

Business

New Trends in Ethnic Marketing Create Opportunities for Blacks

For decades, many companies could count on the loyalty of African-American shoppers, even though the business of black shoppers was never explicitly sought out in marketing campaigns. But those days are over.

As African-Americans grow more affluent, sophisticated and selective in their buying decisions, companies are spending millions of marketing dollars each year in hopes of reaching and attracting a percentage of America's nearly 30 million African-Americans. These marketing shifts create immense opportunities for African-American businesses, professional and consumers innovative and bold enough to seize them.

During the past two decades, the aggregate annual income of blacks has grown nearly sixfold, to an estimated \$270 billion, up from \$127 billion a decade ago. And today, nearly one in 10 black families has an income of \$50,000 or more.

The 1990 U.S. Census spotlighted the growth of African-American consumers. Blacks are America's largest minority, and their numbers are growing at a much higher rate than whites. By the year 2000, the African-American population is projected to grow at 17 percent, while white population growth is projected at about 13 percent.

There's strength in numbers, and these numbers paint a clear pic-



Cynthia Legette

ture of the increasing value of African-American consumers to companies seeking to increase profits. As more companies actively pursue this growing consumer segment, they are constantly in search of creative ways to reach it.

Companies are learning that African-Americans, as well as all other customer segments, are more receptive to products, services, advertising and programs to which they can relate.

As the ethnic marketing trend continues, therefore, companies will need to contract with more African-American businesses, hire more African-American qualified employees, and develop more programs to effectively reach more African-American consumers.

Following are some ethnic mar-

keting initiatives that several well-known corporations are incorporating into their overall marketing approaches.

Cosmetics companies expand make-up for people of color

Acknowledging the changing complexion of America, several of the nation's largest companies are plunging into a new competition with shades of makeup designed for women of color.

Since March 1991, Maybelline has been selling its "Shades of You" line of foundations, blushes and lipsticks for dark-skinned women. The company, which spent \$2.5 million in advertising for the line, reports brisk sales in pharmacies, supermarkets and other mass-market outlets and reaped revenue sales of nearly \$15 million from the new line in its first year.

In the summer of 1991, Clinique, an up-market Estee Lauder subsidiary, followed suit with "ColorDeeps," a new six-shade foundation collection, and Sheer Intensities, a new darker palette of lipstick, blushers and eye shadows. Revlon, which tried an unsuccessful line for darker women in the late 1970s has also introduced its new "Darker Tones" of Almay line.

In addition, the Body Shop, a retail cosmetics chain that specializes in natural products, has introduced a 21-product addition for non-Caucasian women, called "Shade Extensions."

J.C. Penny opens African American boutiques

In December 1991, Dallas-based J.C. Penny Company tested 20 "Authentic African" boutiques in its hometown and other cities such as Jersey City, N.J., and Cleveland where blacks represent 20 percent or more of the population. The tiny shops, which are located inside J.C. Penny stores, featured clothing, handbags, hats and other accessories that are imported from West Africa.

After selling out of all the merchandise in just three months, the retailer expanded the concept to 100 more stores and added American-made products with Africa designs.

Retailers believe that Penny's push into the ethnic market - combined with the emergence of savvy independents - will draw more companies into African merchandise, heighten awareness of the products and open doors for more black-owned businesses.

Mattel, Tyco and Pleasant Company manufacture Afrocentric dolls

Both Mattel Inc. and Tyco Industries Inc. now have dolls that are more than Barbies in darker plastic. In 1992, Tyco introduced Kenya, with beads to adorn her cornrows. Her locks can also be straightened with a magic lotion. Like a Mattel doll called Shani, Kenya comes in a choice of three complexions - light, medium and dark.

And last year at Pleasant Company in Middleton, Wis., designers and marketers developed the first black doll in the company's popular American Girls Collection. The new black doll is the first nonwhite doll in the company's historical collection, which includes four dolls from eras ranging from Colonial times in Williamsburg, VA, to the 1940s. Pleasant's New Baby Collection, introduced in 1990, includes a black doll, an Asian one and a white doll.

Pepsi and Coke compete for ethnic market

The high-growth markets among minorities have become a fertile battleground for Pepsi and Coke, whose head-to-head competition to dominate the \$47 billion industry is fierce. Pepsi and Coke have been targeting ethnic groups for a number of years but their efforts have become more intense and higher profile within the last few years. For example, now both companies are sponsoring ethnic festivals, bankrolling concert tours and placing special promotional displays in stores in ethnic neighborhoods.

Pillsbury tailors ads to African Americans

Until they hired an African-American advertising agency, Pillsbury executives had never gauged blacks' response to the white lumberjack character displayed on their Hungry Jack pancake and biscuit

products. When they did, they discovered that blacks use their type of products at the same level as the general population.

So Pillsbury banished the lumberjack in test ads and replaced it with ads that run a colorfully-printed slogan, "You look Hungry Jack," and feature a black family eating together.

K mart campaigns for African-American women

K mart's "Looking Good" campaign for their apparel line was launched last year, primarily targeting black women ages 18-49. The ads appear in such national ethnic magazines as *Ebony*, *Essence*, and *Class*, local black newspapers, and on black-oriented radio stations in 19 markets. All of the ads feature situations relevant to the African-American experience.

The campaign is part of K marts overall image to entice African-American and other consumers to come in and see its new look.

As corporations become increasingly aware of the value of African-American consumers, they are developing more inclusive ways of pursuing this growing consumer segment. But they can't do it alone. They need more African-American businesses and other professionals to help them creatively reach the African-American consumer. They need you.

Brown to Speak at Guilford College

Internationally-known business leader Robert J. Brown will speak at Guilford College on Monday. Brown's topic will be "Entrepreneurship: Opportunity for Tomorrow."

Brown's talk is being sponsored by the Dorothy & Stanley Frank Fellows Program, which was established in 1993 to encourage student entrepreneurship.

Brown has served as adviser to heads of corporations, government and civil rights leaders in a career that spans three decades.

A member of the board of trustees of Guilford College, Brown is also founder, chairman and president of B&C Associates Inc., a public relations and marketing research

firm that he established in 1960.

An active member of the civil rights movement, Brown worked closely with Martin Luther King Jr.

A native of High Point, Brown has been married to Sallie J. Walker for 35 years. His educational background includes studies at William Penn High School in High Point, Virginia Union University in Richmond, Va. and North Carolina A&T State University in Greensboro. Additionally, Brown holds honorary degrees from eight colleges and universities.

Brown will speak at 7:30 in the gallery on the second floor of Founders Hall. An informal reception will follow.

The event is open to the public



Robert J. Brown

free of charge.

For more information, call the Frank Fellows program Director at 919-316-2187

Black Mayor Makes A Capital Difference

NEW YORK (AP) - Stories have reached mythological proportions about how Atlanta Mayor Maynard Jackson walked out of meetings unless he got guarantees of black participation in constructing the city's airport.

Jackson, a major presence at the 19th annual convention of the National Conference of Black Mayors last week, laughed when asked if those stories were apocryphal. No, he said, they were true.

"I told them: 'The cement could grow weeds'" before he'd approve any specs that didn't include black people, Jackson said.

Hartsfield International Airport opened in 1980. Thirty-eight percent of businesses that helped build it were minority-owned. Federal Aviation Administration statistics the next year showed that 89 percent of all affirmative-action in America's airports took place at Hartsfield, he said.

"I'm glad we got that kicked in," Jackson said.

Jackson's actions were cited repeatedly by convention participants to show what a difference a black mayor can make for increasing the number and size of city contracts and other business thrown the way of black constituents.

In 1975, there were 3,500 African-American elected officials;

by 1991, there were about 7,500. Currently, 357 black mayors represent 30 million voters.

Before the advent of black mayors, black entrepreneurs had a marginal amount of city business, historically dominated by white-run contractors.

In the past two decades, blacks have garnered contracts in the hundreds of millions of dollars.

These things are changing the face of the country," said Ernest Green, a managing director at Lehman Bros. who was an under-secretary of labor in the Carter administration.

"Any minority business person ought to see themselves as an extension of the Voting Rights Act."

Henry Cisneros, a former mayor of San Antonio and now secretary of the Department of Housing and Urban Development, said after addressing a convention lunch that minority mayors "who have equity or justice agendas for their cities can make things happen."

He too pointed to Maynard Jackson and another Atlanta mayor, Andrew Young, as change promoters. Still, Cisneros said, "it's taken the better part of two mayoral terms over 16 years. Atlanta still has trouble, but Atlanta is a different place."

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