

The Media Audit

NEWS RELEASE

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African-Americans Growing in Affluence; Remain Most Loyal Radio Audience in U.S.

Houston - (11/14/01) - Since 1996 African-Americans in 85 metropolitan markets have made impressive economic gains while remaining the most loyal radio audience in the U.S., according to data released by The Media Audit.

The number of African-American households with annual incomes exceeding \$50,000, \$75,000 or \$100,000 increased dramatically. Impressive gains were also made in the numbers of those with liquid assets of \$100,000 or \$250,000.

Although some of their media habits are changing their loyalty to the Urban radio music format remains the strongest in the nation. More than 53 percent of African-Americans rated Urban as their "most listened" to radio format.

"These numbers reflect an incredible level of loyalty to Urban radio," says Bob Jordan, co-chairman of the 30-year-old research firm that produces The Media Audit. "The numbers should cause a re-examination of strategies by those who believe that the African-American community can be covered effectively by advertising in mainstream media. In this community, Urban is mainstream," says Jordan. The Media Audit is a syndicated survey covering 85 markets. The 1996 surveys were based on 11,811 respondents out of a total sample of 124,606 and the 2001 surveys were based on 10,669 respondents from a total sample of 102,260. The survey covers adults 18 years of age and older. The number of African-American households with incomes of \$50,000 or more increased from 24.5 to 32.9 percent, an increase of more than 33 percent. Household incomes of \$75,000 or more increased from 8.9 to 15 percent, a gain of almost 70 percent. Household incomes of \$100,000 or more increased from 3.2 to 6.5 percent, an increase of more than 103 percent.

"There are also some very significant changes in the all important lifestyle categories," says Jordan. "Empty nesters, age 45+ with incomes of \$35,000 or more increased from 8.9 to 10.9 percent, a gain of 22 percent. Affluent households, \$50,000+, with children at home increased from 13.5 to 17.3 percent, an increase of 28 percent. The lifestyles data is critical to advertisers," continues Jordan, "it has an enormous impact on the buying habits of the household. The buying habits of empty nesters are significantly different than the buying habits of full nesters. The importance of lifestyle data shouldn't be ignored."

In another lifestyle category, graying affluents, age 50+ with incomes of \$50,000 the numbers increased from 4.2 to 7.3 percent, an increase of 74 percent. Affluent working women with household incomes of \$50,000 or more increased from 10.5 to 13.2 percent for an increase of 26 percent. Affluent blue-collar workers with household incomes of \$50,000 or more increased from 5.3 to 7.2 percent, an increase of 36 percent.

"The overall numbers are encouraging," says Jordan. "They reflect broad, overall improvement in the financial condition of the African-American community."

The more affluent a group becomes the more they drive and as a result their exposure to outdoor increases. During the past five years exposure to outdoor by the African-American community increased from 28 to 36 percent, an increase of 27 percent. Their traditionally heavy exposure to direct mail advertising experienced a rather significant drop from 35.6 to 29.8 percent, a decrease of 16 percent. Newspaper readership showed a very slight decline of less than one percent, from 52.7 percent to 52.3 percent.

The number of African-Americans with IRA/Keogh accounts increased from 17.7 percent to 26.1 percent; CDs/Savings Certificates, 16.4 to 21.2; liquid assets, \$100K+, 8.9 to 12.8; liquid assets of \$250K+ from 2.0 to 3.5. Those trading stocks and bonds during the past year increased, during the five-year period examined, from 11.2 percent to 14.1 percent.

"The media habits of African Americans are, in some ways, changing in the same ways the media habits of the general population are changing. But, the differences are significant enough -- radio habits in particular - to require advertisers and marketers to view this group as a distinctive community," says Jordan. Numerous studies have concluded that the African-American community in the U.S. earns approximately \$500 billion each year.

The Media Audit provides both quantitative and qualitative data for traditional media as well as for new media. In addition to comprehensive audience profiles, The Media Audit provides trend data on market penetration and market share.

Traditional media - print, broadcast and outdoor - have used The Media Audit data in sales, marketing and management for 30 years. In 1998, the survey started providing data on local media web sites. The survey now contains more than 400 fields of qualitative information in addition to quantitative measurements of local web audiences.

TMA has more than 1700 clients that include radio and television stations, cable television networks, cable television operators, daily newspapers, alternative weekly newspapers, city and regional magazines, shopper publications, outdoor billboard companies, and direct mail houses. In addition, TMA clients include local Internet web sites for daily newspapers, television and radio stations, alternative newspapers, shoppers and city guides. The client base also includes more than 500 advertising agencies, media buying services and advertisers.

The Media Audit is a product of International Demographics, Inc., a 30-year-old firm engaged exclusively in syndicated, multimedia surveys conducted at the local market level.

Note: If you would like to periodically receive market survey data from The Media Audit, please contact Bob Jordan by email (bjordan@thediaaudit.com) and leave your name, title, company affiliation and your mailing and/or email address.

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