

S.O.U.L. Empire

Mad Marketing Skills — Urban Marketing

Melba Newsome

YOUR GUIDE TO CASHING IN ON THE YOUNG, URBAN MARKET

WHEN THE MANUFACTURERS OF CONVERSE SNEAKERS wanted to investigate the consumer appeal of entertainment mogul and basketball player Master P (Percy Miller), they hired Jeffrey Meade, 23, and Patrick Walsh, 22, founders of Washington, D.C.-based Mjini Urban Youth Experts, to research what resonated with young, urban consumers. Converse was negotiating with Master P to endorse several lines of sneakers. Linking up with one of the country's hottest rappers had its appeal, but Converse wanted to make sure he would attract urban youth.

Meade and Walsh were paid \$1,300 per day plus expenses to find out. Their company subcontracted with Arnold Communications, an advertising firm that help conduct the research. They talked to dozens of young men at malls, basketball courts and community centers in Los Angeles and New York, and recorded these conversations to find out what would spark their interest in Converse. Who better to discover what clicked with the young, black male market than two young, black men?

"We only have a couple of years on the targeted consumer, so they were eager to talk to us," says Meade. "It turned out that kids responded well to Master P." Last February, Converse began marketing "The Smooth," a sneaker endorsed by Master P, and, last summer, it added "The MP" and "Chuck Authentic." A series of print ads for the sneaker lines ran in *The Source*, *Slam* and *Vibe* magazines, publications that are widely read by hip-hop and rap fans.

The Smooth brand has sold out and the other two brands have proven to be successful, particularly in the South. Marketing to the trend-setting urban youth consumer has become big business because of their buying power (\$300 billion) and influence over the mainstream consumer market. McDonald's plays hip-hop music, and even Colonel Sanders, the staid, white Southern gentleman, has become a slam-dunking rapper who handles his walking cane more like a Kappa Alpha Psi fraternity brother than a senior citizen. Whether it's shoes or orange juice, this demographic has its finger on the pulse of the mainstream marketplace, which translates into an expanded market base, increased brand awareness and higher sales volume for the companies that produce these products and services.

"What works in urban cities, works in suburbia, but not vice versa," says Roy L. Brannon, president and CEO of the Brannon-Cottrell Group in Dallas, a full-service advertising agency specializing in campaigns targeting urban ethnic markets. "The general market will accept what the urban consumer wears. If you can capture them, you can capture the mainstream market. When rap music first came on the scene, it was in inner-city underground clubs, but when it reached the suburbs, it became commercial." Today, more than 70% of hip-hop albums are sold to whites.

Because the market is young it represents an audience companies can follow and profit from as it ages and builds wealth. Majority companies have targeted millions of dollars at urban youth marketing campaigns because they recognize this market's viability and influence. Even if your business doesn't have the advertising budget of a McDonald's or KFC, there are other techniques for getting your product in front of the urban youth market. In this article, we'll show you how to determine if this market fits your business and what strategies you can use to successfully pursue young urban consumers.

GENERATION X/Y

The impact of urban youth can be felt everywhere from fashion to music to sports. This includes an estimated 70 million 12- to 17-year-old (Generation Y) and 18- to 34-year-old (Generation X) African Americans, Latinos, Asians and Caucasians who live in both inner-city and large, upscale urban environments, such as New York, Los Angeles and Chicago. This demographic is heavily influenced by the music (rap, R&B, gospel, hip-hop) and fashion that characterize its identity. African Americans drive both of these arenas. Urban youth have their own language, icons and heroes.

"We've found that these kids are very individualistic, and they don't respond to anything outside of their reality," says Brannon. "They don't care about the status quo."

At the same time, this market sets and is influenced by trends in the fashion and music industries that are then followed by the general consumer market, especially affluent white suburban youth.

"If FUBU started advertising to suburban kids, they would lose," says Meade. "Their urban constituents would find something else to wear and suburban kids wouldn't wear it. The best way to get white kids into a product is to get black kids to buy it."

This demographic makes a considerable amount of household purchasing decisions for their families, from what food to eat to what diapers to buy, according to Howard Buford, president and CEO of Prime Access Inc. in New York, an advertising and direct-marketing firm that specializes in marketing to previously overlooked audiences, such as African American and Latino consumers. "If you're a business person, it matters what store they go to and what they buy. In order to accomplish this, you have to create linkages and word-of-mouth advertising."

KNOW YOUR AUDIENCE

Clearly, marketing boosts visibility and sales, which translates into healthier profits. However, before shelling out money for prime-time commercials or full-page magazine ads, make sure you've done your homework. A misdirected marketing plan can be worse than no plan at all.

First, you need to assess what your goals and mission are and whether marketing to urban youth consumers fits into your overall business plan. What age group do you currently market to? Does your product or service fit the urban youth market? Is your product or service "life stage" (defined by age)? If so, it would be difficult to transcend this market. How will it impact your bottom line? Elevate brand value? Increase profits? Increase your visibility in the community?

"If this market doesn't identify with your product or service, you can't stretch that brand name. However, you might consider launching a product line geared toward a younger market," says Buford.

When you put together a campaign for a specific audience, you have to evaluate their lifestyle, how and where they live, their likes and dislikes and their spending power.

"There's a real schism between 'old school' and 'new school,'" says Buford. "People who own businesses tend to be old school. They assert their ideas and opinions over what the new school, or urban youth, believes or values. Old schoolers have to transcend new schoolers' differences, which are expressions of themselves and what they represent."

Before launching Mojo Highway Golden Ale under their company, Mojo Highway Brewing Co. L.L.C., in Washington, D.C., last year, Chairman and CEO Lee Chapman and President and COO Curtis Lewis, both 29, scoured every bit of information they could find to learn about the consumers they hoped to reach. "We read InfoScan, Competitive Media Reporting, Scarborough Data [marketing research services]," says Chapman. "Anything that would help us understand where and how much the urban demographic spends on beer and why." Because they wanted to reach their peers—20-something, college-educated beer drinkers—Chapman and Curtis relied heavily on their own experience as well as data on this market.

Their most effective marketing strategy: hosting more than 100 onsite promotional events in clubs and bars. "On-site promotions educate, create awareness and allow consumers to sample our product," says Chapman. Today, their beer is sold in 60 bars and liquor stores in New York and Washington, D.C.

In many large advertising agencies, traditional focus groups and surveys account for most of the market research. Such methods are expensive, however. And as Mjini (Swahili for urban environment) demonstrated with its Converse research, the grassroots approach is less expensive and can be equally effective in gathering valuable information.



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TAILOR YOUR MESSAGE

Savvy consumers that they are, urban youth can quickly sense if a product doesn't fit their needs, experts say. Therefore, you should be able to stand behind what you advertise.

"They can sniff out fakeness and insincerity, so your creative efforts have to be real," says Brannon. "The message is very important too—how you say it and what you say. You have to get input from those who know the market."

Urban youth have to believe your product or service is for them, says Buford. "You have to ask yourself how do I communicate they're welcome in my store or that I want them to do business with my company? You must align yourself with the ways they identify themselves in their choice of clothing, music and icons."

Although being a black-owned microbrewery might initially attract African American consumers, Mojo Highway Brewing Co. L.L.C. has made a concerted effort to build a multi-ethnic following for its \$6 (average cost) six-pack of beer. Crafting a message that resonates yet differentiates your company from the competition is a challenge. The tag line for Mojo—"the perfect detour"—plays off the name [Mojo Highway] and appeals to young consumers who want something other than Budweiser or Coors. The company has no national ads, but Mojo's public relations agency, Washington, D.C.-based Starnet Management L.L.C., already knows the kind of ads it won't run. "I can guarantee you there won't be any frogs, dogs or camels," says Vincent Sizer. "Mojo wants to attract those who are legally able to drink and wants them to be responsible drinkers."

Urban youth consumers don't respond to messages that are heavy-handed or condescending. Keep it simple and relevant, says Raymond O'Neal Jr., executive vice president of Vibe-SPIN Ventures in New York and publisher of *Blaze* magazine, an urban music publication.

"Golf as a brand [sport] wasn't meaningful to blacks years ago," says Buford. "But Tiger's [Tiger Woods] appearance said we're welcome and this is for us. He creates a linkage to young blacks, and now that's happening in tennis with Venus and Serena Williams."

Indeed, this market longs for a sense of belonging, so your message should make them feel that by purchasing your product or service, they are included.

KEEP PACE WITH CURRENT TRENDS

Urban youth consumers tend to be trend and style conscious, which means you must keep pace with their interests and buying habits to formulate a successful marketing strategy. This is particularly true of fashion.

"These consumers have loyalty for a while, but they'll switch to your competitor in a heartbeat," says Brannon. "Your product or service has to be new and fresh and uniquely for the urban youth consumer. What's hot this week won't be next week. The dilemma becomes how to keep up with their trends. Businesses need to stay in tune with these consumers. Ask for input from teens to understand why they respond or don't respond to your product or service."

Although it may be tempting to use celebrity endorsements, be aware that they can become dated, says Carol Patterson Brooks, president of Correct Communications Inc. in Newark, New Jersey, a marketing and communications firm specializing in providing access to niche markets. Instead, tie in rap, R&B or hip-hop and other music to appeal to this market. Even a local icon, such as a radio personality or local youth sports hero, can be appealing and bring in urban youth consumers.

MAINTAIN A HIGH PROFILE

Because urban consumers identify with their communities, unless your business is part of their work/you are invisible to them.

"Giving back to the community, being involved and being seen at community events says you're one of them and you support them," says Brooks.

For example, if you own a restaurant, you could sponsor a local sports team or, if you can't afford to do so, donate hotdogs and drinks at their games. Create partnerships with schools or community centers to participate in or sponsor events, campaigns or fund-raising drives. Take charge of a community project, such as cleaning up an empty lot so kids can play sports there. Tie in a product promotion with a movie theater chain to drive your company's sales.

Besides wider name recognition, Mojo landed a vending contract when it supplied beer for a Congressional Black Caucus party held at Washington, D.C.'s Velocity Grill in the MCI Center. "The entire evening cost us about \$200 and we got an account out of it, too," says Chapman.

Penna De Kelaita, 30, owner of SpiceRax in Los Angeles, discovered that sending press kits to specific media outlets was an inexpensive and effective way to spread the word about a new product. She wanted to let young, multiethnic consumers know about Shout-Outs, her colorful greeting card line that features eight multiethnic cartoon characters. De Kelaita spent \$3,000 for slick press kits that she sent to publications with readers she hoped to reach. As a result, Shout-Outs were written up in the six publications. In addition, her Website (www.spicerax.com), which includes an online shopping mall where consumers can purchase her cards for about \$2.50 each, receives up to 2,000 hits per week.

The power and influence of the urban youth market represent an opportunity for black businesses to capture a segment of the consumer market that can bring increased brand awareness, profits and an expanded consumer base. By focusing on their communities, keeping pace with the trends they set and formulating a message that speaks directly to them, you can strategize to reach this audience with success.

"There is no question that mainstream marketers have recognized the value of this market," says Brooks. "Black businesses must be engaged as well."

HIP MARKETING TIPS & RESOURCES

TIPS

- Partner with an urban radio station to sponsor an event or broadcast live from your office or store.
- Place an ad or have a story written about your company in urban culture magazines and newspapers.
- Design colorful street posters to advertise your business in urban communities.
- Create palm cards: postcard-sized cards that advertise an event or product.
- Dispatch street teams: professionally trained members of your marketing or advertising team who hit the streets to spread the word—through fliers and word-of-mouth—about your company's products or services.
- Distribute coupons or sample products in college dorms or sports venues.

RESOURCES

- Minority Markets Alert (publication) 212-941-0099
- EUR (Electronic Urban Report) www.eurweb.com
- Correct Communications 973-242-3305
- Icon Lifestyle Marketing 212-929-3800
- Target Market News Inc. 312-408-1881 or www.targetmarketnews.com
- Multicultural Marketing Resources Inc. 212-242-3351
- Teen Research Unlimited 847-564-3440 or www.teenresearch.com
- Mjini Urban Youth Experts 617-249-0442
- Brannon-Cottrell Group 214-652-8451
- Prime Access Inc. 212-868-6800 or www.primeaccessinc.com

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