

Pioneering Possibilities

Diverse Voices
Black Consumer Report 2024



Who is the Black consumer?



Black consumers are a growing population in the US

47.2M



14.2%
of US Population

30%
increase since 2000



4.8M foreign-born
Black Americans

Source: <https://www.pewresearch.org/social-trends/fact-sheet/facts-about-the-us-black-population/>

And are young and dynamic

Demos:



26% have college degree+



Median household income **\$46,400**



39% live in HH headed by married couples



Median age is 33
(compared to 38 for Total US)



45% of entire Black population is >30

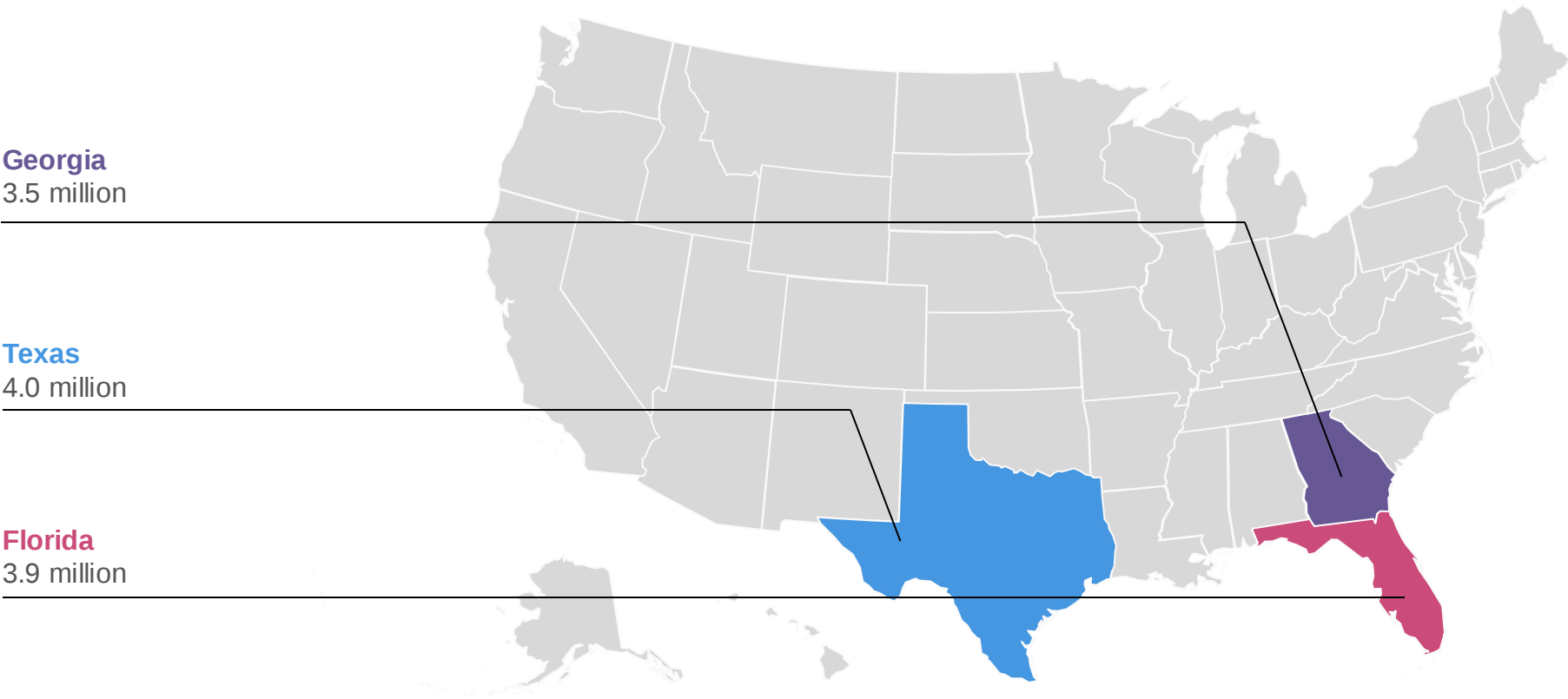


3.4 ppl in HH
(compared to 3.2 tTotal US)

Source: <https://www.pewresearch.org/social-trends/fact-sheet/facts-about-the-us-black-population/>

Heavily located in metropolitan areas of the US

The states with the highest Black population are:

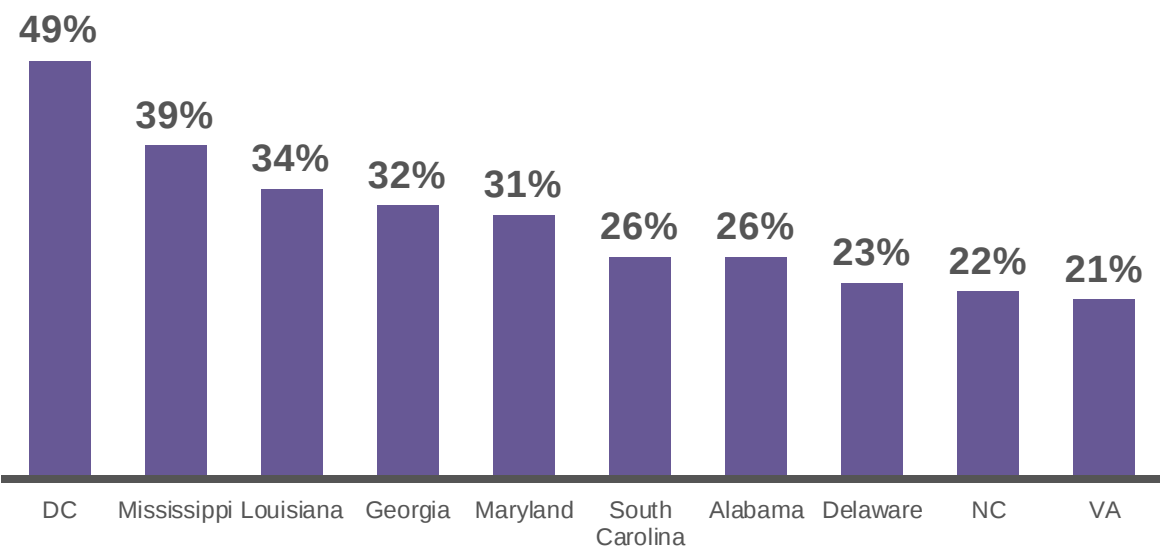


55%
of Black consumers
live in the South

Source: <https://worldpopulationreview.com/state-rankings/hispanic-population-by-state>

Many states have high relative Black populations

The states with the highest Black population percentage:



Source: <https://worldpopulationreview.com/state-rankings/hispanic-population-by-state>



Black Americans carry tremendous buying power



\$1.8T

buying power in 2024



**+7% of the nation's total
buying power**



What is the Black shopper buying?



Black consumer spending is on pace with Total market growth

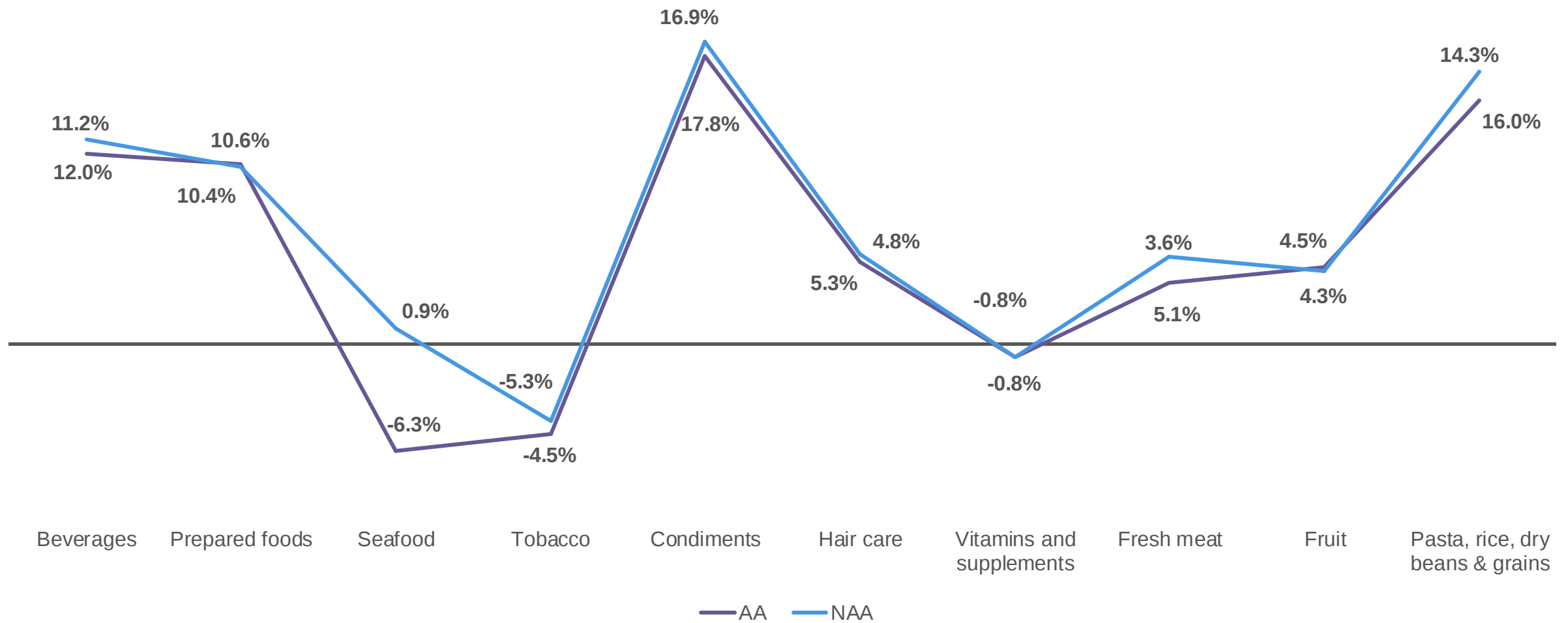
\$207B

Black growth rate 6%,
US growth rate 5.5%

	Item Buy Rate	Purchase Size	Purchase Frequency
Black	\$12,994.93	\$34.16	380.4
Total US	\$15,114.57	\$40.15	374.2

And is setting the pace for many categories across the store

Dept level v non-Black



Black consumers are highly engaged with key categories

Top 20 categories



Salty snacks
\$4.1B
Chg: 14.9%



Paper & plastics
\$3.6B
% Chg: + 9.0%



Soft drinks
\$3.5B
% Chg: +17.4%



Vegetables
\$3.4B
% Chg: +9.8%



Candy, gum, mints
\$2.8B
% Chg: +12.7%



Fruit
\$2.5B
% Chg: +4.5%



Cheese
\$2.4B
% Chg: +14.2%



Processed meat
\$2.3B
% Chg: +0.2%



Desserts
\$2.3B
% Chg: +10.3%



Pet food
\$2.2B
% Chg: +24.4%

Black consumers are highly engaged with key categories

Top 20 categories



Laundry care
\$2B
% Chg: +4.3%



Beer/FMB/Cider/Seltzer
\$3.6B
% Chg: +4.7%



Fresh meat
\$1.9B
% Chg: +3.6%



Cookies and crackers
\$1.8B
% Chg: +15.1%



Seafood
\$1.7B
% Chg: **+6.3%**



Cereal and granola
\$1.6B
% Chg: +13.4%



Water
\$1.6B
% Chg: +16.0%



Milk products
\$1.5B
% Chg: +9.8%



**Oils/butter/margarine
spreads/substitutes**
\$1.4B
% Chg: +18.6%



Bread
\$1.4B
% Chg: 15.1%

And are
exploring new
categories

Top 20 growing

Top growth	
Perfume	6315%
Cologne	619%
Shave sets	457%
Beer making kits	323%
Specialty melons	192%
Cauliflower	164%
Dips/spreads party platter	141%
Sliced hams	167%
Dry potpourri	122%
Malt based alternatives	115%
Wine based alternatives	103%
Non-alcoholic spirits	103%
Energy beverages	95%
Shakes (yogurt)	65%
Cocktail mixing kits and sets	58%
Asian condiments	52%
Cottage cheese	44%
Prepared cocktail	41%
Eczema & psoriasis	38%
Protein salty snacks	33%

Where is the Black consumer shopping?



Most spend in Grocery and Mass Channels over all

Channels

				
	Beauty Supply	Dept Store	Dollar Store	Drug Store
Item Buy Rate	\$399.06	\$617.19	\$658.52	\$578.98
Purchase Frequency	8.1	7.6	46.0	30.0

			
	Grocery	Mass Merch	Warehouse/Club
Item Buy Rate	\$3,715.40	\$5,045.80	\$1,693.76
Purchase Frequency	111.2	113.4	20.3

But they spend more per trip on Department or Warehouse/Club

Channels



Beauty Supply

Purchase Size	\$49.54	\$81.26	\$14.31	\$19.09
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Dept Store



Dollar Store



Drug Store



Grocery

Purchase Size	\$33.42	\$44.48	\$83.30
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Mass Merch



Warehouse/Club

Purchase drivers and preferences



Dynamic preferences

Diverse preferences influenced by variation with the Black population. Common drivers include:

- Quality and value
- Flavor preferences
- Health and wellness
- Social and ethical values



Quality and value



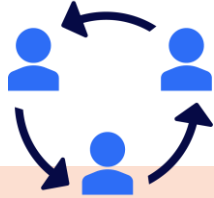
Like many consumers, Black shoppers prioritize quality and value for their money. They look for products that meet their needs and expectations while offering fair pricing.

Health & Wellness



- There is an increasing awareness of health and wellness within the Black community, which has led to a demand for healthier CPG products with natural ingredients and reduced additives
- This includes organic foods, fitness gear and wellness supplements
- Over **9,000 food products** claim to be "Free from Artificial Ingredients"

Ethnic & regional variations



- It's important to note that Black consumers come from diverse ethnic and regional backgrounds, so their preferences can differ significantly
- Brands that acknowledge and cater to these variations can be more successful

Flavor preferences



- Flavor preferences can vary widely within the Black community due to diverse cultural backgrounds
- However, some popular flavors and ingredients include spices like cayenne, cinnamon, and nutmeg
- Ingredients used in traditional African and Caribbean cuisine, such as plantains, yams, and okra are popular as well

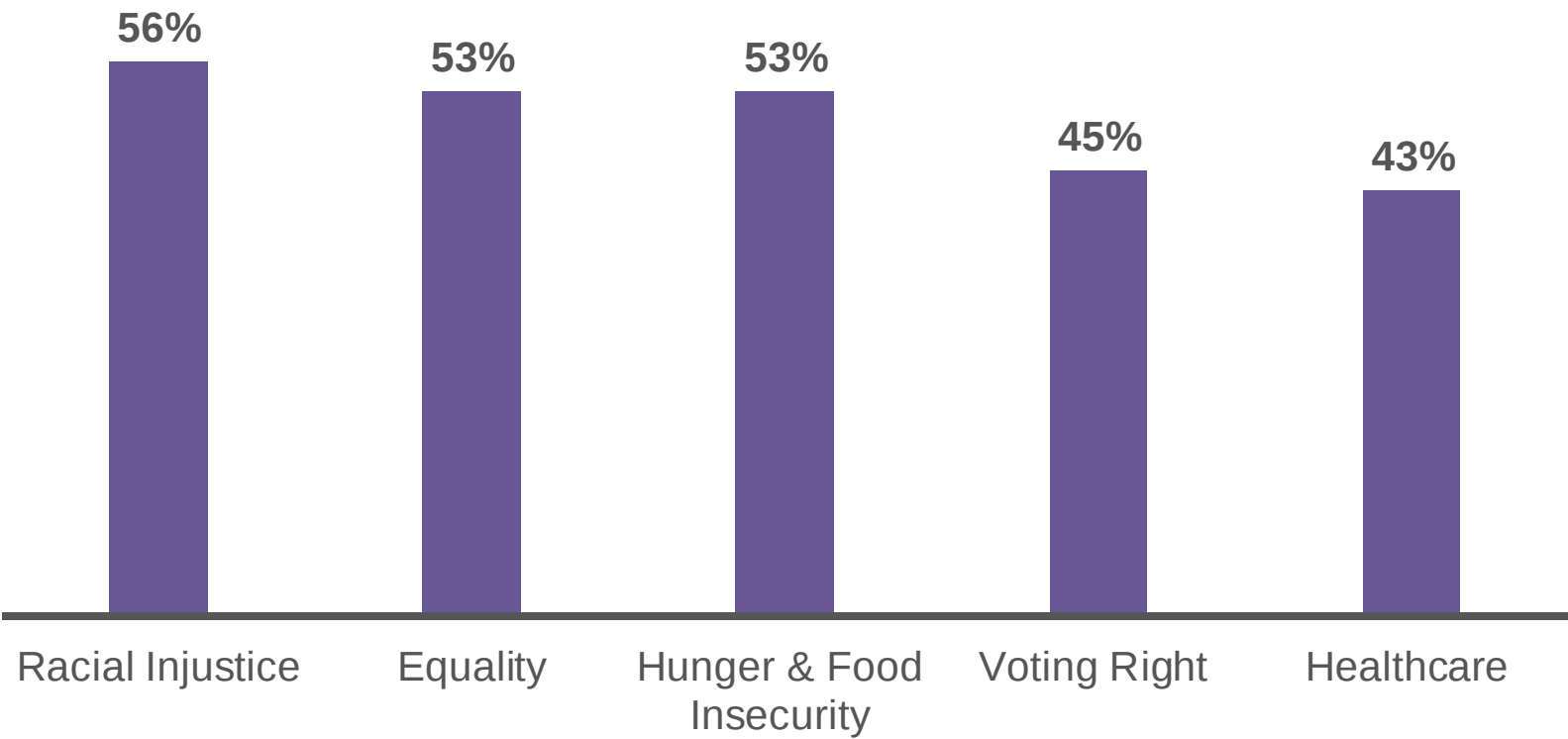
7%
Cinnamon

10%
Cayenne

Social & ethical values

- Black consumers are often influenced by a brand's social and ethical values. Companies that align with causes related to racial equality and social justice are viewed more favorably
- Prioritizing sustainability, fair labor practices, and ethical sourcing may be favored.

Top Social Issues driving Black consumers to make a purchase



Source: Impact of CSR Initiatives Survey. NielsenIQ Omnibus Survey June 2021

How to connect with the Black consumer?





Cultural relevance

- Cultural factors play a significant role in the purchasing decisions of Black consumers. They are more likely to support brands that understand and respect their culture and heritage.
- **66%** of Black consumers are more likely to return to a brand with advertising authentically reflecting their race/ethnicity



Representation

- Black consumers appreciate seeing diversity and representation in advertising and product packaging. Brands that showcase diversity and inclusivity are often more appealing.
- This includes marketing that features Black models, influencers and cultural elements, celebrates Black history and traditions, and acknowledges the diversity within the Black community
- Focus on telling authentic stories that resonate with the experiences of Black consumers



Community engagement

- Brands that actively engage with and invest in Black communities through initiatives like scholarships, mentorship programs, and community events can build strong loyalty
- Creating feedback channels where Black consumers can provide input on products/services, such as surveys or focus groups, is a strategy brands should consider



Accessibility

- Ensure that your products and services are accessible to a wide range of Black consumers, including those with varying income levels

Source: <https://www.brannans.com/customer-com-is-for-sale/#:~:text=In%20the%20retail%20arena%2C%20African,purchases%20and%20stick%20with%20it>



Long-term commitment

- Building trust and loyalty among Black consumers takes time. It's essential to view this as a long-term commitment rather than a short-term marketing strategy

If done right, the rewards are exponential

- Black consumers often exhibit strong brand loyalty, especially to companies that have a history of supporting social justice causes or have a positive reputation within their community
- **48%** of Black consumers tend to find a good source for their purchases and stick with it

Source: <https://www.brannans.com/customer-com-is-for-sale/#:~:text=In%20the%20retail%20arena%2C%20African,purchases%20and%20stick%20with%20it>

Here are some of the brands Black Consumers prefer the most

Top brands for Black loyalty

Coca-Cola	Purina	Nabisco	Hershey's	Tide	Gain	General Mills
M&M's	Lay's	Sprite	Pampers	Kellogg's	Budweiser	Tyson
Bounty	Little Debbie	Dove	Charmin	Campbell's	Quaker	

Summary



Black consumers are creating major shifts in the US market

A dynamic and young population

- The Black population represents 14% of the US with a media age of 33
- Over half (55%) of the Black population live in southern metropolitan areas. However, there are several states where the Black population is relatively high.
- The projected buying power of Black consumers is \$1.8T in 2024

Purchase Drivers and preferences

- Black consumer purchasing reached \$207B in the past year, setting the pace for total market growth at 5-6%
- Brands that actively engage with the Black community and make long term investments in accessibility and representation will reap the exponential rewards of brand loyalty and trust

Many possibilities exists

- The various cultures within the Black community result in diverse preferences. However, there are 4 common purchase drivers:
 - Quality and value
 - Flavor preferences
 - Health and wellness
 - Social and ethical values



Thank you.

