McFarlane MEDIA

WEBSITE

Over 1,000 impressions per day. Podcasts, local and world news. Banner ads and free classified advertising available.

NEWSPAPER

The Journal for Community News, Business and the Arts. Audited circulation of 35,000, distributed to Minneapolis, St. Paul and surrounding suburbs.

E-NEWSLETTER

Sponsor Insight Culture Weekly: Arts, Entertainment, and Reviews emailed to subscribers inboxes weekly.

RADIO

Sponsor Conversations with Al McFarlane, a public policy and community issue based discussion with moderator Al McFarlane

ALL ADVERTISING INQUIRIES

612-588-1313 • SALES@INSIGHTNEWS.COM

MAKING THE GLOBAL, LOCAL

INSIGHT NEWS started in 1974 as a color-cover magazine based in and serving Minneapolis' African American north side. It was owned by Graphic Services, Inc., a general printing and magazine publishing f rm in Northeast Minneapolis. Al McFarlane, headed the Midwest Public Relations division of Graphic Services.

McFarlane, a 26 year-old media enthusiast, had previously worked for the St. Paul Pioneer Press as a reporter and for General Mills in public relations. He purchased rights to INSIGHT NEWS in 1975 and began publishing as a community newspaper in 1976.

Conceived as a free to the reader, advertiser supported newspaper, INSIGHT NEWS was at the forefront of a burgeoning neighborhood and community newspaper industry in the Twin Cities.

ABOVE: Al McFarlane hosts the weekly radio show *Conversations with Al McFarlane*

INSIGHT NEWS found its niche by providing concentrated distribution, both door-to-door and newsstand delivery, in communities that had the least effective penetration by the daily newspapers.

In addition, INSIGHT NEWS tackled tougher stories than its competitors, with a strident, yet, professional voice. INSIGHT NEWS championed the idea of culture as an asset, not a liability, in a marketplace that would soon be transformed by waves of immigration of African Americans from Chicago, Gary, IN and Kansas City, and by Africans from, Lagos, Accra, Mogadishu and Addis Ababa, joined by Spanish speaking immigrants from the Caribbean, Central and South America, and by Asian immigrants from Vietnam, Laos, Thailand and Cambodia.

McFarlane and INSIGHT NEWS supported the creation of other newspapers serving communities of color. He organized ethnic newspaper owners to form the Minnesota Minority Media Coalition.

In 1996 INSIGHT NEWS became the f rst African American-owned publication in Minnesota to establish a presence on the World Wide Web. As one of only a handful of Black newspapers on the Internet, INSIGHT NEWS has enabled readers all over the world access to its unique brand of journalism.

In 1997 INSIGHT NEWS once again distinguished itself from its competitors by initiating a series of public policy forums. In partnership with community radio station KMOJ, INSIGHT NEWS has brought the people who would serve the community in elected off ce, in education and in business to meet African American voters and consumers face to face.

IN-SIGHT

(noun)

1. The capacity to discern the true nature of a situation; penetration.

2. The act or outcome of grasping the inward or hidden nature of things or of perceiving in an intuitive manner.

McFarlane MEDIA

1815 Bryant Avenue North, Minneapolis, MN • Phone: 612-588-1313 • Fax: 612-588-2031 • sales@insightnews.com

RELATIONSHIP MARKETING

In business as in life, quite often the question is not whether, but how?

Forward thinking marketers no longer ask whether there is a viable opportunity in marketing to Black consumers. Now, the question is simple. How can I establish and grow market share in the most dynamic segment of the consumer purchasing marketplace?

At INSIGHT NEWS, we've developed a reputation over our 28 year history of asking--and answering--hard questions for our readers and our advertisers.

Along the way, we at INSIGHT NEWS have found that our unflinching commitment to our business and social communities has created dividends for our publications: trust and loyalty. We have discovered our gift for building relationships between ourselves and our community, and between our community and our advertisers.

According to market research performed by Market Intelligence, Inc., reader loyalty is the foundation of our relationship with 108,000 INSIGHT NEWS readers.

This loyalty, while priceless to us as a news gathering entity, was quantified by Market Intelligence, as a relationship with a bottom line well in excess of $1,300,000,000 estimated buying power of Black people in the Twin Cities.

BUSINESS MISSION:
Providing preferred access to Black consumers for businesses, agencies, and organizations.

EDITORIAL MISSION:
Information, Instruction, Inspiration in a user-friendly, culturally relevant communications vehicle.

Most important to us, were findings that, in an era where many are cynical about the media, the majority of our readers trust and rely on the contents of our publications.

We attribute such loyalty to the fact that INSIGHT NEWS has grown up with our community. From humble North Minneapolis beginnings, in 1974, INSIGHT NEWS has grown into a chain of three publications (Insight News, Greater Southside, and St. Paul) which serves the metro area's entire African American community and growing populations in Duluth, Rochester, St. Cloud, Worthington and Mankato.

INSIGHT NEWS, owned by McFarlane Media, is a major part of a communications group, with over a million dollars in revenue.

We like to say our good fortune is a reflection of our neighbors. INSIGHT NEWS readers own cars, homes, travel and shop at levels equal to or greater than the general population.

ADVERTISING OPTIONS


IDENTITY

INSIGHT NEWS

Diving while Black

Who will respond to the cry of generation next?

Petrus, Van turn up the heat on Hot Chocolate

Remembering Kwame McDonald

Insight News

Insight News is published weekly.
Audited circulation of 35,000, distributed to Minneapolis, St. Paul and surrounding suburbs.

Display:

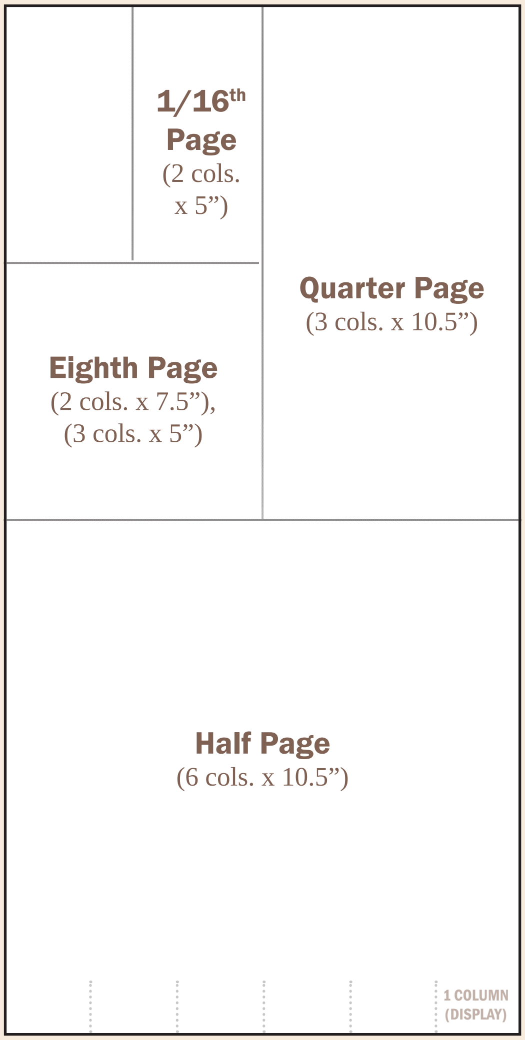
Per column inch (PCI):	$69.84
1/16th Page:	$698.40
Eighth Page:	$1,047.60
Quarter Page:	$2,199.96
Half Page:	$4,399.92
Full Page:	$8,799.84
Full color:	Add $1,350
Production fee:	Add $100

Classifieds:

Per column inch (PCI):	$75.96
Production fee:	Add $10

Pre-printed Inserts:

Pages	per thousand	Cost
4	$75	$2,625
8	$80	$2,800
12	$85	$2,975
16	$90	$3,150
20	$95	$3,325



Full Page
(6 cols. x 21”)

Columns to inches conversion

Display:	Classifieds:
1 col. = 1.667”	1 col. = 0.93”
2 cols. = 3.458”	2 cols. = 2.015”
3 cols. = 5.25”	3 cols. = 3.88”
4 cols. = 7.042”	4 cols. = 4.156”
5 cols. = 8.833”	5 cols. = 5.25”
6 cols. = 10.625”	6 cols. = 6.312”

Insight Culture Weekly

Arts, Entertainment, and Reviews emailed to subscribers inboxes weekly.

Sponsorship:

$162.50 weekly (120 x 600 pixel ad)

Consecutive frequency discount

4X = 5%	8x = 10%	12x = 15%
16x = 25%	20x = 30%	24x = 35%

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ADVERTISING OPTIONS

Insightnews.com

Over 1,000 impressions per day. Podcasts, local and world news. Banner ads and free classified advertising available.

Sizing: *All ad sizes in pixels*

IAB Skyscraper:	120 x 600
IAB Button (2):	120 x 90
IAB Medium Rectangle:	300 x 250

Front Page:

IAB Skyscraper:	$375 weekly
IAB Button (2):	$250 weekly
IAB Medium Rectangle:	$500 weekly

Community Calendar Page:

IAB Skyscraper:	$375 weekly
IAB Button (2):	$185 weekly
IAB Medium Rectangle:	$280 weekly

Other Pages:

IAB Skyscraper:	$250 weekly
IAB Button (2):	$125 weekly
IAB Medium Rectangle:	$188 weekly

Minimum 4 continuous Weeks
6 month agreement: 20% DISCOUNT
12 month agreement: 40% DISCOUNT

Online Classifieds:
$1 per line per day

Conversations with Al McFarlane

A public policy and community issue based radio show with moderator Al McFarlane. Broadcast every Tuesday, 9-10 am on KFAI 90.3 Minneapolis and 106.7 St. Paul

Weekly Sponsor:
$1,000 weekly (10 weeks minimum)

Category Sponsor:
$11,000 (1 program per month for 12 months)

Forum Partners
$24,000 (25 consecutive weeks)

Annual Sponsoring Partner:
$45,000 (52 consecutive weeks)

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Certified Audit
CAC
of Circulations

Newspaper Publisher's Statement

INSIGHT NEWS

Monday
MINNEAPOLIS (HENNEPIN COUNTY) MINNESOTA

TOTAL AVERAGE CIRCULATION FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2011

TYPE OF PUBLICATION: Community Newspaper
FREQUENCY: Weekly
LOCATION: Minneapolis, Minnesota
PUBLISHED BY: McFarlane Media Interests, Inc.
ESTABLISHED: 1974
Email: batalara@insightnews.com
Web: www.insightnews.com

CONTACT INFORMATION:
1815 Bryant Avenue N
Minneapolis, Minnesota 55411
Tel: (612) 588-1313
Fax: (612) 588-2031
Batala-Ra McFarlane, Publisher
Selene White, Advertising Director
Jamal Mohamad, Circulation Director

Circulation Data

		Monday	%
1. TOTAL AVERAGE DISTRIBUTION		**30,572**	**87.3**
A.	**Paid (>50% of basic price)**		
	1) Home Delivery	-	-
	2) Mail Subscriptions	-	-
	3) Single Copy Sales	-	-
	4) Employee Copies	-	-
	5) Newspaper in Education	-	-
	6) Bulk	-	-
	Paid Circulation	**-**	**-**
B.	**Other Paid (sold at less than 50%)**		
	1) Home Delivery	-	-
	2) Single Copy Sales	-	-
	3) Newspaper in Education	-	-
	4) Event Sales	-	-
	5) Bulk	-	-
	Total Other Paid	**-**	**-**
	Total Paid	**-**	**-**
C.	**Unpaid Distribution***		
	1) Home Delivery	-	-
	2) Mail	502	1.4
	3) Residential Bulk	-	-
	4) Non-Residential Bulk	30,070	85.9
	5) Samples	-	-
	Total Unpaid Distribution	**30,572**	**87.3**
D.	**Total Distribution (sum of A,B,C)**	**30,572**	**87.3**
	Returns	**4,228**	12.1
	All Other Copies (Service, Files)	**200**	0.6
	Net Press Run	**35,000**	**100.0**

*See paragraph 4 for distribution explanation

2. Average circulation and distribution by quarter:

Quarter Ended	Paid	Other Paid	Unpaid	Distribution
06-30-2011	-	-	30,631	30,631
09-30-2011	-	-	30,513	30,513

3. Publisher's policy, subscription rates, other information concerning report

Policy is to publish a weekly community newspaper printed in photo offset and broadsheet size. Advertising is sold to various accounts within the publisher's market area of Hennipen and Ramsey counties, surrounding Minneapolis, Minnesota.

4. Explanatory/additional data

Unpaid non-residential bulk (Item 1C4) - Carrier Delivery of five or more copies placed at transient locations, including stores, restaurants, motels, public buildings, shopping centers and copies placed in street boxes and display racks at high traffic locations. Number of copies is subject to weekly adjustment reflecting seasonal and other changes in demand.

5. Field verification of publisher's delivery system

CAC's bylaws do not require verification of carrier delivery by field verification for this paper since unpaid and/or voluntary/optional paid carrier single copies are less than 10% of the total circulation.

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Notice to users of this statement - This unaudited Publisher's Statement has been compared with the previous Audit Report. It will be included in the next Annual Audit conducted by Certified Audit of Circulations, Inc.

6. One day distribution in county, town and zip code, including occupied households, for the single issue of MONDAY, JUNE 20, 2011

Anoka County, MN	Zip Code	Occupied Households	Total Paid	Unpaid: Home Delivery	Unpaid: Mail	Unpaid: Residential Bulk	Unpaid: Non Residential Bulk	Unpaid: Samples	Total Circ.	Proj. Circ.	% Coverage
Minneapolis	55421	11,522	-	-	1	-	100	-	101	89	0.77
Total Anoka County, MN			-	-	1	-	100	-	101	89	

Dakota County, MN	Zip Code	Occupied Households	Total Paid	Unpaid: Home Delivery	Unpaid: Mail	Unpaid: Residential Bulk	Unpaid: Non Residential Bulk	Unpaid: Samples	Total Circ.	Proj. Circ.	% Coverage
Saint Paul	55118	11,852	-	-	-	-	25	-	25	22	0.19
Total Dakota County, MN			-	-	-	-	25	-	25	22	

Hennepin County, MN	Zip Code	Occupied Households	Total Paid	Unpaid: Home Delivery	Unpaid: Mail	Unpaid: Residential Bulk	Unpaid: Non Residential Bulk	Unpaid: Samples	Total Circ.	Proj. Circ.	% Coverage
Hopkins	55305	8,716	-	-	5	-	100	-	105	93	1.06
Minneapolis	55401	3,730	-	-	-	-	200	-	200	177	4.73
Minneapolis	55401	3,730	-	-	14	-	595	-	609	538	14.41
Minneapolis	55402	279	-	-	12	-	-	-	12	11	3.80
Minneapolis	55403	9,824	-	-	25	-	1,181	-	1,206	1,065	10.84
Minneapolis	55404	11,796	-	-	14	-	3,500	-	3,514	3,102	26.30
Minneapolis	55405	7,559	-	-	4	-	975	-	979	864	11.43
Minneapolis	55405	7,559	-	-	-	-	50	-	50	44	0.58
Minneapolis	55406	14,817	-	-	5	-	2,185	-	2,190	1,933	13.05
Minneapolis	55407	13,398	-	-	9	-	1,855	-	1,864	1,646	12.28
Minneapolis	55408	14,446	-	-	5	-	985	-	990	874	6.05
Minneapolis	55409	4,891	-	-	5	-	725	-	730	644	13.18
Minneapolis	55411	8,559	-	-	13	-	6,685	-	6,698	5,913	69.09
Minneapolis	55412	8,161	-	-	3	-	810	-	813	718	8.79
Minneapolis	55413	5,562	-	-	5	-	385	-	390	344	6.19
Minneapolis	55414	9,935	-	-	7	-	-	-	7	6	0.06
Minneapolis	55415	995	-	-	18	-	125	-	143	126	12.69
Minneapolis	55417	10,906	-	-	2	-	225	-	227	200	1.84
Minneapolis	55418	13,101	-	-	-	-	245	-	245	216	1.65
Minneapolis	55418	13,101	-	-	2	-	575	-	577	509	3.89
Minneapolis	55422	11,681	-	-	11	-	125	-	136	120	1.03
Minneapolis	55423	14,708	-	-	3	-	75	-	78	69	0.47
Minneapolis	55427	9,703	-	-	1	-	-	-	1	1	0.01
Minneapolis	55428	11,634	-	-	-	-	50	-	50	44	0.38
Minneapolis	55429	9,689	-	-	1	-	750	-	751	663	6.84
Minneapolis	55430	7,750	-	-	2	-	300	-	302	267	3.44

Hennepin County, MN	Zip Code	Occupied Households	Total Paid	Unpaid Home Delivery	Unpaid Mail	Unpaid Residential Bulk	Unpaid Non Residential Bulk	Unpaid Samples	Total Circ.	Proj. Circ.	% Coverage
Minneapolis	55431	7,450	-	-	5	-	50	-	55	49	0.65
Minneapolis	55443	11,003	-	-	1	-	810	-	811	716	6.51
Minneapolis	55454	2,505	-	-	5	-	675	-	680	600	23.97
Minneapolis	55455	201	-	-	9	-	455	-	464	410	>100.00
Total Hennepin County, MN			-	-	186	-	24,691	-	24,877	21,963	

Ramsey County, MN	Zip Code	Occupied Households	Total Paid	Unpaid Home Delivery	Unpaid Mail	Unpaid Residential Bulk	Unpaid Non Residential Bulk	Unpaid Samples	Total Circ.	Proj. Circ.	% Coverage
Saint Paul	55101	2,989	-	-	13	-	500	-	513	453	15.15
Saint Paul	55102	8,797	-	-	14	-	650	-	664	586	6.66
Saint Paul	55103	4,783	-	-	3	-	545	-	548	484	10.11
Saint Paul	55104	16,672	-	-	25	-	5,020	-	5,045	4,454	26.72
Saint Paul	55105	11,429	-	-	3	-	845	-	848	749	6.55
Saint Paul	55106	17,293	-	-	4	-	100	-	104	92	0.53
Saint Paul	55107	5,151	-	-	5	-	100	-	105	93	1.80
Saint Paul	55113	16,901	-	-	1	-	100	-	101	89	0.53
Saint Paul	55114	1,067	-	-	11	-	470	-	481	425	39.80
Saint Paul	55116	10,718	-	-	1	-	25	-	26	23	0.21
Saint Paul	55117	15,079	-	-	2	-	975	-	977	863	5.72
Saint Paul	55130	5,530	-	-	1	-	150	-	151	133	2.41
Total Ramsey County, MN			-	-	83	-	9,480	-	9,563	8,443	

Miscellaneous County, ZZ	Zip Code	Occupied Households	Total Paid	Unpaid Home Delivery	Unpaid Mail	Unpaid Residential Bulk	Unpaid Non Residential Bulk	Unpaid Samples	Total Circ.	Proj. Circ.	% Coverage
Various	99999	0	-	-	234	-	-	-	234	207	-
Total Miscellaneous County, ZZ			-	-	234	-	-	-	234	207	

Total Circulation			**-**	**-**	**504**	**-**	**34,296**	**-**	**34,800**	**30,723**	
						Miscellaneous					
						All Other Copies			200	4,277	
						Net Press Run			35,000	35,000	

Circulation analysis by zip code reflects gross figures
Source: Claritas/Market Statistics: Demographics USA Zip Edition 2009.
NOTE: Since the Insight News is primarily a bulk delivered publication, household count figures are not representative of true zip code penetration.

REPORT

THE STATE OF THE AFRICAN-AMERICAN CONSUMER

September 2011

nielsen

BLACK PRESS OF AMERICA
NNPA

TABLE OF CONTENTS

ABOUT THE REPORT

This report, the first of three annual installments, attempts to provide a fairly complete picture of the African-American consumer. The compilation of this information in one place represents an effort to understand an important and flourishing market segment. The report provides in-depth and exciting insights into the demographic changes occurring within the African-American population as well as some of their buying behavior and motivating influences.

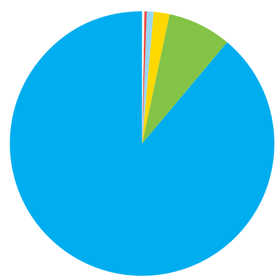
Consumers should look to use this information to analyze their collective preferences and to understand the influences they have on media and the marketplace. Secondly, they can use the report to understand the economic relationship their patronage and buying power has on business.

> It is important for marketers to recognize and understand the full diversity of the Black Population.

Businesses can use the information to make a greater investment in African-American communities and to expand their market share with a demographic group that has high growth potential and above average brand loyalty buying behavior.

African-American or Black?

It is important for marketers to recognize and understand the full diversity of the Black population in the United States. African-Americans represent the majority (89%) and are a driving force in the Black community. The U.S. Black population includes those that describe themselves as Black; all nationalities that represent the Black Diaspora, (for example those who are Jamaican or Nigerian); as well as persons who define their racial background as a combination of Black and another race. For the purposes of this report we are using the term African-American to describe the Black population.



EXECUTIVE SUMMARY

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 African-American population is, today, the largest racial minority group in America, with a population of close to 43 million. This market segment's growth rate continues to exceed the overall population's growth and is making continued gains in the area of education and income. The collective buying power of the African-American population is projected to be at $1.1 trillion by 2015. Collectively the group over-indexes in several key categories (television viewing, mobile phone usage and trips to grocery channels) and exerts a large influence on popular culture and trends, indicative of the high growth industries of the future. The three areas we have chosen to focus on for this report include a review of demographic characteristics, a survey of the programs and mediums favored by the group, and a look at overall consumer packaged goods buying behavior.

> "When Nielsen has a stable and reliable base of participants, it ensures they can provide major corporations with the most inclusive and comprehensive analytical insights, trends and forecasts possible."

Letter from Cloves Campbell, Chairman, National Newspaper Publishers Association (NNPA)

We have chosen to collaborate with Nielsen and focus on the African-American consumer because of the growing economic potential of our community and the opportunity for more focused marketing efforts across Fortune 500 corporations. Too often, companies don't address the inherent differences of our community, are not aware of the market size impact, and have not optimized efforts to develop messages beyond those that coincide with Black History Month or other traditional themes. Once we learned of the powerful analytic insights Nielsen has about our community, we knew we couldn't keep it to ourselves.

Throughout history the Black Press has been "the voice of the Black community." If a story or event of concern to our community has not been reported or commented on in our papers, then it must not be relevant. As Black radio ownership has diminished and television programs of African-American content continue to disappear, the Black Press is now more relevant than ever before and is still the most effective way for reaching millions of African-Americans because they trust us. It's a trust we've spent more than a century building and by inviting Nielsen to collaborate with us, it's a transferable trust. With this report Black business operators and owners, local and national civic and legislative leaders, as well as everyday consumers can see at a glance the power of their purchasing decisions and habits and determine how to better harness that power.

Our collaboration with Nielsen is important because it helps raise awareness of the importance of multicultural participation in their studies, panel and surveys. When Nielsen has a stable and reliable base of participants, it ensures that they can provide major corporations with the most inclusive and comprehensive analytical insights, trends and forecasts possible. It is our hope that such knowledge will lead businesses to better understand and engage with our communities to develop stronger business plans and marketing strategies that will increase their market share, and ultimately their revenue, in industries and categories with the highest sales potential for African-American consumers.

If you are one of the 19 million readers who has received a copy of this report through your local NNPA publication, we trust that you will remember it was Nielsen and the Black Press that brought this information to your doorstep. We encourage you to share it with others and use it to guide your expectations when determining what companies are deserving of your hard earned dollars.

Cloves Campbell

> Nielsen owes much to our devoted external African-American Advisory Council members who urge us to, tell the Black consumer story!

Letter from Susan Whiting, Vice Chair, Nielsen

On behalf of Nielsen, it is my pleasure to present this report showcasing the buying and media habits and consumer trends of African-Americans in the United States. This report represents the multi-year alliance Nielsen has with the National Newspaper Publishers Association. As part of this alliance, Nielsen is committed to developing a new report each year for the next three years. Our alliance with NNPA provides us the opportunity to distribute the valuable insights contained within these pages to readers of NNPA's 200 member publications. The objective is to create a single, comprehensive report that can be used to document important data, trends and insights on this very key market segment.

In remarks made to a group of clients earlier this year, Nielsen CEO David Calhoun stated, "Understanding and promoting diversity is critical to our business because it enables us to better meet the needs of our clients." One of my priorities is to advance this mandate to help our clients respond to the challenges and opportunities that arise as the face of America changes. The best way we can do that is to provide them with a holistic overview of an audience that has incredible purchasing power.

Likewise, this report, and the bi-weekly column that appears in local NNPA newspapers across the country, gives Nielsen the chance to communicate a clear picture of African-American buying power. It is our hope such information is helpful in shaping the informed decisions consumers make about the companies they want to support.

Nielsen owes much to our devoted external African-American Advisory Council members who urge us to, "tell the Black consumer story!" As prominent leaders of industries and communities across the country, they have long touted the value of sharing these insights. We hear their passion and appreciate their vision and foresight. We hope that you find this report to be the valuable personal and business tool that we've intended it to be.

Susan Whiting

SECTION ONE: "OUR HOUSE"—DEMOGRAPHICS

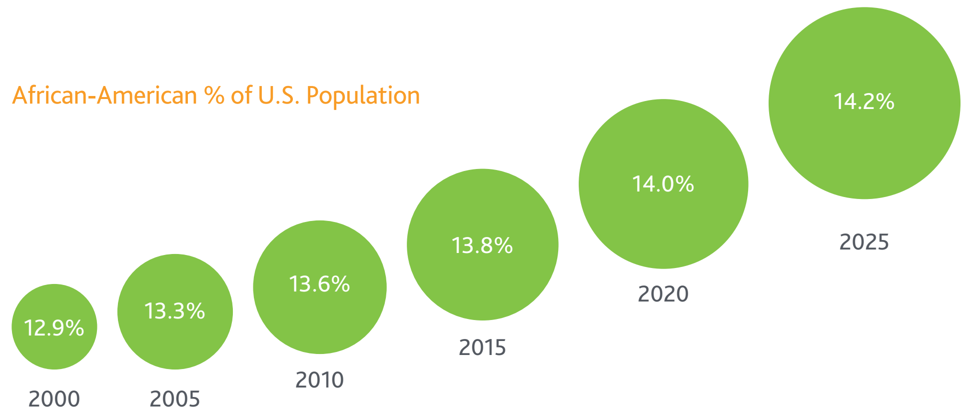
"Our House" represents the demographic characteristics of the African-American community. In order to truly understand the impact and market potential of this community, we must first identify some key qualities that define its character. "Our House" specifically looks at population trends, household income, educational attainment, and the household dynamics of the community.

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 growth rate for African-Americans outpaces that of the total population by almost 30% and reflects not only an increase in people, but also their affluence and influence.

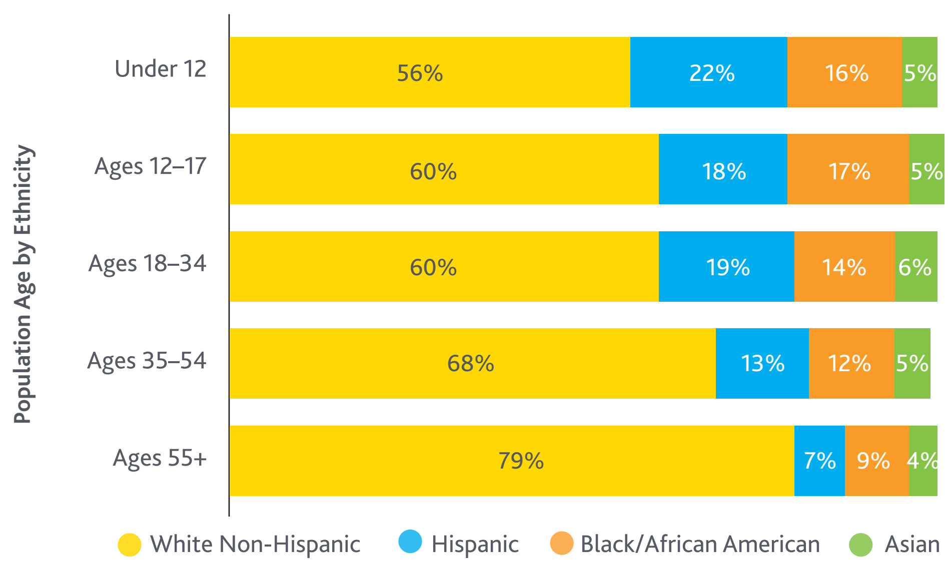
The average age for African-Americans is 32.1 with more than 47% under the age of 35. African-Americans and other minorities make up a large percentage of the United States' younger population. These young Americans represent a higher percentage of future minority consumers and customers. They may have different perspectives than those traditionally considered when making marketing and product development decisions. Marketers should be aware of these differences in order to tailor their messages properly. The African-American population is younger than the overall national average but slowing birth rates and increases in the median age of the group indicate an aging trend.

African-American % of U.S. Population



Source: U.S. Census Bureau, Census-Based Projections

The Minority Population Skews Much Younger



Source: U.S. Census

The African-American population, as a percentage of total population, is concentrated in the Southeastern states, the major urban areas in the New York to Washington, D.C., corridor, major industrial cities in the Midwest, Houston and Dallas in Texas and Los Angeles, California. 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. One example of this trend is the Atlanta region. African-Americans living in the city have shown a decline of 8% while the surrounding suburban areas have seen an explosive 40% increase in African-Americans. Another example is Chicago which saw a decline in 180,000 African-Americans living in the city and a decline of 3.5% in the entire metropolitan area population. These migrations are likely due to a combination of demographic trends including higher incomes and aging which have led to a movement out of cities for more services, better educational opportunities and warmer climates for an easier life style.

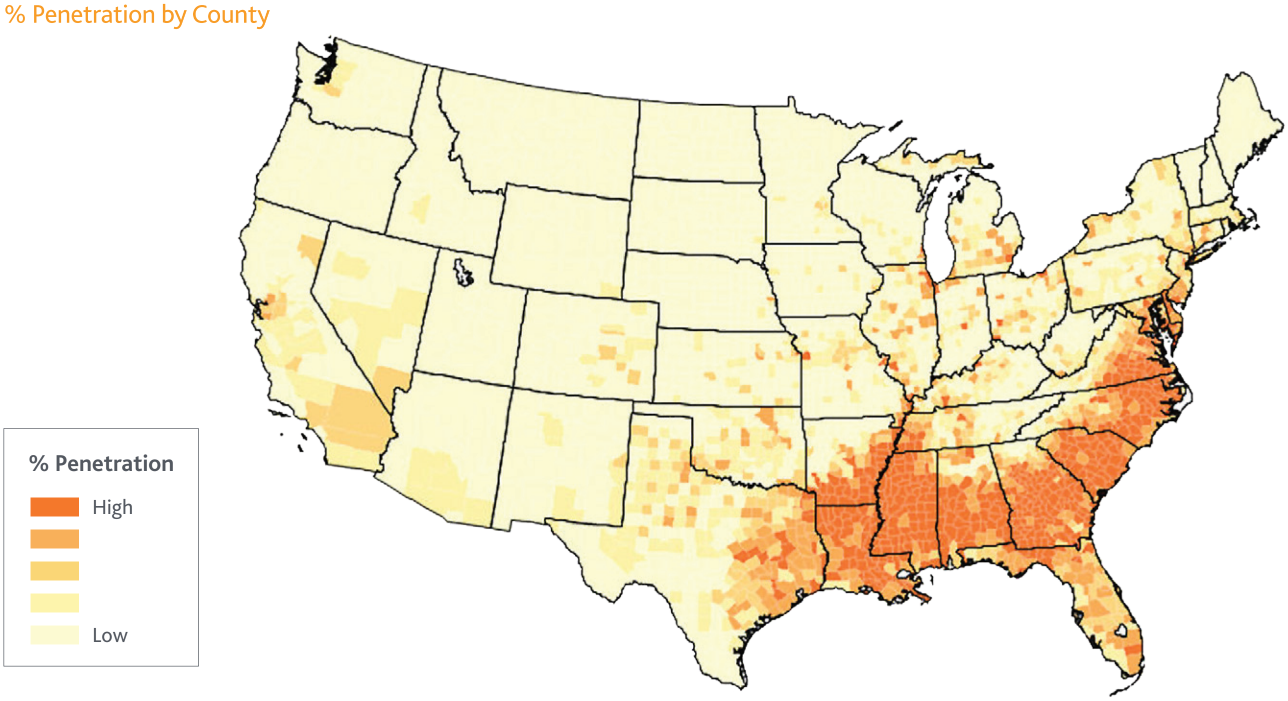
Top 10 Designated Market Areas (DMAs) by African-American TV Households

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%

2010 U.S. African-American Population % Penetration by County



nielsen

The number of households earning $75,000 or more has grown by 63.9%

Income

African-Americans have experienced a transition in the mix of household incomes over the last census cycle. The transition is marked by an increase in higher earning households. Specifically, between 2000 and 2009, the number of households earning $75,000 or more grew by 63.9%, a rate 11.7% greater than the change in the overall population. Additionally, the percentage of households earning $50,000 or less has decreased, representing a full shift upward in the income of the overall community. The combination of a growing population and higher household income reflects the opportunity to access an increasing number of consumers with a buying power of nearly $1 trillion annually and projected to reach $1.1 trillion by 2015*—due to trends in education and a rising number of professional African-American women in the work force. 64% of African-American women are in the U.S. labor force compared to 60% of non-African-American women.

Household Income

	African-American Households			Total Households		
	2000	2009	Change	2000	2009	Change
< $25K	5,226,713	5,287,171	1.2%	30,261,220	28,066,226	-7.3%
$25K–$50K	3,504,636	3,700,433	5.6%	30,965,514	28,509,867	-7.9%
$50–$75K	1,796,867	2,082,128	15.9%	20,540,604	20,840,835	1.5%
$75K–$100K	797,301	1,133,646	42.2%	10,799,245	13,686,950	26.7%
$100K+	698,449	1,318,060	88.7%	12,972,539	22,512,351	73.5%
Total	**12,023,966**	**13,521,438**	**12.5%**	**105,539,122**	**113,616,229**	**7.7%**

Source: U.S. Census Bureau

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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

"64% of African-American women are in the U.S. labor force."

* 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

Education

The African-American community has seen growth in educational achievement at all levels, including high school, college, and graduate schools. Adults over the age of 25 have seen a higher positive percentage increase in educational attainment than those in the overall population. In addition to more high school diplomas and equivalency determinations over the census cycle, 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. While both genders have done better, most of the achievement growth can be attributed to significant gains by African-American women. Additionally, based on 2000 to 2009 statistical comparisons:

1. In 2009, 81.4% of African-American adults had attained a High School Diploma or GED compared to 72.3% in the year 2000.
2. In 2009, 17.6% of African-American adults had attained a bachelor's degree compared to 14.3% in the year 2000.
3. In 2009, 6.1% of African-American adults had attained a graduate degree compared to 4.8% in the year 2000.

These higher growth rates and larger numbers of achievers could seem somewhat surprising as oftentimes the discussion about African-Americans and education is centered on concerns such as subpar urban schools, high drop out rates, and lack of collegiate preparation and access. These growth statistics do not make those discussions inaccurate or eliminate the need for improvement, but they do illustrate that the community has seen positive results in education—and that message needs to be reinforced.

Increasing educational achievement and other factors have started to significantly raise the community's affluence and could possibly increase market growth with viable products and services related to this market sector.

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Educational Attainment Persons 25+

	African-Americans			Total		
	2000	2009	Change	2000	2009	Change
Male						
Less than High School	29.1%	20.0%	-9.0%	19.9%	15.5%	-4.4%
High School or GED	31.4%	34.7%	3.3%	27.6%	28.6%	1.0%
Some College	26.5%	29.7%	3.2%	26.4%	27.5%	1.1%
College Degree+	13.1%	15.6%	2.5%	26.1%	28.4%	2.3%
Female						
Less than High School	26.6%	17.4%	-9.2%	19.3%	14.1%	-5.2%
High School or GED	28.4%	29.0%	0.6%	29.6%	28.4%	-1.2%
Some College	29.7%	34.3%	4.6%	28.2%	30.1%	1.8%
College Degree+	15.2%	19.3%	4.0%	22.8%	27.4%	4.6%

Source: U.S. Census Bureau

"Increasing educational achievement and other factors have started to significantly raise the community's affluence."

Marriage and Divorce Rates

Similar to the decline in the prevalence of marriage in the overall population, the percentage of married African-Americans has continued to decline. For the African-American demographic, the decline is evidenced by two factors: a growth in the number of people who have never married and an increase in the median ages of both men and women for their first marriage. These changes within the African-American community have been proportionately more dramatic than in the total population. Those who have never married grew by 1.7% more and the median age for first marriage is 30.4 and 30.0 for men and women, respectively, compared to 28.4 and 26.5 for the total population.

Some of the marriage effect within the African-American community may be exacerbated by the higher achievements in education and in employment success (indicated by higher household incomes) especially by women within this demographic.

Regardless of the specific reasons, it is clear that fewer people are getting married or are remaining single well into their adult years. Company executives and marketers should be looking to address these changes by highlighting their products and services to a growing population of single adult or non-married households.

Marketers should look to highlight their products and services to a growing population of single adult or non-married households.

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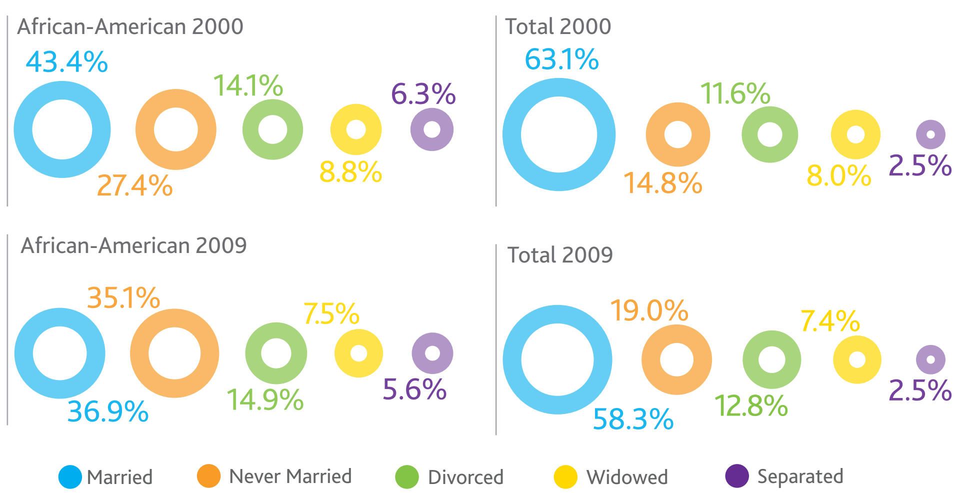
Marital Status for Persons 25+



Children

Although the overall demographic trend of minorities in America tends to be concentrated in the under-35 age market segment, there is evidence of a decline in the percentage of households with children in the African-American community. The number of households with children is declining at a higher rate than is occurring in the overall population. We can probably attribute some correlation between fewer children per household and the growth in education attainment and the decline in married couples. Moreover, the birth rate for African-Americans has slowed causing increases in the median age of African-Americans.

SVLuma/Bigstock.com

Households by Number of Children

Number of Children	African-Americans 2000	African-Americans 2009	African-Americans Change	Total 2000	Total 2009	Total Change
0	61.6%	66.3%	4.7%	67.0%	69.7%	2.7%
1	16.7%	15.3%	-1.4%	13.6%	12.8%	-0.8%
2	21.7%	18.4%	-3.3%	19.4%	17.5%	-1.9%

Source: U.S. Census Bureau

SECTION ONE: OPPORTUNITIES

Consumer Opportunity: **Leverage your buying power.** The African-American population has a buying power of nearly $1 trillion. This figure is larger than the GDP of most countries in the world. Collectively, consumers can use this information to leverage relationships with companies wishing to grow market share in this area.

Business Opportunity: **Don't underestimate the buying power.** The number of African-American households earning $75,000 or more has grown by 63.9% in the last decade, a rate greater than that of the overall population. This continued growth in affluence, social influence and household income will continue to impact the community's economic power, especially with women, who tend to be the primary decision makers for most household buying decisions.

SECTION TWO: WHAT AFRICAN-AMERICANS WATCH

As society becomes increasingly digitized, consumers engage with different forms of content in a variety of ways. While the television continues to be the number one way viewers consume video content: computers, smartphones and tablets are rapidly expanding platforms for consumers to interact with media. As we analyze what the African-American population is watching, it is important that we also identify how they receive it. Focusing on both the content and the method of interaction provides insight to advertisers, content providers, manufacturers, and device makers as to how to get their messages and products to the public.

Television Viewership

American usage of television is still strong even with alternatives such as mobile phones and high-speed Internet. The television still maintains many competitive advantages over the other content streaming options. The general size, speed, and low maintenance of televisions—coupled with cable television, satellite television, video game consoles, on demand systems, high-definition content, and digital video recording (DVR) and playback options—still hold a dominant position with most Americans.

African-Americans watch more television than any other group. 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.

Top 10 Most Watched Among African-Americans, Ages 2+

Including Sports

January–June 2011 (In Millions)

Rank	Program	Viewers
1	FOX Super Bowl XLV	12.53
2	FOX Super Bowl Post-Gun	11.10
3	FOX Superbowl XLV Kickoff	7.69
4	FOX Super Bowl Post Game	7.59
5	AFC Championship on CBS	7.36
6	NBA Finals on ABC-Game 6	7.14
7	FOX NFC Championship	6.91
8	NBA Trophy Presentation	6.64
9	AFC Champ Post Gun on CBS	6.43
10	AFC Div Playoff—Post-Gun-Su	6.31

Excluding Sports, Specials, Award and Variety Programs

January–June 2011 (In Millions)

Rank	Program	Viewers
1	Young and the Restless	1.59
2	Criminal Minds: Suspect	1.52
3	CSI: Miami	1.46
4	NCIS: Los Angeles	1.44
5	106 & Park	1.43
6	Apprentice 11	1.35
7	Criminal Minds	1.34
8	NCIS	1.28
9	Law and Order: SVU	1.25
10	Secret Millionaire	1.23

Award Programs

January–June 2011 (In Millions)

Rank	Program	Viewers
1	Grammy Awards	4.08
2	BET Awards Show	3.86
3	BET Awards 11 Afterparty	3.67
4	BET Awards 11 Pre-Show	2.56
5	Academy Awards	2.51
6	Oscar's Red Carpet Live-3	1.88
7	Billboard Music Awards	1.58
8	42nd NAACP Image Awards	1.52
9	Kid's Choice Awards 2011	1.08
10	People's Choice Awards	1.07

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

When gauging the preferences and habits of television viewers, Nielsen measures all households proportionately according to population estimates. For example, the African-American population of the United States is 14%, therefore Nielsen strives to ensure the number of African-American households in its television sample is 14% as well.

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*. The commonality between the varied genres could be their diverse offering of multicultural players, contestants and cast members.

Aside from DVR playback, marketers might want to note that African-Americans exhibit higher usage levels for watching live TV, DVD playback, and video game usage. It is likely that the lower DVR or time shift playback usage levels correlate to the high live TV usage, as consumers watch programs when they originally air. Recent surveys indicate that among African-American women 18–34, DVR penetration has exploded from 11.3% in February 2007 to 37.4% today.

Playstation 3 and PSP Game Systems are popular with all groups including African-Americans, while use of Wii gaming systems falls below other demographic groups.

These high media usage levels offer TV manufacturers, media and DVD producers, video game console and game makers access to a demographic that is a heavy user of its products. The opportunity to interact with African-American consumers for feedback, marketing and advertising is quite apparent. Indirectly, other content providers and manufacturers should use this opportunity to actively interact with this demographic to grow alternate usage levels. It is clear that this demographic enjoys interacting with video and gaming content so education and emphasis on other alternate content mediums will likely enhance usage levels. Advertising to this audience also presents numerous opportunities.

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.

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

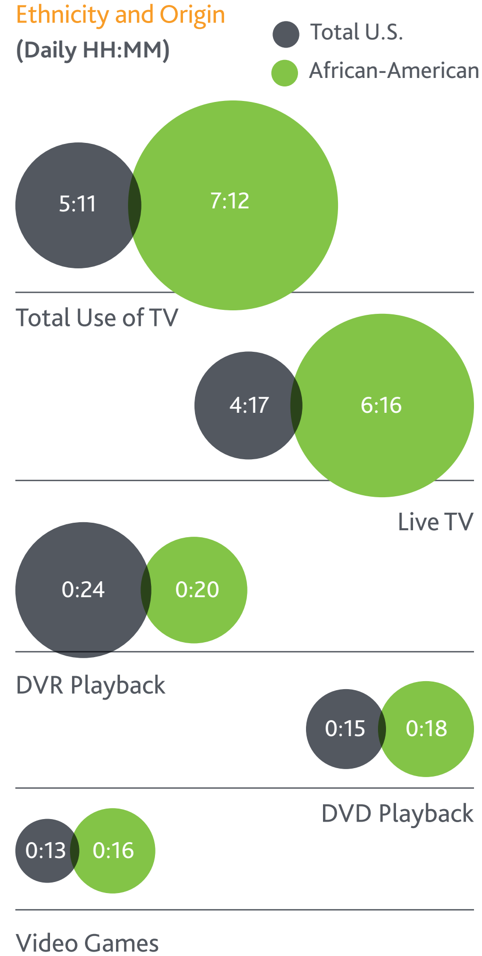
African-American households set a record for the number of sports viewers for this year's Super Bowl XLV:

12.5 million vs. 11.2 last year.

Source: *African-American, Hispanic and Female Viewers Help Drive Super Bowl XLV to Record Levels*, Nielsen Wire, blog.nielsen.com

Total Day TV and Peripheral Usage by Ethnicity and Origin

(Daily HH:MM)



Source: Nielsen. Based on Live Stream for Persons 18–49 during November 2010.

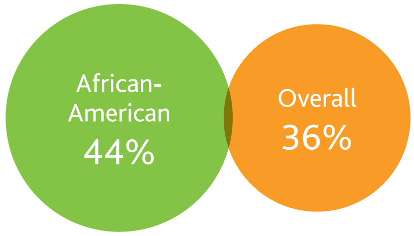
Mobile Phones

Technology companies that may not have focused on reaching African-Americans are missing the fact that this group is incredibly valuable to marketers. Increasingly, Americans are buying smartphones for their mobile phone needs. Smartphones, in particular, have experienced greater penetration among ethnic or racial minorities than among the total population. 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.

Also, smartphone popularity and usage skew toward younger age groups as nearly 50% penetration exists for African-Americans for age groups forty-four (44) and younger. Major opportunities exist for marketing to these young groups to grow smartphone and phone operating system (OS) market share. Mirroring the trends seen in the general population, Android has distanced itself from competitors, taking 37% of the smartphone market share among African-Americans. Mobile application producers and advertisers can look to access the huge growth mobile market for African-Americans by using that programming platform and gaining entry into the Android marketplace.

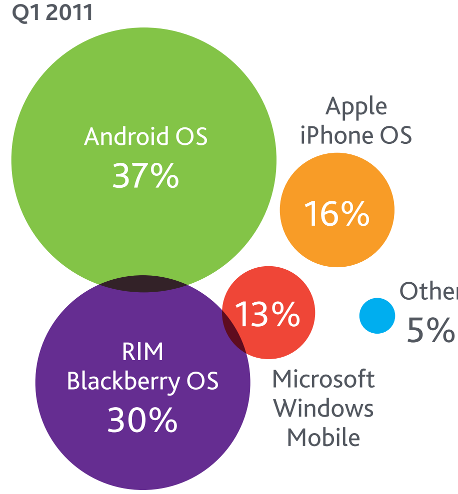
Smartphone Penetration

Q1 2011



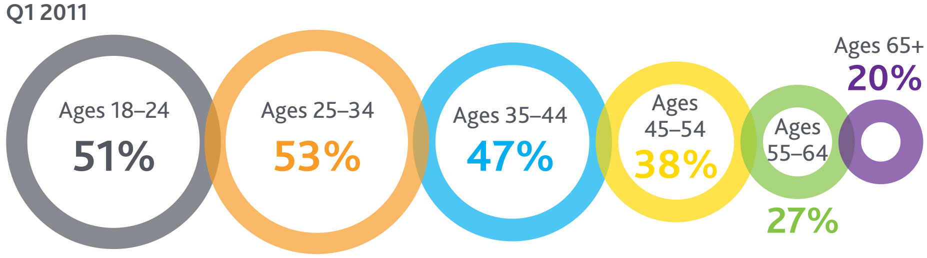
African-Americans' Preference of Smartphone

Q1 2011



Smartphone Penetration by Age Among African-Americans

Q1 2011



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

©iStockphoto.com/cglade

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

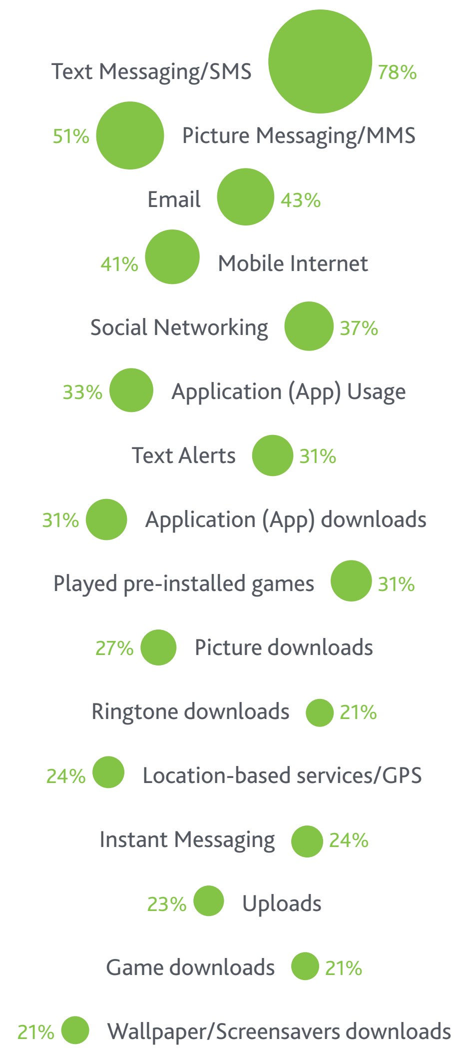
907
Texts Sent/ Received

> "African-American women tend to adopt technology when it is social and relevant to improving their day-to-day lives."

While smartphones tend to have higher web-based functionality, 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%).

Networking activity presents a grand opportunity to gain market penetration for businesses. This is especially true for women. African-American women tend to adopt technology when it is social and relevant to improving their day-to-day lives. In addition to increasingly being the head of household and the main decision makers, women engage with social platforms more often, participate in surveys, and share information with other friends and family on products that they find useful. Cross-platform opportunities exist where live TV programming can be paired with social networking sites for additional opportunities to market new products and build upon brand loyalty.

Mobile Activities of African-Americans
Q1, 2011



Trends in Advertising Spend and Effectiveness

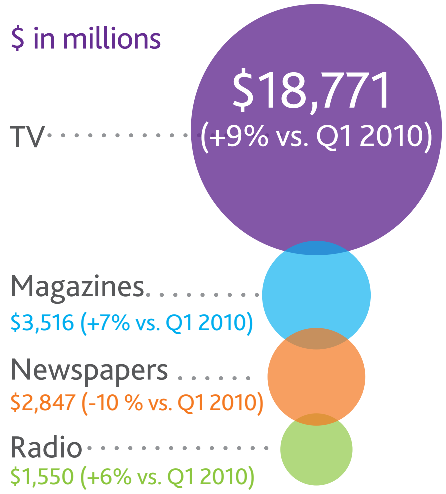
As consumer choice and media fragmentation continue to grow, advertising effectiveness increasingly depends on reaching the right consumer, with the right message, at the right time and in the right place—and being able to understand the direct sales impact of those efforts. Nielsen delivers a comprehensive understanding of advertising's impact by tracking the full spectrum of advertising spend and performance.

Television advertising was the largest medium for *all* ad spending in 2010, accounting for $69 billion. In the first quarter of 2011, television advertising surpassed $18 billion, growing almost 9% versus the same period in 2010. Radio and magazines during this same period also saw higher ad spend levels than last year, increasing between six and 7%. Newspapers, however, saw a 10% drop.

In 2010, national TV (network, cable, and syndicated) advertising dollars aimed at African-American audiences were primarily dedicated to cable TV, which saw increases of 17%. Network and syndicated TV saw some declines.

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).

Overall Ad Spend (Q1 2011)



Source: Nielsen

nruboc/Bigstock.com

Market: National African-American Media Buys

In Millions
Nielsen Ad*Views
Jan 1, 2009–Dec 31, 2010

Media Type	2009	2010	% Change
National Magazine	$358	$362	1%
Spot Radio	$732	$704	-4%
National TV	$835	$916	10%
Total	**$1,925**	**$1,982**	**3%**

Procter & Gamble, the leading advertiser in general and Hispanic media, maintained its top-ranked position in African-American spending, increasing 15% from 2009. General Motors, Verizon, AT&T, and Berkshire Hathaway, all top ten advertisers on a national scale, also had a strong presence in African-American advertising. L'Oreal saw the strongest increase, jumping 32% from 2009. McDonald's, the U.S. Government and National Amusements were also major players who advertised to the African-American market.

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%

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

a 3% increase over 2009

Expenditures for the top 10 categories grew 2% versus last year. Overall, Automotives replaced Quick Service Restaurants as the top category, growing 10% to $98M. In addition, heated competition among Auto Insurers drove a staggering 125% increase in spend to $63.2M. Other categories experienced softness, balancing out the surge in growth from Automotives and Insurers. Quick Service Restaurants, Department Stores, Motion Pictures and Direct Response Products all remained in the Top 10 but spent less than last year as they became more sensitive to changes in discretionary consumer spending. Supermarkets, however, advertised more to attract budget-conscious consumers preparing meals at home.

Top 10 Product Categories for African-American Advertising (2010)

In Millions

Product Category	2010	% Change
Automotives	$98	10%
Quick Service Restaurants	$84	-12%
Auto Insurance	$63	125%
Department Stores	$62	-12%
Motion Pictures	$62	-23%
Wireless Telephone Services	$60	9%
Pharmaceuticals	$56	8%
Direct Response Products	$30	-26%
Supermarkets	$29	21%
Restaurants	$28	0%

Advertising Effectiveness

In an age of increasing cultural diversity and ethnic growth, advertising that speaks to different identities must be a vital component of any effective marketing plan. It is incumbent on marketers to understand the differences in audiences in order to successfully engage consumers. African-Americans tend to demonstrate a high degree of brand loyalty, so it's incredibly useful to create ads that successfully penetrate their awareness.

"It is incumbent on marketers to understand the differences in audiences in order to successfully engage consumers."

Most Remembered Ads Among African-Americans

Rank	Brand	Ad Description
1	M&M's	Pretzel - Candy complains about pretzel being put inside him; pretzel isn't thrilled either (30-second ad)
2	McDonald's	Real Fruit Smoothie - Smoothie contains real strawberries, blackberries, blueberries, and bananas (15-second ad)
3	M&M's	Pretzel - Candy complains about pretzel being put inside him; pretzel isn't thrilled either (15-second ad)

Source: Nielsen, 06/01/10–05/20/11

Online

Once at the epicenter of the digital divide, African-Americans are now 44% more likely to take a class online, 30% more likely to visit Twitter, and download more movies via the Internet than other ethnic communities. African-American mothers, in particular, are 68% more likely to read articles online and 45% more likely to listen to music online. When Debra Lee, BET's CEO, addressed more than 1,000 marketing decision makers at Nielsen's 2011 Consumer 360 Conference, she reminded them that the African-American consumer is not monolithic. Citing BET's study *African-Americans Revealed,* she identified four key segments that make up 85% of the African-American audience, two of which focused on online technology—the Techfluentials and the Bright Horizons:

1. STRIVERS—An ambitious group of opinion leaders aged 20–40. These young leaders are rising in their communities and the corporate world.

2. CONSCIOUS SISTERS—These are women who are keen on aspects of their culture and spirituality. They focus on family and are value conscious.

3. TECHFLUENTIALS—World ambassadors aged 20–30 who are making the world a little smaller using technology, to positively impact others, using Skype, social media and more.

4. BRIGHT HORIZONS—This tech-savvy segment is focused on education and friends, gaming, mobile and social media.

As African-Americans continue to break misconceptions about technology habits, so too must marketers create meaningful campaigns that incorporate social networks trusted by African-Americans and deliver novel experiences across all forms of technology. With an expanding piece of the economic pie, African-Americans are a prime and valuable audience.

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."

Online Purchases Among African-American Adults

Purchased Online (Last 6 Months)	% of African-Americans Online
Airline Tickets/Reservations	12.8%
Hotel/Motel Reservations	9.6%
Any Clothes/Shoes/ Accessories	9.0%
Women's Clothes/Shoes/ Accessories	6.4%
Men's Clothes/Shoes/ Accessories	5.1%

Source: Nielsen

Online Purchases Among African-American Adults

Purchased Online (Last 6 Months)	% more likely to purchase than average
Beer/Wine/Liquor	17%
Baby Clothes/Shoes/ Accessories	12%
Women's Clothes/Shoes/ Accessories	5%

Source: Nielsen. Ranked on African-American Adults Online Index vs. Online 18+

"Marketers must create meaningful campaigns that incorporate social networks trusted by African-Americans and deliver novel experiences across all forms of technology."

The Movie Screen

A discussion about African-American's viewing habits cannot be complete without a mention of movie theaters, which generate approximately $12 billion in annual revenue. African-Americans comprise 11% of the movie going population and visit the movie theater with good regularity; in fact, their attendance is up slightly year to year. African-Americans account for 11% of heavy moviegoers—those that see nine or more movies per year. Heavy moviegoers account for 63% of the box office receipts. In comparison to light moviegoers, heavy moviegoers are much less price sensitive and spend more on entertainment. They are also more highly engaged with all movie marketing sources, leveraging both studio-paid and viral sources and are more apt to consume movies at home, via traditional physical formats as well as streaming, downloading, and pay per view. The most frequent attendees in the African-American segment are 12–17 year olds and 45–54 year olds. Consistent with the general population, African-American's favorite genres are comedies and action adventures as is evidenced by the Top 5 movies with predominately African-American casts.

Top 5 African-American Themed Movies to Date (with Predominantly African-American Casts)

Rank	Title	Gross
1	The Pursuit of Happyness	$162.6M
2	Bad Boys II	$138.4M
3	The Nutty Professor	$128.8M
4	Coming to America	$128.1M
5	Nutty Professor II: The Klumps	$123.3M

Source: eCinesys ©By Nielsen NRG

SECTION TWO: OPPORTUNITIES

Consumer Opportunity: Speak up about the images your family is being exposed to. While African-Americans, in general, are heavy users of media including televisions, mobile devices, computers and other systems, children under the age of 18 use these mediums more than others. African-American parents should be wary of the images their kids encounter and look for ways to provide additional educational, physical, and socially interactive opportunities to protect the overall health and well-being of their children.

Business Opportunity: Utilize trends to help take your product to the next level. Trends in technology adoption and social networking provide this group an influence over popular culture beyond the limits of ethnic categorization.

SECTION THREE: WHAT AFRICAN-AMERICANS BUY

Determining what consumers demand—and afterward measuring what they buy—is at the core of Nielsen. Through the Cambridge Group*, we work with clients to identify and tap into not only existing consumer demand, but latent and emerging demand from profitable groups of consumers. We also monitor shopper behavior for more than 250,000 households in 25 countries through our industry-leading consumer panel. Nielsen offers a unique set of tools that examine key business trends by product, category or market using retailer scanner-based sales and causal information gathered weekly from tens of thousands of retail outlets. This information enables businesses to identify the "why" as well as the "what" behind changes in product sales for fine-tuned marketing strategies.

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African-American women are increasingly becoming the head of household or primary earner for their households.

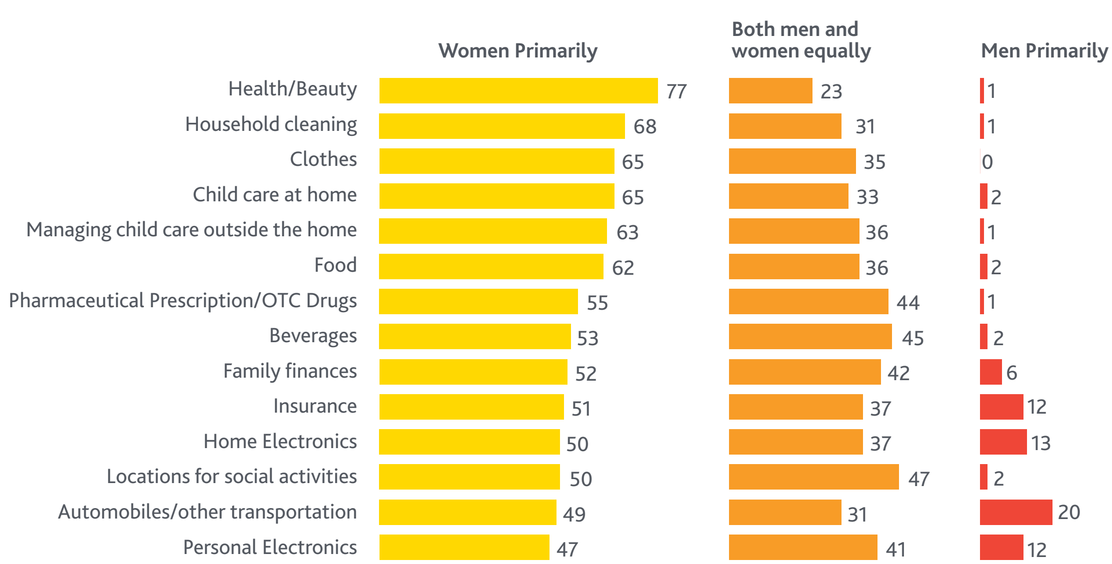
Buying Power

According to Rick Kash, founder of The Cambridge Group and co-author of *How Companies Win,* "You must be able to answer the question, 'What do I know about the demand of my most profitable customer that my competitor doesn't know?"

The African-American community is a vitally important market, based on its growing size and its long influence on American cultural trends and innovations.

As noted earlier, the buying power of African-American consumers is projected to reach $1.1 trillion by 2015. Census tract data illustrates a trend of increasing household incomes and an increasing population which correlate to increased buying power within this community. Especially important to note are the trend changes in education and employment for women. African-American women are increasingly

African-American Women View Themselves as the Primary Decision Makers Across Virtually all Consumer Segments



Nielsen Women of Tomorrow Study, 2011

*The Cambridge Group is a division of Nielsen and one of the world's preeminent growth strategy consulting firms.

becoming the head of household or primary earner for their households. Additionally, these women feel they are the primary decision makers across virtually all consumer segments.

Shopping Habits

The purchasing behavior of African-Americans has some distinct characteristics that retailers and marketers should identify and use to establish effective market position. 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."

Store Channel Frequency

Despite making more shopping trips overall, the occurrence of trips to grocery stores, supercenters, mass marketers, and warehouse store falls below the rate of other groups. 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-American households make more shopping trips annually than any other group."

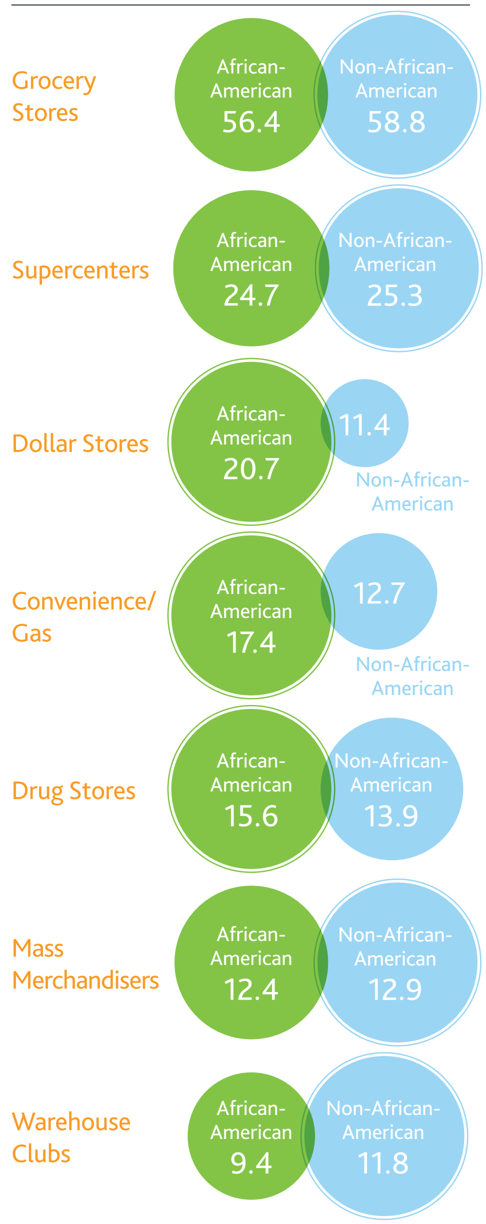
African-Americans spend less per trip in major retail channels compared to Non-African-Americans

Basket Ring Dollars Per Trip

Source: Nielsen Homescan; Total U.S. 52 weeks ending 12/25/2010; excludes gas only or Rx only trips

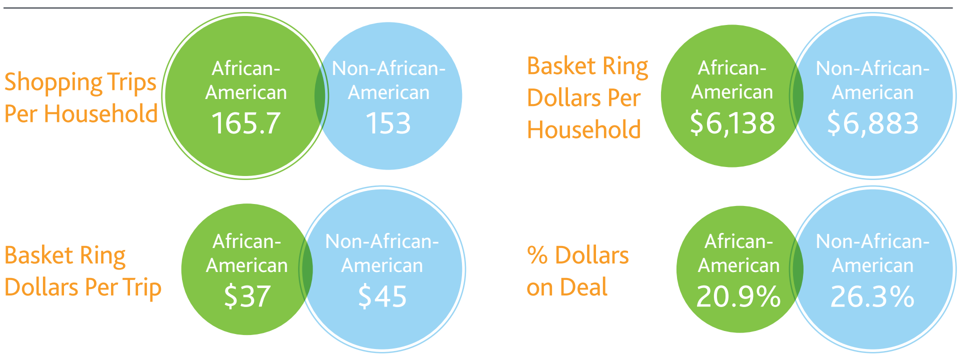
African-Americans frequent dollar stores, convenience/gas stores and drug stores, more than non-African-Americans

Shopping Trips Per Household



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

Total Retail Channels



Buying Habits

A few major factors driving African-Americans' retail traffic may be access to private transportation and lack of major retail development in some urban areas where a concentration of African-American communities reside. A look at the buying habits of higher income members of this group may shed some light on the impact of these outlying factors. While African-Americans show the same product category preferences, those with household earnings greater than $100,000 tend to make fewer trips and spend 41% more per trip than the average household in this group. Additionally, higher earning African-Americans patronize major retail chains with higher regularity and go to convenience and dollar stores at a much-reduced level than the group average and spend 300% more in higher-end retail grocers like Whole Foods than other high income households. These behaviors seem to indicate that convenience and resources may be driving behavior and represent a growth opportunity for major retail grocery and mass merchandisers.

Among the major buying categories, African-American households spend more on basic food ingredients and beverages and tend to value the food preparation process and on average spend more time preparing meals. Other popular buying categories include fragrance and personal health and beauty products.

Given shopping patterns in retail channels where coupon redemptions have been historically low, purchasing on deal and response to coupons are lower for African-American consumers. However, this should not be interpreted that African-Americans do not find consumer promotions and good prices to be important, as almost half (47%), strongly agree that "it is always important to get the best price" when shopping for groceries (versus 40% for White Non-Hispanic). Nielsen research also shows that African-American consumers devote a lower dollar share of their total consumer-packaged-goods spending to store brands (17.7% versus 18.3% for White non-Hispanic). This tendency to be more brand loyal is reinforced by Nielsen surveys showing a lower attitudinal connection to store brand purchasing in general and a much stronger likelihood to "always buy the brands they trust" (46% agree/strongly agree versus 36% for White Non-Hispanic). This too should not be construed to mean that retailers don't have opportunities to focus energy to grow store brand share among African-American consumers who indicate a higher staying power once they find a store brand they like. Businesses looking to increase market share with African-American consumers should focus on women and the family/communal behaviors centered around eating and food preparation and look for crossover product placement opportunities.

African-American households spend more on basic food ingredients & beverages

Nielsen Edible Category	African-American Dollar Index
Frozen Meat, Poultry, Seafood	168
Dried Vegetables & Grains	161
Seasonings & Spices	156
Refrigerated Juices & Drinks	155
Shelf-Stable Juices & Drinks	155
Baby Food	152
Shortening & Oil	150
Non-Carbonated Soft Drinks	146
Sugar & Sweeteners	144
Ice	142

African-American households spend more on personal & beauty care

Nielsen Non-Edible Category	African-American Dollar Index
Ethnic Health & Beauty Care	954
Feminine Hygiene	188
Greeting Cards/Party Needs	177
Fresheners & Deodorizers	176
Personal Soap & Bath	160
Women's Fragrances	152
Charcoal	131
Sanitary Protection	126
Deodorant	124
Men's Toiletries	123

Purchase index: share of African-American $ sales divided by U.S. household $ share X 100

Source: Nielsen Homescan, 52 Weeks Ending 12/25/2010

SECTION THREE: OPPORTUNITIES

Consumer Opportunity: **Expand your horizons.** African-Americans are frequent shoppers and tend to be brand loyal. Consumers should consider looking for more deal opportunities and research different retail channels for expanded service offerings, potential savings opportunities, and higher value or quality products.

Business Opportunity: **Branch out into untapped geographic areas.** African-American communities tend to shop often but under utilize some popular retail chains because they may not be easily accessible in their communities. Companies investing in stores and locations that are more convenient will likely see higher volume usage.

SUMMARY

A limitation of any demographic study of this kind is that it attempts to apply general descriptions to a non-homogeneous group. Differences in age, income, education, and social setting will sometimes lead to diverse perspectives within an ethnic group. Companies that appreciate the unique demands and growth potential in this ethnic group should use this information as a starting guide for further research to fully maximize business opportunities. This report reveals some key facts and findings useful not only to African-American consumers themselves, but for those companies who can successfully meet the demands of this important consumer segment.

Key Consumer Opportunities:

1. The African-American population has a buying power of nearly $1 trillion, a figure larger than the GDP of most countries in the world. Collectively, consumers can use this information to leverage relationships with companies wishing to grow market share in this area.

2. Consumers should consider looking for more deal opportunities and research different retail channels for expanded service offerings, potential savings opportunities, and higher value or quality products.

Key Business Opportunities:

The major demographic changes impacting African-Americans that businesses should pay attention to, in an effort to better determine and meet consumer wants and needs are:

1. The number of African-American households earning $75,000 or more has grown by 63.9% in the last decade, a rate greater than that of the overall population. This continued growth in affluence, social influence and household income will continue to impact the community's economic power, especially with women.

2. The percentage of African-Americans attending college or earning a degree has increased to 44% for men and 53% for women. Higher educational and professional success along with a lower birth rate is increasing both the age and affluence of the population increasing the demand for aging, healthcare, and financial management services.

Behavioral trends and purchasing habits provide additional opportunities for businesses:

3. African-Americans are heavy users of electronic media providing marketers many opportunities to access them with advertising and images that are appealing and highlight their services.

4. African-American women tend to be the primary decision makers for most household buying decisions. Marketers should be utilizing advertising messages and images that appeal to them.

5. Trends in technology adoption and social networking also provide this group an influence over popular culture beyond the limits of ethnic categorization.

About Nielsen

> In more than 100 countries around the world, Nielsen provides clients with the most complete understanding of what consumers watch and buy.

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. 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 NNPA is the oldest, largest, and most influential Black media source in America.

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.

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.