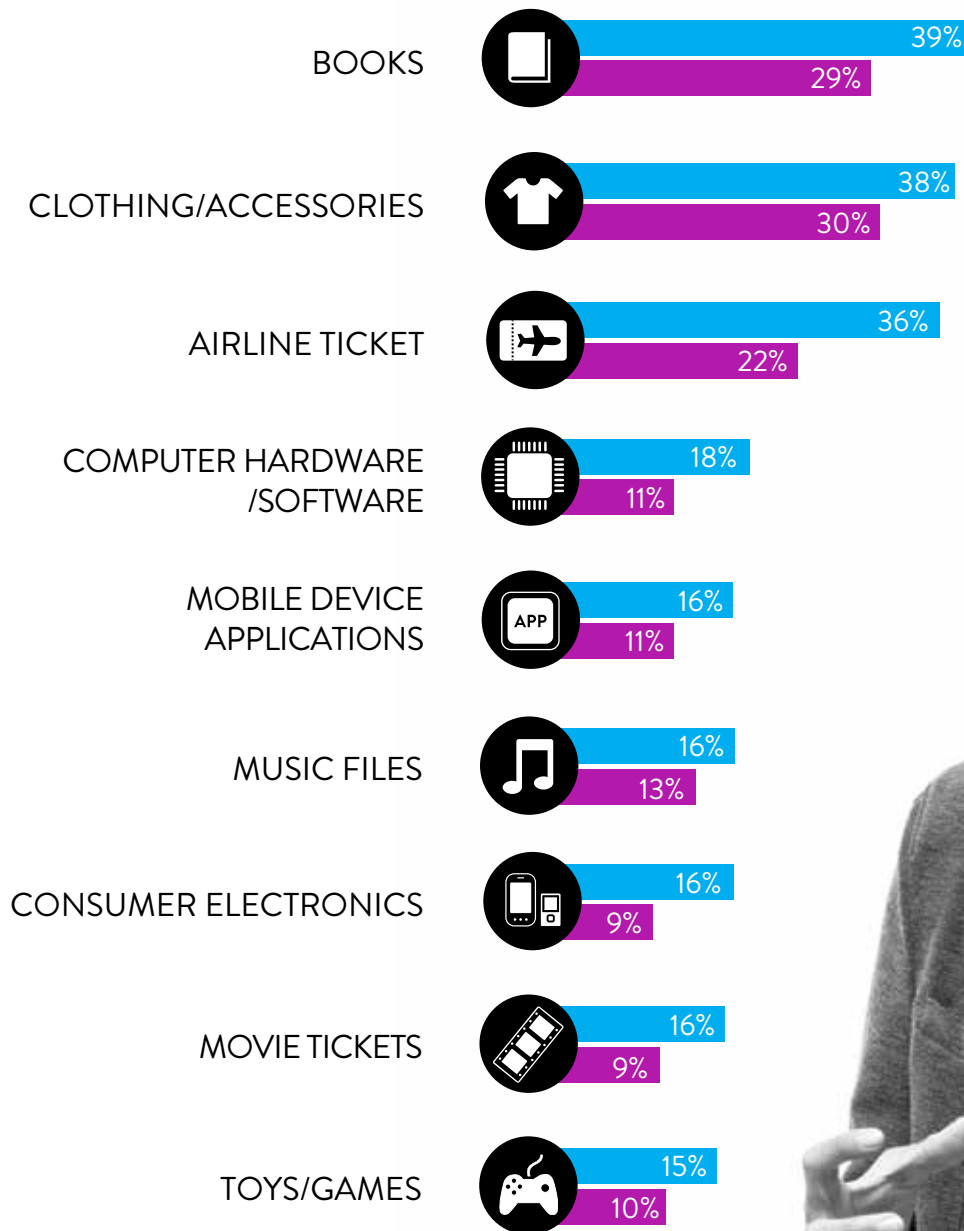


<sup>21,22</sup>Nielsen, Scarborough Research, USA+; 2013 Release 1.

## TOP TEN ONLINE CATEGORY PURCHASES

PERCENTAGE THAT ANSWERED “YES” TO BUYING THE BELOW ITEMS IN THE PAST TWELVE MONTHS

● ASIAN AMERICANS      ● NON-HISPANIC WHITES



Source: Nielsen Scarborough Research, USA+; 2013 Release 1.

## PRESERVING TRADITIONS IN THE KITCHEN

Asian Americans hail from cultures where food dominates family and social life. A standard greeting in some Asian countries is asking a friend whether he or she has eaten yet. Cultural events revolve around meals, and families show care and concern by making favorite dishes.

About 27% of Asian Americans spend \$200 or more a week on groceries, compared to 24% of the general population.\* Although they look for deals, they also prefer buying name-brand food items over generic. They are also 66% more likely to regularly buy organic food, which tends to be sold at a higher price point.<sup>23</sup>

The Asian American shopping cart reflects a confluence of their family's needs and traditions. They over-index on the ingredients to prepare meals: fresh produce, vegetables, and dry grains. But they are also big buyers of convenience items: meals starters, prepared foods, and soups. While meals cooked from scratch are still important, such traditions are facing the pressures of time.<sup>24</sup>

Over the years, the growth and the influence of Asian Americans has meant that Asian food traditions and flavors have become more mainstream in the supermarkets as well as in the restaurant world. Asian inspired cuisine such as "Asian-fusion" is making their mark in the gourmet dining world. Such cultural mixing has crossed over into shopping habits. Ethnic supermarkets are attracting non-Asian shoppers interested in cooking Asian cuisine, and mainstream supermarkets have recognized the importance of carrying more Asian products. As such, food and beverage marketers should recognize and take advantage of the ways in which Asian Americans influence food trends.

## TOP TEN ASIAN AMERICAN SPEND INDEX

(INDEX 100 = TOTAL U.S. POPULATION)

EDIBLES		NON-EDIBLES	
Vegetables & Grains-Dry	298	Film & Camera	251
Meal Starters-Shelf Stable	166	Skin Care Preparations	214
Baby Food	151	Baby Needs	213
Juices & Drinks-Refrig	145	Family Planning	186
Nuts	144	Sanitary Protection	148
Soup	131	Disposable Diapers	146
Fresh Produce(UPC)	131	Computer/Electronic Products	145
Shortening/Oil	129	Oral Hygiene	138
Juices/Drinks-Frozen	127	Housewares & Appliances	138
Prepared Foods-Rdy Serve	127	Vitamins	135

Source: Nielsen Homescan, Custom Asian population projection, Total U.S. 52 weeks ending 12/29/2012, \*UPC-coded products

<sup>23,24</sup>2012 GfK MRI Survey of the American Consumer.

\*Scarborough Research: Scarborough USA+; 2013 Release 1

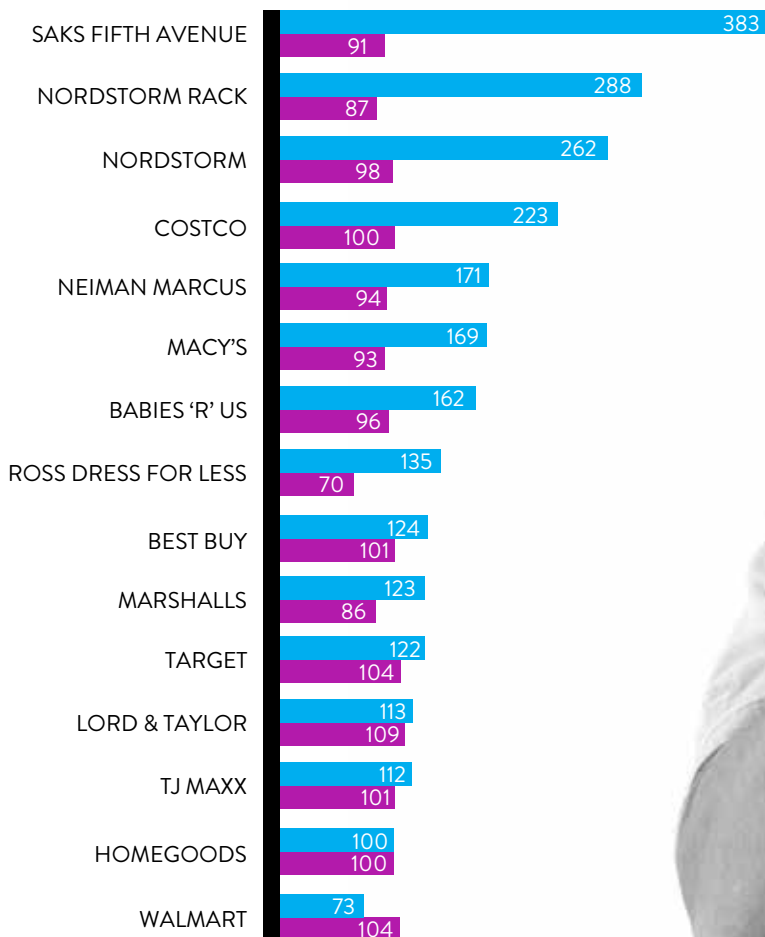
## HIGH EXPENDITURE PURCHASES

When making big-ticket purchases, Asian Americans are often willing to pay more, spending money where they think it counts the most. Getting a good value goes beyond price to other factors such as brand name, quality, environmental concerns, and social values.

When buying clothing and accessories, Asian Americans are looking for quality and premium brand names, which typically carry higher price points. At the same time, their value consciousness is illustrated by shopping at discount retailers that offer designer labels. They over-index at higher-end stores versus the total U.S. population, including Saks Fifth Avenue, Nordstrom, and Neiman Marcus, and under-index at many stores with lower price points. However, discount retailers that offer designer brands, such as Marshalls and Nordstrom Rack, are very popular with Asian Americans.

## MAJOR STORE PURCHASES IN THE PAST 30 DAYS

(INDEX 100 = TOTAL U.S. POPULATION)



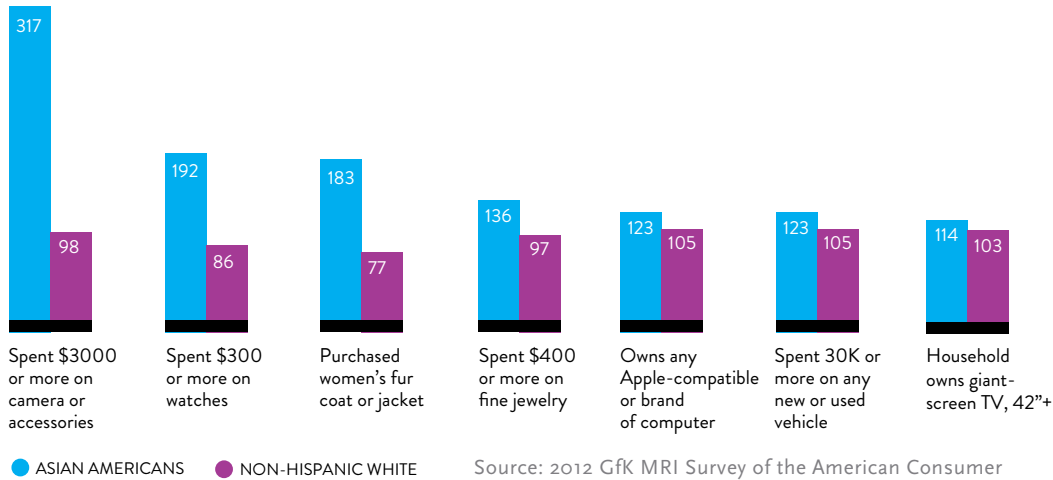
● ASIAN AMERICANS ● NON-HISPANIC WHITES

Source: Nielsen, Scarborough Research, USA+; 2013 Release 1



Asian Americans are nearly twice as likely as the general population to spend \$300 or more on a watch and 36% more likely to spend \$400 or more on a piece of fine jewelry. In the last 12 months, they were 83% more likely to buy a women's fur coat or jacket.<sup>25</sup>

## PURCHASES IN THE LAST 12 MONTHS – INDEXED TO TOTAL U.S. POPULATION



## ASIAN AMERICAN TRAVEL PREFERENCES

### ANY FOREIGN TRIP



### JAPAN-CHINA-SOUTHEAST ASIA



### HAWAII



### MIDDLE EAST



### ANY EUROPE



### ANY CANADA



### ALASKA



● ASIAN AMERICANS  
● NON-HISPANIC WHITE

Source: Nielsen, Scarborough Research, USA+; 2013 Release 1

# 67%

OF ASIAN AMERICANS LOOK FORWARD TO TECHNOLOGY ADVANCES IN NEW VEHICLES.<sup>27</sup>

# 32%

OF ASIAN AMERICANS BUY VEHICLES TO REFLECT THEIR COMMITMENT TO SUPPORT THE ENVIRONMENT.<sup>28</sup>

About 23% of Asian Americans bought cars priced over \$30,000, compared to 19% of the general population. That higher price point is reflected in the vehicle features that they prefer. Asian Americans were 13% more likely to pick “luxury and style” and “green and trendy” as the description of their ideal car vs. total U.S. population.<sup>26</sup>

In their leisure time over the next year, Asian Americans are 43% more likely than the general population to travel abroad. Seventy-five percent feel that traveling is a great way to learn about other cultures.<sup>29</sup>

About 57% of Asian Americans have taken a trip outside the continental United States during the past three years and are 46% more likely to have traveled in first class on foreign trips.<sup>30</sup> They're also interested in exploring the United States. About 51% of Asian Americans have taken a domestic plane trip in the past 12 months,<sup>31</sup> and they are at least 1.2 times more likely than the general population to go on domestic cruises and visit theme parks.<sup>32</sup>

<sup>25,26,29,32</sup>2012 GfK MRI Survey of the American Consumer.

<sup>27,28</sup>Scarborough Research: Scarborough USA + 2013 Release 1 GfK/MRI Data.

<sup>30,31</sup>Nielsen, Scarborough Research, USA+; 2013 Release 1.



## INVESTING FOR THE FUTURE

Asian Americans place high importance on stability and security for their families. As a result, their buying habits in financial services, insurance, and energy consumption reflect how they are looking to protect and preserve what they have and build a solid future for their family.

With a higher median net worth than overall U.S. households (\$89,300 v. \$68,800), Asian Americans over-index in a wide range of investments, including liquid assets, stocks, and real estate.

Nearly a third of all Asian Americans keep money in certificate of deposits, a rate 86% higher compared to 17% of the general population. Eighty-six percent of Asian American households have some sort of savings account, compared to 76% of the general population. Their balances, excluding IRAs, are much higher (\$63,800 v. \$40,100). They over-index by 1.8 times versus the total population in investments of corporate and municipal bonds and by 1.5 times in various types of annuities. As value-conscious consumers, they leverage the most out of credit cards with rewards programs. They are less likely than the general population to carry a balance but are 52% more likely to enroll in rewards programs.

**STILL, A SEGMENT OF ASIAN AMERICANS SEEMS TO BE MORE SOPHISTICATED INVESTORS WHO ARE MOVING BEYOND CONSERVATIVE OPTIONS. ABOUT 21% OF ALL ASIAN AMERICANS OWN STOCK, A RATE THAT IS 1.4 TIMES HIGHER THAN THE GENERAL POPULATION. JUST 6% INVEST IN FUTURES, WARRANTS, AND OPTIONS, BUT THAT RATE IS THREE TIMES HIGHER THAN THE GENERAL POPULATION.**

With many living in multi-generational households, Asian Americans are planning for their children and elderly parents. They are 80% more likely than the general population to use both college-advantage tax-savings accounts and trust and estate planning services. They are also putting more money in their homes and have an average first-mortgage balance of \$175,000, 30% higher than the average for the overall population. Real estate also appeals to them as an investment strategy, as they are 30% more likely to put money in property beyond their primary residence.

Source: 2012 Nielsen Financial Track

\*U.S. Census Bureau, 2011 American Community Survey.

# 86%

OF ASIAN AMERICANS  
HAVE A SAVINGS ACCOUNT VS.  
76% OF THE GENERAL POPULATION.



# 1 IN 5

ASIAN AMERICANS OWN STOCK.

# 130 INDEX

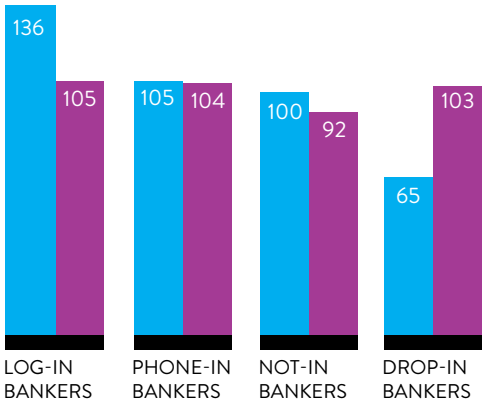
ASIAN AMERICANS ARE  
30% MORE LIKELY TO HAVE A  
REAL ESTATE INVESTMENT.



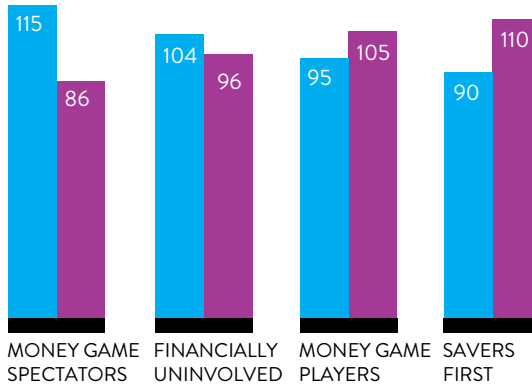


# ASIAN AMERICAN FINANCIAL PREFERENCES

## BANKING METHODS



## MARKET INVOLVEMENT AND SAVINGS



● ASIAN AMERICANS ● NON-HISPANIC WHITE

(INDEX 100 = U.S. POPULATION)

\*Source: Nielsen, Scarborough Research, USA + 2013 Release 1 GfK/MRI Data

Asian Americans are eager to learn more about investments and are open to suggestions and outreach. They are 56% more willing to pay for advice from a financial professional. Most have been banking with their primary institutions for less than four years and may be more open to switching if they find better services.<sup>33</sup>

Financial institutions should leverage the internet to serve Asian Americans, who prefer accessing services online more than any other group. They are 36% more likely than the general population to consider themselves as “log-in bankers”, happiest when taking advantage of the internet’s interactive capabilities to manage their financial accounts. Asian Americans are 15% more likely than the general U.S. population to be “money game spectators”, feeding off the excitement of the market’s ups and downs, but can’t take a chance on getting hurt themselves.\* Asian American clients are 2.2 times more likely to open an account online, 2.7 times more likely to have made an online trade during a 90-day period, and 3.4 times more likely to have obtained a mutual fund through the internet.<sup>34</sup>

But that online outreach should be coupled with branding for familiarity and personal interaction. Asian Americans are over-indexing on obtaining a mutual fund through in-person contact as well as through the internet or mail. Because many financial products are complex and some are not available in their country of origin, Asian American clients may have more questions and need additional guidance. Advisors who can communicate in-language and understand the nuances of Asian culture and values can really connect with multi-generational and multi-lingual clients. Additionally, in-language brochures and websites can help reach this attractive consumer segment.

<sup>33-34</sup>2012 Nielsen Financial Track.



## INSURANCE FOR ASSURANCE

To ensure that the family's investments and well-being are protected from uncertainty, Asian Americans over-index on buying insurance products including life, residential, health, long-term care, and disability. As eager customers, they are 1.8 times more willing to attend a seminar to learn about insurance products. Asian Americans use blogs and social networking sites to learn about insurance at 30%, compared to 11% of the general population. They also over-index in preferring to buy policies online and are nearly 2.5 times more likely to have an interest in using mobile to manage their policies and claims.<sup>35</sup>

However, Asian American clients also respond to more personal interaction when buying various life insurance products. In key categories such as universal, variable, term, and whole life, Asian Americans over-index in citing agent recommendation as the reason for making the purchase.<sup>36</sup>

Asian Americans tend to shop around for insurance products. For example, Asian Americans switched auto insurance carriers two or more times in the past three years. Although price was a factor, they also cited other reasons, including better reputation from another carrier, recommendations from family and friends as well as policy options and better service. They also change their residential insurance policies frequently for improved policy features and coverage. Asian Americans are about 20% more likely to carry insurance for a full-time rental property or a seasonal home.<sup>37</sup>

## SAVING MONEY AND ENERGY

# 90%

OF ASIAN AMERICANS  
ARE WILLING TO  
CHANGE ENERGY USAGE  
TO SAVE MONEY.

# 2X

ASIAN AMERICANS ARE  
TWICE AS LIKELY AS THE  
TOTAL POPULATION TO OWN  
A HYBRID OR ELECTRIC  
PLUG-IN VEHICLE.

# 78%

OF ASIAN AMERICANS  
ARE WILLING TO CHANGE  
ENERGY USAGE FOR  
ENVIRONMENTAL CONCERNS.

From the cars they drive to the home improvements they make, Asian Americans are choosing to be green for savings and to help the environment. About 90% said they were willing to change energy usage to save money, and 78% said they would do it for environmental concerns. They are 11% more willing than the general population to pay more for a product if it has the added benefit of being good for the environment.<sup>38</sup>

Nearly 17% of Asian American households own either a hybrid or electric plug-in vehicle, twice the rate of the general population.<sup>39</sup> Although these cars are often sold at a higher price point than other models, they use less gasoline and offer long-term savings. Asian Americans are twice as likely as the general population to say that within the next 12 months, they want to buy or lease a hybrid or electric plug-in vehicle.<sup>40</sup>

<sup>35,36,37</sup>2012 Nielsen Insurance Track.

<sup>38,39</sup>2012 Nielsen Energy Behavior Track.

<sup>40</sup>Nielsen, Scarborough Research, USA+; 2013 Release 1.

## OPPORTUNITIES AND TAKEAWAYS

- Asian Americans are frequent shoppers and spend about the same as non-Asians annually. They are also the leading segment for online shopping. Seventy-seven percent of Asian Americans have made an internet purchase in the past year, compared to 61% of the general population.
- The grocery store format is the most shopped channel for Asian Americans. Retail outlets such as mass merchandisers, warehouse clubs, and drug stores also appeal to the Asian American consumer. Retailers and marketers should acknowledge the key categories of high frequency for Asian Americans and look for opportunities to unlock revenue potential.
- Spending 33% of their dollars on deals compared to 27% for non-Asians, Asian Americans are interested in getting value for their money but will not sacrifice quality for price. Marketers should explore various deal offerings when trying to attract this segment.
- Marketers should seek to understand the uniqueness of this powerful segment and offer culturally relevant, in-language materials that can connect directly to Asian Americans.
- Asian American consumers have significant buying power and offers major opportunities for advertisers, marketers, and their media and consumer clients. Heritage, cultural values, and a strong emphasis on the family shape the buying behavior of Asian Americans and often drive their purchasing decisions.

## SECTION TWO:

# DIGITAL INNOVATORS AND AVID MEDIA CONSUMERS

## REDEFINING CONSUMPTION OF MEDIA

Asian Americans continue to lead the charge as pioneers in the digital world, adopting technology faster than any other group. With higher rates of smartphone usage, online video consumption, and internet connectivity, Asian Americans are redefining the way they watch, listen, and interact.

The Asian American population has a lower median age and tends to be early adopters of technology. In fact, many Asian American immigrants are arriving here already well-versed in the latest digital trends. In many Asian countries, consumers have leapfrogged over desktops and traditional landlines in favor of smartphones and tablets, which offer mobility and convenience and do not require sophisticated infrastructure.

Asian American smartphone penetration at 75%\* is higher than the penetration rate in China at 71% and the U.S. population as a whole at 60%.<sup>41</sup> About 45% of Chinese have tablets,<sup>42</sup> just slightly above the percentage of Asian American households (42%) and significantly higher than total U.S. households (25%).<sup>43</sup> As influencers, they are 15% more likely than the general population to say that they will recommend technology and electronics that they like to others.<sup>44</sup> For marketers, understanding how Asian Americans leverage technology is a peek into future trends.

Asian Americans are more than twice as likely as the general population to say that they want to buy the latest technology regardless of price.<sup>45</sup> At the same time, technology offers an affordable solution for some of their needs. For many who are immigrants, smartphones with overseas calling plans and tablets and laptops with videoconferencing have made communicating with family members and friends abroad much easier.

<sup>41,42</sup>Nielsen, Decoding The Asian Mobile Consumer Study, 2013.

<sup>43</sup>Nielsen NPOWER, National People Meter Panel, 04/01/2013 - 06/30/2013, based on scaled installed counts.

<sup>44</sup>2012 GfK MRI Survey of the American Consumer.

<sup>45</sup>2012 Nielsen Technology Behavior Track.

\*Among mobile subscribers in the U.S, March-May 2013, Nielsen Newswire, June 2013



## IMPORTANCE OF IN-LANGUAGE MEDIA

Recognizing that much of the conventional research on Asian Americans' online behavior has been centered around English-dominant Asians, Nielsen is increasing efforts to lead the industry on the recruitment of in-language dominant Asians. This is to provide a more comprehensive view of the dynamics and media consumption behaviors of this important segment and the role of in-language media in the Asian American household.

Although the majority of Asian-Americans say that they speak English well, marketers and advertisers cannot ignore the role in-language media plays in the Asian American community. In fact, in the Los Angeles designated market area (DMA) alone, there are 33 free Asian over-the-air television broadcasters, indicating the strong demand for in-language television. Likewise, there are over 150 Asian satellite channels nationwide. International as well as U.S.-based in-language television channels, video-streaming, and in-language websites are ways that Asian Americans keep in touch with news and information from their country of origin.<sup>46</sup>

In-language advertisements reach not only Asian Americans who are in-language speakers, but also those who use English as their dominant language. In Los Angeles, only 43% of Korean and Chinese Americans who primarily speak English said they prefer English when watching television. According to a recent Nielsen Scarborough Custom Study, the most watched station among Los Angeles Chinese and Koreans regardless of their language preferences is KSCI, an in-language station.<sup>47</sup> While Asian Americans are tech savvy, many still use traditional media such as TV, radio, and print to get culturally relevant entertainment and information.

### NUMBER OF ASIAN AMERICAN MEDIA OUTLETS — REPRESENTS 1115% INCREASE

	1999	2010
Print	68	409
TV	16	136
Radio	18	140
Digital	0	554
Total	102	1239

Source: IW Group

<sup>46</sup>Asian American Advertising Federation, 2013.

<sup>47</sup>Nielsen Scarborough, Los Angeles Custom Study—Korean and Chinese In-Language 2013.

# 33

IN THE LOS ANGELES DMA, THERE ARE 33 FREE ASIAN OVER-THE-AIR TELEVISION BROADCASTERS.

A SCARBOROUGH STUDY FOUND THAT FAR MORE CHINESE AND KOREANS WATCH KOREAN AND CHINESE-TV CHANNELS THAN GENERAL ENGLISH-LANGUAGE CHANNELS IN THE LA MARKET.<sup>47</sup>



# 2.5X

MORE LIKELY TO  
DOWNLOAD VIDEOS  
FROM A WEBSITE.

TECHNOLOGY	% OF TOTAL U.S.	% OF ASIAN HH
PC with Internet Access	80%	93%
High-Def Televisions	82%	90%
High Speed Internet Access	77%	91%
Video Game Household	46%	54%
Tablets	25%	42%
DVR Household	48%	45%
DVD Household	83%	77%
Cable Plus HH*	91%	87%

Source: Nielsen NPOWER, National People Meter Panel, 2nd Quarter 2013. Based on Scaled Installed Households.  
\*Households that have a paid TV subscription and includes Wired Cable, Telco and DBS providers.

## MULTI-PLATFORM LIFESTYLE

While traditional TV viewing still dominates as the medium with the most time spent, Asian Americans are watching more videos and using the internet more than ever before. They spend an average of 12 hours and 23 minutes a month watching videos on the internet – twice as much time as the general population. Their viewing jumped 19% from 2012, with adults ages 18-34 as the most frequent viewers.<sup>48</sup>

At least once a week, Asian Americans are 2.5 times more likely to download a movie from a website.<sup>49</sup> Asian Americans also have higher rates than the general population of video-viewing with their laptops or desktops (81% v. 72%), tablets (43% v. 32%), and mobile phones (35% v. 26%).<sup>50</sup>

Asian Americans spend more time viewing streamed content than live video content. Forty percent of their time is spent streaming videos on their internet-connected TV, compared to 33% for the total population. For those who own internet-to-TV players, the comparison of streaming rates is 51% v. 42%.<sup>51\*</sup>

## MONTHLY TIME SPENT BY MEDIA USERS 2+ IN HOURS: MINUTES

	COMPOSITE		ASIAN AMERICANS	
	Q2 2013	Q2 2012	Q2 2013	Q2 2012
On Traditional TV	146:37	144:54	86:37	90:33
Watching Timeshifted TV	12:35	11:33	9:00	8:36
Using a DVD/Blu Ray Device	5:10	5:13	4:20	4:55
Using a Game Console	6:27	6:26	4:46	5:13
Using the Internet on a Computer	27:21	28:29	35:13	33:52
Watching Video on Internet	6:28	5:51	12:23	10:26
Watching Video on a Mobile Phone	5:45	5:20	5:41	6:45

Source: Nielsen, 2nd Quarter 2013 Cross-Platform Report, September 2013.

<sup>48</sup>Nielsen, The Cross-Platform Report, September 2013.

<sup>49</sup>2012 Nielsen Technology Behavior Track.

<sup>50,51</sup>Nielsen Mobile Connected Device Report, Q2 2013.





Various platforms offer options for people to view content on demand; moreover, online and streaming options are also offering free or low-cost content for Asian Americans that isn't as widely available on TV, particularly culturally relevant and in-language programming.

Nielsen insights show that more Asian Americans than the total population use YouTube (64% v. 55%) and Hulu (32% v. 29%) while fewer Asian Americans subscribe to Netflix (61% v. 68%)\*. Many Asian Americans also visit in-language website portals and are more likely to use services with the most culturally relevant, in-language offerings. Fifty nine percent of Los Angeles in-language Chinese or Koreans, visited inlanguage sites in the past month. These same sites were also visited by 48% of English dominant Chinese and Koreans.<sup>52</sup>

A Nielsen Scarborough study indicates that in Los Angeles, residents of Chinese or Korean heritage who are in-language dominant are 36% more likely to watch movies on the internet than the general population and also index 132 and 135 for watching dramas and evening local news, respectively, on traditional television. Chinese and Korean Americans who are English-language dominant; however, watch internet movies at the same rate as the general population.<sup>53</sup>

#### **WATCH INDEX FOR IN-LANGUAGE DOMINANT CHINESE OR KOREAN LOS ANGELENOS:**

**136** INDEX  
FOR WATCHING MOVIES ON THE INTERNET.

**132** INDEX  
FOR WATCHING DRAMAS ON TV.

**135** INDEX  
FOR WATCHING LOCAL NEWS ON TV.



\*Nielsen Total Communications Survey, Q1 2013.

<sup>52,53</sup>Scarborough Research: Los Angeles, CA 2011 Release 2 Custom Oversample .



## FROM MOBILITY TO CONNECTIVITY

From teenagers to seniors, smartphone penetration is higher among Asian Americans than the overall population. In using their phones, Asian Americans have the highest rates of any ethnicity for mobile video (33%), email (65%), and mobile internet (72%). They also show significantly higher rates than non-Hispanic whites for picture downloads (39% v. 25%) and music downloads (22% v. 13%).<sup>54</sup>

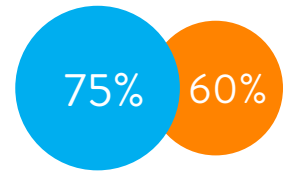
Despite their high usage, Asian Americans have lower average phone bills than any other group. They shop around for the best plans and reflect an average of \$59 in billed revenue per subscriber per month, compared to \$65 for non-Hispanic whites.<sup>55</sup>

Asian Americans are just as comfortable with shopping on mobile devices as the total U.S. population. Eighty-five percent of Asian Americans who own smartphones and tablets reported using these two types of devices to do mobile shopping, in line with the total population (87%).<sup>56</sup>

Owning a smartphone and a tablet is the most common combination for Asian Americans with 29% of these device owners reporting this cross-device ownership.<sup>57</sup> Tablets are the preferred device to use while watching television. During this multitasking, they prefer to look up general information related to the program being viewed on TV via tablets rather than smartphones. However smartphones are the preferred device to use for checking emails.

## SMARTPHONE PENETRATION

● ASIAN AMERICANS ● TOTAL POPULATION



Source: Nielsen Newswire, June 2013  
Among mobile subscribers in the U.S., March-May 2013

## MOBILE SHOPPING ON SMARTPHONE OR TABLET: Q1 2013

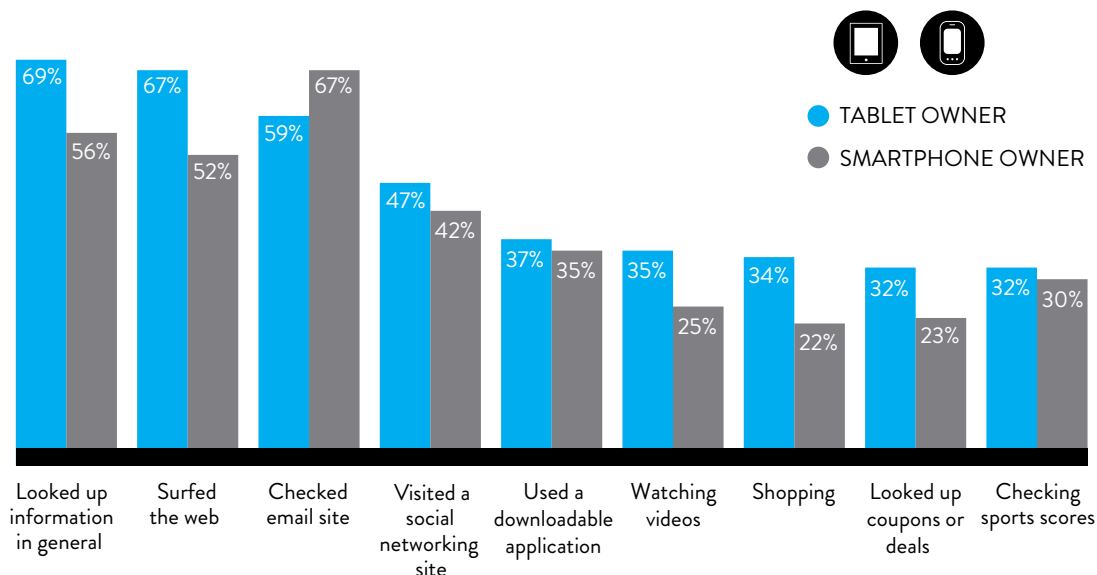
SMARTPHONE AND TABLET OWNERS (N=5,247)

● YES ● NO



Source: Nielsen Mobile Shopping Report, Q2 2013

## SIMULTANEOUS ACTIVITIES OF ASIAN AMERICANS ON SMARTPHONES AND/OR TABLETS WHILE WATCHING TV



Source: Nielsen, Q1 2013 The Asian American Mobile Consumer Study

<sup>54</sup>Nielsen Mobile Insights, Q2 2013

<sup>55-56</sup>Nielsen Customer Value Metrics, Q2 2013

<sup>57</sup>Nielsen Mobile Connected Device Report, Q2 2013

## ADS APPEAL WITH VALUE

Because Asian Americans are such avid consumers of media, marketers have a variety of ways to reach them. To connect more meaningfully with the broadest section of Asian Americans, messages should leverage cultural values.

As value-conscious consumers, ads that feature product information and utility resonate well among Asian Americans, more so than any other ethnic group. Specifically, ads that highlight product features are 2.3 times more effective among Asian Americans than the average ad among Asian audiences.<sup>58</sup>

That preference for practicality is seen in the attitude of Asian Americans toward ads on their mobile devices, where they are spending more of their viewing time. Fifty-one percent of Asian Americans say they're receptive of advertising on tablets or phones if it means they can access content for free, and 35% prefer ads that contain geographically relevant information. Familiarity also breeds clicks for Asian Americans, as 35% said they would be willing to click on an ad about a brand they already know.

Many Asian Americans are seeking out culturally specific programming, as seen in the growth of Asian media outlets, most of them in-language (grew 1115% from 1999 to 2010).<sup>59</sup> Similarly, culturally relevant themes are important in advertising; ads featuring culturally relevant situations and characters make up 65% of top ads among Asian Americans.<sup>60</sup>

# 65%

ADS FEATURING  
CULTURALLY RELEVANT  
SITUATIONS AND  
CHARACTERS MAKE UP  
65% OF TOP ADS AMONG  
ASIAN AMERICANS.



<sup>58,60</sup>Nielsen TV Brand Effect: Multicultural Ad Effectiveness Report.

<sup>59</sup>IW Group.

## OPPORTUNITIES AND TAKEAWAYS

- Asian Americans are digital pioneers. They adopt technology faster than any other group and have higher rates of smartphone usage, online video consumption, and internet connectivity.
- While TV is still the dominant form of media for Asian American consumers, marketers should recognize the growing importance of cross-platform media.
- With advertising, Asian Americans prefer information and utility. To appeal to Asian American consumers, marketers can leverage relevant technology to deliver information and deals for their products and services, marketing directly to the Asian American consumer.
- Culturally relevant themes are important in advertising for Asian Americans. Ads featuring culturally relevant situations and characters make up 65% of top ads among Asian Americans.



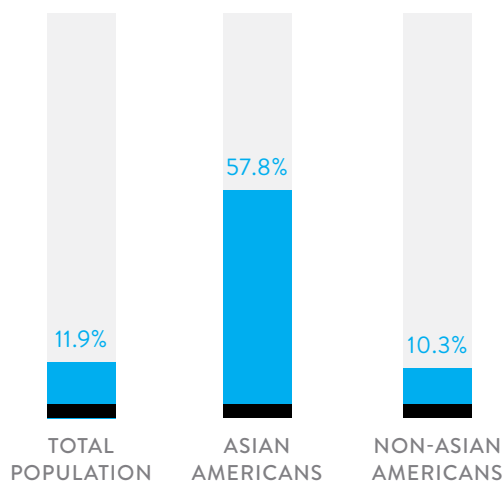
## SECTION THREE:

# ASIAN AMERICANS ARE GROWING IN NUMBERS, INCOME, AND IMPACT



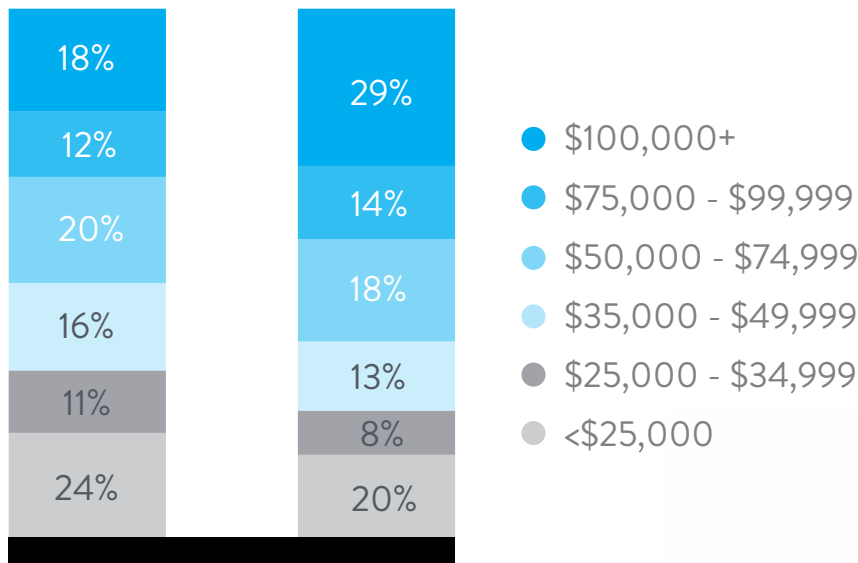
**CURRENTLY AT NEARLY 19 MILLION, THE ASIAN AMERICAN POPULATION CONTINUES TO EXPERIENCE THE HIGHEST GROWTH RATE OF ANY MULTICULTURAL SEGMENT.**

## GROWTH RATE, 2000-2013



Source: 2013 Nielsen Pop-Facts Update Demographics

## 2013 U.S. HOUSEHOLD INCOME BY SINGLE RACE



U.S. Households      Asian American Households

Source: 2013 Nielsen Pop-Facts Update Demographics

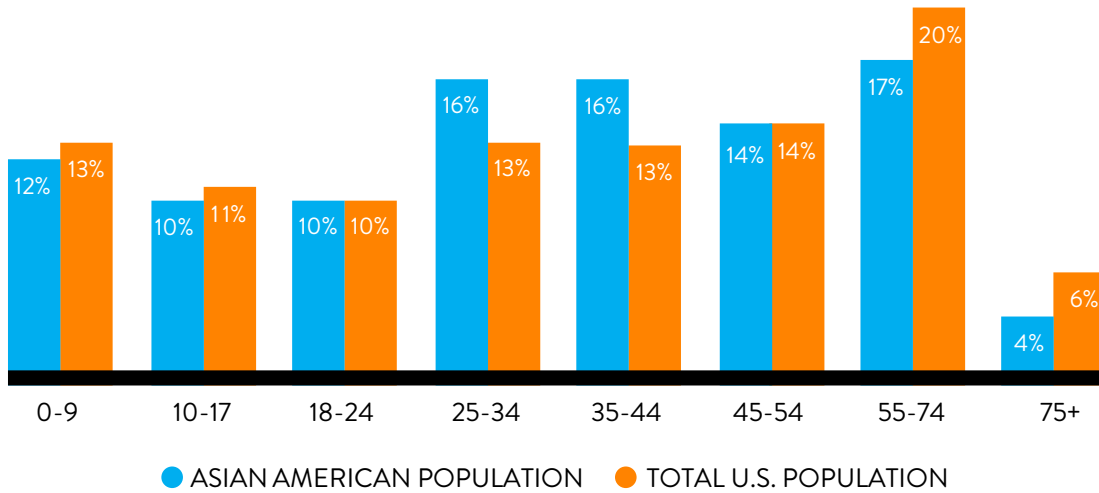
The income of Asian American households soared by 97% from 2000 to 2013, and they continue to earn more than overall U.S. households (median incomes of \$63,400 v. \$49,600). They are 54% more likely to have incomes of \$100,000 or more.

- 61%** ASIAN AMERICAN HOUSEHOLDS GREW BY 61% BETWEEN 2000 AND 2013.
- 97%** ASIAN AMERICAN HOUSEHOLD INCOME GREW 97% BETWEEN 2000 AND 2013.
- 54%** ASIAN AMERICAN HOUSEHOLDS ARE 54% MORE LIKELY TO HAVE INCOMES OF \$100,000 OR MORE V. TOTAL U.S. HOUSEHOLDS.

Source: 2013 Nielsen Pop-Facts Update Demographics



## 2013 U.S. POPULATION DISTRIBUTION BY AGE

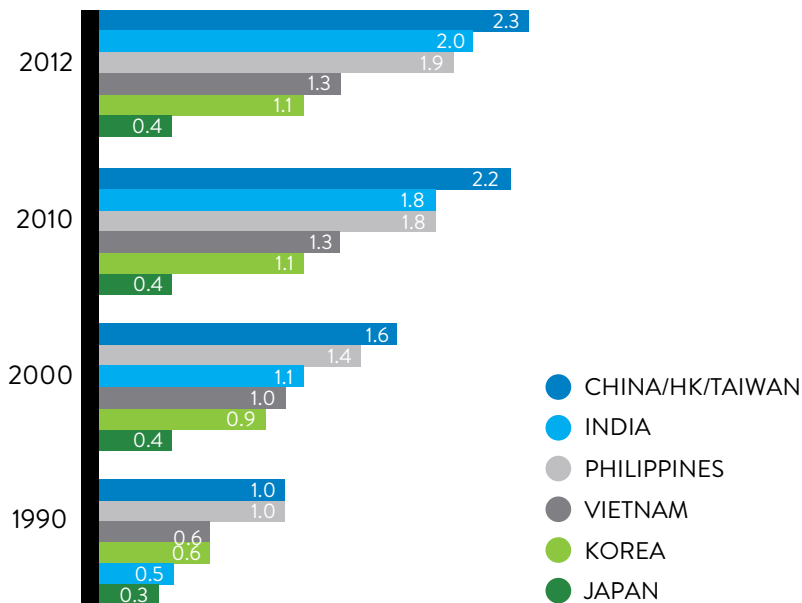


Source: 2013 Nielsen Pop-Facts Update Demographics

With a younger median age than non-Hispanic whites (36.0 years v. 42.3 years), Asian Americans have many prime years ahead for working and earning. Additionally, 32% of Asian Americans – 6% higher than the overall population --are in the key 25-44 age demographic, when consumer habits are being established and their needs are growing with marriage and family.

### TOP COUNTRIES OF ORIGIN FOR U.S. ASIAN IMMIGRANTS

(CUMMULATIVE NUMBER OF IMMIGRANTS BY YEAR, MILLIONS)



Source: American Community Survey, 1990, 2000, 2010 Decennial Censuses, 2012 ACS 1-Year Estimates

# 75%



### OF ASIAN AMERICAN ADULTS ARE IMMIGRANTS.

Immigration is fueling the Asian American demographic surge, and since 2009, the majority of immigrants to the U.S. have come from Asia rather than Latin America. Three out of four Asian American adults are immigrants. While they encompass dozens of countries, languages, and socioeconomic characteristics, they also share cultural values and immigrant characteristics that bind them as a consumer group.

Source: Pew Research, The Rise of Asian Americans, 2012

75%

ASIANS MAKE UP ABOUT THREE-QUARTERS OF NEW VISAS FOR HIGHLY SKILLED WORKERS.<sup>61</sup>

61%

OF RECENT ASIAN IMMIGRANTS AGES 25 TO 64 HAVE A COLLEGE DEGREE.<sup>62</sup>

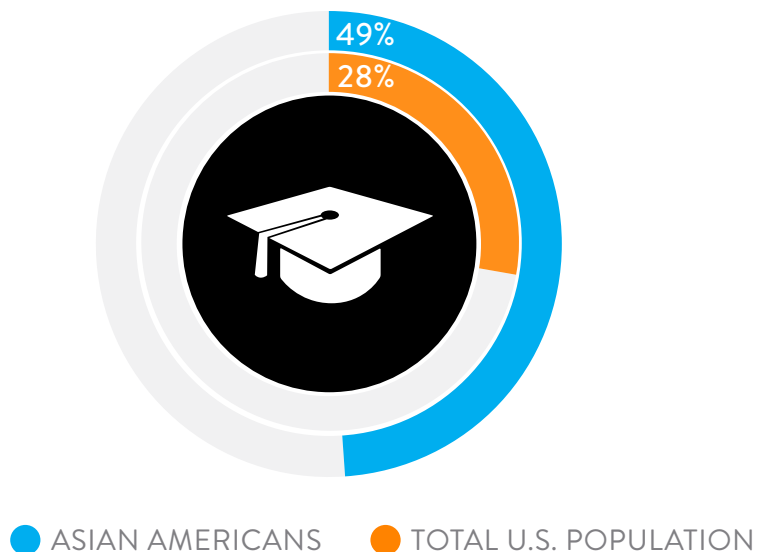
Some of the more recent Asian immigrants are arriving with high earning and spending power due to immigration policies that have favored high-tech and specialized workers. Forty-nine percent of Asian immigrants hold a bachelor's degree or higher, nearly the same rate as Asians born in the United States.<sup>63</sup>

Marketers should seek to understand that Asian immigrants are an important segment of consumers who need to reestablish their brand choices. In their countries of origin, many Asian immigrants have become familiar with U.S. and global brands. However, once in the United States, they are being exposed to many products for the first time and are developing new consumer habits.

THE FLOW OF IMMIGRANTS IS EXPECTED TO CONTINUE IN THE YEARS TO COME, AND THE INFLUENCE OF ASIAN AMERICANS WILL ONLY GROW STRONGER AS RECENT ARRIVALS ESTABLISH AND EXPAND THEIR FAMILIES. FOR MARKETERS WHO ARE LOOKING TO MAXIMIZE THEIR GROWTH POTENTIAL, THE ASIAN AMERICAN SEGMENT CANNOT BE IGNORED.

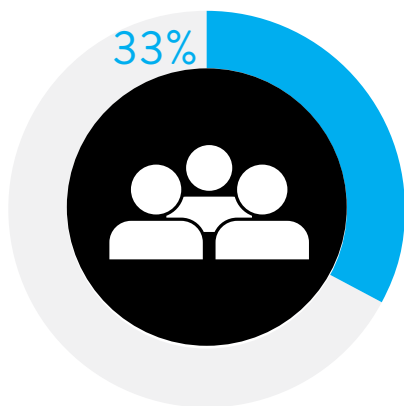
## ASIAN AMERICANS WITH HIGHER EDUCATION DEGREES

PERCENTAGE OF ASIAN AMERICANS (25+) WITH A BACHELOR'S DEGREE OR HIGHER<sup>64</sup>



<sup>61,62,63,64</sup>Pew Research, The Rise of Asian Americans, 2012.





ASIAN AMERICAN POPULATION IN 49 OUT OF 50 STATES GREW AT LEAST 33% OVER THE PAST DECADE.

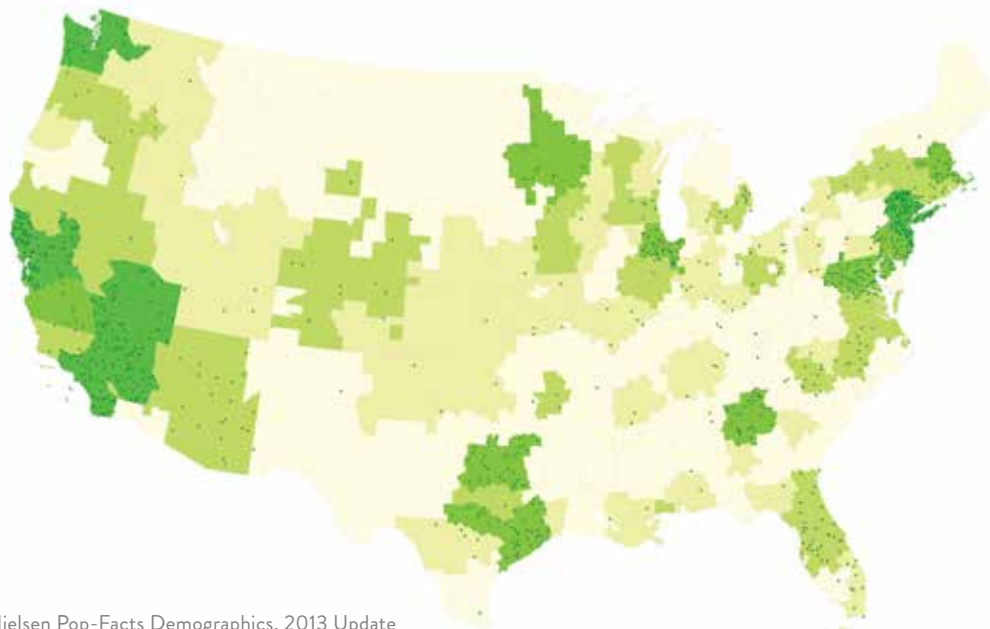
## MOVING THROUGHOUT THE COUNTRY

The influence of Asian Americans is expanding well beyond their historical hubs of the West Coast and New York City. Over the past decade, their numbers have jumped by at least 33% in all states except for Hawaii, where they have already been a majority. Asian American population boosts of more than 200% were shown in the counties of 12 states, including Texas, Florida, Georgia, Minnesota, Ohio, Nevada, and Arizona.<sup>65</sup>

The Western states still claim two-thirds of Filipino Americans and 71% of Japanese Americans; however, other Asian ethnicities are much more dispersed. The Northeast, not the West, is home to the largest number of Indian Americans, 31%. The South is now home to large proportions of Asian American groups: 23% of Koreans, 29% of Indians, and 32% of Vietnamese.<sup>66</sup>

But while Asian Americans are moving throughout the country, most continue to congregate in metropolitan areas. Sixty percent of Asian TV households live in the top 10 designated market areas (DMAs). Thus, they are a significant segment in places where media track emerging trends and marketers can focus on many advertising efforts.<sup>67</sup>

## NIelsen TV MARKETS BY PERCENTAGE PENETRATION OF ASIAN POPULATION

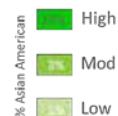


Source: Nielsen Pop-Facts Demographics, 2013 Update

### WHERE DO ASIAN AMERICANS LIVE, NATIONALLY?

- MAP 1: USA BY DMA
- Rank by %Pen of 2013 Asian Population
  - Break by quintile of 2013 Total Population
  - Dot Density = 5,000 Total Population
  - Dot Growth Volume of 2013 Asian Pop from 2000

ASIAN GROWTH 2013 VS 2000  
(1 dot=5000 new people)



THEME (% Pen, Index)

High	Quintile 1: [51.69] [13.21] [262]
Mod	Quintile 2: [23.68] [5.84] [116]
Low	Quintile 3: [12.48] [3.15] [62]
	Quintile 4: [7.88] [1.98] [39]
	Quintile 5: [4.28] [1.09] [22]

This map shows America, not as a collection of 50 states but rather as 210 television media markets, or Nielsen DMAs.

The DMAs in the darker shades report the greatest share of their population as Asian. On average, markets in the first 20%

(quintile) have populations that are 13% Asian, whereas markets in the bottom are only one percent Asian.

The two most deeply shaded markets are the most Asian in the country and also where over 75% of all Asian Americans call home.

The dot density patterns represent new Asian population growth since the year 2000 and cluster toward the most urban markets of the country—California, the Northeast, but also across the Southeast piedmont from Atlanta, GA to Washington, DC and up the

Pacific coast to Portland and Seattle.

Marketers can reach nearly 80% of America's Asian population within fewer than 20 of the 210 Nielsen (DMA) television markets.

## 2013 NIELSEN TV MARKETS BY POPULATION

### TOP TEN RANKED ASIAN AMERICAN DMA MARKETS

RANK	NAME	COUNT	% COMPOSITION	INDEX*
1	Los Angeles, CA	2,328,967	14.7	257
2	New York, NY	2,096,406	13.2	197
3	San Francisco, CA	1,757,814	11.1	482
4	Washington, DC-MD	585,887	3.7	175
5	Chicago, IL	570,902	3.6	117
6	Honolulu, HI	525,582	3.3	750
7	Seattle-Tacoma, WA	477,126	3.0	191
8	Sacramento et al., CA	463,326	2.9	223
9	Houston, TX	437,557	2.8	132
10	Philadelphia, PA	411,471	2.6	101

WITH OVER 2.3 MILLION (COUNT) ASIANS, LOS ANGELES IS A TOP NIELSEN TV MARKET COMPRISING NEARLY 15% (% COMP) OF ALL ASIAN PERSONS IN THE US, AS COMPARED TO LA'S NEARLY 6% SHARE OF TOTAL POPULATION, A RATE THAT IS 2.6 TIMES (257 INDEX) THE NATIONAL AVERAGE.

(INDEX 100 = TOTAL ASIAN AMERICAN POPULATION)

HONOLULU IS A TOP THREE NIELSEN TV MARKET FOR JAPANESE, BECAUSE 22.2% (%COMP) OF ALL JAPANESE AMERICANS LIVE IN THAT DMA, AS COMPARED TO ONLY 3.3% OF ALL ASIANS. A RATE THAT IS 6.7 TIMES (669 INDEX) THE NATIONAL AVERAGE.

### TOP THREE HIGH DENSITY NIELSEN DMA MARKETS BY ASIAN AMERICAN SEGMENTS\*

CHINESE	% COMP ASIAN	% COMP CHINESE	INDEX	JAPANESE	% COMP ASIAN	% COMP JAPANESE	INDEX
Boston	2.37	3.73	157	Honolulu	3.31	22.16	669
San Francisco	11.01	17.19	155	Seattle	3.01	4.13	137
New York	13.22	20.10	152	Los Angeles	14.68	19.34	132
FILIPINO	% COMP ASIAN	% COMP FILIPINO	INDEX	KOREAN	% COMP ASIAN	% COMP KOREAN	INDEX
San Diego	2.27	5.76	254	Atlanta	1.93	3.44	179
Honolulu	3.31	7.21	218	Washington	3.69	5.82	158
Los Angeles	14.68	19.37	132	Los Angeles	14.68	22.44	153
INDIAN	% COMP ASIAN	% COMP INDIAN	INDEX	VIETNAMESE	% COMP ASIAN	% COMP VIETNAMESE	INDEX
Philadelphia	2.59	4.50	173	Houston	2.76	6.90	250
Chicago	3.60	6.00	167	Dallas-Ft Worth	2.45	4.66	190
New York	13.22	19.97	151	Los Angeles	14.68	18.93	129

(INDEX 100 = TOTAL ASIAN AMERICAN POPULATION)

Source: Nielsen Pop-Facts Demographics, 2013 Update

\*Where Country of Origin Share is substantially higher than the Average Share for the US Overall

<sup>65</sup>U.S. Census Bureau, 2011 American Community Survey.

<sup>66</sup>Pew Research, The Rise of Asian Americans, 2012.

<sup>67</sup>Nielsen Pop-Facts Demographics, 2013 Update.

## COMMONALITY WITHIN DIVERSITY

Although a mix of languages, countries of origin, ethnicities, and cultures are represented among Asian Americans, they share common values and experiences.

As immigrants or the children of immigrants, many Asian Americans have dual identities. They speak English and consume much of the same media as their non-Asian neighbors, yet many also have a strong preference for in-language media. They connect a part of their identity to their inherited culture and values. About 62% of all Asian Americans most often describe themselves by including their country of origin.<sup>68</sup>

Many of those who can speak English may prefer speaking their heritage language when possible. About 61% of Asian Americans speak English, but at home, 77% speak a language other than English.<sup>69</sup> Within the U.S. there are 8.8 million people that speak an Asian language; furthermore, Chinese is the second-most popular foreign language after Spanish, with more than 2.6 million speakers. There are at least one million people that speak Korean, Vietnamese, or Tagalog.<sup>70</sup>



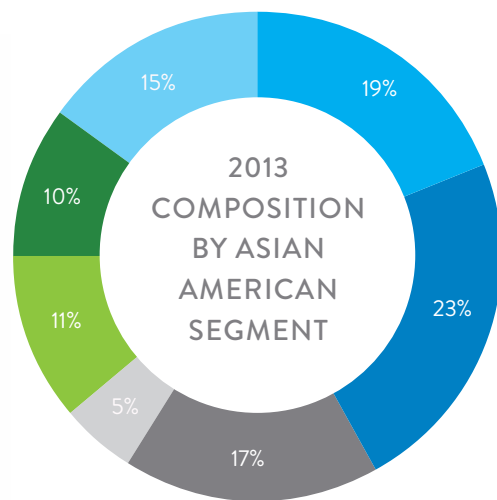
62%

OF ALL ASIAN AMERICANS MOST OFTEN DESCRIBED THEMSELVES BY INCLUDING THEIR COUNTRY OF ORIGIN.

77%

OF ALL ASIAN AMERICANS SPEAK A LANGUAGE OTHER THAN ENGLISH.

## U.S. ASIAN AMERICAN SEGMENTS



● ASIAN INDIAN 
 ● CHINESE 
 ● FILIPINO 
 ● JAPANESE  
● VIETNAMESE 
 ● KOREAN 
 ● OTHER ASIAN

Source: Nielsen Pop-Facts 2013, Population by Detailed Single Race, Asian Race

<sup>68,69</sup>Pew Research, The Rise of Asian Americans, 2012.

<sup>70</sup>U.S. Census Bureau, 2011 American Community Survey.

## OPPORTUNITIES AND TAKEAWAYS

- Because the Asian American population is fast-growing and tends to skew young, this segment could represent high earning and lifetime buying power for marketers.
- Three out of four adults are immigrants, bringing their shopping habits and preferences from their native countries. Companies should identify innovative ways to connect with these preferences and develop products that would appeal to this consumer group.
- At \$61,400 the average Asian American household spends nearly 40% more than the average millennial household. And furthermore, the younger millennial is spending even less, averaging only \$31,400 per year in 2012. Marketers should look carefully at how to unlock the potential for growth by connecting with the Asian American market.
- Asian American growth is expanding beyond the traditional hubs of the West Coast and New York City. Marketers should pay close attention to the population growth in certain pockets of the U.S. and explore potential markets that could create attractive marketing opportunities.
- Diverse but unified, the majority of the Asian American population continues to congregate in urban, metropolitan areas as 60% of Asian TV households live in the top 10 designated market areas (DMAs). This concentration means more focused and cost-effective outreach efforts for marketers.



## **THE ASIAN AMERICAN CONSUMER REPORT IS A U.S. INITIATIVE DRIVEN BY NIELSEN AND THE ASIAN PACIFIC AMERICAN ADVISORY COUNCIL (APAAC).**

KAREN NARASAKI, Esq. – Co-chair of APAAC

NITA SONG – Co-chair of APAAC  
President and Chief Executive Officer, IW Group, Inc.

VINODH BHAT  
Co-founder and CEO, Saavn

DENNIS J. HUANG  
Executive Director, Asian Business Association

ALICE LEE  
Vice President, Research and Development, LA 18-KSCI Television

DON NAKANISHI, PhD.  
Professor and Director Emeritus, Asian American Studies Center, UCLA

MICHAEL SHERMAN  
General Manager, KTSF Television, San Francisco

JERRY WONG  
Information Services Specialist, U.S. Department of Commerce

THERESA MAI WRIGHT  
Chief Financial Officer and Vice President, Little Saigon TV Network

## **ABOUT THE ASIAN PACIFIC AMERICAN ADVISORY COUNCIL**

The Nielsen Asian Pacific American Advisory Council (APAAC) was assembled in 2005 to assist our efforts to recruit, measure and accurately report on the Asian American households in the U.S. The Council consists of industry, community and business leaders from around the country and advises Nielsen on key initiatives to better connect and reflect what Asian American consumers watch and buy.

Special thanks to Nielsen's APAAC members who dedicated their time stewarding this report: Alice Lee, Don Nakanishi, Jerry Wong, Karen Narasaki, and Nita Song.

## ABOUT THIS REPORT

As the industry leader in multicultural research, Nielsen publishes insights about the growing importance of the multicultural landscape in the United States as part of the “Diverse Intelligence Insights Series.” The 2012 “State of the Asian American Consumer: Growing market, Growing Impact” report offered illuminating insights about the growing impact of the Asian American community. The 2013 report provides a general, high level overview and some deeper insights into what Asian Americans watch and buy with compelling perspectives on these behaviors.

Because Asian Americans’ socioeconomic and educational achievements in certain categories are higher than the average majority of Americans, they might be viewed as the “model minority.” Nielsen recognizes that there are wide disparities in socioeconomic and educational attainment within the Asian American community, with subgroups having much less income and education than a majority of Americans as well. Most of the Nielsen insights are also available by sub-segment and can provide marketers a more comprehensive view of specific market details.

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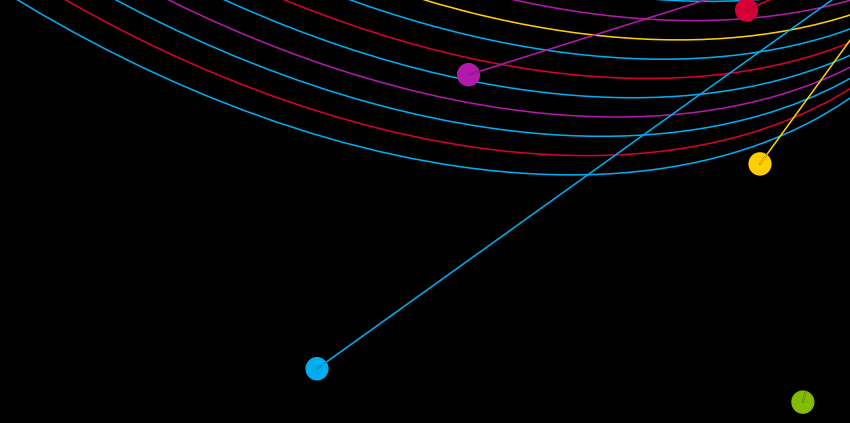
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