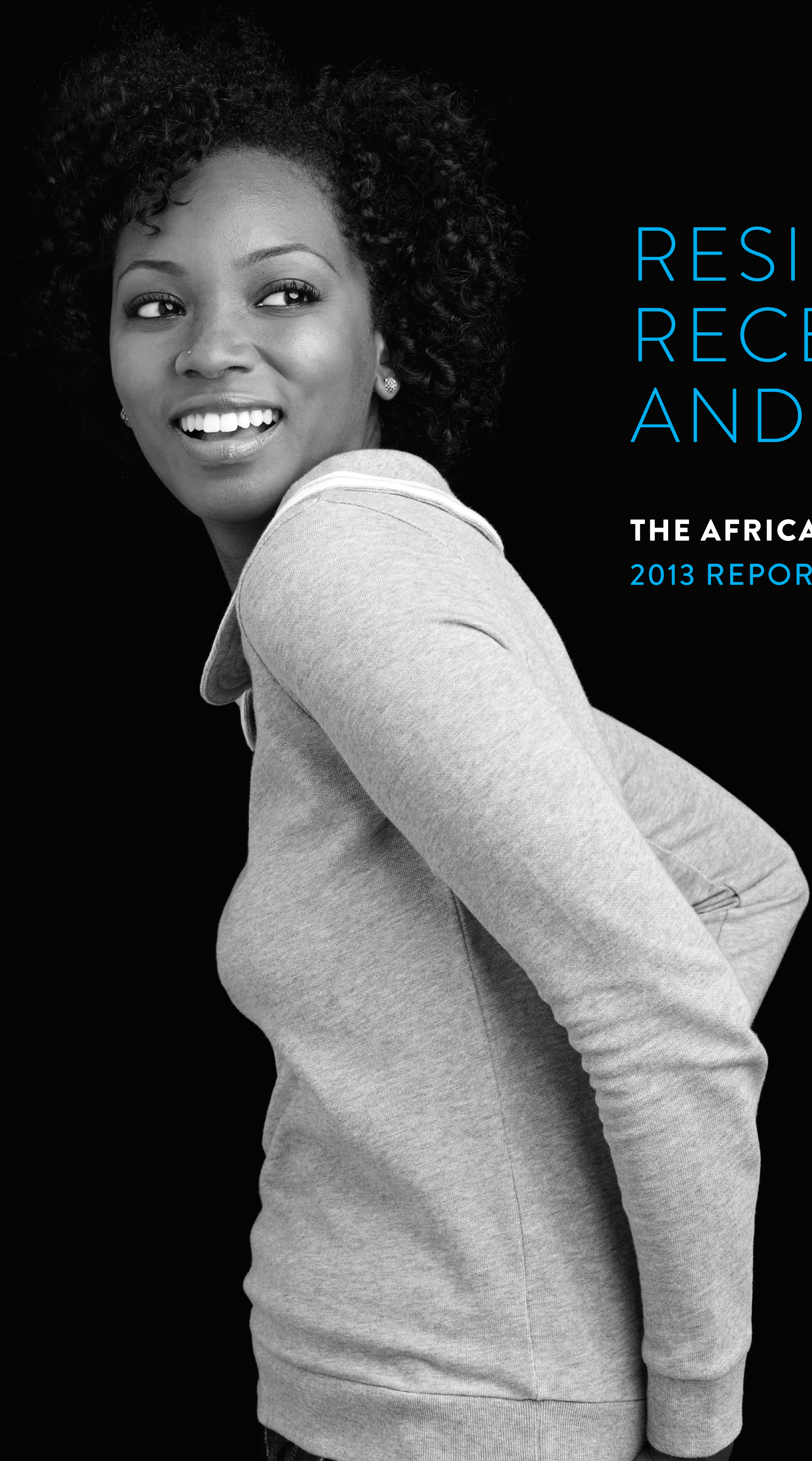

RESILIENT, RECEPTIVE AND RELEVANT

THE AFRICAN-AMERICAN CONSUMER

2013 REPORT

nielsen

AN UNCOMMON SENSE OF THE CONSUMER™

BLACK PRESS OF AMERICA

NNPA

VOICE OF THE BLACK COMMUNITY

DIVERSE INTELLIGENCE INSIGHTS SERIES

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Nielsen and the National Newspaper Publishers Association have strategically collaborated for three years to present an annual in-depth analytical report on the African-American consumer unsurpassed by any other similar product on the market. The reports have become widely respected, industry chronicles touted for their exclusive insights, data, trends and perspectives that better prepare marketers and brands to connect with this audience segment. By concurrently sharing the reports with millions of readers around the country we have also helped create conscious consumers, who are aware, now more than ever, how their economic power has a direct impact on the marketplace overall. We are proud that the combined Nielsen and NNPA resources have galvanized corporations and consumers alike to think and behave differently toward valuing the African-American consumer and their economic impact on the U.S. marketplace. We proudly present the *Resilient, Receptive and Relevant African-American Consumer 2013 Report*.

SUSAN WHITING　　CLOVES CAMPBELL　　CHERYL PEARSON-MCNEIL

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EXECUTIVE SUMMARY

Nielsen's third report on African-American consumers reveals that Blacks' purchasing behaviors and viewing patterns are indeed different from the Total Market population. Companies and marketers seeking to establish meaningful connections with this important consumer group can further enhance a brand's ability to grow by understanding these unique differentiating demographic, shopping, buying, viewing, digital, and mobile trends.[1] Further understanding of the various generations and gender dynamics *within* the population is also essential for marketers who want to maximize business opportunities.

Despite historically high unemployment rates, Blacks have shown resiliency in their ability to persevere as consumers. Black buying power continues to increase, rising from its current $1 trillion level to a forecasted $1.3 trillion by 2017.[2] The ongoing population growth and increases in educational attainment are key factors in the increase of African-Americans' consumer power. Notable highlights from the report include the following:

- While Black men continue to dominate as the economic leaders in the Black community, Black women yield a tremendous amount of power as they have attained impressive gains in education, employment, and business ownership.
- The reverse migration continues as younger, college-educated Black professionals head South. Marketers have an opportunity to develop a "southern strategy" to connect with the more than 10 million African-Americans in 10 key southern markets.
- While being receptive to trying new products, Blacks commit 18% of their annual retail dollars to store brands and continue to show resiliency in specific non-edible categories such as Ethnic Hair and Beauty Aids, where they are more likely to spend nine times more than other groups.
- From Facebook, Instagram, and Twitter to Education and Career websites, BibleByLifeChurch.tv, and Glam Media Network, cyberspace provides a critical outlet for companies to engage Blacks of all ages.
- No group watches more television than African-Americans (37% more) who lean heavily toward programming that includes diverse characters and casts. Black women watch more television than their male counterparts.
- Of the $75 billion spent on television, magazine, internet, and radio advertising, only $2.24 billion of it was spent with media focused on Black audiences. Black businesses, agencies and media continue to wrestle with this disparity as it is not reflective of the overall, high consumption patterns and behavioral trends of the Black consumer.

[1] Total Market: Refers to all consumer groups, Non-Hispanic Whites, Hispanics, Asians and African Americans

[2] Selig Center of Economic Growth, 2012

SECTION ONE:

DEMOGRAPHICS

In today's world, competition is the name of the game. In order for companies to win among consumers, they must understand who the consumers are and make products that meet their needs and have a lasting impact. The multicultural market continues to grow in America, and a large part of the growth comes from the African-American community. The African-American community accounts for 13.8% of the total United States population and continues to grow. The Black population grew 64% faster than the rest of the country since 2010, amassing a total of 43 million people; this includes individuals who are Black and another race. The Black population remains the largest racial minority in the United States as Hispanic is an ethnic identity, not a race.

73%

OF WHITES

67%

OF HISPANICS

BELIEVE BLACKS INFLUENCE MAINSTREAM CULTURE

YOUNG MAINSTREAM INFLUENCERS

Advertisers and marketers who covet younger consumers with the hope of establishing long-term relationships with their brands will find the Black population an appealing demographic group. The Black population, on average, is three years younger than their peers, with an average age of 35, compared to 38. More than half of the population, 53%, is under the age of 35, compared to 47% of the Total Market population. Known as early adopters of new technologies and communication tools, young African-Americans go beyond merely providing a strong base for brands – they are also key influencers. Other demographic segments have identified Blacks as a driving force for popular culture, with 73% of Whites and 67% of Hispanics who believe Blacks influence mainstream American culture*.

*Source: Burrell 40, 2011.

53%

OF BLACK POPULATION IS UNDER THE AGE OF 35

54%

OF ADULT BLACK POPULATION IS FEMALE

52%

OF EMPLOYED BLACKS ARE FEMALE

BLACK POPULATION BREAKOUT BY AGE

AGE RANGE	% OF BLACKS	% OF TOTAL POPULATION
0-17	28%	24%
18-34	25%	23%
35-44	14%	13%
45-64	24%	26%
65+	9%	14%

Source: Nielsen Pop-Facts Premier, 2013 update

BLACK WOMEN: EDUCATED, ACCOMPLISHED BUSINESS OWNERS

While African-American men continue to dominate as the financial providers for Black households, companies seeking to connect with African-American consumers may want to pay close attention to women, who comprise 54% of the adult Black population. Black women Head of Households represent 29% of all Black households, compared to 20% for the overall population. Women control 43% of the annual spending power for the Black population. Education plays a large factor in the power of Black women. The number of African-Americans who completed college increased by nine percent between 1990, when 11% of African-Americans completed college; and 2010 when 20% had done so.[3] Black women in particular have had greater success as 21% have attained a Bachelor's Degree or higher, compared to 16% of Black men.[4] This increase in educational attainment has resulted in 23% of Black women who work full-time, earning incomes of $50,000 or higher, and has also resulted in younger, educated Black women delaying or foregoing starting families and having children.[5]

BLACK POPULATION BREAKOUT BY GENDER

AFRICAN-AMERICANS	% FEMALE	% MALE
Total Adults (18+)	54%	46%
18-34	51%	49%
35-64	54%	46%
65+	61%	39%

Source: Nielsen Pop-Facts Premier, 2013 update

[3]Selig Center of Economic Growth, 2012
[4]U.S. Census Bureau, 2011 American Community Survey
[5]*Black Still Matters in Marketing*, Pepper Miller, 2012

The power of African-American females extends beyond their homesteads. Of the 31 million African-Americans who are 16 years and older, 63% are in the U.S. labor force, and women represent 52% of employed Blacks. Women also own the majority of Black businesses.[6] Those who do not own their own companies tend to skew towards occupations in management, service and sales positions, while Black men lean more toward physical occupations. The duality of the roles African-American females play – mother *and* manager – provides an opportunity for advertisers and programmers to create campaigns that acknowledge and celebrate this duality. When done correctly, such a connection may yield optimal results for brands.

OCCUPATIONAL BREAKOUT BY GENDER

	% BLACK FEMALE	% BLACK MALE
% of Civilian Employment, 16 and older	55%	45%
COMPOSITION BY OCCUPATIONAL TYPE		
Management, Business, Science and Arts	33%	23%
Service Occupations	28%	23%
Sales and Office	31%	19%
Natural Resources, Construction and Maintenance	1%	11%
Production, Transportation and Material Moving	7%	24%

Source: U.S. Census Bureau, 2011 American Community Survey

> CONTRARY TO POPULAR BELIEF, BLACKS' UNEMPLOYMENT TODAY IS NOT SIGNIFICANTLY DIFFERENT THAN IT HAS BEEN HISTORICALLY.

HISTORIC EMPLOYMENT RESLILIENCY

Since 1954, the earliest year for which the Bureau of Labor Statistics has consistent unemployment data by race, the unemployment rate among African-Americans has averaged 9.9%, almost twice the national average.[7] In the August 2013 unemployment report published by the Bureau of Labor Statistics, the rate was 13% among Blacks, compared to 7.3% as the national average.[8] Contrary to popular belief, Blacks' unemployment today is not significantly different than it has been historically. In spite of these numbers, Blacks have demonstrated a resiliency in coping with tough economic times.

EMPLOYMENT STATUS	% TOTAL BLACKS 16+	% BLACK FEMALES 16+
Employed	51%	52%
Unemployed	11%	10%
Armed Forces	1%	NA

Source: U.S. Census Bureau, 2011 American Community Survey

[6] Source: U.S. Census Bereau's 2007 Survey of Business Owners
[7] Desilver, Drew. "Black Unemployment Rate Is Consistently Twice That of Whites." Pew Research Center RSS. Pew Research Center, 21 Aug. 2013.
[8] Bureau of Labor Statistics seasonally adjusted unemployment report, August 2013

THE SOUTH: AN EMERGING MARKET

Marketers and advertisers who create campaigns with an emphasis on geography may want to focus on 12 key cities that have a combination of high Black populations *and* a high concentration of African-Americans for successful penetration of this important segment. African-Americans continue to live regionally and in the top major metropolitan areas. Collectively, 12 major U.S. cities have a Black population over 17 million. However, the reverse migration from northern and eastern urban cities to large urban southern cities continues as 55% of Blacks live in the South.

55%

OF BLACKS LIVE IN THE SOUTH

Surprisingly, the southern migration is not limited solely to older retirees. Young, college-educated, and forward-thinking Black professionals are deciding to call the South home as well. "Blacks who moved to the South were disproportionately young – 40% were adults ages 21 to 40, compared with 29% of the nonmigrant Black population. One in four newcomers had a four-year college degree, compared to one in six of the Black adults who had already lived in the South."[9] A strategic focus on Blacks in key southern markets and major metropolitan areas adjacent to the southern region may provide companies with opportunities for market share growth. Ten such markets – Atlanta, Washington D.C., Houston, Dallas, Miami/Ft. Lauderdale, Raleigh, Baltimore, Memphis, Jackson, Mississippi and Columbia, South Carolina – have a minimum Black population of 400,000 – half have over a million Blacks. Collectively, these 10 southern cities have a Black population of more than 10 million.

CITIES WITH HIGH AFRICAN-AMERICAN POPULATIONS

MAJOR METROPOLITAN AREAS

NIELSEN DMA (TELEVISION MARKETS)	BLACK POPULATION (000)	% SHARE OF MARKET POPULATION
New York, NY	3,849	18.2%
Atlanta, GA	2,062	31.5%
Chicago, IL	1,746	18.0%
Washington, DC	1,674	25.2%
Philadelphia, PA	1,636	20.3%
Houston, TX	1,183	18.0%
Dallas, TX	1,155	15.7%
Detroit, MI	1,083	22.5%
Miami/Ft. Lauderdale, FL	1,048	23.4%
Raleigh, NC	874	28.7%
Baltimore, MD	864	29.4%
Memphis, TN	794	43.6%
TOTAL	17,968	

Source: Nielsen Pop-Facts Premier, 2013 update. Ranked by Black population.

SOUTHERN CITIES

NIELSEN DMA (TELEVISION MARKETS)	% SHARE OF MARKET POPULATION	BLACK POPULATION (000)
Jackson, MS	49.5%	456
Memphis, TN	43.6%	794
Columbia, SC	39.1%	422
Atlanta, GA	31.5%	2,062
Baltimore, MD	29.4%	864
Raleigh, NC	28.7%	874
Washington, DC	25.2%	1,674
Miami/Ft. Lauderdale, FL	23.4%	1,048
Houston, TX	18.0%	1,183
Dallas, TX	15.7%	1,155
TOTAL		10,532

Source: Nielsen Pop-Facts Premier, 2013 update. Ranked by % share of Market population.

[9]NYTimes "Many U.S. Blacks Moving to South, Reversing Trend" March 24,2011 NYTimes.com

HOUSEHOLD INCOMES CONTINUE TO GROW

African-Americans have continued to grow their financial power as the number of African-American households has increased by 20% since 2000, while aggregate income has increased 45%, meaning that Blacks' income has grown 2.3 times faster than the number of Black households. Marketers trying to engage these consumers have to understand that though African-Americans may have smaller incomes than the total population, those incomes are steadily increasing.

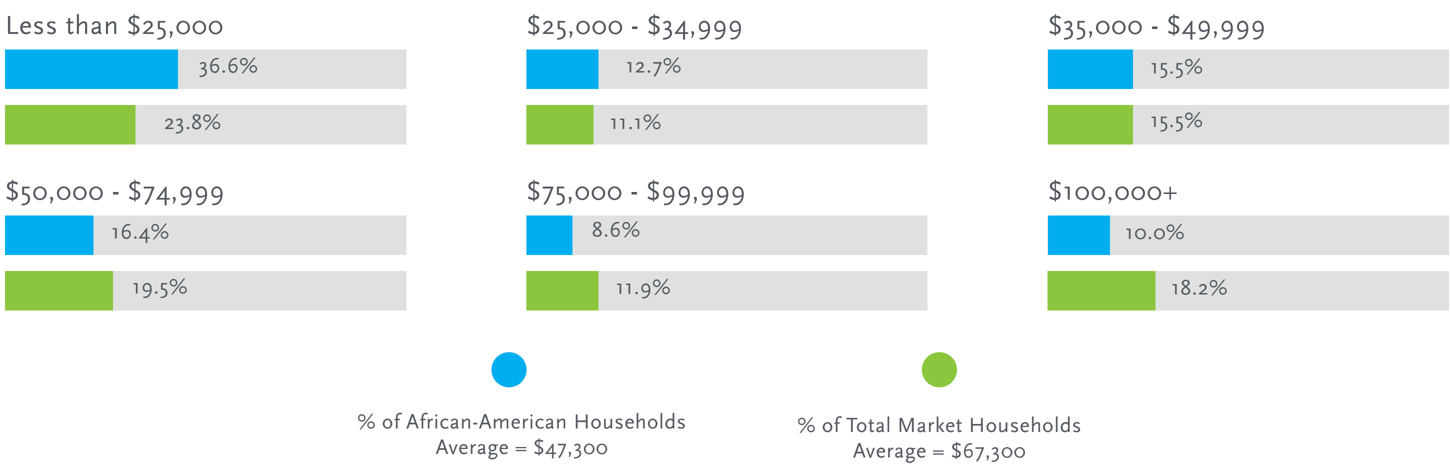
▲20%

Number of African-American Households
2000 • 12,055,082
2013 • 14,457,645

▲45%

Aggregate Income of African-Americans
2000 • $479 Billion
2013 • $696 Billion

Median income for Black households is lower than the total market; the variation in income is not seen in the broad middle where differences are small (3% or less), but in the extremes with lower income and upper income segments.



Source: Nielsen Pop-Facts Premier, 2013 update

OPPORTUNITIES

COMPANIES

- While ongoing attention should be paid to Black men as consumers, Black women are an increasingly vital force within the Black community given their gains in education, occupational status, and business ownership. Black women tend to make the majority of the purchasing decisions in their households and may be receptive to marketing messages that acknowledge the dual roles many women play as mothers and working professionals.
- Geographically, African-Americans are somewhat easy to identify and locate because large numbers of Blacks are concentrated in key southern cities and large metropolitan cities. Products and services that skew to Black consumers should take advantage of regionally precise marketing capabilities.

CONSUMERS

- Recognize your value as important consumers because Blacks are still the largest single race in the United States. Leverage the power of numbers when and where possible (e.g., through churches, community groups, etc.) to ensure retailers and businesses are responding to the relevant needs of the Black community.
- Endeavor to persevere as smart shoppers while facing challenging economic conditions. Continue to exhibit resilient shopping behavior.

SECTION TWO:

BUY

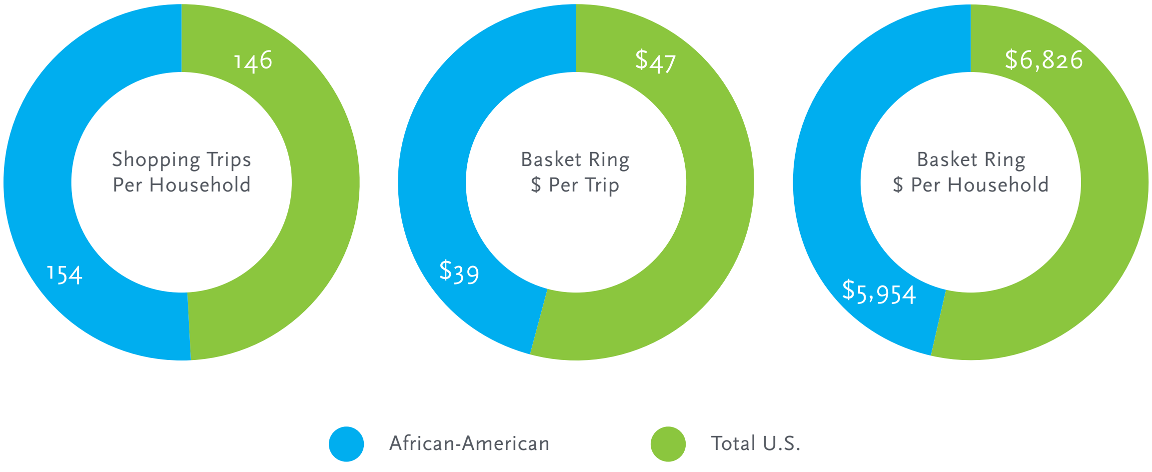
WHERE BLACKS SHOP

Building brand and retail loyalty is the cornerstone of most marketing and advertising campaigns. So understanding how, where, and when African-Americans shop and what drives their purchasing behavior can be helpful to businesses. On average, Black households shop more frequently (8 trips more) than Total Market households and are more likely to frequent dollar stores (7 trips more), convenience stores (2 trips more) and drug stores (1 trip more), but spend an average of $8 less per trip.

Retail channels where Blacks make fewer trips are grocery stores (3 trips less), warehouse clubs (3 trips less) and mass merchandisers (2 trips less). This could be a direct result of the "retail deserts" phenomenon, which suggests some urban and rural communities are lacking in the number and size of certain retail outlets, especially large chains, compared to other communities.[10] The impact of retail deserts conversely causes yet another phenomenon, known as "food deserts," defined as urban neighborhoods and rural areas that have little access to affordable fruits, vegetables, whole grains, low-fat milk, and other foods that make up the full range of a healthy diet.[11] The old adage, "if you build it, they will come," may hold true in the case of channel frequency as both phenomena point to opportunities for retailers interested in growing market share to consider expanding into these communities. Data supports that retail channels located in Black communities tend to be visited more by Blacks than the Total Market. Some retailers have already found value in such an expansion strategy. Drug stores, supercenters, and mass merchandisers like Walmart, Walgreens, Target, and CVS launched annual commitments in 2011 to carry more fresh fruits and vegetables in at least 1,000 stores nationwide.[11]

[10]November 2012 Regional Science and Urban Economics
[11]"Food Desert" as defined by the Center for Disease Control
[12]*The Washington Post*, 2011 "Michelle Obama Joins Forces with Walmart, Walgreens to Battle Food Deserts"

AFRICAN-AMERICANS' ANNUAL RETAIL SPENDING VERSUS TOTAL MARKET RETAIL SPENDING



Source: Nielsen Homescan, Total U.S. 52 weeks ending 12/29/2012, excludes gas only or Rx only trips

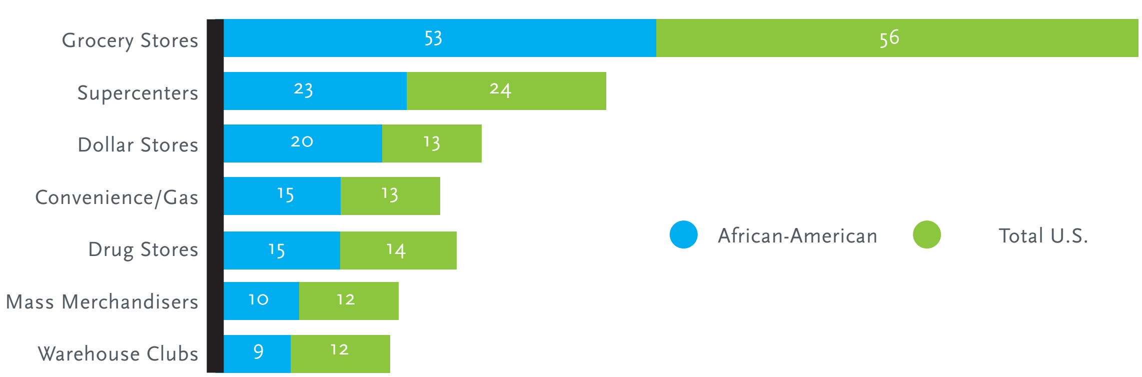
African-Americans' annual retail spending or "Basket Ring" is 87% of Total Market retail spending, while their average annual household income accounts for 70% of Total Market average. This narrow gap in retail spending between Blacks and the Total Market is an indication of the vitality and resiliency of African-American consumers. As a result, African-Americans are spending 30% more of their average annual household income at retail (13%) versus the Total Market (10%).

A higher percentage of upper income Blacks, who earn $100K or more, shop more at warehouse clubs (73%) annually than Non-Blacks (67%), while their shopping frequency is nearly identical (14 versus 15 trips). Whole Foods attracts a greater percentage of affluent Black shoppers than affluent Non-Black shoppers (16% versus 11%), and higher income Black shoppers make two more trips annually to grocers.

	AVERAGE ANNUAL HOUSEHOLD INCOME	AVERAGE ANNUAL BASKET RING PER HOUSEHOLD	BASKET RING AS A % OF HOUSEHOLD INCOME
African-Americans	$47,300	$5,954	13%
Total Market	$67,300	$6,826	10%
Index to Total Market	70	87	130

Source: Nielsen Homescan, Total U.S. 52 weeks ending 12/29/2012, excludes gas only or Rx only trips

SHOPPING TRIPS PER HOUSEHOLD



Source: Nielsen Homescan, Total U.S. 52 weeks ending 12/29/2012, excludes gas only or Rx only trips

WHAT BLACKS BUY

There are numerous edible and non-edible categories that Blacks purchase and use at a higher rate than Total Market consumers; likewise, there are various categories being purchased at a lower rate. Both offer an opportunity for manufacturers, marketers, and retailers to increase sales with Black consumers.

HEAVILY PURCHASED CATEGORIES

Blacks consistently place a higher emphasis on grooming and beauty categories and at the top of that list is Ethnic Hair and Beauty Aids (HABA), which Blacks purchase nine times more than others. Hair care is serious business in the Black community at all income levels. The beauty supply store channel, in particular, offers Consumer-Packaged-Goods (CPG) retailers and manufacturers an opportunity to increase market share as Black shopper penetration and annual spending with this channel both increase with higher income. Manufacturers can improve market share by ensuring their products are placed in this popular channel and CPG retailers may want to expand the assortment of HABA products they offer to capture consumer spend. Hair care products not identified as ethnic can lead to tremendous market growth opportunities, as Blacks' hair care spending within traditional CPG retailers is underdeveloped (indexed to total market). Non-ethnic products that are rebranded with messaging that addresses the uniqueness of Blacks' hair textures and styles could see a rise in market share currently represented in the Ethnic HABA category.

BLACK HOUSEHOLDS' ANNUAL SPENDING WITH BEAUTY SUPPLY STORES BY HH INCOME

		UNDER $20,000	$20,000 - $29,999	$30,000 - $39,999	$40,000 -$49,999	$50,000 - $69,999	$70,000 - $99,999	$100,000 +
Household Penetration	46%	39%	47%	44%	44%	50%	54%	53%
Annual Retail Spend	$94	$89	$63	$94	$103	$94	$118	$132

Source: Nielsen Homescan, total U.S. 52 weeks ending 12/29/2012, UPC-coded

BEAUTY AND BEYOND

Beyond beauty aids and ethnic hair care, there are other categories that offer companies a chance to increase market share with this important consumer segment. One suggestion is to incorporate trusted media into campaign strategies. In the Burrell 40, 2011 study, 81% of Blacks believed that products advertised using Black media are more relevant to them. Yet, as demonstrated in section four of this report, only three percent of advertising dollars spent is with media focused on Black audiences. By aligning additional marketing support and more focused strategies using media sources such as Black newspapers, Black radio, Black online sites and other media outlets trusted and relied on by Blacks for unfiltered information, companies can develop more culturally relevant messages and connectivity for products in the categories highlighted in the following tables.

CATEGORIES HEAVILY PURCHASED BY AFRICAN-AMERICANS

EDIBLE	SPEND INDEX TO TOTAL U.S. HOUSEHOLDS	NON-EDIBLE	SPEND INDEX TO TOTAL U.S. HOUSEHOLDS
Unprepared Meat/Frozen Seafood	170	**Ethnic Hair and Beauty Aids**	**934**
Dry Vegetables & Grains	158	Feminine Hygiene	185
Refrigerated Juices & Drinks	157	Fresheners/Deodorizers	174
Spices/Seasoning/Extracts	154	Personal Soap/Bath Needs	164
Shortening/Oil	154	Women's Fragrances	153
Shelf Stable Juices & Drinks	153	Family Planning	142
Sugar/Sugar Substitutes	145	Children's Cologne	140
Gum	136	Sanitary Protection	133
Fresh Meat	136	Insecticides/Repellents	131
Non-Carbonated Soft Drinks	136	Detergents	129

Source: Nielsen Homescan, Total U.S. 52 weeks ending 12/29/2012, UPC-coded

***This category should not be confused with the Hair Care category where Blacks under index.**

Categories lightly purchased by African-Americans are an untapped market opportunity for companies to connect with Black buyers. It is important to note that African-Americans are more likely to be lactose intolerant which would explain low spending towards the dairy category, which leads to an opportunity to create lactose-free campaigns for Blacks. As indicated on the previous page, the Hair Care category offers a unique opportunity for retailers and manufacturers to tap into the success of the Ethnic Hair and Beauty Aids category, where Blacks over index, by shifting marketing messages and product assortment to those that directly address the unique needs African-Americans have for their hair.

CATEGORIES LIGHTLY PURCHASED BY AFRICAN-AMERICANS

EDIBLE	SPEND INDEX TO TOTAL US HOUSEHOLDS	NON-EDIBLE	SPEND INDEX TO TOTAL US HOUSEHOLDS
Breakfast Foods	75	**Hair Care**	**84**
Cheese	75	Magazines – Selected Titles	83
Wine	73	Lawn and Garden	78
Milk	73	Cosmetics	74
Snacks/Spreads/Dip – Dairy	71	Shaving Needs	71
Yogurt	71	Diet Aids	70
Coffee	54	Pet Care	44
Puddings/Desserts – Dairy	49	Pet Food	42
Cottage Cheese/Sour Cream Topping	48	Sports & Novelty Cards	38
Shelf Stable Meal Starters	38	Canning/Freezing Supplies	38

Source: Nielsen Homescan, Total U.S. 52 weeks ending 12/29/2012, UPC-coded
***This category should not be confused with the Ethinic Hair and Beauty category where Blacks over index.**

BRAND LOYALTY

Blacks spend 18% of their annual retail dollars on store brands, otherwise known as private label items. While this behavior is similar to other consumer groups, there are store brand categories that are overdeveloped among Black households. Out of the top 20 store brand product categories purchased by Blacks and White Non-Hispanics there are six categories unique to African-Americans. Blacks may also purchase store brands at a different rate than other groups; for example, store brand disposable diapers is first in the list for African-Americans but fifth for White Non-Hispanics.

TOP RANKING PRIVATE LABEL CATEGORY PREFERENCES

AFRICAN- AMERICAN		WHITE NON-HISPANIC	AFRICAN-AMERICAN		WHITE NON-HISPANIC
Disposable Diapers	1	Liquor	**Frozen Prepared Foods**	11	Diet Aids
Unprepared Meat/Frozen Seafood	2	Milk	Medications/Remedies	12	Fresh Produce
Milk	3	Cheese	**Frozen Vegetables**	13	Fresh Meat
Paper Products	4	Pet Food	Housewares Appliances	14	Baby Food
Cheese	5	Disposable Diapers	**Bottled Water**	15	Packaged Meat
Pet Food	6	Vitamins	Prepared Snacks, Meals, Salads, Salad Dressings in Deli	16	Housewares Appliances
Vitamins	7	Bread & Baked Goods	Fresh Produce	17	Pet Care
Bread & Baked Goods	8	Paper Products	**Shelf Stable Juices & Drinks**	18	Wine
Fresh Meat	9	Unprepared Meat/Frozen Seafood	**Nuts**	19	Coffee
Packaged Meat	10	Medications/Remedies	**Sugar/Sugar Substitutes**	20	Prepared snacks, meals, salads, salad dressings in deli

Source: Nielsen Homescan, Total U.S., 52 weeks ending 12/29/2012, UPC-coded
Ranking based on 97 store brands product categories for African-American HH Income and 111 store brands product categories for White Non-Hispanic HH Income. ***Color categories are distinct private label brand preferences for African-Americans.**

Brand loyalty extends beyond in-store purchases, African-Americans also have notable preferences for Quick Service Restaurants (QSRs), that differ from Total Market.

PERCENTAGE OF HOUSEHOLDS WHO HAVE ORDERED FROM QSRs IN LAST 3 MONTHS

AFRICAN-AMERICANS	RESTAURANTS	TOTAL US HOUSEHOLDS
65%	McDonald's	60%
44%	Burger King*	36%
43%	Subway	40%
37%	KFC*	26%
36%	Wendy's	30%
30%	Taco Bell	32%
28%	Popeye's*	9%
27%	Chick-Fil-A*	18%
24%	Pizza Hut*	20%
16%	Dunkin' Donuts	14%
15%	Church's Chicken*	4%
15%	Domino's Pizza*	12%
15%	Little Caesar's Pizza	14%
15%	Sonic	14%
14%	Papa John's Pizza*	12%
14%	Starbucks	17%
14%	Arby's	22%
12%	Dairy Queen	16%
11%	Chipotle*	9%
11%	Other QSR	13%
11%	Panera Bread	13%

Source: Nielsen Homescan, Online Views surveys, June 2013 (n= 45546)
Ranked by African-Americans' visits.

*Penetration index of 120 or greater.

OPPORTUNITIES

COMPANIES

- Acknowledge the categories that Blacks purchase at a high frequency with ample marketing support. Also, find ways to engage Blacks in low purchase frequency categories that have upside potential so that those products and brands might realize greater impact on your company's bottom line.
- Be aware of African-American product category preferences between store brands versus national brands.
- Identify Black communities with "Retail Deserts," e.g., a lack in number and size of large stores. Evaluate the feasibility of filling the gaps in these areas with larger retail outlets.
- Retailers who stock their shelves with assorted Ethnic Hair and Beauty Aids products can tap into this highly popular category for African-Americans. Likewise, manufacturers should consider placing beauty care items in the beauty supply store channel and rebranding their general hair care products with messages that address the unique hair care concerns for Blacks to connect with these consumers who buy hair care products regardless of income levels.

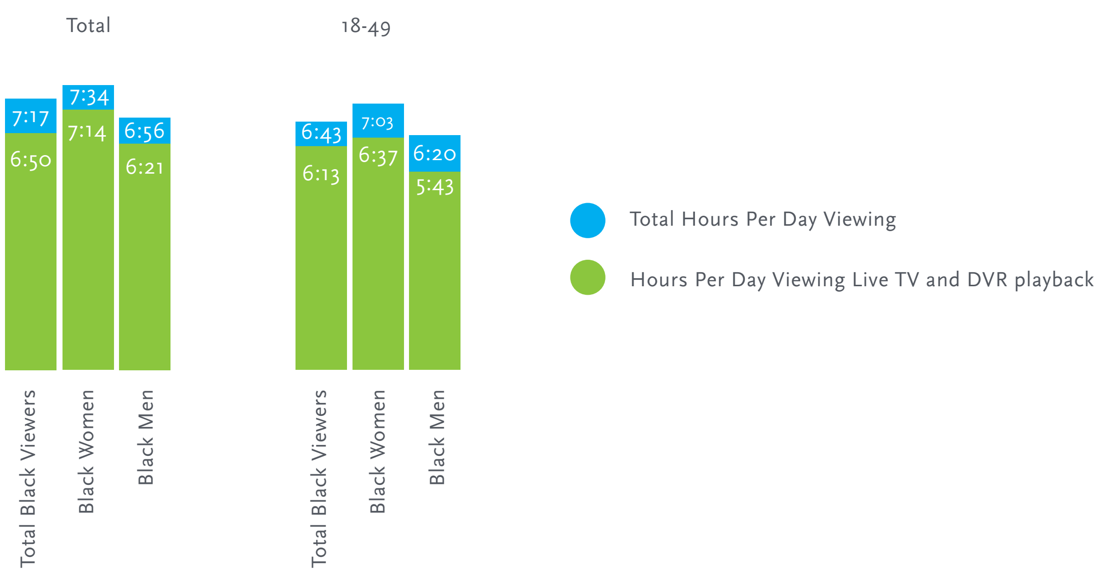
CONSUMERS

- Join and support initiatives like First Lady Michelle Obama's inspired collaboration with retailers to combat "Food Deserts" and "Retail Deserts" in the Black communities.
- Become a smart shopper and take advantage of the value (better per-item pricing) when offered.

SECTION THREE:
WATCH

WHAT AFRICAN-AMERICANS WATCH

Blacks are voracious media users and leaders when it comes to setting pop cultural trends. Nowhere is this more prevalent than in Blacks' television viewing habits where Blacks watch 37% more television than any other group, spending seven hours and 17 minutes per day viewing TV, compared to five hours and 18 minutes of total viewing for Total Market. Black Women, especially those 18-49, tend to be heavier viewers than their male counterparts. Not surprisingly, media outlets dedicated to Black audiences have a higher composition and concentration of Black viewers, which should be of interest to businesses who incorporate television media buys into their marketing strategies.



Source: Nielsen 12/31/2012 to 6/30/13, Total Hours Spent Viewing includes Live TV viewing, DVR Playback, DVD Playback and Video Game Consoles

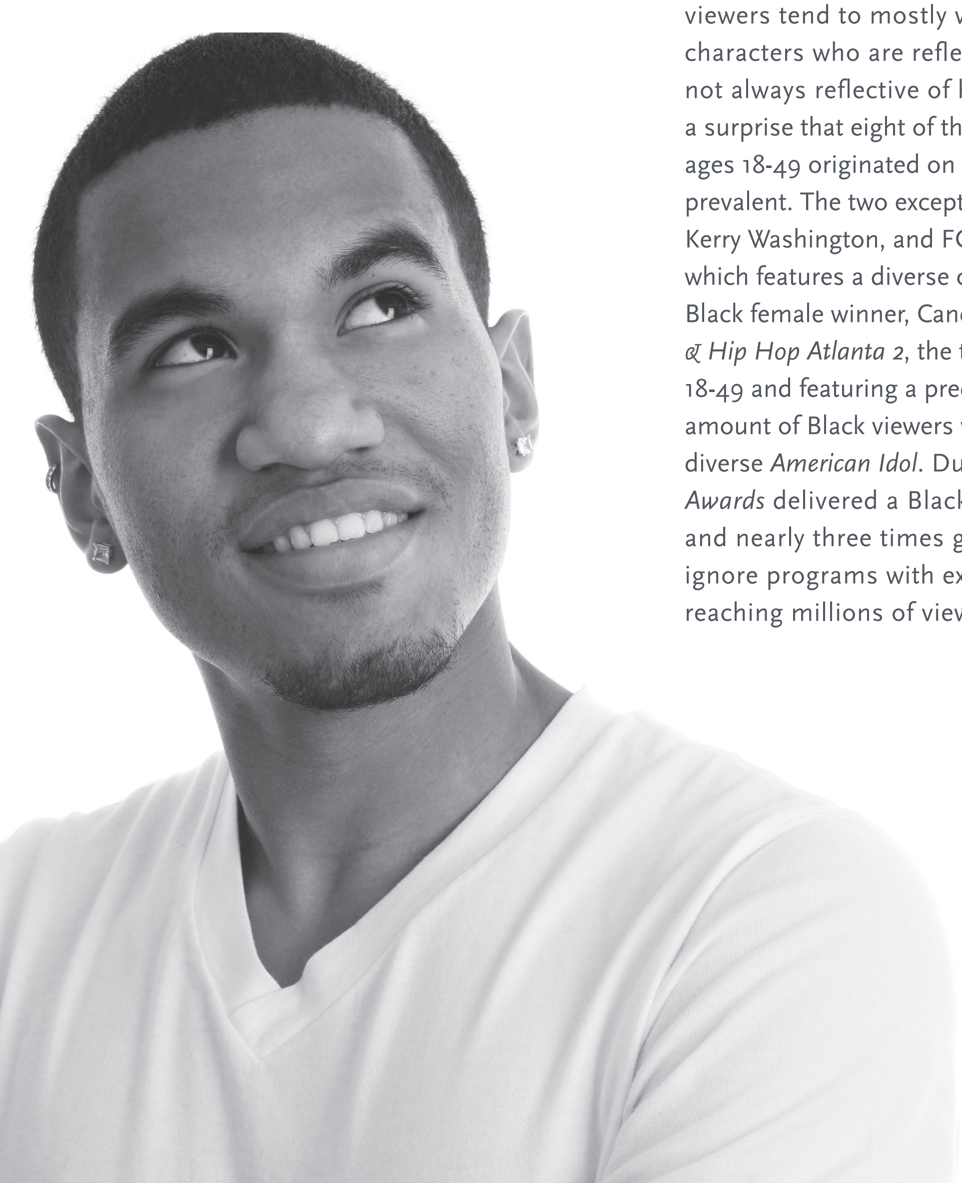
BLACKS' TOP FIVE PREFERRED NETWORKS

CHANNEL/ NETWORKS	% BLACK VIEWERS HOUSEHOLD	TOTAL BLACK VIEWERS (000) HOUSEHOLD
BET	84%	327
VH1	59%	144
TV ONE	87%	107
BOUNCE TV	83%	91
CENTRIC	85%	49

Source: Nielsen 12/31/2012-6/30/2013, Total Day, L+7 Projections
Viewers shown in millions

TOP TELEVISION PROGRAMS AMONG AFRICAN-AMERICANS

Previous *State of the African-American Consumer Reports* noted that Black viewers tend to mostly watch programs that provide diversity in casts or characters who are reflective of the Black lifestyle and culture – although not always reflective of how typical Blacks *act*. So it should not come as a surprise that eight of the top 10 television shows delivering Black viewers ages 18-49 originated on cable where diversity tends to be more consistently prevalent. The two exceptions were ABC's *Scandal* starring Black actress Kerry Washington, and FOX's *American Idol*, the reality singing competition which features a diverse cast of contestants and ended the season with a Black female winner, Candice Glover. The total number of viewers for *Love & Hip Hop Atlanta 2*, the top-rated reality program watched by Blacks ages 18-49 and featuring a predominantly all-Black cast, more than doubled the amount of Black viewers who tuned in to watch the more multiculturally diverse *American Idol*. During the awards show season, the *2013 BET Awards* delivered a Black audience 74% higher than the *Grammy Awards* and nearly three times greater than the *Oscars*. Marketers choosing to ignore programs with exclusive Black casts risk missing the chance of reaching millions of viewers with their messages.



BLACKS' TOP TEN PROGRAMMING

TOTAL DAY PART PROGRAMS

PROGRAM	ORIGINATOR	TOTAL VIEWERS AA 2+
'13 BET Awards	BET	7.5
Scandal	ABC	3.8
Elementary – Super Bowl	CBS	3.7
BET Awards '13 After Party	BET	3.5
Love & Hip-Hop Atlanta 2	VH1	3.1
Real Husbands of Hollywood	BET	2.4
Oscars Red Carpet Live	ABC	2.4
American Idol – Wednesday	FOX	2.4
'13 BET Awards Preshow	BET	2.4
American Idol – Thursday	FOX	2.3

Source: Nielsen 12/31/2012-6/30/2013, Total Day Part, Live +7 Days, Persons 2+, excludes sports and repeats, includes specials. Viewers shown in millions.

PRIMETIME PROGRAMS

PROGRAM	ORIGINATOR	TOTAL VIEWERS AA 18-49
Love & Hip Hop Atlanta 2	VH1	2.1
Scandal	ABC	2.1
Real Husbands of Hollywood	BET	1.7
Real Housewives of Atlanta	BRAVO	1.4
T.I. and Tiny 3	VH1	1.4
The Game 6	BET	1.4
Love & Hip-Hop 3	VH1	1.4
Hit the Floor	VH1	1.2
American Idol – Wednesday	FOX	1.1
Black Ink Crew	VH1	1.0

Source: Nielsen 12/31/2012-6/30/2013, Prime Day Part, Live +7 Days, Persons 18-49, excluding specials, sports events and award shows. Viewers shown in millions.

SPORTS PROGRAMS

PROGRAM	ORIGINATOR	TOTAL VIEWERS AA 18-49
Super Bowl XLVII	CBS	6.5
Super Bowl XLVII – Delay	CBS	6.4
Super Bowl XLVII Post-Game	CBS	5.2
NBA Finals on ABC – Game 7	ABC	4.4
NBA Trophy Presentation	ABC	4.0
NBA Finals on ABC – Game 6	ABC	3.7
Super Bowl XLVII Kick-Off	CBS	3.6
NBA Finals On ABC – Game 4	ABC	3.1
AFC Championship on CBS	CBS	3.1
FOX NFC Championship	FOX	3.0

Source: Nielsen 12/31/2012-6/30/2013, Total Day, Live+7 Days, Persons 18-49. Viewers shown in millions.

AWARDS SHOWS

PROGRAM	ORIGINATOR	TOTAL VIEWERS AA 18-49
'13 BET Awards	BET	4.1
Grammy Awards	CBS	2.4
The Oscars	ABC	1.4
Billboard Music Awards	ABC	1.1
The BET Honors	BET	.90
NAACP Image Awards	NBC	.66
Golden Globe Awards	NBC	.61
People's Choice Awards	CBS	.32
UNCF: Evening of Stars '13	BET	.31
Miss America Competition	ABC	.16

Source: Nielsen 12/31/2012-6/30/2013, Total Day, Live+7 Days, Persons 18-49. Viewers shown in millions.

DIGITAL

An examination of African-Americans' overall online category usage reveals some notable and perhaps newly discovered behavioral distinctions between Blacks and the Total Market. Blacks spend 44% more time on Education and Career sites and 21% more time on Family and Lifestyle sites than Total Market consumers, breaking the myth that Blacks are disinterested in education and the family's well-being. Additionally, African-Americans continue to be resilient in their role as early adopters of technology as 14% are more likely to spend time on Telecom/Internet Services sites.

African-Americans spent more than twice the time per person at web hosting sites than Total Market consumers, which indicates Blacks are more likely to own personal websites. When it comes to web searches, Google Search, with over 15 million unique visitors during a one-month period, is the #1 search engine among African-Americans, accounting for more unique visitors than Yahoo, Bing, Ask.com, and Google Image, who each had 7.5 million, 6.6 million, 6.3 million, and 5 million visitors, respectively.

BLACKS' INTERNET CATEGORY RANKINGS BASED ON TIME SPENT

African-American Per Person Time • Total Market Per Person Time ▲ More Time Spent

	African-American Per Person Time	Total Market Per Person Time	▲ More Time Spent
Education and Careers	2:21	1:38	▲44%
Entertainment	9:47	8:04	▲21%
Family and Lifestyles	1:42	1:25	▲20%
Corporate Information	:59	:50	▲19%
Government/Non-Profit	:47	:41	▲17%
Telcom/Internet Services	4:58	4:21	▲14%
Finance/Insurance	1:27	1:18	▲12%
Consumer Electronics	2:4	1:53	▲10%
Home and Fashion	1:22	1:16	▲9%

Source: Nielsen, NetView, Total (March 2013), time shown in hours:minutes

EDUCATION AND CAREERS SUB-CATEGORIES

Career Development
1:1 • :40 ▲75%

Educational Resources
1:16 • :55 ▲38%

Universities
1:20 • 1:04 ▲25%

Multi-Category Education and Careers
:18 • :17 ▲6%

FAMILY AND LIFESTYLE SUB-CATEGORIES

Religion and Spirituality
:29 • :21 ▲36%

Personals
1:43 • 1:20 ▲30%

Kids/Games/Toys
1:02 • :50 ▲23%

Health, Fitness and Nutrition
:33 • :31 ▲5%

TELECOM/INTERNET SUB-CATAGORIES

Web Hosting
:29 • :12 ▲141%

Multi-Cat Telecom
:38 • :30 ▲27%

Cellular/Paging
:26 • :21 ▲24%

Email
3:43 • 3:19 ▲12%

Internet Tools
:50 • :46 ▲10%

Source: Nielsen, NetView, Total (March 2013), time shown in hours:minutes

Blacks have taken to social media sites like Facebook and Twitter to gain desired exposure in cyberspace and use social networking to mitigate real world inequality[12].

For Blacks online platforms are like beauty/barbershops where people come to voice their opinions, share funny stories, and connect with others. Blacks are 44% more likely than Total Market consumers to create a social media profile. Facebook is the most heavily used social networking site based on both the number of unique visits and time spent per person. There are interesting variances between age groups for the most time spent on social media platforms:

- 45-64 year-olds spend the most time on Facebook.
- 35-44 year-olds are more likely to spend more time on Tumblr.
- 18-34 year-olds spend 11% more time on Twitter than those 35-44 and 45-64 combined.

BLACKS SPEND

44%

MORE TIME ON EDUCATION AND CAREER SITES THAN TOTAL MARKET

[12] *Madame Noire*, May 31, 2013

TOP 10 SOCIAL MEDIA SITES BY AGE

SITE	18–34 TIME SPENT PER PERSON	SITE	34-44 TIME SPENT PER PERSON	SITE	45-64 TIME SPENT PER PERSON
Facebook	6:39	Facebook	6:49	Facebook	6:53
Meetup	2:46	Tagged	2:22	Tagged	2:58
Six Apart	2:44	Tumblr	2:15	Ning	2:00
Tumblr	2:06	Twitter	1:10	Tumblr	1:15
Twitter	2:04	LinkedIn	:34	Glam Media Network	1:14
MocoSpace	2:04	Pinterest	:33	MeetMe	:42
Reddit	1:57	Meetup	:25	Pinterest	:36
Tagged	1:51	BlogTalkRadio	:21	Twitter	:26
Fiverr	1:18	Blogger	:15	LinkedIn	:15
Webstagram	:52	Spokeo	:15	BlogTalkRadio	:13

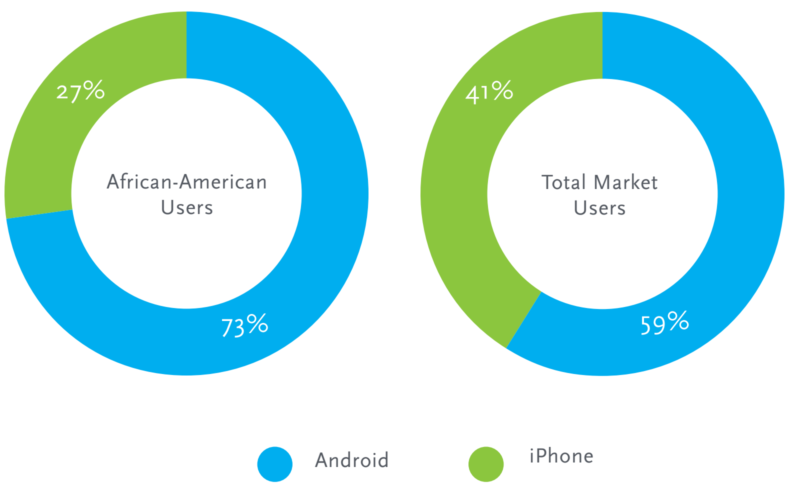
Source: Nielsen, NetView, Total (March 2013), time shown in hours:minutes
*Ranked on time spent per person by African Americans 18-64

MOBILE

71%

OF BLACKS OWN SMARTHPONES

BLACKS' SMARTPHONE PREFERENCE



Source: Nielsen, Mobile Insights, March 2013

Smartphones have become a way of life for most Americans, and African-Americans have continued to outpace the total population with smartphone ownership. Seventy-one percent of African-Americans own smartphones, compared to 62% of the total population. Most African-Americans use Androids (73%) versus iPhones (27%).

When determining which applications (APPs) to install on smartphones, African-Americans and the Total Market share 15 of the same Top 20 APPs, although not necessarily ranked in the same order. Both groups install APPs for practical and personal use. African-Americans also use APPs such as PayPal for more practical purposes. The Google Talk APP provides free person-to-person communication services, and its overall technology platform fits with African-Americans' resilient early adaptive behavior while Blacks' preference for BibleByLifeChurch.tv is a clear indication of the importance Blacks place on maintaining faith-based connections.

TOP 20 MOBILE APPS PREFERRED BY BLACKS

APP	AFRICAN-AMERICAN TIME SPENT PER PERSON	APP	TOTAL MARKET TIME SPENT PER PERSON
Instagram	7:21	Facebook	6:48
Facebook	6:15	Instagram	4:37
Twitter	2:24	Twitter	3:10
Pandora Radio	2:21	**Google Chrome**	**3:06**
eBay Mobile	2:19	Facebook Messenger	2:31
Facebook Messenger	2:11	Pandora Radio	2:20
Yahoo! Mail	**2:05**	Gmail	1:27
Gmail	1:38	eBay Mobile	1:18
YouTube	1:11	YouTube	1:06
Google Play	1:52	Apple Maps	1:04
Apple Maps	**1:50**	**YouTube Downloadable**	**1:04**
Google Maps	1:47	Google Maps	:59
BibleByLifeChurch.tv	**:37**	Google Play	:37
Stocks	:34	**Weather Channel**	**:32**
Google Search	:25	Stocks	:31
Google Talk	**:15**	**Amazon Mobile**	**:24**
Google Play Music	:13	Google Search	:22
PayPal	**:10**	**Weather**	**:21**
Google+	:05	Google+	:15
Goggle Play Services	:05	Google Play Services	:05

Source: Nielsen, Mobile Insights, March 2013, time shown in hours:minutes

***Items are unique to African-American lists**

****Items are unique to Total Market lists**

ONLINE TRAVEL ADVISORY

Black Travel and tourism is a $40 billion industry[13] – a big business made bigger because African-Americans tend to travel in groups and are more prone to use a variety of online resources to help them with travel planning. Among African-Americans who plan destination trips, 54% use online resources to review websites of destinations they consider, 44% conduct general online searches, and 30% use third party travel websites[14]. Along with other African-American travelers who seek best prices, group travel is also likely to motivate many travelers to seek discounts. Thus, among African-Americans, minutes spent per person is highest among discount and travel information sites like Priceline Network (15), Hotels.com (13), Orbitz.com (12), Booking.com (11) and Hotwire.com (11). Southwest Airlines, noted for its affordable fares, has the most minutes spent per person overall (17).

BLACKS' PREFERRED TRAVEL RESOURCES

TRAVEL INFORMATION RESOURCES	% OF RESPONDENTS WHO AGREED WITH THE STATEMENT
I get recommendations from friends and family members (word-of-mouth)	55%
I go directly to the websites of destinations I am thinking of visiting	54%
I conduct a general web search using a search engine such as Google or Yahoo	44%
I do research on third party travel websites	30%
I request that brochures and information be sent to me in the mail	26%
I read online reviews by official sources of the destination I am thinking of visiting	23%
I read the travel section in my newspaper	15%
I read travel and travel related magazines	15%
I read independently published reviews in magazines and newspapers of the destination	13%
I read user-generated sources for the destination I am thinking of visiting	12%
I contact convention and visitors bureaus	9%
I contact a travel agent	8%

Source: African-American Traveler Report 2011, Mandala Research, LLC.

BLACKS' PREFERRED TRAVEL SITES RANKED BY UNIQUE VISITS

TRAVEL SITE	UNIQUE VISITORS (000)
Google Maps	6.3
MapQuest	2.5
Priceline Network	1.5
Expedia	1.5
Yahoo! Local	1.4
TripAdvisor	1.3
Travel Ad Network	1.1
Southwest Airlines	.98
Hotels.com	.72
Orbitz Worldwide Network	.71
Hotwire.com	.68
Travelocity	.65
Kayak	.64
Enterprise Rent-A-Car	.60
Bing Maps & Local	.60
Amtrak	.58
Booking.com	.57
Delta	.50
Marriott	.50
Live Search Maps	.48

Source: Nielsen, NetView, Total (March 2013) unique visitors shown in millions

54%

OF AFRICAN-AMERICANS WHO PLAN DESTINATION TRIPS USE ONLINE RESOURCES

44%

CONDUCT GENERAL ONLINE SEARCHES

30%

USE THIRD PARTY TRAVEL WEBSITES

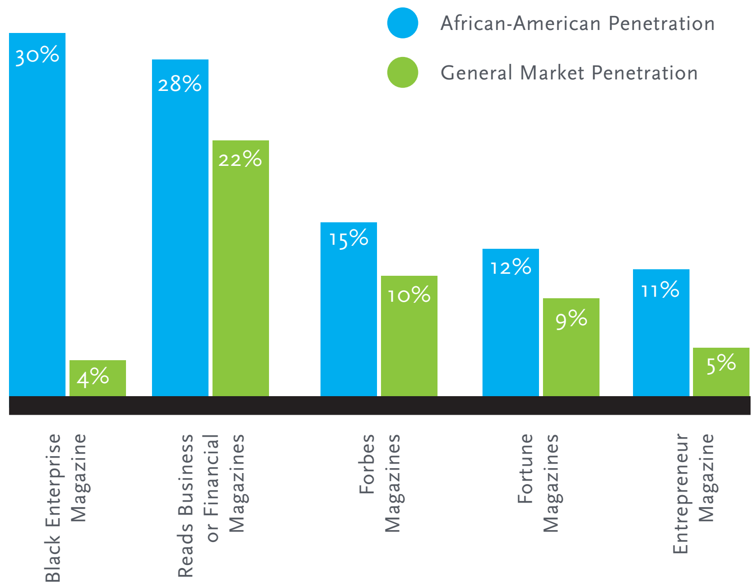
[13] Travel Industry Spending Source: Adventure Travel Trade Association, July 2013

[14] African-American Traveler Report 2011, Mandala Research, LLC.

FINANCIAL SERVICES

Blacks read financial magazines 28% more than other consumers and spend an average of 87 minutes online looking at websites related to finance and investment, which is 12% higher than the overall market. However, African-Americans under index for most categories within the financial sector, particularly in purchasing common financial products such as mutual funds, first mortgages, and stocks. This information indicates that there is a disconnect between curiosity and participation. Financial services and investment companies that take the time to "uncomplicate" finance and investment information for this consumer segment may find Blacks receptive to converting from a consumer who researches financial services and products into a consumer who purchases financial services and products.

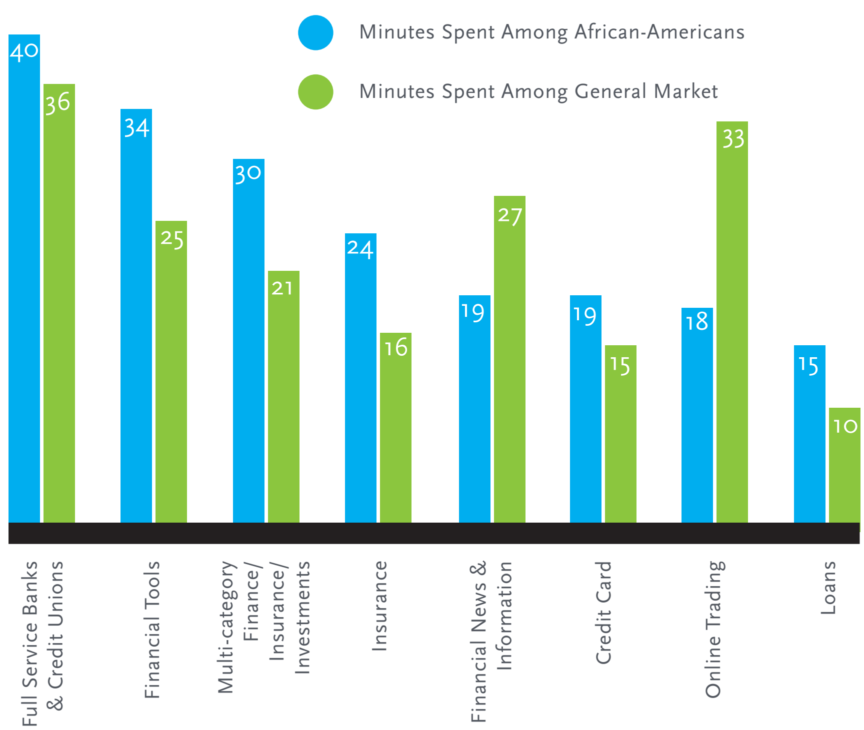
AFRICAN-AMERICAN FINANCIAL MAGAZINE READERSHIP VS GENERAL MARKET



Source: Mediamark Gfk, Magazine Readership, 2012 Doublebase

> BLACKS ARE MORE LIKELY TO READ FORBES AND FORTUNE MAGAZINES THAN THE TOTAL MARKET.

ONLINE TIME SPENT ON FINANCIAL WEBSITES



Source: Nielsen, NetView, Total March 2013

FINANCIAL PRODUCTS/SERVICES OWNED/USED BY AFRICAN-AMERICANS VERSUS TOTAL MARKET

PRODUCT/ SERVICE	DESCRIPTION	AFRICAN-AMERICAN PENETRATION PERCENTAGE	TOTAL MARKET PENETRATION PERCENTAGE
Checking Account (H)	Count of households that own an account where checks may be written against deposits.	83%	90%
Bank Credit Card (H)	Count of households that own bank credit cards. These products include VISA, MasterCard, Discover and American Express Optima. On these products, outstanding balances can be carried month-to-month.	52%	68%
Any Investment Svc Val (inc 401k) (H)	Count of households that own any investment products or services, including what is held in 401k plans. These services include securities owned in IRAs and brokerage accounts.	44%	54%
First Mortgages (H)	Count of households that have first mortgages on real estate (generally, residential mortgages).	26%	39%
Use ATM/Debit Card, 5-9/mo (H)	Count of households that use automatic teller machine (ATM/debit) cards, 5-9 times in the past 30 days.	21%	16%
Used Wire Transfers to Send Money, 3 mo (H)	Please indicate if anyone in your household has used wire transfer services to send money in the past 90 days; Used wire transfer; Yes.	14%	7%
Stock Value (H)	Count of households that own stock.	9%	15%
Banking with Primary Institution <1 year (H)	Count of households that have been banking with their current banking institution for less than one year.	9%	6%
Government Securities (H)	Count of households that own government securities, such as investments offered by Fannie Mae, Ginnie Mae and Sallie Mae.	5%	3%
Mutual Funds, Obtain in Person (H)	Count of households that obtain mutual fund shares in person.	4%	8%
Use Internet Banking Open Account, 3 mo (H)	Count of households that access any account at any financial institution to open an account. PC or Internet banking is a service that connects you to a bank through a personal computer.	4%	3%
Tax-Advantage College Savings Value (H)	Count of households with tax-advantage college savings account.	4%	5%
Keogh Plans Value (H)	Count of households that own Keogh retirement plans, which are tax-deferred savings for self-employed persons or employees of small businesses.	1%	2%
Mutual Funds, Obtain through Internet (H)	Count of households that obtain mutual fund shares through the Internet.	1%	3%

Source: Nielsen, Financial Track, 2012

BIG SCREEN VIEWING

Blacks go to the movies just as much as other consumer groups, with an average of 6.3 trips per year. Similar to television, Blacks historically have supported films where they see characters they look like, can relate to, or with whom they can identify. One exception is the action/adventure genre, which is particularly appealing to Black audiences versus Total Market regardless of the ethnicity of the cast.

TOP AFRICAN-AMERICAN MOVIES WITH BLACK CASTS

TITLE	STAR(S)	GROSS EARNINGS (000,000)
Django Unchained	Jamie Foxx, with Kerry Washington, Samuel L. Jackson	$163
42	Chadwick Boseman	$94
Flight	Denzel Washington	$94
Tyler Perry's Temptation	Jurnee Smollett-Bell, Vanessa Williams, Brandy	$52
The Call	Halle Berry, Morris Chestnut	$52
Snitch	Dwayne 'The Rock' Johnson	$43
A Haunted House	Marlon Wayans, Essence Atkins	$40
Alex Cross	Tyler Perry	$26
Tyler Perry's Peeples	Craig Robinson, Kerry Washington, David Alan Grier	$9

Source: Nielsen Sept. 2012—June 2013, revenue shown in millions

TOP MOVIES APPEALING TO AFRICAN-AMERICANS

TITLE	STAR(S)	AFRICAN-AMERICAN INDEX	GROSS EARNINGS (000,000)
Tyler Perry's Temptation	Brandy Norwood, Jurnee Smollett-Bell, Vanessa Williams, Kim Kardashian	186	$52
Flight	Denzel Washington, Nadine Velazquez, Tamara Tunie, Don Cheadle, Kelly Reilly, John Goodman	144	$94
Resident Evil Retribution	Boris Kodjoe, Milla Jovovich, Michele Rodriguez, Sienna Guillory, Aryana Engineer, Bingking Li, Johann Urb, Colin Salmon, Robin Kasyanov	131	$42
Taken 2	Liam Neeson, Maggie Grace, Famke Janssen, Leland Orser, Rade Serbedzija	127	$139
A Good Day to Die Hard	Bruce Willis, Jai Cortney, Sebastian Koch, Amaury Nolasco	124	$67
Gangster Squad	Ryan Gosling, Emma Stone, Sean Penn, Josh Brolin, Anthony Mackie, Nick Nolte	116	$46
Oblivion	Tom Cruise, Olga Kurylenko, Morgan Freeman, David Madison, Andrea Riseborough, Melissa Leo	114	$89
Man of Steel	Russell Crowe, Kevin Kostner, Laurence Fishburne, Henry Cavill, Amy Adams	110	$286
Django Unchained	Jamie Foxx, with Kerry Washington, Samuel L. Jackson	104	$163

Source: Nielsen Sept. 2012–June 2013, revenue shown in millions

51%

OF BLACKS ARE GENERALLY RECEPTIVE TO IN-THEATER ADVERTISING OF PRODUCTS OTHER THAN MOVIES

87%

OF BLACKS ARE RECEPTIVE TO TRAILERS AND PREVIEWS

OPPORTUNITIES

COMPANIES

- Since African-Americans show a strong preference for television shows starring and/or featuring Blacks or multi-cultural casts, such vehicles provide ideal opportunities to deliver meaningful, culturally relevant messages in a viewing context which African-Americans find more relatable.
- Recognize the distinctions of Black online usage and behavior by becoming aware of and examining websites which Blacks use more heavily than the Total Market. These include sites with content related to Education and Careers, Entertainment, Family and Lifestyle (especially Religion and Spirituality), as well as websites that are specifically focused on Black consumers. These sites could reveal untapped opportunities to connect with African-Americans through messaging, sponsorships or partnerships.
- Facebook offers the opportunity to establish relationships with a wide age range of Black users given its broad appeal. However, other social media can be used to more precisely market to Blacks by different age segments, (e.g., LinkedIn for Boomers, ages 45-64).
- Given that African-Americans ages 18-34 heavily use Twitter, it could be considered a vital communication environment to connect with younger African-Americans as these young Black Tweeters are emerging as powerful influencers and activists in cyberspace.
- Spend more time educating African-American consumers and form a real partnership with the Black community to alleviate some of the frustration from trying to better understand finance and investments.
- Advertisers seeking opportunities to reach Black audiences may want to consider the big screen as an option. A recent study conducted about commercials shown in movie theaters showed they were more receptive to in-theater advertising and trailers and previews.

CONSUMERS

- Insist that the providers of television programming, network and cable, are responsive to Black viewing preferences.
- Explore and identify new online platforms to interact with like-minded African-Americans. This could lead to the discovery of new and different culturally related sites that welcome African-Americans who want to engage in experiences related to the Black culture and lifestyle. Such sites offer the opportunity to have candid and honest conversations about subjects that affect the Black community.
- Continue to use social media to express opinions about both political and social issues, and to get recommendations for and feedback about products and services as this behavior is already recognized as an influential force.
- Transform education into action by increasing savings and investments; take the time to become financially savvy so wealth in Black America continues to grow.

SECTION FOUR:

ADVERTISING

From entertainment to online shopping, African-Americans continue to provide advertisers a range of options when determining how to best connect with this receptive consumer segment. The Black population is significantly younger than the Total Market, is a more voracious consumer of television, particularly cable, and is just as committed to brands as other groups. However, companies do not provide the same level of focused advertising strategies necessary to convert these important consumers into shoppers and long-term customers.

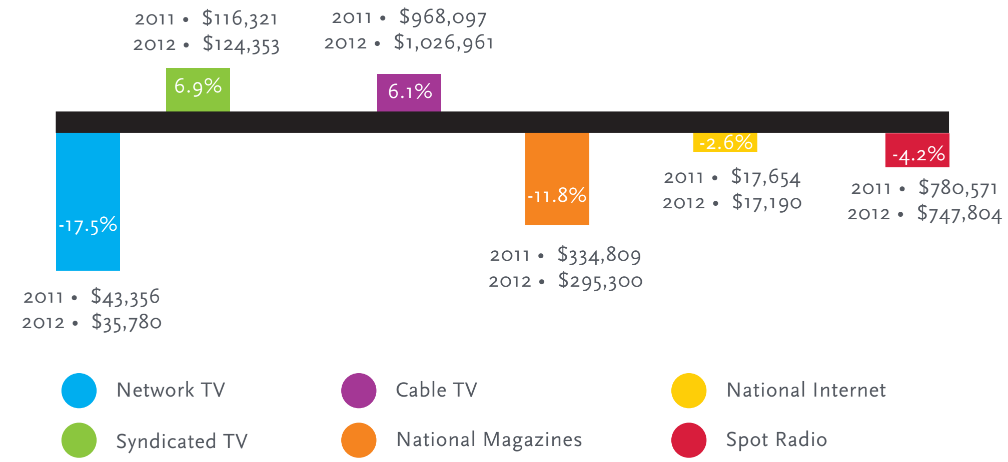
Advertising expenditures geared specifically toward Black audiences reflected only three percent of advertising dollars spent. Advertisers spent $75 billion on television, radio, internet, and magazine ads in 2012, with only $2.24 billion of that spent with media focused on Black audiences. If consumption patterns dictated a company's advertising budget, then advertisers should be spending proportionately with African-American media as follows:

- 44% higher spend on Education and Career websites
- 38% higher spend on streaming websites
- 37% higher spend on television (with a special emphasis on cable)
- 15% higher spend on mobile phone advertising

Companies mistakenly believe because there are no language barriers, that a general market "one-size-fits-all" strategy is an effective way to reach African-Americans. Just the opposite is true. It is not language that distinguishes connectivity with African-Americans, but a brand's ability to understand the Black experience and cultural nuances that resonate with Blacks who are more receptive to messages when they feel valued.

> "COMPANIES MISTAKENLY BELIEVE BECAUSE THERE ARE NO LANGUAGE BARRIERS THAT A GENERAL MARKET "ONE-SIZE-FITS-ALL" STRATEGY IS AN EFFECTIVE WAY TO REACH AFRICAN-AMERICANS. JUST THE OPPOSITE IS TRUE."

PERCENT CHANGE IN SPENDING WITH MEDIA FOCUSED ON BLACK AUDIENCES



ADVERTISERS' SPENDING WITH MEDIA FOCUSED ON BLACK AUDIENCES IS JUST

3%

of $75 billion spent in 2012 on television, magazines, internet, and radio advertisements.

Note: All dollars are in millions (2011 • 2012)
Source: Nielsen

TOP 20 ADVERTISERS' ANNUAL SPEND WITH MEDIA FOCUSED ON BLACK AUDIENCES

These 20 advertisers spent the most with media focused on Black audiences; more than $564 million, a 2.5% increase from 2011. But still far below the total $75 billion spent in 2012 on television, magazine, internet, and radio.

ADVERTISER	2011 AFRICAN-AMERICAN SPENDING	2012 AFRICAN-AMERICAN SPENDING	% CHANGE
Procter & Gamble	$82,310	$75,323	-8.5%
L'Oréal	$43,763	$52,341	19.6%
McDonald's	$38,093	$38,241	0.4%
Unilever	$22,483	$31,488	40.1%
U.S. Government	$22,439	$28,369	26.4%
Berkshire Hathaway	$24,156	$27,813	15.1%
Comcast	$24,456	$27,690	13.2%
Hershey	$24,829	$27,017	8.8%
PepsiCo	$18,020	$25,074	39.1%
Walmart	$19,181	$24,406	27.2%
Fiat S.p.A	$21,591	$23,600	9.3%
AT&T	$22,669	$22,496	-0.8%
Verizon Communications	$29,304	$22,088	-24.6%
Toyota	$20,633	$21,432	3.9%
General Motors	$23,906	$20,813	-12.9%
Sony Corp.	$20,355	$19,888	-2.3%
Johnson & Johnson	$28,266	$19,598	-30.7%
Ford	$19,171	$19,111	-0.3%
Allstate	$19,554	$19,069	-2.5%
National Amusements Inc	$25,645	$18,929	-26.2%
Total	$550,824	$564,787	2.5%

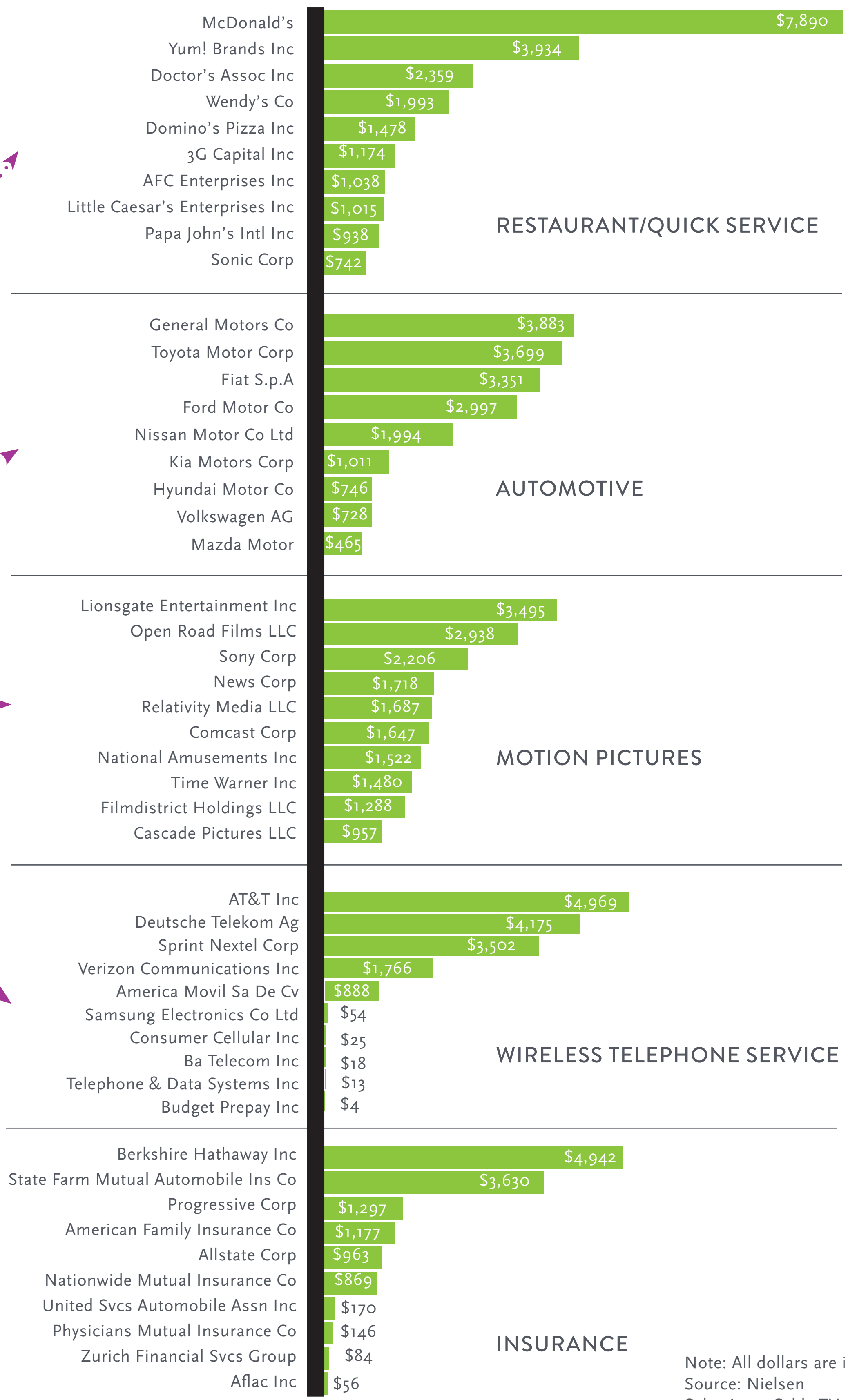
Note: All dollars are in millions
Source: Nielsen
Selections: Cable TV, Synd TV, Network TV, Spot Radio, National Magazine, Internet
Period: Jan. 1, 2011–Dec. 31, 2012

Q1 TOP CATEGORIES SPEND WITH MEDIA FOCUSED ON BLACK AUDIENCES

PRODUCT CATEGORY	1ST QUARTER 2012	1ST QUARTER 2013
Restaurant–Quick Svc	$24,264	$24,200
Automotive	$28,368	$21,728
Motion Pictures	$23,133	$20,310
Telephone Svcs & Wireless	$17,087	$15,622
Insurance	$11,306	$13,236
Department Stores	$9,972	$12,778
Restaurant–Non-Quick Svc	$9,274	$11,423
Pharmaceuticals	$16,572	$10,349
Auto Insurance	$14,903	$10,041
Legal Services	$6,564	$9,737
Credit Card Svcs	$6,261	$9,559
Total	$167,704	$158,983

Note: All dollars are in millions
Source: Nielsen
Selections: Cable TV, Synd TV, Network TV, Spot Radio, National Magazine, Internet
Period: Jan. 1, 2012–Mar. 31, 2013

TOP 5 CATEGORY BREAKOUT



Note: All dollars are in millions
Source: Nielsen
Selections: Cable TV, Synd TV, Network TV, Spot Radio, National Magazine, Internet
Period: Jan. 1, 2013–Mar. 31, 2013

OPPORTUNITIES

COMPANIES

- Advertisers should not discount the effectiveness of local media such as magazines, newspapers, and spot radio in reaching African-Americans in environments and settings in which Blacks are more comfortable and receptive.
- Advertising in movie theaters located within Black neighborhoods and in theaters showing movie titles that feature Black casts could be beneficial because African-Americans are more receptive to advertising in this environment.

CONSUMERS

- Support the brands, products, and services that run relevant advertising in the television shows and movies that Blacks prefer.

ABOUT NIELSEN

Nielsen Holdings N.V. (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence and mobile measurement. Nielsen has a presence in approximately 100 countries, with headquarters in New York, USA and Diemen, the Netherlands. For more information, visit www.nielsen.com.

ABOUT NNPA

The National Newspaper Publishers Association, also known as the Black Press of America, is a 73-year-old federation of nearly 200 Black community newspapers from across the United States.

Since World War II, it has also served as the industry's news service, a position that it has held without peer or competitor since the associated Negro Press Dissolved by 1970. In 2000, the NNPA launched NNPA Media Services – a print and web advertising – placement and press release distribution service. In 2001, the NNPA and its foundation began building the BlackPressUSA Network – the nation's premier network of local Black community news and information portals. The BlackPressUSA Network is anchored by BlackPressUSA.com – the national web portal for the Black Press of America.

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