

AFRICAN AMERICAN



MARKET PROFILE



Magazine Publishers of America

MISSION RESPONSIBLE

Magazine Publishers of America (MPA) is dedicated to establishing diversity initiatives that promote a culture of inclusion within our own organization as well as the industry at large. We also believe that such efforts may enhance the success of magazines and satisfaction among the readers they serve.

MARKET DEFINITIONS

African American: Of, or relating to, Americans of African ancestry or to their history or culture.

Black: When Black is used to refer to race, the term encompasses African-Americans. However, the two terms are not necessarily interchangeable, as “Black” applies to a myriad of geographic sources including, but not limited to, Africa or the Americas. Some members of Black immigrant communities identify themselves more closely with their country of origin such as Senegalese, Jamaican, Haitian, Nigerian or Dominican than as “Black or African American.”

The Urban Market: Previously, the term “urban” was used to describe people or things associated with the inner city, an area populated after World War II by large numbers of Blacks and Hispanics. However, the racial composition of the “urban” market and its significance to the general market has changed dramatically in the past two decades. Today, the urban market is more often defined as a “mindset,” which is not limited by geographic or racial boundaries.

To that end, we develop a variety of tools to help advertising and marketing professionals understand changing markets and major trends affecting their clients/customers, products and services.

MPA’s **Market Profile** series offers an in-depth look at particular advertising categories and demographic groups of importance to advertisers, agencies and our members. This profile addresses the impact of the growing African-American/Black market, up almost 22 percent between 1990 and 2000, representing 13% of the U.S. population and wielding an estimated \$723 billion in purchasing power in 2002. Others in this series include other growing minorities such as Hispanics/Latinos and Asian Americans and the Teen market.

Compiled by MPA’s Information Center, this report synthesizes the most recent findings from more than 25 sources.

To access additional copies of this and other market profiles, visit our website: www.magazine.org/marketprofiles. For further detail on content, e-mail: infocenter@magazine.org.

Sources: U.S. Census Bureau Brief on the Black Population, August 2001; *American Heritage Dictionary, Third Edition*; *Illustrated Oxford Dictionary — Millennium Classic Limited Edition Collection*, 1998; Urban IQ; Selig Center for Economic Growth, University of Georgia, 2002

Note — The (36.5) million 13% population figure, refers to the 34.7 million people who reported only “Black” in Census data in addition to 1.8 million people who reported “Black as well as one or more other races.”

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SNAPSHOT OF THE AFRICAN AMERICAN/BLACK MARKET

Now 38.1 million strong, African-Americans/Blacks are a growing, vital part of the overall U.S. population. Their growth surged more than 21 percent between 1990 and 2000 – in contrast to the U.S. population, which grew 13.2 percent during the same time period.

MARKET OPPORTUNITIES

Spending power and market size are expected to grow at rates higher than the rest of the U.S. population.

Skews younger than the U.S. population — The average African-American/Black adult is 30, as compared to 35 for the average U.S. adult.

Heavy magazine consumption — More than eight out of ten African-American/Black adults (85%) are magazine readers, reading 11.9 issues per month, compared to 9.1 issues (per month) for all U.S. adults.

MARKET CHALLENGE

Foreign language is not prevalent among African-Americans/Blacks, which could cause the mindset and cultural nuances of the market's subcultures to be overlooked.

Sources: *American Demographics*, April 2001; MRI Spring 2004; Selig Center, Synnovate 2004; U.S. Census Bureau

The African-American/Black population is expected to grow faster than the U.S. average over the next five years – an 11.6% projected increase between 2002 and 2007. From 1990 to 2008, the African-American population is expected to grow by 30.6% compared to a 24.8% increase for total U.S. population. Presently, the African-American/Black population comprises 13% of the total U.S. population.

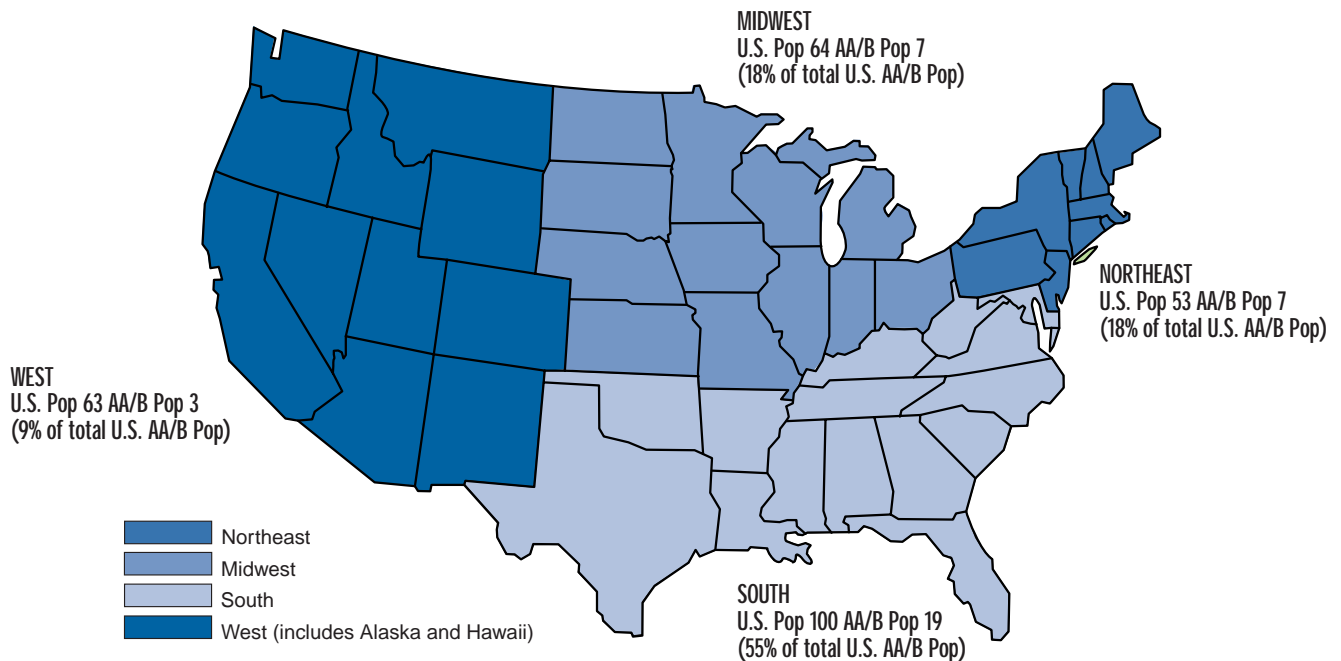
The percent of African-American/Blacks who are new immigrants continues to grow and contribute to the vitality of the community. Current Census estimates show that eight percent (2.2 million) of the African-American/Black population is foreign born. This represents a slight increase from the 7.4% (1.5 million) of the African-American/Black population who were new immigrants in 1990.

The buying power of African-American/Blacks rose 127% in 14 years, from \$318 billion in 1990 to \$723 billion in 2003. By 2009, it is expected to reach \$965 billion according to the University of Georgia's Selig Center for Economic Growth.

AREAS OF GEOGRAPHIC CONCENTRATION BY U.S. REGION

African Americans/Blacks are most concentrated in the South, and the percentage continues to grow. Overall, the South gained approximately three million African Americans/Blacks in the 1990s. This is roughly double the number of African American/Blacks that the South gained in the 1980s (1.7 million).

POPULATION IN MILLIONS



DID YOU KNOW?

- One out of every ten African Americans/Blacks who lives in the South today is a newcomer to the region.
- The Northeast has recently experienced a decline in the number of African-American/Black residents.

Sources: U.S. Census Bureau 2000; Forecast Analysis 2000; *Population Today*, May/June 2001

GEOGRAPHIC CONCENTRATION AND PROJECTED GROWTH TRENDS BY U.S. CITY

In the 10 DMAs listed below, marketers can effectively reach a large portion of the U.S. African-American/Black market — 39 percent of the total African-American/Black population.

TOP 10 AFRICAN-AMERICAN/BLACK MARKETS

Designated Market Area (DMA)	General Market Rank	African-American/Black Population (000)	% of Total U.S. African-American/Black Population	% African-American/Black of Total Market Population
New York	1	3,808	10 %	18 %
Chicago	3	1,738	5	18
Los Angeles	2	1,497	4	9
Atlanta	9	1,399	4	24
Washington D.C.	8	1,376	4	23
Philadelphia	4	1,372	4	18
Detroit	11	1,128	3	23
Houston	10	966	3	18
Miami	17	853	20	20
Dallas-Ft. Worth	7	843	2	13

Synnovate 2004, U.S. Census Bureau

The top three metropolitan areas with the largest projected growth for African-Americans/Blacks are Atlanta, Washington, D.C. and New York City by absolute numbers. Among the top ten markets, Dallas, Atlanta and Fort Lauderdale have the largest projected African-American/Black population growth by percent.

DID YOU KNOW?

- Most African-American/Black migrants to the South are of working age and about one-fifth are college graduates, adding to the growing middle class in cities like Atlanta, G.A. and Charlotte, N.C.
- Currently, 39% of all African-Americans/Blacks live in suburbs. Nearly three in ten African-American/Black households are middle and upper class.
- The number of African-Americans/Blacks living in suburbs increased five percent between 1990 and 2000. This rate is more than double the rate of Caucasians during the same time period.

Source: *American Demographics* October 2003, Synnovate 2004, William H. Frey

AFRICAN AMERICAN/BLACK CONSUMER PROFILE: YOUNG AND EDUCATED

Four in ten African-Americans/Blacks are under the age of 24, compared to three in ten for the general U.S. population. Those between the ages of 5 to 24 make up more than one-third of all African Americans/Blacks.

In fact, 54% of the 1.8 million people who self-identified as “Black in combination with at least one other race” were under the age of 18.

KEY PROFILE POINTS

Median Age

U.S.	35.3
AA/B	30.0

Gender (%)

U.S.	50/50 M/F
AA/B	48/52 M/F

Median HHI

U.S.	\$43,318
AA/B	\$31,285

Source: *American Demographics*, October 2003

African-American/Black median household income is currently lower than that of the U.S. population. However, the number of African Americans/Blacks earning a high school diploma, bachelor's degree or graduate/professional degrees has continued to climb over the past decade.

PERCENTAGES* OF AFRICAN-AMERICAN/BLACKS EARNING DEGREES/DIPLOMAS

	2000	1990	1980
High School Diploma	72%	63%	51%
Bachelors Degree or Higher	14	11	8
Graduate or Professional	5	4	NA

*Percentages refer to African-Americans/Blacks age 24 and over
Source: U.S. Census Bureau, January 16, 2003

Source: *Media Markets Daily*, April 11, 2003; *American Demographics*, November 2002

AFRICAN AMERICAN/BLACK TEEN AND YOUTH MARKETS

Today's youths and teens (12–19-year-olds) are consumers and creators of trends and a valuable target for advertisers. The same holds true for African-American/Black teens, who are a major influence in today's mainstream culture — especially in music, sports and fashion.

African-American/Black teens spend 6% more per month than the average U.S. teen, which amounts to a total of approximately \$428 monthly. In addition, male and female African-American/Black teens spend more yearly on items such as clothing, jewelry, computer software and athletic footwear, in comparison to all U.S. teenagers.

DOLLARS SPENT IN THE PAST 12 MONTHS

	African-American/ Black Teens	All U.S. Teens
Clothing	299	262
Fine Jewelry	198	144
PC Software	97	76
Athletic Shoes	70	66

DOLLARS SPENT IN THE PAST 12 MONTHS: MALE VS. FEMALE TEENS

	MALE		FEMALE	
	AA/Black	All	AA/Black	All
Clothing	301	238	297	289
Fine Jewelry	254	184	180	131
PC Software	96	80	98	72
Athletic Shoes	69	69	70	64

Sources: Teen Research Unlimited, 2003; Mediamark Research Inc. Teenmark 2003

AFRICAN AMERICAN/BLACK BUYING POWER

Twenty-six percent of all African-American/Black households had incomes of \$50,000 a year in 2000 (approximately 3.7 million African-American households). There are 1.4 million African-American households with annual incomes of \$75,000 or more. And, almost 60% of all African-Americans/Blacks today earn more than \$25,000.

The ten markets below represent 61% of the U.S. African-American/Black population. These ten markets also account for 61% of total African-American/Black U.S. buying power.

TOP 10 STATES IN TERMS OF AFRICAN-AMERICAN/BLACK BUYING POWER

	Total Population 2003	Black Population (Alone and in Combination)*	Black Buying Power 2003 (in Billions)
New York	18,571,545	3,162,778	\$ 65.5
California	34,292,871	2,439,489	53.1
Texas	21,215,494	2,454,979	50.1
Georgia	8,326,251	2,412,050	46.4
Florida	16,318,656	2,594,770	40.9
Maryland	5,321,993	1,511,665	38.8
Illinois	12,279,027	1,889,267	37.8
North Carolina	8,063,874	1,784,791	31.0
Virginia	7,063,247	1,432,967	29.0
Michigan	9,797,198	1,445,610	28.7

*Alone and in combination with at least one other ethnic group.

Source: U.S. Census Bureau: 2002 American Community Survey Profile; Selig Center for Economic Growth, 2002

AFRICAN AMERICAN/BLACK MAGAZINE READERS

More than eight out of ten African-American/Black adults (85%) are magazine readers — reading 11.9 issues per month, compared to 9.1 issues (per month) for all U.S. adults. These adult African-American/Black magazine readers are younger than the average U.S. magazine reading population and have more children at home. Nearly three out of four African-American/Black adults (72%) who read magazines are between the ages of 18 to 49 (compared to only 64% of the U.S. adult population).

For both African-American/Black and the total U.S. population, household income for magazine readers exceeds that of the general population (see page 5).

COMPARISON OF AFRICAN-AMERICAN/BLACK AND TOTAL U.S. POPULATION MAGAZINE READERS

	African-American/Black Magazine Readers	Total U.S. Magazine Readers
MEAN AGE	41	45
MEDIAN HOUSEHOLD INCOME	\$35,677	\$54,564
EDUCATION		
Graduated High School/GED	83%	90%
Attended College or More	52%	74%
MARITAL STATUS		
Married	57%	63%
Single	24%	30%
ONE OR MORE CHILD <18 AT HOME	42%	52%

Source: Mediamark Research Inc., Spring 2004

AFRICAN AMERICAN/BLACK MAGAZINE READING PREFERENCES

Like the average U.S. consumer, African Americans/Blacks read a variety of magazines in a range of categories. The top five categories for African-American/Black readers are general editorial, news weeklies, women's interest, home service and music. Unlike the average U.S. reader, music ranks among the top five categories with African-Americans/Blacks (for the average U.S. reader, men's titles rank fifth among the top five magazine categories).

Not surprisingly, African-Americans/Blacks are the heaviest consumers of African-American magazines. The following chart, compiled by Mediamark Research Inc., indicates that African Americans/Blacks read general market publications as well as those specifically oriented to the African-American/Black market.

TOP TITLES BY AFRICAN-AMERICAN/BLACK AUDIENCE COMPOSITION

	African-American/Black as Percent of Audience	Index
Percent of Total U.S. Adult Population 18+	11.3	100
Jet	95.1	842
Black Enterprise	92.8	821
Ebony	89.7	794
Essence	87.0	770
Vibe	68.8	609
Source	54.0	478
Soap Opera Weekly	34.3	304
Entrepreneur	33.2	294
GQ-Gentlemen's Qrtly	27.0	239
Soap Opera Digest	26.1	231
Esquire	25.7	227
O Oprah Magazine	23.4	207

*Census identifies African-American/Blacks from age 0+.
The MRI data is based on African-American/Black adults aged 18+.
Source: 2004 MRI Spring

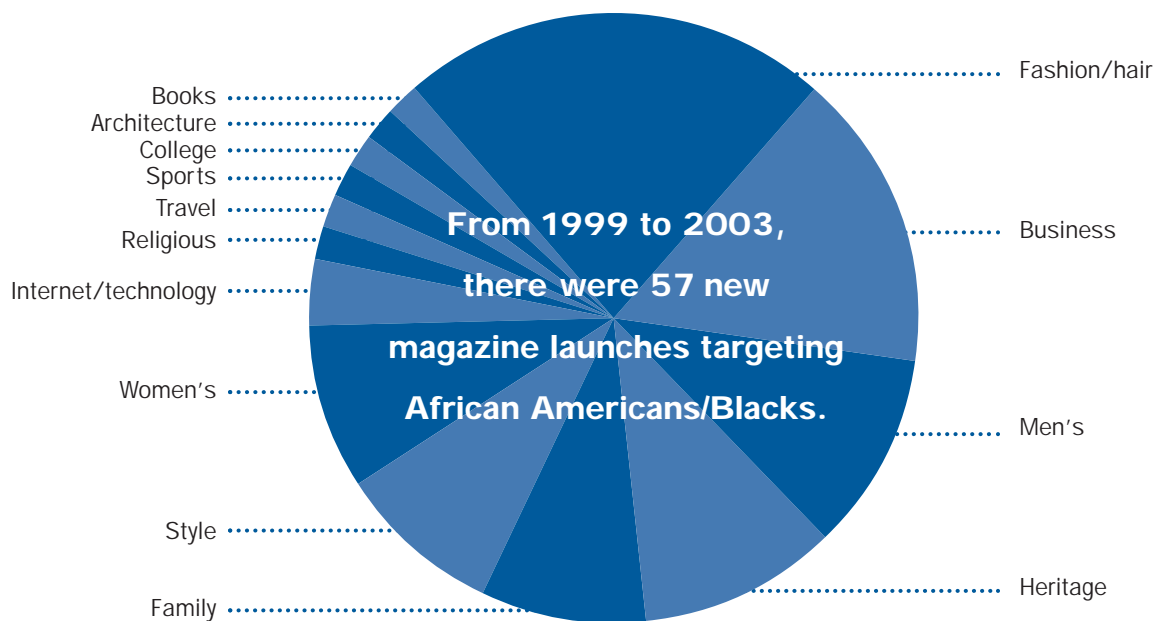
AFRICAN AMERICAN/BLACK MAGAZINE MARKET

From 1999 to 2003 alone, there were 57 new magazine launches targeting African Americans/Blacks. These new magazines represent a mix of categories and interests from business and travel, to parenting, religion and automotive.

The total number of magazine titles specifically targeting African-American/Black readers has consistently remained above 100 since 1996. These magazines reach a range of African-American/Black audiences (by gender and age) and cater to a variety of interests, including fashion, business, entertainment, regional and religion.

Total paid circulation for the seven ABC-measured titles targeting African-Americans/Blacks increased 2.6% from 1999-2003.

CIRCULATION GROWTH BY CATEGORY 1999 TO 2003



DID YOU KNOW?

- Some of today's top-selling magazines to African Americans/Blacks have been in publication for almost sixty years.

Sources: Samir Husni's Guide to New Magazines, 2004; National Directory of Magazines, 2004; Audit Bureau of Circulations

ADVERTISING TO THE AFRICAN AMERICAN/BLACK MARKET THROUGH MAGAZINES

The top advertising categories below are based on dollars spent in PIB measured titles targeting African-American/Black readers - the categories reflect advertisers with the highest levels of spending to African-Americans/Blacks (see page 14).

SPENDING IN AFRICAN-AMERICAN/BLACK MAGAZINES

Advertising Category	2003 (\$ millions)
Toiletries and Cosmetics	\$ 67,436,465
Apparel and Accessories	55,369,598
Automotive	45,469,999
Home Furnishings and Supplies	27,897,829
Drugs and Remedies	19,662,028
Food and Food Products	17,931,607
Media and Advertising	16,626,057
Retail	14,392,412
Financial and Real Estate	12,152,643
Technology	11,678,808
Direct Response Companies	9,994,846
Public Transportation, Hotels and Resorts	6,866,862
Total for Top 12 Categories	\$ 305,479.2

Source PIB 2003
 Note: Measured using only titles directed to the AA/B market, Black Enterprise, Ebony, Essence, Jet, Source, Vibe.

ADVERTISING TO THE AFRICAN AMERICAN/BLACK MARKET

The power of African-American/Black spending is evident across many categories.

MARKET FACTS

- African Americans/Blacks account for more than 30% of industry spending in the \$4 billion hair market.
- According to the Selig Center, 63% of African-American/Black households own a vehicle that was purchased used, and 37% own a vehicle that was purchased new.
- African-American/Black consumers spend more on telephone services than any other consumer group. Their expenditures in this category total \$918 annually, or 8.1% more than the average.
- According to a 2001 study by Cotton Incorporated, African-American/Black consumers will spend an average of \$1,427 on clothing per year for themselves — \$458 more than the average consumer.
- Within the entertainment category, African-American/Black consumers allocate nearly twice as much money than the average U.S. consumer to purchase TV, radios and sound equipment (59.6% vs. 32.2%).
- According to Linda Crowder, ethnic marketing group director at Kraft Foods in Northfield, IL, the average African-American/Black family spends 30% more on weekly groceries than the U.S. population at large.

DID YOU KNOW?

African-Americans/Blacks are more likely than the average U.S. consumer to:

- Place a high premium on the status of owning tangible items
- Want to dress in the latest fashions in order to enhance appearance
- Spend more for what is perceived as “the best” — 64% vs. 51% of Caucasians
- Be brand loyal and rely upon certain brands to help them make informed purchase decisions.

Sources: Happi-Household & Personal Products Industry, April 2002; The Ninth Annual Edition Buying Power of Black America, 2002; The African-American Shopper Profile 2000, conducted by Kraft and Procter & Gamble; 2001 Yankelovich/Don Coleman African-American MONITOR

THE TOP MAGAZINE ADVERTISERS TO THE AFRICAN AMERICAN/BLACK MARKET

The potential of the African-American/Black market has advertisers dedicating substantial dollars to reach them.

Overall, the top spending companies that target African Americans/Blacks reflect the categories with the highest spending to this market, including entertainment, automotive, and personal care.

TOP TEN AFRICAN-AMERICAN/BLACK MAGAZINE ADVERTISERS, 2003

Rank	Company	2003 Revenue (\$ millions)
1	Johnson Publishing Co. Inc.	21
2	General Motors Corp.	17
3	Procter & Gamble Co.	13
4	L'Oréal SA	9
5	DaimlerChrysler	8
6	Clorox Co.	8
7	Ford Motor Co.	7
8	Johnson & Johnson	7
9	U.S. Government	6
10	Vivendi Universal SA	6

Source: PIB, 2003

Note: Measured using only titles directed to the African American/Black market

THE TOP TEN AFRICAN AMERICAN/BLACK ADVERTISING AGENCIES BY U.S. REVENUE

The potential of the African-American/Black market has advertisers dedicating substantial dollars to reach them.

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TOP TEN ADVERTISING AGENCIES IN THE AFRICAN-AMERICAN/BLACK MARKET, 2003

Rank	Agency	Headquarters	2003 Revenue (\$ Millions)
1	Burrell Communications Group	Chicago, IL	26
2	Carol H. Williams Agency	Oakland, CA	25
3	UniWorld Group	New York, NY	20
4	Anderson Communications	Atlanta, GA	7
5	Fuse (WPP)	St. Louis, MO	5
6	Matlock Advertising & PR	Atlanta, GA	7
7	E. Morris Communications	Chicago, IL	4
8	Correct Communications	Newark, NJ	4
9	RJ Dale Advertising & PR	Chicago, IL	4
10	Prime Access	New York, NY	3

Source: *Advertising Age* April 19, 2004

SUMMARY

The African-American/Black market has and will continue to play a critical role in American culture. The impact of this market will increase in years to come, given its projected growth and increased buying power. To that end, marketing to African-Americans/Blacks will continue to be an important element of advertising plans for companies looking to reach all segments of the population effectively.

As more information becomes available, updates will be featured on the MPA website at www.magazine.org/marketprofiles. For additional copies of this document or for information on other MPA Market Profiles and resources, please contact us at promotion@magazine.org.

**Magazine Publishers of America thanks
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for their generosity and support
of our diversity initiatives.**



Magazine Publishers of America

One of the most important challenges facing our industry today is ensuring that our workforce reflects the unprecedented diversity of American society. Magazine Publishers of America (MPA) promotes diversity and establishes initiatives with the goal of fostering a culture of inclusion within our own organizations, as well as the industry at large.

Asian-American Market Profile
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A photograph of three diverse professionals in business attire. On the left, a man with dark hair is partially visible. In the center, a woman with short, dark, curly hair is looking towards the right. On the right, a man with a shaved head and a goatee is also looking towards the right. They are all wearing professional clothing, including a suit jacket and a striped sweater with a purple shirt collar.

What does **INCLUSION** **MEAN?**

Inclusion is about engaging the hearts and minds of everyone.

At R.R. Donnelley, understanding and meeting the needs of our customers and the markets they serve is a number one priority.

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RR DONNELLEY



We believe in diversity of thought, culture and background.

Our most valuable resource is a worldwide force of more than 90,000 employees. We care for each one of them because we strongly believe that you reap what you sow. We recognize the uniqueness of each one of our employees and we celebrate their diversity of thought, culture, and background. It is the sum of their individual efforts that makes our company the global leader in forest and paper products. To learn more about Coated and SC Papers, visit us at www.ipcoated.com.

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