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Asian American Consumers: An Ideal Market for Diverse Categories

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*Kang & Lee Advertising is the sponsor of the **Asian American** section of our 2009/2010 Source Book of Multicultural Experts. The Source Book will be available August 1, 2009.*

Asian multicultural marketing 'exploded' on the corporate scene in the mid 1980's when Asians garnered the attention of the major telecommunications companies due to their high value as consumers of international calling services. As telecom innovation and offers expanded, Asian consumers remained important to corporate, divisional, and regional 'bottom-lines' as tech-savvy early adopters of technology. In the late 1980's and early 1990's, financial services marketers began their first concerted steps to recognize the potential of Asian-Americans, in order to tap Asian market affluence, and the corresponding predisposition towards savings and investment. Today, the competitive media landscape within the financial services category in the Asian-American market includes most retail banks, virtually every major insurance company, and many brokerage firms. By the mid-late 1990's, the automotive industry also 'woke up' to research which highlighted that Asian Americans are the most likely to buy new (versus used) cars, the most likely to spend more on a car, and the most likely to buy luxury makes. This propelled a wide range of Japanese, US-domestic, and European car brands to develop Asian-targeted marketing and media programs to compete for Asian *share-of-garage*. In 2009, financial, telecom, and automotive marketers remain the three most active categories in the Asian American market that, in aggregate, account for tens of millions in annual Asian media expenditures.

Yet new, even '*first-mover*,' opportunities still exist for many other categories, including:

Consumer Packaged Goods

Interestingly, several CPG companies were first-movers and early 'top-spenders' in Hispanic marketing in the late 1970's and early 1980's. Although over the years, a few brands have dabbled in Asian marketing with one-off 'pilot' programs or corporate branding efforts, no major CPG company or brand has attempted to seriously, and consistently, stake its claim in the Asian market. However, syndicated research

consistently demonstrates that Asians index high against all other consumers for consumption of a wide range of CPG brands within diverse categories including soap, baby products, oral care, analgesics, bottled water, and soft drinks, to name a few.

Computer Hardware / Software/ and E-Commerce

Over the years, many studies have benchmarked Asian American computer use and online behavior, and they all point to the same summary conclusions: Asians are more likely than all other groups (including Caucasians) to have computers at home, more likely to own laptops, and they are among the most mature users of the Web -- with 'maturity' being defined as the number of years online, the monthly/weekly/daily amount of time spent online, and the propensity to research products online, purchase products online, and conduct financial transactions online. Such research demonstrates a strong, 'untapped' opportunity for computer hardware, software, and e-commerce brands -- none of which have yet launched any consistent Asian-targeted marketing and communications programs.

Travel & Leisure

As largely affluent and educated consumers, Asians are prime targets for the T&E category. Yet today, only the gaming industry and select airlines have targeted Asians with any consistent presence. New opportunities remain for airlines, hotel chains, car rental brands, theme parks, cruise lines, vacation resorts, among others.

Luxury Goods - Watches, Jewelry, Apparel, Fragrance, Luggage

Brand marketers in these categories already well know how important Asian consumers in Asia are to their brand health and future sales growth. Yet, many luxury brands still mostly side-step the marketing and media channels in the US which directly reach the affluent Asian American segments.

For marketers in these and other categories, Kang & Lee Advertising stands ready to provide expert guidance and counsel to facilitate Asian American market knowledge, insights, and strategies, as well as the development of effective and efficient targeted marketing and communications programs.

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