

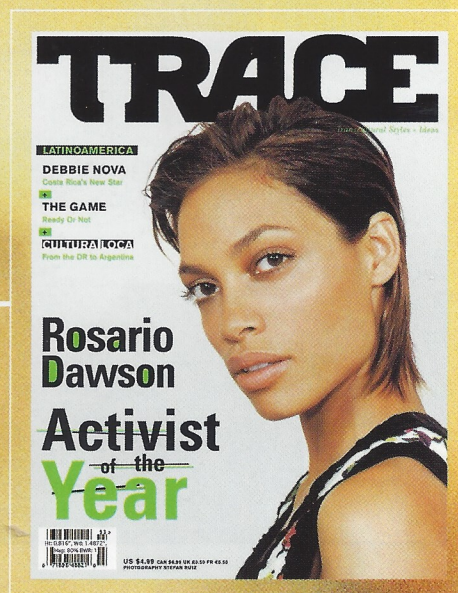
By 2050, the percentage of Americans who describe themselves as Caucasian will barely be 50 percent. Advertisers are taking notice.

The Meld- ing of

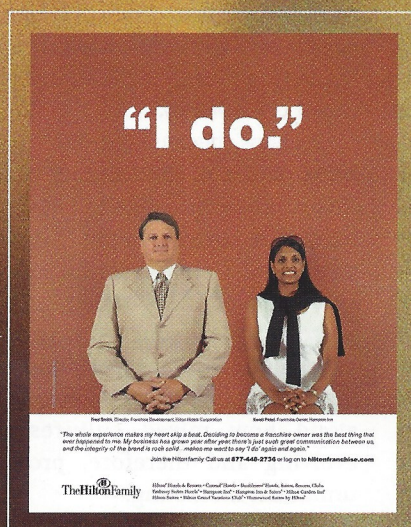
By Hillary Chura

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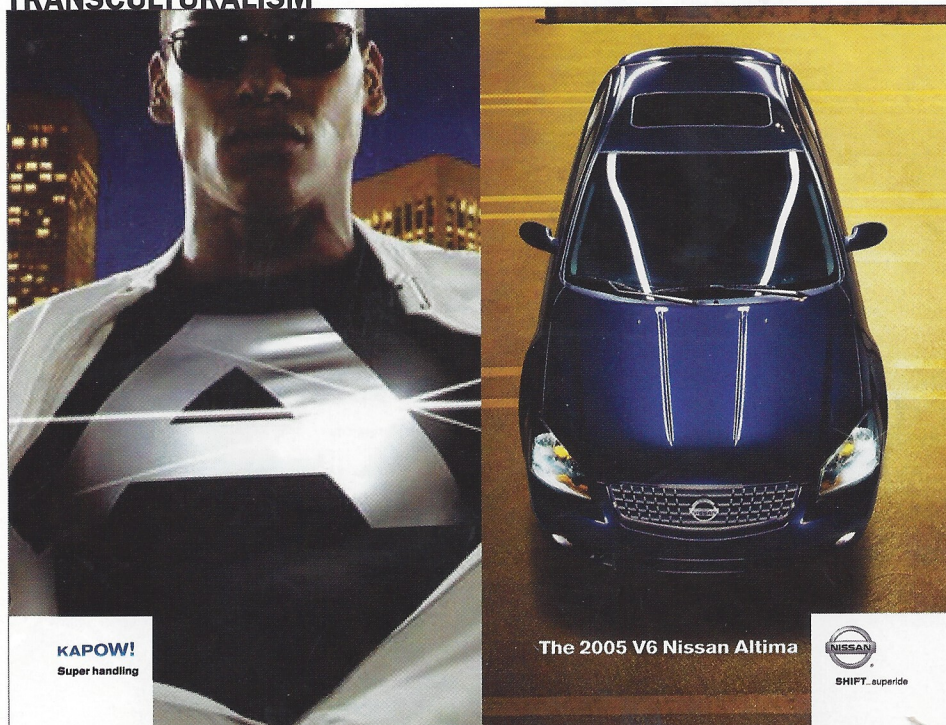


AMERICA



Mixed Media: Trace Magazine is the voice of transculturalism (upper right inset); A marketer appeals to mixed race couples (lower left).

TRANSCULTURALISM



he percentage of Caucasians in the United States will shrink within the next 50 years, making America's melting pot less metaphor and more reality.

According to U.S. Census forecasts, the number of Caucasians in America will shrink to 50.1 percent of the U.S. population by 2050 from 69.4 percent in 2000. Hispanics, meanwhile, will represent 24.4 percent of the population, compared with 12.6 percent in 2000, and African-Americans will increase to 14.6 percent, up from 12.7 percent.

The 2000 census was the first time respondents could characterize themselves as belonging to more than one race. With the number of interracial couples quadrupling from 1990 to 2000, multicultural marketing opportunities are likely to increase with each generation period.

To stay abreast of the trend, marketers will need to go beyond gratuitous stereotypes and models of nebulous origin. Providers of television content are trying to make inroads. Take the Disney Channel's "American Dragon: Jake Long," fea-

ture a 13-year-old boy whose mother is Asian and father is Caucasian.

"If you look at advertising today, it's different than it was in the 1950s, '40s, and '30s. It's a result of multiculturalism. People are more sensitive to differences," says Andy Erlich of Erlich Transcultural Consultants in Woodland Hills, Calif.

Latinos became the hot demographic when the 2000 census showed they had surpassed African-Americans to become the country's No. 1 minority. A handful of companies have been courting them for years. Anheuser-Busch Cos., for example, had Hispanic ads at the turn of the last century, and work from its Hispanic agencies, including Dieste, Harmel & Partners in Dallas, appears in the general market, as well as during hot ticket Spanish-language events like the World Cup.

Claude Grunitzky, chairman of True advertising agency and *Trace*

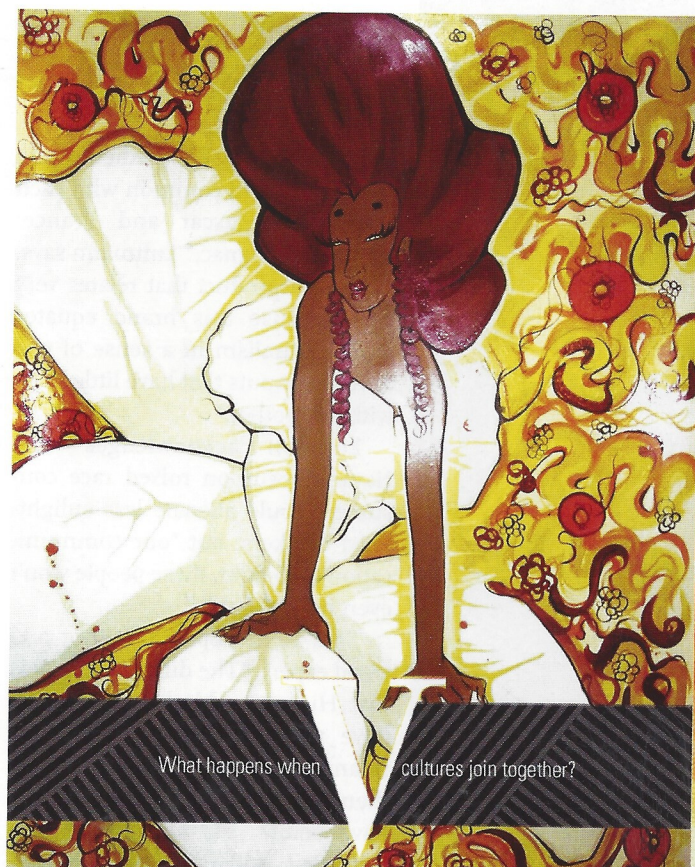
magazine, both of which represent transcultural styles and ideas, maintains that marketers must change how they advertise. He says hiring agencies that specialize in different ethnic groups only underscores differences rather than sending a unified message. Instead, marketers should focus on a young, ethnically diverse population with a downtown attitude and ability to influence the mainstream.

"Non-white Americans are increasing in population seven times faster than are white Americans. That's changing everything for marketers. Every American is going to have to make an effort to understand other cultures," Grunitzky says. "It used to be African American versus Hispanic American versus Asian American. All these denominations are going to disappear in the future because we are all Americans, and Americans will become transcultural."

Though some say the term "transculturalism" is just nomenclature, others suggest that it denotes a mishmash of cultures, where "urban" means more than "ghettoized" and "multicultural" goes beyond "black." It's where mixed marriage refers not just to blacks and whites but Italians and Germans. "We are changing the definition of what is multicultural," says Ann Fishman, president of Generational-Targeted Marketing Corp., a New Orleans-based consultancy.

Perhaps because of the colorblind nature of the Internet where it is nearly impossible to know the race of a correspondent, Generation X and Y'ers rely on the quality and logic of ideas rather than a person's color, education, gender, or religion. Several experts contend that few marketers actually understand how mixed cultures are evolving and therefore, produce unnatural marketing.

"Ralph Lauren is probably the



best at keeping up with changes in America," Fishman says. "Its ads used to be white bread. ...the typical East Coast family that everybody seemed to aspire to. Now, you may see a large family with no mother. In other ads, you may see a group of friends as family. Family is defined in different ways. It's still upscale and preppy, but the look of family may change."

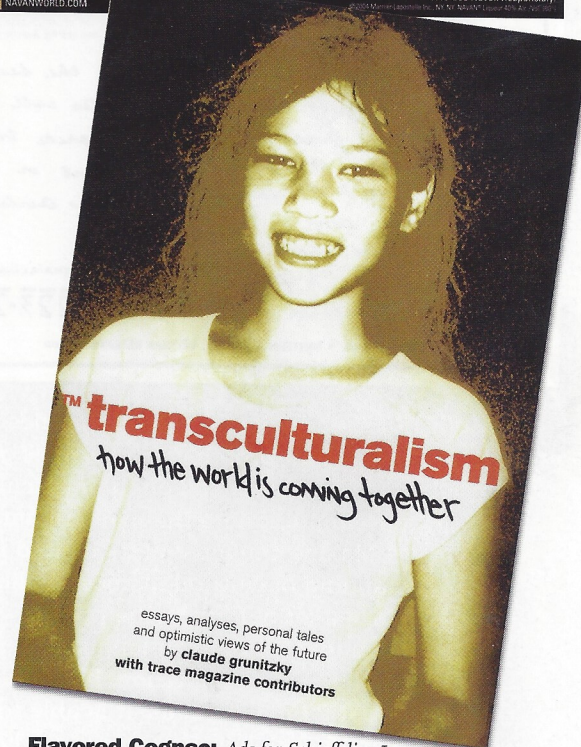
A mishmash of cultures where urban means more than ghettoized.

Other marketers are more contrived. "It is one thing to keep up with trends. It is another to push it to a point where the viewer or listener feels a bit of shock," Fishman says. "One gets the feeling with some Benetton ads that their purpose is to shock and not to inform or even advertise the merchandise. Young consumers are much too savvy to be pulled in by that."

LVMH's Schieffelin & Co. is launching Navan, a vanilla cognac designed to appeal to the urban market where cognac is a big draw.

Hispanics traditionally favor sweet flavors like vanilla, as do women. The \$40 liqueur went into test markets in New York, Chicago, Los Angeles, and Las Vegas in September 2004 and is poised for a national launch in April. "Lots of ethnic ads don't resonate. They put in a saxophone to make it relevant to African-Americans," says Grunitzky.

The Navan campaign, handled by Trace, New York, will have a budget of \$10 million, with equal parts devoted to advertising, sampling, and promotion. Though Steve Luttmann, senior vice president for Grand Marnier and a Unilever veteran acknowledges Schieffelin is trying to create



Flavored Cognac: Ads for Schieffelin & Co.'s Navan (top); transculturalism exists as an internalized mindset and identity, according to Claude Grunitzky; Nissan's multicultural pitch (opposite).


demand, he maintains the company is not over-thinking the vehicle.

"Our product is a function of two

Pity Czech Airlines

Small budget, diverse needs

If you think your job is hard, imagine trying to reach 10 nationalities, just as many languages, several generations, and both



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Dear Monica!
I made it safely back home.
Czech Airlines food and
services were excellent.
I cannot wait to see you
in Ostrava soon.
Love, mom
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genders — as well as U.S. travel agents and American travelers — for less than a \$500,000 media spend.

Fixing communism may have been less of a challenge.

"We are not [a] big spender in advertising," says Miroslav Belovsky, the general manager for the airline's North American operations.

Traditionally the company has spent about half its money in so-called in-language media with the remainder in English-language travel trade publications. It now is expanding to glossy

English language travel magazines with hopes to double its annual budget. Most of that increase will go to English-language media.

"We are focused on [a] multicultural clientele, but of course we cannot ignore the mainstream," Belovsky says.

Making the most of its limited investment requires an understanding of cultural nuances — like how Eastern Europeans place a lot of faith in the printed word. As such, Czech Airlines spends most of its in-language budget on newspapers, followed by radio, then television. It will target 10 ethnic groups over about 60 publications. It is able to spread its budget over so many books because ethnic media costs about one-third to one-half of comparable circulation English-language pubs, says Alex Romanovic, executive vice president of Global Advertising Strategies, the media and creative agency for Czech Airlines.

"They do not spend frivolously on advertising," Romanovic says. "They have to be a lot more frugal and results oriented when it comes to advertising than U.S. airlines [are], a lot of which are in bankruptcy." HC

different types of ingredients that have nothing in common with each other: Madagascar and France; vanilla and cognac," Luttmann says. "This is a product that relates very well because this brand equates multiculturalism in a sense of two different inputs that have little to do with each other."

Luttmann acknowledges that Navan's focus on mixed race consumers could alienate less enlightened drinkers, but "our communication is so tight, these people won't even hear about it."

Says Faith Popcorn, author and trend expert, "The difference now is that Hispanics, blacks, and Asians have more political power, more financial power, so we have to take them seriously. Maybe we should have before, but we didn't. They represent dollars, big influences. They move the needle. They buy more cars. They buy more beef. They buy more chicken."

The average income for non-white households is growing at more than twice the rate of white households, says Luke Visconti, co-founder and partner of the magazine *DiversityInc.* He says savvy marketers that target non-white consumers include corporate giants such as Procter & Gamble, Kraft Foods, Pepsi-Cola Co., and Ford Motor Co. Paying attention to multicultural consumers makes good business sense, but the sticking point for many marketers is a lack of diversity within their own ranks.

"By 2050, white people will be the minority, and that's not very long from now," Visconti says. "You kind of have to have your head stuck in the sand not to be hearing the message at this point. If America's largest and greatest marketers are doing it, they're not doing it because it's charitable or some social issue for them. ...Even white guys can learn this." M