

# ASIAN-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

**Asian-American:** People who belong to at least one of fifteen distinct ethnic groups and national origins, including Bangladesh, Cambodian, Chinese, Filipino, Indian, Indonesian, Japanese, Korean, Laotians, Malaysian, Pakistanis, Sri Lankian, Taiwanese, Thai and Vietnamese. The term “Native Hawaiian and Other Pacific Islander” refers to people tracing their ancestry to any of the original peoples of Hawaii, Guam, Samoa or other Pacific Islands.

**Note:** Throughout this report, the ethnic group “Native Hawaiian and Pacific Islanders” data are included only when specifically cited. Otherwise, the data is for the Asian-American subgroups defined by the U.S. Census Bureau. According to the 2000 Census, 10,242,998 Americans self-identified as being of Asian descent, which represents 3.6% of the total population. An additional 1,655,830 persons identified as being Asian in combination with one or more races, bringing the Asian-American total for 2000 to 11,898,828 or 4.2% of the total population. Native Hawaiian and Other Pacific Islanders were reported as being 0.3%, or 874,000. This number included 399,000 people (0.1%) who self-identified as only Pacific Islander, and 476,000 people, or 0.2%, who self-identified as Native Hawaiian and Other Pacific Islander as well as one or more other races.

Source: U.S. Census, 2000

To that end, we shape, analyze and develop a variety of sales tools to help advertising and marketing professionals understand changing markets and major trends affecting their clients/customers, products and services. MPA’s Market Profiles offer 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 Asian Americans, the fastest growing ethnic group in America. Overall, the Asian-American population grew 48% from 1990 to 2000 and currently makes up about 5% of the U.S. population. Since 2000, the Asian-American population has increased 9%, the highest growth rate of any ethnic group. The Asian-American population, which currently exceeds 11 million, is expected to more than triple to 34 million in the next 50 years.

Compiled by MPA’s Information Center and Research Department, this report synthesizes the most recent findings from dozens of sources. Our goal is to provide the most current information and tools to help marketers considering these diverse targets. Other profiles in this series include African-American/Black, Hispanic/ Latino and Teen.

To access additional copies of this and other market profiles, visit [www.magazine.org/marketprofiles](http://www.magazine.org/marketprofiles). For further detail on content, please e-mail [infocenter@magazine.org](mailto:infocenter@magazine.org).

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Asian-American Market Profile

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# SNAPSHOT OF THE ASIAN-AMERICAN MARKET

Asian-American influences greatly impact mainstream U.S. culture today. Trends such as yoga, feng shui and Asian fusion cuisine are only a few examples. Music, literature, fashion and home decoration also reflect the cultural influence.

## MARKET OPPORTUNITIES

Younger than the average U.S. population — 31.6 versus 35.3 years old.

44% of Asian Americans have a bachelor's degree or higher versus 25% of U.S. population.

The median household income is higher than the U.S. average — \$52,018 versus \$43,318.

## MARKET CHALLENGES

Asian Americans are the most diverse ethnic group in the United States today, with the influence of more than fifteen different cultures.

The wide range of languages spoken includes Cantonese, Hawaiian, Hindi, Japanese, Korean, Mandarin, Tagalog, Urdu and Vietnamese.

Limited market research on this demographic exists, especially when analyzing various subgroups by country of origin.

Source: *American Demographics*, November 2002, U.S. Census Bureau 2003, Selig Center, First Quarter 2004

Asian Americans are the fastest growing ethnic group in America. Overall, the Asian-American population grew 48% from 1990 to 2000, more than four times the growth rate of the U.S. population. According to projections from MapInfo Corporation, over the next five years, the number of Asian Americans will grow by 27% to 14 million, a rate far faster than the population as a whole.

With nearly \$254 billion in annual buying power, Asian Americans are a powerful force in the U.S. consumer market. Over the past decade, their spending power has increased 125%, from \$118 billion in 1990 to \$253 billion in 2001. Over the same time period, the buying power for the U.S. as a whole increased by only 71%. Projections from the Selig Center for Economic Growth indicate that Asian-American spending power will reach \$528 billion by 2009, an increase of nearly 347% since 1990.

# MARKET SEGMENTATION

As noted earlier, there are limited data available on the various subgroups within the Asian-American market. To that end, some advertisers and agencies have defined segments to strengthen their efforts in reaching this diverse group. Admerasia, one of the largest advertising and multi-cultural marketing agencies specializing in the Asian-American markets, clusters the various Asian-American subgroups into three broader regional groups:

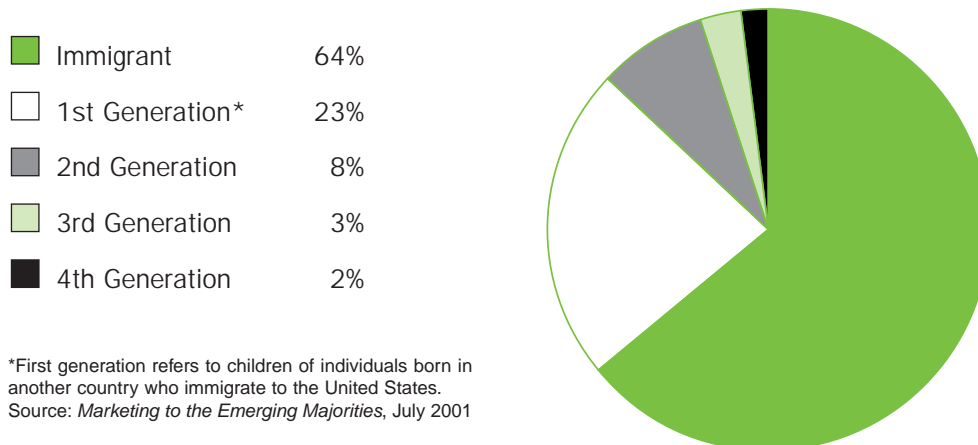
**Northeast Asians:** People coming from countries such as China, Taiwan, Japan, Korea and Vietnam, who share linguistic and religious similarities.

**Southeast Asians:** People coming from countries such as the Philippines, Malaysia, Indonesia and Cambodia, who share a strong influence from the Portuguese, Spanish and/or French.

**South Asians:** People coming from countries such as India, Pakistan and Bangladesh, who are either Hindu or Muslim but share a strong British influence.

The majority of Asian Americans are foreign-born: only 36% were born in the United States. However, this pattern differs when country of origin is taken into consideration. For instance, the majority of Japanese Americans are U.S.-born, and many of them are third or fourth generation. Chinese Americans also have a higher than average share of older (3<sup>rd</sup> and 4<sup>th</sup>) generations in their population.

## PERCENT OF ASIAN-AMERICAN IMMIGRANTS BY GENERATION



## POPULATION AND GROWTH TRENDS BY COUNTRY OF ORIGIN

Almost 90% of all Asian Americans come from just six countries: China, India, the Philippines, Vietnam, Korea and Japan. U.S. residents who say they are Asian or Asian in a combination with one or more other races comprise 5% of the total U.S. population (13.1 million). Since Census 2000, the number of people who are part of this group has increased 9%, the highest growth rate of any ethnic group.

While Chinese Americans and Filipino Americans are the two largest groups by country of origin within the Asian-American community, other groups relatively new to the United States such as Asian-Indian Americans, Vietnamese and Koreans have become more numerous in recent years. Immigrants from India represent the fastest growing segment — more than doubling in size since 1990.

### COUNTRIES OF ORIGIN BY FOREIGN-BORN POPULATION WITH 500,000 OR MORE IMMIGRANTS IN 2000

	1990	2000	% Increase
China	921,000	1,391,000	51 %
Philippines	913,00	1,222,000	34
India	450,000	1,007,000	124
Vietnam	543,000	863,000	59
Korea	568,000	701,000	23

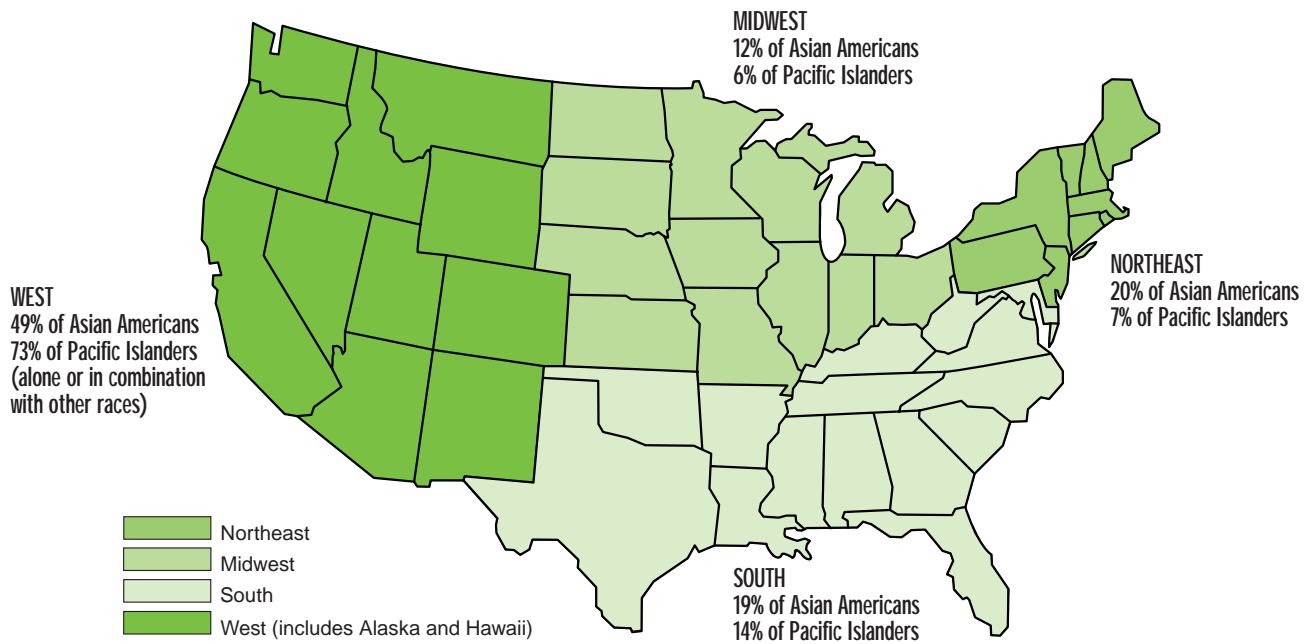
Source: U.S. Census 2000

### DID YOU KNOW?

- Asian Americans who came to the United States as children are sometimes called the “1.5 generation” and, more often than not, behave like their U.S.-born counterparts.
- Relatively few Pacific Islanders are foreign born.
- The Hmong population is defined as people inhabiting the mountainous regions of southern China and adjacent areas of Vietnam, Laos and Thailand.

Source: U.S. Census Bureau April 2004; Dictionary.com

# AREAS OF GEOGRAPHIC CONCENTRATION BY U.S. REGION



According to the 2000 Census, more than 60% of all Asian Americans and Pacific Islanders are concentrated in ten states. The five states with the largest Asian-American markets account for 62% of the group's buying power. By comparison, the five states with the largest total U.S. buying power account for 38% of the total U.S. buying power.

## ASIAN-AMERICAN BUYING POWER

Rank	State	Population (MM)	2003 Buying Power (\$B)*	2008 Buying Power (\$B)
1	California	4.0	\$ 122	\$ 176
2	New York	1.0	34	51
3	New Jersey	0.5	21	34
4	Texas	0.6	20	34
5	Hawaii	0.5	17	21

The Selig Center's data for Asians combines two categories: those who identified themselves as Asian alone or as Native Hawaiian and Other Pacific Islanders alone.

\*Projected

Source: U.S. Census Bureau, 2000; Selig Center for Economic Growth, 2003

## AREAS OF GEOGRAPHIC CONCENTRATION BY U.S. DMA

The top five U.S. Asian-American Designated Market Areas (DMAs), comprised of Los Angeles, New York, San Francisco, Honolulu and Sacramento, represent approximately six million Asians, which is nearly 50 percent of the total U.S. Asian-American population. The three largest Asian-American population centers — New York, San Francisco and Los Angeles — still account for much of the group's population growth. In fact, these three DMAs account for 43% of the total gains during the past decade.

### TOP 10 U.S. ASIAN-AMERICAN MARKETS

DMA's Ranked by Asian-American Population	General Market Rank	Asian-American Population* (000)	% Asian-American Population in DMA	% of Total U.S. Asian-American Population
Los Angeles	1	2,331	13	17
New York	2	1,578	8	11
San Francisco	30	1,511	22	11
Honolulu	68	860	65	6
Chicago	3	505	8.3	4
Sacramento	35	494	8	4
Washington, D.C.	5	434	8	3
Seattle	19	389	5	3
San Diego	15	360	6	3
Boston	10	339	6	2
<b>Total Top 10 Markets</b>		<b>5,301</b>		<b>64</b>

\*Alone and in combination with at least one other race.

### DID YOU KNOW?

- Four of the top ten U.S. DMAs are in California — together, they account for over one third of the total Asian-American population.
- The next ten markets represent another 13% of the Asian-American population (9.6 M).

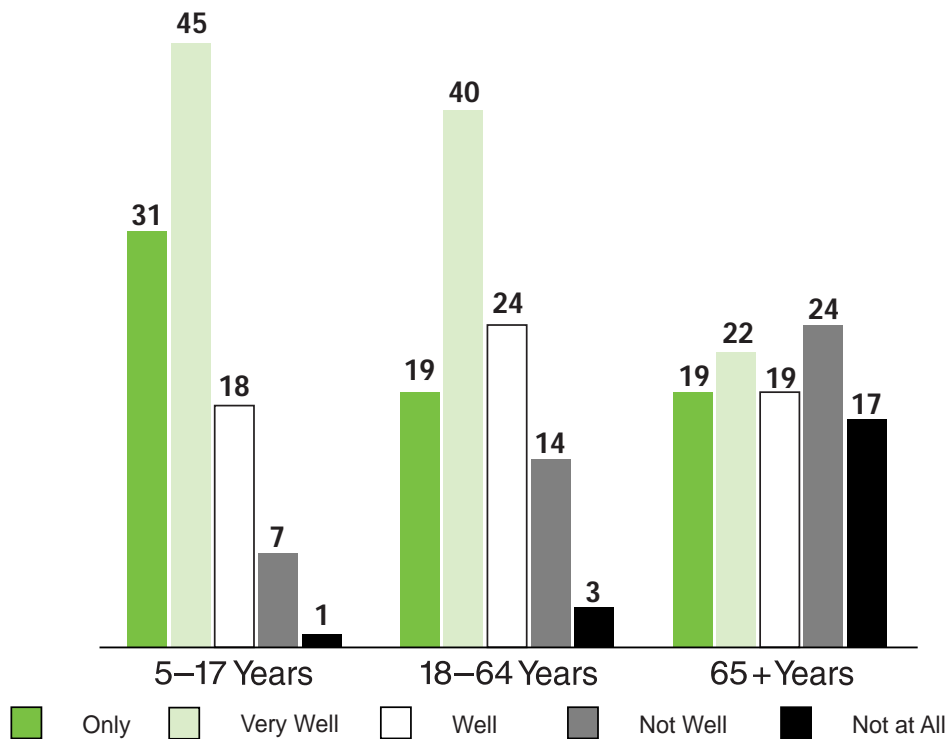
Source: 2002 U.S. Ethnic Population Profile, Synovate Research; *American Demographics*, November 2002

# LANGUAGE PREFERENCE

The Asian-American immigrant population brings more languages to the United States than any other population segment. In fact, in India alone, there are fifteen different languages. The situation is further complicated by multiple dialects spoken by the various subgroups of the Asian-American market. However, Asian Americans often speak a fair degree of English before moving to the United States and adopt English at a rapid pace.

According to the 2000 U.S. Census, nearly 80% of the Asian-American population speak English “very well.” One fifth (21%) of Asian Americans say they speak only English. Not surprisingly, young Asian Americans are the most likely to only speak English.

## PERCENT OF ASIAN AMERICANS WHO SAY THEY SPEAK ENGLISH



Sources: *American Demographics*, November 2002; *The World Factbook*, 2003

# ASIAN-AMERICAN CONSUMER PROFILE: YOUNG, AFFLUENT AND EDUCATED

The Asian-American population is younger than the overall U.S. population — their median age is 31.6 years. In 2000, 28% of all Asian Americans were under 18 years of age, compared to 24% of non-Hispanic Whites.

The median household income for Asian Americans and Pacific Islanders (\$55,026) is 28% higher than the U.S. average. Asian-American and Pacific Islander households are also larger than non-Hispanic White households, with 3 persons on average versus 2.5 persons.

Asian-American education levels are higher than those for the U.S. population. In 2003, 50% of Asian Americans had a bachelor's degree or higher compared to 27% of the total U.S. population.

## KEY PROFILE POINTS

### Median Age

U.S.	35.3
AA/PI	31.6

### Gender (%)

U.S.	50/50 M/F
AA/PI	49/51 M/F

### Median HHI

U.S.	\$43,318
AA/PI	\$52,018

Source: U.S. Census Bureau, 2000

## DID YOU KNOW?

- More Asian-Indian Americans (58%) hold a bachelor's degree or higher, versus all Asian Americans (47%) and the U.S. population (27%).

Source: U.S. Census Bureau, June 2004

## ASIAN-AMERICAN YOUTH MARKET

Asian-American youth is one of the fastest growing population segments in the United States. In fact, the Asian- American 10- to 14-year-old group will experience the highest percentage of growth: 31%, from 903,000 in 2001 to 1,187,000 in 2010.

### PROJECTED POPULATION GROWTH OF CHILDREN 5-9 AND 10-14

Race	Population in Thousands		Projected Change (2001-2010)	
	2001 (act.)	2010 (est.)	(000)	Percent
<b>WHITE</b>				
Ages 5-9	12,298	11,352	-946	-7.7%
Ages 10-14	13,117	11,940	-1,177	-9.0
<b>BLACK</b>				
Ages 5-9	2,810	2,724	-86	-3.0
Ages 10-14	3,071	2,757	-314	-10.2
<b>HISPANIC</b>				
Ages 5-9	3,409	4,129	+720	+21.0
Ages 10-14	3,036	3,914	+878	+28.9
<b>ASIAN</b>				
Ages 5-9	924	1,126	+202	+22.0
Ages 10-14	903	1,187	+284	+31.4

Source: *Marketing to the Emerging Majorities*, February 2001

The relative youthfulness of the Asian-American and Pacific Islander population is further demonstrated by the smaller percentage of Asian Americans and Pacific Islanders in the 55 years and over bracket, which was 14% compared to 24% for non-Hispanic Whites in 2000.

### ASIAN AMERICANS AND PACIFIC ISLANDERS UNDER THE AGE OF 18 AND OVER THE AGE OF 55

	No. Individuals < 18 Years	% Individuals < 18 Years	No. Individuals 55 Years +	% Individuals 55 Years +
Asian Americans/Pacific Islanders	3,066	28.1	1,506	13.8
Non-Hispanic Whites	45,542	23.5	45,669	23.6
Total Population	72,345	26.4	56,008	20.4

Source: U.S. Census Bureau, 2000

# ASIAN-AMERICANS MAGAZINE READERS

Nearly three out of four Asian-American adults are magazine readers, comparable to readership among the general U.S. population. On average, Asian Americans read eight magazine issues per month, nearly the same as the average U.S. magazine reader. When compared to the average U.S. magazine reader, Asian-American magazine readers are more educated, have higher household incomes and are more likely to have a child at home.

## COMPARISON OF ASIAN-AMERICAN AND TOTAL U.S. POPULATION MAGAZINE READERS

	All U.S.	All Asian-Americans	All U.S. Magazine Readers	Asian-American Magazine Readers
<b>MEAN AGE</b>	46	40	45	38
<b>MEDIAN HOUSEHOLD INCOME</b>	\$ 51,132	\$ 62,782	\$ 54,564	\$ 75,410
<b>EDUCATION</b>				
Bachelor's Degree or Above	25%	47%	27%	53%
Attended College or More	52%	74%	56%	84%
Graduated High School/GED	83%	90%	87%	96%
<b>MARITAL STATUS</b>				
Married	57%	63%	57%	59%
Single	24%	30%	25%	33%
<b>ONE OR MORE CHILD &lt;18 AT HOME</b>	42%	52%	43%	52%

Base: U.S. Adults 18+  
Source: Mediamark Research Inc., Spring 2004

# REACHING ASIAN AMERICANS WITH MAGAZINES

There are more than 120 Asian magazines targeting Asian Americans by their country of origin. Specifically they fall into the following categories: Chinese — 20; Vietnamese — 45; Korean — 16; Filipino — 11; Indian — 13; Japanese — 18.

Similar to the average U.S. consumer, Asian Americans read a variety of magazines in a range of categories that cater to their particular interests. The top five magazine categories ranked by number of Asian-American adult readers are news weeklies, general editorial, women's, home service and business/finance. This list differs only slightly from top categories for U.S. adults, among whom men's titles ranks fifth, replacing business/finance.

	% Asian American (Composition)	Index
Percent of Total U.S. Adult Population 18+	<b>2.1</b>	<b>100</b>
Fortune	6.2	291
BusinessWeek	6.2	287
Fast Company	5.6	262
Tennis	5.6	262
Computer Shopper	5.5	258
Popular Photo & Image	5.4	250
PC Magazine	5.3	247
W	5.3	246
Forbes	5.0	234
Best Life	4.8	224
My Business	4.8	222
Spin	4.6	216
Entrepreneur	4.4	206
Allure	4.4	204
PC World	4.2	194
Details	4.1	193
GQ	4.1	191

\*Census identifies Asian Americans from age 0+ versus MRI data which is restricted to adults aged 18+.  
Source: Mediamark Research, Inc., Spring 2004

# ADVERTISING TO THE ASIAN-AMERICAN MARKET

Although there is no official third-party monitoring system for advertising spending in the Asian-American market, Admerasia identifies the top advertising categories as:

- 
- 1 Financial Services
  - 2 Telecommunications
  - 3 Travel
  - 4 Automotive
  - 5 Health Insurance and Medical Facilities
  - 6 Apparel
- 

Source: Admerasia, 2001

## MARKET FACTS

The top advertisers in the Asian-American market are targeting Asian-American consumers because they are:

- Projected to increase their investment holdings by 77% to \$1 trillion by 2007.
- Quicker to adopt the latest telecommunication advances. For example, 78% of all Asian-American households own a cell phone versus 68% of all U.S. households.
- More likely to buy a new car as opposed to a used one, as well as own a luxury car versus a nonluxury car.
- Spending a significant amount per month on apparel compared to the average U.S. customer.

Sources: *Mutual Fund Market News*, 2003; Market Segment Group; DiversityInc.com, 2001; *Marketing to the Emerging Majorities*, November 2001; *Research Alert Yearbook*, 2003

# TOP ADVERTISERS TO ASIAN AMERICANS

Competitive advertising spending in the Asian-American market is not available from a measured source, but Admerasia estimates the current level of expenditures range from \$200 to \$300 million per year.

According to Admerasia's internal media tracking, the top ten advertisers in the Asian-American market represent the automotive, financial services, telecommunications and travel industries.

## TOP 10 ADVERTISERS IN THE ASIAN-AMERICAN MARKET, 2002

Rank	Company
1	AT&T
2	MCI
3	Verizon
4	Ford Motor Company
5	General Motors
6	New York Life
7	HSBC
8	Office of National Drug Control Policy
9	Asiana
10	China Airlines

Source: Admerasia, 2001

## TOP ASIAN-AMERICAN ADVERTISING AGENCIES BY U.S. REVENUE, 2003

Overall, the top ten advertising agencies catering to the Asian-American market experienced revenue growth in 2003 when compared with the previous year, earning nearly 50 million in 2003 alone. Not surprisingly, these top ten agencies are located in cities with high Asian-American populations.

### TOP 10 ASIAN-AMERICAN ADVERTISING AGENCIES BY U.S. REVENUE, 2003

Rank	Agency	Headquarters	2003 Revenue (\$ Millions)	% Change 2002-2003
1	A Partnership	New York, NY	9.7	12.4
2	Kang & Lee*	New York, NY	7.7	17.0
3	Pancom	Los Angeles, CA	5.9	3.3
4	Time Advertising	Millbrae, CA	5.7	-6.6
5	IW Group*	Los Angeles, CA	5.5	-12.0
6	Admerasia	New York, NY	4.8	20
7	InterTrend Communications	Torrance, CA	4.8	-4.2
8	Adasia Communications	New York, NY	2.7	4.1
9	Dae Advertising	San Francisco, CA	1.7	3.6
10	Saeshe Advertising*	Los Angeles, CA	1.3	25

\*Figures are *Advertising Age* estimates  
Source: *Advertising Age* April 19, 2004

## SUMMARY

Asian Americans are a diverse and affluent market in the United States today. Compared to the average U.S. adult, they are well educated, earn a higher income and spend heavily on a range of products and services. In addition, Asian Americans are the fastest growing segment of the U.S. population. And, as this group's size and impact grows, advertisers and marketers will increasingly recognize its importance.

As more information becomes available, updates will be featured on the MPA website at [www.magazine.org/marketprofiles](http://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](mailto:promotion@magazine.org).

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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.

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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 underneath.

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

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