

Slicing up the American pie

DOUG SACKS discusses the changes which are taking place in US demographic groups and how they affect marketing and political trends.

Hispanic and African American demographic groups may be more politically active and aware than the overall US population.



the total online population.

- AA demographic is very interested in online, mobile phone, SNS. Numbers are growing rapidly.
- AA women are more likely to be online than AA men.
- Email usage is lower than the overall population - instant messaging usage is higher.

Hispanics and Latinos

- H/LA population is 39.9 million or 13.7 per cent of the total US population
- It's a young population - 70 per cent are under the age of 30.
- It's the fastest-growing demographic segment by far, and is projected to increase to 96.5 million by 2050.
- Buying power of \$736 billion in 2005 is projected to rise to \$926 billion this year.
- 27 per cent are born in the USA (Springsteen!).
- Nearly 70 per cent are of Mexican heritage.
- High SNS participation.
- Mobile phone usage per capita may be the highest of any demographic group.
- Minutes used per month is 911 versus 678 for non-Hispanics
- It's the fastest growing segment of young mobile phone users.
- It has the highest average revenue per user of mobiles.
- They are twice as likely to access the Internet via mobile phone than overall population.
- The highest per capita of content mobile phone

subscribers at 47.8 per cent.

- This compares to 45.2 per cent for AA, 27 per cent for White, 26.1 per cent for Asian.
- Email usage is lower than that of the average population, but instant messaging is higher.
- They prefer advertising communications in Spanish, or at least bi-lingual.
- Use of Spanish language marketing may be 3.5 times as effective as English.

Social networking sites

All of these groups are actively using social networking sites (SNS) for communicating with friends, writing and reading blogs, sharing music and videos, even promoting their own talents, as many have learned these are good ways to build international audiences for their work.

- Marketers are following close behind trying to tap into this. Latest statistics revealed that 75 per cent of US Internet users watch videos online at either YouTube, Fox Interactive or Yahoo. Key SNS include:
- My Space - 55 million unique viewers per month; 10 million users in the UK.
 - Facebook - 24 million viewers
 - Friendster - 24.7 million viewers
 - FaceParty - six million viewers
 - YouTube - 67.8 million viewers
 - Blogger - 38.5 million
 - LinkedIn - eight million registered to this site
 - Xing - 3.5 million

Political awareness

As demographic groups, both Hispanics and AAs may be more politically active and aware than the overall US population.

This fact hasn't escaped the consideration of political consultants who recognise that capturing the vote of either or both of these demographics can swing a state in the all-important electoral vote count.

A recent political debate among Democratic Party hopefuls, organised by Univision and the University of Miami, drew 2.2 million TV viewers, whose average age was 36. This was broadcast in Spanish. A CNN-YouTube debate in English drew 2.6 million viewers - average age was a near-death 61.

Hispanics make up 13 per cent of the voters for the 2008 elections and the African American demographic is not far behind. Voter turnout for both groups has been increasing steadily over the past several elections.

No statistics were available on how the Tweens would vote.

Only their parents would care anyway.

- *My thanks to Esther Benjamin, Sue Lee, Kuan Gethers and Colin McShane of NYU for providing this data.*

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Last month was grading papers time for my summer class at New York University (NYU). As always, I assign a final research paper and several of these usually concentrate on the latest trends in marketing, technology, demographics and so on.

I'd like to share the results of four of these with you.

The first three discuss demographic groups, the last one gives an overview of social networking websites.

This is not only for marketers. Two of these groups, Hispanics and African Americans (AA) are constantly being analysed and scrutinised by all of the extremely well paid but dodgy political consultants advising our incredibly mediocre, uninteresting and rather talentless array of presidential candidates for 2008.

But more on that at the end of this column.

Beginner consumers: 'Tweens'

Let's look at the future of America - what marketers here call the 'Tweens'; those aged between three and 11 years. They are not yet teenagers but are beginner consumers (still with baby teeth!). In this overly consumer-based society, the little beggars are catching on fast!

- Tweens represent 12 per cent of the US population - that's 35.8 million of them, screaming and nagging!
- Their buying power in 2005 was \$18.3 billion.

- Project buying power by 2010 is \$21.4 billion or 7.7 per cent of total family buying power.
- The nine to 11-year-old segment accounts for 53 per cent of all purchases.
- Overall, 50 per cent is spent on food - they're never too young to work on becoming obese!
- 14 per cent is spent on clothing.
- 27 per cent already have mobile phones. This figure may double by 2010.
- 25 per cent have computers in their bedrooms.
- Overall, 53 per cent of three to 11-year-olds have TVs in their bedrooms - that great electronic babysitter!
- 59.4 per cent of ten-year-olds have a TV and this increases to 61.6 per cent for 11-year-olds.
- Social networking sites (SNS) are extremely popular - the largest has 40 million global subscribers.
- Girls are more likely to go online than boys.
- Children of college-educated parents are slightly less likely to be indulged, although all parents are subjected to the 'nag factor'.

African American online activity

- US population of African Americans (AA) = 37.5 million.
- This represents 12.8 per cent of the total US population.
- Buying power of \$762 billion, projected to increase to \$981 billion by 2010.
- The AA online population is at 10 million or nine per cent of