



ASIAN-AMERICANS: CULTURALLY CONNECTED AND FORGING THE FUTURE

**THE ASIAN-AMERICAN CONSUMER
2015 REPORT**



nielsen
.....

AN UNCOMMON SENSE
OF THE CONSUMER™

DIVERSE INTELLIGENCE SERIES

FOREWORD

Culturally Connected and Forging the Future builds on recent Nielsen reports that have explored why companies should consider multicultural consumers as a cornerstone of today's successful marketing strategies. This report provides a pragmatic analysis of the fastest growing, most culturally diverse, and most affluent of the multicultural segments, Asian-Americans.

As China and India have replaced Mexico over the last two years as the largest sources of recent U.S. immigrants, and immigration from other Asian countries has increased as well, the importance of understanding the Asian-American consumer has never been more critical to marketers across all industries. Furthermore, their status as early adopters with outsized influence on the American mainstream should challenge companies to attune themselves to Asian-American consumers, even if they have not done so in the past.

This report offers a roadmap to the demographics and buying power of Asian-American consumers who share many common cultural traits, but who cluster in specific metro areas and states with different countries of origin. Marketers and advertisers who seek to understand and activate strategies that best serve the Asian-American consumer should find this report valuable as they seek to increase share and thrive in an increasingly multicultural mainstream.



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EXECUTIVE SUMMARY

Asian-American consumers are confidently making a powerful impact on today's new American mainstream. They are the fastest-growing (up 46% from 2002 to 2014) and most culturally diverse segment of what will be a multicultural majority U.S. population by the year 2043.¹ Recent arrivals to the United States have fueled much of this growth, as China and India have replaced Mexico as the largest source of recent immigrants (those arriving within the last year).² Fully 79% of Asian-American adults are immigrants or foreign-born, bringing with them cultural traditions that continue to influence and guide their personal choices and consumer habits.

Proud of their roots in a continent that represents over 60% of the global population, hailing from more than 40 countries, and speaking dozens of languages, Asian-Americans are sharing their unique stories, influencing tastes and trends, displaying their style, and flexing their wallets.

With a voracious appetite for technology, digital entertainment, and the freshest food, Asian-Americans are focused on the future but maintain strong ties to their cultural past. As the buying power and social influence of Asian-Americans continues to expand, understanding their expectations and tastes will be indispensable for any total-market business plan or strategy.

This report explores the unique consumption behavior of Asian-American consumers through the lens of the food and beverage and health and beauty aid categories as well as providing insights into Asian-Americans' technology and digital content preferences. A close look at millennial Asian-American women, who are heads of their households, highlights specific shopping attitudes and behaviors as opposed to their general market counterparts. These insights can serve as a blueprint for understanding how cultural identity plays a major role in shaping Asian-Americans' buying habits and can provide the basis for a business strategy to activate the fastest-growing and highest-income consumer segment in the American mainstream.

¹ U.S. Census projections.

² American Community Survey 2013 Single Year.

Insights in this report identify the following qualities in today's Asian-American consumers:

Diverse and culturally confident: As the nation's fastest-growing ethnic group with buying power projected to reach \$1 trillion by 2018, Asian-Americans are increasingly confident about sustaining their cultural roots and assertive about their shopping tastes and preferences.³

On the move: Although most Asian-Americans are still concentrated in major urban areas of the West Coast and Northeast, their numbers are growing in the suburbs and in parts of the Midwest and South. Asian-American "ethnoburbs" are springing up throughout the country as high-tech jobs attract a highly educated workforce to majority multicultural suburbs.⁴

On a journey from inner health to outer well-being: Asian cultural traditions permeate every aspect of life. Asian-Americans respect and celebrate the interaction and connection between their inner self and public-social self, influencing the why, where and how of what they buy.

Family-centric: Asian-Americans tend to live in extended multigenerational households with an average of 3.1 persons, compared with the average U.S. household size of 2.7, and they often shop in bulk to see savings over their entire family budget.

Long-life buyers: A high life expectancy and a lower median age for Asian-Americans results in substantially more effective years of buying power (52.3) than for non-Hispanic whites (36.7), making an investment in Asian-Americans a smart long-term investment.

Discriminating shoppers who want and demand the best quality at a good price: Millennial Asian-American women are highly loyal to the brands they want but are searching for value at the same time.

Socially empowered and digitally adept: Asian-Americans lead the way in technology, including mobile and social-media usage adoption and adaptation. As live-TV time decreases, the multiplatform streaming behaviors of Asian-Americans can be a bellwether for the future of all American consumers.

Increasingly "Ambicultural"[®] consumers:⁵ Increasing numbers of U.S.- and foreign-born Asian-Americans are able to navigate the American mainstream in a way that maintains their native culture with effortless duality.

³ Selig Center for Economic Growth 2014.

⁴ Ethnoburbs is a term first used in a 2009 book by Arizona State University Professor Wei Li to describe entire cities dominated by a non-white ethnic group.

⁵ Ambicultural is a registered service mark of EthniFacts, LLC, and is used with their permission.



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SECTION I

ASIAN-AMERICAN CONSUMPTION:
CONNECTED THROUGH CULTUREGROWTH IN
NUMBERS

With cultural roots derived from a rich tapestry of more than 40 different homelands, and with economic influence far greater than its burgeoning U.S. population statistics would suggest, the Asian-American population is rapidly becoming a driving force in America.

THE ASIAN-AMERICAN POPULATION GREW



46%

FROM 2002 TO 2014.

Currently at 19.4 million strong, the Asian-American population grew 46% from 2002 to 2014, making it the fastest-growing multicultural segment in the U.S., and is expected to grow 150% between now and 2050 according to U.S. Census projections.⁶ China and India have now replaced Mexico as the largest source of recent immigrants to the United States. For the first time in U.S. immigration history, the largest number of first-year immigrants came from Asian countries: 147,000 from China and 129,000 from India—compared to 125,000 from Mexico.⁷

Though the Asian-American population represents just 6% of the U.S. population, its relative affluence, power, and cultural influence make understanding and marketing to the Asian-American community in a compelling and authentic fashion critical for any provider of consumer goods, media, entertainment and other services. The Asian-American population is culturally diverse, but the top seven Asian countries of origin constitute 81% of the total. This report will concentrate mainly on the commonalities among these groups but also will touch on some of the differences.

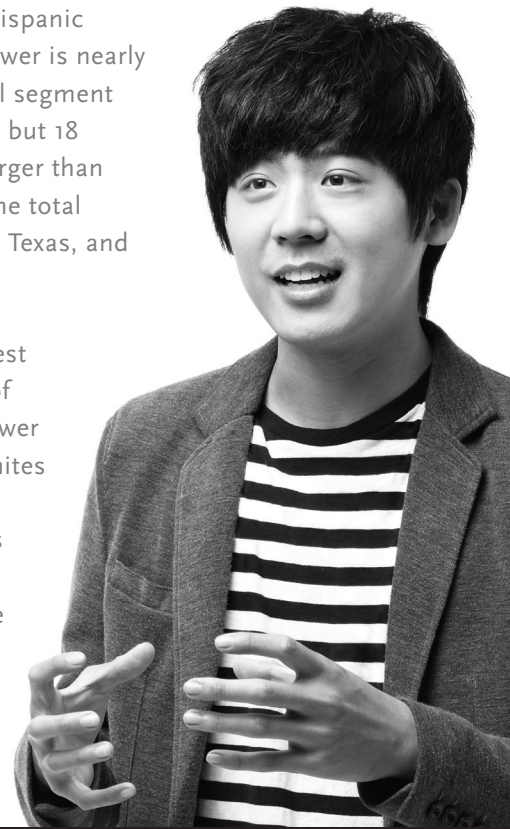
⁶ U.S. Census Bureau, Population Division, "Annual Estimates of the Resident Population 2013 (Race Alone or in Combination)."

⁷ American Community Survey 2013 Single Year.

EXPANDING BUYING POWER AND INCREASED ROI

Asian-American buying power was \$770 billion in 2014 and is expected to increase to \$1 trillion by 2018.⁸ The 180% gain from 2000 through 2014 nearly triples the increase in buying power projected for non-Hispanic whites (69%) over the same period. Asian-American buying power is nearly four times larger than that of the highly-coveted U.S. millennial segment at \$200 billion, and it is larger than the entire economies of all but 18 countries worldwide, just below the 2014 GDP of Turkey and larger than those of Saudi Arabia and Switzerland.⁹ It is also larger than the total buying power of all U.S. states with the exception of California, Texas, and New York.¹⁰

The life expectancy of Asian-Americans (87.3 years) is the highest of any multicultural segment in the U.S. and higher than that of non-Hispanic whites (78.7). This statistic, compounded by a lower median age for Asian-Americans (35) than for non-Hispanic whites (42), results in substantially greater effective years of buying power for Asian-Americans (52.3) than for non-Hispanic whites (36.7). When planning long-term marketing strategies, this additional 16 years of buying power should be a true advantage if loyalty can be established at an early age.



ASIAN-AMERICAN BUYING POWER



NEARLY **4X** LARGER THAN THAT OF THE HIGHLY-COVETED U.S. MILLENNIAL SEGMENT.

LARGER THAN THE ENTIRE ECONOMIES OF ALL BUT **18** COUNTRIES WORLDWIDE AND ALL BUT **THREE** U.S. STATES.

EFFECTIVE YEARS OF BUYING POWER



- ASIAN-AMERICANS
- NON-HISPANIC WHITES

Source: CDC NCHS 2010 Life Expectancy/ACS Median Age

⁸ Selig Center for Economic Growth, Multicultural Economy 2014.

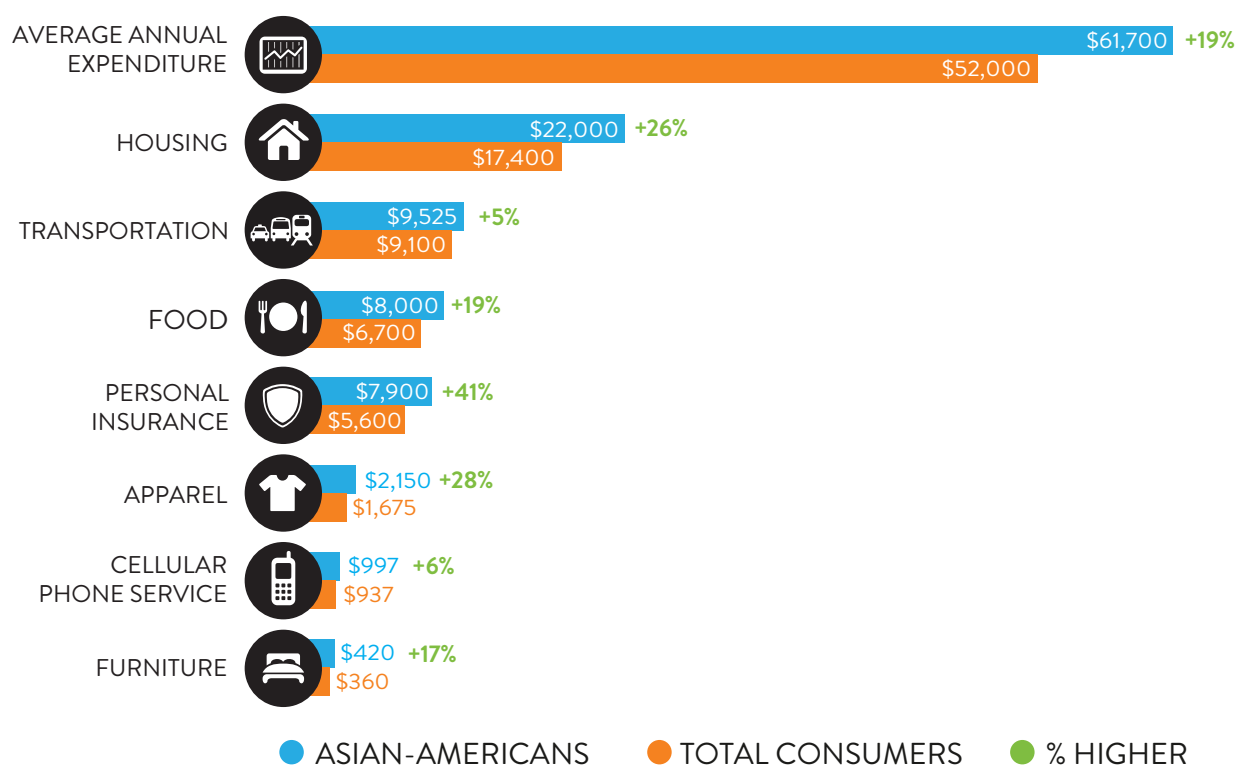
⁹ International Monetary Fund World Economic Outlook 2014.

¹⁰ Selig Center for Economic Growth, Multicultural Economy 2014.

ASIAN-AMERICAN CONSUMER EXPENDITURES

The Asian-American consumer market is distinctive in many key respects. It is more concentrated in certain areas of spending, such as housing, education, transportation, and food spending, than all other groups.

ASIAN-AMERICAN CONSUMER EXPENDITURE SURVEY



Source: Bureau of Labor Statistics Consumer Expenditure Survey (Q3 2013-Q2 2014)

Asian-American households are generally wealthier than the average American household. The three categories where Asian-Americans outspend total consumers by the highest percentage are personal insurance, apparel, and housing. Higher personal insurance spending is likely attributed to a strong desire to protect assets and family while higher apparel spending aligns with a strong loyalty to brand names further detailed in this report. Higher housing expenditures may be driven by the need for more space given the larger household size of Asian-American households compared to the general population (3.1 vs. 2.7) and by the clustering of many Asian-Americans in metro areas where housing prices may command a higher cost.

THE JOURNEY FROM INNER TO OUTER WELL BEING

Asian cultural traditions permeate every aspect of Asian-Americans' lives, beginning with a person's mental and spiritual balance, to one's sense of personal health and beauty, and further extending outward to immediate family, friends, acquaintances and civic and social engagements. Asian cultures respect and celebrate the interaction and connection between the inner self, personal self and public-social self. The coexistence and progression between these linked levels of self-awareness influence the why, where, and how of what Asian-Americans buy and consequently mold decisions involving choices between different products, services and brands.

Brands that speak to the holistic dimension of Asian traditions are likely to develop a deeper, more meaningful relationship with both traditional Asian consumers and Ambicultural® Asian-American consumers, who want products and services that reflect and complement "dual" lifestyles that engage with both their native culture and the American mainstream.



MORE LIKELY TO EVALUATE THE NUTRITION OF MENU ITEMS.



LESS LIKELY TO ALLOW JUNK FOOD IN THE HOME.



MORE LIKELY TO EAT ORGANIC FOODS.

Source: GfK MRI, Attitudinal Insights, August 2013–September 2014. Percentages are Asian-American respondents who agree completely or somewhat, relative to responses from non-Hispanic whites.

A 'FRESH' PERSPECTIVE ON FOOD

Asian-Americans think about health from the inside out. Most Asian-Americans share a long-standing cultural tradition of regarding food and diet not just as nourishment, but as a form of holistic well-being, and buying habits reflect that sentiment. The purchase of fresh meats, vegetables, fruit, and prepared foods all over-index for Asian-American consumers. The purchase frequencies of fresh vegetables and fresh fruits over-index by 26% and 11%, respectively, for Asian-American consumers, while the dollar volume spent on these categories over-indexes even more, at 62% and 27%, respectively. They favor prepared foods and takeout as well; however, these foods not always consumed as purchased, but are often modified as ingredients in dishes prepared at home.

ASIAN-AMERICAN CONSUMERS ARE BUYING FRESH

ASIAN-AMERICAN FRESH CATEGORY CONSUMPTION (INDEX VS. TOTAL POPULATION OF 100)	\$ VOLUME INDEX	PURCHASE FREQUENCY INDEX
FRESH FRUITS	127	111
FRESH MEATS	106	103
PREPARED FOODS	143	115
TAKEOUT	121	102
FRESH VEGETABLES	162	126
FRESH POULTRY	108	103
FRESH SEAFOOD	247	150

Source: Nielsen Homescan, Total Shopper View, 52 weeks ending Q4 2014





ASIAN-AMERICAN CONSUMERS PURCHASE FRESH SEAFOOD 50% MORE FREQUENTLY THAN THE GENERAL MARKET.

Seafood is an especially important staple of the Asian-American diet. Asian-American consumers purchase fresh seafood 50% more frequently than general market consumers and spend 147% more on the category than their presence in the population would suggest. Many Asian-American methods of preparation and consumption have become widely accepted as part of American mainstream culture—as evidenced, for example, by the growth in population of the Japanese staples sushi and sashimi. The preparation of sushi (typically prepared raw with rice) and sashimi (sliced) is often considered an art, and retail stores that offer “sushi grade” or “sashimi grade” seafood are attracting a consumer willing to spend more: consumers will often go out of their way to find restaurants or grocery stores that offer unique and authentic live and raw seafood choices.

Deli sushi indexes highest with Asian consumers (an index of 215 compared with non-Hispanic whites’ index of 94); however, deli sushi is expanding as a mainstream item.¹¹ Last year, deli sushi was purchased by 6% of U.S. households on about 2.5 trips per year. Nationally, households with five or more members or with incomes of at least \$100,000 purchased greater amounts of deli sushi. These households are often found in cosmopolitan areas or affluent suburbs and are often diverse. The household makeup of consumers purchasing deli sushi indexes highly for older, bustling families but is highest for younger transitional households.

While sushi is rapidly becoming an integral part of American mainstream culture, other Asian-influenced cooking styles, such as steaming, wokking, shared hot-pot cooking, and others requiring fresh ingredients and unique spices, are growing in popularity as well.

¹¹ Nielsen Homescan Total Shopper View, 52 weeks ending December 27, 2014.

TOP ASIAN-AMERICAN GROCERY SPENDING INDICES

(\$ VOLUME INDEX VS. TOTAL POPULATION OF 100)

FOOD DEPARTMENTS		NON-FOOD DEPARTMENTS	
ASIAN NOODLES	378	PHOTOGRAPHIC SUPPLIES	213
VEGETABLES & GRAINS - DRIED	255	DISPOSABLE DIAPERS	180
MEAL STARTERS-SHELF STABLE	189	STATIONERY SCHOOL SUPPLIES	110
BABY FOOD	135	KITCHEN GADGETS	108
JUICE DRINK-REFRIGERATED	115	HOUSEWARES APPLIANCES	107
SNACKS SPREADS DIPS	115	GREETING CARDS/PARTY NEEDS/NOVELTIES	103
FRESH PRODUCE (UPC)	114	LIGHT BULBS/ELECTRIC GOODS	102
PASTA	112		
FRUIT-DRIED	112		
EGGS	109		
SHORTENING/OIL	106		
NUTS	104		
SOUP	103		

Source: Nielsen Homescan Total U.S. 52 weeks ending February 7, 2015

255 INDEX

ASIAN-AMERICANS SPEND 155% MORE THAN THE TOTAL POPULATION ON DRIED VEGETABLES AND GRAINS.



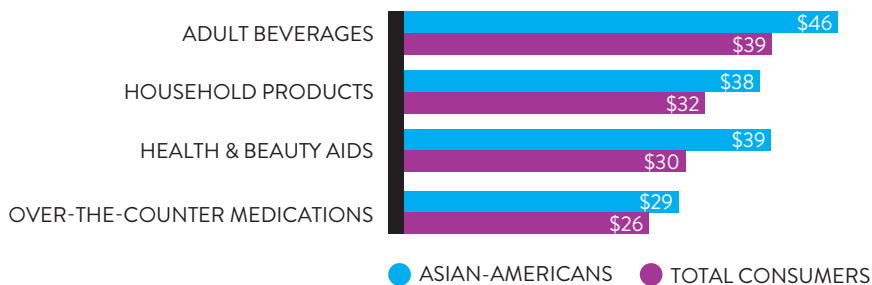
HOME IS AT THE HEART OF CONSUMPTION

Asian-American households spend more than their average share on many grocery categories. The highest-indexing categories are Asian noodles, dried vegetables and grains and meal starters, which can be used to supplement fresh ingredients for a quickly made home-cooked meal. Other over-indexing categories associated with cooking-from-scratch ingredients include fresh produce, dried fruit, eggs and shortening/oils.

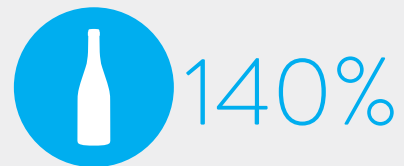
Not only are healthy food items popular among Asian-Americans, but they spend more than their average share on kitchen appliances and gadgets used for cooking, as well as on wine, suggesting a high propensity to prepare and entertain their family and friends. With higher birth rates than average U.S. households, Asian-American households spend more on disposable diapers and baby food, as well as on photographic supplies and school supplies needed for growing families.



AMOUNT SPENT PER STORE VISIT ON CONSUMER PACKAGED GOODS



Source: Nielsen Share of Wallet Survey, November 2014



MORE LIKELY TO BUY A BOTTLE OF WINE WORTH \$20 OR MORE



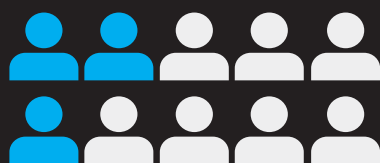
MORE LIKELY TO SPEND MORE THAN \$200 WEEKLY AT THE GROCERY STORE



MORE LIKELY TO DRINK WINE WITH DINNER

Source: GfK MRI, Attitudinal Insights, August 2013–September 2014. Percentages are Asian-American respondents who agree completely or somewhat, relative to responses from non-Hispanic whites.

THE TIES THAT BIND ARE MULTIGENERATIONAL



3 IN 10

NEARLY THREE-IN-10 ASIAN-AMERICANS (28%) LIVE IN A MULTIGENERATIONAL HOUSEHOLD VS. ONE-IN-TEN FOR NON-HISPANIC WHITES

Multigenerational living—with grandparents, parents and children living in one household—is very often a strategy used to employ economies of scale in coping with the challenges of moving to a new country. Nearly three-in-10 Asian-Americans (28%) live in a multigenerational household, compared with just 15% of non-Hispanic whites.¹² This high percentage is likely due to a high percentage of adult immigrants within the Asian-American population, coupled with the fact that Asian-American children are highly likely (85%) to live in a household with married parents and remain in that household until married themselves.¹³

The food-shopping list of an Asian-American multigenerational family can be extremely diverse, as age, health, and dietary habits need to be considered for three generations. Asian cuisines incorporate many fresh ingredients that historically have not been commonly found in traditional stores. Accordingly, many mainstream supermarkets now carry bok choy, tofu, lemongrass and Chinese broccoli as staples.

Stocking up and buying in bulk for multigenerational living saves money. In cases where Asian-Americans are single or living without extended family, it is not uncommon for several families or neighbors to pool their money to shop in bulk and divide the goods purchased.

¹² Pew Research, “The Rise of Asian Americans.”

¹³ American Community Survey 2014.

Asian-American consumers make roughly the same number of trips to grocery stores as the general population, but they spend a smaller percentage of their total dollars in them. In fact, a greater share of Asian-Americans shop at warehouse clubs (11%) than the general population (5%), and they spend a significantly higher percentage there, too (23%, as opposed to 11%). Drugstores also get a higher share of Asian-Americans' outlet occasions and dollar volume: their share of dollar volume in the drugstore channel is 50% higher than that of non-Hispanic whites, which may reflect the pronounced health conscientiousness of Asian-Americans and these multigenerational households' need for additional medicines for elderly parents and young children.

In contrast, Asian-Americans are less inclined to visit dollar stores, convenience stores and mass merchandisers (big-box retailers). It's likely that Asian-Americans visit mass merchandisers significantly less frequently and with less dollar volume than the general population because most Asian-Americans are concentrated in urban metropolitan areas, while mass merchandisers are more prevalent in suburban locations.



A GREATER SHARE OF ASIAN-AMERICANS SHOP AT WAREHOUSE CLUB STORES THAN THE GENERAL POPULATION.

ASIAN-AMERICANS SHOP MORE AT WAREHOUSE CLUB STORES

RETAIL CHANNEL	OUTLET OCCASIONS %		SHARE OF DOLLAR VOLUME %	
	ASIAN-AMERICANS	TOTAL CONSUMERS	ASIAN-AMERICANS	TOTAL CONSUMERS
GROCERY STORE	45%	44%	38%	44%
MASS MERCHANDISER	17%	21%	20%	27%
WAREHOUSE CLUB	11%	5%	23%	11%
DRUG STORE	10%	7%	6%	4%
DOLLAR STORE	3%	7%	1%	3%
CONVENIENCE STORE	1%	3%	1%	2%

Source: Nielsen Homescan Total U.S., 52 weeks ending February 7, 2015

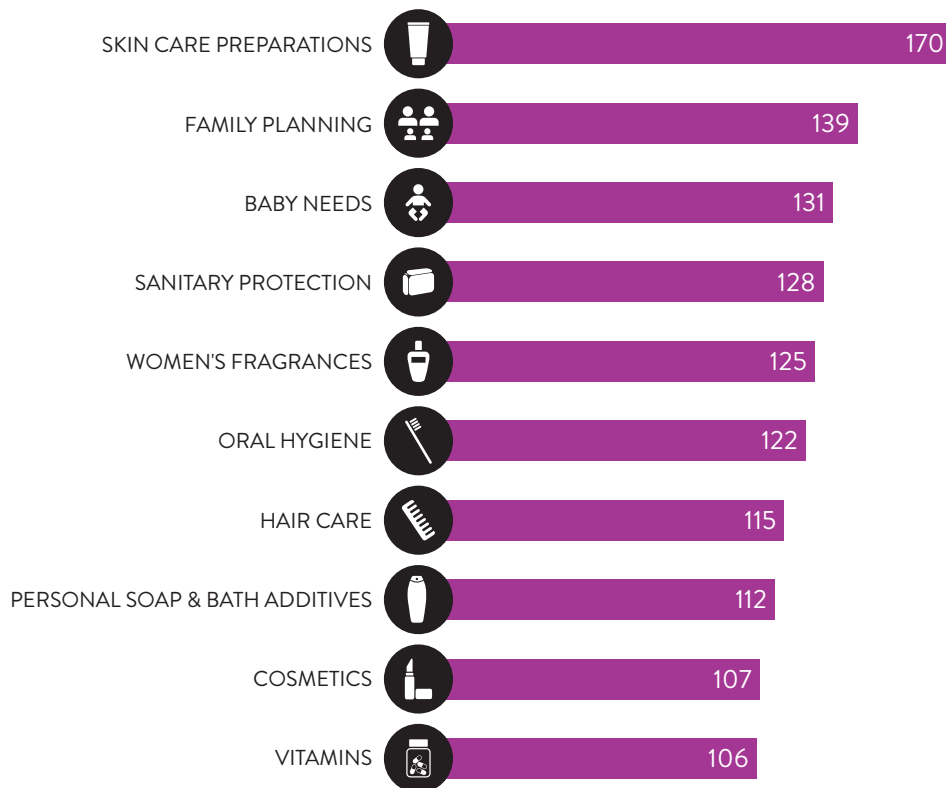
BEAUTY IS MORE THAN SKIN DEEP

Many Asian-American women believe that if they are healthy on the inside, they will be beautiful on the outside. Nevertheless, looking their best is a priority for which they will consciously spend top dollar. In fact, Asian-Americans spend 70% more than their average share on skin-care preparation products, 25% more on fragrances, 15% more on hair care, 12% more on personal soap and bath, and 7% more on cosmetics. Cosmetic consultation and free samples to test new skin-care and cosmetic products are strategies that may work particularly well with Asian-American women.

Personal care is important for maintaining health on the inside, as Asian-Americans spend 22% more on oral hygiene, 28% more on sanitary protection, and 6% more on vitamins. The relative youth of the Asian-American population is reflected in a 39% higher index for family planning and a 31% higher index for baby needs.

HEALTH & BEAUTY DEPARTMENT

(\$ VOLUME INDEX VS. TOTAL POPULATION OF 100)



Source: Nielsen Homescan Total U.S., 52 weeks ending February 7, 2015

THE MIND-SET OF MILLENNIAL ASIAN- AMERICAN WOMEN

Millennial Asian-American women, who are heads of their households, are discriminating shoppers who want and demand the best quality, but are searching for value at the same time. That said, they are also highly loyal to the brands they want and not as likely as non-Asian-American millennial women to choose private-label brands. In fact, they voice a particularly strong sentiment with regard to store brands, as evidenced by the following statements that index at 120 or higher for Asian-American consumers:¹⁴

NAME-BRAND
PRODUCTS ARE
WORTH THE EXTRA
PRICE.

PRIVATE LABELS HAVE
NON-APPEALING
PACKAGING, WHICH
DETERS ME FROM
BUYING.

PRIVATE LABELS
ARE NOT SUITABLE
WHERE QUALITY
MATTERS.

I DON'T FEEL
COMFORTABLE
SERVING PRIVATE-LABEL
PRODUCTS TO GUESTS.

I DON'T KNOW
ENOUGH ABOUT
PRIVATE LABELS TO
TRY THEM.



¹⁴ Nielsen Homescan Survey,
January/February 2015, Female
Heads of Households 18-34.



MILLENNIAL ASIAN-AMERICAN WOMEN ARE 31% MORE LIKELY THAN NON-ASIAN-AMERICAN MILLENNIALS TO USE A MANUFACTURER'S COUPON WHEN THEY MAKE A PURCHASE.

Millennial Asian-American women, who are heads of their households, are highly likely to shop for a deal on certain non-food products and brands they are buying on a regular basis. Deal-prone categories include health and beauty aids, alcoholic beverages, general merchandise, and nonfoods. Conversely, these value conscious women are more likely to pay full price for everyday staple categories such as dairy, fresh produce, meat, and dry groceries.

Millennial Asian-American women will plan their purchases for high-loyalty categories: they are 31% more likely than non-Asian-American millennial female heads of households to use a manufacturer's coupon when they make a purchase. While these savvy savers are more likely to use coupons in all retail departments, they are most likely to plan ahead and use them when buying alcoholic beverages, fresh produce, frozen foods, health and beauty aids, fresh meat, and nonfoods.

ASIAN-AMERICAN MILLENNIAL WOMEN SEEK VALUE

MILLENNIAL ASIAN-AMERICAN FEMALE HEADS OF HOUSEHOLDS 18-34	% \$ VOLUME ON DEAL			% \$ VOL ON MANUFACTURER'S COUPON		
	ASIAN-AMERICAN	NON-ASIAN-AMERICAN	INDEX	ASIAN-AMERICAN	NON-ASIAN-AMERICAN	INDEX
TOTAL ALL DEPARTMENTS	27.4	26.1	105	8.7	6.6	131
ALCOHOLIC BEVERAGES	27.8	19.0	147	2.8	0.6	436
HEALTH & BEAUTY AIDS	38.9	32.0	122	18.1	14.4	126
GENERAL MERCHANDISE	27.1	23.3	116	2.8	2.6	106
NON-FOOD GROCERY	36.0	31.4	115	18.0	14.3	126
FROZEN FOOD	27.4	27.1	101	7.3	5.6	129
DAIRY	20.8	22.3	94	4.4	3.8	115
FRESH PRODUCE	16.9	18.2	93	1.1	0.8	134
PACKAGED MEAT	22.4	24.6	91	4.5	4.3	107
DRY GROCERY	23.7	26.3	90	6.1	5.6	110
FRESH MEAT	14.9	17.5	85	2.5	2.0	126

Source: Nielsen Homescan Total U.S., 52 weeks ending December 27, 2014

The health and beauty aids department is a highly-shopped category for all millennial women; however, a comparison of buying behaviors for millennial Asian-American women heads of households with millennial non-Asian-American female heads of household offers many interesting contrasts. In general, Asian-American millennial women purchase health and beauty aids 5% more frequently and spend 18% more when they buy. However, specific categories show much more dramatic differences.

Asian-American millennial women purchase skin-care preparations that reflect outer beauty at a 26% higher frequency and at a 77% higher dollar rate, while women's fragrances are purchased 13% more frequently and at a 60% higher dollar rate. Asian-American millennial women also index highly in other health and beauty aids categories: Asian-American millennial women purchase feminine-hygiene products at a 14% higher frequency and at a 45% higher dollar rate, and oral-hygiene products are purchased 13% more frequently and at a 36% higher dollar rate.

Millennial Asian-American female heads of households are buying health and beauty aids not only for themselves, but also for the men in their households. They purchase men's toiletries 9% more frequently than non-Asian-American female heads of households and at a 20% higher dollar rate.

ASIAN-AMERICAN MILLENNIAL WOMEN PURCHASE MORE HEALTH & BEAUTY AIDS

MILLENNIAL ASIAN-AMERICAN FEMALE HEADS OF HOUSEHOLDS 18-34	PURCHASE FREQUENCY			ITEM BUYING RATE		
	ASIAN- AMERICAN	NON-ASIAN- AMERICAN	INDEX	ASIAN- AMERICAN	NON-ASIAN- AMERICAN	INDEX
HEALTH & BEAUTY AIDS DEPT	26.2	25.1	105	377.1	318.9	118
SKIN CARE PREPARATIONS	4.7	3.7	126	60.4	34.1	177
FEMININE HYGIENE	2.1	1.8	114	14.5	10.0	145
FRAGRANCES - WOMEN	1.8	1.6	113	32.5	20.3	160
ORAL HYGIENE	6.1	5.4	113	37.7	27.7	136
FAMILY PLANNING	1.8	1.6	110	15.9	15.9	100
MEN'S TOILETRIES	1.6	1.5	109	14.5	12.0	120
COSMETICS	4.1	3.8	109	32.3	29.6	109
BABY NEEDS	3.4	3.1	108	31.0	34.3	90
HAIR CARE	5.9	5.4	108	50.8	38.9	131
SANITARY PROTECTION	3.1	3.3	95	19.7	20.5	96
SHAVING NEEDS	2.7	2.9	92	20.7	24.3	85
VITAMINS	4.3	4.8	90	71.6	61.2	117

Source: Nielsen Homescan Total U.S., 52 weeks ending December 27, 2014

BEVERAGE SHOPPING BEHAVIORS OF ASIAN-AMERICAN MILLENNIAL WOMEN

MILLENNIAL ASIAN-AMERICAN FEMALE HEADS OF HOUSEHOLDS 18-34	% HH PENETRATION			\$ PER OCCASION		
	ASIAN- AMERICAN	NON-ASIAN- AMERICAN	INDEX	ASIAN- AMERICAN	NON-ASIAN- AMERICAN	INDEX
ALCOHOLIC BEVERAGES	13.4	10.8	124	18.8	18.2	103
WINE	8.6	6.8	127	15.8	15.8	100
BEER	8.0	7.0	114	15.6	14.7	106
LIQUOR	4.3	4.8	90	28.3	22.1	128

Source: Nielsen Homescan Total U.S., 52 weeks ending December 27, 2014

The alcoholic-beverage department provides another interesting comparison between Millennial Asian-American female heads of households and their general-market counterparts. Asian-American millennial female households are 24% more likely to purchase an alcoholic-beverage product, with wine leading the way at 27% higher and beer at 14% higher. Liquor penetration rates are less, but these discriminating women are paying more when they do purchase spirits; their dollars spent per occasion are 28% higher.

Millennial Asian-American female heads of households make slightly fewer trips per year to grocery stores (36.1) versus their general-market counterparts (39.1). However, they make 32% more trips to drugstores (12.5 versus 9.5), 31% more trips to department stores (5.5 versus 4.2), and 24% more trips to warehouse clubs (10.2 versus 8.2) than non-Asian-American female heads of household.

ASIAN-AMERICAN MILLENNIAL WOMEN MAKE MORE SHOPPING TRIPS TO DRUG, DEPARTMENT AND WAREHOUSE CLUB STORES

ANNUAL TRIPS PER SHOPPER	ASIAN- AMERICAN	NON-ASIAN- AMERICAN	INDEX
DRUG STORES	12.5	9.5	132
DEPARTMENT STORES	5.5	4.2	131
WAREHOUSE CLUBS	10.2	8.2	124
GROCERY STORES	36.1	39.1	92
CONVENIENCE STORES	2.7	5.5	50

Source: Nielsen Homescan Total U.S., 52 weeks ending December 27, 2014

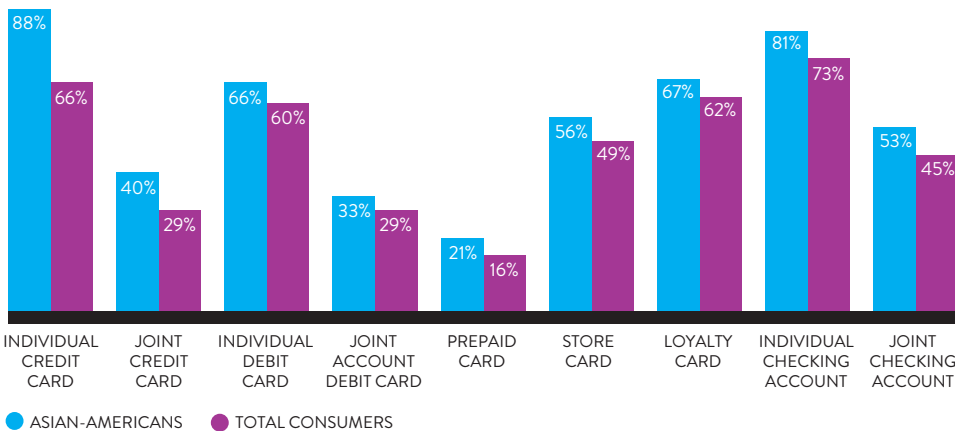


A PREFERENCE FOR PLASTIC OVER PAPER

Asian-American consumers are strong users of all financial instruments compared with the general population and all other multicultural groups. They particularly stand out in the use of credit cards, with 88% of Asian-Americans owning a credit card, versus only 66% for the general population. That said, while Asian-American consumers own many financial instruments, they are less likely than other consumers to say they used debit cards and checks over the past 30 days. A preference for credit cards may possibly be due to the rewards and benefits derived from their use. Asian-Americans' participation in credit card rewards programs far outpaces that of the general population, particularly in miles-rewards programs, for which Asian-Americans outpace the general population by a ratio of more than two to one.

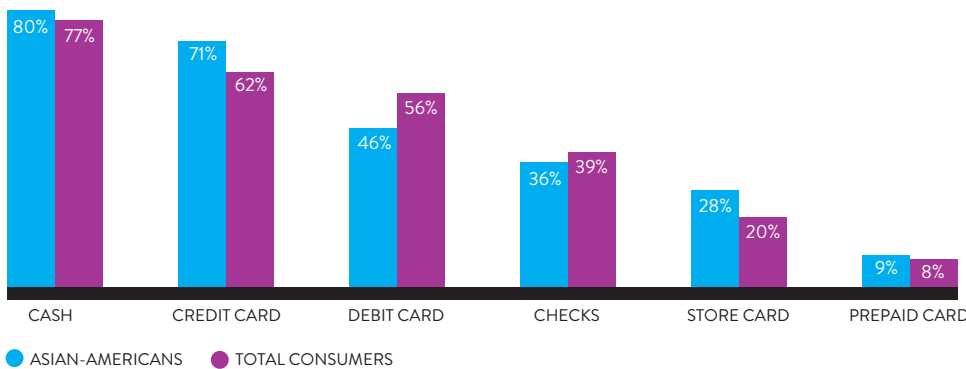


FINANCIAL PRODUCTS OWNED



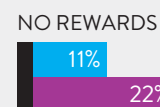
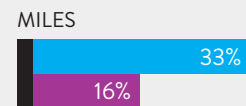
Source: Nielsen Share of Wallet Survey, November 2014

PAYMENT METHOD USED PAST 30 DAYS



Source: Nielsen Share of Wallet Survey, November 2014

CREDIT CARD REWARD PARTICIPATION PROGRAM



● ASIAN-AMERICANS
● TOTAL CONSUMERS

Source: Nielsen Share of Wallet Survey, November 2014

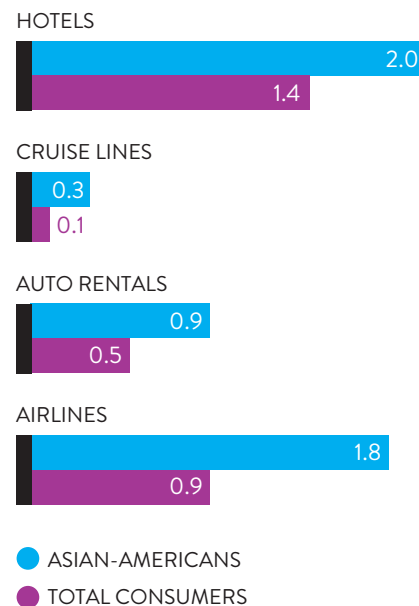
Asian-Americans make more travel purchases on an annual basis than the total population, particularly to buy airline tickets. The average amount spent on airline purchases by Asian-Americans outpaces the general population, and 82% of Asian-Americans use a credit card to pay for these flights, which is 11% higher than for the general population. Revisiting the fact that 79% of Asian-American adults in the U.S. are foreign born, the travel purchases could possibly mean more international travel earmarked for family visits.

Retail shopping behaviors also reflect the propensity among Asian-American consumers to use credit cards (58% of the time at mass merchandisers in the last 30 days, versus just 40% for non-Hispanic whites).

Even when dining at fast-food or quick-serve restaurants, where it is common to pay with cash, Asian-Americans' most frequent payment method is the credit card (44%)—more than twice the usage of the general population (20%).



ANNUAL NUMBER OF TRAVEL PURCHASES



Source: Nielsen Share of Wallet Survey, November 2014

OPPORTUNITIES TO DRIVE YOUR BUSINESS STRATEGY

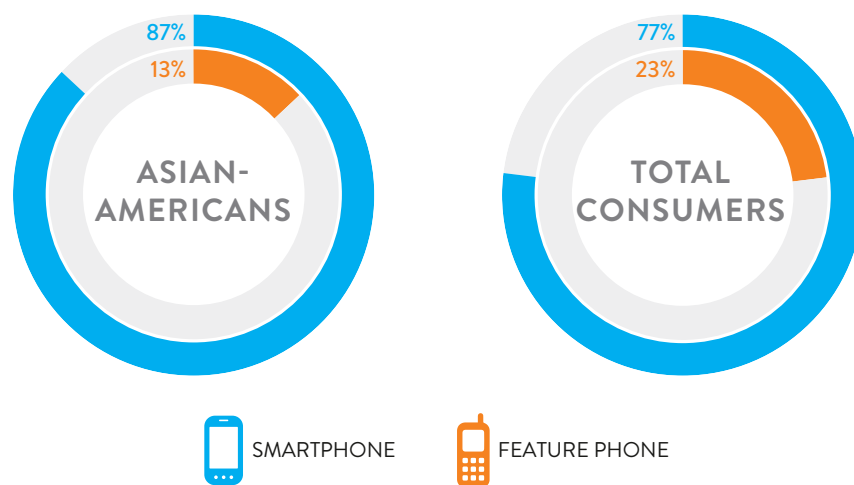
- From diverse countries but with many common cultural threads, Asian-American consumers offer buying power nearly four times larger than that of the highly-coveted U.S. millennial segment.
- The Asian-American tradition of seeing life as a journey from inner health to outer well-being is an opportunity for marketers and advertisers to connect with them emotionally in ways that reflect a more holistic attitude about self, family, and social life.
- Multigenerational households result in unique selling opportunities. Consider offering bulk packaging and promotions that appeal to the propensity to buy in quantity. Be aware that warehouse clubs are a major opportunity with the Asian-American consumer.
- Asian traditions center around food and family life. Stores and markets should concentrate on selling fresh fish, meat, and specific Asian ingredients that are not easily found in many mainstream supermarkets.
- Asian-American millennial women, who are heads of their households, are fiercely brand loyal and are highly likely to shop on deal or use coupons when stocking up. They are making a much higher number of shopping trips to drugstores, department stores, and warehouse clubs.
- Asian-Americans are younger than the general population and are willing to spend more on products and services that deliver higher-quality, organic, and eco-friendly options. Baby needs and products that enhance beauty, such as cosmetics and skin care, are opportunities as well.
- Be aware that Asian-Americans consumers are generally more affluent, and are frequent users of credit cards and loyalty programs, as well as high-indexing spenders on entertainment and travel. Marketers and retailers should consider cross promotions and loyalty rewards to reach them.

SECTION II

TRENDSETTING DIGITAL ADOPTERS AND ADAPTERS

TECHNICALLY SAVVY AND ON THE CUTTING EDGE

Asian-Americans—many of whom arrived in the U.S. from native countries with advanced technology attitudes—are avid adopters of digital devices and social media. They exceed the general population in smartphone ownership and in the number of households with tablets, smart TVs, video game consoles and multimedia devices that stream content. They are more likely than non-Hispanic whites to agree that the Internet is a source of entertainment and a good platform for banking and shopping. They are 60% more likely than non-Hispanic whites to download or stream music and 46% more likely than non-Hispanic whites to use an online music-streaming service.



Source: Nielsen Total Audience Report, Q4 2014

Younger and highly tech savvy, Asian-American consumers lead the way in online shopping behaviors. They visit digital apparel/merchandise stores (such as Amazon, Overstock, and eBay) 37% more frequently than non-Hispanic whites (2.6 times versus 1.9) and spend 22% more on a monthly basis (\$61 versus \$50).¹⁵

LEADING THE WAY IN ONLINE SHOPPING BEHAVIOR

42%

MORE LIKELY TO AGREE THE INTERNET IS A SOURCE OF ENTERTAINMENT

31%

MORE LIKELY TO SHOP ONLINE

31%

MORE LIKELY TO AGREE GOING ONLINE IS A FAVORITE THING TO DO

29%

MORE LIKELY TO BANK ONLINE

23%

MORE LIKELY TO AGREE THE INTERNET KEEPS THEM IN TOUCH

14%

MORE LIKELY TO AGREE THE INTERNET IS A GREAT WAY TO BUY PRODUCTS

11%

MORE LIKELY TO AGREE THE INTERNET HAS ALLOWED THEM TO LEARN THINGS THEY WOULDN'T HAVE OTHERWISE

Source: GfK MRI, Attitudinal Insights, August 2013–September 2014. Percentages are Asian-American respondents who “agree completely” or “somewhat,” relative to responses from non-Hispanic whites.

¹⁵ Nielsen Share of Wallet Survey, November 2014

SCREEN TIME IS STREAM TIME

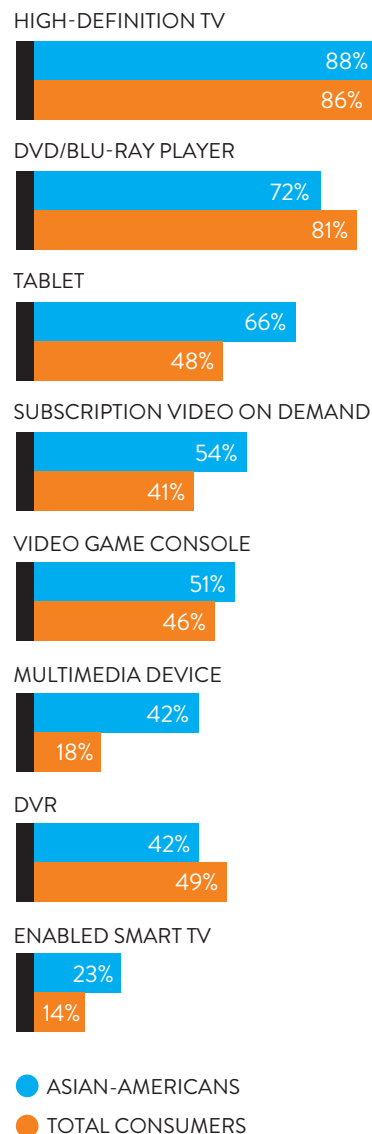
Asian-American media consumption is very often an indicator of where the general market is heading, and Asian-American consumers can be a bellwether for the latest trends. In the fourth quarter of 2014, while Asian-Americans spent less time than the general population on traditional TV, time-shifted TV, DVD/Blu-ray devices, and traditional gaming consoles, they spent significantly more time on multimedia streaming devices, Internet on the computer and watching video online either on their computer or smartphone. As streaming content becomes more prevalent, Asian-Americans are taking the lead.

ASIAN-AMERICANS SPEND MORE TIME ON MULTIMEDIA STREAMING DEVICES

MONTHLY TIME SPENT ON MEDIUM (TIME = HOURS:MINUTES)	ASIAN-AMERICANS	TOTAL CONSUMERS
ON TRADITIONAL TV	89:14	149:14
WATCHING TIME-SHIFTED TV	9:54	15:26
USING A DVD/BLU-RAY DEVICE	4:27	5:22
USING A GAME CONSOLE	6:07	8:19
USING A MULTIMEDIA DEVICE	8:36	3:38
USING THE INTERNET ON A COMPUTER	41:23	29:44
WATCHING VIDEO ON INTERNET	12:15	10:29
USING ANY APP/WEB ON A SMARTPHONE	43:22	43:14
WATCHING VIDEO ON A SMARTPHONE	2:25	1:42

Source: Nielsen Total Audience Report, Q4 2014

DEVICES IN TV HOUSEHOLDS



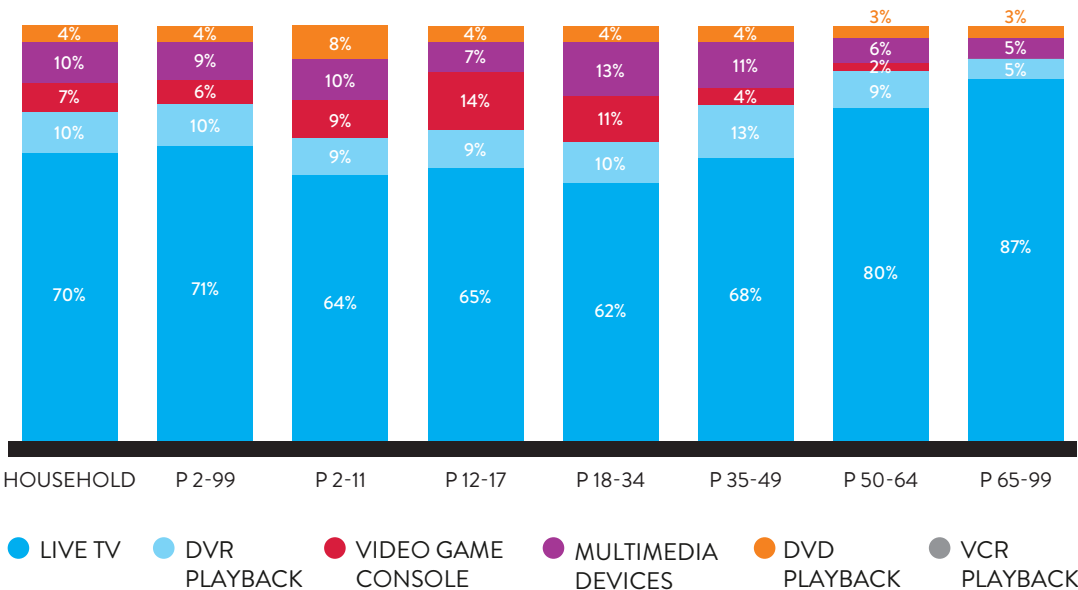
Source: Nielsen Total Audience Report, Q4 2014

ASIAN-AMERICANS SPENT SIGNIFICANTLY MORE TIME ON MULTIMEDIA STREAMING DEVICES, INTERNET ON THE COMPUTER AND WATCHING VIDEO ONLINE EITHER ON THEIR COMPUTER OR SMARTPHONE.

Key age cohorts of the Asian-American population are watching significantly less live TV. The important 18–34 demographic is watching the TV screen live only 62% of the time, compared with older demos who watch live 87% of the time. Multimedia devices and video-gaming consoles make up 24% of the 18–34 demographic’s screen time, while DVR and DVD playback account for another 14%, resulting in millennial Asian-Americans consuming less than two-thirds of their TV screen usage live. Marketers and advertisers must understand that delivering content through the optimal device-targeted medium is becoming increasingly important with the younger tech-savvy Asian-American consumer.

DEVICE PROPORTION OF SCREEN TIME IS GROWING

TOTAL DAY: PERCENT OF TOTAL TV SCREEN USAGE
HEAD OF HOUSEHOLD ASIAN-AMERICAN (NON-HISPANIC)



DEVICE USAGE IS HEAVIEST AMONG MILLENNIALS 18-34 WHERE IT MAKES UP ALMOST 38% OF THEIR VIEWING TIME

Source: Nielsen, M-SU/6AM-6AM : Oct 14- Feb 15 (09/29/2014 - 02/22/2015)
 Live TV = HUT/PUT minus DVR Playback
 Share of average Minutes : Hours per Day
 Multimedia Devices is a combination of Internet Connected Devices viewing source and Audio-Video viewing sources

TV AND MEDIA: THE CULTURAL- CONTENT PHENOMENON

The growing visibility and cultural confidence of Asian-Americans is epitomized by the success of *Fresh off the Boat*, a comedy set in the 1990s that uses the real-life predicaments of a multigenerational Asian-American family living in suburban Orlando, Florida, to explore the distinct flavor of Asian culture even as it celebrates and underscores the similarities of the family's experiences to the shared experiences of all Americans. In the same vein as a spate of other hit shows with multicultural themes and casts, *Fresh off the Boat* has resonated with Asian viewers while also attracting a large and significant audience of non-Asians, including African-Americans and non-Hispanic whites. Melvin Mar, executive producer of *Fresh off the Boat*, says the show is popular among all audiences, particularly diverse audiences, because there are some common threads in the American multicultural experience. However, the connection to the show is across the board.

“[OUR GOAL] WAS NOT TO MAKE A SHOW JUST FOR ASIAN-AMERICAN AUDIENCES. YOU HAVE TO MAKE A SHOW THAT EVERYONE – ALL ETHNICITIES – ALL CULTURES WOULD WANT TO WATCH.”

— Melvin Mar, executive producer of
ABC's *Fresh off the Boat*

Mar also credits the Internet and the infusion of consumer-generated support via social media with aiding in reaching diverse audiences as well.

Other popular TV and media shows feature Asian-Americans in prominent leading roles. Hit shows such as Marvel's *Agents of S.H.I.E.L.D.*, *The Mindy Project*, *The Big Bang Theory*, and *Elementary* feature Asian-Americans as core characters who are part of the reason for their popularity.

**AVERAGE 18-49 ADULT RATING
FOR FRESH OFF THE BOAT**

**COMPOSITE 2.7
ASIAN 4.9**

INDEX

**COMPOSITE 100
ASIAN 178**

Source: Nielsen *Fresh off the Boat* Analysis Update,
March 13, 2015



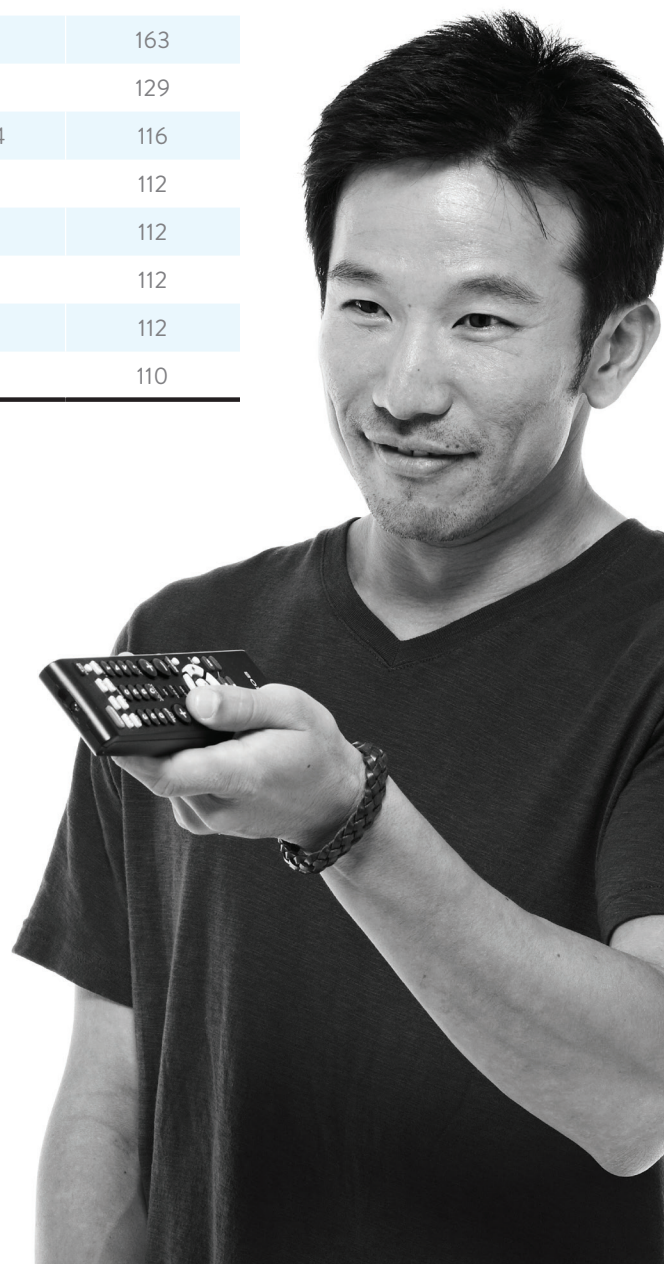
Looking at TV show ratings for the February 2015 period, themes that resonate with Asian-Americans are clear: *Fresh Off the Boat*, the entrepreneurial *Shark Tank*, special-events programs such as *The Oscars*, sports programming including *UFC Fight Night*, comedy and adventure-themed shows such as *Glee* and *Hawaii Five-O*, respectively, all over-index versus the general population.

HIGHEST INDEXING ASIAN-AMERICAN 18-49 AUDIENCE TV SHOWS

18-49 ASIAN INDEX VS. 18-49 TOTAL JANUARY 26, 2015–FEBRUARY 22, 2015

PROGRAM NAME	NETWORK	ASIAN 18-49 MC US AA %	INDEX TO 18-49
FRESH OFF THE BOAT - 2/10	ABC	5.84	218
SHARK TANK - SEASON PREMIERE 1/21	ABC	1.19	202
FRESH OFF THE BOAT	ABC	5.48	196
UFC FIGHT NIGHT	FOX SPORTS 1	1.05	179
FRESH OFF THE BOAT - SEASON PREMIERE 2/4	ABC	5.60	171
HARRY POTTER & THE SORCERER'S STONE	ABC	1.28	163
NFL PRIMETIME	ESPN	1.52	129
THE OSCARS	ABC	13.24	116
VAMPIRE DIARIES	CW	1.49	112
HAWAII FIVE-0	CBS	2.41	112
2015 NBA ALL-STAR GAME	TNT	1.86	112
THE MINDY PROJECT	FOX	1.56	112
GLEE	FOX	1.27	110

Source: Nielsen NPOWER Rating Analysis January 26, 2015–February 22, 2015



DUALITY IS TWICE AS NICE FOR BRAND AND ADVERTISING RECALL

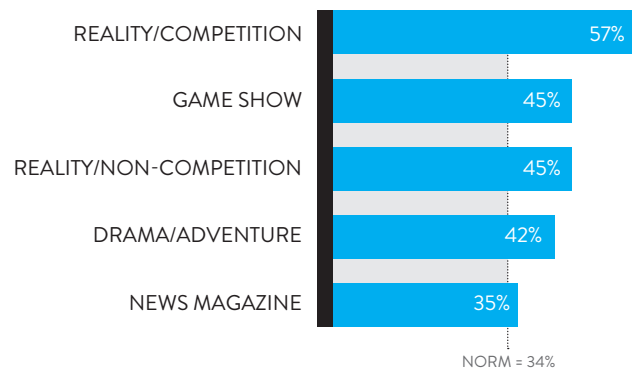
In the majority of Nielsen DMA markets, most Asian-American homes have access to Asian-language TV. Nearly half of sampled Asian-Americans watching English TV also watch TV in an Asian language (dual-language viewers). Watching TV in two languages is a source of culture sustainability that keeps one connected with one’s native culture. Multigenerational homes, in particular, use Asian-language TV to maintain connections with their home country and for their children to learn the home language, so these households are very aware of Asian advertising.

Both program and ad performance are stronger among more-frequent Asian-language TV viewers compared with less-frequent Asian-language TV viewers. Dual-language viewers have the highest brand recall when watching particular genres—the best-performing shows were reality, game shows, drama/adventure, and news magazines, and these viewers are most apt to recall advertising for food and household supplies. Asian-Americans who watched English-only TV had the highest brand recall while watching talk shows, news magazines, drama/adventure, and science fiction.

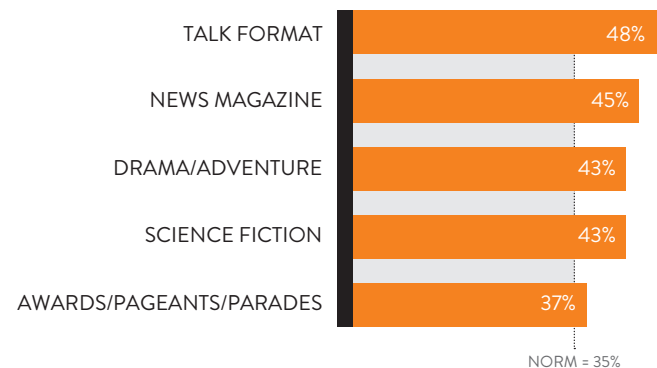
BRAND RECALL AMONG ASIAN-AMERICANS WATCHING TV

GENRE PERFORMANCE – ASIAN-LANGUAGE TV VIEWERS (DUAL-LANGUAGE) VS. NON-ASIAN-LANGUAGE TV VIEWERS (ENGLISH TV ONLY)

ASIAN-LANGUAGE TV VIEWERS (DUAL LANGUAGE)



NON-ASIAN-LANGUAGE TV VIEWERS (ENGLISH TV ONLY)



Source: Nielsen TV Brand Effect, October 27, 2013–November 2, 2014. Minimum sample requirement n = 100 for both dual-language and English TV only Asian-American viewers. Based on Asian Respondents A13+, who answered ‘Yes’ or ‘No’ to the question “Have you watched any Asian-language TV programming in the past three (3) months?”

KEEP IT LIGHT-HEARTED WHEN ADVERTISING TO ASIAN-AMERICAN MILLENNIALS

Marketers and advertisers looking to connect with Asian-American consumers should develop a multigenerational model that takes into account the spectrum of ages, language preferences and media tastes that often coexist within a single Asian-American household.

Connecting with millennials can be a challenge for any marketer. Connecting with tech-savvy Asian-American millennials and cutting through the clutter of a myriad of media choices and interactive devices can be an even bigger challenge. Despite these challenges, some advertisers have excelled at getting noticed through compelling creative that captivates millennial audiences.

Humor and technology-related ads dominated English-language advertising brand memorability among Asian-American millennials in 2014. With a 'Branded Memorability' index of 311, Sonic's ad for "Cheesy Bread Dogs" was 3.11 times more likely than the average ad to be remembered and associated with the correct brand among Asian-American millennials.

Once again exhibiting Asian-American millennials' affinity for all things technology related, three of the top five most memorable ads among these consumers were for technology or telecom-related companies. AT&T, Sprint, and Microsoft all performed almost two and a half times better than the average ad in memorability indices.

**HUMOR AND TECHNOLOGY-RELATED ADS DOMINATED
ENGLISH-LANGUAGE ADVERTISING 'BRAND MEMORABILITY'
AMONG ASIAN-AMERICAN MILLENNIALS IN 2014.**



NIELSEN 2014 TOP 10 ADS AMONG ASIAN-AMERICAN MILLENNIALS

(ENGLISH -LANGUAGE)

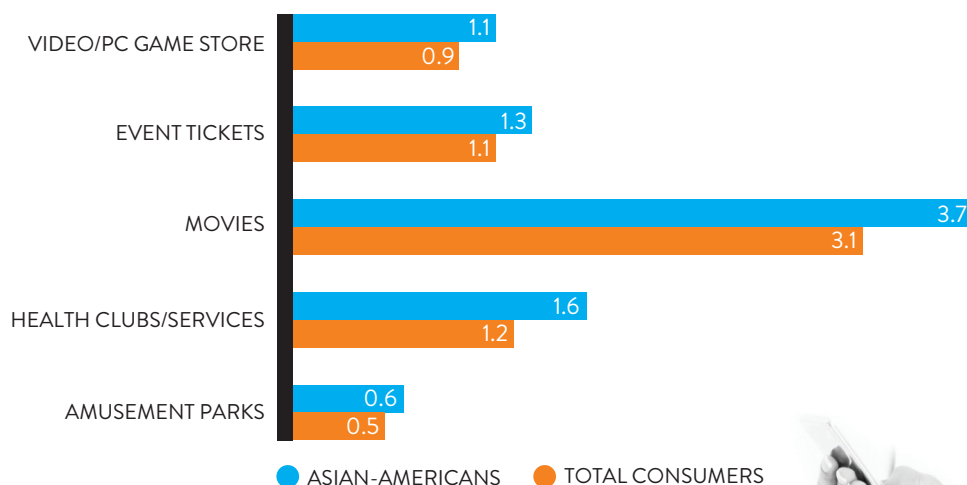
RANK	BRAND	AD DESCRIPTION	AD LENGTH	BRANDED MEMORABILITY*
1	SONIC	CHEESY BREAD DOGS	:30	311
2	AT&T	READING CUSTOMER MIND	:30	242
3	AFLAC	DUCK IN YOGA CLASS	:30	242
4	SPRINT	BREAKING GLASS W/SCREAMS	:30	232
5	WINDOWS	CORTANA TALKING TO SIRI	:30	232
6	SNICKERS	GODZILLA	:15	226
7	STATE FARM	TWINS CLIFF & CHRIS PAUL	:30	226
8	HERSHEY'S	S'MORES COMING TOGETHER	:15	221
9	H&R BLOCK	GET YOUR BILLION BACK	:30	16
10	NATIONWIDE	BURGLAR REPLACING BURNT ITEMS	:30	216
CROSS-CATEGORY AD NORM - ASIAN MILLENNIALS				100

Source: Nielsen TV Brand Effect, Date Range: January 1, 2014 –December 7, 2014. Demo: Asian-American 18-33

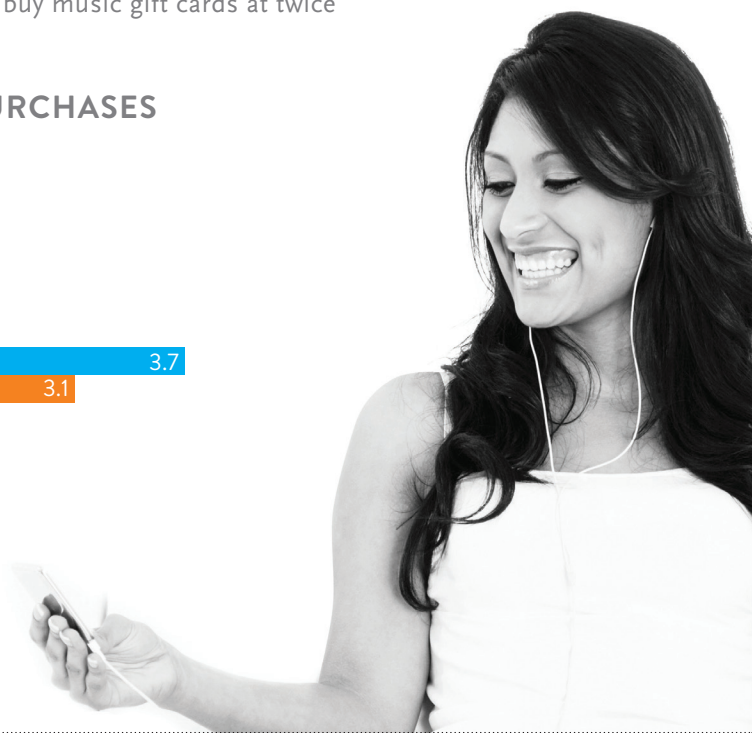
*Branded Memorability: Reflects viewers' ability to remember the ad and correct brand 24-hours after exposure to ad, indexed to the CYTD 2014 average of Ad & Brand among Asian-American Millennials.

For movies, video games, travel, health clubs and amusement parks—young, active and affluent Asian-Americans over-index on all. Asian-Americans are devoted music fans who listen to a wide range of musical styles. Pop/top 40 was cited as a favorite music genre (23%), followed by hip-hop (9%), R&B (8%), alternative rock and country (both 7%). Asian-Americans spend \$112 per year on music, about \$7 more than the average consumer and they buy music gift cards at twice the average rate.

MEAN NUMBER OF ANNUAL ENTERTAINMENT PURCHASES



Source: Nielsen Share of Wallet Survey, November 2014



OPPORTUNITIES TO DRIVE YOUR BUSINESS STRATEGY

- Asian-American consumers are a bellwether for technology trends and new devices. Strategies involving smartphones, smart TVs and multimedia streaming devices will connect well.
- The avid use and adoption of technology results in online sales and social media being potent platforms for Asian-American brand engagement, advertising and sales activation. Online shopping behavior outpaces that of non-Hispanic whites in both frequency and dollar spending and must be a key element of any consumer strategy.
- Millennial Asian-Americans are watching less live TV as they use more devices to stream content. Marketers should design strategies that deliver messaging to them on multiple screens.
- In-language media content is well noticed and drives awareness. Dual-language content is important to many Asian-Americans; many of the adults are immigrants and multigenerational households expose younger generations to in-language content as well.
- Be aware of the top-performing genres and themes among dual-language and English-only Asian-American TV viewers for maximum brand and ad recall for your optimal consumer.
- Youthful and affluent, Asian-Americans are status-conscious trend-setters who follow—and increasingly initiate—the latest trends in fashion, music, movies and other forms of pop culture. Marketers that develop strong ties with Asian-American consumers will have the pulse on what is trending now and a look around the corner for what's coming next.

SECTION III

A LOOK TO THE FUTURE: EXPONENTIAL GROWTH IN NUMBERS, BUYING POWER AND INCREASED ROI

INCOME,
EDUCATION AND
ENTREPRENEURSHIP

The Asian-American population is not only the fastest-growing population demographic in the U.S. and the one with the largest percentage increase in buying power. Asian-Americans as a group are also the most highly educated. They are much more likely to have a college degree (49%) than the total U.S. population (28%). The average Asian-American household spends 57% more on average for college tuition than non-Hispanic white households. This higher education level, coupled with the presence of more wage earners due to the greater presence of multigenerational households, contributes to an Asian-American median household income of \$72,472, which is 39% higher than the U.S. national average of \$52,250.¹⁶ While total Asian-American income is the highest of any racial or ethnic segment in the U.S., there are variations within the Asian-American population worthy of note. Indian-Americans have the highest household income of any Asian-origin segment at \$100,547, while Bangladeshi-Americans have the lowest income at \$51,331.

The growing number of successful Asian entrepreneurs contributes to the increases in Asian-American household income and buying power. The most recent U.S. Census Survey of Business Owners shows that the number of Asian-owned companies increased by 40% during the five-year period, which is more than double the 18% increase in the number of all U.S. companies.¹⁷ There are 1.6 million Asian-American-owned businesses, accounting for more than \$500 billion in annual economic output and nearly 3 million jobs. One in every 10 Asian-Americans owns a business.

¹⁶ U.S. Census Bureau, American Community Survey 2013, one-year estimates.

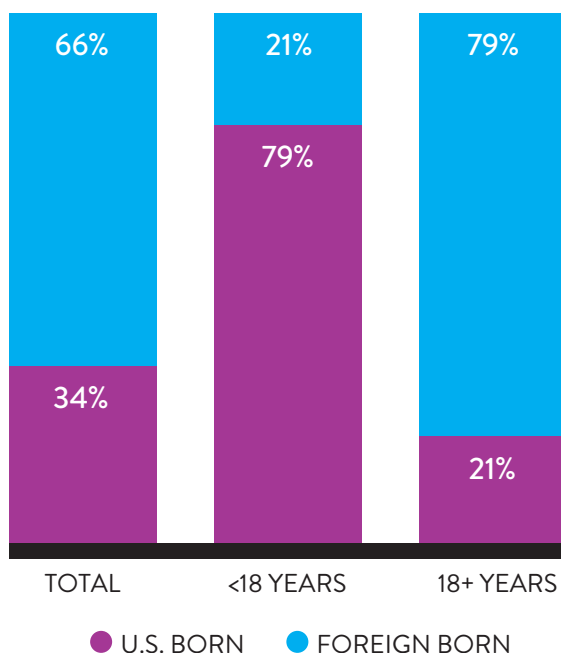
¹⁷ U.S. Census Bureau Survey of Business Owners: Asian Owned Businesses 2007

SHIFTING NATIVITY

Growth in the Asian-American population has been fueled primarily by immigration. In 2013, the U.S. Census reported for the second straight year that net immigration by Asians into the U.S. topped that of all races and ethnicities, and this influx accounted for about 61% of the total change in the Asian-American population from 2012 to 2013.

Immigration has been the primary driver of recent growth in the Asian-American population, as China and India became the number one and number two countries for recent immigration in 2013, but younger cohorts are predominantly U.S. born. Seventy-nine percent of adult Asian-Americans 18 and older are foreign born—the exact opposite of the situation for those under 18, of whom 79% are U.S. born. The coming of age of these younger Asian-American consumers, many of whom have been raised with strong culture sustainability (the growing tendency to maintain cultural attitudes and behaviors) in multigenerational households, is expanding the body of ambicultural consumers, who are able to navigate more than one culture with ease and are exerting a strong influence on the U.S. mainstream.

ASIAN-AMERICAN NATIVITY



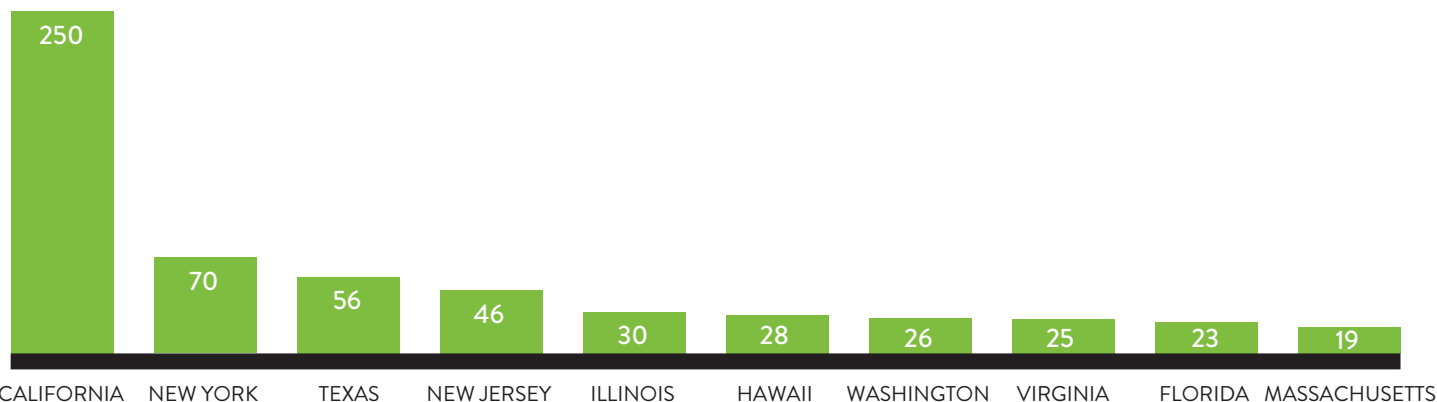
Source: U.S. Census Bureau
American Community Survey 2013, five-year estimates



CONCENTRATION BY STATE AND METRO AREA

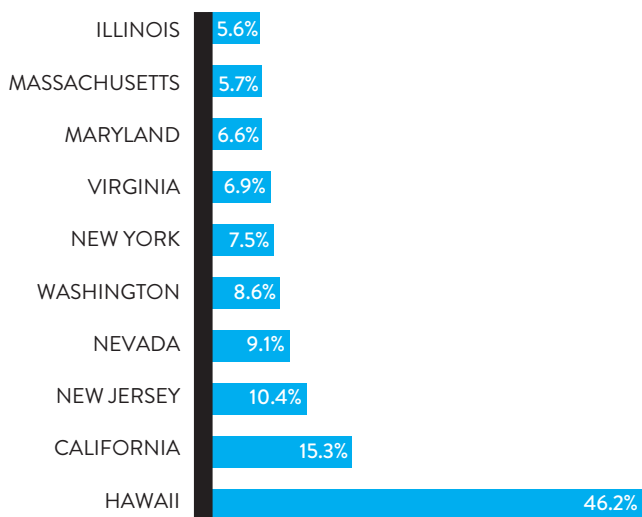
California has the largest Asian population (6.1 million), while Hawaii has the largest Asian population share (56%, the only state in which Asians are a majority). North Dakota saw the highest rate of Asian population growth, mirroring the state's total population increase as a result of the energy boom between 2012 and 2013—up over 8%. Concentration of Asian-Americans varies widely within the U.S. by country of origin, and cultural and linguistic variations should be considered when devising strategies to reach specific Asian-American groups.

ASIAN-AMERICAN BUYING POWER TOP 10 STATES (\$ MILLIONS)



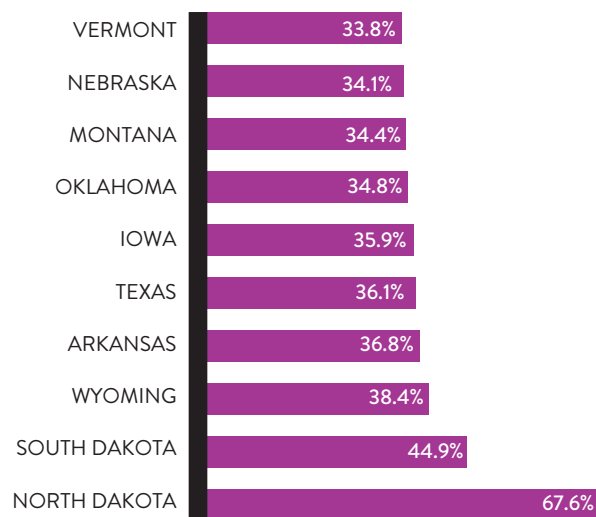
Source: Selig Center for Economic Growth, The Multicultural Economy 2014

ASIAN-AMERICAN % OF STATE BUYING POWER



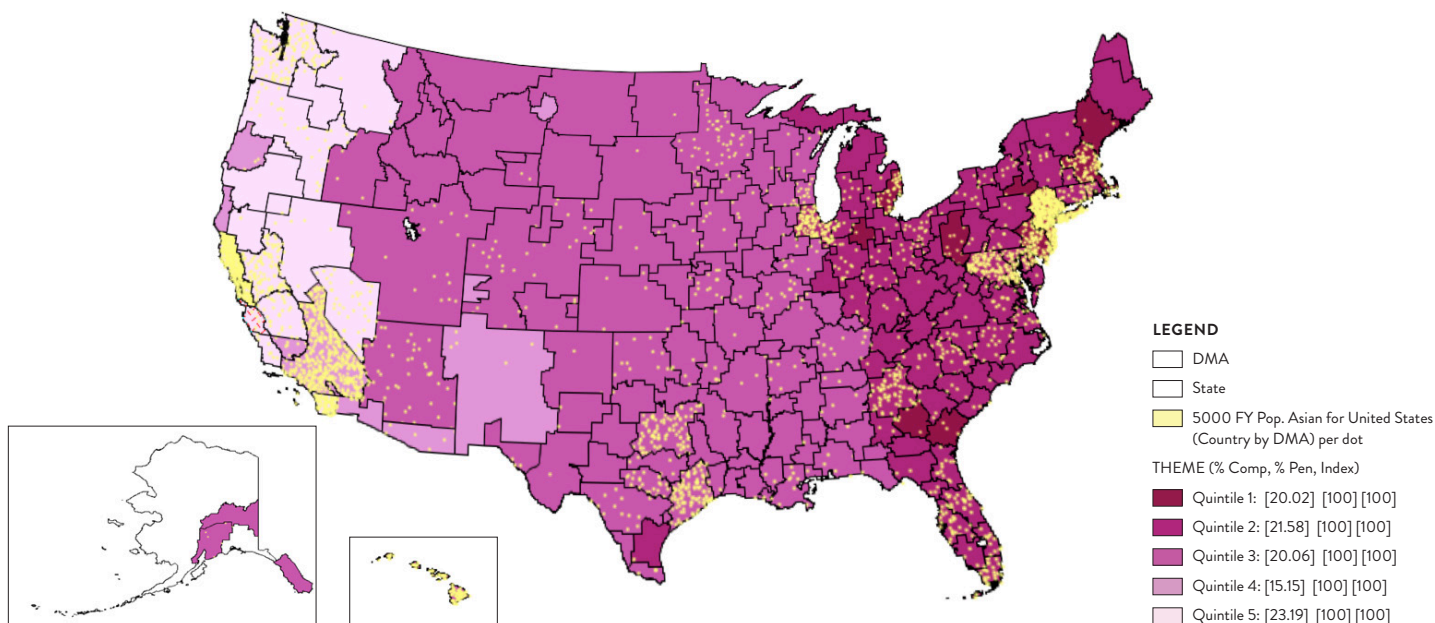
Source: Selig Center for Economic Growth, The Multicultural Economy 2014

PERCENT CHANGE IN ASIAN BUYING POWER (2000-2014)



Source: Selig Center for Economic Growth, The Multicultural Economy 2014

ASIAN-AMERICAN POPULATION DISTRIBUTION



The concentration of Asian-Americans in the top metropolitan areas can lead to efficiencies for marketing strategists. The buying patterns of many consumers of Southern Asian descent may vary greatly from the behavior of consumers of Southeastern Asian or Eastern Asian descent. These variations and cultural nuances should dictate where and how companies direct media efforts to reach these consumers.

Increasingly the need for a highly educated high-tech workforce is attracting large numbers of skilled Asian-American workers to “ethnoburbs,” a term first used in a 2009 book by Arizona State University professor Wei Li to describe entire cities dominated by a nonwhite ethnic group.

COUNTRY OF ORIGIN CLUSTERING IN TOP ASIAN-AMERICAN DMAs

DMA NAME	CURRENT YEAR POPULATION, ASIAN-AMERICAN			CHINESE DESCENT		FILIPINO DESCENT		INDIAN DESCENT		KOREAN DESCENT		VIETNAMESE DESCENT		JAPANESE DESCENT	
	COUNT	% PEN	INDEX	COUNT	INDEX	COUNT	INDEX	COUNT	INDEX	COUNT	INDEX	COUNT	INDEX	COUNT	INDEX
LOS ANGELES, CA	2,300,464	12.7	253	541,446	101	536,561	132	169,163	36	360,273	156	332,322	127	158,690	131
NEW YORK, NY	2,095,590	9.8	196	737,807	150	222,856	60	629,294	147	232,647	110	42,666	18	53,738	48
SAN FRANCISCO ET AL, CA	1,753,916	23.9	477	634,191	154	405,389	129	281,542	78	83,430	47	207,040	102	80,494	86
WASHINGTON ET AL, DC-MD	581,376	8.6	172	103,341	75	73,330	70	148,599	125	91,498	155	72,998	109	13,597	44
CHICAGO, IL	562,692	5.8	115	106,080	80	118,440	118	189,377	165	60,081	105	24,953	38	16,957	56
HONOLULU, HI	523,469	37.1	739	55,513	47	197,131	220	2,306	2	23,956	47	8,875	15	186,905	700
SEATTLE-TACOMA, WA	478,386	9.6	191	101,558	89	95,557	110	64,923	66	63,939	130	67,771	121	37,406	145
SACRAMENTO ET AL, CA	462,695	11.1	222	78,529	74	120,644	150	72,908	79	15,632	34	43,820	84	22,662	94
HOUSTON, TX	432,213	6.5	129	82,762	79	48,442	61	116,098	128	18,243	40	120,573	235	5,696	24
PHILADELPHIA, PA	405,614	5.0	100	94,545	99	36,076	49	141,051	169	42,721	103	47,093	100	6,204	29
DALLAS-FT. WORTH, TX	382,223	5.1	102	56,162	61	29,688	42	121,070	151	38,383	96	92,739	205	6,680	32
BOSTON ET AL, MA-NH	380,803	5.9	117	140,890	156	13,237	19	87,075	111	27,160	70	51,379	116	10,031	49
SAN DIEGO, CA	357,821	11.1	222	52,735	63	160,255	251	29,045	40	21,045	58	54,029	131	20,074	105

Source: Nielsen Pop Facts, 2014

OPPORTUNITIES TO DRIVE YOUR BUSINESS STRATEGY

- Marketers should be aware of the true ROI of Asian-American consumers. Asian-American consumers spend disproportionately to the size of their population and have more years of effective buying power due to age and life expectancy, making them a key investment.
- A majority of Asian-Americans adults are immigrants, meaning marketers and advertisers who want to reach them need to recognize the diversity of Asian subgroups and language preferences, as well as the overarching attitudes and experiences they share with other immigrants.
- Specific Asian-American subgroups are concentrated in different parts of the U.S. As a result, the Asian-American market opportunity is both national and regional.
- Asian-Americans will look for brands and services that make an extra effort to address their needs and aspirations. Asian-American consumers index high in specific spending categories. Brand strategists must understand these preferences to maximize the opportunity.
- Understand the heavy influence of Asian-inspired products and behaviors on the American mainstream, and realize that the opportunity to reach consumers is magnified beyond niche segmentation models that just target traditional demographics.

SUMMARY

Asian-Americans are the fastest-growing, most culturally diverse, and most affluent of the multicultural segments that will soon make up the majority of the American mainstream. Adult Asian-Americans are largely foreign born and tend to live in multigenerational households in which cultural traditions influence brand attitudes and shopping preferences across a wide range of products and services. These attitudes and behaviors have a profound influence on a younger generation of Asian-Americans, who are sustaining their culture and exerting their confidence by shaping the American mainstream in their image.

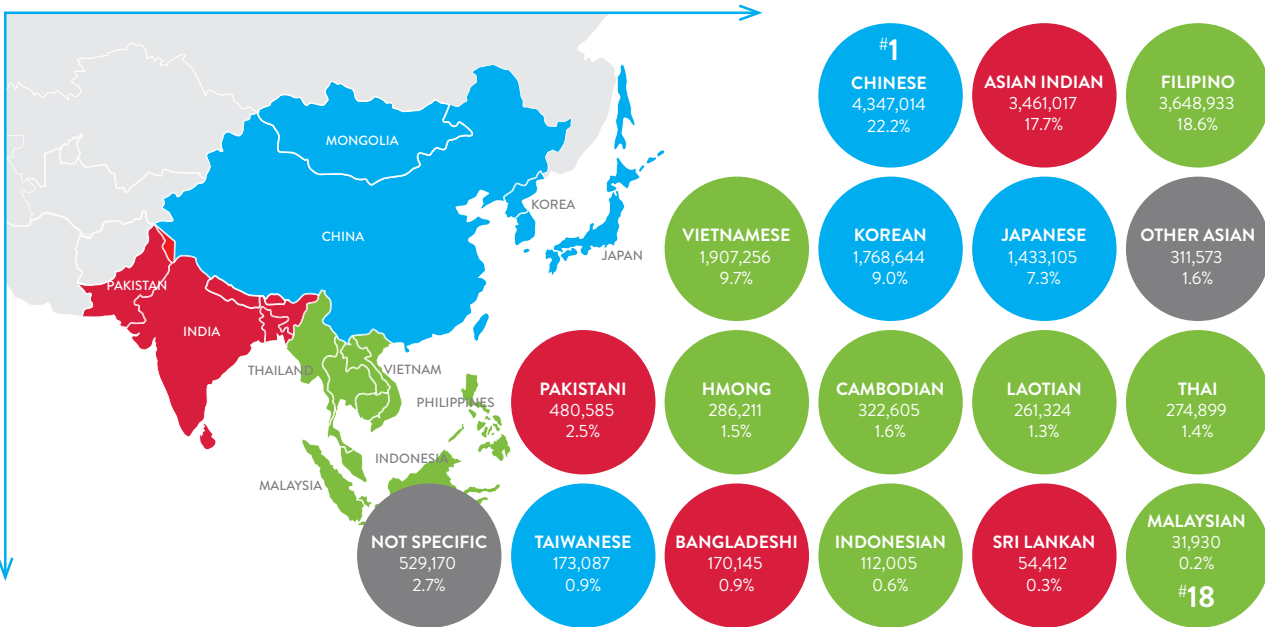
Tech-savvy, affluent, and future oriented, Asian-Americans are avid adopters of technology and social media. They are influencing the eating, watching, and buying patterns of non-Asian consumers in the intercultural U.S. mainstream as they lead the way into the latest platform and content trends.

The relative youth and longevity of Asian-Americans provides additional years of effective buying power, which will translate into increased return on investment for advertisers and marketers who engage early with this fast-growing consumer segment. While still concentrated in states and metro areas in the West and Northeast, Asian-Americans are making gains in the suburbs and much of the Midwest and South. Marketers must be aware of growth and immigration patterns that can lead to future ROI opportunities.

The most highly educated of the multicultural segments and highly entrepreneurial, Asian-American consumers demand high-quality brands and services that address their needs and aspirations. Smart marketers who understand the outsized influence of the Asian-American population and activate strategies to build loyalty with Asian-Americans will not only benefit from sales within this dynamic consumer segment, but will also find themselves increasingly on the leading edge of the American mainstream.

APPENDIX: ASIAN-AMERICANS' COUNTRIES OF ORIGIN

ASIAN ANCESTRITIES AS DEFINED BY THE U.S. CENSUS
(ASIAN ALONE OR IN ANY COMBINATION)



Source: 2013 American Community Survey 1-Year Estimates, Asian Alone or in Any Combination
Regional groupings are based on geographic representation.

MAJOR U.S. COUNTRIES OF ORIGIN

EAST ASIA

CHINESE AMERICANS

Foreign Born: 69%
Median Age: 38.5
Married: 57%
Average Household Size: 2.83
Bachelor's Degree or More: 52%
Median Household Income: \$67,396
Language Other Than English at Home: 78%
(Major Languages: Mandarin, Cantonese, Hokkien)

KOREAN AMERICANS

Foreign Born: 72%
Median Age: 38.5
Married: 56%
Average Household Size: 2.67
Bachelor's Degree or More: 54%
Median Household Income: \$58,004
Language Other Than English at Home: 76%
(Major Language: Korean)

JAPANESE AMERICANS

Foreign Born: 40%
Median Age: 49.5
Married: 56%
Average Household Size: 2.34
Bachelor's Degree or More: 49%
Median Household Income: \$70,756
Language Other Than English at Home: 44%
(Major Language: Japanese)

SOUTH ASIA

INDIAN AMERICANS

Foreign Born: 71%
Median Age: 33.1
Married: 69%
Average Household Size: 3.09
Bachelor's Degree or More: 73%
Median Household Income: \$100,547
Language Other Than English at Home: 78%
(Major Languages: Hindi, Gujarati)

PAKISTANI AMERICANS

Foreign Born: 66%
Median Age: 29.6
Married: 64%
Average Household Size: 4.09
Bachelor's Degree or More: 56%
Median Household Income: \$65,188
Language Other Than English at Home: 85%
(Major Languages: Urdu, Punjabi)

SOUTHEAST ASIA/PACIFIC ISLANDS

FILIPINO AMERICANS

Foreign Born: 65%
Median Age: 40.3
Married: 54%
Average Household Size: 3.45
Bachelor's Degree or More: 48%
Median Household Income: \$81,788
Language Other Than English at Home: 65%
(Major Languages: English, Filipino, Cebuano)

VIETNAMESE AMERICANS

Foreign Born: 67%
Median Age: 37.5
Married: 55%
Average Household Size: 3.53
Bachelor's Degree or More: 28%
Median Household Income: \$57,441
Language Other Than English at Home: 86%
(Major Languages: Vietnamese, French)

Source: 2013 American Community Survey 1-Year Estimates, Asian Country of Origin Alone

METHODOLOGIES

Insights utilized in this report were sourced from the following Nielsen analytical tools and solutions. All tools offer their own representative levels of consumer insights and behavior across Asian-American and non-Hispanic white respondents (based on data collection, survey/panel design and/or fusion approaches).

Homescan Panel Data

The Homescan national panel consists of a randomly dispersed sample of households that is intended to be representative of, and projectable to, the Total U.S. market. Panel members use handheld scanners to record items with a UPC code that they purchase from any outlet. Data for this report is based on Homescan panel data from the following periods: 52 weeks ending, December 27, 2014; and 52 weeks ending February 7, 2015.

Nielsen Scarborough USA+ 2014 Release 2, GfK/MRI Attitudinal Insights Module August 2013 – September 2014

(Base: Age of respondent summaries: Adults 18+ - Projected 242,977,984, Respondents: 203, 921)

By integrating 400+ attitudinal statements and segmentations with Nielsen Scarborough's syndicated data set, this analysis reflects consumer psychographics in the studied categories. The Scarborough study is a sample balanced for the Asian population only in Honolulu; the survey is not offered in Asian language.

Nielsen TV Brand Effect

TV Brand Effect measures the full spectrum of English-language television advertising both in-program and in-commercial pod via custom-written questions *24-hours after natural viewing*. A survey was conducted October 27, 2013 – November 2, 2014 among dual-language and English TV-only Asian-American viewers based on Asian-American respondents P13+.

Nielsen Share of Wallet Study, November 2014

This project was conducted in two stages. First, an online English-language survey was given to a general population (White, African-American, Hispanic and Asian-American) sample of 5,028 respondents 18 years or older, weighted by gender, age, and race. Second, oversamples were conducted with 1,442 Asian-American respondents; oversamples were conducted entirely online and in English. The goal of this study was to see "who spends what, and where, and with what payment method" on a solid empirical grounding. Verticals analyzed included: Retail/Specialty Retail, Telcom/Financial, Restaurant (Fast Food/QSR and Casual Dining), Consumer Packaged Goods (CPG) and Travel/Entertainment.

Nielsen NPOWER

Audience estimates based on a nationally representative panel of people whose televisions are metered with a device called the National People Meter (NPM) that passively detects exposures to codes embeded in content. A comprehensive questionnaire is also collected of the panel.

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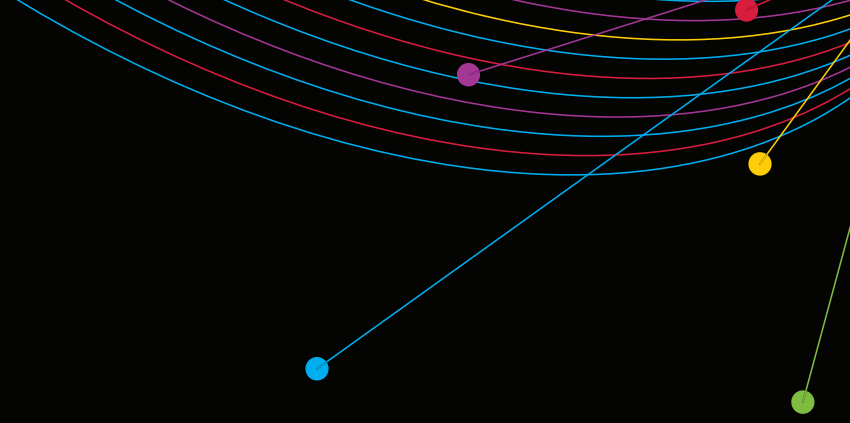
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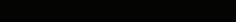
Nielsen N.V. (NYSE: NLSN) is a global performance management company that provides a comprehensive understanding of what consumers Watch and Buy. Nielsen’s Watch segment provides media and advertising clients with Total Audience measurement services across all devices where content—video, audio and text—is consumed. The Buy segment offers consumer packaged goods manufacturers and retailers the industry’s only global view of retail performance measurement. By integrating information from its Watch and Buy segments and other data sources, Nielsen provides its clients with both world-class measurement as well as analytics that help improve performance. Nielsen, an S&P 500 company, has operations in over 100 countries that cover more than 90 percent of the world’s population.

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