

# Unmassing America: Ethnic Media and the New Advertising Marketplace

A Report of the Aspen Institute  
Forum on Diversity and the Media

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*The reader should note that this report is written from the perspective of an informed observer at the conference. Unless attributed to a particular person, none of the comments or ideas in this report should be taken as embodying the views or carrying the endorsement of any specific participant at the conference.*

# Executive Summary

Fundamental changes are taking place in the advertising marketplace. Audiences are moving away from big media and adopting niche media, with indisputable trends toward fragmentation, disintermediation and greater consumer control affecting the media sector. Consumers have expressed preferences for more personalized, relevant forms of media that speak directly to their needs and interests. Advertisers are experimenting with new ways of communicating with customers and searching for new ways of reagggregating audiences. In this new environment, new media expert Jeff Jarvis has observed, “the economies of scale must compete with the economies of small.”

At the same time, the number of self-identified ethnic Americans, the number of businesses serving ethnic communities, the purchasing power of ethnic communities and the number of ethnic media outlets connecting them together are all on the rise. Taken together, the data are integral in making the business case for advertisers to engage more fully with and invest in ethnic media. Now may be a moment of great opportunity for ethnic media to leverage their connections in their communities and increase their participation in the marketplace for advertising. In doing so, the leaders of ethnic media must contend with the fundamental shifts in the rules governing advertising that threaten the revenue streams of mainstream and niche media alike. Moreover, they must overcome the barriers that have historically resulted in the undervaluing of ethnic media and directed advertising dollars for both commercial advertising and government-funded social marketing almost exclusively toward general market media.

This report is based on a roundtable conference convened by the Aspen Institute Communications and Society Program, with funding provided by the Ford Foundation. The conference, “The Future of Advertising and the Attention Economy: Leveraging the Influence of Ethnic Media,” took place in May 2005 as part of the Aspen Institute Forum on Diversity and the Media.

## 10 Observations on Ethnic Media and the New Advertising Marketplace

- Advertising is truly ubiquitous: messages can and will appear anywhere, at any time, whether audiences have given permission or not.
- With new digital technologies, individuals have an increased ability to opt-in to messages that they find relevant or useful, to opt-out of those they don't, and to share their own opinions and ideas directly with peers in social networks no longer constrained by geography. Consequently, advertisers are tapping into these social networks for marketing purposes, taking advantage of the viral quality of communications within networks and spurring marketing “buzz.”
- Advertisers are seeking greater accountability from their agencies and in some cases are taking a lead role in redesigning marketing and communications plans going forward, forcing agencies to restate—and rethink—the value of what they do.
- As media companies succeed in finding new ways of reaggregating audiences within smaller, more relevant niches, the dominance of mass marketing thinking likely will decline. As this happens, media companies, especially ethnic media companies, can seize the opportunity by creating networks of citizens' media and, in essence, become the media buyer for the client.
- The gatekeepers in advertising agencies who make the buying decisions often have little sentience of ethnic media and the value to the client of this type of media. The ethnic media do not show up on the blogs and other media to which they pay attention.
- Many advertisers do not perceive a need to buy ethnic media under the assumption that a general market buy will cover these consumers. When they do buy ethnic, advertising investments are often part of a zero-sum strategy, with increased buys

in Spanish language television, for example, coming at the expense of ad buys targeted to other minority groups or simply being shifted out of print and into television.

- Agencies with no track record in ethnic communities often fail to perform, leaving the impression that perhaps these communities are not worth pursuing.
- Advertisers and advertising agencies need to understand better the differences that exist among and within ethnic groups and create advertising content that is appropriate to the specific audiences they are addressing through ethnic media. They should not rely so much on “cut and paste” work adapting ads that were originally created for mainstream media audiences. They should understand that “ethnic” is not the same as “in-language.”
- Ethnic media must meet the same requirements as their mainstream counterparts when it comes to audited circulation, sales and other metrics used by advertisers to measure their return on investment. In many cases, ethnic media are too small to be captured by ratings services such as Nielsen. In some cases, the ability to afford measurement under the rubrics defined by the ad industry is a greater problem for ethnic media than actually being able to measure audience and market share.
- Ethnic media are not unique in their concern over their business survival. The challenge to all media is that the entire conventional advertising market is shrinking as advertisers shift away from television and print advertising to other platforms for delivering their messages.

## **10 Ideas for Connecting Advertisers and Ethnic Media**

This report offers several ideas for advertising agencies and ethnic media seeking a different approach to working in the new environment. For advertisers and advertising agencies interested in engaging ethnic communities more directly:

- Agencies should turn the creative development process upside down and consider mass media solutions last, not first. The vast experience and creativity in agencies should be applied to how and where brand messages are delivered, not just to what those messages say. Most importantly, advertisers should focus on building relationships, not just transactions.

The proposals directed to leaders in ethnic media are grouped under three headings: establish an industry presence, make internal changes that can advance the business case, and aggregate the business with others.

### **Establish an Industry Presence**

- Ethnic media leaders should attend and become a regular presence at advertising industry meetings and events, and acquire memberships in local and national professional and community organizations. They should engage in more one-on-one meetings with existing customers and potential advertisers and give greater attention to marketing the business (e.g., through press releases and transparency into marketing the business).

### **Internal Change: Make the Business Case**

- Ethnic media leaders should work harder to educate potential advertising clients about the benefits of the ethnic media market. Conversely, they also need to work harder to educate themselves about their clients, the clients' markets, and what clients are doing to reach the ethnic market.
- Ethnic media leaders should establish regular mechanisms to report on their own performance. Measurement has been perceived as a problem for many ethnic media outlets, but this problem may be ameliorated by getting the information out in a more systematic, sustained way.
- Ethnic media leaders should develop their own research and provide local data about the community and local market to their clients, seeking out third party validation where possible. Clients and customers need to understand that the community is greater than the product.



## Aggregate Yourself with Others

- Ethnic media leaders should confront the mass marketing mentality by partnering with others to create scale. This includes working with other media “up and down the scale”—on level, “down” to smaller media, and “up” to larger, general market media.
- Ethnic media organizations should hold sessions for agencies, clients and experts to learn more about ethnic communities and their issues. The advantage for ethnic media is that they can further shape the messages that go out to their communities and inevitably gather knowledge of their own that can translate into improved reporting and editorial content.
- Ethnic media should consider working with journalism and marketing schools to educate and train students and advertising practitioners on the ethnic market.
- Ethnic media should improve their ability to leverage their assets and relationships across platforms. This means using websites, webcasts, blogging, and other technologies now available to everyone.
- Ethnic media leaders, working with others, should create media-mix modules for advertising specific products or services. Having a model for integrating ethnic media into a broader marketing plan may make doing their jobs easier for advertising agencies, especially boutiques with limited knowledge of ethnic media or limited resources to experiment.



# Foreword

Purveyors of goods, services and social messages are recognizing the increasing importance of ethnic minorities in the United States as a rapidly growing and influential segment of the consumer marketplace. At the same time, the whole methodology of advertising is changing, as technologies such as mobile communications devices, the Internet and TiVo, and innovative uses of text messaging and video are altering the ability of marketers to gain and hold the audience's attention. The combination of these two phenomena creates a host of issues relating to the adoption of new advertising techniques in ethnic media and for ethnic audiences.

The Aspen Institute Communications and Society Program, with support from the Ford Foundation Media, Arts and Culture division, created a project to address these issues. A roundtable meeting titled "The Future of Advertising and the Attention Economy: Leveraging the Influence of Ethnic Media" was held at the Aspen Wye River Conference Centers in Queenstown, Maryland, on May 11-13, 2005, as part of the Aspen Institute Forum on Diversity and the Media. The Forum is a successful ten-year partnership with the Ford Foundation that has produced a series of dialogues and reports on critical issues involving ethnic and social diversity, mission-driven media and social justice that confront media leaders and citizens in the United States and around the world.

The purpose of the advertising and ethnic media project was to explore the changing nature of advertising and the impact that these changes would have on the continued growth and development of ethnic media in the United States. The results of this exploration, including recommendations and highlights of the discussion among the experts convened for the roundtable, are included in this report.

*Unmassing America: Ethnic Media and the New Advertising Marketplace* examines the forces moving the traditional advertising paradigm from predominately mass market "push" models to a new blend of "push and pull" as advertisers exploit new technologies for increased efficiency and

effectiveness in reaching target audiences. It examines how trends away from big and toward smaller “niche” audiences, experimentation with more personalized messages and delivery mechanisms, and the search for new ways to reaggregate audiences present an opportunity for ethnic media to increase their participation in the advertising marketplace.

The opportunity is tempered, however, by the reality of entrenched economic, social and cultural obstacles. Such barriers have conspired to make emerging multicultural communities “overindexed,” as one participant put it, but undervalued, particularly by advertisers and agencies who do not perceive a need to buy ethnic media when they assume general media will deliver these audiences just as well. These issues confronting minority communities are explored briefly.

The report concludes with a consideration of strategies that advertisers, ethnic communities and media might adopt to leverage the high level of trust that ethnic media enjoy in their communities and strengthen the voices of ethnic communities in the markets for goods, services and even social messages. Key recommendations to the leaders of ethnic media include establishing an industry presence among advertisers and agencies, doing a better job of making the business case for ethnic media, and aggregating themselves with others to create the kind of scale that would appeal to the mass marketing thinking that persists.

It is our intent that this report will add insight and perspective on complex and contentious issues that face the advertising industry and the media as they evolve in a diverse and changing world.

## **Acknowledgments**

This report and the conference that preceded it, the Aspen Institute Forum on Diversity and the Media, would not have been possible without the generous support of the Ford Foundation. On behalf of the Aspen Institute, I thank the Ford Foundation and in particular, Jon Funabiki, former deputy director of the Media, Arts and Culture division of the Ford Foundation and now professor of journalism at San Francisco State University, who inspired and guided the Forum on Diversity and the Media and its ongoing dialogue on critical issues facing American media and society.

The Institute was extremely fortunate to enlist the participation of many leaders from the worlds of marketing and advertising, ethnic media, new media and social marketing. We thank each one of them for their candid and insightful contributions to the discussion and to this report. A complete list of participants appears in the appendix of this volume. Special gratitude is extended to Adonis Hoffman, senior vice president and general counsel of the American Association of Advertising Agencies, who showed a compilation of award-winning and innovative advertisements at the conference that not only entertained and delighted us but also showcased the creativity, trends and techniques of agencies at the leading edge of the advertising industry. Paulette Brown-Hinds, associate publisher of *The Black Voice News*, contributed the “Showing Up in California” sidebar on pages 24-25. In it she shares her experience turning conference insights into action. I would also like to acknowledge the special work of Ancel Martinez who conducted a series of audio interviews with participants, excerpts of which will be made available on the Aspen Institute website at [www.aspeninstitute.org/c&s](http://www.aspeninstitute.org/c&s).

Finally, I want to acknowledge with appreciation the skilled management and hard work of the Communications and Society Program team: Amy Garmer, director of journalism projects, who designed the conference and authored this report; Maria Medrano, former project manager for the Communications and Society Program; and Patricia Kelly, assistant director of the Communications and Society Program, for working behind the scenes to bring this conference and report to fruition.

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**UNMASSING AMERICA:  
ETHNIC MEDIA AND THE NEW  
ADVERTISING MARKETPLACE**

*Amy Korzick Garmer*





# Unmassing America: Ethnic Media and the New Advertising Marketplace

A report of the Aspen Institute Forum on Diversity and the Media

By  
Amy Korzick Garmer

**Attention economy:** *A marketplace based on the idea that while information is essentially infinite, demand for it is limited by the waking hours in a human day.<sup>1</sup>*

## Introduction

Fundamental changes are taking place in the advertising marketplace. Audiences are moving away from big media and adopting niche media, with indisputable trends toward fragmentation, disintermediation and greater consumer control affecting the media sector. Consumers have expressed preferences for more personalized, relevant forms of media that speak directly to their needs and interests. Advertisers are experimenting with new ways of communicating with customers and searching for new ways of reaggregating audiences.

At the same time, the number of self-identified ethnic Americans, the number of businesses serving ethnic communities, the purchasing power of ethnic communities and the number of ethnic media outlets connecting them together are all on the rise. Taken together, the data are integral in making the business case for advertisers to engage more fully with and invest in ethnic media. Now may be a moment of great opportunity for ethnic media to leverage their connections in their communities and increase their participation in the marketplace for advertising. In doing so, the leaders of ethnic media must contend with the fundamental shifts in the rules governing advertising that threaten the revenue streams of mainstream and niche media alike. Moreover, they must overcome the barriers that have historically resulted in the undervaluing of ethnic media and directed advertising dollars for both

commercial advertising and government-funded social marketing almost exclusively toward general market media.

The Aspen Institute Communications and Society Program convened a roundtable conference in May 2005 to address these developments and examine the future prospects of ethnic media in the United States, particularly in the context of the economic and social changes taking place. The Aspen Institute, in partnership with the Ford Foundation, brought together 19 influential leaders and experienced practitioners from the worlds of advertising, commercial marketing, social marketing, and mainstream and ethnic media to examine how these social and economic trends are redefining the market for advertising and opportunities for ethnic media to gain a more proportionate share of advertising dollars. The conference, “The Future of Advertising and the Attention Economy: Leveraging the Influence of Ethnic Media,” was convened as part of the Aspen Institute Forum on Diversity and the Media. This report is based on discussions at the roundtable conference and subsequent research and developments in the fields of advertising and media.

This report addresses the interplay of these two significant trends in the media sector: the shift from predominately mass market “push” models of advertising to new forms of “pull” as technologically enabled consumers exert greater control over the time, manner, and place of their information consumption, and the explosive growth of the ethnic press and ethnic media in the United States. It highlights how advertisers are exploiting new technologies and experimenting with innovative techniques to increase efficiency and effectiveness in reaching targeted audiences. It also outlines proposals made by participants in the Aspen Institute roundtable to leverage the influence of ethnic media as a means to promote increased corporate investment in ethnic communities.

The first section of the report outlines several salient features of the changing market for advertising and the impact of current trends in advertising ubiquity, the use of social networking by marketers, and assertion of greater control by consumers in the marketplace. The second section of the report includes brief discussions of the growth of ethnic communities and ethnic media, both in real numbers and in terms of the cultural and economic influence they wield as emerging consumer markets. The final section addresses specific recommendations for advertisers and ethnic media leaders to take advantage of

opportunities presented by these converging trends. In particular, the report presents a set of actions that are intended to foster greater communication, understanding, and interaction among advertisers, ethnic media, and the agencies that serve them.

Conference participants noted that their proposed strategies for promoting greater cooperation between advertisers and ethnic media may be tenable only as long as the traditional mass market advertising paradigm continues to be the dominant economic engine sustaining the media. Their most significant piece of advice to leaders in ethnic media may be that they need to learn about the new forces that threaten to upend the traditional world of media—mainstream as well as ethnic. Otherwise, as Sandy Close, executive director of New America Media observed, ethnic media may “be left in the dust before we even get a proportionate share of the dust.”

## **Advertising at a Crossroads**

It is axiomatic that the old ways of marketing are no longer applicable. The question marketers now face is how to get the attention of existing and prospective customers amid the noise of the marketplace. As conference participant Gary Arlen of Arlen Communications pointed out, “One of the challenges is for advertisers to figure out how to take advantage of the multiple platforms that they have.”

### *Characteristics of the New Advertising Marketplace*

At the start of the conference, Robert Tolmach, president of WellGood LLC (which is designing and implementing ImportantGifts.org), gave a brief presentation on the impact of the digital revolution on advertising. His presentation and the ensuing discussion among conference participants highlighted the following characteristics of the advertising marketplace today.

*Ubiquity.* Anytime and anyplace an advertiser can find your attention, advertising is likely to be there—whether you’ve given the advertiser permission or not. This ubiquity is most notable in the rise of product placement advertising within movies, music, television, and gaming. As Tolmach noted, “Because remote controls, TIVO, and other technology allow viewers to skip advertisements, advertisers are trying

to make commercial messages unskippable. Thus, we see sponsored shows, product placement, and other forms of integrating the commercial messages into the entertainment so that the commercial message becomes unskippable.” New technologies that promise to extend the ubiquity of advertising, such as cell phones and text messaging capabilities, have yet to be exploited.

**“The central element in much of digital media is the ability for personalization and for individuals to seek what they want on demand....”**

*Gary Arlen*

*Disintermediation.* Producers of goods and services now have the ability to talk directly to the audience and bypass people in the agency and media worlds who would be gatekeepers to that communication. Many advertisers have established websites to directly communicate with their customers, and others have brought much of the advertising function, traditionally outsourced to agencies, in-house.

*Social Networking.* Advertisers are becoming more adept at using existing social networks for marketing purposes. Conversations about goods and services

no longer take place through advertising’s gatekeepers, and smart advertisers are catching on to this reality. People are using friends, churches, and civic groups to exchange information about products and services, as well as popular social networking websites such as MySpace. Furthermore, conversations now take place among social networks that have expanded beyond traditional geographic boundaries as a result of the Internet and the World Wide Web.

*Consumer Control.* As advertisers look for new ways to get their message out, there is simultaneously a greater resistance to advertising because of its increased ubiquity and the fact that avoiding marketing messages is more difficult than ever before. What has been labeled “the control revolution” is shifting control to the consumer. What started with the remote control device and video cassette recorders has led to “Do Not Call” and “Do Not Fax” lists, the CANSPAM Act, TiVO, and other technological advances that place much more control over what information is received in the hands of the consumer. Moreover, the audience also has become a major player in the area of content creation. Examples of content created by the audience or users include short

videos posted to websites such as YouTube, weblogs, Wikipedia, citizen-created news, and the Korean online news phenomenon OhMyNews.

*Push to Pull.* Advertising is moving from a “push” paradigm to a “pull” paradigm in which the marketing experience is becoming more personal as media technologies and usage evolve. In the “pull” paradigm, the need is to get people to opt in to the marketer and its message. As Gary Arlen observed after the conference, “The central element in much of digital media is the ability for personalization and for individuals to seek what they want on demand as a customized content bundle rather than what mass media pushes to everyone.”

In a marketplace in which consumers have the will and the means to control their information choices, the only way to achieve this goal is to be relevant, observed Kevin Clark, Program Director with IBM Corporate Marketing and author of *Brandscendence:*

**“...what we’re entering as mass marketing ends...is mass understanding.”**

*Kevin Clark*

*Three Essential Elements of Enduring Brands.* Clark explained, “We are moving from mass push to mass pull. The whole notion of using the media form to create an offer that is then pushed out into the marketplace—that era is beginning to end. I might suggest that what we’re entering as mass marketing ends...is mass understanding. If we [marketers] understand what people really want, then [we can] reach them in a variety of ways in which they reaggregate for your brand.”

Advertising is an inescapable feature of everyday life. At the same time, the consumer control revolution is pushing back, and advertisers must be concerned with engaging the audience in entirely new ways and on terms defined by the consumer. The tensions inherent in this environment pose significant challenges for the advertising industry and the media.

“I think there’s a real dichotomy here,” said Adonis Hoffman, senior vice president and general counsel for the American Association of Advertising Agencies (AAAA). “On the one hand, we have what we call the ubiquity of advertising. Advertising is everywhere, whether it is traditional advertising in commercials, on cable television, on radio, through magazines and newspapers, or not-so-traditional advertising

in places like the subway, pizza boxes, cell phones. Anyplace that an advertiser or marketer can find your attention, they're going to migrate there.... So you've got this ubiquity of advertising on the one hand, and you've got this other growing phenomenon on the other hand, which is consumer resistance. Those two poles set up the real challenge."

### *The End of Mass Marketing?*

The entrenched model of advertising has been based on leveraging economies of scale—the more people an advertiser reaches with its message, the greater the opportunity to make a sale or attract the attention of prospective new customers. Thus, a national broadcast television buy has tended to have more appeal to advertisers (especially large corporations and the federal government) than advertising in regional or local newspapers, on radio, or on local cable channels. Many standards and practices of the advertising industry—notably economic incentives for media buyers and agencies—have conspired to make “big” the end game of advertising. The economics of advertising are rapidly shifting, however, making professionals in the advertising industry uncomfortable as they contend with the fragmentation of audiences that characterizes much of the current media landscape.<sup>2</sup>

If the industry's currency has been reach, frequency, exposure, and cost per thousand, its currency going forward must become outcomes, engagement, and effectiveness, according to industry analyst Rishad Tobaccowala in an interview with *Ad Age* columnist Bob Garfield. Tobaccowala also observes that the media industry is entering into “the economics of reaggregation.”<sup>3</sup> Garfield, who has written extensively about the future of advertising, elaborates on this theme: “Fragmentation—bane of network TV and mass marketers everywhere—will become the Holy Grail, the opportunity to reach—and have a conversation with—small clusters of consumers who are consuming not what is force-fed them, but exactly what they want.”<sup>4</sup>

Of course, the visionary future of media that is talked and written about so much these days will not arrive overnight—if it ever fully materializes. Yet the trend away from big and toward smaller audiences; the experimentation with more personalized, relevant messages and delivery mechanisms; and the search for new ways of reaggregating audiences suggest that evolution toward smaller, niche media could

become a golden opportunity for ethnic media to increase their participation in the marketplace for advertising.

Conference participant Jeff Jarvis, writing on his popular blog, BuzzMachine, has observed, “I wondered whether small was just a trend or a new organizing principle for the business world. I now think it could be the latter. Small won’t replace big, of course, but small will add up to considerable new competition. And that is because small can now succeed. The economies of scale must compete with the economies of small.”<sup>5</sup>

Does this assessment add up to the end of mass marketing as we know it? Hardly, said Ken Smikle, editor and publisher of *Target Market News*. “Mass marketing is not dead because mass marketing thinking is not dead,” Smikle said. He continued, “This is the typical attitude of corporate marketers. They say, ‘Let’s take five niches and create new mass from these niches. Let’s find the common ground in these things that are disparate and are desperately trying to stay disparate, and let’s find a way to bring them together in a universal voice in a way that will give me no repercussions in a quarterly report.’”

Smikle asserted that one of the greatest obstacles to completing the shift from the old paradigm to the new paradigm is finding ways to minimize risk in the same way that aggregation of mass audiences has for so long. “It’s impossible to get them to change because the paradigm for monetizing the opportunity is the same, and until there’s some movement in that regard, there’s not going to be any significant unmassing of America, regardless of what the technology has to offer. Monetizing the opportunity means we’ve got to create groups, we’ve got to eliminate risk, we’ve got to create predictability.”

Jeff Jarvis agreed with Smikle’s assessment of where the advertising industry is today and the difficulty advertisers have in thinking outside the proverbial box. “They want to do it, but they can’t figure out how to do it,” Jarvis said. “Number one, it’s too small. You have to reaggregate things so that it makes sense to them.”

Jarvis suggested that as knowledgeable media companies succeed in finding new, more relevant ways of aggregating audiences in the new

**“The economies of scale must compete with the economies of small.”**

*Jeff Jarvis*

communications environment, mass marketing thinking will change. “I believe that media companies, especially ethnic media companies, can put together networks of citizens’ media and, in essence, become the media buyer for the client,” he said. “So the relationships really start to shift in ways the ad agencies will get scared...there will be panic and denial, then there will be an acceptance of new ideas. I think Ken’s right today, but I think it will change.”

Conference participants noted that finding appropriate metrics for measuring the return on advertising investment in the new digital media is a significant problem to be solved. Eugene Faison, chairman and CEO of Equals Three Communications, said, “I think every agency owner—large, medium, or small—is, as we all are, frightened by this uncertainty.... People are trying blogs, they’re trying sponsored events, they’re trying brand placement, they’re trying everything. The large mass advertiser who has all these dollars is looking not just for where that placement is and what that platform is but how to measure that. And that’s what people are having a hard time figuring out. How do you measure it?”

Kevin Clark of IBM responded, “My law on this is, the less measurable it is, the more valuable it is. Would you kill for buzz? Most people would kill for buzz. You tell me what the measurement methodology is to measure buzz. You can’t. (Not yet.)”<sup>6</sup>

Ken Smikle of *Target Market News* suggested that “share of voice” might be an appropriate metric, but Clark observed that this suggestion amounted to using an old economy metric for a new economy medium—using the same old tools for a new world problem. Clark summarized another reason the pace of movement toward the new economy of advertising is still slow: “As you approach the edge of it becoming more difficult, do we become more risk averse as a community? We tend not to want to put money toward those techniques as we approach the edge of the new media world.”

To address the uncertainty, advertisers are seeking greater accountability from their agencies and in some cases are taking a lead role in redesigning marketing and communications plans going forward. One consequence is that advertising agencies believe they have to restate the value of what they do. With advertisers taking a critical look at the return on investment in advertising across all platforms, the once com-



fortable relationships between advertisers and their agencies of record have become less comfortable.

Conference participants offered several ideas for ad agencies seeking a different approach to working in the new environment. They suggested that agencies turn the creative development process upside down and consider mass media solutions last, rather than first. They suggested that agencies apply their vast experience and creativity to how and where brand messages are delivered, not just what those messages say. Participants emphasized the importance of being relevant, not just efficient. They also stressed the need to build relationships, not just transactions.

“We are challenged by this concept of disintermediation and what I would call re-intermediation,” said Charles Firestone, executive director of the Aspen Institute Communications and Society Program. “In other words, who are the new intermediaries, and how do intermediaries adjust to this change in consumer behavior? If you go back to AIDA [Attention, Interest, Desire and Action], which Adonis Hoffman suggested is a rubric of advertising, you still have to get the attention in the first place. Even though it may be five seconds, somebody has to intrude on your attention system. How do you do that, and what is the role of ethnic media in that?”

## **Ethnic Media and the Rise of “Niche” Markets**

By most measures, today’s environment should be the best of times for ethnic media in the United States. Demographically, the number of Americans who identify themselves as something other than non-Hispanic single race whites (the U.S. Census Bureau’s definition of “minority”) continues to increase in terms of real numbers and percentage of the overall U.S. population. In August 2005 the Census Bureau announced that Texas had become the newest “majority-minority” state—joining Hawaii, New Mexico, and California as states in which the “minority” population constitutes more than 50 percent of the state’s total population.

The purchasing power of minority groups reportedly is on a steady climb as well, with projections that ethnic groups may soon constitute a trillion dollar market for goods and services in the United States. Moreover, surveys show that ethnic media organizations have been

overwhelmingly successful in connecting with ethnic consumers along the three important variables of reach, use, and trust. This success has come as their “mainstream,” general market counterparts wrestle with declining readership, fragmenting audiences, and diminishing credibility.

Yet even as the overall landscape for ethnic media grows more crowded, many ethnic media outlets continue to struggle to attract big-money national advertisers. This is especially true for small- to medium-sized media, print relative to broadcast media, and Spanish-language media versus media of other ethnicities. Certainly some ethnic media outlets—notably the Spanish-language television behemoths Univisión and Telemundo—have experienced a surge in advertising dollars from corporations that have awakened to the growth potential in the Latino market. As critics point out, however, such advertising investments too often are part of a zero-sum strategy, with increased buys in Spanish-language television, for example, coming at the expense of ad buys targeted to other minority groups or simply shifts out of print and into television.

Following the Magazine Publishers of America’s (MPA) second annual Hispanic Magazine Summit in June 2006, Charles McCullagh, senior vice president of the MPA, noted that the “remarkable demographic, economic, and political gains in the Hispanic community over the last 10 years” have not been reflected in advertising spending in Hispanic magazines. McCullagh said, “Hispanic magazines get 4 percent of total media spending, compared to 17 percent for the general market. We need to dramatically improve that percentage.”<sup>7</sup>

One estimate is that less than four percent of all advertising dollars go to ethnic media.<sup>8</sup> As a point of comparison, a poll of ethnic Americans released by New California Media in June 2005 found that ethnic media reach 51 million ethnic adults—nearly a quarter of the U.S. population—on a regular basis, and 29 million of those adults are “primary consumers” of ethnic media.<sup>9</sup> Research commissioned by the MPA and released in September 2006, “Hispanic Magazine Readers: Defining the Role of Magazines in the Hispanic Marketplace,” suggests that readers of Hispanic magazines have a high degree of trust in the advertising found in those publications.<sup>10</sup>

### *Minority Communities as Emerging Markets*

America's minorities have been called the new trillion dollar market. This market historically has been ignored by national advertisers in the United States, who assume that their general market ad buys, particularly in television, will capture the attention of ethnic consumers as well. This trillion dollar market represents not only one market but an entire aggregation of many economically and culturally significant demographic groups that can be further segmented into distinct niches and share certain cultural characteristics or languages. These niches include Hispanic, Asian, and African-American consumers as the largest subgroups—which themselves are subdivided into smaller, uniquely identifiable segments—as well as Native American, Native Hawaiian and Other Pacific Islanders, Arab American, Caribbean, and others.

Conference participants identified the 2000 U.S. census as an important turning point in the attention national advertisers pay to multicultural markets. The 2000 census quantified the growing numbers of Americans who identify themselves as belonging to a particular ethnic or racial category other than non-Hispanic whites.<sup>11</sup> Reports and statistical data released by the U.S. Census Bureau since 2000 also show the increasing strength-in-numbers of individual ethnic communities. In particular, the numbers of people who identify themselves as Hispanics and those who speak Spanish as their primary language have caused many advertisers to take note of the potential for expanding into these markets. Nhora Barrera-Murphy, president of the Media Network, in the Washington, D.C. area, quipped, “In recent years, everyone was ignoring the Hispanic market. Then the U.S. census figures came out, and now everyone wants to dance with Hispanics because the purchasing power is so big.”

The U.S. Census Bureau reports that minority groups and women were increasing their business ownership at a much higher rate than the national average.<sup>12</sup> Whereas the overall number of businesses in the United States increased 10 percent, to 23 million, from 1997 to 2002, the number of black-owned businesses increased 45 percent (to 1.2 million businesses), the number of Hispanic-owned businesses jumped 31 percent (to 1.6 million), and the number of Asian-owned businesses increased 24 percent (to 1.1 million) during the same period. Sandy

Close of New America Media has observed that this growth in minority businesses could not have happened without the involvement of ethnic media.

The ethnic media sector is one of the few media sectors experiencing growth in audience (the others are Internet/online media and community media).<sup>13</sup> Moreover, ethnic Americans rely on and trust ethnic

**Forty-five percent of the 64 million ethnic adults surveyed said they prefer ethnic radio, television, or newspapers to their mainstream counterparts.**

media. A survey conducted by Bendixen & Associates for New America Media and released in June 2005 found that 29 million ethnic adults are “primary consumers” of ethnic media.<sup>14</sup> That is, 45 percent of the 64 million ethnic adults surveyed—13 percent of the total U.S. population—said they prefer ethnic radio, television, or newspapers to their mainstream counterparts, and they access ethnic media frequently. In terms of general ethnic categories, more than half of Hispanic adults, approximately two-fifths of African Americans and Arab Americans, and one-quarter of Asian

Americans and Native Americans identified themselves as primary consumers of ethnic media.

### *Overindexed but Undervalued*

The number of self-identified ethnic Americans, the number of businesses serving ethnic communities, and the number of ethnic media outlets connecting them together are all on the rise. So is the purchasing power of many of these communities. Taken together, the data are integral in making the business case for advertisers to engage more fully with and invest in ethnic media. Yet the challenge of attracting ad dollars proportionate to the size and influence of the audiences they reach remains.

Given all this data, Ken Smikle of *Target Market News* asked, “How do we get advertisers to pay attention to the things we were told advertisers pay attention to? Why aren’t advertisers getting excited by the market’s overindexing on all the things that matter to advertisers?”

Indeed, the situation would seem to present nearly limitless oppor-

tunity to ethnic media vying for advertising, yet many hurdles remain. Smikle guided conference participants into a discussion of obstacles that can hinder more fully realized relationships between advertisers and ethnic media. His presentation and the discussion that followed identified the following factors as contributing toward continued underutilization and undervaluing of ethnic media by the advertising establishment.

*Lack of Perceived Need.* As noted above, many advertisers and agencies do not perceive a need to spend their ad dollars with ethnic media when they assume that a general market buy will cover these consumers. Although this perception is slowly changing, it still must be countered with better research, audience measurement, and more aggressive persuasion from the ethnic media itself. Participants also counseled that “ethnic” does not always mean “in-language” media.

James Fang, president of *AsianWeek*, spoke of encountering this attitude in running his newspaper, especially because it is exclusively an English-language publication and therefore reaches readers who presumably would be reading and watching mainstream media as well.

Some of the advertisers feel they can reach our community by just adding more onto the mainstream media...and the thing we say to them is, that may be true. But we point to *Sports Illustrated* as a very good example. Everybody knows who won the Super Bowl. By the time *Sports Illustrated* comes out, we already know who won what game. The question becomes, is the reader’s interest in that game or in that particular field such that they want to get more info than what they can get off the newspaper or in a two minute soundbite on ESPN?

We believe that the connection between our communities and our readers is such that, that does happen. In spite of what they say, just adding more to, in our case, the [San Francisco] *Chronicle* or the *San Jose Mercury News* or the *Washington Post*,

**“We believe that the issues that ethnic media present are so different that there is an extra read, an extra touch, and extra pull.”**

*James Fang*

it doesn't work that way. We believe that the issues that ethnic media present are so different that there is an extra read, an extra touch, and extra pull.

Steven Chin, executive director, interactive for Pacific Fusion TV and principal of San Francisco-based MK Media, agreed that selling advertising agencies on English-language Asian-American programming has been difficult because the agencies are always pushing in-language advertising. In a sign that a shift is starting to take place, Chin cited the emergence of new channels aimed at the Asian and Asian-interest audience.

"Last year [2004] there were no Asian-American English speaking TV networks. This year six have appeared," Chin said. Among those Chin cited were AZN, a conversion of the International Channel owned by Comcast to an all-Asian format; the start-up *ImaginAsian*; and three MTV Asian channels: MTV Chi (Chinese), MTV-K (Korean), and MTV Desi (South Asian).<sup>15</sup> Chin noted, "It's finally an acknowledgment that there's a market out there that speaks English and is Asian-American. We'll be pushing more in-culture than in-language."

*Undervalued Audiences.* Ethnic audiences traditionally have been undervalued by the advertising industry. Many factors may have played a role in the discrimination in ad pricing and advertising investment that has occurred in the past and continues even today: the presumption that ethnic consumers will be reached by mass market advertising, insufficient industry research into ethnic markets, perceptions of limited buying power, and entrenched attitudes and systemic discrimination that have long been associated with race and ethnicity in this country.

Adonis Hoffman of the AAAA acknowledged that "the ad agency industry is undergoing its own set of challenges with respect to diversity." He cited the Federal Communication Commission's (FCC) 1999 report, "When Being No. 1 Is Not Enough: The Impact of Advertising Practices on Minority-Owned and Minority-Formatted Broadcast Stations," as an important wake-up call to the advertising industry that it had to do better. The FCC report highlighted inequities in ad spending on ethnic versus mainstream media by showing that minority broadcasters and minority-formatted radio stations received, on average, less money per listener than similar nonminority stations. More recently, New York City officials have turned a spotlight on the adver-

tising industry and its purchasing and business decisions vis-à-vis minority and ethnic media there.

Industry actors have created marketing and advertising initiatives to answer the critics, expand industry research into multicultural markets, and develop strategies for reaching minority audiences more directly than through traditional general market buys. Notable among these efforts are the American Advertising Federation's Mosaic Council and Mosaic Center of Multiculturalism and the AAAA's Operation Success initiative to promote diversity within the advertising sector, including its publication "Principles and Best Practices for Diversity and Inclusion in Advertising Agencies."<sup>16</sup>

Paulette Brown-Hinds, associate publisher of *The Black Voice News*, based in Riverside, California, noted that large national advertisers may want to advertise in local or regional publications such as hers when the company is in trouble with particular ethnic communities—often when class action suits are filed against them on behalf of minority consumers or workers, such as in cases involving Denny's Restaurant, Chrysler, and Wal-Mart.

*Inappropriate content.* Advertisers, and especially ad agencies, need to understand better the differences among ethnic groups and create advertising content that is appropriate to the specific audiences they are addressing. Conference participants lamented the fact that agencies with no track record in these communities often fail to perform, leaving the impression that these communities may not be worth pursuing.

Participants cited a lot of "cut and paste" work in which a black, female, Hispanic, or Asian face is inserted into an ad created for mainstream media. Advertisers and agencies must recognize that important differences exist within individual ethnic categories such as Hispanic or Asian. "The segmentation, especially with Hispanics, is extremely important," said Nhora Barrera-Murphy of the Media Network, "because there are different levels of acculturation: first generation, second generation, the monolinguals and people who are acculturated and

**Important differences exist within individual ethnic categories... "there are different levels of acculturation."**

**Nhora Barrera-Murphy**

read both languages.” The same is true in the Asian American demographic: Chinese, Koreans, southeast Asians, and Indians all represent culturally distinct subgroups.

*Measurement.* Measurement continued to be an area of concern. Ethnic media need to be able to meet the same requirements as their mainstream counterparts with regard to audited circulation, sales, and other metrics advertisers use to measure their return on investment. In

**“At the same time the ethnic media are trying to capture a larger share of the money spent on conventional advertising, there are fewer such dollars available.”**

*Robert Tolmach*

many cases, ethnic media are too small to be captured by ratings services such as Nielsen. Ken Smikle of *Target Market News* suggested that inability to afford measurement under the rubrics defined by the ad industry is a greater problem for ethnic media than actually being able to measure audience and market share.

*Agencies as gatekeepers.* Several conference participants identified an interest in disintermediating the advertising industry through bypassing irrelevant agency staff and going directly to advertisers. One participant offered a profile of the typical account executive: 23 years old, right out of college, probably with little

sentience of ethnic media and the value to the client of this type of media. Ethnic media do not show up on blogs and other media that this typical account executive pays attention to. How can ethnic media not consider a move to go directly to the client when they are confronted by agencies that are unable or unwilling to consider the advantages of a unique ethnic market ad buy?

*Shrinking pool of advertising dollars.* As the first part of this report highlights, the environment for advertising is becoming tougher and more competitive for all media. The survival of ethnic media depends on meeting the challenge of capturing a larger share of advertising dollars, but this challenge is not unique to the ethnic media sector alone. “Ethnic media is certainly a growing market, and there’s a great story to be told to advertisers about this opportunity to reach particular audiences,” observed Robert Tolmach of WellGood LLC. “However, the challenge is that the entire conventional advertising market is shrinking as



companies shift away from television and print advertising. One example: Ford now spends less than 20 percent of its advertising budget on conventional media. So at the same time the ethnic media are trying to capture a larger share of the money spent on conventional advertising, there are fewer such dollars available.”

The search for solutions to these problems faced by ethnic media, and the search for growth and sustainability, became the focal point of strategies identified by conference participants to help ethnic media leaders engage a broader array of advertisers and enhance their advertising revenues. Given the shifting ground on which all media stand today, participants discussed what is at stake if the media that serve the needs and interests of ethnic Americans continue to lag behind their mainstream counterparts in the struggle for advertising dollars and how these media organizations can help themselves boost their share in the midst of chaos and competition.

### **Strategies for Emerging Multicultural Media**

If advertisers build their marketing strategies around first looking at the existing market and then preparing by looking 5 to 10 years out, ethnic media must do the same. Ethnic media have an opportunity to state the value of what they do and leverage that value with advertising clients. The challenge is to make an effective argument that advertising in the ethnic media is a good value proposition. It’s an argument whose time has come. Considering the trend toward the use of existing social networks for marketing purposes, ethnic media outlets have an opportunity to demonstrate their value to national advertisers: Ethnic media offer a connection to cultural networks and communities—or, as James Fang of *AsianWeek* put it, “an extra read, an extra touch and extra pull.” As advertising moves from “push” to “pull,” media outlets that can offer effective “pull” ought to be highly valued.

To advance this argument and truly leverage the considerable assets of ethnic media in the broader marketplace for goods and services, the leaders of the ethnic media must attend to several things. First, they must gather knowledge in and about the markets. They also need to engage in sufficient planning, such as performing “due diligence” in identifying the best agencies to work with, positioning, and multiple

media. Moreover, as with advertising in general, there is the imperative for action—the creation of “buzz,” the use of high touch and persistence to draw attention.

Conference participants developed the following set of proposals and strategies for ethnic media and advertisers to address the window of opportunity presented by the increased attention to minority and niche markets. The proposals are grouped into three general categories: establishing an industry presence, internal changes that can advance the business case, and aggregating the business with others. The marketing slogans created for these proposals were “Show Up” and “Buy Me.” As participants talked about the new technologies and new ways of communicating, the goal, as articulated by Ken Smikle of *Target Market News*, is to consider how ethnic media “can use these resources to change the dialogue—indeed, the opportunity *to* dialogue—with advertisers directly.”

#### *Establish an Industry Presence*

Ethnic media leaders need to do more to show up where agencies and advertisers assemble. They need to establish an industry presence through professional networking and marketing their businesses. Conference participants strongly recommended that ethnic media leaders attend and become a regular presence at meetings and events and acquire memberships in local and national professional and community organizations. Participants recognized that merely “showing up,” though necessary, is not sufficient to making inroads into the larger advertising marketplace.

They also emphasized the need to engage in more one-on-one meetings with existing customers and potential advertisers and to devote more attention to marketing the business rather than assuming that a media enterprise will market itself. Particular attention should be given to transparency in marketing the company—that is, to convey a clear picture of the enterprise, its mission, and its successes. Ethnic media should consider increasing the number of press releases they issue as a way of making themselves more visible on a regular basis.

Another way to establish presence is to get out into new areas of the community where new members of the audience—and new advertisers—might be found. Paulette Brown-Hinds of *The Black Voice News*

talked about how her newspaper has worked with its distributor to rethink the newspaper's distribution and reach. She noted that a lot of the newspaper's total readership of 32,000 per week comes from its website. Consequently, the paper is trying to capitalize more on the site. She said, "We don't print more, but what we're doing now with our distribution is a lot of free circulation. A lot of people are moving in, but they're not moving into the same communities where we've had our distribution before...now people are moving into new areas. We are working with the distribution company, and now we have a lot of free distribution in grocery stores.... We're starting to get more local advertising from that exposure."

### *Internal Change: Make the Business Case*

Although ethnic media cannot control the changes that appear to be looming on the horizon for the advertising and media industries as a whole, they can prepare themselves for the intense competitive pressures they face in the near term. Conference participants recommended several areas on which ethnic media leaders can focus now:

- First, understand that every leading company is already in the ethnic market one way or another, and make sure that your advertising clients understand this fact.
- Second, "know your client" should become a mantra. Research who the client is, what the client's market is, who the competitors are, and what they are doing to reach the ethnic market.
- Third, establish regular mechanisms to report on your own performance, through press releases and other available opportunities for communicating your company's performance metrics. Measurement has been perceived as a problem for many ethnic media outlets, but this problem may be ameliorated by getting the information out in a more systematic, sustained way.
- Fourth, develop your own research. Provide local data about the community and local market to your clients. Seek out third-party validation, where possible. Your clients and customers must understand that the community is greater than the product.

In this regard, James Fang noted two successes *AsianWeek* has achieved by focusing on what the newspaper can offer the client. He said that *AsianWeek* had success with sponsoring events that had given advertisers and agencies a chance to connect with and get to know the Asian communities. He also cited special projects—such as a book with UCLA on the U.S. census and a special section on Asian-American athletes in the Olympics—as having brought in revenue and created connections between the newspaper and the mainstream community.

Paulette Brown-Hinds of *The Black Voice News* reinforced the idea that doing due diligence and establishing a presence are important. “Most of our advertising is local—it has to be measured, it has to be proven, it has to work,” she said. To get the local Nissan dealership, *The Black Voice News* had to work hard to show that the advertising works. Product placement, which Brown-Hinds described in terms of “having their face in front of the community,” was an important element in the local events the newspaper cosponsors with advertisers.

### *Aggregate Yourself with Others*

Conference participants recognized that one strategy for dealing with the “mass marketing” mentality is to partner with others to create scale. This approach includes working with other media “up and down the scale”—on level, “down” to smaller media, and “up” to larger media.

Media representatives need to come together to identify strategies for effectively aggregating ethnic media. There is some experience already in this regard; most notable, perhaps, is New America Media—previously known as New California Media until it changed its name in June 2005—as the organization broadens affiliations and partnerships with ethnic media across the country. Participants cautioned, however, that the issue of competition, even among ethnic media, cannot be overlooked.

General market mainstream media increasingly are looking for collaborations with ethnics. The partnerships they seek tend to be more editorially based, such as sharing content. In the case of the dominant mainstream media, these corporations often have sought to reach these markets on their own, either through new businesses (e.g., The Tribune Company’s creation of the Spanish-language daily *Hoy*) or through acquisitions (e.g., NBC Universal’s purchase of the Telemundo network

and the *Washington Post's* purchase of a local Spanish-language newspaper *El Tiempo Latino*).

Partnerships need not be limited to programmatic collaborations; they might involve intellectual partnering as well. Training and knowledge-sharing opportunities can be created. Ethnic media can hold sessions for agencies, clients, and experts to help them learn more about these communities and their issues. The advantage for ethnic media is that they may have a hand in shaping the messaging that goes out to these communities, and they will inevitably gather knowledge of their own that can translate into improved reporting and editorial content. They also can work with journalism and marketing schools to train students on the ethnic market.

**One strategy for dealing with the “mass marketing” mentality is to partner with others to create scale.**

Finally, conference participants noted the need for ethnic media to leverage their assets and relationships across platforms, using websites, webcasts, blogging, and other technologies now available to everyone. Participants suggested that ethnic media have an opportunity to state the value of what they do directly to clients, thereby creating an opportunity to leverage an enlightened advertiser against an entrenched agency.

To help agencies come along, participants suggested creating a media mix module for a specific purpose, to make it easier for advertising agencies (especially boutiques) to do their jobs.

Not to be lost in this summary of strategies and actions is the need for ethnic media to listen to new media people. Recall Sandy Close's caution that the ethnic media “do not want to be left in the dust before they get a proportionate share of the dust.”

## SHOWING UP IN CALIFORNIA

Paulette Brown-Hinds

Associate Publisher of *The Black Voice News*

“First...SHOW UP!” With Ken Smikle’s profound yet simple words echoing in my head after I returned to California from the Aspen Institute Forum on Diversity and the Media, I implemented two strategies that have proved profitable not only for my publication, *The Black Voice News*, but for ethnic media across the state of California as well.

During a break-out session at the Aspen Institute, I remember one thing clearly. We started listing what steps ethnic media need to take to seek out new advertising opportunities, and Ken said to our group, the first thing ethnic media must do is “show up.” My first response was, he’s right! As ethnic media practitioners we often forget that the individuals making marketing and outreach decisions are often not members of our communities. They don’t always know what media outlets service specific communities.

In the first strategy, I partnered with New America Media and the University of California Riverside’s Center for Ideas and Society and brought together ethnic media in our region to create a collective presence. When I first started working on the inland empire Ethnic Media Project (ieEMP), I thought I knew how many publications were in my area, but I had no idea that there was a Korean newspaper circulating in my county or that a Filipino publication based in San Diego was following the migration of its readers who had begun to relocate to Riverside County in large numbers. Like my own publication, these publications did a great job of reaching their target market, but those of us outside that community had no idea they were here. It was a simple lesson learned: How can major advertisers find you if they don’t even look? We have to be visible. We have to show-up. The first mission of the ieEMP was to market ethnic media in our region.

Our first event focused on Hurricane Katrina media coverage, and the front page editor of the major daily newspaper in our region presented an opening lecture, “Race, Media & Hurricane Katrina.” Kelly Anderson is a former Associated Press editor and is

one of the few African-Americans in the newsroom. We also had opening remarks from project partners Professor Emory Elliott, director of the Center for Ideas, UC Riverside, and Sandy Close, executive director of New America Media. Our second event brought together ethnic media and experts in new media to discuss how ethnic media can better use technology to expand their coverage and content. This fall, we are working on our third major event, “Marketing to Ethnic Communities.” We plan to bring marketers, experts, and ethnic media in the region together to discuss how our media outlets can be better used to market to our communities.

Second, I further developed the strategies of a group founded by Hardy Brown, publisher of *The Black Voice News*, president of California Black Media, and my father. Several years ago he and other publishers started the California Black Media Association to bring Black media together in a collective statewide effort. Beginning with that group and applying the “First...SHOW UP!” philosophy as an organizational concept, we focused our energy on the government sector. We knew that the State of California spends over \$600 million on outreach and advertising of state programs to California’s residents. As Black media we saw very little of those marketing expenditures. In fact, we had discovered several important outreach campaigns that had no Black media outreach components although they have Black community targets.

Since last year, we have held briefings with key elected leaders including two meetings with Governor Arnold Schwarzenegger, one with State Controller Steve Westly, and several with Assembly-member Jerome Horton. Those briefings were attended by a large group of Black media publishers and editors, and from those meetings we were able to secure other meetings. As a result of our work since the beginning of 2006, we have secured over a million advertising dollars in government and political ads for California Black media outlets and have our first long-term contract with the Department of Insurance to promote its Low Cost Auto Program.

By just “Showing Up” and following through we have been able to improve the advertising revenue of minority and ethnic media across the state of California.

## Conclusion: Drafting a Blueprint for Success

After developing a brief set of proposals that might help to advance the cause of ethnic media, conference participants put one more question on the table: Where do we go from here? What is needed now, they determined, is a call to action to other organizations and events.

**“...the comfort zone is no longer comfortable.... It says the old ways will no longer work.”**

*Carlos Fernandez*

Messages need to go to senior marketing professionals, and they need to be seen at multicultural marketing events that are becoming more visible. Among the associations, organizations, and influential participants identified were the Association of National Advertisers, the Advertiser Research Foundation, the AAAA Media Conference (attended by media buyers, planners, agencies, mainstream media, and new media), the American Advertising Federation (agencies and advertisers, best practices initiative, multicultural Mosaic Awards), Advertising

Week in New York, and the organization of Investigative Reporters and Editors (IRE). Other associations involved in new media, such as the Interactive Advertising Bureau (IAB) and the Online Publishers Association (OPA), were suggested as possible partners to consider for what they offer on the ethnic media side of things.

Participants recommended creation of a steering committee to consider the need and best practices for creating a branding strategy of aggregated interests, a marketing strategy, and a funding strategy. The steering committee would help sponsor and disseminate research on advertising in ethnic media, including the proportionality of social marketing dollars invested in ethnic media by government and foundations. Jeff Jarvis suggested creation of an outline of a marketing plan for ethnic media as a wiki, with the idea creating a website where ethnic media can plug in easily.

At the conclusion of the conference, journalist and media consultant Ancel Martinez asked participants individually what is at stake as advertising and ethnic media move forward.<sup>17</sup> “The future, quite simply,” said Carlos Fernandez who, at the time of the conference, was president and general manager of KXAN-TV, the NBC affiliate in Austin, Texas.



“It is very difficult for people to walk out of their comfort zone, but the fact of the matter is the comfort zone is no longer comfortable. We have to figure out ways to be more open-minded, to come up with new ways to reach this new demographic, this ever-growing demographic. It says the old ways will no longer work.”

“We’re going to have to change the perception of where the economy is going and what constituencies are going to drive it,” replied IBM’s Kevin Clark. “Therefore, having a dialogue with the people who represent those constituencies, those changes, is extremely important.”

Paulette Brown-Hinds, second-generation publisher of *The Black Voice News*, observed, “For me, African-American press and other ethnic media are not just media outlets; they are cultural treasures. They are a social importance in our community. They are not just news vehicles; they keep those communities connected to larger issues, as well as being advocates for those communities, and I think that’s what’s at stake. Losing some of those important treasures of communities we serve and those advocate voices for the disenfranchised that we have often become in those communities—that’s what’s really at stake if we don’t have the advertising dollars to support those outlets.”

Increasing the exchange of information and generating civic debate ultimately improves the health of democracy in the United States. As Ancel Martinez observed, “If the best of journalism offers citizens news and information to help them make the best decisions and choices in a democracy, then, given the demographic growth of the United States, the nation has reached an era when it should embrace media services and leaders that reside outside the mainstream. This is an approach that, increasingly, is not only good for business but good for the country as well.”

## Notes

1. "Encyclopedia of the New Economy" by Wired, available online: <http://www.wired.com/wired/reprints/encyclopedia.html>.
2. The changing economics of the media industry and its influence and impacts on media, particularly on journalism and minority media, have been examined in several previous reports of the Aspen Institute Communications and Society Program. See the Program's website, [www.aspeninstitute.org/cc&s](http://www.aspeninstitute.org/cc&s), and refer to the following conference series reports: The Aspen Institute Conference on Journalism and Society (annually from 1997 to 2004) and the Forum on Diversity and the Media (most years from 1996 to 2005).
3. Rishad Tobaccowala, quoted in Bob Garfield, "The Chaos Scenario," *Advertising Age*, April 4, 2005. This is just one of several insightful and controversial articles that Garfield has written in which he regards the span of time between the demise of the old order of advertising and the full articulation of the new order as a time of great risk, chaos, and opportunity for advertisers. See also "Chaos, Revisited," in the transcript of the June 2, 2006, edition of the WNYC radio program "On the Media," at [www.onthemedial.org/otm060206.html](http://www.onthemedial.org/otm060206.html).
4. Garfield, "The Chaos Scenario."
5. Jeff Jarvis, "Small is the New Big," *BuzzMachine*, June 6, 2005, [www.buzzmachine.com](http://www.buzzmachine.com).
6. Kevin Clark elaborated on this point in communication with the author after the conference. He wrote: "New discoveries are initially less measurable—and many areas of human activity are by nature less measurable. We may not understand all the metrics and mechanisms of how a new drug or medical procedure works, but we accept the benefits. You would also find placing a specific measure of value on a loved one a vulgar and likely inappropriate concept. As you move on the economic scale from commodities, to goods, to services—and then up to experiences and transformation offerings, each step becomes more valuable and less precisely measurable. The commodity measures of weight and volume shift to time and motion when you reach the world of services. Experience delivery and transformation are even harder. Media are no strangers to this progression of innovation. The thought here is to jar the listener to understand that precise measurement and inherent value are not as tightly linked as we might commonly believe—and metrics should not be the only guide to investment and creation of value, especially in emerging categories of economic pursuit."
7. "Hispanic Magazine Conference Spotlights Research and Push for Ad Dollars," Magazine Publishers of America; highlights of the summit are available online: [http://www.magazine.org/events\\_and\\_seminars/conferences/hispanic\\_magazine\\_summit/17547.cfm](http://www.magazine.org/events_and_seminars/conferences/hispanic_magazine_summit/17547.cfm).
8. S. Mitra Kalita, "A Dollar in Any Language: Ethnic Media Outlets Struggle to Lure Big-Money Advertisers," *Washington Post*, June 10, 2005, D1.
9. "The Ethnic Media in America: The Giant Hidden in Plain Sight," New California Media, survey conducted by Bendixen & Associates and released on June 7, 2005.
10. "Hispanic Magazine Conference Spotlights Research and Push for Ad Dollars."

11. The 2000 Census offered Americans a new way to identify themselves along racial and ethnic lines. The pre-2000 categories were White, Hispanic, Asian, African-American, and Other. The 2000 census replaced “Other”—at that time the third fastest growing ethnic group in the country—with an opportunity for people to write in their own racial preferences.
12. Based on the U.S. Census Bureau’s 2002 Survey of Business Owners (SBO), the latest data available. See “Growth of Native Hawaiian- and Other Pacific Islander-Owned Businesses Over Three Times the National Average,” U.S. Census Bureau news release, June 28, 2006; “Revenues for Asian-Owned Firms Surpass \$326 Billion, Number of Businesses Up 24 Percent,” U.S. Census Bureau news release, May 16, 2006; “Revenues for Black-Owned Firms Near \$89 Billion, Number of Businesses Up 45 Percent,” U.S. Census Bureau news release, April 18, 2006; “Growth of Hispanic-Owned Businesses Triples the National Average,” U.S. Census Bureau news release, March 21, 2006; “Minority Groups Increasing Business Ownership at Higher Rate than National Average, Census Bureau Reports,” U.S. Census Bureau news release, July 28, 2005—all indexed online: [http://www.census.gov/Press-Release/www/releases/archives/business\\_ownership/index.html](http://www.census.gov/Press-Release/www/releases/archives/business_ownership/index.html).
13. Growth in the ethnic media audience was reported in the Project for Excellence in Journalism’s (PEJ) annual report, *The State of the News Media 2005*. In an updated report, *The State of the News Media 2006*, the overall trend of audience increases continues, although the 2006 PEJ report indicates that “some of the data are soft, and there were even signs of declines in the circulation of print publications.” The reports are available online: <http://www.stateofthenewsmedia.com/2005/> and <http://www.stateofthenewsmedia.com/2006/> respectively.
14. “The Ethnic Media in America: The Giant Hidden in Plain Sight.”
15. In December 2005 Comcast announced that it was dismantling AZN before it had aired a single original program. According to press reports, *ImaginAsian* and the MTV channels are still moving forward. See Jeff Yang, “Asian POP AZN, R.I.P.” *SFGate*, December 8, 2005, available online: <http://sfgate.com/cgi-bin/article.cgi?file=/g/a/2005/12/08/apop.DTL>.
16. *Principles and Best Practices for Diversity and Inclusion in Advertising Agencies*, American Association of Advertising Agencies, May 5, 2005, available online: [http://www.aaaa.org/eweb/upload/catalog/pdfs/6470\\_principles.pdf](http://www.aaaa.org/eweb/upload/catalog/pdfs/6470_principles.pdf). See also the statement of Adonis Hoffman, Senior Vice President and Counsel for the American Association of Advertising Agencies, to the New York City Council Commission on Civil Rights, September 26, 2006, in which Hoffman states, “I would also submit for the record a copy of *Principles & Best Practices for Diversity and Inclusion in Advertising Agencies*. This document was issued by the American Association of Advertising Agencies (AAAA) to provide guidance to its member agencies on a range of issues relating to diversity, including the expanded utilization of minority media” [emphasis added]. Hoffman’s statement is available as a news release on the AAAA website, <http://www.aaaa.org>.
17. These interviews can be heard as short audio clips on the Aspen Institute website: [www.aspeninstitute.org/c&s](http://www.aspeninstitute.org/c&s).



# APPENDIX

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## The Aspen Institute Forum on Diversity and the Media

# *The Future of Advertising and the Attention Economy: Leveraging the Influence of Ethnic Media*

Aspen Wye River Conference Centers - Queenstown, Maryland  
May 11-13, 2005

### Forum Participants

**Gary Arlen**

President  
Arlen Communications, Inc.

**Nhora Barrera-Murphy**

President  
The Media Network, Inc.

**Kathleen Bonk**

Executive Director  
Communications  
Consortium Media  
Center

**Paulette Brown-Hinds**

Associate Publisher  
*The Black Voice News*  
and  
Managing Partner  
BPC MediaWorks, LLC

**Steven Chin**

Principal  
MKmedia  
and  
Executive Director  
Interactive, Pacific Fusion TV

**Kevin Clark**

Program Director  
IBM Brand Experience Design  
IBM Corporate Marketing  
and  
President and Managing Member  
Content Evolution LLC

**Sandy Close**

Executive Director  
New America Media\*

**Eugene Faison, Jr.**

Chairman and Chief Executive  
Officer  
Equals Three Communications,  
Inc.

\* *Previously New California Media*

Note: Titles and affiliations are as of the date of the conference.

**James Fang**

President  
*AsianWeek*

**Carlos Fernandez**

President and General Manager  
KXAN/KNVA Television

**Charles M. Firestone**

Executive Director  
Communications and Society  
Program  
The Aspen Institute

**Jon Funabiki**

Deputy Director  
Media, Arts and Culture  
The Ford Foundation

**Amy Garmer**

Director of Journalism Projects  
Communications and Society  
Program  
The Aspen Institute

**Adonis Hoffman**

Senior Vice President and  
Counsel  
American Association of  
Advertising Agencies

**Jeff Jarvis**

Buzzmachine.com

**Ancel A. Martinez**

Principal  
AAM Communications, Inc.

**Michael Powell**

Former Chairman  
Federal Communications  
Commission  
and  
Senior Fellow  
Communications and Society  
Program  
The Aspen Institute

**Ken Smikle**

Editor and Publisher  
*Target Market News*

**Robert Tolmach**

President  
WellGood LLC  
and  
Founder  
ImportantGifts.org



## About the Author

**Amy Korzick Garmer** is Director of Journalism Projects for the Aspen Institute Communications and Society Program. In this capacity, she develops and directs the Program's portfolio of journalism-related conferences that examine economic, technological, social and political challenges confronting the journalism profession, media industries, individuals and society. She is the author of *American Journalism in Transition: A View at the Top*, editor of *Investing in Diversity: Advancing Opportunities for Minorities and the Media*, co-editor of *Digital Broadcasting and the Public Interest*, and co-author of *Creating a Learning Society: Initiatives for Education and Technology*, all published by the Aspen Institute. She also has written on telecommunications policy and economic development.



## Selected Publications from the Communications and Society Program

*When Push Comes to Pull: The New Economy and Culture of Networking Technology*

David Bollier

The author considers how communications, economics, business, cultural and social institutions are changing from mass production to an individualized “pull” model. *When Push Comes to Pull* describes the co-existence of both push (top down or hierarchical) and pull (bottom up or networked) models-how they interact, evolve, and overlay each other in the networked information economy. The report explores the application of “pull” to the worlds of business and economics, the content and intellectual property industries, the emergence of an economy of the commons, and personal and social dynamics including leadership in a pull world. It also touches on the application of the pull model to learning systems, the military in the form of network centric warfare, and the provision of government services. 2006, 78 pages, ISBN Paper: 0-89843-443-2.

*Mission-Driven Media: Not Just Survival, But Success*

Titus Levi

Mission-driven media-for the sake of definition-is a term coined for the group of ethnic, cultural, community, and social justice media whose purpose drives them beyond the profit motive or being a general news source for a heterogeneous community. This report offers measures to improve the financial and business workings of mission-driven media. It serves as a kind of resource guide to the media manager, the foundation executive, the investment officer, the advertiser, the aspiring entrepreneur, and others on how each can help sustain these media now and into the future. This publication is a product of the Forum on Diversity and the Media, a project supported by the Ford Foundation to address ways in which the various media in the United States can be more responsive to the needs and interests of ethnic minorities. 2002, 50 pages, ISBN Paper: 0-89843-332-0.

*Reinventing Minority Media for the 21st Century*

América Rodríguez

This conference report examines minority media and the new business models that will allow them to strengthen their role as community information sources. 2001, 45 pages, ISBN Paper: 0-89843-311-8.

*Media Diversity Policy After September 11, 2001*

Remarks of Charles M. Firestone at the Media Institute Cornerstone Project National Symposium, St. Regis Hotel, Washington, DC, November 16, 2001. Available online: [http://www.aspeninstitute.org/site/c.huLWJeMRKpH/b.613847/k.B246/IMedia\\_Diversity\\_Policy\\_After\\_September\\_11\\_2001I.htm](http://www.aspeninstitute.org/site/c.huLWJeMRKpH/b.613847/k.B246/IMedia_Diversity_Policy_After_September_11_2001I.htm)

*Coming Together—Bridging the Gap between Investors and Minority Internet Entrepreneurs*

Robert M. Entman

This report is a thought-provoking presentation of the problems minority Internet entrepreneurs face in their quest for venture capital funding. It also recommends some initiatives for overcoming the paucity of funding opportunities. 2000, 38 pages, ISBN Paper: 0-89843-298-7.

*Changing Rules in the Market for Attention: New Strategies for Minority Programming*

Richard P. Adler

This report addresses new strategies and business models for producing and distributing news, entertainment, and general programming in traditional and digital media, with the goal of increasing minority participation in all levels of the media. 2000, 68 pages, ISBN Paper: 0-89843-293-6.

*Investing in Diversity: Advancing Opportunities for Minorities and the Media*

Amy Korzick Garmer

This volume is the result of work done during the first two years of the Aspen Institute Forum on Diversity and the Media. It includes papers on a wide range of issues (e.g., demographics, economics, Internet usage, business ethics) that relate to the broader goal of the forum, which is to identify and understand the business case for greater cultural and ethnic diversity in the media. 1998, 249 pages, ISBN Paper: 0-89843-240-5.

*The Future of Advertising: New Approaches to the Attention Economy*

Richard P. Adler

This report examines the changes in the commercial and political advertising systems occasioned by the new interactive, computer-based media, and to consider significant issues raised by the new economics of gaining consumer's attention. The report addresses how these changes impact the public interest and implications for the future of advertising. 1997, 94 pages, ISBN: 0-89843-224-3.



# About the Communications and Society Program

[www.aspeninstitute.org/c&s](http://www.aspeninstitute.org/c&s)

The Communications and Society Program is an active venue for global leaders and experts from a variety of disciplines and backgrounds to exchange and gain new knowledge and insights on the societal impact of advances in digital technology and network communications. The Program also creates a multi-disciplinary space in the communications policy-making world where veteran and emerging decision-makers can explore new concepts, find personal growth and insight, and develop new networks for the betterment of the policy-making process and society.

The Program's projects fall into one or more of three categories: communications and media policy, digital technologies and democratic values, and network technology and social change. Ongoing activities of the Communications and Society Program include annual roundtables on journalism and society (e.g., journalism and national security), communications policy in a converged world (e.g., the future of video regulation), the impact of advances in information technology (e.g., "when push comes to pull"), advances in the mailing medium, and diversity and the media. The Program also convenes the Aspen Institute Forum on Communications and Society, in which chief executive-level leaders of business, government and the non-profit sector examine issues relating to the changing media and technology environment.

Most conferences utilize the signature Aspen Institute seminar format: approximately 25 leaders from a variety of disciplines and perspectives engaged in roundtable dialogue, moderated with the objective of driving the agenda to specific conclusions and recommendations.

Conference reports and other materials are distributed to key policy-makers and opinion leaders within the United States and around the world. They are also available to the public at large through the World Wide Web, [www.aspeninstitute.org/c&s](http://www.aspeninstitute.org/c&s).

The Program's Executive Director is Charles M. Firestone, who has served in that capacity since 1989, and has also served as Executive Vice

President of the Aspen Institute for three years. He is a communications attorney and law professor, formerly director of the UCLA Communications Law Program, first president of the Los Angeles Board of Telecommunications Commissioners, and an appellate attorney for the U.S. Federal Communications Commission.