Trends in Advertising Spend and Effectiveness

Total advertising expenditures spent in African-American media reached $1.9B in 2010, increasing 3% versus 2009. At $916M, TV ad spending accounted for 46% of the total, followed by advertising in spot radio ($704M) and national magazines ($362M).

Total advertising expenditures reached **$1.9 billion** in African-American media in 2010

a 3% increase over 2009

Top 10 Advertisers for African-American Media (2010)

Parent Company	% Change
Procter & Gamble	15%
L'Oreal	32%
Johnson & Johnson	-16%
General Motors	12%
McDonald's	-7%
Verizon	-9%
U.S. Government	2%
AT&T	11%
Berkshire Hathaway	3%
National Amusements	-8%

WHAT AFRICAN-AMERICANS BUY

African-Americans shop more often than all other groups, but spend less money per trip and overall. This behavior reflects a propensity to make quicker/smaller purchases based on short-term needs and less on deal availability or the desire to "stock up."

The African-American market is more likely to frequent drug stores, dollar stores and convenience/gas outlets. Major retail channels seem to have a prime opportunity to motivate this highly active group to come to their stores.

African-Americans shop often, but spend less per trip & overall; are less deal prone

Total Retail Channels

	African-American	Non-African-American
Annual Shopping Trips Per Household	165.7	153
Basket Ring Dollars Per Trip	$37	$45

Snap here to download full report or download at www.nielsen.com/africanamerican

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, mobile measurement, trade shows and related properties.

The information contained here is extracted from the full *State of the African-American Consumer Report.*

About NNPA

The National Newspaper Publishers Association, also known as the Black Press of America, is a 71-year-old federation of more than 200 Black community newspapers from across the United States.

Copyright © 2011 The Nielsen Company. All rights reserved. Nielsen and the Nielsen logo are trademarks or registered trademarks of CZT/ACN Trademarks, L.L.C. Other product and service names are trademarks or registered trademarks of their respective companies.

nielsen

HIGHLIGHTS FROM

THE STATE OF THE AFRICAN-AMERICAN CONSUMER REPORT

About the Report

In more than 100 countries around the world, Nielsen provides clients with the most complete understanding of what consumers watch and buy. As business executives look for opportunities to grow their companies and gain market share it is critical that they understand new and emerging demands from consumers, especially within growing segments, wherever they do business. As the population of the United States evolves to become more ethnically diverse, the complexity of such an effort has grown. To help close the gap and give insight as to how to address the needs of the growing diverse base, Nielsen—along with the National Newspaper Publishers Association (NNPA)—has developed this report to better illustrate the qualities of the African-American community, the business opportunities that exist, and the best methods for a productive connection between businesses and this community.

The following highlights are extracts from the full report. To download the full report, go to: www.nielsen.com/africanamerican

Population Trends

The African-American community makes up 13.6% of the population of the United States and is projected to reach 14% over the next 10 years. This equates to populations of 42,071,000 and 47,587,000 for 2010 and 2020, respectively. The average age for African-Americans is 32.1 with more than 47% under the age of 35.

Although the African-American population continues to have high concentrations in cities, over the last ten years census population trends have shown dispersion to suburban areas and warmer regions of the country.

Top 10 Designated Market Areas (DMAs) by African-American TV Households

Rank	Designated Market Area (DMA)	Black TV Homes
1	New York	1,256,380
2	Atlanta	664,860
3	Chicago	589,240
4	Washington, DC (Hagerstown)	571,980
5	Philadelphia	551,070
6	Los Angeles	475,180
7	Detroit	378,730
8	Houston	377,960
9	Dallas-Ft. Worth	368,640
10	Raleigh-Durham (Fayetteville)	302,670

Top 10 Designated Market Areas (DMAs) by % African-American TV Households

Designated Market Area (DMA)	Total TV Homes	Black TV Homes	% Black
Greenwood-Greenville	69,450	40,300	58.0%
Jackson, MS	338,030	148,610	44.0%
Montgomery-Selma	244,470	101,530	41.5%
Memphis	693,860	268,620	38.7%
Meridian	72,280	26,810	37.1%
Columbus, GA (Opelika, AL)	219,450	80,050	36.5%
Macon	241,120	87,050	36.1%
Columbia, SC	405,670	144,170	35.5%
Augusta-Aiken	257,030	90,140	35.1%
Albany, GA	156,910	54,470	34.7%

nielsen

Copyright © 2011 The Nielsen Company.

Income

Between 2000 and 2009, the number of African-American households earning $75,000 or more grew by 63.9%, a rate 11.7% greater than the change in the overall population.

Education

The percentage of African-Americans attending some college or attaining a degree has grown for both men and women from 39.6% to 45.3% and 44.9% to 53.6%, respectively.

With a buying power of nearly $1 trillion annually, if African-Americans were a country, they'd be the 16th largest country in the world.**

Rank***	Country GDP (purchasing power parity)(Billion $)	
1	United States	14,660
2	China	10,090
3	Japan	4,310
4	India	4,060
5	Germany	2,940
6	Russia	2,223
7	United Kingdom	2,173
8	Brazil	2,172
9	France	2,145
10	Italy	1,774
11	Mexico	1,567
12	Korea, South	1,459
13	Spain	1,369
14	Canada	1,330
15	Indonesia	1,030
16	Turkey	961
17	Australia	882
18	Taiwan	822
19	Iran	819
20	Poland	721

* Source: Target Market News, "The Buying Power of Black America."

** If comparing buying power to Gross Domestic Product (GDP), defined as the value of all goods and services produced within the geographic territory of an economy in a given interval, such as a year.

*** Source: Index Mundi

WHAT AFRICAN-AMERICANS WATCH

Television Viewership

Not only does the average African-American household have four or more televisions, but also spends an average of seven hours 12 minutes each day—or 213 hours per month—watching them. This amounts to about 40% more viewing time than the rest of the population.

African-American households tend to prefer premium cable channel programming, drama, live or reality television program and sporting events. The 12.5 million African-Americans who tuned into Super Bowl XLV, vs. the 11.2 million who watched the previous year, helped make it the most watched Super Bowl ever. It ranks as the #1 Most Watched Show for African-Americans for January through June 2011. The *Grammy Awards*, *BET Awards* and *Academy Awards* attracted 4.1 million, 3.9 million and 2.5 million African-American viewers respectively. *Dancing with the Stars* and *American Idol* drew 2.5 and 2.3 million African-American viewers respectively, while *The Voice* and *Sunday Best 4* garnered approximately 1.5 million each*.

*Persons Ages 2+. All Day Parts. Live+7. Excludes breakouts, repeats.

Top 10 Most Watched Among African-Americans, Ages 18–49

Excluding Sports

January–June 2011 (In Millions)

Rank	Program	Viewers
1	The Game: Season 4	3.08
2	Real Housewives Atlanta	1.76
3	Let's Stay Together	1.56
4	American Idol-Wednesday	1.08
5	House of Payne	0.97
6	American Idol-Thursday	0.96
7	Dancing With the Stars	0.95
8	Grey's Anatomy	0.83
9	Law and Order: SVU	0.81
10	Apprentice 11	0.80

Persons 18–49. Prime Day Part Live+7. Excludes breakouts, repeats, specials, programs <5 minutes, and programs <2 telecasts.

Copyright © 2011 The Nielsen Company.

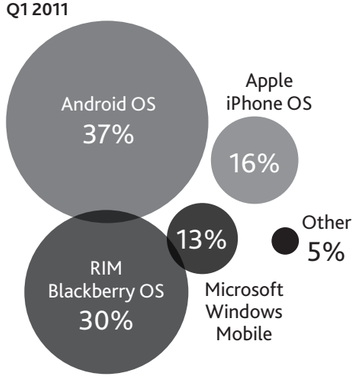
Mobile Phones

Among mobile phone users, 33% of all African-Americans own a smartphone. Additionally, 44% of all new mobile phone purchases by this group are smartphones.

African-Americans tend to use phones primarily for talking and texting. African-Americans talk an average of 1,298 minutes a month, more than twice that of White Americans, who talk an average of 606 minutes a month. African-Americans also exhibit high use of phones for emailing (43%) accessing the mobile internet (41%) and visiting social networking sites (37%).

African-Americans' Preference of Smartphone

Q1 2011



"1/3 of all African-Americans own a smartphone."

Average Voice Minutes Used by African-Americans per Person

Q1, 2011

1,298 minutes

Average Number of Billed SMS Sent/Received by African-Americans

Q1, 2011

907 Texts Sent/ Received

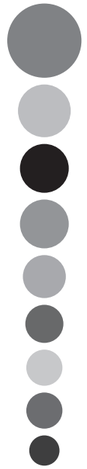
Online

African-American Internet Users and Visits to Categories of Sites

During July 2011...

There were 23.9 million active African-American Internet users

of which...



- 76% visited a Social Networking/Blog site
- 54% visited a Travel site
- 50% visited a Mass Merchandiser site
- 50% visited a Current Events & Global News site
- 44% visited a Health, Fitness & Nutrition site
- 39% visited a Sports site
- 37% visited a Coupons/Rewards site
- 37% visited a Broadcast Media site
- 31% visited a Financial Info & News site

Source: Nielsen, NetView, Total (July 2011)
These figures should not be trended with Home and Work data used prior to July 2011.

"African-Americans are 30% more likely to visit Twitter."

nielsen

Copyright © 2011 The Nielsen Company.

StateOfTheAfricanAmericanConsumer4PG_BW.indd 2-3
10/24/11 12:55 PM