

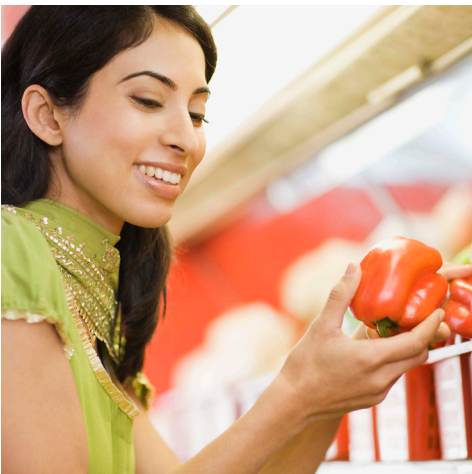


REPORT

State of the Asian American Consumer

Growing market, growing impact

Quarter 3, 2012



nielsen
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ABOUT THIS REPORT

This report serves to educate the reader on various facets of Asian American consumers, an attractive and growing segment of the U.S. population. The report focuses on media consumption habits and buying behavior. It is worth noting that this report does not intend to discuss the vast economic and social diversity within the Asian American community, but is intended to alert marketers and researchers to the opportunities within this group. Its aim is to showcase this consumer segment as essential to all marketers.

“Asian Americans are the fastest growing multicultural segment of the U.S. population.”

“Asian American buying power, currently at \$718 billion, is estimated to reach \$1 trillion by 2017.”

EXECUTIVE SUMMARY

Nielsen provides information about what consumers watch and buy in over 100 countries around the world. With a relatively low cost of entry and a potentially high return on investment, the Asian American market represents a significant growth opportunity for the nation's businesses that sell goods and services. While population growth in the non-Hispanic White segment is slowing, Asian American consumers provide growth opportunity to your business by appealing to a consumer base that is growing, affluent, well-educated, geographically concentrated, technologically savvy and has tremendous buying power that continues to soar.

The Asian American population is approximately 18.2 million and has increased over 50% since 2000, the highest growth rate of any multicultural segment in the U.S. You cannot afford to keep Asian Americans under the radar any longer. This is a segment that is vital to your business growth and success.

Asian American median household income is 28% higher than the total U.S. median income. Fifty percent of Asian Americans age 25+ have a Bachelor's degree, compared to 28% of this same group nationwide. This demographic offers attractive potential market growth.

Over the past decade, the Asian American population has grown at double-digit rates in 49 out of the 50 states. In fact, a dozen states have counties that have seen growth rates of over 200%. Although growth is occurring throughout the nation, almost 40% of all Asian Americans can be found in three Designated Market Areas (DMAs) – Los Angeles, New York and San Francisco. In addition, 60% of Asian TV Households reside in the top 10 DMAs, and nearly 85% of all Asian Americans live in 33 of Nielsen's 212 media (television) markets. By focusing on a targeted set of geographies, reaching Asian American consumers is very cost effective.

While television is still a dominant medium for Asian Americans, the digital space is rapidly providing additional consumer touch points for advertisers. In-language print media and radio are also popular and effective alternative resources. When compared with other multicultural segments, Asian Americans more frequently utilize multiple digital screens to view programming and videos.

Asian Americans are a powerful consumer base with \$718 billion in buying power that is expected to reach \$1 trillion in just five years, equal to the 18th largest economy in the world.

SECTION ONE:

ASIAN AMERICAN CONSUMERS: UNTAPPED DOMESTIC GROWTH OPPORTUNITY

The Opportunity is Real and the Time is Now

The Asian American population (AOIC) is 18.2 million today and expected to reach 20.9 million in the next five years. Asian Americans hail from dozens of countries, speak a variety of languages and encompass a range of socio-economic characteristics. Asian Americans who originate from China, India, Philippines, Vietnam, Korea and Japan comprise 86% of the total segment population. Chinese represent the largest group at 22%, followed by Asian Indians at 19% and Filipinos at 18%.*

With a 51% increase in population since 2000, Asian Americans are experiencing the highest growth rate of any multicultural segment, slightly outpacing the Hispanic population. Whereas U.S. Hispanic growth is fueled by native births, Asian American growth is fueled largely by steady immigration. In 2010, about

430,000 new immigrants entered the U.S. from Asia alone, representing 36% of the total U.S. immigrant population. During the last decade, 3.6 million of the 4.2 million Asians added to the U.S. population were new immigrants. Overall, 3 out of 4 Asian Americans are foreign-born. Indians and Vietnamese are most likely to be born outside the U.S.**

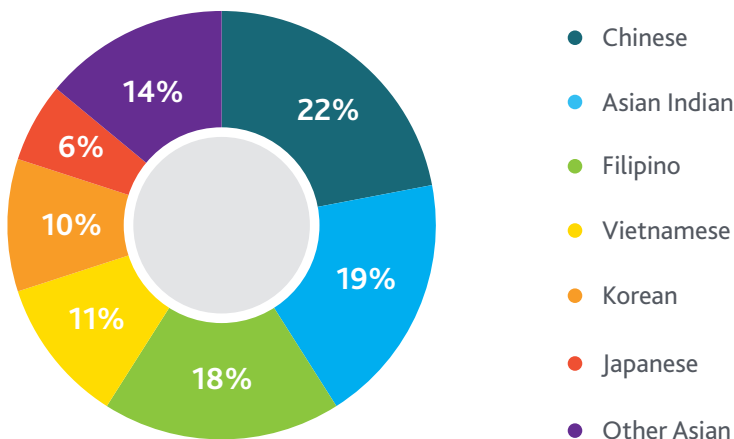
Asian Americans skew younger than the total U.S. population (41 years vs. 45 years) and have a household size that is slightly larger than the total U.S. population (3.1 vs. 2.6). There are differences though in the foreign-born versus native-born populations. Among adults, native-born Asians are much younger at a median age of 30 compared to 44 for foreign-born Asians. Since they are less likely to be married, their average household size is smaller at 2.6 versus 3.2 for their foreign-born counterparts.***

Definition of "Asian" used in the 2010 Census (AOIC)

According to the U.S. Office of Management and Budget (OMB), "Asian" refers to a person having origins in the Far East, Southeast Asia, or the Indian subcontinent, including for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam. It includes people who indicated their race(s) as "Asian" or reported entries such as "Asian Indian", "Chinese", "Filipino", "Korean", "Japanese", "Vietnamese", and "Other Asian" or provided other detailed Asian responses. 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). The AOIC number will be noted if used. The concept of AOIC includes people who reported a single race (e.g. Asian) and people who reported that race in combination with one or more of the major race groups (i.e. White, Black or African American, American Indian and Alaska Native, Native Hawaiian and Other Pacific Islander, and Some Other Race).

Asian American Segments



Source: Nielsen Pop-Facts Premier, 2012 update

*Source: Nielsen Pop-Facts Premier, 2012 update

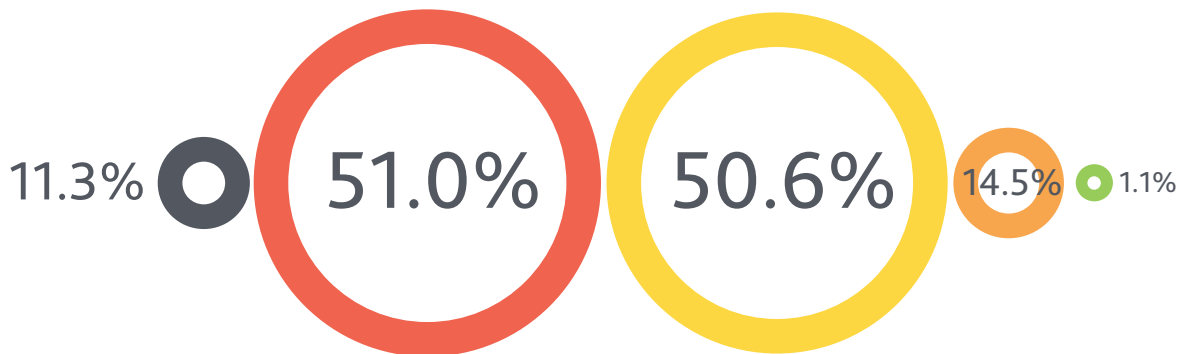
**Sources: Dept. of Homeland Security 2010 Factbook; U.S. Census 2010

***Source: U.S. Census 2010

The Asian American population is larger than the total populations in 46 of the 50 states. Only California, Texas, New York and Florida are larger.



Growth Rates from 2000-2012



● Total Population ● Asian American ● Hispanic ● African-American ● White, Not Hispanic

Source: Nielsen Pop-Facts Premier, 2012 update

Foreign-Born by Country of Origin 2010

Asian American Segment	Foreign-Born Percentage
Chinese	76%
Filipino	69%
Indian	87%
Vietnamese	84%
Korean	78%
Japanese	32%

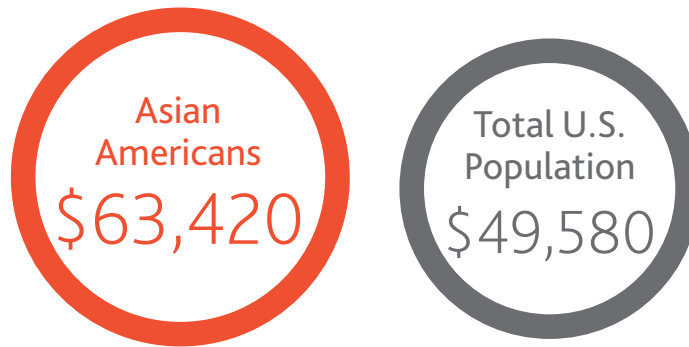
Source: U. S. Census 2010

Not only are Asian Americans the fastest growing segment, many are also affluent and educated. Asian American household median income is 28% higher than the total U.S. median in 2012. For marketers trying to reach affluent consumers, it is important to note that 28% of Asian American households have incomes greater than \$100K compared to 18% of total U.S. households. Looking at the sheer number of households that earn \$100K+, you will find the Asian American, African American and Hispanic households nearing parity.*

In addition, 50% of Asian Americans 25 years and older have a Bachelor's degree compared to 28% of the total population. Due in part to a long-standing U.S. immigration policy that favors investors and high-tech/specialized workers, immigrants from Asia are more likely to be well educated. Half of the Asian American working population is in professional and managerial roles, compared to about 40% of Americans overall.**

Entrepreneurship also plays a significant role in the Asian American community. According to the U.S. Census Survey of Business Owners, there were approximately 1.6 million Asian American-owned businesses in the U.S. in 2007, an increase of 41% from the 2002 U.S. Census - higher than the 18% growth for all U.S. firms during the same time period. With gross receipts totaling over \$506 billion, Asian American - owned businesses generated more revenue than any other group except non-Hispanic Whites. Asian American small businesses are found across a wide variety of industries, ranging from health and beauty, hospitality, personalized services such as nails salons and dry cleaners to technology and Silicon Valley startups.

2012 Median Household Income



Source: Nielsen Pop-Facts Premier, 2012 Update

Number of households with median incomes greater than \$100K:



Source: Nielsen Pop-Facts Premier, 2012 update

Small Business - Gross Receipts 2007

Asian American	Non-Hispanic White	Hispanic	African-American
\$506 Billion	\$10,240 Trillion	\$351 Billion	\$136 Billion

Source: U.S. Census 2007 Survey of Business Owners

*Source: Nielsen Pop-Facts Premier, 2012 Update

**Source: U.S. Census 2010

**FUN
FACT**

Indian Americans have a significant footprint in the hospitality industry owning over two million rooms in the U.S. with a value exceeding \$100 billion.

An example of entrepreneurial success in the Asian American community is the emergence of Vietnamese nail salon owners who comprise 43% of all manicurists in the United States. In California alone, this rises to an impressive 80%.

2012 Household Income Comparison

Household Income	Total U.S. Percentage	Asian American Percentage
< \$25K	23.8%	19.6%
\$25K-\$49.9K	26.6%	20.6%
\$50K-\$74.9K	19.5%	18.2%
\$75K-\$99.9K	11.9%	13.5%
\$100K-\$149.9K	11.3%	16.1%
\$150K-\$199.9K	3.2%	5.8%
\$200K+	3.7%	6.2%
	18.2%	28.1%



Source: Nielsen Pop-Facts Premier, 2012 update

	Total U.S.	Asian American
Median	\$49,580	\$63,420
Average Household Income	\$67,320	\$78,600

Source: Nielsen Pop-Facts Premier, 2012 update

Asian American Spheres of Influence - Going Beyond Traditional Strongholds

Although the top three DMAs where Asian Americans live are Los Angeles, New York City and San Francisco, Asian American influence is transcending traditional geographic boundaries. Sixty percent of Asian TV Households reside in the top 10 designated market areas (DMAs) and nearly 85% of all Asian Americans in the US live in 33 of Nielsen's 212 DMAs. More than one-third of states now have Asian American populations greater than 225,000. In addition, the Asian American population has grown in every state (with the exception of Hawaii) by at least 33% over the past decade. Approximately twelve states have counties with Asian

American population increases of more than 200%. These include Southern states like Florida, Georgia, and Texas, with the third largest Asian American population in the U.S., states in the Midwest like Minnesota, Ohio, Iowa, and Indiana and in the west, Arizona and Nevada. The Asian American population is expected to grow at a rate of about 2.9% per year to 20.9 million in 2017.*

Population growth is also driving the boom in Asian languages spoken in the U.S. Chinese trails Spanish as the most popular foreign language in the U.S., spoken by 2.6 million people. Over three percent of the U.S. population, or nearly 8.8 million people, speak an Asian language. Tagalog, Vietnamese and Korean are all spoken by at least 1 million people in the U.S.*

Korean-American chef, Roy Choi, entered the Los Angeles street food scene in 2008 with his now-famous Kogi trucks selling foods like Korean barbeque tacos and marrying it with savvy social media marketing. His success inspired countless trucks offering a wide range of cuisines from Chinese dim sum to Vietnamese sandwiches to Indian dosas to follow suit in the city.

Asian American Population and Local Television Market Universe Estimates: Asian* TV Homes

DMA	Asian American TV Homes	Asian American TV Homes - Percent of Total U.S.	Asian American Population
Los Angeles, CA	749,610	14.22%	2,565,326
New York, NY	668,540	12.68%	2,243,357
San Francisco Bay Area, CA	560,810	10.64%	1,893,592
Honolulu, HI	214,860	4.07%	782,113
Chicago, IL	196,830	3.73%	632,173
Washington DC/MD	189,390	3.59%	653,670
Seattle-Tacoma, WA	161,580	3.06%	573,378
Sacramento, CA	145,280	2.76%	553,519
Houston, TX	141,640	2.69%	468,615
Philadelphia, PA	135,350	2.57%	454,089

Source: Nielsen Pop-Facts Premier, 2012 update

*Source: Nielsen Pop-Facts Premier, 2012 update

Asian Americans Share Common Values

Although Asian Americans hail from many nations with distinct cultures, the community as a whole developed shared values. It is difficult to describe "Asian culture" in one set of neat phrases. It makes sense to take a holistic approach and search for common cultural values. These values transcend country of origin, language, income and other key factors, and help shape an identity that all Asian American groups can relate to.

One unifying factor is the focus on family. A recent study by Pew found that 54% of Asian Americans feel that a successful marriage is one of the most important things in life compared to 34% of all Americans. This is reflected in the fact that Asian American children are more likely to be raised in a household with two married parents (80% vs. 63% for total U.S. children). Family is defined as extended family and can include children, parents, grandparents, aunts, uncles, cousins and so on. More than one-quarter (28%) of Asian Americans live in such households, twice as high as their White counterparts. Elders are well-respected and often consulted on major family decisions. In fact, two-thirds of Asian Americans feel that parents should have "a lot of or some" influence on their kids' professions. Education is deemed a family affair, and



there is often intense pressure to succeed in order to have a "secure future". This future orientation is characteristic of many Asian Americans who tend to harbor a "savings mentality", as they are saving not only for their children's college but also for their own retirement and their parents' care. By initially focusing on these key unifiers rather than the market differentiators, marketers can begin to understand the Asian American mindset.*

Language and Acculturation

Marketers can resonate with Asian Americans through shared culturally relevant themes. The execution of these efforts are tied closely to language and acculturation levels. Consumption of in-language media varies by Asian country of origin and is impacted by immigration factors and local availability of in-language media, among others. Many Japanese Americans in the U.S. have been in the country for several generations and have lower immigration rates than their Asian born counterparts. They are more

likely to speak English, be acculturated and more likely to consume general English media than other Asian Americans in the U.S. Immigrants from India and the Philippines tend to arrive in the U.S. with a better command of the English language, due in part to the historic U.S. and British colonial influence. However, still being new immigrants, these two groups both use general market English media and in-culture media, either in English or in native languages.

While the Chinese have also been in the country for generations, there is still steady immigration from China. Chinese immigrants, along with Vietnamese and Korean immigrants, tend to prefer their native tongue. Overall, 61% of Asian Americans report that they speak English very well, although for foreign-born Asian Americans this number drops to slightly more than half. At the same time, it is important to note that 77% of Asian Americans speak a language other than English at home, suggesting their language of comfort or preference.



77% of Asian Americans speak a language other than English at home, suggesting their language of comfort or preference.

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

Acculturation goes beyond language. It refers to the process of adopting elements of the host culture while at the same time maintaining elements of one's native culture and encompasses many more dimensions. As immigrants progress on the acculturation continuum, they start incorporating U.S. culture, traditions, lifestyle and media usage with Asian cultural practices. Children of immigrants tend to be adept at navigating both cultures whereas their children, typically third generation and higher, are more acculturated. This indicates that marketers still need to be more inclusive in their general market media campaign and ads in order to resonate with acculturated Asian Americans.

English-language proficiency does not mean marketers should only focus on reaching Asian American consumers through general market advertising. While some Asian Americans can be reached through general English media, multiple studies have shown that ethnicity is core to the identity of all minorities, and Asians are no exception.

To effectively reach the majority of this market, it is imperative for marketers to utilize the Asian-language and/or Asian-culture media to convey culturally tailored messages that can resonate with the Asian American audience. This market is three-quarters foreign born and often the language spoken at home is not English.

In order to stay connected to Asian American communities both here and abroad, these consumers still prefer to look for "in-language" and/or "in-culture" media to stay on top of news and current events. The preference is manifested in the staggering growth of Asian media outlets (1115% from 1999 to 2010), with most of them being in-language media. In-language websites are helping companies maximize impact as well. The Association of National Advertisers found that 22% of companies surveyed had an Asian-language website to appeal to Asians living in the U.S.*

For many Asian American segments, language schools are an important way to keep children connected to their culture. For example, there are over 1,200 Korean heritage language schools in the U.S.

“ Ethnicity is a significant part of the Asian American identity. Asian Americans enjoy being a part of activities and traditions celebrating their ethnicity, and like to expose their children to their ethnic backgrounds.”

Asian language media outlets increased a staggering 1115% from 1999 to 2010.

1115% Increase in Asian American Media

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

Source: IW Group

Number of Asian Media Outlets 2010

	Chinese	Korean	Vietnamese	Filipino	Asian Indian
Print	121	68	76	64	50
TV	37	26	18	14	30
Radio	32	22	34	18	21
Digital	147	84	69	87	94
TOTAL	337	200	197	183	195

Source: IW Group

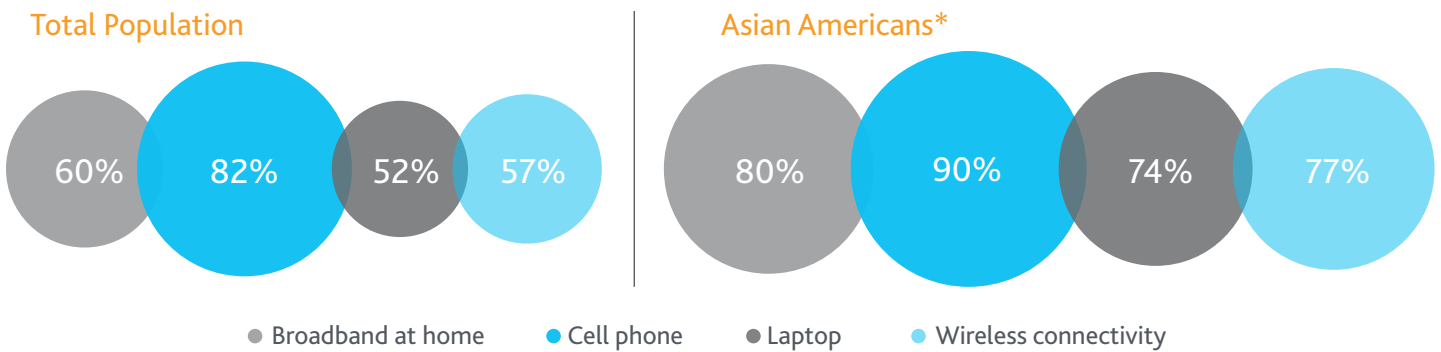
*Sources: U.S. Census 2010 for language; IW Group for media

SECTION TWO:

ASIAN AMERICANS ARE BLURRING THE LINES BETWEEN TRADITIONAL AND EMERGING MEDIA

Fast and Early Adopters of Technology

While television is still the dominant content medium for Asian American consumers, the digital space is rapidly providing additional touch points for advertisers. Driven by a prolific rise in mobile device ownership and time spent online, Asian Americans are playing a major role in the adoption of new technology. Many Asians arrive from countries with a high penetration of digital technology where traditional landlines and desktop computers have been bypassed by mobile devices. Nielsen has found that Asian countries (excluding Japan) surpass European and Western markets in television viewing and video consumption via internet and mobile devices.* Overall mobile penetration in Asia is 76%, and the region is also leading the world in broadband usage.** Asian Americans lead in high-speed internet access and in mobile connectivity through cell phones, laptops and wireless networks in the U.S.



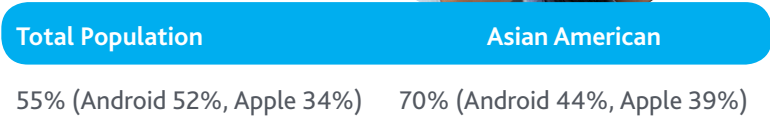
*English-speaking
Source: Pew Report "Exploring the Digital Nation" Dec. 2010

With a 70% smartphone penetration, Asian Americans also have the highest usage of any group. Although the Android operating system is preferred by all consumers, Asians have a higher preference for the Apple iPhone than the total U.S. population.

Tablets are changing how people interact with technology in their daily lives. They are being used in place of laptops, books, cameras and are revolutionizing the retail shopping experience. Adoption of tablets is also the highest with Asian Americans. While regular tablet usage among non-Hispanic Whites is 10.1%, 14.4% of Asian Americans use tablets regularly. Currently, over one-third of Asian Americans report their intention to purchase a tablet in 2012, compared to one in five non-Hispanic Whites.***



Smartphone Penetration



Source: Nielsen Mobile Insights June 2012

*Source: Nielsen, "The Asian Media Landscape 2012"

**Source: BuddeComm 2012 Study - "Asia - Mobile, Broadband and Digital Economy Overview"

***Source: eMarketer

Leading the Way Online

Asian Americans spend an average of 80 hours surfing the internet each month. They view 3600 web pages monthly, which is 1000 pages higher than any other demographic group.*

Online preferences and habits are closely tied to language ability and acculturation. Much of the conventional research on Asian Americans' online behavior has focused on the English-speaking segments. Findings show that Asian Americans tend to visit the same websites as the total population. However, their

frequency and duration within each site is significantly higher. This is most apparent on computer and consumer electronics websites where Asians visit these sites 36% more often, spend 72% more time and visit 84% more pages than the total population.**

“Asian Americans visit computer and consumer electronics websites 36% more often, spend 72% more time and visit 84% more pages than the total population.”

Top Online Categories

Online Category	Sessions per Person		Time per Person		Pages per Person	
	Total Population	Asian American	Total Population	Asian American	Total Population	Asian American
Search Engines/Portals & Communities	41.36	44.32	008: 16: 55	008: 22: 57	788	971
Entertainment	30.34	36.21	007: 02: 23	009: 42: 28	554	740
Telecom/Internet Services	30.33	35.92	004: 05: 19	004: 46: 18	377	497
Computers & Consumer Electronics	16.69	22.71	001: 39: 58	002: 52: 07	86	158
News & Information	24.02	28.18	001: 57: 59	002: 21: 04	143	184

Source: Nielsen Panel data May 2012 (hh:mm:sec)

We also see the top website brands are the same for Asian American audiences as for the total population and showcase the intensity of online surfing. The largest differences between segments can be seen with YouTube. Asian Americans are 38% more likely to visit YouTube, 62% more likely to spend more time on the site and 72% more likely to visit more YouTube pages.

Top Online Brands

Website Brand	Sessions per Person		Time per Person		Pages per Person	
	Total Population	Asian American	Total Population	Asian American	Total Population	Asian American
Google	24.69	30.60	01: 41: 31	02: 19: 32	186	286
Facebook	27.79	28.64	06: 53: 34	06: 07: 49	611	653
Yahoo!	22.40	26.48	02: 31: 17	02: 36: 34	265	302
YouTube	12.04	16.67	01: 50: 01	02: 57: 42	134	230
MSN/Windows Live	17.79	19.89	01: 22: 04	01: 42: 43	135	209

Source: Nielsen Panel data May 2012 (hh:mm:sec)

*Source: Nielsen Telecom Q4 2010

**Source: Nielsen: Online Panel May 2012

Asian Americans are also more likely to make purchases online, with the highest index of any group for the past 12-months.

Not only are Asian Americans interested in technology products, but they also promote these products through word-of-mouth to family members and friends. This word-of-mouth communication can spread trusted advice through social media and blogging sites. Asian Americans are the most active demographic segment on social networks. Additionally, mobile internet usage on social networks grew the fastest among Asian Americans over the past year, further cementing the fact that they are eager to optimize their content across a variety of connected devices.

Traditional Television Viewing and the Multi-Screen Lifestyle

Traditional media is critical in reaching this segment and television is favored by most Asian Americans. With 74% of Asian Americans being foreign born, many Asian households are known to consume both Asian television as well as mainstream television channels.

Popular shows on in-language or in-culture television channels include news from Asia, local news, dramas, and a rich mix of entertainment variety shows. Many Asian Americans, particularly immigrant families, like to stay informed of current news in the U.S. as well as their native country. Asian American television plays a role in delivering news and information specifically relevant to the lifestyle of Asian Americans as well as the culturally relevant entertainment.

Past 12-Month Internet Purchases Index

Asian American	121
Non-Hispanic White	116
Hispanic	64
Non-Hispanic Black	67

Source: Geoscape/The Media Audit 2011

	Have Visited a Social Network Site/Blog Index	Growth in Social Internet Sites on Mobile Phones (%)
Asian American/PI	103	76%
White	101	67%
Hispanic	100	45%
Black	94	41%

Source: Nielsen Social Media Report Q3 2011

When Asian Americans (age 18-49) view mainstream television, the top shows include general dramas, situational comedies, participation variety, general variety and sporting events. Interestingly, many of these top shows have Asian American actors, indicating that there is a strong desire among Asian American viewers to see people who resemble them perform on a mainstream platform.

In the DMAs that have a sizeable Asian American population and strong Asian American broadcaster presence, Nielsen ratings demonstrate that local in-language broadcasters compete effectively with American broadcasters. For instance, in the San Francisco DMA, where Chinese TV households

make up almost 10% of the total TV audience, the leading Asian-language station, KTSF, garners strong Nielsen ratings. In 2011, KTSF's 7:00 p.m. Chinese (Cantonese) newscast was the DMA's highest rated early night newscast among viewers 18-49. KTSF outranked all other independent and affiliate newscasts that start between 4:30 p.m. and 7:00 p.m. Monday-Friday.* Likewise, in Hawaii, where almost half of the TV audience is Asian American, Asian-language stations in the Honolulu DMA rank among the top network affiliated stations during prime time hours. This is in spite of Hawaii's Asian population being mostly 2nd generation or higher.

Asian Television Landscape

The term Asian television in this report refers to both Asia-oriented programming distributed mostly on national cable and satellite platforms and Asian American television that is locally based and available over-the-air and on satellite and local cable systems. Most Asian channels are Asian language (in-language) channels with some English-language, in-culture channels emerging.

There are full-power over-the-air broadcasters in major Asian American markets, such as the Los Angeles, New York, and San Francisco DMAs. Some of the local broadcasters have been in the multicultural Asian format for over 35 years, and these stations carry many locally produced programs that allow for product integration opportunities for advertisers. Along with a growing number of Asian channels on major cable and satellite systems, there has been an explosion of Asian-language digital sub-channels in key Asian American markets over the past three years.

*Source: Asian American Consumer Report July 2012 – data from May 2012

Numerous options from live TV to DVR playback to video-on-demand to online streaming have led to the transformation of how and when consumers watch video which in turn has given rise to the adoption of multiple screens. Asian Americans log 100 hours of television viewing per month compared to 10 hours of Internet video viewing and about 5+ hours of mobile video viewing, demonstrating that traditional TV remains the favorite.

However, online and mobile sites that offer Asian-relevant content are growing in popularity. Asian Americans stream more videos on Hulu than any other demographic segment and over index on Netflix and YouTube -streaming in total 72% more than the total population (Asian Americans: 10 min./month/user; Total Pop: 5.8 min/month/user).* As time shifting expands, Asian Americans are leading the way in this area as well.



Currently, Korean dramas are popular among Asian Americans. Korean dramas are unique in that they appeal to the wider spectrum of Asian Americans beyond Koreans; Chinese, Filipinos, and Japanese like to watch them as well. In recognition of this culture-transcending trend, a recent Toyota campaign starred a popular Korean actor, and the ad ran in multiple Asian languages.

Asian American TV Viewing 18-49

Top Rated Genres

1. Participation Variety
2. Award Ceremonies
3. Evening Animation/ Sporting Events
4. General Variety/ Quiz Panels

Top Rated Programs

1. American Idol - Wednesday
2. The Office
3. Modern Family
4. Parks and Recreation
5. American Idol - Thursday

Source: Nielsen: May 2012 Sweep

*Source: Nielsen Media Research Live +SD, 2011, P18-49 Program Average. Numbers are based on total persons in the SF DMA. Early night newscasts include local and network newscasts starting between 4:30 and 7:00pm Monday-Friday

Asian Americans are also big gamers – spending more time on video games than other groups. Game consoles are part of the transformation of how and when to watch video. More and more consumers are using them as a media hub video in addition to gaming. Playstation 3 is the favorite game console, followed by Xbox 360.

Monthly Time Spent Watching Video – Hours:Minutes

	Asian American	White
Watching TV	100:00	152:57
Watching video on the internet	9:58	4:47
Watching video on mobile device	5:12	4:51

Source: Nielsen: Cross Platform Report, 1st Quarter 2012

22% of firms surveyed by the Association of National Advertisers in 2012 had an Asian language website to reach Asian Americans.

Definition: Time shifting is the process of recording programming to a storage medium for later viewing

General Pop	15.1%
Hispanic	9.6%
White	16.5%
African-American	8.8%
Asian American	17.8%

Source: Nielsen State of the Media Advertising and Audiences Spring 2012

Insights and Opportunities

As early adopters, Asian Americans are especially valuable to brands trying to extend their reach beyond their core consumer segments. By incorporating mobile, social and digital strategies alongside television and other traditional marketing efforts, marketers can deliver deeper connections with this segment. As the tablet gains momentum, applications that take advantage of this platform and embrace the buyer experience will flourish. To adjust for the increase in DVR usage, tailor advertising to include product placement.

SECTION THREE: ASIAN AMERICANS' SHOPPING DECISIONS

Buying Power: Large and Growing

Collectively, Asian American buying power has risen 523% since 1990 to \$718.4 billion in 2012. If Asian Americans were a country, they would represent the 18th largest economy in the world, providing a tremendous domestic growth opportunity. Buying power in this demographic is expected to top \$1 trillion by 2017.*

The emergence of new television networks, cable and satellite channels and mobile applications have led to the segmentation of the media industry and given more power to the consumer than ever before. As a result, consumers can pick and choose exactly how they interact with brands. Understanding the shopping preferences and shopping patterns of the Asian American consumer is critically important. With the majority of growth in the Asian American market still driven by immigration, it is vital to gain a full appreciation of this consumer segment and how buying behavior in the home country affects the purchase decision process in the U.S.

“If Asian Americans were a country, they would represent the 18th largest economy in the world.”

*Source: The Multicultural Economy 2012: Selig Center for Economic Growth

Key Purchase Categories

Asian Americans spend substantially more on fresh produce and healthy foods. In many Asian countries, the common diet is based on fruits, vegetables and grains. Rice is the centerpiece of most meals and unlike Western cuisine, meat is used for accent and flavor, typically as a side dish. Asian American households over index on baby products such as baby food and diapers. Although Asian American and Non-Hispanic White fertility rates are similar, Asian Americans skew younger and are more likely to be at a stage in life where they are raising young children.

Asian American Dollar Index

Edible		Non-Edible	
Dried Vegetables & Grains	274	Photographic Supplies	289
Baby Food	203	Family Planning	284
Refrigerated Juices/Drinks	152	Baby Needs	216
Fresh Produce	139	Skin Care	192
Snacks, Dips – Dairy	137	Disposable Diapers	165
Yogurt	128	Oral Hygiene	161
Pasta	127	Sanitary Protection	159
Dried Fruit	127	Kitchen Gadgets	140
Shortening & Oil	126	Hair Care	135
Soup	124	Vitamins & Supplements	133

Source: Nielsen Homescan 52 wk avg ending 12/31/11

Grocery Shopping Habits

	White	Asian
Use shopping list	63%	45%
Compare unit prices	53%	50%
Use store circular	48%	47%
Use coupons	43%	36%
Purchase from display	8%	8%

Source: Nielsen Homescan Survey Feb/Mar 2012

Frequent Shoppers

As Asian Americans acculturate, embracing traditions to stay connected to their culture and food is an underlying current. Asian Americans offset lower basket size in grocery stores with more frequent store visits. The tendency to buy fresh produce accounts for shopping more often. Also, with larger household sizes than Whites, Asian Americans are more likely to frequent warehouse clubs.

The attractiveness of the Asian American market has long spurred interest by key players in the financial, telecom and automotive fields. In more recent years, spirits manufacturers along with pharmaceuticals, quick-service restaurant and travel & leisure companies have taken notice and implemented Asian American marketing plans. Ethnic-focused retail chains have sprouted in correlation to Asian American population growth and now offer items such as daikon radish, rice cookers and duck feet that appeal not only to Asian Americans but also to a growing gourmet clientele.

	Annual Shopping Trips/HH	Average Trip Basket Size/HH
Asian American	152.1	\$45.70
Non-Hispanic White	149.0	\$46.90

HH - Household

Warehouse Clubs Annual Shopping Trips per Household

Asian Americans

15.5

Non-Hispanic Whites

11.6

Source: Nielsen Homescan 52 wk avg ending 12/31/11

Insights and Opportunities

With many decisions made in-store, manufacturers need to develop a strong connection with Asian Americans at the retail level. Retailers need to attract Asian Americans with items such as fresh produce, healthy choices and products for growing families. Offering value is paramount as many Asian American shoppers buy on the “deal.”

Consider how to integrate technology into the in-store experience. The emergence and growth of tablet technology is revolutionizing the retail experience and providing new experiences for consumers. Integrate tablets into retail point-of-sale and loyalty card systems to provide recipe ideas, cross-purchase suggestions, and health & beauty tips.



Conclusion

With the ever-increasing influence of the Asian American population in the U.S., it is important for marketers to take a closer look at this valuable market segment. By tapping into the fastest growing demographic with the highest purchasing power per capita, there is an opportunity to offset the decline in growth of the non-Hispanic White population.

Marketers need to have a strong understanding of the dynamics within the Asian American market and an appreciation for both the common cultural themes as well as the unique diversities. Couple this with an understanding of the rate of technology adoption and multiple platform usage for a better picture of this consumer segment. Steady immigration accentuates the need to understand that Asian American consumer preferences for categories and brands are influenced by homeland experiences. The large foreign-born population also indicates the necessity for a sustainable media industry that caters to Asian linguistic needs and cultural nuances.

Traditional media, grassroots events, out-of-home advertising, social media, online video and smartphones represent part of the vast number of growing touch points used by brands to deliver marketing messages and engage Asian American consumers. The key is keeping abreast of the trends to anticipate where the market is headed.

By cultivating a deeper understanding of Asian Americans, marketers can tap into this attractive, expanding opportunity that is likely to reward those who have closely analyzed the behavior of this consumer.

The State of the Asian American Consumer Report is an initiative spearheaded by Nielsen and supported by Nielsen's Asian Pacific American Advisory Council.

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“In more than 100 countries around the world, Nielsen provides clients with the most complete understanding of what consumers watch and buy.”

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