

Targeting the African-American Market

Of the total U.S. population of 308.7 million, 38.9 million people, or 13%, self-identified in the Census as black. In addition, 3.1 million people, or 1 percent, reported as black in combination with one or more other races. Together, these two groups comprise a total of 42 million.

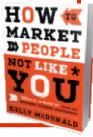
The black population (alone-or-in-combination as identified by the Census) grew by 15% from 2000 to 2010, compared with a 9.7 percent growth rate for the total U.S. population.

This makes it the second largest minority population in the United States. IIABA recognizes that targeting this group is key to effectively growing our members' customer base as well as insuring that your business approach reflects the United State's changing demographics.

Because of this, we have put together a toolbox of marketing materials as well as recommendations on tactics to effectively target this costumer in your local area.

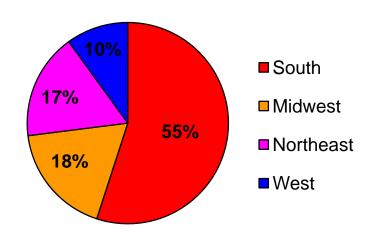






Majority of the Black Population Lives in the South

Compared with 2000, the percentage of the black population increased in the South, stayed about the same in the West, and decreased in the Northeast and the Midwest.



The percentage of the black alone population also increased in the South, from 55 percent in 2000 to 57 percent in 2010, whereas it decreased in the Northeast and the Midwest. The black alone-or-incombination population comprised 50 percent or more of the total population in 106 counties. All of these counties were in the South except for the city of St. Louis, which is considered a county equivalent. In contrast, 62 percent of all counties had less than 5 percent of the population identified as black. These patterns were similar for the black alone population.

Concentrations of blacks outside of the South tended to be in counties within metropolitan areas. There were 317 counties where the black alone-or-in-combination population was 25.0 to 49.9 percent of the population, and only 17 of these counties were not in the South.

Of these 17, 15 were in metropolitan areas.

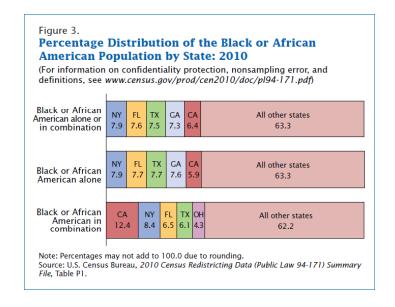
Source: From the 2010 Census Brief "The Black Population: 2010", September 2011

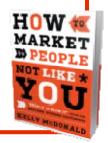
About 60 Percent of Blacks Live in 10 States

The 10 states with the largest black populations (alone-or-in-combination) in 2010 were:

3.3 million
3.2 million
3.2 million
3.1 million
2.7 million
2.2 million
2.0 million
1.8 million
1.7 million
1.5 million

Among these states, four experienced substantial growth between 2000 and 2010. The black alone-or-in-combination population in Florida grew by 29 percent, Georgia by 28 percent, Texas by 27 percent and North Carolina by 21 percent.





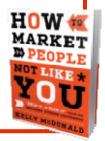
Source: From the 2010 Census Brief "The Black Population: 2010", September 2011

Multi-Racial Americans Growing

Black and White Multiple-Race Population More Than Doubled

People who reported their race as both black and white more than doubled from about 785,000 in 2000 to 1.8 million in 2010. This group's share of the multiple-race black population increased from 45 percent in 2000 to 59 percent in 2010.

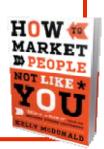




Source: From the 2010 Census Brief "The Black Population: 2010", September 2011

Sub-Segments of AA Consumers

- Urban Influencers
- Buppies
- Urban Paycheckers
- Gatekeepers
- "Sisters Doing it for Themselves"
- BMW's (Black Man Working)
- Traditionalists



Urban Influencers

African American youth are a hot target market because they have disposable income and they have major influence in mainstream markets, particularly in the music, sports, and fashion industries. If this group favors your brand or company, it will soon become "hip", since their influence goes beyond the African-American market.

This group is in the age group 14-25. Because they are Millennials/Gen Y, they don't have a lot of patience, so speed in service is key. They expect you to be available 24/7 online and they expect you to have social media presence.



Buppies

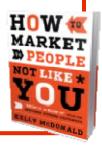


Buppies are "Black Urban Professionals". They are representative of the Black Middle Class and Upper Class (Black Affluents) and they are highly educated.

They have major buying power and prefer luxury brands. They tend to be very social and are motivated by aspiration and achievement. They tend to be in the age group of 25-45.

When looking at Black Affluents specifically, remember that in their quest to define themselves by their style and image, to celebrate life and to live a spiritual existence, Black Affluents affirm their connection to the basic tenets of African-American culture despite their economic privileges. They are Black first and affluent second.

Source: Culture Lab & Advertising Age "in Plain Sight, The Black Consumer Opportunity"



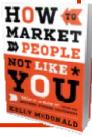
Urban Paycheckers

As their name suggests, this group is comprised of working families typically living in high-density urban areas, often living paycheck to paycheck (similar to many others in their neighborhoods). These families are comprised of two working parents with two+ children.

The parents tend to have blue collar or administrative jobs. The parents tend to be in the age of group of 25-35.

When targeting this group remember that <u>value is key</u>. They want to give the best to their children and they work hard to make sure that they have everything they need. Make sure your product is essential to their family's well being and a good value in terms of cost.





The Gatekeepers



This group represents African-American women who are the decision makers for the family. They are motivated by doing what's best for their families and make almost all of the purchases decisions in the household.

Additionally, they are highly influential among their friends and family. They tend to be in the age groups of 25-49, but a sub-segment can be older, since many of the women head of household are actually grandmothers.



"Sisters Doing it for Themselves"

This group represents women who are childless and single. They are more likely to have disposable income since they don't have child rearing expenses and they have incomes in the \$30K – \$80K range.

More likely to be highly educated and/or upwardly mobile. They are financially independent and more likely to own their own home or condo. They are relatively young, in the age group 18-38, so their income is only likely to increase as they progress in their careers.

Since they are upwardly mobile, they tend to be very brand conscious and want products that reflect their independence and financial savvy.

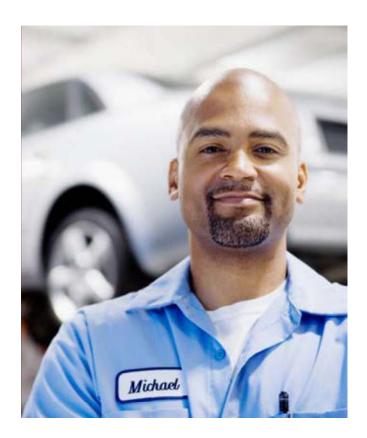


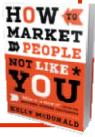


BMW (Black Man Working)

They desire wealth and material possessions but don't have the generational money. They are trying to build a better financial base by working hard.

They might have some college education and are likely to have full-time employment and have income in the \$30K - \$40K range. They are more likely to be single and a renter in an urban area. The mean age of this group would be 30 years old.





Traditionalists

Traditionalists are the older sub-segment who have been most impacted by the civil rights struggle. They tend to be very involved in the community and can be very influential.

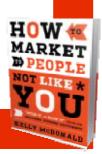
They are usually conservative in their values. They tend to be very religious and have the values that match their religious beliefs (e.g. "traditional family values"). Respect is the ultimate compliment.

This age group is in the 50-65 bracket.





Marketing Tactics for Reaching the African-American Market



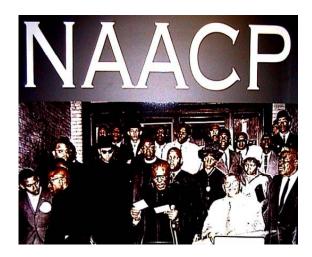
Get Involved With Community Organizations

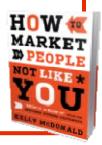
An Agent has a better chance of meeting new potential African-American customers if he or she is actively involved in local organizations that serve the African-American community.

The following national organizations usually have local chapters:

- National Urban League
- National Association for the Advancement of Colored People (NAACP)
- National Black Business Council, Inc.
- National Black Chamber of Commerce (NBCC)
- National Coalition of 100 Black Women (NCBW)
- 100 Black Men of America

This, of course, is not a complete list since all communities have their own local organizations. As you learn more about your local African-American community, you will be able to find more.





Read Your Local African-American Newspapers

Unlike the publications targeted at other groups that are in different languages (e.g. Spanish, Vietnamese, etc.), publications targeted to your local African-American population are in English, and as such, they provide you with a great opportunity to get to know your target.

By reading these publications, you will gain insights and find out what's on their minds. This will allow you to better customize your message to this community.

Also, reading these publications will give you an idea of the places where your target congregates (so you can reach out to them there) and provide you information on African-American targeted festivals or events for you to participate in.

So get reading!

Washington Afro This pubication, also branded as the Baltimore Afro, is the biggest black newspaper in the Maryland

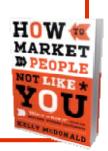


Los Angeles Sentinel This is the biggest and the oldest black newspaper in the Los Angeles area.



Chicago Defender
This weekly publication used to be
the only daily black newspaper in
the country.





Approach African-American Churches

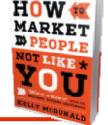
Black Americans are the most consistently religious--and religiously active--ethnic group in the country. More than 90 percent of Black Americans surveyed reported having a religious affiliation.

Black Protestants are among the most religiously involved Americans

- More than six in 10 said they were members of historically Black Protestant churches
- 85% say religion is very important in their lives
- More than half attend worship services at least once a week.

Additionally, black churches work as social centers for their communities. Getting involved with your local African-American churches will be seen as a good will gesture by the members of the community.





Source: From Newsweek's "Believers in the Pews" Jun 22, 2008 & Pew Forum study on the landscape of religious life in the United States as quoted by Newsweek.

Participate in Grassroots Events

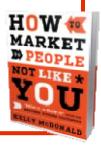
Whenever possible, we recommend that you participate in grassroots events and festivals targeted at your local African-American community. The type of events available will vary in your area.

There are festivals and events usually around key African-American holidays or celebrations such as Black History Month, but most center around African-American culture such as the Atlanta Jazz Festival, Black Film festivals found all around the U.S., etc.

Also, local urban radio stations will usually have several events throughout the year, so check their websites for listings. Make sure to read your local African-American targeted newspapers so you can be well informed.







Below Are Some Recommendations To Make Sure Your Participation at Grassroots Events is a Complete Success:

Staff events with members of the community, if possible

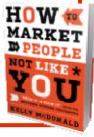
 Having African-American personnel on hand can help you build bridges to the local community. While it's not absolutely necessary, it can be a huge plus.

Provide appropriate giveaways when possible

 Providing potential customers with something that they will keep around their homes with your logo and phone number is recommended. Ideally, there should be different levels of giveaways with a few of higher perceived value and more of a lower perceived value. The higher perceived value is what will draw them to your booth; however, not everybody can get one of those. That's why it's important to have enough of the lower priced items to use as consolation prices.

Engage attendees with meaningful activities





Games that require an active participation of attendees to get a
giveaway will tend to draw a larger crowd to your booth. Having a
game also increases the amount of time people spend interacting
with your staff and increases the possibility that you will be able to
engage them in a meaningful conversation about insurance.

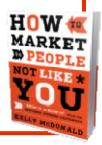
Recommended Game: A Wheel of Fortune

Collect Data:

• Whenever possible, you should try to collect data on people who are interested in insurance. You should have a short form that potential customers can fill out. People are more likely to give you more information if you provide an incentive such a raffle; however, make sure that you ask the question of whether they are interested in insurance to make sure your efforts are targeted when you follow-up. In most states, it is also required that you ask on the form if they give you permission to call them. Make sure you double check if this is required in your state and get this permission for legal purposes.



Remember: The goal of the event is to interact with people in your booth and start the process of giving them information about your products. You should have one or more people on staff whose sole responsibility is to talk to people at your booth. This should be in addition to the people manning the game or distributing prizes.



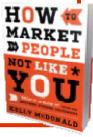
Recommended Strategy: Scholarships

Education is important to the African-American community, but in many neighborhoods, the opportunities can be limited. Providing scholarships to local African-American students can increase your profile and generate good will with this key demographic.

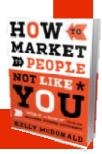
Do some research and find out what predominantly African-American schools exist in your area and work with counselors to develop the right program.

Don't forget to do public relations! Make sure that you send a press release to all of the local African-American targeted media letting them know that you welcome applications, and once you select the winner, make sure that you send out press releases with pictures too. Ideally, you will want to organize an event to present the award and contact your local media to see if reporters want to cover it.





Marketing Guidelines for the African-American Market



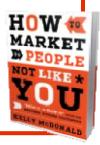
Start With The Right Visual Message



Show People Of Color When Targeting People Of Color

This might seem obvious, but many companies assume that because they already have marketing materials in English, they can just use those to target the African-American market. However, it's recommended that you customize your materials as much as possible when targeting this group. 70% of African-Americans say it's very important to them to see African-Americans in ads. Lack of effort will show and can adversely affect the performance of your materials.

Make sure you show various skin tones, if possible. African-American skin is in all shades, from light to dark.



Focus on Positive Images

Many African-Americans don't feel like they are fairly represented in mainstream media. That's why it's imperative that you make sure your images represent your local community in a positive light.

Make sure you include positive images such as:

- Happy families
- Devoted husbands and fathers
- Blacks getting an education
- Accomplished African-Americans

Many African-Americans feel like a lot of the images in the media of black individuals are negative, so contributing to a positive image will be noticed by your local black target market.



Cultural Values are Important, Too

Merely Including African-Americans In Ads Is Not the Same as Reflecting Culture and Values

Diversity means more than just having a Black cast; the message of the ad should represent African-American values and culture. When asked whether they "appreciate seeing ads that accurately reflect their ethnic values," 77 percent of African-American Boomers, 71 percent of Gen Xers, and 54 percent of Millennials strongly agreed. Currently, Blacks believe ads do not accurately reflect ethnicity, especially among older groups. About half of African-Americans also believe that ads reflect a "superficial understanding" and that "advertising does not depict my ethnic values at a deep level."

How do you reflect black values? First, identify your key target from the Sub-Segments of black consumers (Urban Influencers, Buppies, etc. - refer to previous sections), then adapt your message to reflect their lifestyle, needs, etc.





Source: From Advertising Age "in Plain Sight, The Black Consumer Opportunity".

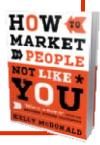
Focus on Women

More than half, (54%) of African-American households are headed by women, and they are likely to be multigenerational. So we are not just talking about focusing on Mom, but also Grandma.

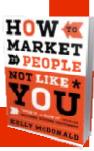
Make sure your message reflects her concerns for herself and for her family. Help her take care of her family and she will help take care of your business!



Source: The Cutting Edge News: "A Balanced Approach to the Splintering of Black America", quoting Eugene Robinson, author of Disintegration: The Splintering of Black America. April 4th 2011.



Social Media Guidelines



It's About People!

Social Media is about people, not selling. Make your pages personal and show the faces of your employees. It's OK to let their personality show!

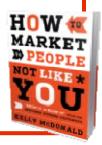


It's Imperative Today!

Social media is not going away, so the faster you "make friends" with it the better. You should, at a minimum, be active on:

- Facebook
- Twitter
 - Start tweeting (on Twitter) and remember that:
 - It's all about content
 - It should not be a sales pitch or promotional

Meaningful marketing has growing relevancy as our desire for connection grows. Connect with your potential customers via social media and watch your business grow.



"Doing It Right" Example: Farmers Insurance

Leveraging Their Human Capital

Farmers Insurance social media strategy revolves around involving their agents in social media and providing support so they can build their own networks.

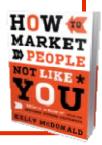
Ryon Harms, Farmers Insurance director of social media, says people want to connect with faces, not products, on Facebook.

"For us, it really starts and ends with our agents. We've got 15,000 agents across the country through our core 30 states."

Ryon Harms, Farmers Insurance, Director Of Social Media







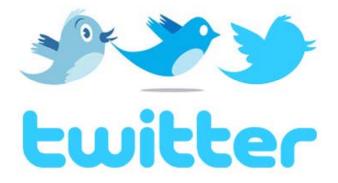
The Most Powerful Way to Tweet

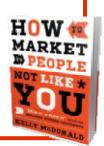
Remember that most people don't want to be "pitched" all the time, so keep that in mind when deciding what to tweet. The goal of your tweets should be to accomplish the following two things:

- 1. Become a resource and an expert for your followers
- 2. Develop a personal relationship with your followers

With that in mind, remember the following guidelines when using twitter.

- Be helpful
 - At least 50% of your tweets should answer questions, respond to others' remarks or share content
- Be involved in helping or creating relationships
- Less than 10% should be promotional or attempts at direct selling
- Content doesn't have to be original / self-authored, as long as you credit the source





Develop a Social Media Plan

Start by Identifying Your Goals

You need to have a specific goal, just as with any other marketing plan. Is it to reach potential customers? Is it to inform current customers about additional products and services you can provide? Have this in mind when deciding what to post.

Develop an Editorial Calendar

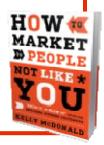
You CAN plan ahead what you will be posting. Develop a calendar of priorities and assign responsibilities to team members. Make sure to review it often to make sure strategies are still on target.

Note: This is independent of responding to "fans" and "friends", which needs to be done in real time, and could possibly alter your overall plans.

Posting Schedule

Once you develop an editorial calendar, you should determine the frequency of your social media updates and blog posts. If you decide to create a blog, you can improve your Search Engine Optimization (SEO) for your website by **updating it 2 to 3 times weekly**; search engines like updated content. Develop a schedule, be realistic and stick to it.





Utilize Online Tools

There are several tools that you can use to help you manage your social media presence. The following tools can help you organize, measure and pre-flight your content to save time:

- Hootsuite (http://hootsuite.com)
- Ping.fm (http://ping.fm)
- BudUrl (http://budurl.com)

Example: Schedule Future Posting from HootSuite

You can schedule your postings ahead of time utilizing Hootsuite, and it's free! They offer free accounts with limited features. You can also explore their premium features and see if it makes sense for you to make the small investment. However, the free account does allow you to pre-schedule postings to Facebook and Twitter, so you can make sure you always follow your editorial calendar.





Manage Your Content

Keep Consistency with Your Social Media "Voice"

Bring your brand identity to the social media realm. You need to make sure your tone and content align with your marketing goals, but remember it needs to be more personal.



Establish Internal Guidelines

Just because someone on your team is familiar with social media, doesn't mean they should be your voice online. Make sure those who are dong the posting understand marketing basics. A common mistake is to assign a person familiar with Facebook, Twitter, etc. to handle social media posts, but who is not well-qualified to speak for the company. Be clear about what content is acceptable so that you are represented well.

Don't leave it to chance. Provide your social media manager guidelines on what it's acceptable to post. Give them categories of topics (examples: industry news, company news, news beneficial to clients, etc.) If you utilize Hootsuite, you can set it up so that you can approve the posts before they go live.

Also provide your social media manager with support. They probably won't know how to answer every question, so make sure they have people they can reach to for answers.

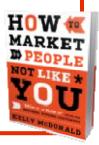
Integrate Social Media with Public Relations & Marketing Initiatives

Always look for ways to integrate traditional advertising and marketing strategies with online marketing/social media for cohesive messaging. They should all be part of the same campaign. They should communicate similar messages and work together.

Examples of way to integrate traditional media and social media:

- Add "Find us on Facebook" and "Like Us" to all communications
- Add Social Media icons to your website Press Room
- "Repurpose" large articles, news, or PDFs into distinct elements. Break up issues into smaller individual blog posts with deeper insight for readers





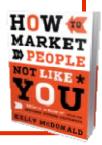
What to Do if You're "Flamed"

"Flaming" is when an unhappy customer writes negatively, harshly and prolifically about you on the web. This can happen on Facebook posts, tweets, blogs, etc. and it can spread like wildfire.

Always respond. Make sure that you address the poster's concerns. In order to make sure you respond the correct way, make sure that you:

- Cool down before responding
- Do <u>NOT</u> delete a negative post this will only enrage the person who has a complaint. It will appear as if you don't care.
- Exception: delete post that are profane, racist, sexist or otherwise inappropriate
- Respond as if the person were standing in front of you in your office
- Take the conversation "offline" as soon as possible to resolve it





Social Media Do's

- Assign the development and implementation of social networking to someone interested in it in your agency
- Stay with it the more you use it, the more it works
- Post tips, insider hints, etc. give your knowledge away and watch your fans grow
- Maintain the conversation
 - Keeps readers coming back
 - Establishes a relationship

There's nothing worse than an outdated page

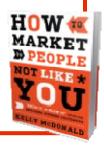
Remember that your customers expect you to be present in the online conversation

- Lack of presence is seen as uncaring, unresponsive
- Say something, even if it's just to thank them for their comments
- Give it a personal tone

Not: "ABC Insurance celebrated our 10th anniversary"

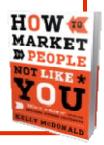
But: "Check out our pictures from our anniversary party"

- Be a real person and use real language
- Remember that customers are most interested in comments from other customers



Social Media Don'ts

- Don't spam your customers
- Don't think it's all about you it's really all about them
 - Examples of things you can do to
 - Baby announcements for customers
 - Congratulations for customers' success
- Don't dismiss or ignore negative comments about your business on your own site or third-party sites
- Don't be afraid to show some personality
- Don't be afraid to have some fun
 - Example: agency that allows dogs at work often posts about what the dogs are doing
 - The dogs are developing their own fans!
- Don't use insurance-speak or corporate lingo in your posts



Appeal to African-Americans With the Right Content

Be Inclusive In All of Your Social Media Platforms

Post content targeted to African-American interests along all social media platforms and you will catch the attention of African Americans. Remember, chances are, they are already part of your online community, so involve them and you will gain their loyalty and they will likely repost and share to their followers and increase your exposure to their friends and family.

Cultivate Relationships with Your African-American Followers

You should be cultivating relationships with all of your followers, but you should always make sure you are getting involvement from all minority groups, including African-Americans If you are not getting comments, responses, feedback etc. from many of them, re-examine your content. *It's not catching their attention*.

Develop Content and Programs Specifically for Them

Figure out the best way your product and service fits in their lives and develop social media groups or programs around that. Or simply dedicate a group to recognize achievement in the community, or provide news of interest for this group. You can also focus on African-American culture and events. Identify something your local African-American community cares about and become involved utilizing social media.

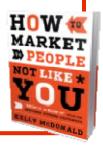
"Doing it Right" Example: P&G

P&G Develops "My Black is Beautiful"

Proctor & Gamble has been very successful by developing content targeted specifically to the black market around their "My Black is Beautiful" program. They celebrate African-American Beauty and also provide beauty tips (while doing a soft sell on P&G products).

Remember: when attempting something similar to <u>always provide</u> <u>information that is of interest or helpful</u> to your target. You don't want to "spam" them, or they will "unlike" you.





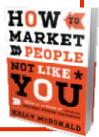
Develop Your Own Online Community

You can go beyond just posting content targeted to African-American sto developing your own social media community based on a common interest. This is the best way to get people engaged in social media, because the content comes from them, and as a result, they are more likely to be interested (and know what others like them care about). In this case, you become a facilitator and part of the community.

Example: American-Airlines Develops Black Atlas

BlackAtlas.com is a unique online community that offers travel insights from an African-American perspective. The site encourages people to sign up and send their stories about traveling around the word, and their experiences and perspectives with black culture.





Reaching African-Americans Via Social Media

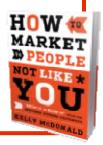
Identify Local Pages for African-American Groups

Find Facebook pages for local groups based on African-American interests and join them ("like" them) and post in them when appropriate.

Always make sure that your posts are appropriate for the interests of the group.







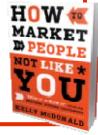
"Like" and Repost Information from African-American Media

Identify Local African-American Media Pages

Find Facebook pages for your local African-American media ("like" them) and post when appropriate. Utilize these pages to find out what your local African-American community is interested in.

Use these pages as a source of content by reposting interesting information on your own African-American targeted page.





Consider Facebook Ads to Target African-Americans

Target High-Density African American Areas via Facebook Ads

Facebook doesn't currently provide a way to directly target African-Americans. However, you can target geographically. Identify high-density African-American areas and target those.

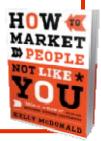


Target African Americans via Their Interests

You can also identify African-Americans via their interests. Include topics for black culture, local African-American media, etc.







African-American Marketing Guide

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