



Eight Make-or-Break Rules  
for Marketing to Race, Ethnicity,  
and Sexual Orientation

David R. Morse

## Book Multicultural Intelligence

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## Recommendation

The United States is made up of people who cherish their unique histories and identities as members of distinct ethnic groups, religions, cultures and communities. This poses a challenge to marketers. How do you get your message across to so many different kinds of people, some of whom don't even speak your language? David R. Morse, an expert in multicultural marketing, examines America's major population segments: Hispanics, African-Americans, Asian-Americans, and members of the lesbian, gay, bisexual and transgender (LGBT) community. He points out how these market segments differ from the mainstream, explains variations within individual segments, and highlights their shopping patterns, demographics and product preferences. Then he lists eight rules for marketing to these audiences. *BooksInShort* considers this book a must-read for marketers and anyone who wants to understand how color, ethnicity and sexual preference influence buying behavior.

## Take-Aways

- Americans come from different cultural, ethnic and religious backgrounds.
- Mainstream marketing is not always successful in reaching various segments.
- Hispanic-Americans are now the largest minority in the United States.
- Hispanics are family-centric, so advertising based on life at home scores highly.
- Race is a defining element in most African-Americans' lives.
- African-American consumers have a distinct profile that differs from the white mainstream. For example, they prefer to shop in stores rather than online.
- Asian-Americans are saddled with the success-oriented "model minority" stereotype.
- The Asian-American market segment includes people from more than 20 different countries.
- The purchasing power of America's 15 million gays and lesbians tops \$700 billion.
- Eight rules will help you market sensitively and effectively to segments that identify themselves in terms of "race, ethnicity and sexual orientation."

## Summary

### Why Multicultural Marketing?

People often use the phrase "melting pot" to describe the United States. Wave after wave of immigrants arrive, assimilate and, after a few generations, become part of the country's fabric. But is "melting pot" still an accurate term? Social historians now prefer the phrase "salad bowl" to describe America's inhabitants. Today's minority groups want to keep their ethnic identities and are proud of their cultural histories. They want to blend in, but not lose who they are.

"Scores of marketers don't understand what makes the new Americans tick."

What does this mean for marketers who target multicultural audiences? Mainstream marketing is not always an effective way to reach diverse audience segments, due to their language differences, unique buying preferences and social distinctions.

The Caucasian population of America is aging, while the nation's huge numbers of Asians and Hispanics are building growing communities. As this "browning of America" continues, some predict that by midcentury white Americans will constitute less than half the population. Moreover, in 2007, Hispanic-, Asian- and African-

Americans wielded more than \$2 trillion in purchasing power.

“Immigrants are transformed by America but America is also transformed, even redefined, by immigrants.”

Marketing to different cultures gained momentum in the latter half of the 20th century. Before that, marketers ignored such minorities as African-Americans, even though the U.S. had more than 11 million black citizens in the 1920s. Selling to these segments is challenging. However, if you do it right, you can make millions of dollars. But be careful. Missing the mark can cause embarrassment and alienation. To perfect your “Ethnic Marketing and Merchandising,” follow these six rules:

1. “Think like your ethnic consumers so you can serve them better.”
2. “Define your ethnic merchandising ‘look’ and organize to execute it.”
3. “Tailor your offering to appeal to your ethnic customers.”
4. “Create a culture that enhances the store experience and ‘connects’ with the community.”
5. “Recruit and retain a diverse staff to help you successfully serve your target customers.”
6. “Develop a marketing plan to communicate value at all points of customer contact.”

## A Look at Hispanics

By 2000, Hispanic-Americans numbered more than 35 million, making them the largest minority in the U.S. The bulk of this population is made up of Mexicans, followed by Puerto Ricans and Cubans. Hispanics in America assimilate on their own terms. They want to join a multicultural America and retain their Latin heritage. Many third- and fourth-generation Hispanics are undergoing “retro-acculturation” by embracing their history and learning Spanish.

“Over half of today’s immigrants come from a single region, Latin America, and speak one language, Spanish.”

Latin American immigrants are of two minds about the U.S. They come to America to pursue opportunity, but they don’t want their children to absorb too much U.S. culture. They believe, “Gringos live to work. Latinos work to live.” Family is all-important, along with respect for elders and conventional gender roles. Their idea of “healthy” means “fresh,” and they are suspicious of any foods with preservatives.

“By about the year 2042, white non-Hispanics will drop to less than half the population.”

Marketers to the Hispanic segment face a dilemma that could mean the loss of millions of advertising dollars. While the old-school sells through the Spanish-language media, current research shows that second- and third-generation Latinos are English speaking and prefer the mainstream media. Furthermore, young Hispanics don’t see themselves reflected in the stereotypical images portrayed in Spanish-language media. Advertising geared to their parents doesn’t speak to them. Today’s young Latinos not only adopt American culture, they also influence it, giving it their own distinctive spin.

“The state of multicultural marketing is in flux and possible jeopardy.”

**A Look at African-Americans** Race is a defining element in most African-Americans’ lives, since very few escape the damaging effects of racism. Even in 2005, a Hermes store in Paris denied entry to popular African-American talk show host Oprah Winfrey because of the color of her skin. Blacks are more likely to be spurned by taxicabs, turned down for jobs, refused housing and loans, and arrested and given harsher sentences. However, the election of a black president in 2008 became a turning point for America, prompting the question, “What does it mean to be black in America today?” And for companies, the question is how they can best market to black Americans.

“Marketers still need to better understand what moves African-American consumers.”

Early television portrayed blacks as lazy, simple and carefree, but the 1960s brought breakthrough TV roles that defied the stereotypes, including Bill Cosby as a sophisticated agent in *I Spy* and Diahann Carroll as a nurse in *Julia*. The miniseries *Roots* broke further ground in the 1970s. *The Cosby Show* led all of network television for many years, and now a cable channel devoted to African-Americans – Black Entertainment Television (BET) – airs many shows with African-American casts. Black stars appear across the media landscape today, but African-Americans remain attentive to how they are portrayed. Their top priority is to be seen as ordinary people leading normal lives. Heed these three rules in your marketing to black Americans:

1. “Acknowledge us. Represent us. Respect us.”
2. “Show us as we are. Portray the rich spectrum of African-Americans and our experiences. Avoid the worn clichés and stereotypes.”
3. “Be authentic. Get to know us. Show you understand us.”

“Simply put, gays and lesbians support brands that support them.”

Because most black Americans are English speaking, many marketers do not view them as a separate market. However, black consumers have a distinct purchasing profile that differs from the white mainstream. They tend to eat at home more and allocate a larger portion of their budget for groceries. They spend more on telephone services, clothing, cars and electronics. Blacks like to be on the cutting edge of design, to set trends and to shop at many different stores. If they feel an advertisement is debasing or insulting, they will boycott the company.

## A Look at Asian-Americans

A stereotype is still harmful even if it seems complimentary. Asian-Americans are saddled with the success-oriented “model minority” image. Many Americans consider Asians smart, hard working and prudent. In numerous instances, statistics support the stereotypes. Asian-Americans get higher grades in school, are arrested less often and experiment with drugs less than their non-Asian-American counterparts. But because of their appearance, even third-generation Asian-Americans are often asked, “Where are you *really* from?”

“Like any successful marketing campaign, a successful multicultural campaign makes an emotional connection with the target audience.”

The inclusive label “Asian-American” is misleading. An Asian can be from any number of countries, including: China, Taiwan, Hong Kong, Japan, Korea, India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan, Maldives, the Philippines, Vietnam, Laos, Cambodia, Thailand, Indonesia, Malaysia, Myanmar, Singapore and Brunei. And this community includes submarkets, such as Mandarin and Cantonese speakers from China. Research reveals that:

- Most of the 15 million-plus Asian-Americans live in California and New York.
- Chinese make up almost a quarter of the Asian-American population, followed by Indians and Filipinos.
- Asian-Americans value education and are more affluent than the average American.
- They enjoy shopping more than most consumers, particularly on the Web.
- Asian-Americans are technologically savvy and like purchasing cutting-edge electronics.

“As ethnicity and identity become more fluid, multicultural marketing runs the risk of backfiring.”

Like African-Americans, Asian-Americans want the media to portray them “as they really are.” While few Asians held recurring television roles in past decades, contemporary shows like *Grey’s Anatomy* and *Lost* have Asian characters in their ensemble casts. Using Asians in popular media hastens their assimilation. So the characters Harold and Kumar, as stoned and hapless as they are, are a cultural step up. The movie treats them as two Americans who just happen to be Asian, and their ethnicity is not a focus point.

## A Look at LGBT Americans

Years ago, advertisers and the media didn’t acknowledge the existence of the lesbian, gay, bisexual and transgender (LGBT) community, much less market to them. However, this former subculture is now a coveted market segment, with more than \$700 billion in purchasing power. An estimated 15 million gays and lesbians live in the U.S., with gay men accounting for the majority. Gay men tend to live in metropolitan areas and hold professional jobs. They like to shop for high-end – and, especially, high-tech – products.

“Just as ethnic communities have been altered by America’s mainstream culture, their swelling ranks enable them to redefine what the mainstream is.”

Gay and lesbian characters star in shows such as *Will & Grace*, *Queer as Folk* and *The L Word*. Logo, a 24-hour gay network, began broadcasting in 2005. Of course, anti-gay sentiment still exists, but recognizing, including and targeting the gay market is no longer taboo. IKEA has pioneered using gay and lesbian characters in its advertising. Beware of excluding or bashing the LGBT market segment. This politically active group has sophisticated watchdog organizations that protest and boycott companies that discriminate against their community.

## “The Eight Rules of Multicultural Marketing”

The following eight rules should govern your multicultural marketing:

1. **“Boost your MQ”** – The “ugly American” stereotype is outdated; global success means increasing your multicultural intelligence, or MQ. Conduct research by talking to your customers, seeing your stores or offices with the eyes of an outsider and studying the data. Diversity training is fine, but real MQ comes from your desire to learn.
2. **“Divide and conquer”** – No group is truly homogeneous. The “three G’s: gender, geography and generation” have an impact; so do language and level of acculturation. Identify which consumers align best with your brand and products, then learn as much as you can about them. Market to the whole community while launching grassroots efforts to reach targeted subsegments.
3. **“Don’t trust the experts”** – Plenty of multicultural experts would love to take your money to help you market to minorities. Unfortunately, they have their own agenda. Learn what you can about your target groups firsthand. Hire staff from the culture you want to reach, do your own research and avoid stereotyping.
4. **“Don’t let the joke be on you”** – Comedy can work in advertising, but humor doesn’t always translate across cultures, and a missed joke can alienate the very people you want to reach. Minorities are sensitive to slights, so if you want to use humor, test it first.
5. **“Don’t get lost in translation”** – A hotel-room sign in Finland reads, “In case of fire – If you are unable to leave your room, expose yourself in the window.” Don’t make this kind of translation mistake. Misunderstandings occur even among people who speak the same language; for example, just try talking “hip” to your teenager. Hire experts who are proficient in the targeted language and knowledgeable about the culture.
6. **“Push their buttons”** – The most successful advertising makes an emotional connection with its desired audience. Doing this cross-culturally is a bit harder. Customize your message to your targeted customer. Know what matters to the people you want to affect.
7. **“Market on a wink and a prayer”** – Reach market segments with mainstream advertising using a “wink,” that is, an embedded message geared to the target audience. Tim Hortons, the Canadian coffee chain, ran an ad that showed a father and son drinking coffee and watching kids play hockey, a common activity in Canada. However, this father and son just happened to be of Chinese origin.
8. **“Make up, don’t cover up”** – If your targeted advertising incurs the fury of a watchdog group, accept responsibility and consider your options. Should you pull the ad, revise it or stand by it? Sometimes a simple “sorry” is the best choice.

## About the Author

**David R. Morse** is president and CEO of a company that specializes in multicultural marketing. He writes and speaks frequently on this subject.

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