

## **New Study Shows Well-to-do Ethnic Consumers Hold \$282 Billion in Purchasing Power**

HAMBURG, N.J., Feb. 3 /PRNewswire/ -- Affluent ethnic Americans have been invisible to luxury marketers until now. A new study by chief economist Greg McBoat of the research firm and consultancy, Diversity Affluence, reflects "Estimates of Population, Income and Purchasing Power for African, Asian and Hispanics Americans in America." It defines affluent ethnic individuals with an annual income of at least \$75,000 and households with an annual income of \$150,000 or greater.

"Our data confirms wealthy ethnic groups, defined as 'Royaltons,' are a significant audience for all marketers to target," Mr. McBoat said. "Of the three primary groups of Royaltons that we researched African Americans possess \$87.3 billion in purchasing power, Asian Americans possess \$90.2 billion, and Hispanic Americans hold \$104.5 billion."

These influential consumers are the "new holders of the gold," said Andrea Hoffman, Diversity Affluence CEO. "While these recessionary times have luxury marketers overly cautious, reducing spending is an imprudent way to cut costs because a brand risks attracting new audiences that could otherwise help them survive and thrive," she said. "However, marketers should reallocate money towards new media and new audiences. It's more affordable, measurable and can deliver prospects instantly with the right call to action."

Ms. Hoffman suggests that marketers better educate themselves about the Royaltons' needs, interests and economic significance, particularly since affluent ethnic consumers -- have an average household income of \$233,000.

"Although they account for only 2.4 percent of all ethnic individuals in the country, Royaltons represent 39 percent of total income, a significant portion of wealth," said Mr. McBoat. "In other words almost one of every 42 people is affluent, and income earned by the Royaltons represents one dollar out of every \$2.56 earned."

"No ethnic group possesses the raw buying power and growth potential more than Hispanic Americans," Ms. Hoffman said. "Marketers' traditional market base is saturated and it is imperative to find new customers to maintain sales and revenue growth -- regardless of economic times."

Ms. Hoffman also noted that the new study will help marketing managers, media buyers, retail and business development executives substantiate initiatives and pilot programs that target, attract and build loyalty between brands and Royaltons.

"The media and marketing landscape will continue to change at Internet speed and luxury marketers are at a challenging crossroads," Ms. Hoffman said. "But the raw numbers prove that new and affordable opportunities do exist if marketers choose to be nimble."

[About Diversity Affluence](#)

Diversity Affluence helps brands and businesses understand and market to Royaltons. The firm uses traditional and unconventional approaches to advise marketers, the media, agencies and entrepreneurs on how to reach Royaltons online and offline. The company helps clients identify new revenue streams, implement profitable business initiatives, and create or improve customer loyalty programs, marketing strategies and tactics.

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