

The Asian American Consumer Base

Diverse voices

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VP, Head of Diversity Initiatives

2021



A woman with long dark hair, wearing a red jacket, is shown in profile, looking out over a busy city street. The background is a blurred urban scene with buildings and people. A large black diagonal shape is overlaid on the left side of the image, containing the text.

Asian Americans: Who are they?

The Asian Americans are a diverse group

Comprised of three major geographic areas of origin*



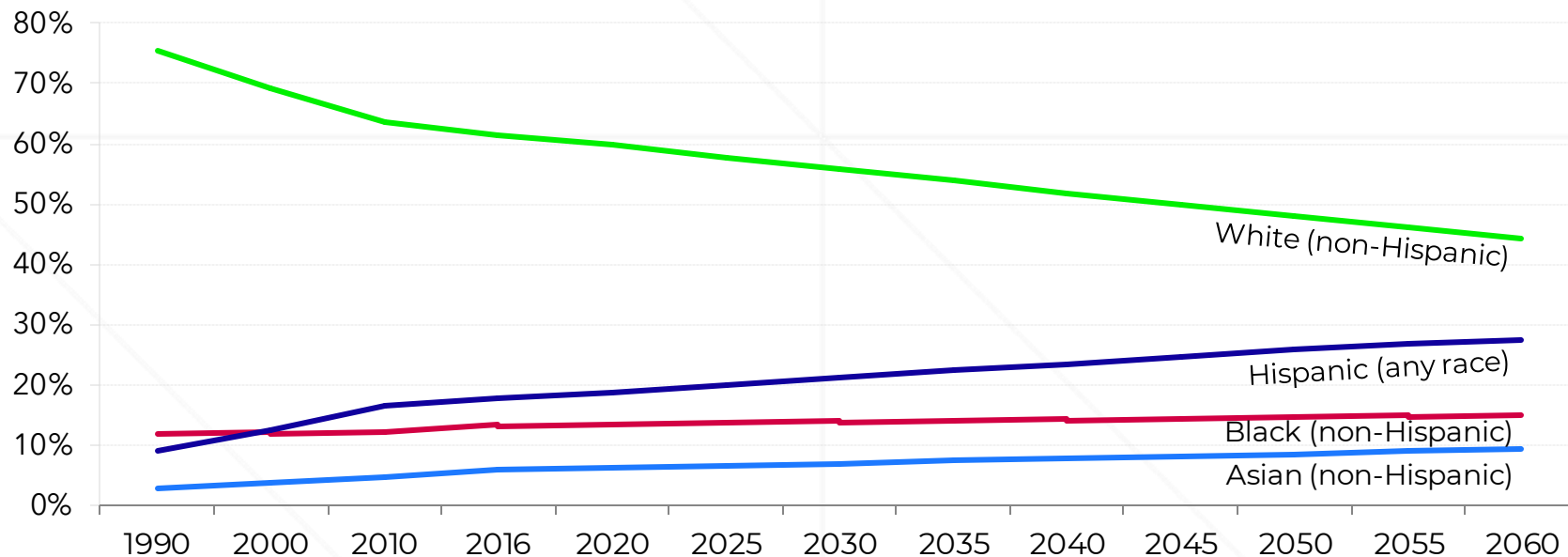
- **East Asia:** China, Korea, Japan, and Taiwan
- **South Asia:** India, Pakistan, Bangladesh, and Sri Lanka
- **Southeast Asia / Pacific Islands:** Philippines, Vietnam, Cambodia, Laos, Thailand, Hawaii, Samoa, Indonesia, Malaysia, Guam (including Chamorro), Tonga, and other Pacific Islands
- **Other Asia or multiracial:** Nepal, Burma, Bhutan, Mongolia, other Asian, and all combinations of Asian races

*Defined for this presentation only

US population is shifting

“The non-Hispanic White-alone population is projected to shrink over the coming decades, from 199 million in 2020 to 179 million in 2060 — even as the U.S. population continues to grow.”

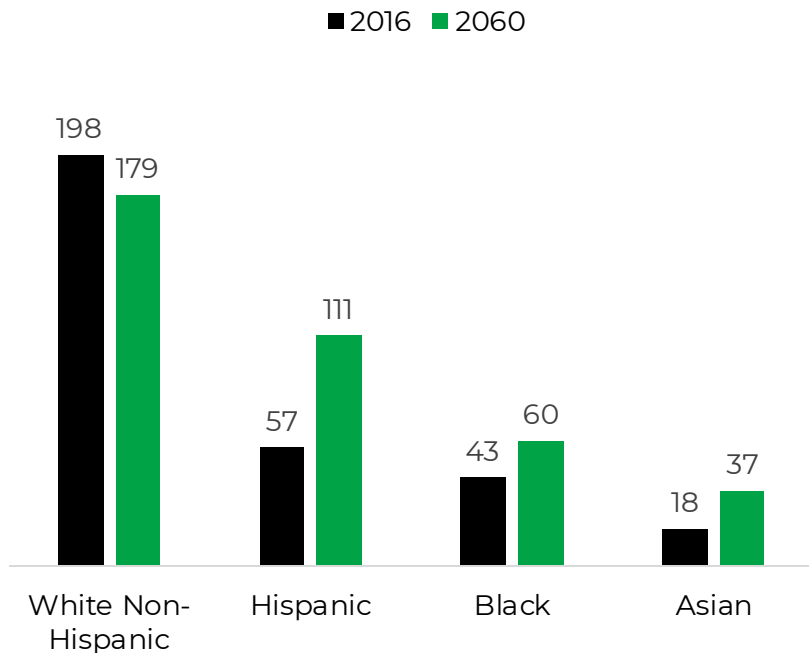
Actual & projected population by race & Hispanic origin



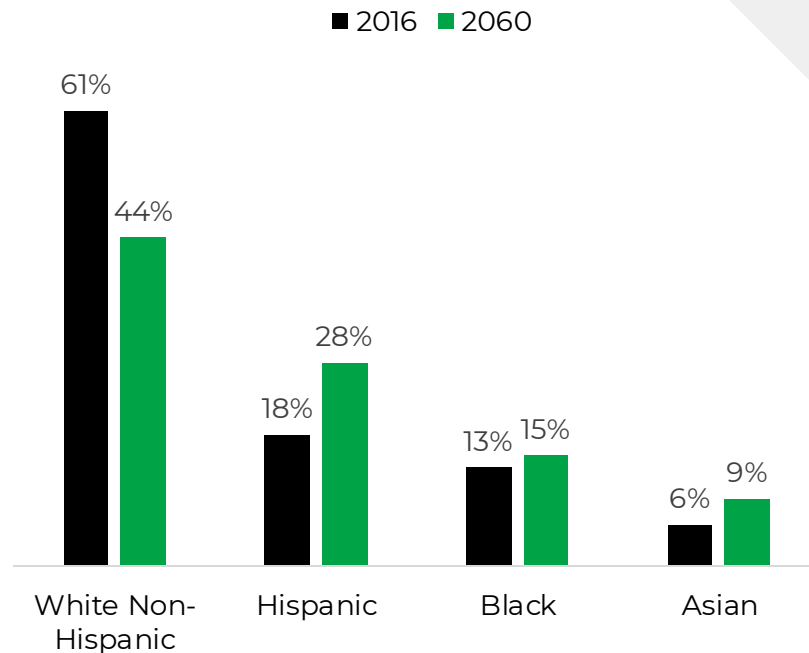
Source: U.S. Census Bureau (1990, 2000, 2010 population by race alone and Hispanic origin; 2017 population projections – released March 13, 2018)

Asian population will continue to grow

U.S. population (millions)



Percentage of U.S. population



Source: U.S. Census Bureau, 2017 National Projections (released in March 2018); Hispanic origin is considered an ethnicity, not a race. Hispanics may be of any race.

Asian Americans live in large households

With a relatively young age distribution

1,656,208

1 person

3,719,301

2 people

4,228,377

3 people

16% more

Children under 18

5,215,658

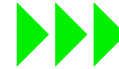
4 people

5,676,567

5 people

25% less

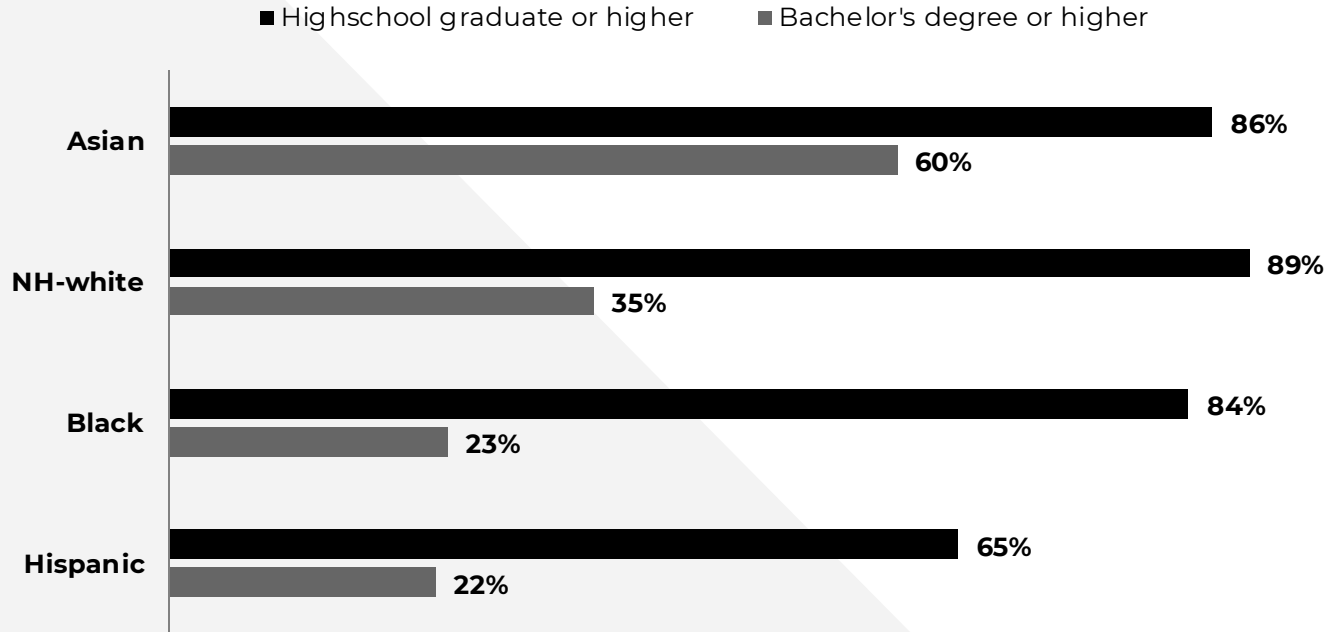
Adults 65 and over



Empowered by high educational attainment

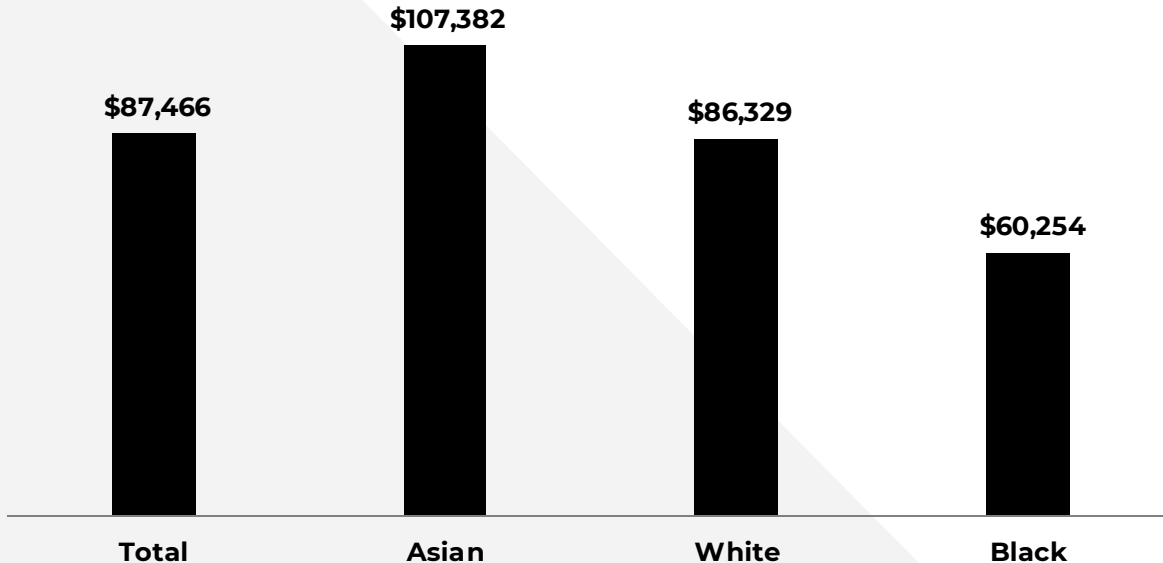
Asian Americans have the highest bachelor degree attainment rate

Percentage of population 25 and over with respective degrees



And the highest median household income

Median household income by race



25% greater
than the next highest
demographic's income

This income is still not being activated

There remains a large gap between potential and actual sales

18.7M

Asian Americans make up
5.7% of the population



\$13B

In opportunity

\$30.9B

In Asian American sales makes
up only 3.8% of U.S. total sales

Source: U.S. Census Bureau, Nielsen Multicultural Opportunity Calculator: Nielsen Homescan, Total US, 52 Weeks Ending 5/22/21, Nielsen Target Track TTL US xAOC

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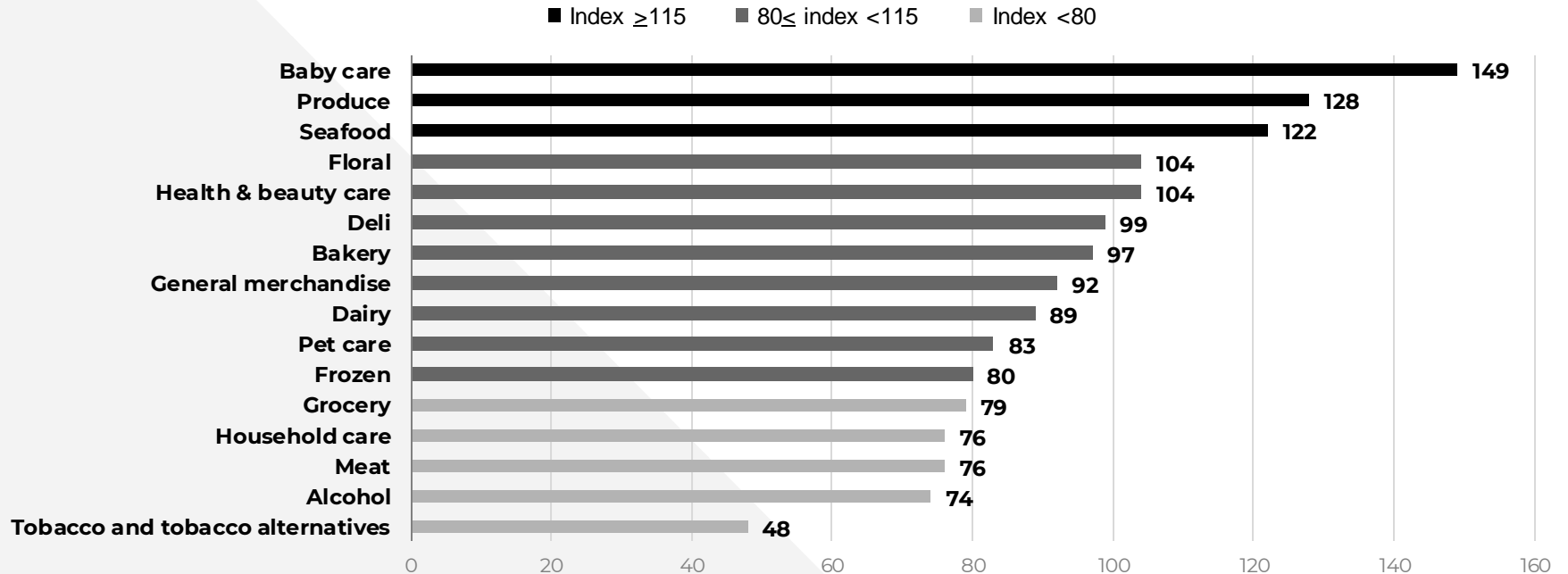




How do they shop?

Asians over index in several categories

Department level spending index (vs. total panel)

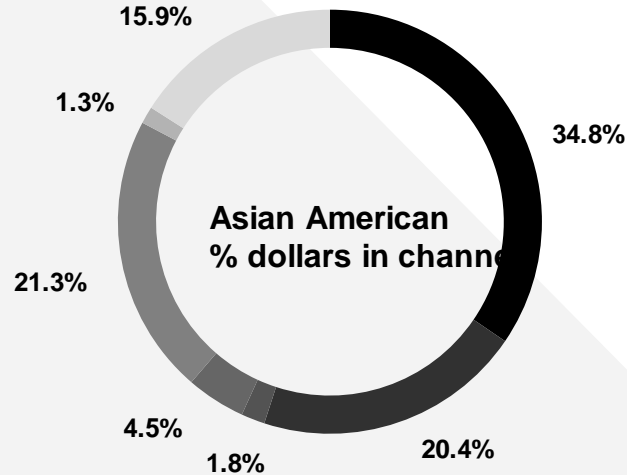


And they shop more in one channel

When compared to the total population

% dollars in channel overview

- Grocery stores
- Dollar stores
- Warehouse clubs
- Other
- Mass merch w/ supers
- Drug stores
- Convenience/gas



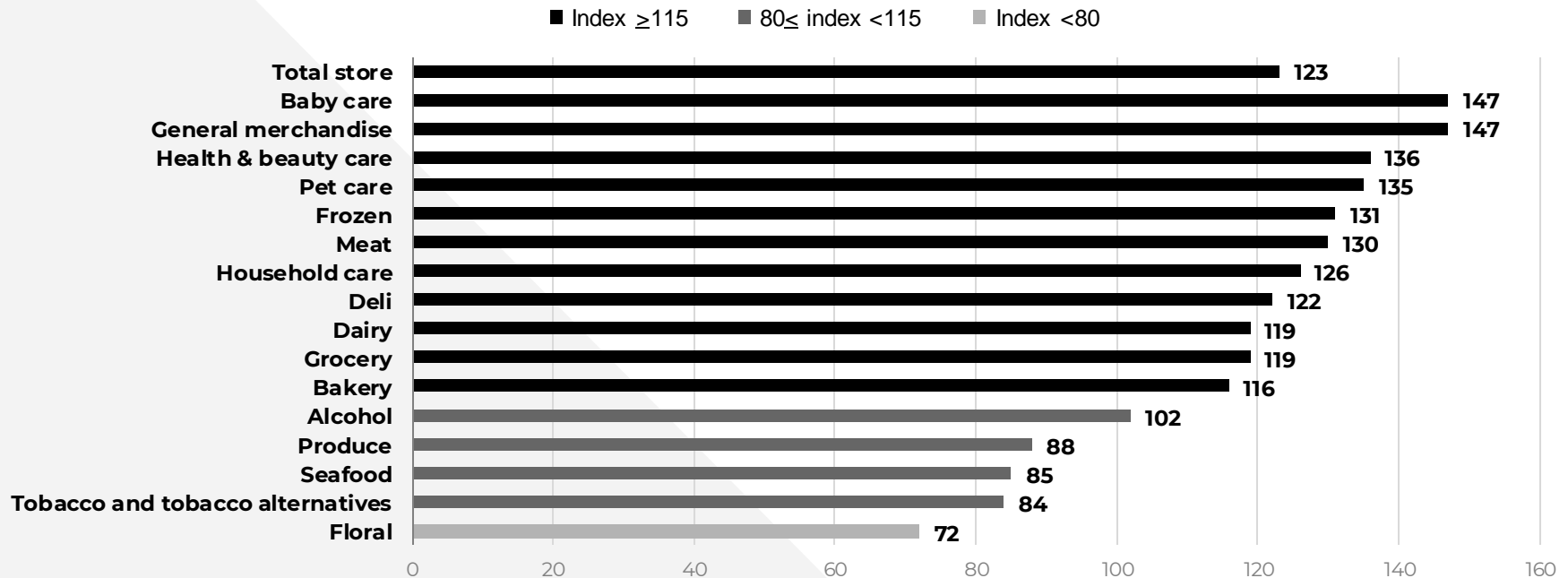
Over indexed channel

219

Warehouse index

They exhibit bargain buyer behavior

% on deal index (vs. total panel)



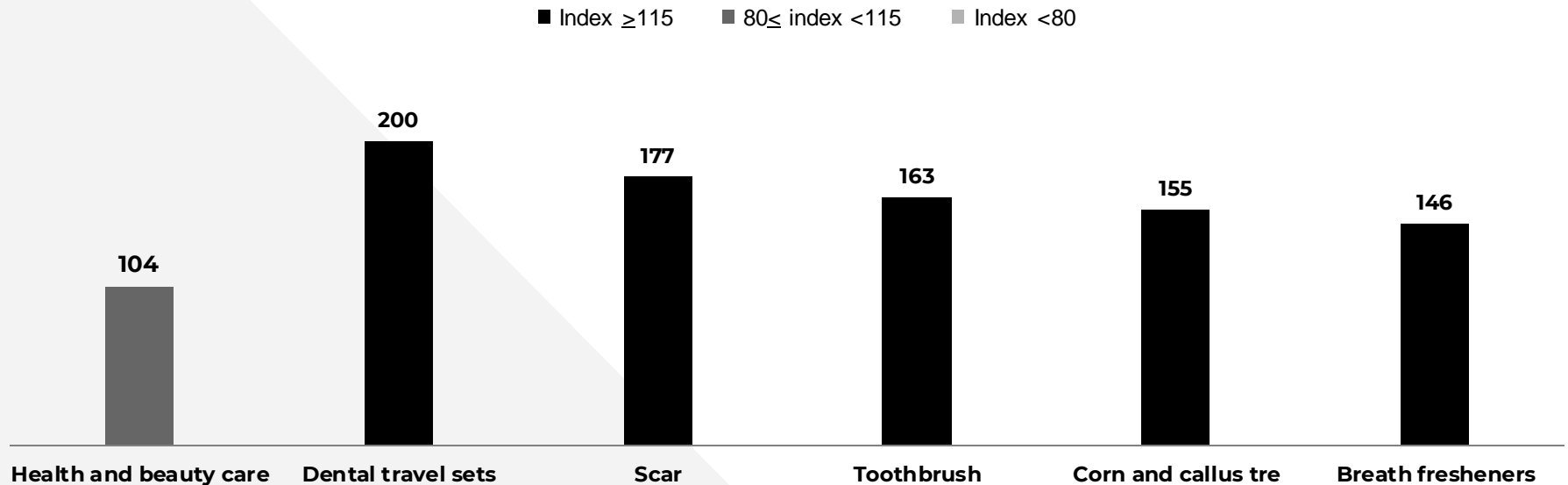
Source: Nielsen Homescan, Total US, 52 Weeks Ending 05/22/21

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Self-care is of utmost importance

Asians over index in spending in health and beauty care

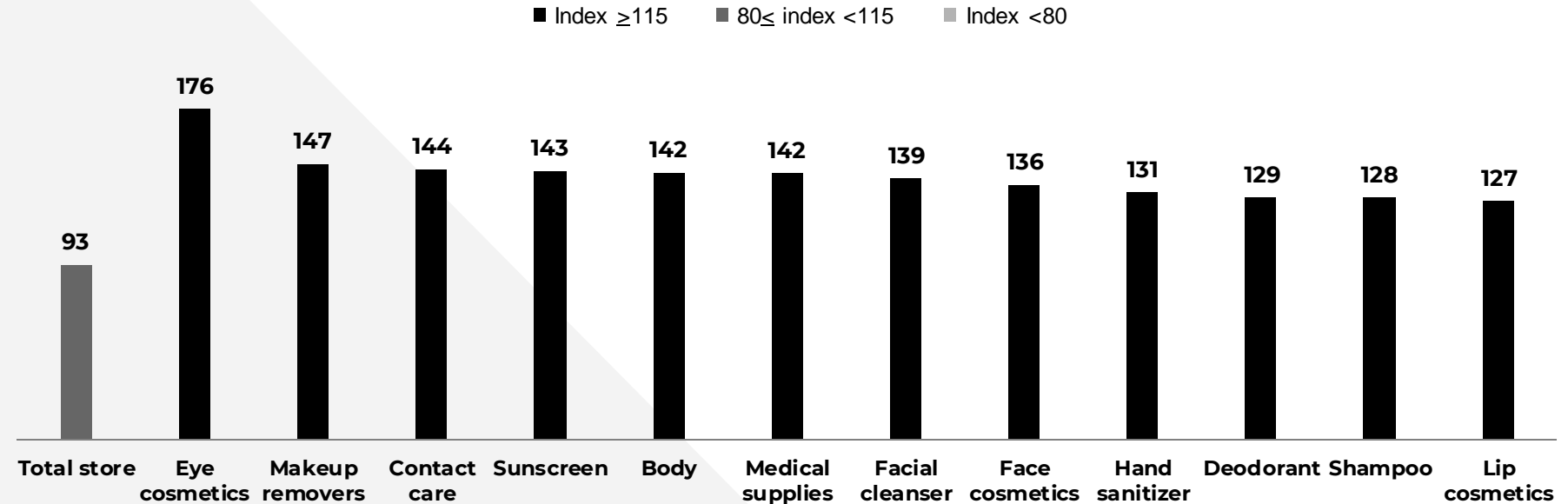
Health and beauty care spending index (vs. total panel)



Health and beauty care drive drug channels

Increased spending in self-care categories is seen in the drug channel

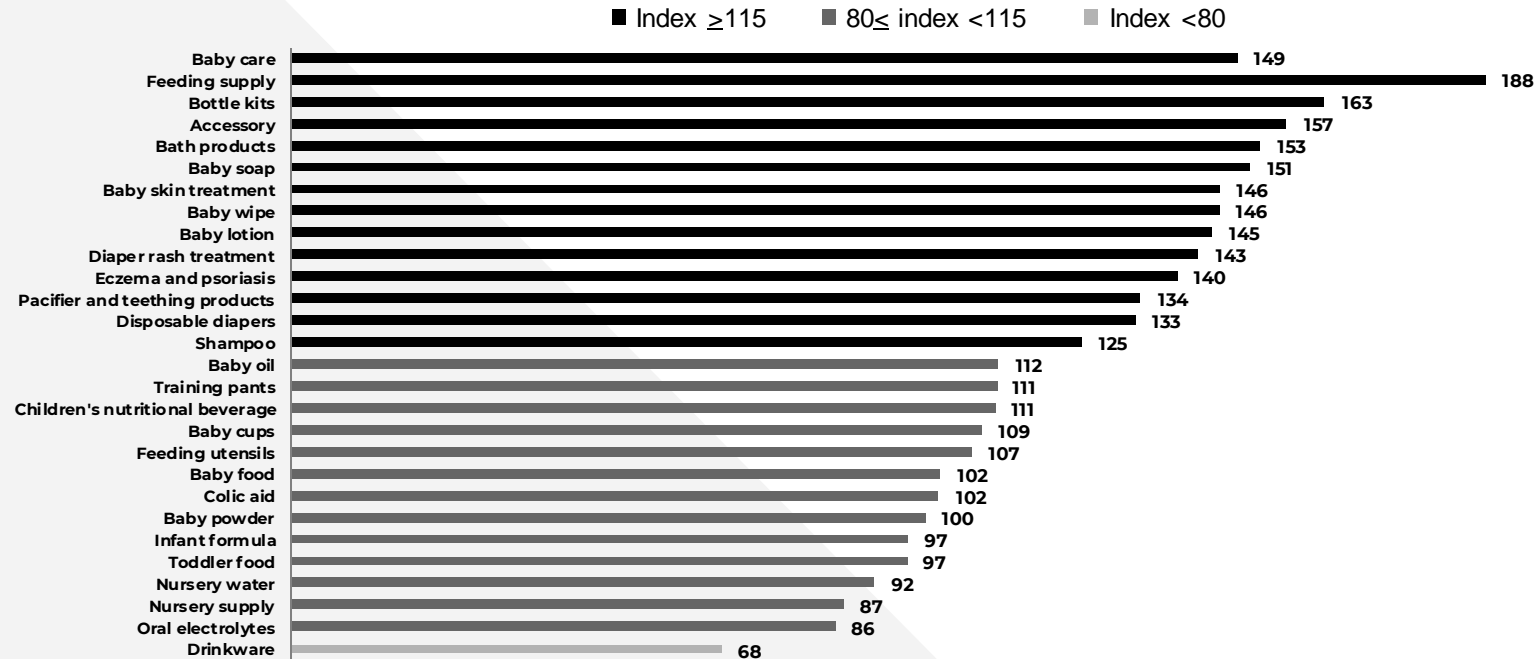
Drug channel index



Baby care is self-care too

Self-care and rapid population growth drive the baby HBC category

Baby HBC spending index (vs. total panel)

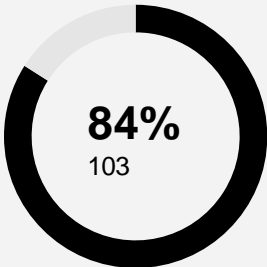


Source: Nielsen Homescan, Total US, 52 Weeks Ending 05/22/21

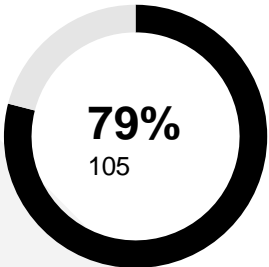
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Nutritional attitudes drive food decisions

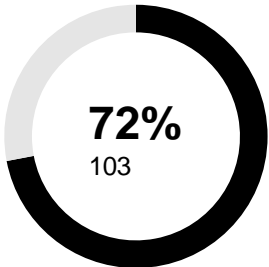
% of Asian Americans that agree with following statements



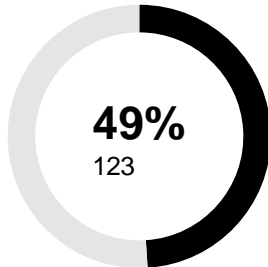
“
I try to eat healthy these days and pay attention to my nutrition



“
I prefer cooking with fresh food rather than canned or frozen



“
I rarely eat frozen dinners



“
I regularly eat organic foods

Source: Nielsen Scarborough USA+ 2016 Release 2, Gfk/MRI Attitudinal Insights Module August 2015-November 2016 (Base: Total Adults 18+ Projected: 248,283,255 Respondents: 204,312)

Asians have a long purchase cycle...

But not the longest cycle compared to other groups

Total store purchase cycle by race/ethnicity (days)

4.79

Asian

4.92

Hispanic

4.38

African American

4.51

White

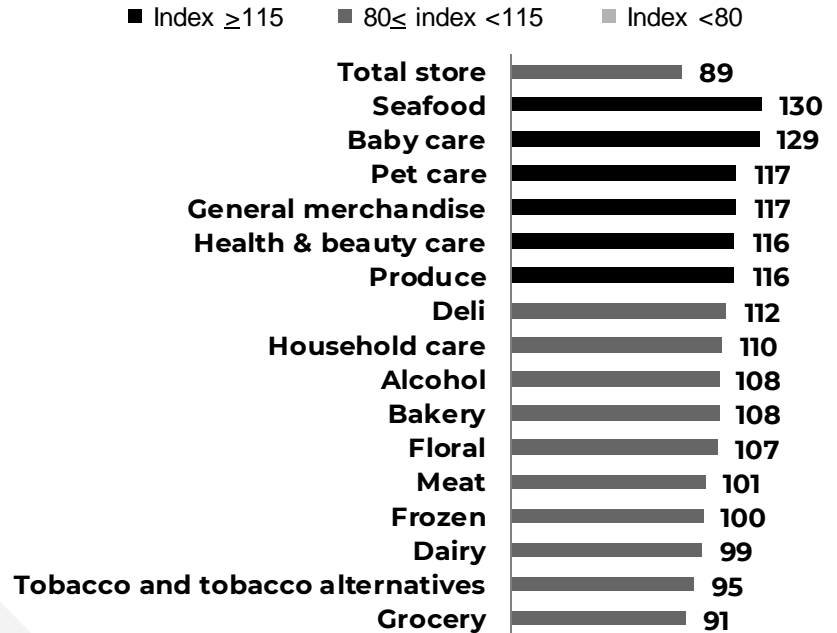
... But they make large purchases

Patterns in their purchase size suggest various behavior habits

Categories that suggest bulk buying behavior
(Over Indexation in dollar *and* volume purchase sizes)



Categories that suggest premium buying behavior
(Over Indexation in *just* dollar purchase size)



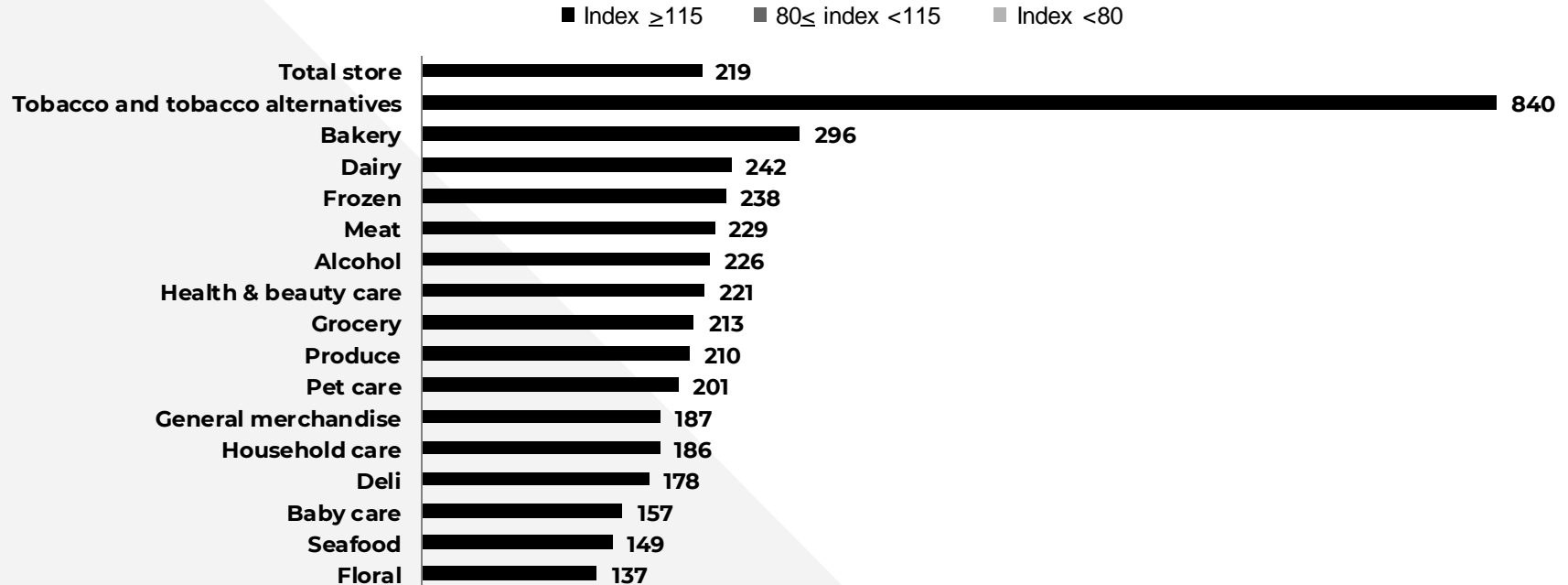
Source: Nielsen Homescan, Total US, 52 Weeks Ending 05/22/21

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Their bulk buying behavior affects club

Asians over-index greatly in % dollars in the warehouse channel

% dollars in warehouse index (vs. total panel)



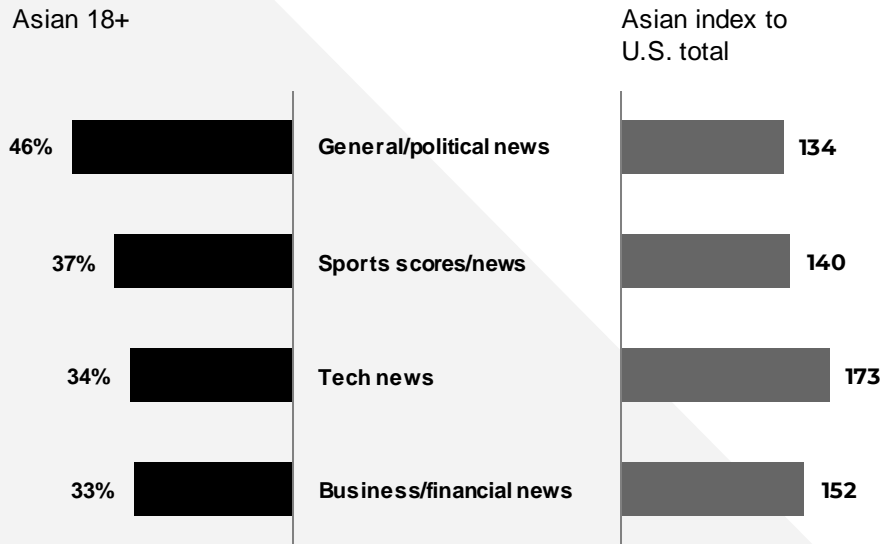


**How can we
reach them?**

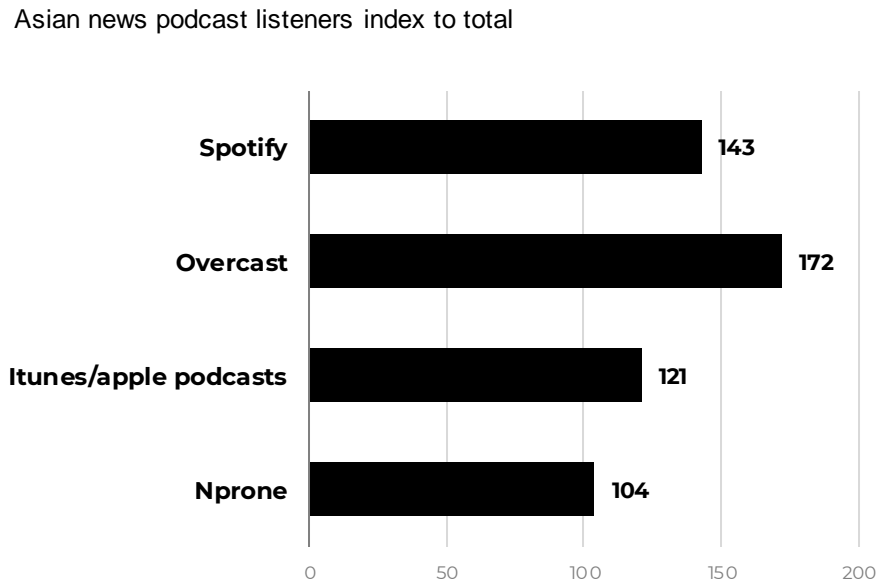
Asian households are tech savvy

Asian households are more likely to be owners of technological devices

Ways used internet/apps in past 30 days¹



Apps/websites/platforms used to listen to podcasts²



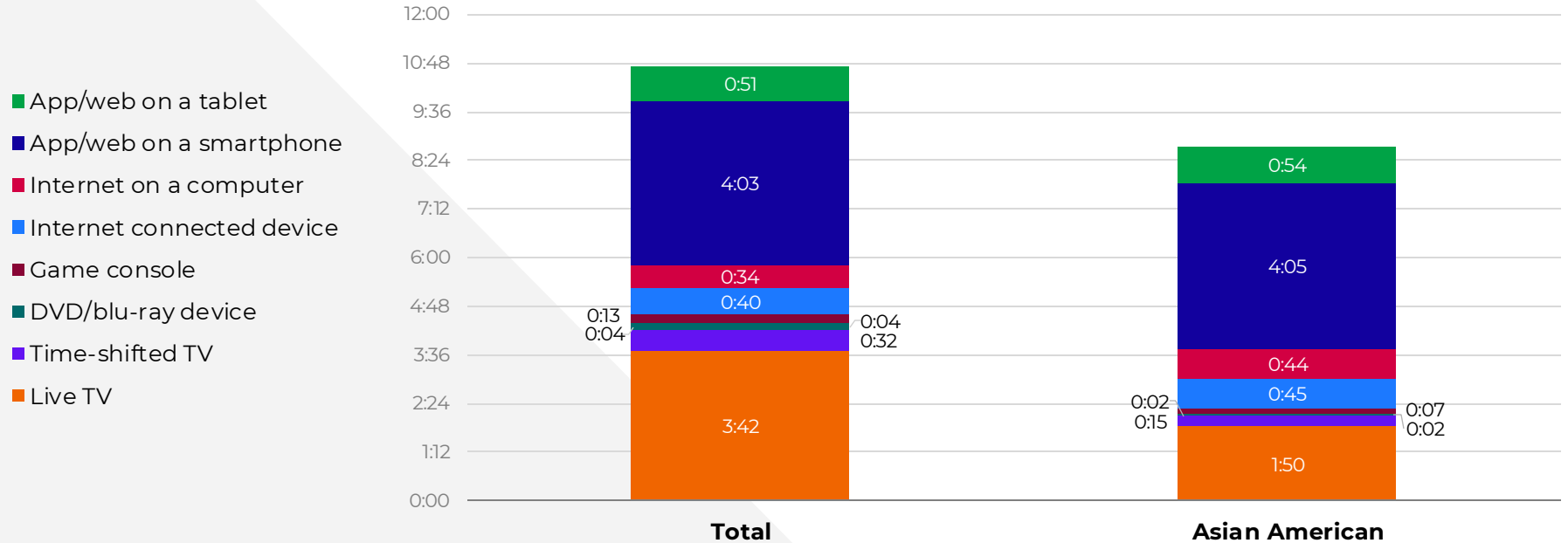
Asian Americans are **15% more likely** to use social media for their news

Source: ¹Scarborough Research PRIME Lingo 2019 Release 2 Total (Jul 2018-Nov 2019)

²Scarborough Podcast Recontact Study (Listeners Only) 2019 Release 1 Total (Jan 2018-May 2019)

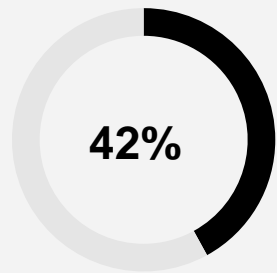
Asians spend less time consuming media

Average hours per day spent per adult

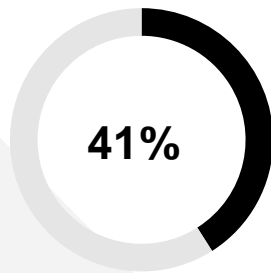


Asian Americans care about important social issues

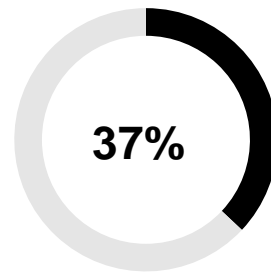
% of Asian Americans more likely to purchase a brand if social issues are supported



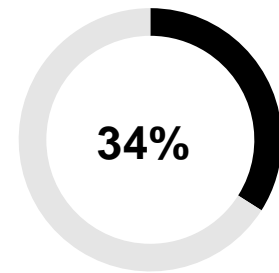
Hunger and food insecurity



Equality



Climate justice

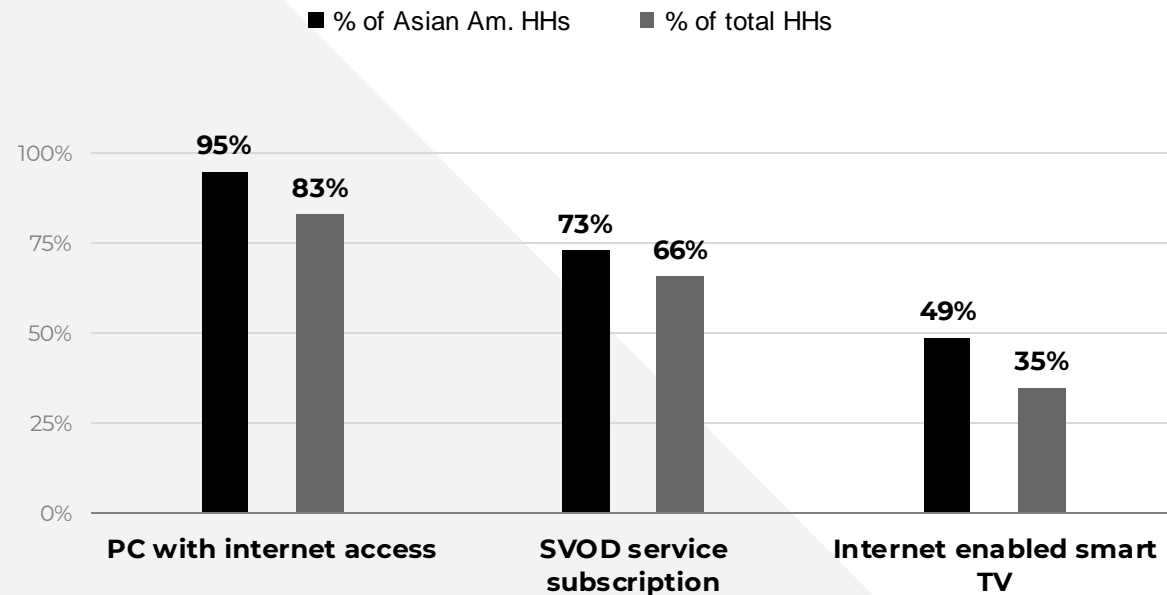


Healthcare

The internet is an important outlet

Asian Am. HH's enjoy the internet for both entertainment and information

% of households



91%

of Asian Americans agree the internet is a great way to gather information on products/services they are considering purchasing

66%

of Asian Americans agree the internet is a main source of entertainment

Source: Nielsen National TV Panel, Technologies Asian/Tot US
Nielsen Scarborough USA+ 2016 Release 2, Gfk/MRI Attitudinal Insights Module August 2015-November 2016
(Base: Total Adults 18+ Projected: 248,283,255 Respondents: 204,312)



Summary



The Asian American consumer base...

- The Asian American population is relatively young and rapidly growing
 - They have high educational attainment and the highest median HH income across demographic breaks
-
- Healthy eating and self-care is part of the Asian American lifestyle
 - Asian Americans are bargain buyers and bulk buyers. This behavior causes massive overindexation in the warehouse channel
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- Asian Americans are early adopters and voracious consumers of technology
 - The internet is a great source of entertainment for Asian Americans. They consume the most multimedia; however, adults ages 18-24 prefer their smartphones



\$13B
opportunity



Thank you.