



The Arbitron Black Consumer Study 2002

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Urban Radio Marketing Services

Mission Statement

Help broadcasters dispel myths and heighten awareness of the unique value of the Urban radio audience.

The Top 50 Black Markets

- 1) New York, NY
- 2) Chicago, IL
- 3) Washington, DC
- 4) Atlanta, GA
- 5) Philadelphia, PA
- 6) Detroit, MI
- 7) Los Angeles, CA
- 8) Miami-Ft. Lauderdale-Hollywood, FL
- 9) Houston-Galveston, TX
- 10) Baltimore, MD
- 11) Dallas-Ft. Worth, TX
- 12) San Francisco, CA
- 13) Memphis, TN
- 14) Norfolk-Virginia Beach-Newport News, VA
- 15) St. Louis, MO
- 16) New Orleans, LA
- 17) Cleveland, OH
- 18) Charlotte-Gastonia-Rock Hill, NC-SC
- 19) Richmond, VA
- 20) Boston, MA
- 21) Raleigh-Durham, NC
- 22) Birmingham, AL
- 23) Greensboro-Winston Salem-High Point, NC
- 24) Nassau-Suffolk (Long Island), NY
- 25) Tampa-St. Petersburg-Clearwater, FL
- 26) Jacksonville, FL
- 27) Milwaukee-Racine, WI
- 28) Cincinnati, OH
- 29) Kansas City, MO-KS
- 30) Columbus, OH
- 31) Indianapolis, IN
- 32) Orlando, FL
- 33) Pittsburgh, PA
- 34) Nashville, TN
- 35) Jackson, MS
- 36) Seattle-Tacoma, WA
- 37) Baton Rouge, LA
- 38) Columbia, SC
- 39) San Diego, CA
- 40) West Palm Beach, FL
- 41) Augusta, GA
- 42) Charleston, SC
- 43) Greenville-Spartanburg, SC
- 44) Greenville-New Bern-Jacksonville, NC
- 45) Louisville, KY
- 46) Mobile, AL
- 47) Sacramento, CA
- 48) Shreveport, LA (tied)
- 49) Dayton, OH
- 50) Buffalo-Niagara Falls, NY

Black Population Statistics

Market Population Comparisons

Market	Total 12+	Black 12+
New York	15,281,600	2,730,500
Chicago	7,477,700	1,374,200
Washington, DC	3,885,300	1,081,000
Atlanta	3,529,900	1,021,300
Philadelphia	4,222,400	853,900

The Black 12+ population of New York is larger than the Total 12+ populations of Indianapolis and Las Vegas COMBINED!

Indianapolis Total 12+ Population: 1,236,900

Las Vegas Total 12+ Population: 1,218,300

Black Population Statistics

Listener Comparisons

Market	Total Listeners 12+	Total Urban Station* Listeners 12+
New York	13,662,400	4,892,000
Chicago	6,870,400	2,204,800
Washington, DC	3,541,700	1,101,700
Atlanta	3,131,500	952,700
Philadelphia	3,915,600	869,600

Over 35% of the radio listeners in New York listen to Urban stations!

** For a list of the "Urban Stations in the Top Five Black Markets," see Appendix B.*

Urban Radio as a Product

What sets Urban radio apart from the rest?

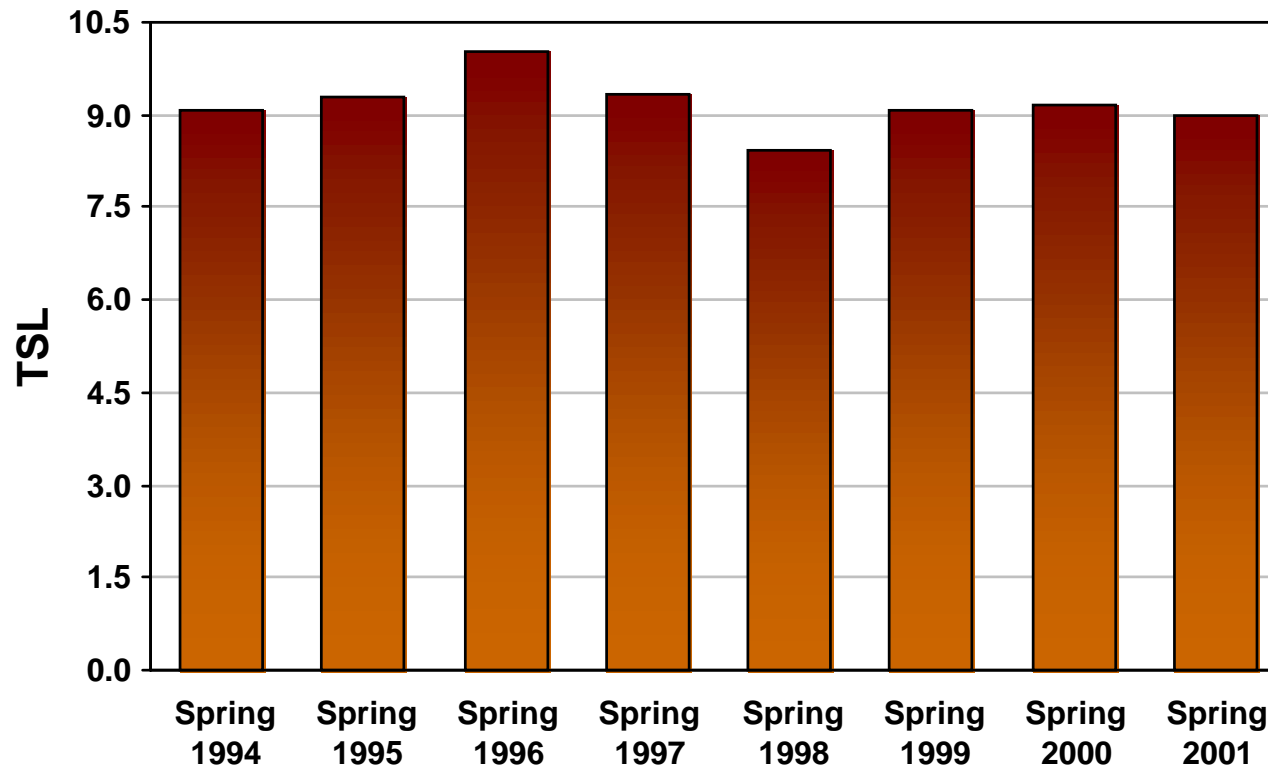
Urban Radio as a Product

Over the past 60 years, Urban radio has seen an evolution of labels, including:

- Race Music (1940s-'50s)
- Rhythm & Blues (R&B), Soul (1960s-'70s)
- Black Music, Black AC (1980s)
- Mainstream Urban, Urban Adult Contemporary, & Hip-Hop (1990s)

Urban Radio as a Product

Urban radio enjoys consistent time spent listening (TSL) 12+ nationally



The Black Community

**Why did we use the term
“black consumer” instead of
“African-American consumer”?**

The Black Community

The term encompasses a global group larger than African-Americans.

- Blacks are a diverse group of individuals, who come from a multitude of cultural backgrounds, heritages and countries.
- These include but are not limited to:

African

Haitian

African-American

Jamaican

Bahamian

Nigerian

Canadian

Sudanese

Caribbean

Barbadian (Bajan)

Cayman

Trinidadian (Trini)

The Black Community

There are numerous *myths* about the black American community...

Urban-Formatted Stations Speak Out

Misconceptions Regarding Ethnic Audiences by Urban Radio Clients:

1. Undereducated
2. Unemployed
3. Do not purchase upscale items
4. High credit risk
5. Rarely eat out

And the list goes on...

*Source: Arbitron's Urban Radio Marketing Services Questionnaire –
"Do you really go through these changes?," January/February 1999*

The Black Community

Let's separate the *myths* from the *facts*
in the black community...

Myth vs. Fact

Myth

Black Americans are less educated than the general population.

Education

Fact

Black American listeners mirror the general population in levels of education.

Education

Percentages in Education Levels of Radio Listeners Adults 18+

National Scarborough Data	Total Adults 18+	Urban	Urban AC
High School Graduates	32.4%	37.8%	34.5%
Some College 1-3 Years	36.1%	37.0%	40.0%
College Graduate	11.7%	9.0%	11.8%

Myth vs. Fact

Myth

Black Americans do not own homes.

National Home Ownership

Fact

48.9 percent of black Americans own their homes.

For "National Home Ownership in Top 50 Black Markets," see Appendix A.

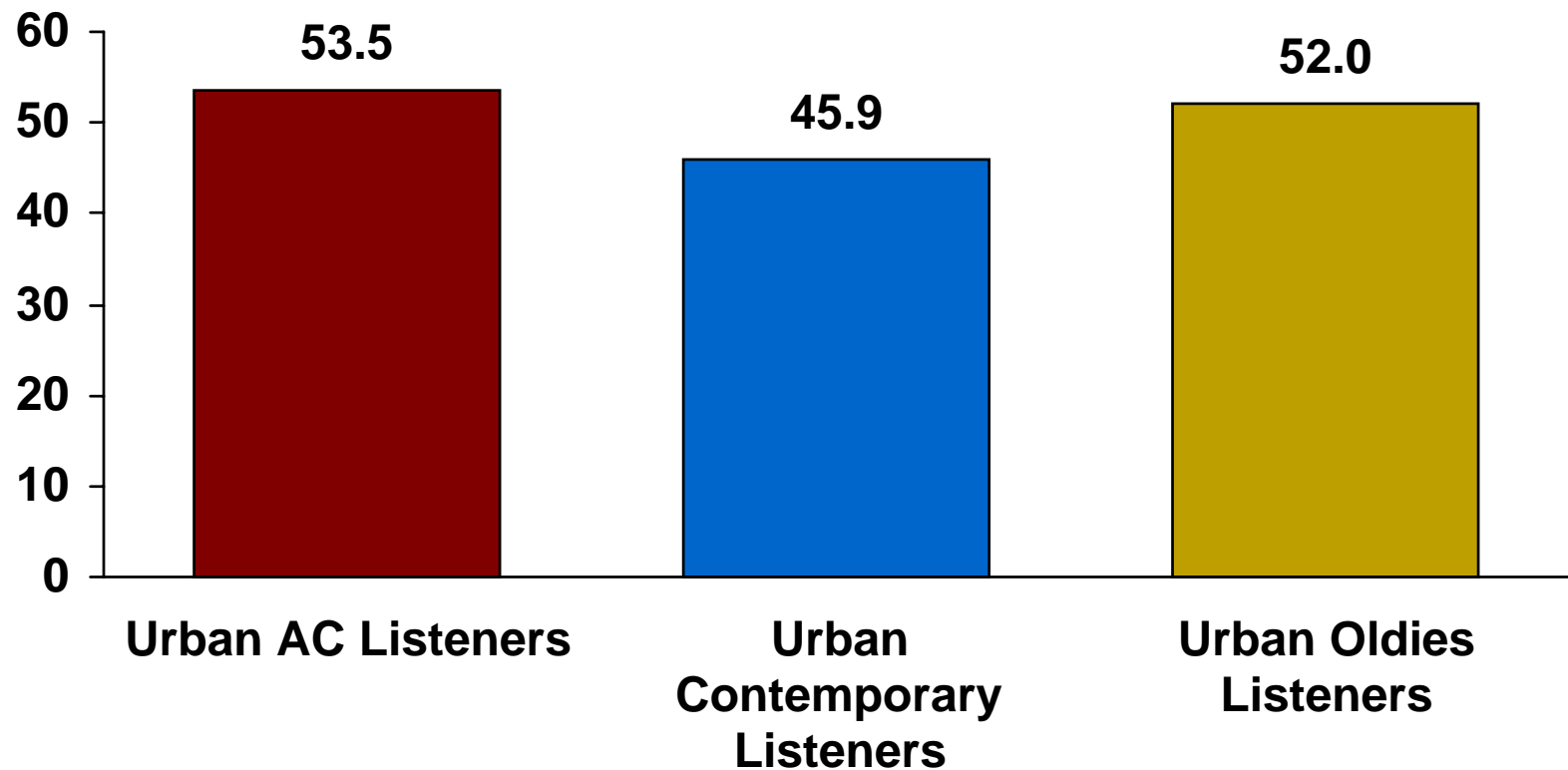
National Home Ownership

Fact

48.1 percent of black listeners nationwide own their homes.

National Home Ownership

Percent of Urban Radio Listeners Who Own Homes



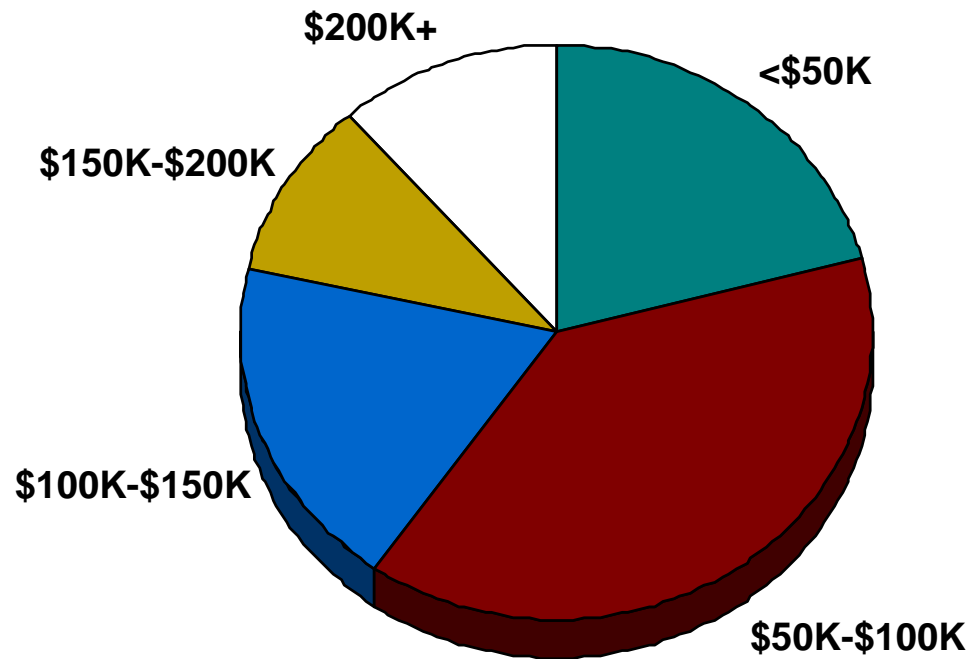
National Home Ownership

Take a look at the scope of property value in the top five Urban markets...

National Home Ownership

Property Value: National

National black population represents a community of homeowners...



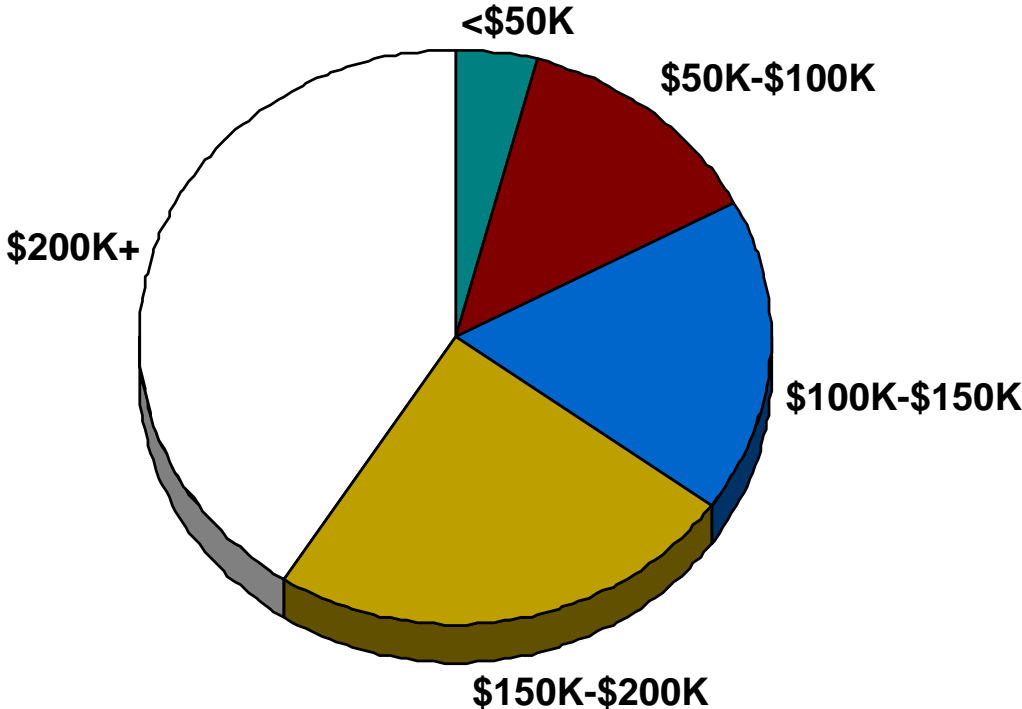
11,807,970 black consumers own their home.

1,329,620 have a home valued at \$200,000+!

National Home Ownership

Property Value: New York

New York's black population represents a community of homeowners...



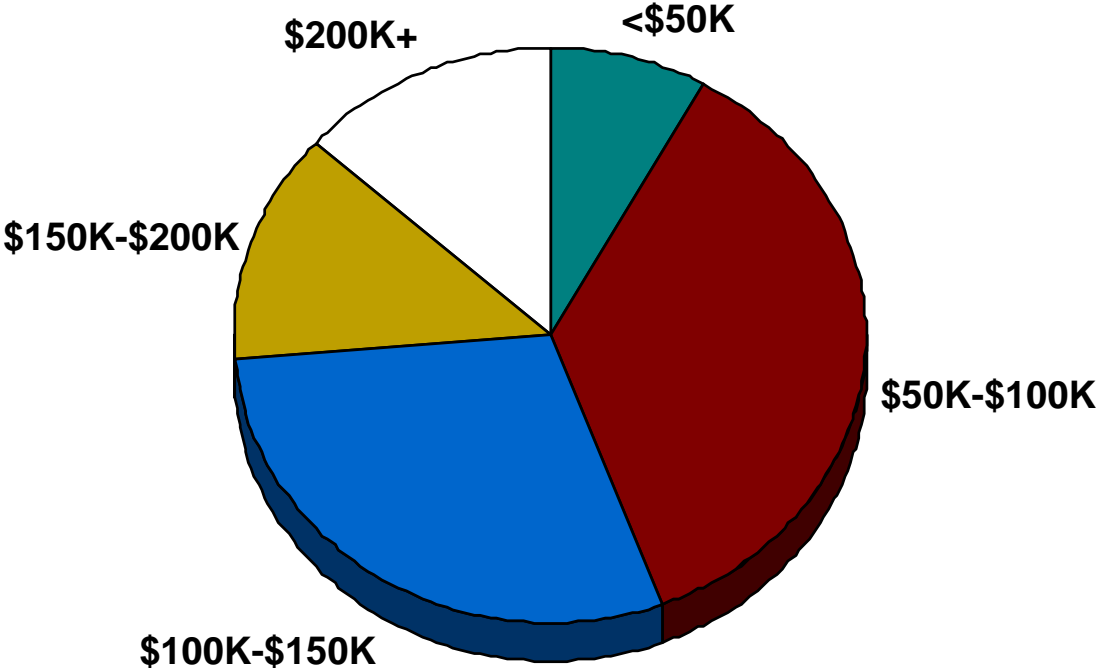
708,810 black consumers own their home.

290,165 have a home valued at \$200,000+!

National Home Ownership

Property Value: Chicago

Chicago's black population represents a community of homeowners...



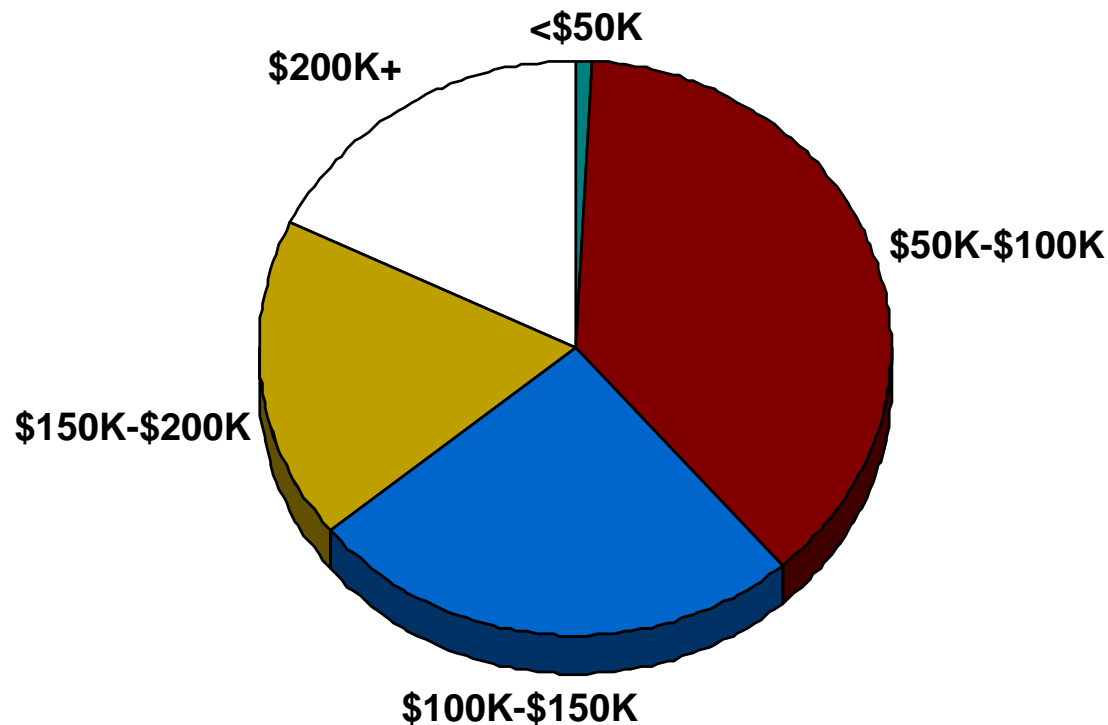
573,015 black consumers own their home.

75,910 have a home valued at \$200,000+!

National Home Ownership

Property Value: Washington, DC

Washington, DC's black population represents a community of homeowners...



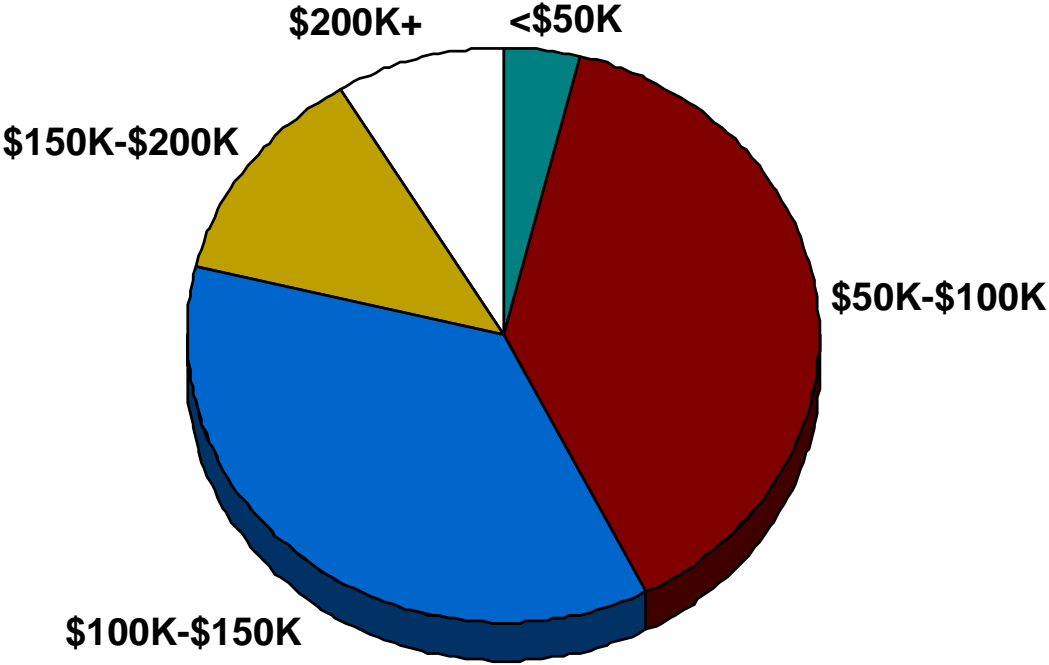
430,630 black consumers own their home.

109,430 have a home valued at \$200,000+!

National Home Ownership

Property Value: Atlanta

Atlanta's black population represents a community of homeowners...



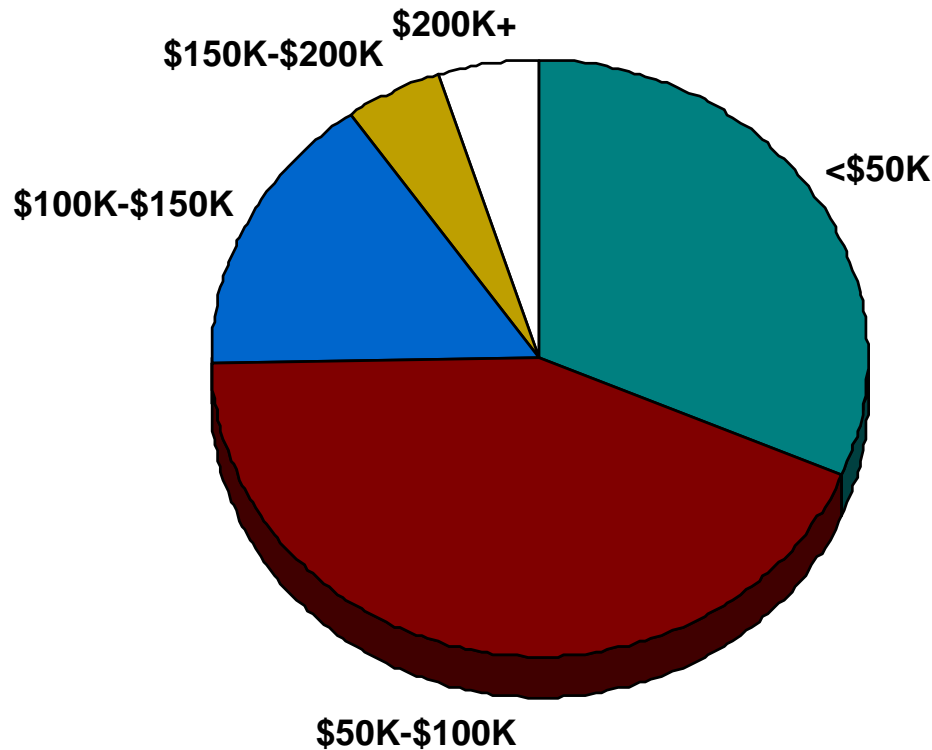
362,410 black consumers own their home.

30,810 have a home valued at \$200,000+!

National Home Ownership

Property Value: Philadelphia

Philadelphia's black population represents a community of homeowners...



415,025 black consumers own their home.

21,225 have a home valued at \$200,000+!

Myth vs. Fact

Myth

Black American spending is insignificant in the national marketplace.

Black National Buying Power

Fact

Black Americans are spending billions of dollars each year, and the dollar amounts keep increasing.

Black National Buying Power

How Black Americans Are Spending Their Money

Total Retail Spending 2000	
New York	\$21.7B
Chicago	\$10.4B
Washington, DC	\$3.3B
Atlanta	\$2.5B
Philadelphia	\$6.4B
United States	\$340.8B

B=Billions

Black National Buying Power

Take a look at how black Americans are spending in specific categories in the United States...

Black National Buying Power

How Black Americans Are Spending Their Money

Apparel Products and Services		
1998	\$20.5B	
1999	\$21.2B	+3.4%
2000	\$24.7B	+16.5%

B=Billions; % change +/- from prior year

Black National Buying Power

How Black Americans Are Spending Their Money

New, Used Cars and Trucks		
1998	\$25.6B	
1999	\$27.6B	+7.8%
2000	\$31.3B	+13.4%

B=Billions; % change +/- from prior year

Black National Buying Power

How Black Americans Are Spending Their Money

Education		
1998	\$3.3B	
1999	\$4.4B	+33.3%
2000	\$5.3B	+20.5%

B=Billions; % change +/- from prior year

Black National Buying Power

How Black Americans Are Spending Their Money

	Food	
1998	\$44.9B	
1999	\$47.3B	+5.3%
2000	\$52.9B	+11.8%

B=Billions; % change +/- from prior year

Black National Buying Power

How Black Americans Are Spending Their Money

Housing and Related Charges		
1998	\$114.0B	
1999	\$117.0B	+2.6%
2000	\$128.1B	+9.5%

B=Billions; % change +/- from prior year

Black National Buying Power

How Black Americans Are Spending Their Money

Gifts		
1998	\$8.3B	
1999	\$7.4B	-10.8%
2000	\$8.6B	+16.2%

B=Billions; % change +/- from prior year

Black Global Buying Power

Black American buying is fueled by their globally ranked Gross National Income (GNI).

Black Global Buying Power

Black American GNI Rank Globally

- Canada ranks 9th with \$614 billion
- Spain ranks 10th with \$583 billion
- **Black Americans rank 11th with \$490 billion**
- India ranks 12th with \$441 billion
- Mexico ranks 13th with \$428 billion

Myth vs. Fact

Myth

Black Americans do not use the Internet.

Internet Usage

Fact

Black Americans have access to the Internet and are using it.

Internet Usage

64.3% of black Americans have access to the Internet at any location.

Internet Usage

And look where black Americans are purchasing the materials needed to access the Internet...

Internet Usage

Purchases Past Year

Hardware/Software Store	# of People
Office Depot	2,096,510
OfficeMax	1,449,960
Mail Order	1,333,120
CompUSA	1,276,350

Myth vs. Fact

Myth

Black Americans are mainly blue-collar workers.

Black American Workers

Fact

Black Americans are nearly twice as likely to work in a white-collar job as in a blue-collar job.

Black American Workers

Comparison of Black American Workers in the Top Five Urban Markets

Market	% of White-Collar Workers	% of Blue-Collar Workers
New York	48.2%	25.3%
Chicago	48.8%	22.6%
Washington, DC	61.3%	19.3%
Atlanta	52.6%	28.6%
Philadelphia	45.2%	26.3%

Myth vs. Fact

Myth

Black Americans don't travel.

Black American Travel Spending

Fact

Black Americans are traveling all over the world for business and pleasure.

Black American Travel Spending

Places Visited	# of Persons
Visited Mexico	2,276,940
Visited the Bahamas	1,661,700
Visited Europe	1,278,110
Personally used Carnival Cruise Lines in past three years	1,413,120

Black American Travel Spending

And look where black Americans are staying when they travel...

Hotel Stayed	# of Persons
Hilton for business (yr)	710,200
Marriott for business (yr)	648,010
Hyatt for business (yr)	430,210
Doubletree for business (yr)	340,340

Myth vs. Fact

Myth

Black Americans don't shop at upscale stores.

Black American Shopping Patterns

Fact

Millions of black Americans are spending at upscale stores.

Black American Shopping Patterns

Shopped Past Three Months

Upscale Shopping	# of Persons
Dillard's	2,305,070
Macy's	1,324,940
Nordstrom	720,580

Roadblocks to Selling Urban Radio

What's the impact of all this?

These myths result in roadblocks to getting the real value of the Urban audience.

Roadblocks to Selling Urban Radio

Types of Roadblocks

- “No Urban Dictate”: Prohibiting the placement of commercials on Urban-formatted radio stations.
- “Minority Discounting”: Forcing lower costs per point or unit rates on minority-formatted stations because they are minority-formatted stations.

Source: *“When Being No. 1 is Not Enough: The Impact of Advertising Practices on Minority-Owned & Minority-Formatted Broadcast Stations,” Civil Rights Forum Communications Policy, Sec. 11 Radio, p. 28, January 1999*

How Do We Change the Future?

Clarence Smith, President of Essence Communications, offers suggestions on avoiding “No Urban” dictates and “minority discounting” ...

Source: Clarence Smith, President, Essence Communications at the Invitational Summit on Multicultural Markets & Media, Waldorf-Astoria, NYC, January 1999

Smith's Suggestions for Advertisers

- Require multicultural advertisement submissions.
- CEOs should “incentivize” the workforce.
- Sales demand should be driven by population density.
- Predictions should be made on category consumption, psychographic disposition.
- Hire black-/African-American-owned ad agencies and provide aggressive budgets.

Source: Clarence Smith, President, Essence Communications at the Invitational Summit on Multicultural Markets & Media, Waldorf-Astoria, NYC, January 1999

Smith's Suggestions for Advertising Agencies

- Senior management could require multicultural advertisement submissions for all accounts.
- “Incentivize” middle and junior management to carry out the plan.

Source: Clarence Smith, President, Essence Communications at the Invitational Summit on Multicultural Markets & Media, Waldorf-Astoria, NYC, January 1999

Smith's Suggestions for Media Planners and Buyers

- Approach multicultural media as brands.
- Deliver valuable consumer segments to advertisers.
- Widen universe of prospects to purchase that client's products.

Source: Clarence Smith, President, Essence Communications at the Invitational Summit on Multicultural Markets & Media, Waldorf-Astoria, NYC, January 1999

Smith's Suggestions for Radio Stations

- Listen; understand the original request.
- Give them what they want.
- Be clear and concise.
- Be prompt.
- Fax/e-mail information, avail responses and quotes in a timely fashion.

Source: Clarence Smith, President, Essence Communications at the Invitational Summit on Multicultural Markets & Media, Waldorf-Astoria, NYC, January 1999

Smith's Suggestions for Radio Stations (continued)

- Know your agency's client, your station, your market.
- Give realistic rates.
- Provide extra promotional opportunities.
- Admit when you are not a good fit.
- Sell positively.

Source: Clarence Smith, President, Essence Communications at the Invitational Summit on Multicultural Markets & Media, Waldorf-Astoria, NYC, January 1999

Conclusion: What Have We Learned?

- Today's black community is vibrant and coming of age.
- There are billions of dollars available in the black community.

Conclusion: What Should We Do?

- Help radio buyers make decisions based upon “facts,” not “myths.”
- Market the black community as a brand.
- Increase your bottom line—ask for the business.
- Finally, get out there! Reinvest in the black community.

For More Information

To learn more about black consumer patterns, check out the same sources we use:

- Arbitron Inc. www.arbitron.com
- Scarborough Research www.scarborough.com
- Target Market News www.targetmarketnews.com
- U.S. Census www.census.gov

For more information about black consumers' radio listening, go to:

www.arbitron.com/downloads/BlackRadioToday.pdf

for a free downloadable PDF of Arbitron's *Black Radio Today* study.

To download this study, go to:

www.arbitron.com/radio_stations/reference.htm#blackradio



The Arbitron Black Consumer Study

Special thanks for this first-time study to:

Steve Morris, Pierre Bouvard, Scott Musgrave, Tom O'Sullivan, Jim Remeny, Carrie Wornall, Andrew Wheeler, Tori Bailey, Lisa Segall, Laura Ivey, Rich Tunkel, Gloria Kestenbaum, Howard Goldberg, Ken Smikle and Clarence Smith

January 2002

Appendix A

National Home Ownership in Top 50 Black Markets

Market	Total Home Ownership	Black Home Ownership	
New York, NY	53.9%	27.1%	(748,630)
Chicago, IL	68.5%	49.4%	(581,705)
Washington, DC	62.6%	49.8%	(430,630)
Atlanta, GA	70.8%	50.2%	(362,410)
Philadelphia, PA	72.7%	56.5%	(537,915)
Detroit, MI	75.9%	55.8%	(396,000)
Los Angeles, CA	51.3%	39.0%	(320,380)
Miami-Ft. Lauderdale-Hollywood, FL	60.6%	51.5%	(256,295)
Houston-Galveston, TX	63.9%	48.7%	(280,360)
Baltimore, MD	69.0%	53.7%	(278,165)

Appendix A

National Home Ownership in Top 50 Black Markets

Market	Total Home Ownership	Black Home Ownership	
Dallas-Ft. Worth, TX	65.5%	50.1%	(237,300)
San Francisco, CA	56.8%	38.3%	(175,285)
Memphis, TN	67.6%	55.5%	(187,355)
Norfolk-Virginia Beach-Newport News, VA	60.8%	42.5%	(138,040)
St. Louis, MO	73.5%	53.8%	(169,710)
New Orleans, LA	63.1%	48.6%	(141,140)
Cleveland, OH	71.7%	49.6%	(145,200)
Charlotte-Gastonia-Rock Hill, NC-SC	72.0%	55.1%	(113,870)
Richmond, VA	69.0%	53.5%	(116,370)
Boston, MA	62.0%	26.7%	(72,435)

Appendix A

National Home Ownership in Top 50 Black Markets

Market	Total Home Ownership	Black Home Ownership
Raleigh-Durham, NC	70.1%	56.6% (279,570)
Birmingham, AL	77.6%	64.9% (123,915)
Greensboro-Winston Salem-High Point, NC	72.1%	52.5% (89,575)
Nassau-Suffolk (Long Island), NY	70.3%	55.0% (93,390)
Tampa-St. Petersburg-Clearwater, FL	72.0%	48.7% (74,880)
Jacksonville, FL	71.1%	57.8% (102,185)
Milwaukee-Racine, WI	63.8%	32.8% (54,065)
Cincinnati, OH	71.4%	40.5% (63,720)
Kansas City, MO-KS	72.4%	58.1% (96,645)
Columbus, OH	65.0%	43.7% (63,500)

Appendix A

National Home Ownership in Top 50 Black Markets

Market	Total Home Ownership	Black Home Ownership	
Indianapolis, IN	71.0%	46.9%	(65,730)
Orlando, FL	65.2%	56.3%	(78,570)
Pittsburgh, PA	72.1%	46.9%	(69,135)
Nashville, TN	67.5%	51.2%	(67,975)
Jackson, MS	80.1%	66.6%	(97,956)
Seattle-Tacoma, WA	63.7%	41.8%	(48,965)
Baton Rouge, LA	71.4%	56.3%	(68,623)
Columbia, SC	77.3%	63.0%	(76,474)
San Diego, CA	55.0%	39.1%	(46,540)
West Palm Beach, FL	72.6%	49.5%	(54,030)

Appendix A

National Home Ownership in Top 50 Black Markets

Market	Total Home Ownership	Black Home Ownership	
Augusta, GA	80.4%	71.5%	(86,524)
Charleston, SC	68.0%	61.5%	(71,631)
Greenville-Spartanburg, SC	72.5%	48.7%	(53,830)
Greenville-New Bern-Jacksonville, NC	66.9%	55.7%	(58,620)
Louisville, KY	72.3%	47.7%	(45,005)
Mobile, AL	74.7%	58.6%	(59,330)
Sacramento, CA	64.8%	44.8%	(39,270)
Shreveport, LA	75.3%	62.6%	(66,435)
Dayton, OH	69.3%	43.5%	(43,500)
Buffalo-Niagara Falls, NY	69.0%	47.3%	(45,435)

Appendix B

Urban Stations in the Top Five Black Markets

New York

- WBLS-FM (Urban)
- WKTU-FM (Rhythmic/CHR)
- WLIB-AM (Ethnic)
- WQHT-FM (Urban CHR)
- WRKS-FM (AC)
- WTJM-FM (Urban AC)
- WWRL-AM (Ethnic)

Chicago

- WBBM-FM (Pop CHR)
- WGCI-AM (Gospel)
- WGCI-FM (Urban)
- WPWX-FM (Urban)
- WVAZ-FM (Urban AC)
- WVON-AM (Talk/Personality)
- WYCA-FM (Gospel)

Appendix B

Urban Stations in the Top Five Black Markets

Washington, DC

- WHUR-FM (Urban AC)
- WKYS-FM (Urban)
- WMMJ-FM (Urban AC)
- WPGC-AM (Gospel)
- WPGC-FM (Rhythmic/CHR)
- WOL-AM (News/Talk/Info)
- WYCB-AM (Gospel)

Atlanta

- WALR-FM (Urban AC)
- WAOK-AM (Gospel)
- WHTA-FM (Urban)
- WJZZ-FM (NAC/Smooth Jazz)
- WVEE-FM (Urban)

Philadelphia

- WDAS-FM (Urban AC)
- WPHI-FM (Urban)
- WUSL-FM (Urban)