

INCREASINGLY AFFLUENT, EDUCATED AND DIVERSE

**AFRICAN-AMERICAN CONSUMERS:
THE UNTOLD STORY
2015 REPORT**

nielsen
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AN UNCOMMON SENSE
OF THE CONSUMER™

FOREWORD

The Increasingly Affluent, Educated and Diverse report explores “The Untold Story” of African-American consumers—a group comprised of trendsetters, education enthusiasts, media influencers, social activists and content creators—all anchored by a strong cultural influence. This year, we focused specifically on a segment of African-Americans who are often overlooked, those with annual household incomes of \$75,000 or more. Their size and influence is growing faster than non-Hispanic Whites across all income segments above \$60,000, a story worth sharing.

These larger incomes are attributed to a number of factors including youthfulness, immigration, advanced educational attainment and increased digital acumen. As these factors change African-Americans’ decisions as brand loyalists and ambassadors, savvy marketers are taking notice.

In the media and entertainment world, African-Americans dominated both on screens and behind the scenes. These mediums are now exploding with African-American cultural influence. Today’s American mainstream is rapidly changing, and that change can be attributed in part, to the growth and activities of African-Americans in the marketplace. Social media and the Internet have become go-to communications platforms for African-American stories and content. Blacks have shifted the conversation about civic and social justice—drawing national and even world attention to events led by everyday people with a passion to bring about change.

The findings in this report mark another step in America’s multicultural transition. And they provide a road map for businesses interested in using the insights or those who wish to build and sustain deeper, more meaningful connections with African-American consumers.

In 2011, Nielsen’s first award-winning African-American report launched what is now the Diverse Intelligence Series, a robust portfolio of comprehensive reports which focus solely on multicultural consumers’ unique consumption and purchasing habits.

This is a report Nielsen is proud of, and one that is much richer for the contributions of Nielsen’s External African-American Advisory Council—ably led by co-chairs Reverend Jacques DeGraff and Deborah Gray-Young. We hope this, our fifth annual installment, will be met with as much enthusiasm as the previous reports.



Cheryl Pearson-McNeil

Senior Vice President
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EXECUTIVE SUMMARY

African-American consumers are making gains and upending outdated stereotypes on multiple fronts from education to income to social media and civic engagement—becoming increasingly affluent, influential and culturally diverse. From 2000 to 2014, the nation's Black population grew 35% more quickly than the total population and at more than double the 8.2% growth rate of the White population. By 2060, the Black population will increase from 45.7 million* to 74.5 million, comprising 17.9% of the total U.S. population.

The youthfulness and vitality of Black consumers, bolstered by an influx of affluent and educated immigrants, is amplifying buying power and expanding influence across a wide spectrum of services and goods in the U.S. mainstream. Digitally enabled and culturally connected, the Black consumer story is now receiving much overdue attention.

Increasingly Affluent, Educated and Diverse Report Highlights:

An immigrant upswing. Black immigrants now account for 8.7% of the nation's Black population, or one in every 11 African-Americans, which is nearly triple the share in 1980. The influx of diverse immigrants—who will account for one in six African-Americans by 2060—is enriching the cultural mix of U.S. Blacks and contributing to an overall rise in consumer education and affluence. (Note: For the purposes of this report, we will use the term African-American and Black consumers interchangeably to describe the combined total of U.S.-born Blacks and Black immigrants. In Gallup's latest poll, there was no difference in preference.)

Historic education growth. The percentage of Black high school graduates enrolled in college jumped last year to 70.9%, exceeding that of both Whites and Hispanics. Further, high school graduation rates for Black students rose to over 70%, which outpaced the growth for all students nationally. Blacks are also making progress in STEM (science, technology, engineering and mathematics) careers. Rising education rates for young Blacks and inroads into STEM professions will fuel steady income increases and help secure their place in the future U.S. workforce.

*Note: U.S. Census, American Community Survey, 2014, Race alone or in combination.

Advancing incomes. African-American income growth rates outpaced that of non-Hispanic Whites at every annual household income level above \$60,000. The largest increase for African-American households occurred in the number of households earning over \$200,000, with an increase of 138%, compared to a total population increase of 74%.

Youthful influencers. Due to a combination of youth and rising cultural influence, African-Americans are creating mainstream trends in music, television, movies and more. Marketing to Millennials and younger generations must include messages to reach African-American youth, as the average age of African-Americans is 31.4 years compared to 39 years for the non-Hispanic White population or 36.7 years for the total population.

Heavy consumers of all media types. The year 2015 represents a tipping point for African-Americans. As voracious media consumers, powerful cultural influencers experiencing burgeoning population growth create an unprecedented impact across a broad range of industries, particularly in television, music, social media and social issues.

Digitally-empowered communicators. Due to the widespread usage of the Internet and social media, consumers are collectively responding to fast-breaking news events. Black consumers are adroit and well-informed commentators who are making their voices heard, and in many cases, defining and leading the national conversation on important social issues.

Southern Exposure. Black population metro hubs are continuing to shift to the South, with the most intensive growth in the number of African-American households with annual incomes over \$100,000. Metro areas such as Baton Rouge, La., Columbus, Ga., Augusta, Ga. and Aiken, S.C. are cities newly included in the list of Top 10 designated market areas (DMAs) for penetration of these households.

Culturally-connected consumers. Black consumers' buying patterns showcase a focus on family and cooking ingredients tied to cultural traditions. There is an expectation for the brands purchased to reflect certain social values: 40% of Blacks expect brands to support social causes.

Entertaining is very important in the African-American community. Annual events such as family reunions, cultural festivals and alumni gatherings connect Blacks in a unique way that focuses on fellowship and is cross-generational.

In fact, African-American households spend more on basic food ingredients and beverages and tend to value the food preparation process, spending more time than average preparing meals. Other popular buying categories include fragrances, personal health and beauty products, as well as family planning, household care and cleaning products.

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SECTION I

DEMOGRAPHICS

Vibrant and growing in affluence, the African-American consumer is also increasingly diverse. As established African-American consumers enter their prime earning years and younger consumers make gains in education, the overall picture of the African-American community in the U.S. is one of rising influence, income and social empowerment. This trend is further bolstered by increasing immigration into the U.S. of educated and affluent Blacks from Africa, the Caribbean and other areas. The confluence of upwardly mobile African-Americans and Black immigrants, and how they are transforming the economic, social and cultural future of this country, is the untold story of Black consumers in America and the central theme of this report.

The increasing cultural diversity of U.S. Blacks mirrors changes in the new American mainstream. Multicultural consumers already make up 38% of the U.S. population, with Census projections showing that multicultural populations will become a numeric majority by 2044. A significant part of that growth comes from the African-American community, including a rising share of the Black population who are foreign-born. These demographic trends are bolstering the buying power and influence of the African-American community, and marketers, advertisers and providers of goods and services need to adjust strategies to reach and communicate in a meaningful way with this growing and influential segment.



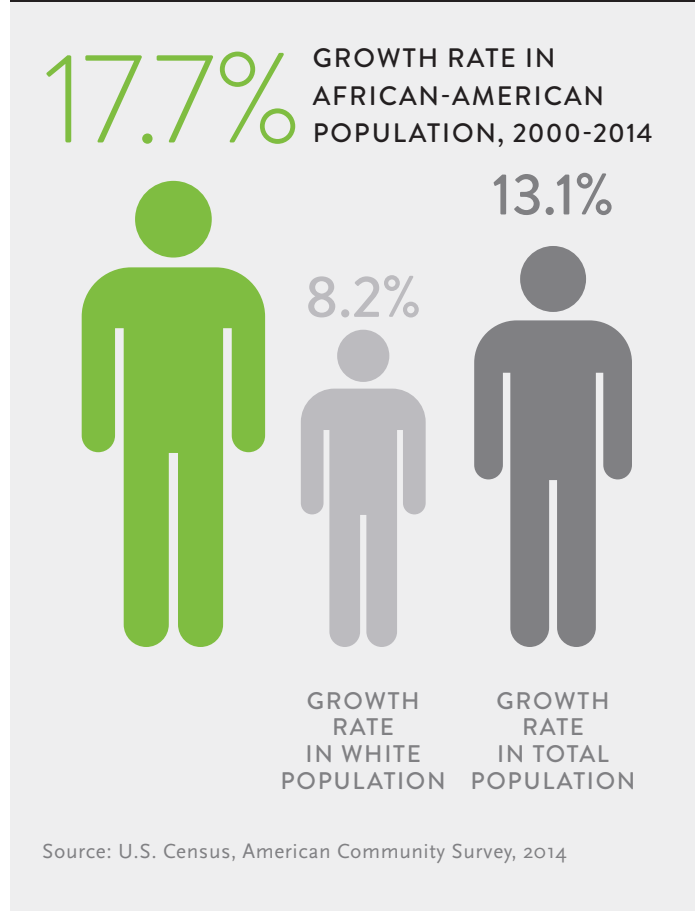
YOUNG AND GROWING IN NUMBERS

From 2000 to 2014, the nation's Black population grew 35% faster than the total population, at a rate of 17.7% compared to 13.1%. The 17.7% growth rate of Blacks more than doubled the 8.2% growth of the White population. By 2019, the nation's African-American population is projected to increase by another 5.9%, which is expected to exceed the 4.4% growth estimated for the total U.S. population. It is further projected that by the year 2060, the Black population will increase from the current 45.7* million to 74.5 million, making up 17.9% of the total U.S. population.

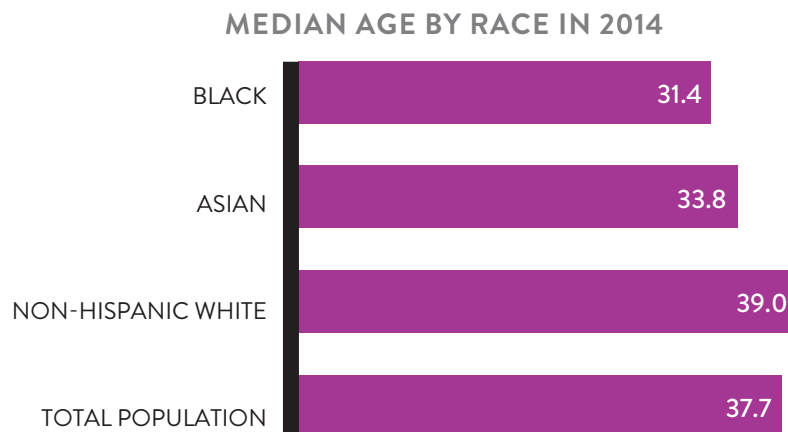
African-Americans skew younger than the non-Hispanic White population, largely because 29.4% of the Black population is under the age of 18, compared to 24.6% of the total population and 23.3% of the White population. It is important to note that the 2014 American Community Survey of the U.S. Census indicates that the median age of Blacks is 31.4 years, compared to 39 years for the non-Hispanic White population or 37.7 years for the total population. Because of their youth and role as avid consumers—and creators—of media and pop culture, Black consumers are increasingly viewed as trendsetters and influencers across the U.S. mainstream. As marketers and advertisers compete for the attention of consumers, developing longer brand relationships with Black consumers will be an indispensable component of that goal.

*Note: U.S. Census, American Community Survey, 2014, Race alone or in combination.

>> AFRICAN-AMERICAN POPULATION GREW 35% FASTER THAN THE TOTAL POPULATION



AFRICAN-AMERICANS SKEW YOUNGER



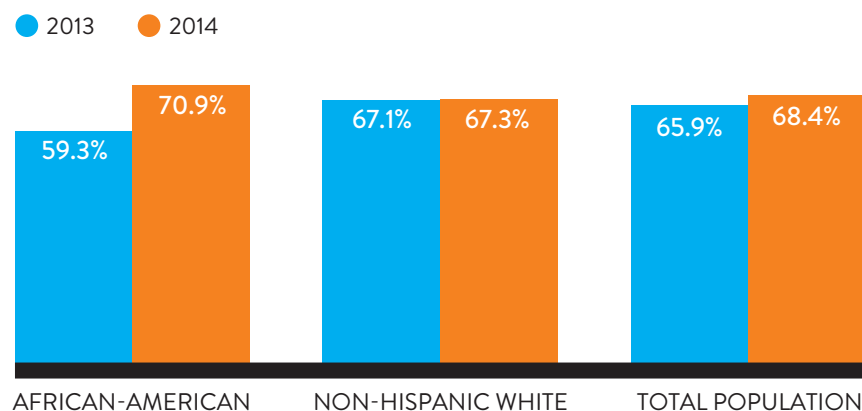
Source: U.S. Census, American Community Survey, 2014

EDUCATION ATTAINMENT OUTPACES OTHER GROUPS

With almost 30% of the Black population under the age of 18, this population is not only young and influential, but also increasingly educated. High school graduation rates for Black students increased to over 70% in 2013, which outpaced the growth for all students in the nation, according to new data from the U.S. Department of Education's National Center for Education Statistics. In fact, the percentage of Black high school graduates enrolled in college jumped significantly last year to 70.9% from 59.3% in 2013, exceeding the enrollment rate of Whites (67.3%), according to the U.S. Bureau of Labor Statistics. That's the highest percentage of Black enrollment since the Bureau began tracking this data. Overall, 68.4% of all 2014 high school graduates were enrolled in colleges or universities, showing little change from a year earlier.

BLACK COLLEGE ENROLLMENT RATES INCREASED HISTORICALLY

COLLEGE ENROLLMENT RATES



Source: U.S. Bureau of Labor Statistics, 2013-2014



>> IN 1976, ONLY 41.6% OF BLACK HIGH SCHOOL GRADUATES WERE ENROLLED IN A COLLEGE OR UNIVERSITY. THAT PERCENTAGE **ROSE TO 70.9% IN 2014**, EXCEEDING THE RATE OF BOTH NON-HISPANIC WHITES AND THE TOTAL POPULATION.

Source: U.S. Bureau of Labor Statistics, 2013-2014

HOUSEHOLD INCOMES ON THE RISE

Black households have seen their median income rise by 3.5% over the past three years from 2011-2013, as The Great Recession has waned. Real median household income increased more among African-American households (+\$793) than among White households (+\$433) and more than the total population, according to the U.S. Census.

For the most recent year available (2012-2013), Black median household income increased 2.3%, which outpaced the income growth for any category, including total households, whose median income statistically did not change (+.3%). In fact, the percentage of African-Americans who earned more than \$50,000 per year increased from 30% in 2005 to 36% in 2013, and those who earned more than \$75,000 increased from 15% in 2005 to 20% in 2013.



>> THE PERCENTAGE OF BLACK HOUSEHOLDS EARNING \$200,000+ INCREASED 138% FROM 2005-2013, FAR OUTPACING THE RATE FOR THE TOTAL POPULATION (74%).

Source: U.S. Census, American Community Survey, 2014 Report

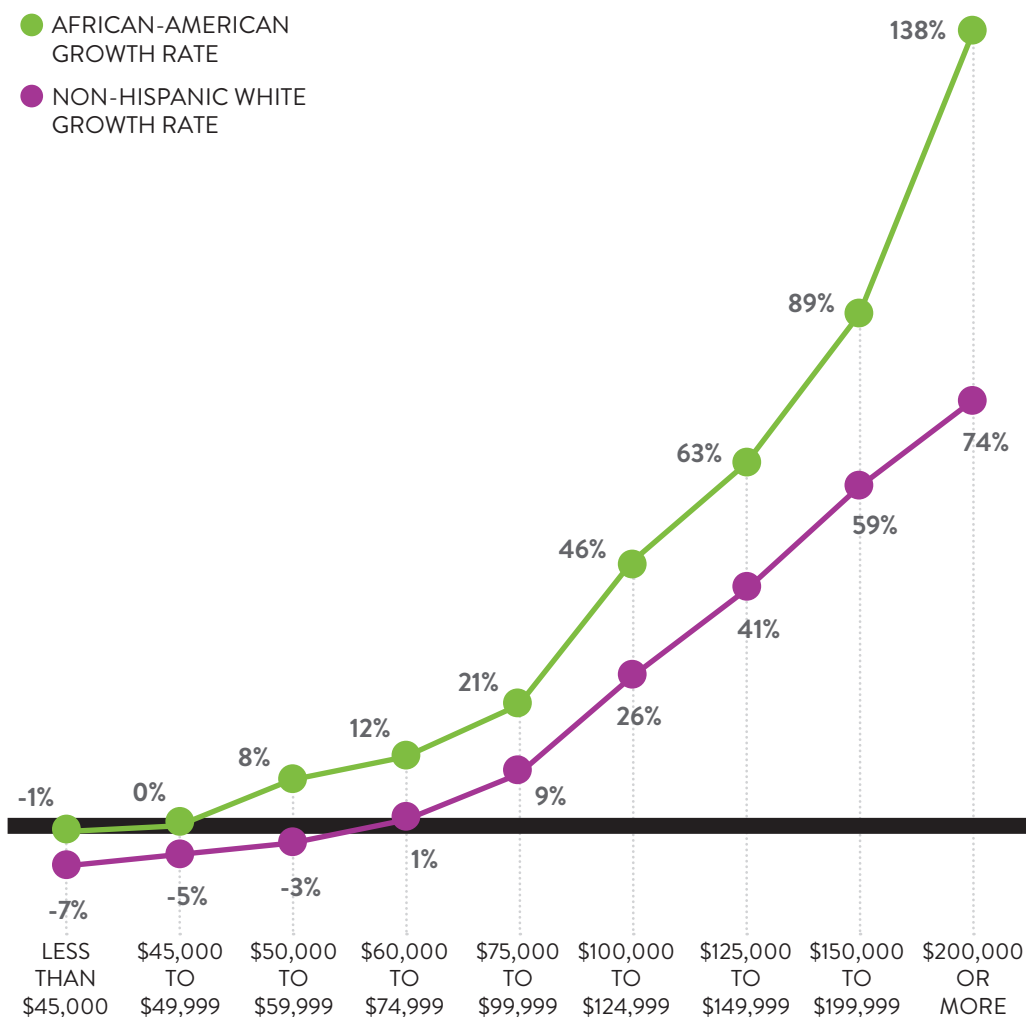
At every income level above \$60,000 per household, Black income growth outpaced that of non-Hispanic Whites. In the years from 2005-2013, the income bracket with the largest increase for Black households occurred in the number of households earning over \$200,000, with an increase of 138%, compared to an increase of 74% for the total population.

Growth in Black household income is projected to continue, as larger proportions of Blacks join the workforce for the first time or move up from entry-level jobs as they age. The significantly younger median age of Blacks means that fewer have reached their career pinnacles and have more years of increasing income potential. In 2010, only 8.6% of Blacks were over the age of 65, compared to 13.8% of Whites and 12.7% of the total population.

Contributing to the overall rise in African-American mean incomes is Blacks' participation rate in STEM (science, technology, engineering and mathematics) careers. While Blacks have historically been consistently underrepresented in STEM-oriented careers, which drive some of the higher paying jobs in the country, that statistic is improving. According to the U.S. Census Bureau in the 2011 American Community Survey, 6% of STEM workers were Black, up from only 2% in 1970. Similar improvement is noted in the medical field, with Blacks comprising about 7% of the medical school population, up from 2% in 1970.

AFRICAN-AMERICAN INCOMES RISE

AFRICAN-AMERICAN GROWTH BY INCOME LEVELS
BLACK VS. NON-HISPANIC WHITES, 2005 - 2013

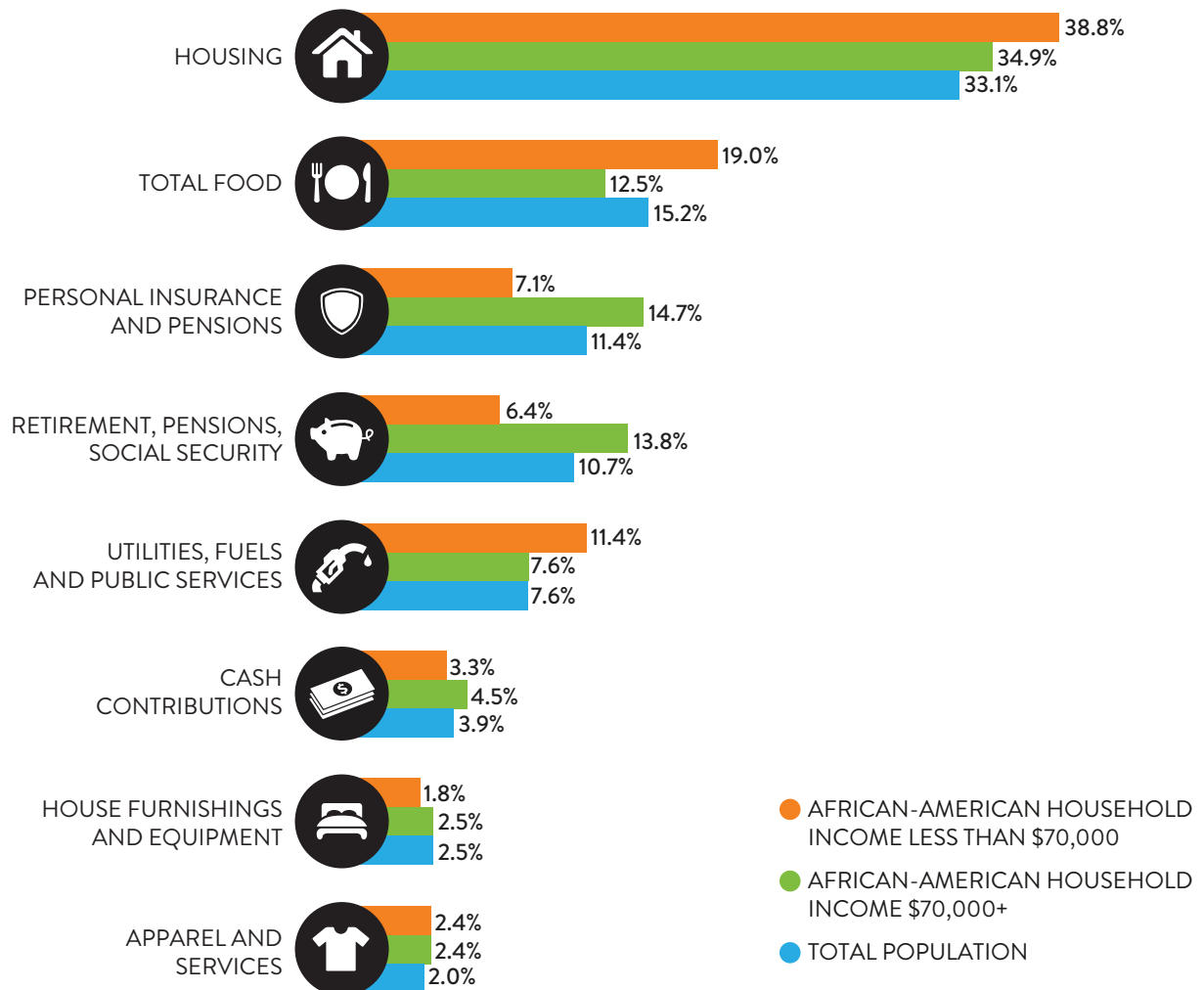


Source: U.S. Census, American Community Survey, 2014 Report

The income-consumption curve shows that as African-American incomes rise, their increase in spending on certain categories outpaces that of the total population. Categories where higher-income African-Americans outspend the total population in terms of percentage of income include future-oriented categories, such as insurance policies, pensions and retirement savings. Additionally, 4.5% of African-Americans earning \$70,000+ make cash contributions—compared to 3.9% of the total population. This statistic is not surprising, as it aligns with findings of earlier Nielsen reports. In the 2015 report, *The Multicultural Edge: Rising Super Consumers*, it was noted that a full 40% of the Black population expects preferred brands to buy support social causes that have a personal connection.

AS INCOMES RISE, CONSUMPTION INCREASES FOR SELECT CATEGORIES

PERCENT OF TOTAL ANNUAL EXPENDITURES SPENT BY CATEGORY
AFRICAN-AMERICAN HOUSEHOLDS \$70,000+ VS. LESS THAN \$70,000 VS. TOTAL POPULATION



Source: The Bureau of Labor Statistics Consumer Expenditure Survey, June 2014

INCREASING BLACK DIVERSITY

As the U.S. Black population grows, so does its diversity. Since 1980, the number of Black immigrants has more than quadrupled, reaching a record 3.8 million living in the U.S. today. Black immigrants now account for 8.7% of the nation's Black population, or one in every 11 Blacks, which is nearly triple their 3.1% share in 1980.

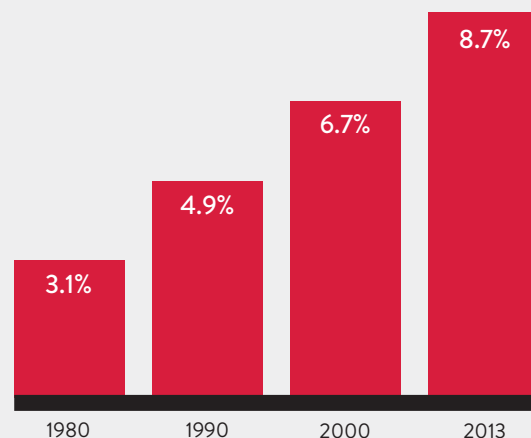
The Black immigrant population is diverse. While the Caribbean population accounts for almost 50% of Black immigrants from Africa are driving recent growth. African immigrants now account for more than a third (36%) of the total foreign-born U.S. Black population, up from 7% in 1980 and up from 24% in 2000. Nigeria and Ethiopia are the African countries with the greatest numbers of immigrants arriving in the U.S. Smaller growth is also coming from European countries.

A surge in the Black immigrant population will continue. By 2060, the U.S. Census predicts that one out of every six U.S. Blacks, or 16.5%, will be immigrants. In metropolitan areas that already have some of the nation's largest Black populations, the impact of immigration is most apparent, as these communities continue to grow with the arrival of family and friends. In the Miami metro area, slightly more than a third of Blacks (34%) are immigrants, while in the New York metro area, that share is 28%, and in the Washington, D.C. area, it is 15%.



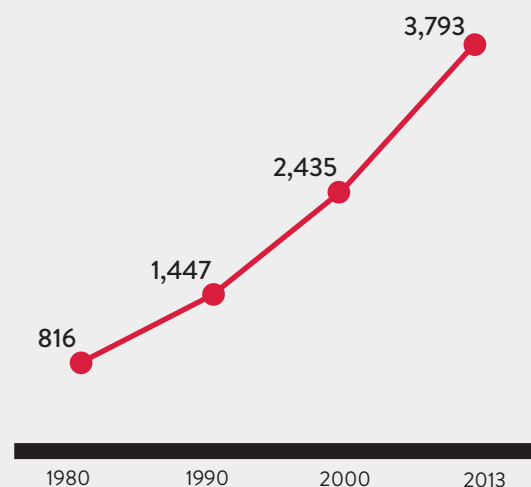
IMMIGRANTS ARE A GROWING SHARE AMONG BLACK AMERICANS

PERCENT OF BLACK POPULATION
THAT IS FOREIGN BORN



THE BLACK IMMIGRANT POPULATION HAS MORE THAN QUADRUPLED SINCE 1980

TOTAL FOREIGN-BORN BLACK
POPULATION IN THE U.S. IN THOUSANDS



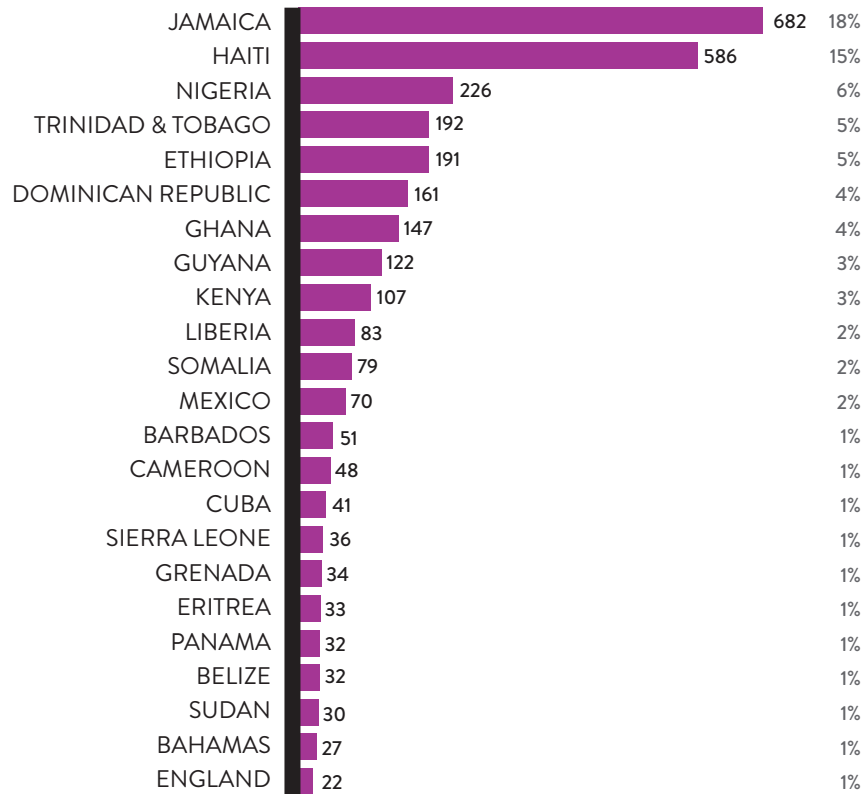
Note: In 2000 and later, foreign-born Blacks include single-race Blacks and mixed-race Blacks, regardless of Hispanic origin. Prior to 2000, Blacks include only single-race Blacks regardless of Hispanic origin since a mixed-race option was not available.

Source: Pew Research Center tabulations of the 2013 American Community Survey (1% IPUMS) and the 1980, 1990 and 2000 censuses (5% IPUMS)

Since the median household income for foreign-born Blacks is 30% higher than U.S.-born Blacks, foreign-born Blacks are contributing to the increased incomes for the African-American community. Education is also very important to African immigrants, which suggests that a large part of African immigration may be more a result of a quest for opportunity than fleeing from poverty, contradicting much public perception. Only 28% of sub-Saharan African immigrants were refugees or others seeking asylum, according to data from the Department of Homeland Security.

JAMAICA, HAITI LARGEST BIRTH COUNTRIES FOR BLACK IMMIGRANTS IN 2013

POPULATION (AND PERCENT) OF FOREIGN-BORN BLACKS BY BIRTH COUNTRY IN THE U.S., IN THOUSANDS



Note: Foreign-born Blacks include single-race and mixed-race Blacks, regardless of Hispanic origin.

Source: Pew Research Center tabulations of the 2013 American Community Survey (1% IPUMS)



>> **54% OF BLACK IMMIGRANTS ARE U.S. CITIZENS** VS. 47% FOR ALL IMMIGRANTS. 74% OF BLACK IMMIGRANTS AGES FIVE AND OLDER FROM CARIBBEAN NATIONS ARE PROFICIENT IN ENGLISH.

Source: U.S. Census

MIGRATION SHIFT IMPACTS ECONOMICS

Black remigration to the South continues, affecting culture and economics across the African-American community, including higher rates of home ownership, a prime indicator of household wealth. The July 2014 U.S. Senate Joint Economic Committee's report on Increasing Economic Opportunity in the African-American Community highlighted that unemployment among African-Americans in the South, while high at 11.2%, was the lowest for any region in the country (Northeast at 12.4%, West at 13.6% and Midwest at 14.8%). The homeownership rate was highest at 47.4% for Blacks in the South.

The African-American population shift is evidenced in the changes between the years 2000 and 2015 in the metropolitan areas with the largest percentage penetration of Black households earning incomes over \$100,000. Both Detroit and Chicago have been replaced by southern cities. Baton Rouge, La., Columbus, Ga., Augusta, Ga. and Aiken, S.C. have joined the list of Top 10 DMAs by penetration for African-Americans with household incomes above \$100,000. In absolute numbers, the list still includes New York, Washington D.C., Atlanta, Los Angeles, Chicago, Philadelphia, Houston, Baltimore, Dallas/ Ft Worth, and Detroit.



TOP 10 METRO AREAS FOR AFRICAN-AMERICAN HOUSEHOLDS EARNING \$100,000+

2000		2015	
DESIGNATED MARKET AREA (DMA)	% PENETRATION	DESIGNATED MARKET AREA (DMA)	% PENETRATION
WASHINGTON ET AL, DC-MD	3.0%	WASHINGTON (ET AL), DC-MD	7.2%
ATLANTA, GA	1.8%	BALTIMORE, MD	5.1%
DETROIT, MI	1.7%	NORFOLK (ET AL), VA	3.9%
BALTIMORE, MD	1.6%	ATLANTA, GA	3.6%
NEW YORK, NY	1.5%	RICHMOND-PETERSBURG, VA	3.5%
RICHMOND-PETERSBURG, VA	1.4%	BATON ROUGE, LA	3.4%
CHICAGO, IL	1.3%	MEMPHIS, TN	3.4%
MEMPHIS, TN	1.3%	NEW YORK, NY	3.1%
JACKSON, MS	1.1%	COLUMBUS (ET AL), GA-AL	3.0%
COLUMBIA, SC	1.1%	AUGUSTA-AIKEN, GA-SC	2.9%

Source: Nielsen Pop Facts, Demographics, Current Year, 2015

THE UNTOLD STORY: AFRICAN-AMERICAN DEMOGRAPHIC SHIFTS



Black immigrants continue to increase as a percentage of the Black population, contributing to increased income and education levels.



African-American college attendance is outpacing non-Hispanic Whites and Hispanics. More African-Americans are graduating from high school and entering college than ever in the history of our country.



At every income level above \$60,000 per household, Black income growth outpaced non-Hispanic White income growth.



The average age of Black Americans (31.4 years) is younger than the non-Hispanic White population (39) and the total population (36.7).



African-American population hubs continue to shift to the southern United States, and their economic impact is fueling local development, with the most intensive growth in the number of African-American households with annual incomes over \$100,000 occurring in the South.

SECTION II

CONSUMPTION: MEDIA BEHAVIORS

African-Americans are widely recognized as avid consumers of all media types, particularly television, music and social media. The year 2015, however, represents a tipping point for African-Americans, as their media consumption, powerful cultural influence and burgeoning population growth drives unprecedented impact across consumer industries and civic issues. In this section, we examine not only the metrics of African-American media consumption, but also the far-reaching implications of African-American influence on American culture in the new mainstream.

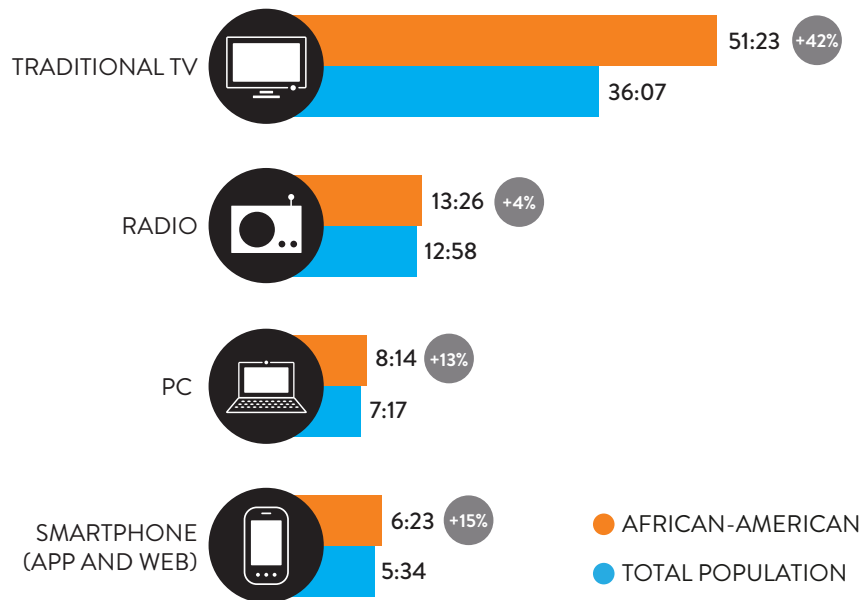


A GROWING APPETITE FOR MEDIA OF ALL KINDS

As competition for screen time gets fiercer, marketers need to work harder to connect with audiences—and Black consumers represent a growing opportunity for capturing engagement. Black adults 18+ spend 42% more time viewing TV, 13% more time on PCs, 15% more time on smartphones and 4% more time listening to the radio than the total population.

AFRICAN-AMERICANS ARE VORACIOUS MEDIA CONSUMERS

WEEKLY HOURS: MINUTES OF MEDIA USAGE
ADULTS 18+, ALL INCOME LEVELS







Source: Nielsen Total Audience Report, Quarter 1, 2015

AS INCOME INCREASES, MEDIA CONSUMPTION GROWS

MONTHLY TIME SPENT BY MEDIUM (HH:MM)

INCOME \$75,000+

	TRADITIONAL TV 	DVR PLAYBACK 	VIDEO GAMES 	MULTIMEDIA DEVICES 
AFRICAN-AMERICAN	315:39 +44%	44:57 +23%	20:16 +22%	10:34 +7%
TOTAL POPULATION	219:00	36:36	16:36	9:54

Source: Nielsen N-Power, African-American households with incomes of \$75,000+ compared to Total Population households with incomes of \$75,000, monthly time spent, December 29, 2014 - March 29, 2015.

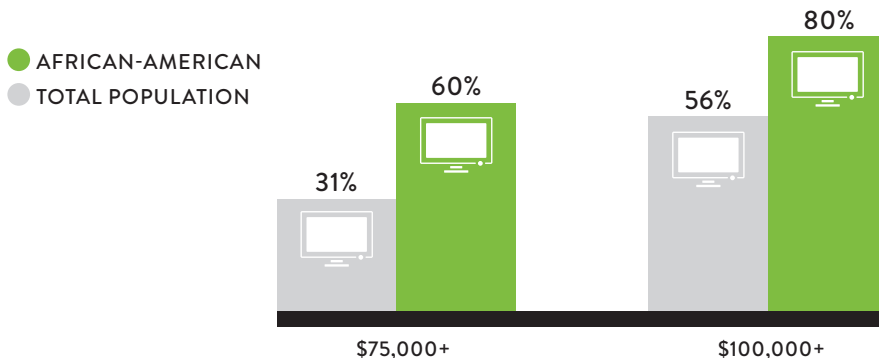
At income levels above \$75,000, the volume of Black media consumption becomes even greater when compared to the total population earning that amount. On a monthly basis, these Black households view 315 hours of traditional household TV, compared to 219 hours for the total population. Likewise, monthly video game usage for Blacks is 20 hours, compared to 16 hours for the total population; and 10 hours of multimedia device viewing, compared to 9 hours for the total population.

Significantly, the number of TV households for higher-income levels of African-Americans increased at a much higher rate than the total population during the last 10 years. Black TV households earning \$100,000+ increased at a rate of 80% compared to the total population earning \$100,000+ at 56%; and Black TV households earning \$75,000+ doubled the total population trend, increasing at 60%, compared to 31%.

HIGHER INCOME AFRICAN-AMERICAN TV HOUSEHOLDS GROW

GROWTH IN TV HOUSEHOLDS BY INCOME AND RACE – 2005 VS. 2015

INCOMES \$100,000+



Source: Nielsen National People Meter (NPM) Panel; Universe Estimates based on the 15th of May each year from 2005-2015.

2014-2015: A TRANSFORMATIVE TELEVISION SEASON

Media executives who once may have been hesitant to feature multicultural content in mainstream shows are now striving to increase such content as the best way to generate buzz and attract a critical mass of viewers from across the racial and ethnic spectrum.

The 2014-2015 TV broadcast season was transformative for the television industry, with strong results for hit shows featuring culturally relevant African-American themes and characters. African-American producers such as Lee Daniels, co-creator and producer of Fox's *Empire* and Shonda Rhimes, creator and producer of *Grey's Anatomy* and *Scandal*, as well as executive producer of *How to Get Away with Murder* were responsible for ABC's entire Thursday primetime lineup. The *Empire* phenomenon was historic in the television industry. It was the first series since 1991 to increase viewership every single week during a season.

>> DRAMAS, COMEDIES AND AWARDS SHOWS WERE THE MOST HIGHLY RANKED ACROSS BROADCAST AND CABLE PRIMETIME IN BLACK HOUSEHOLDS WITH AN INCOME OF \$100,000+ FOR THE 2014 -2015 SEASON.



Black viewers in households with an income of \$100,000 have diverse tastes in television programming preferences – with dramas, comedies and awards shows being the most highly ranked across Broadcast and Cable primetime. The affinity for these programs rose with the 2014 -2015's game-changing season, as more diverse stories and talent appeared on small screens.

TOP 20 PRIMETIME SHOWS AMONG AFRICAN-AMERICAN HOUSEHOLDS, \$100,000+
SEPTEMBER 22, 2014 – AUGUST 30, 2015 (INCLUDES AWARDS SHOWS, EXCLUDES SPORTS AND SPECIALS)

PROGRAM	NETWORK	AVERAGE AUDIENCE RATING	TOTAL VIEWERS (000)
EMPIRE	FOX	25.1	1165
SCANDAL	ABC	18.1	818
GRAMMY'S 2015	CBS	14.8	685
HOW TO GET AWAY WITH MURDER	ABC	13.4	596
THE OSCARS	ABC	12.7	572
2015 BILLBOARD MUSIC AWARDS	ABC	6.1	270
BLACKLIST	NBC	5.9	269
BLACK-ISH	ABC	5.8	261
AMERICAN CRIME	ABC	5.8	274
GREY'S ANATOMY	ABC	5.7	261
THE ESPY AWARDS	ABC	5.5	238
GOTHAM	FOX	4.7	215
THE 2015 BET AWARDS	BET	4.6	183
THE GOOD WIFE	CBS	4.5	204
THE CARMICHAEL SHOW	NBC	4.3	187
PERSON OF INTEREST	CBS	4.3	194
2015 AMERICAN MUSIC AWARDS	ABC	4.3	192
STALKER	CBS	4.2	187
LAW AND ORDER: SVU	NBC	4.0	182
MARVEL AGENTS OF S.H.I.E.L.D.	ABC	4.0	181

Read as: The average audience rating for *Empire* was 25.1% of African-Americans in households with an income of \$100,000+. This equals 1,165,000 people.

Source: Nielsen NPOWER, Persons 2-99, September 22, 2014 - August 30, 2015, Live+7. Broadcast cable and syndication programs, excluding sports and specials.

MUSICAL ROOTS

Music is at the heart of African-American culture, and listening to music is a passion shared by all ages and all income levels. Black musical traditions continue to evolve and shape trends that have long since led mainstream American culture into such quintessentially American genres as gospel, blues, jazz and hip-hop. The influence and artistic works of African-Americans have shaped the vast musical landscape enjoyed today, and music for most African-Americans continues to have a powerful social significance.

A full 91% of all African-Americans, or 31 million, listen to the radio weekly. Blacks listen to more radio than the total population at all age levels, particularly in the youngest and the Boomer age ranges: 12-17 (+11% more) and 50-64 (+9% more). Blacks also listen to the radio more than any race or ethnic group, at over 60 hours per month. Afternoon drive-time, Monday - Friday, 3 p.m. to 7 p.m., is the top listening daypart for Blacks.

RADIO IS POPULAR AMONG AFRICAN-AMERICANS OF ALL AGES

MONTHLY RADIO LISTENING HABITS BY AGE (HH:MM)

	LISTENING BY AGE						
	ALL AGE GROUPS	12-17	18-24	25-34	35-49	50-64	65+
AFRICAN-AMERICAN	59:37	37:49	47:03	53:59	64:09	74:55	65:19
TOTAL POPULATION	57:53	34:08	48:04	53:07	61:55	68:51	60:33
% MORE/LESS	+3%	+11%	-2%	+2%	+4%	+9%	+8%

Source: Nielsen, June 19, 2014 - June 17, 2015 via RADAR 126 (Monday - Sunday, 12Mid-12Mid)

Most importantly to advertisers, in the Top 50 Black designated market areas (DMAs), radio reaches 94% of African-Americans with a household income over \$75,000 and 93% of African-Americans who are college graduates.

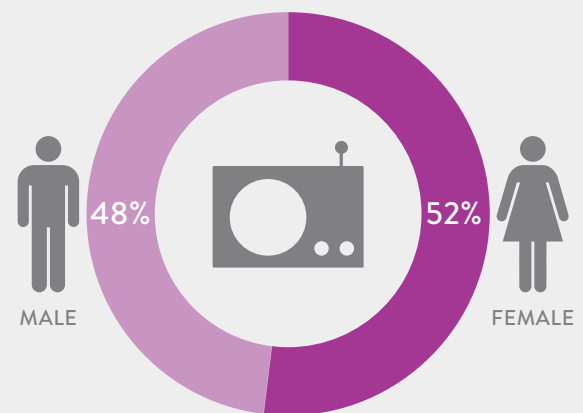
AFRICAN-AMERICANS DOMINATE RADIO LISTENING

91%

OF ALL AFRICAN-AMERICANS REACHED WEEKLY BY RADIO

31 MILLION

AFRICAN-AMERICANS USE RADIO EACH WEEK



COMPOSITION OF AFRICAN-AMERICAN RADIO LISTENERS



MON - FRI, 3PM-7PM IS THE TOP DAYPART

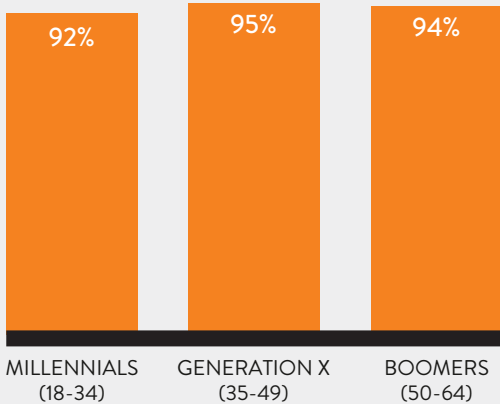


URBAN ADULT CONTEMPORARY IS THE #1 FORMAT

Source: State of the Media: Audio Today, A Focus on Black and Hispanic Audiences, Nielsen, Blacks (P12+), July 2015

A LOOK AT TODAY'S AFRICAN-AMERICAN RADIO LISTENER

WEEKLY RADIO REACH AMONG AFRICAN-AMERICANS



OF AFRICAN-AMERICAN RADIO LISTENERS WITH HOUSEHOLD INCOMES OVER \$75,000 ARE REACHED BY RADIO EACH WEEK IN THE TOP 50 BLACK DMAS



OF AFRICAN-AMERICAN RADIO LISTENERS ARE COLLEGE GRADUATES AND REACHED BY RADIO EACH WEEK IN THE TOP 50 BLACK DMAS

Source: RADAR 121, June 2014; Network Audiences to All Commercials; Monday - Sunday 5AM-Mid

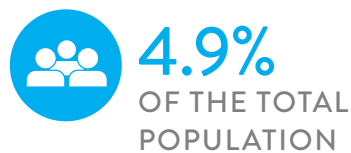
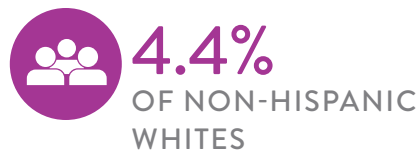
Note: Working and education data based on African-Americans 18+.

RADAR methodology captures Black, non-Hispanic Demographics information in all Nielsen PPM and Diary markets, as well as County Coverage survey areas.

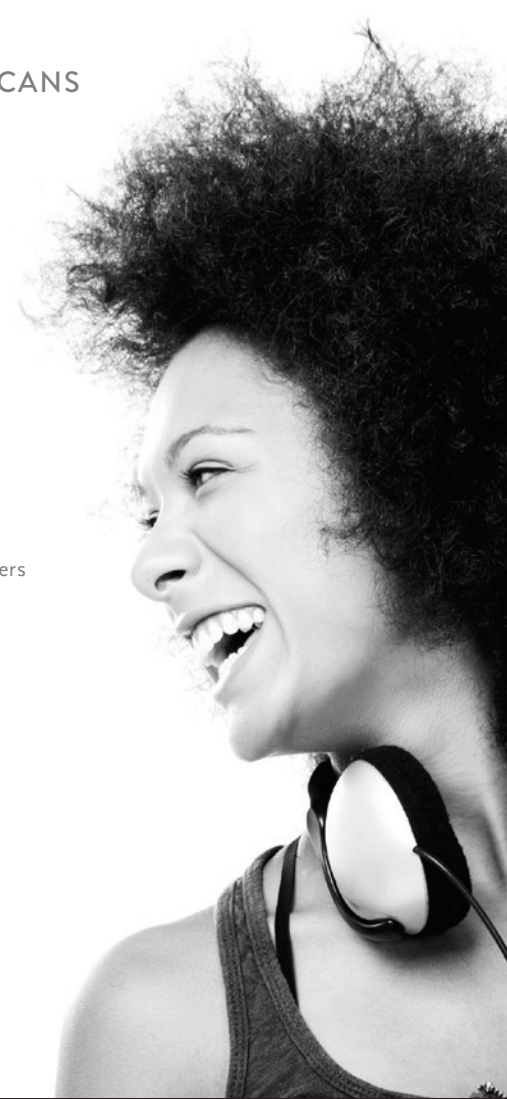
African-Americans are at the forefront of the digital music revolution as well. In addition to Blacks streaming audio on their smartphones at a 42% higher rate than the general population, higher-income Blacks are more active with regard to many other music-related digital behaviors. Black households with incomes between \$75,000 and \$100,000 are particularly active online: They are 51% more likely than non-Hispanic Whites, at the same income level, to listen to an online local radio station and 24% more likely to listen to a streaming music service (e.g., Pandora or Spotify).

African-Americans remain at the cutting edge of new trends and media platforms and are often considered a music-market bellwether for the future. In fact, African-Americans have the highest incidence of paid streaming of any race or ethnicity at 5.9%. Non-Hispanic Whites clock in at 4.4%, and the total U.S. population at 4.9%.

PAID STREAMING BY ETHNICITY



Source: Listen Up: African-American Consumers and Music, Nielsen, 2014



THE POWER OF DIGITAL

Digital media has changed how African-Americans create and consume information in many areas, including art and entertainment, food and home improvement and even social justice. Passionate about being connected, Blacks adopt digital formats at a higher rate than the general population, and adapt the formats to provide a powerful platform to amplify their voices. Higher-income African-Americans use the Internet for most purposes, including entertainment, sports, dating, personal advancement and commerce.

SELECTED INTERNET ACTIVITIES BY INCOME LEVELS PERCENT MORE OR LESS LIKELY: AFRICAN-AMERICANS VS. NON-HISPANIC WHITES AT SIMILAR INCOME LEVELS

INTERNET ACTIVITY	BLACKS W/ HOUSEHOLD INCOME OF \$75,000 - \$99,999	BLACKS W/ HOUSEHOLD INCOME OF \$100,000+
	% MORE/LESS LIKELY	% MORE/LESS LIKELY
ENTERTAINMENT		
LISTEN TO ONLINE MUSIC SERVICE	+24%	+29%
LISTEN TO OR DOWNLOAD MUSIC	+23%	+11%
LISTEN TO A LOCAL RADIO STATION	+51%	+40%
WATCH OR DOWNLOAD MOVIES	+34%	+20%
VIEW OR SEARCH MOVIE LISTINGS	+7%	+1%
SPORTS		
WATCH LIVE SPORTS	+54%	+15%
PROFESSIONAL ADVANCEMENT		
JOB EMPLOYMENT SEARCH	+61%	+63%
FINANCIAL INFORMATION SERVICES	+6%	-6%
TAKE COLLEGE COURSES	+40%	+106%
BLOGS (READ OR CONTRIBUTOR)	+10%	+6%
PODCASTS (WATCH, LISTEN OR DOWNLOAD)	+17%	-8%
PERSONAL		
DATING	+84%	+61%
MOBILITY		
TRAFFIC	+42%	+2%
COMMERCE		
DAILY DEALS	+26%	+14%
SCAN QR CODE (INFORMATION OR DISCOUNT)	+19%	+19%

Source: Nielsen Scarborough USA+ 2014 Release 2, August 2013 - September 2014

>> BLACKS ARE MORE LIKELY TO SHOP FOR THESE ITEMS ONLINE (LAST 12 MONTHS)

HOUSEHOLD INCOMES OF \$100,000+, PERCENT MORE LIKELY VS. NON-HISPANIC WHITES WITH SIMILAR INCOME

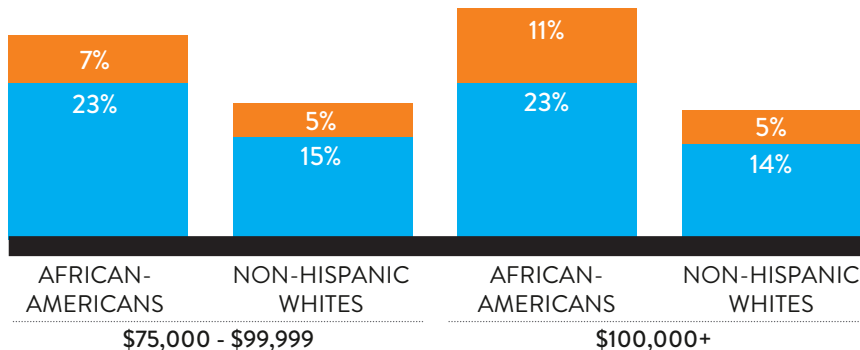


Source: Nielsen Scarborough USA+ 2014 Release 2, August 2013 - September 2014, Percent more/less likely of African-Americans vs. non-Hispanic Whites with similar income.

INTERNET USAGE FOR PERSONAL ADVANCEMENT

BY RACE AND HOUSEHOLD INCOME

- JOB/EMPLOYMENT SEARCH
- TAKE COLLEGE COURSES

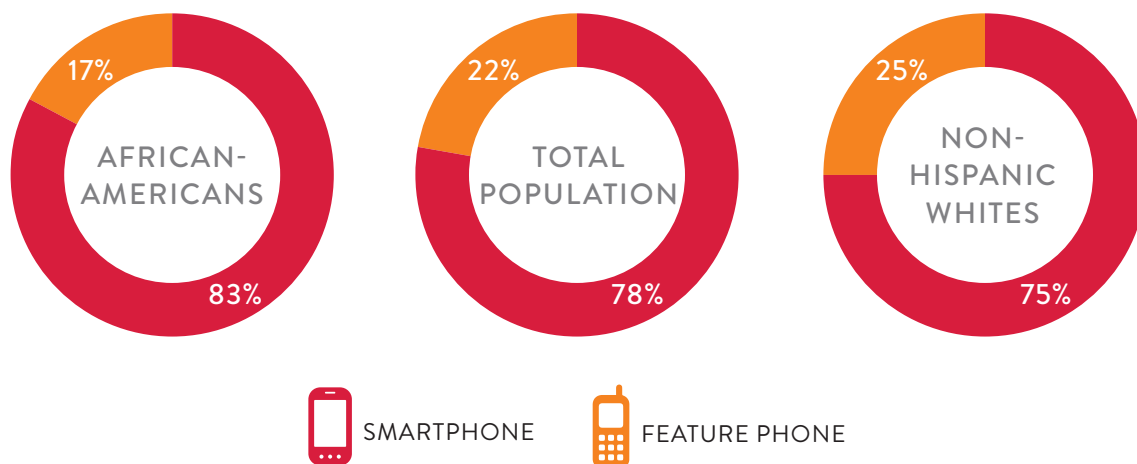


Source: Nielsen Scarborough USA+ 2014 Release 2, August 2013 – September 2014

SMARTPHONE USAGE

Penetration levels of smartphones are much higher for Blacks at 83%, compared with the total population (78%) or non-Hispanic Whites (75%). African-Americans spend almost 44 hours per month on smartphone apps, using 157 app sessions per month for a wide variety of purposes. The highest income segment (\$100,000+) spends the most time on Facebook, with more than 81 sessions per month and over 15 hours spent on the mobile app, and they are also the heaviest user of Google search. Instagram, Twitter, and Facebook Messenger are all heavily used by all income levels. Their desire for immediate social connection is evidenced by the average of about 24 hours per month they spend on all mobile social media apps.

SMARTPHONE PENETRATION IS HIGHER AMONG AFRICAN-AMERICANS



Source: Nielsen Total Audience Report, Quarter 1, 2015

TOP 10 MOBILE APPS FOR AFRICAN-AMERICAN ADULTS BY INCOME LEVEL

AFRICAN-AMERICAN \$75,000+

AFRICAN-AMERICAN \$100,000+

MOBILE APP NAME	TIME PER PERSON (HH:MM PER MONTH)	UNIQUE AUDIENCE (000)	MONTHLY SESSIONS PER PERSON	MOBILE APP NAME	TIME PER PERSON (HH:MM PER MONTH)	UNIQUE AUDIENCE (000)	MONTHLY SESSIONS PER PERSON
1. FACEBOOK	15:34	4,369	78.89	1. FACEBOOK	15:28	3,211	81.44
2. INSTAGRAM	03:53	2,549	30.84	2. INSTAGRAM	03:45	1,819	30.53
3. BIBLE BY LIFECHURCH.TV	03:31	1,067	20.66	3. TWITTER	01:51	1,936	13.54
4. PANDORA RADIO	02:11	1,425	10.30	4. GOOGLE SEARCH	01:41	3,004	33.01
5. TWITTER	01:53	2,745	14.54	5. MAPS (APPLE)	01:34	1,180	9.80
6. YOUTUBE	01:41	3,566	12.33	6. FACEBOOK MESSENGER	01:13	2,199	21.88
7. GOOGLE SEARCH	01:34	4,560	32.43	7. YOUTUBE	01:11	2,415	9.30
8. YOUTUBE (DOWNLOADABLE)	01:33	1,261	19.05	8. GMAIL	01:08	2,511	21.81
9. GMAIL	01:23	3,631	27.55	9. GOOGLE PLAY	00:32	2,616	14.51
10. WEATHER	01:14	1,581	23.25	10. GOOGLE MAPS	00:29	2,222	4.70

Source: Nielsen Mobile Netview, June 2015, African-American adults 18+, time spent per month.

>> BLACKS' MOBILE ADVERTISING ATTITUDES

HOUSEHOLD INCOMES OF \$100,000+, PERCENT MORE LIKELY TO AGREE VS. NON-HISPANIC WHITES WITH SIMILAR INCOME



+122% AGREE

PROVIDES ME WITH USEFUL INFORMATION ABOUT NEW PRODUCTS AND SERVICES.



+105% AGREE

PROVIDES ME WITH USEFUL INFORMATION ABOUT BARGAINS.

Percent more/less likely of African-Americans vs. non-Hispanic Whites with similar income, agree = strongly or somewhat
Source: Nielsen Scarborough USA+ 2014 Release 2, GfK/MRI Attitudinal Insights Module, August 2013 - September 2014

NEW AFRICAN-AMERICAN-THEMED TV SHOWS AND CHARACTERS TAKE TWITTER BY STORM

This rich dialogue on social media is not only the inspiration for new television content and casting, it also can impact commerce as well, as the following small-screen examples of social media's powerful relevance to and impact on the African-American community show.

The real-time Twitter TV conversation is an important conduit to strongly-held views; Nielsen has been tracking Twitter activity associated with U.S. television programming since fall 2011. The premiere and momentum of ABC's *Scandal*, which began in 2012, sparked a social media engagement frenzy, which essentially paved the way for the 2014-2015 broadcast TV season's newcomers. One such newcomer is Fox's *Empire*. In its freshman season, *Empire* took Twitter by storm, as a total of 2.4 million tweets were sent about the two-part finale on March 18, 2015—the most tweeted series episode since tracking of TV-related tweets began. Tweets about this episode were seen by a U.S. Twitter TV audience of 5.9 million people. Activity peaked as the final episode drew to a close at 10 p.m. EST, with 51,000 tweets sent in the last minute alone—the most tweeted minute for any drama series that season. On average, about 2.6 million people saw one or more of the 627,000 tweets sent about each new/live episode of *Empire* last season.

NEW SHOWS HAVE STRONG ENGAGEMENT WITH VIEWERS ON TWITTER

NIELSEN TWITTER TV RATINGS – SEPTEMBER 1, 2014 – AUGUST 15, 2015

PROGRAM	NETWORK	AVERAGE TWITTER TV AUDIENCE
EMPIRE	FOX	2,636,000
HOW TO GET AWAY WITH MURDER	ABC	1,587,000
POWER	STARZ	479,000
BLACK-ISH	ABC	323,000

Read as: An average of 2.6 million unique Twitter accounts viewed, on average, one or more of the 627,000 tweets about each new/live episode of *Empire* on Fox last season.

Source: Nielsen. Nielsen Social measures tweets in the U.S. from three hours before through three hours after airing, local time. Twitter TV audience is measured from when the tweets are sent until the end of the broadcast date at 5AM.

The connection between social media and commerce is exemplified by the reaction to Fox's integration of a "Cookie's Closet" feature into the *Empire* website, featuring Taraji P. Henson's weekly wardrobe and details on how to get her look. Followers across social networks shared their fervor weekly for Cookie's outfits.

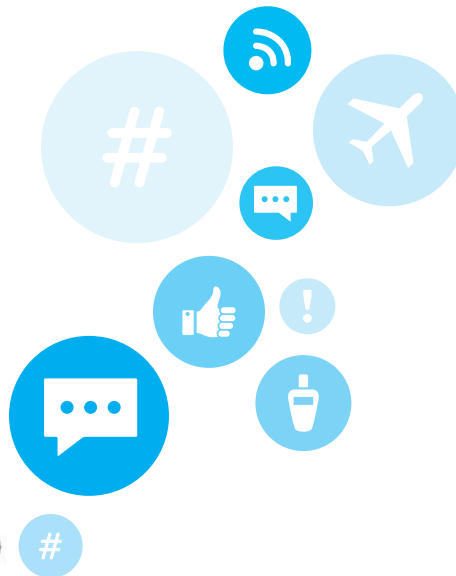
The economic impact of the influence of these active social media users can be measured, as companies look to maximize social buzz around their brands. With this “earned media,” consumers become advocates and influence others in their respective brand categories. Brand affinity indices show that people who tweet about *Empire* are 24% more likely to tweet about wireless provider brands than other brand categories, people who tweet about *Black-ish* are 38% more likely to tweet about travel services; those who tweet about *How to Get Away with Murder* are 32% more likely to tweet about cosmetics; and those who tweet about *Power* are 49% more likely to tweet about footwear brands.

STRONG BRAND AFFINITY – TWEETS ABOUT SHOWS AND LIKELIHOOD TO TWEET ABOUT CATEGORIES

PROGRAM	NETWORK	CATEGORY	AFFINITY INDEX
POWER	STARZ	FOOTWEAR	149
BLACK-ISH	ABC	TRAVEL SERVICES	138
HOW TO GET AWAY WITH MURDER	ABC	COSMETICS	132
EMPIRE	FOX	WIRELESS PROVIDERS	124

Read as: People who tweet about *Power* are 49% more likely to tweet about footwear than any other brand categories.

Source: Nielsen. Nielsen Social measures tweets in the U.S. from three hours before through three hours after airing, local time. Twitter brand data is collected on a 24 hour basis. Date range of the following shows: *Black-ish* (Quarter 4, 2014); *Empire* (Quarter 1, 2015); *How to Get Away with Murder* (Quarter 4, 2014); *Power* (Quarter 2, 2015)



2014 -2015 BROADCAST SEASON'S TOP 10 SERIES ON TWITTER

RANKED BY AVERAGE TWITTER TV AUDIENCE
SEPTEMBER 1, 2014 – MAY 24, 2015







RANK	PROGRAM	NETWORK	AVERAGE TWITTER TV AUDIENCE	AVERAGE TWEETS (000)
1	THE WALKING DEAD	AMC	4,305	480
2	THE BACHELOR	ABC	3,593	156
3	GAME OF THRONES	HBO*, HBO LATINO	2,886	107
4	AMERICAN HORROR STORY: FREAK SHOW	FX	2,796	239
5	EMPIRE	FOX	2,636	627
6	SCANDAL	ABC	2,428	282
7	PRETTY LITTLE LIARS	ABC FAMILY	2,387	268
8	PARKS AND RECREATION	NBC	2,105	89
9	WWE MONDAY NIGHT RAW	USA NETWORK	1,865	183
10	DANCING WITH THE STARS	ABC	1,843	93

Read as: An average of 4.3 million unique Twitter accounts viewed, on average, one or more of the 480,000 tweets about each new/live episode of *The Walking Dead* on AMC.

Source: Nielsen. Nielsen Social measures tweets in the U.S. from three hours before through three hours after airing, local time. Twitter TV audience is measured from when the tweets are sent until the end of the broadcast date at 5AM. Includes new/live/prime.

>> **EMPIRE AND SCANDAL WERE THE #5 AND #6 SERIES ON TWITTER FOR THE 2014-2015 SEASON**

THE UNTOLD STORY: WATCH, LISTEN AND CONNECT

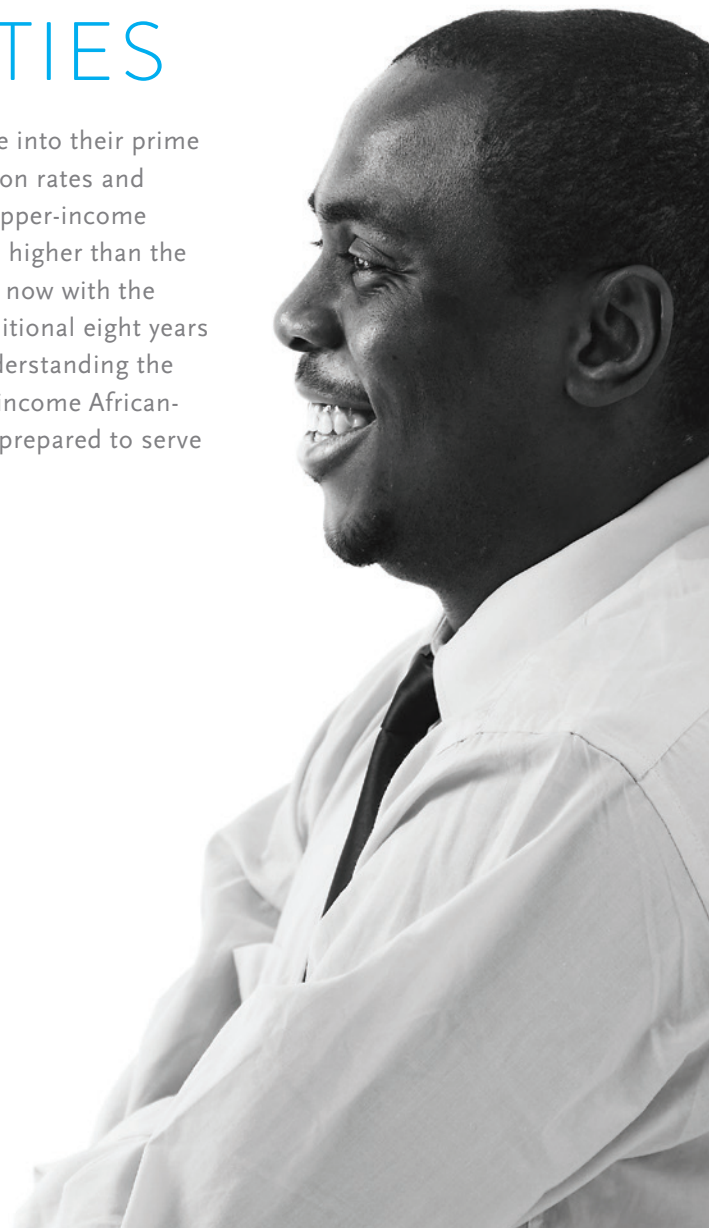
-  At income levels above \$75,000, Black media usage becomes even more prominent.
-  From 2005-2015, the number of Black live TV households earning \$75,000+ increased by 60%—double the rate for the total population.
-  Weekly, 91% or 31 million African-Americans, listen to radio. Among weekly Black radio listeners, 94% have household incomes more than \$75,000 and nearly 93% are college educated in the Top 50 Black designated market areas (DMAs).
-  Smartphone penetration levels are much higher for Blacks at 83%, compared to non-Hispanic Whites (75%) and the total population (78%).
-  African-Americans use the Internet more across many topics, including entertainment, sports, dating, personal advancement and commerce. Black households with incomes between \$75,000 and \$100,000 are particularly active online.
-  African-American-themed shows and characters have strong engagement levels with the overall Twitter TV audience.

SECTION III

CONSUMPTION: BUYING BEHAVIORS

RISING INCOMES
TRANSLATE TO
GROWING
OPPORTUNITIES

As youthful African-Americans continue to age into their prime earning years, bolstered by advancing education rates and augmented by immigration, the numbers of upper-income Blacks will continue to increase at rates much higher than the general population. Building customer loyalty now with the younger Black population will result in an additional eight years of consumer loyalty to favorite brands. By understanding the buying behaviors of leading-indicator, higher-income African-American households, marketers will be best prepared to serve needs now and in the future.



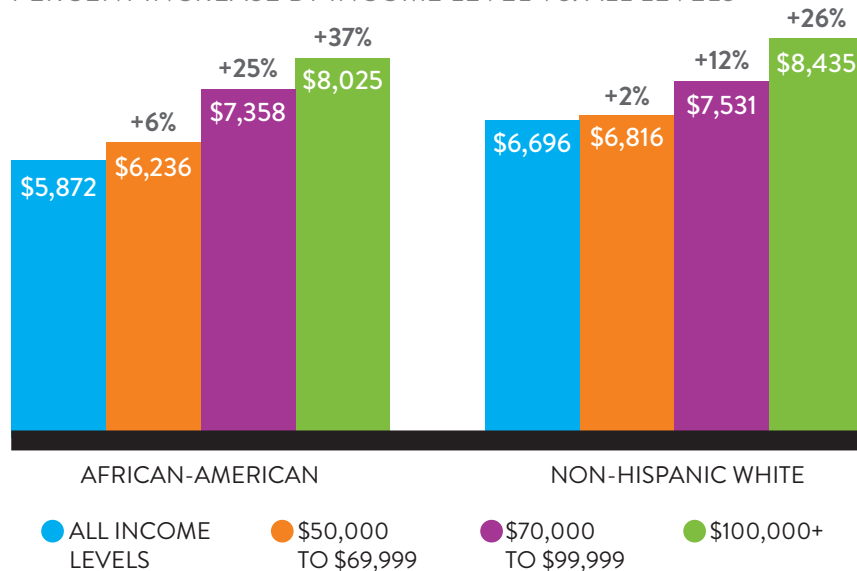
BASKET RING OPPORTUNITY

The annual basket ring (average dollar amount spent per household, per year) for Black households earning between \$70,000 and \$100,000 per year is \$7,358, which is 25% higher than the total Black population. The annual basket ring for a non-Hispanic White household of the same income level is similar at \$7,531, which is 12% higher than for the total non-Hispanic White population. The amount spent on each store visit is also higher for African-Americans who earn \$100,000+, with a basket ring per trip that is 40% higher than the total Black population. Non-Hispanic White households of the same income level demonstrate a 24% higher ring per trip than the total non-Hispanic White population.

The annual basket ring at fast-moving consumer goods retailers of African-American shoppers is lower than that of the total population, but the gap narrows as income levels increase. The opportunity for retailers to increase dollar ring by better serving the needs of higher-income Black consumers is much greater than with other consumer segments.

As more Black consumers enter their peak earning years and the number of households earning higher income levels increases, the opportunity for retailers to benefit from these higher spending levels will continue to rise.

ANNUAL BASKET RING BY INCOME LEVEL
PERCENT INCREASE BY INCOME LEVEL VS. ALL LEVELS

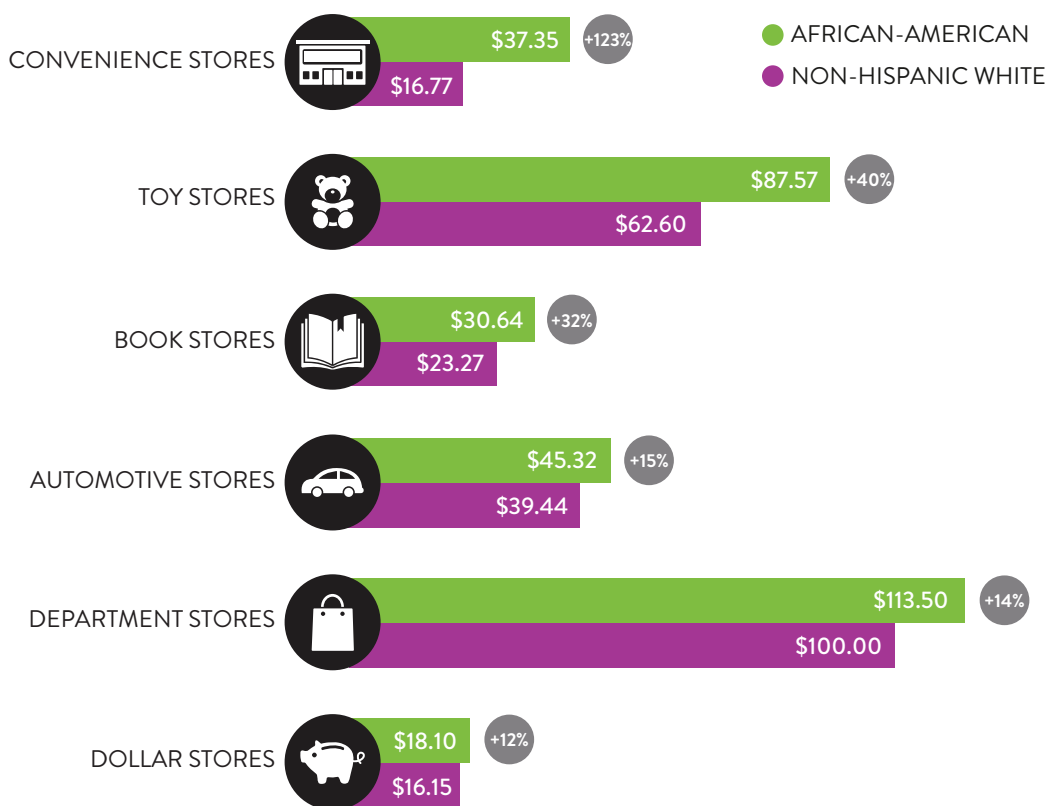


Nielsen Homescan, 52 Weeks ending December 29, 2013 - December 27, 2014

African-Americans with household incomes of \$100,000+ had a 123% higher basket ring per trip of \$37.35 in convenience stores compared to non-Hispanic Whites of the same income level. These households also exceed the basket ring of non-Hispanic Whites in department stores, toy stores, book stores, auto stores and dollar stores.

BASKET RING PER TRIP AT SELECT RETAIL CHANNELS

BLACK \$100,000+ HH INCOME LEVEL VS. NON-HISPANIC WHITE \$100,000+



Source: Nielsen Homescan, 52 Weeks ending December 29, 2013 - December 27, 2014.

ANNUAL TRIPS PER SHOPPER

Higher income Black households shop most frequently at discount stores averaging 27 annual trips per \$70,000-\$99,999 household, while \$100,000+ households make 22 trips. Other frequently-shopped channels by annual trips per households for affluent Blacks compared to non-Hispanic Whites include convenience stores, department stores and liquor stores.

ANNUAL TRIPS PER SHOPPER

	HOUSEHOLD INCOME OF \$70,000-\$99,999		HOUSEHOLD INCOME OF \$100,000+	
	AFRICAN- AMERICAN	NON-HISPANIC WHITE	AFRICAN- AMERICAN	NON-HISPANIC WHITE
DISCOUNT STORES	27.1	26.9	22.5	23.8
CONVENIENCE STORES - GAS	9.1	9.0	8.1	9.3
DEPARTMENT STORES	6.9	5.9	7.4	6.4
LIQUOR STORES	5.7	5.7	7.9	5.8
BEAUTY SUPPLY STORES	3.7	2.7	3.6	3.3
OFFICE SUPPLIES STORE	2.7	2.5	2.6	2.7
ELECTRONICS STORES	2.2	2.1	2.5	2.2
AUTOMOTIVE STORES	2.2	2.2	2.4	2.2

Source: Nielsen Homescan, 52 Weeks ending December 29, 2013 - December 27, 2014

HEAVILY PURCHASED CATEGORIES

On average, African-Americans have 23% more young children in the household* and spending levels reflect that demographic. Entertaining is also very important in the African- American community. Annual events such as family reunions, cultural festivals and alumni gatherings connect Blacks in a unique way that focuses on fellowship and is cross-generational. African-American households spend more on basic food ingredients and beverages than non-Hispanic Whites, and also value the food preparation process more. Other popular spending categories include fragrances, personal health and beauty products, household care and cleaning products.

AFRICAN-AMERICANS SPEND MORE ON BASIC FOOD INGREDIENTS AND PERSONAL CARE PRODUCTS

DOLLARS PER BUYER BY CATEGORY

PRODUCT CATEGORY	TOTAL POPULATION			HOUSEHOLD INCOME OF \$70,000K - \$99,000K			HOUSEHOLD INCOME OF \$100K+		
	TOTAL AFRICAN-AMERICAN	TOTAL NON-HISPANIC WHITE	INDEX	TOTAL AFRICAN-AMERICAN	TOTAL NON-HISPANIC WHITE	INDEX	TOTAL AFRICAN-AMERICAN	TOTAL NON-HISPANIC WHITE	INDEX
EDIBLES									
DRY VEGETABLES & GRAINS	\$15.45	\$9.66	160	\$16.83	\$9.92	170	\$13.34	\$10.42	128
FROZEN UNPREPARED MEAT/SEAFOOD	\$68.91	\$48.61	142	\$75.46	\$52.26	144	\$68.99	\$58.57	118
SHELF JUICES DRINKS	\$71.01	\$53.34	133	\$81.96	\$58.03	141	\$84.68	\$59.13	143
SHORTENING/OIL	\$28.91	\$21.73	133	\$33.30	\$22.79	146	\$32.01	\$25.80	124
SPICES/SEASONING/EXTRACT	\$27.10	\$20.44	133	\$32.18	\$22.92	140	\$30.81	\$24.44	126
REFRIGERATED JUICES & DRINKS	\$42.04	\$34.12	123	\$52.06	\$37.49	139	\$59.02	\$41.19	143
SUGAR/SUGAR SUBSTITUTES	\$24.33	\$20.28	120	\$22.94	\$19.96	115	\$19.78	\$19.32	102
BOTTLED WATER	\$47.75	\$40.50	118	\$56.75	\$44.04	129	\$55.64	\$49.07	113
FROZEN VEGETABLES	\$45.02	\$40.62	111	\$52.61	\$44.30	119	\$49.30	\$43.48	113
TABLE SYRUPS/MOLASSES	\$9.80	\$9.25	106	\$12.09	\$10.01	121	\$10.96	\$10.67	103
NON-EDIBLES									
FAMILY PLANNING	\$20.78	\$13.28	156	\$17.78	\$13.38	133	\$90.75	\$14.25	637
MEN'S TOILETRIES	\$22.49	\$16.74	134	\$25.08	\$18.13	138	\$36.96	\$21.30	174
FRESHENERS/DEODORIZERS	\$28.57	\$22.84	125	\$32.07	\$23.11	139	\$32.66	\$26.33	124
WOMEN'S FRAGRANCES	\$32.08	\$27.04	119	\$41.70	\$29.25	143	\$50.04	\$37.68	133
DETERGENTS	\$51.67	\$47.72	108	\$63.27	\$54.15	117	\$72.18	\$58.80	123
INSECTICIDES/REPELLENTS	\$19.55	\$18.24	107	\$21.85	\$18.28	120	\$20.51	\$19.61	105
ORAL HYGIENE	\$33.23	\$32.36	103	\$41.45	\$35.73	116	\$43.93	\$40.60	108
HOUSEHOLD CLEANERS	\$24.01	\$23.42	103	\$29.67	\$26.02	114	\$33.00	\$30.18	109

Read Index as: African-American households spend 60% more on dry vegetables and grains than non-Hispanic White households with similar incomes.

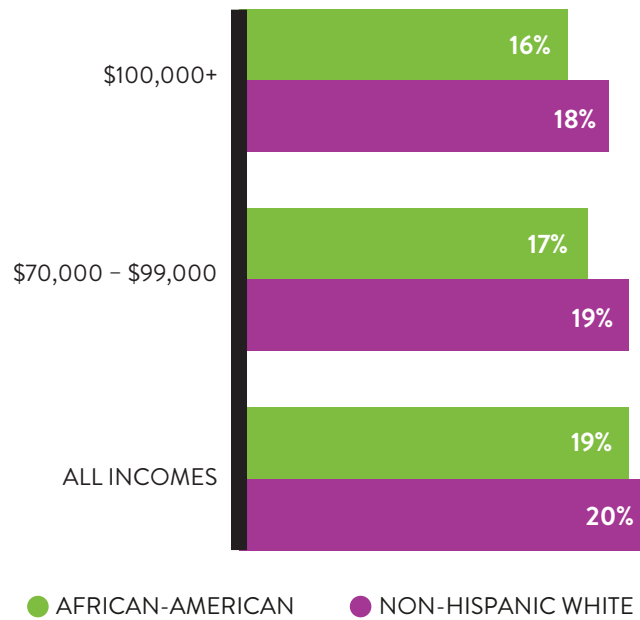
Source: Nielsen Homescan, 52 Weeks ending December 29, 2013 - December 27, 2014

* U.S. Census, Current Population Survey, Annual Social and Economic Supplement

BRAND LOYALTY

Discriminating higher-income African-Americans will pay for the best quality when making purchases. In fact, African-Americans earning \$100,000+ say they will pay extra for a product that is consistent with an image they want to convey—a sentiment that is 34% higher than non-Hispanic Whites. At the same time, African-Americans buy store brand products at a lower rate than non-Hispanic Whites of similar income levels, and the gap gets larger as income levels rise.

STORE BRAND % OF TOTAL ANNUAL EXPENDITURES BLACK VS. NON-HISPANIC WHITE BY HOUSEHOLD INCOME LEVELS



Source: Nielsen Homescan, 52 Weeks ending December 29, 2013 - December 27, 2014

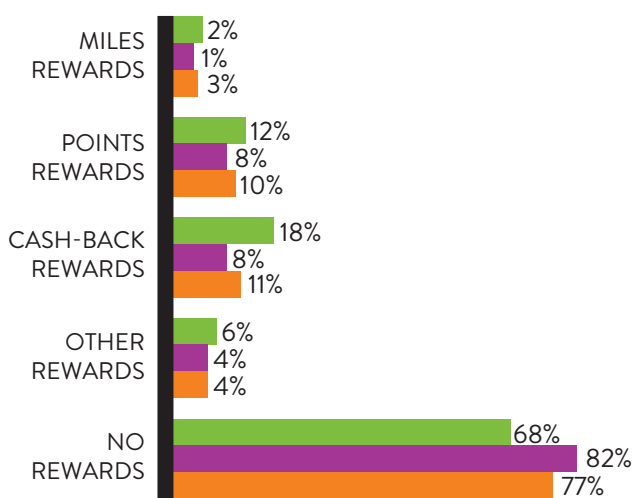


LOYALTY HAS BENEFITS

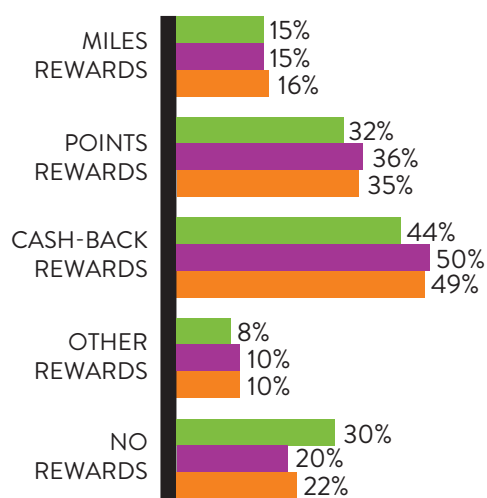
African-American consumers, at all income levels, participate in debit card loyalty rewards programs at higher rates than other consumers. While 82% of non-Hispanic Whites do not participate in rewards-based debit card programs, that level is 68% for Blacks. Favored rewards programs among African-Americans include cash-back and point-based options.

REWARD CARDS DRIVE USAGE

DEBIT CARD LOYALTY REWARDS



CREDIT CARD LOYALTY REWARDS



● AFRICAN-AMERICAN ● NON-HISPANIC WHITE ● TOTAL POPULATION

Source: Nielsen Share of Wallet Study, All income levels, November 2014

>> BLACKS' ATTITUDES ON FINANCIAL ADVICE

HOUSEHOLD INCOMES OF \$100,000+ PERCENT MORE LIKELY TO AGREE VS. NON-HISPANIC WHITES WITH SIMILAR INCOME



+41% AGREE

PEOPLE OFTEN ASK MY ADVICE WHEN IT COMES TO FINANCIAL MATTERS.



+35% AGREE

I REGULARLY READ FINANCIAL NEWS OR FINANCIAL PUBLICATIONS.



+25% AGREE

WHEN I FIND A FINANCIAL PRODUCT OR SERVICE THAT I LIKE, I TYPICALLY RECOMMEND IT TO PEOPLE I KNOW.

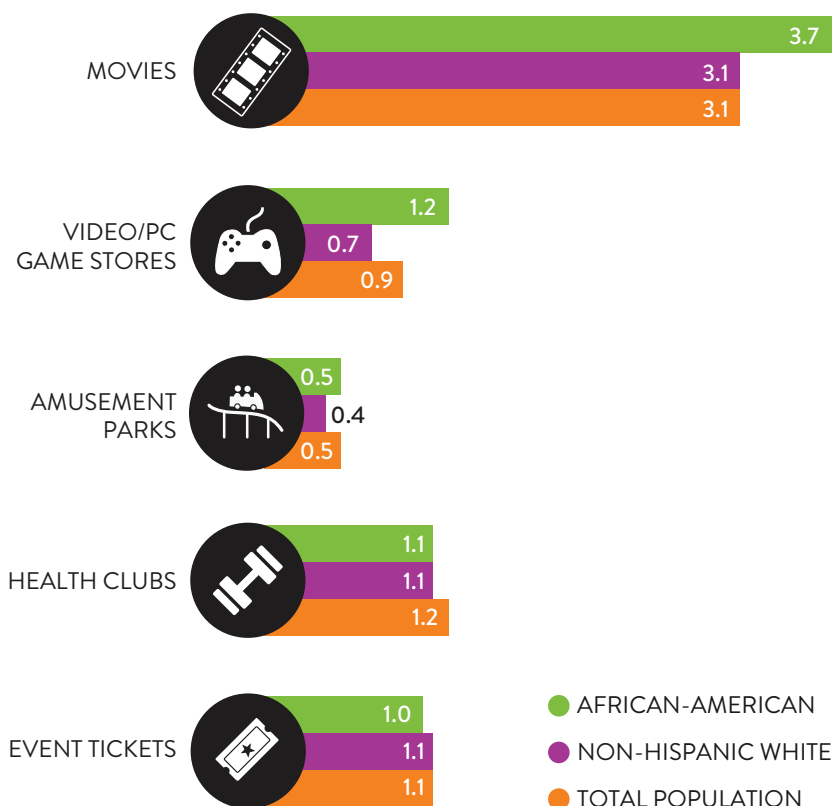
Percent more/less likely of African-Americans vs. non-Hispanic Whites with similar income, agree = strongly or somewhat
Source: Nielsen Scarborough USA+ 2014 Release 2, GfK/MRI Attitudinal Insights Module, August 2013 - September 2014

A PASSION FOR ENTERTAINMENT

African-Americans are avid consumers of all forms of entertainment and spend more on watching movies and purchasing video games than the total population. The mean number of annual African-American movie ticket purchases is about 19% higher at 3.7 versus 3.1 for non-Hispanic Whites. Video/PC game store purchases are 71% higher and amusement park purchases are 25% higher than non-Hispanic Whites as well. As the number of higher-income Black consumers continue to grow, purchasing rates will follow suit.

AFRICAN-AMERICANS ARE AVID CONSUMERS OF ENTERTAINMENT

MEAN NUMBER OF ANNUAL ENTERTAINMENT PURCHASES, ALL INCOME LEVELS



Source: Nielsen Share of Wallet Study, November 2014

BLACK TRAVEL ENTHUSIASTS CONNECT VIA SOCIAL MEDIA

Social media has become a connection hub for younger African-Americans who share passions for travel and exotic explorations. Travel sites, such as Travel Noire and Soul Society, have used their online platforms and social media to connect with Black travelers to offer deals, information and networking vacation opportunities to provide unique experiences. African-American attitudes toward travel are highly favorable—suggesting these sites will continue to thrive.

>> BLACKS' TRAVEL ATTITUDES

HOUSEHOLD INCOMES OF \$75,000 - \$99,999, PERCENT MORE LIKELY TO AGREE VS. NON-HISPANIC WHITES WITH SIMILAR INCOME



+51% AGREE

I AM WILLING TO PAY MORE ON A FLIGHT IN ORDER TO FLY MY FAVORITE AIRLINE.



+31% AGREE

GROUP TOURS ARE FUN AND A GOOD WAY TO MEET PEOPLE.



+18% AGREE

IT IS WORTH IT TO ME TO PAY MORE FOR HIGHER-QUALITY HOTEL ACCOMMODATIONS.

Percent more/less likely of African-Americans vs. non-Hispanic Whites with similar income, agree = strongly or somewhat

Source: Nielsen Scarborough USA+ 2014 Release 2, GfK/MRI Attitudinal Insights Module, August 2013 - September 2014

DEVELOPING BUYING PREFERENCE BUSINESS STRATEGIES



Higher-income African-American consumers have higher basket rings and shop more frequently at convenience stores, toy stores and book stores among other channels.



Entertaining is very important in the African-American community. Annual events such as family reunions, cultural festivals and alumni gatherings connect Blacks in a unique way that focuses on fellowship and is cross-generational. African-American households spend more on basic food ingredients and beverages and spend more time than average preparing meals. Other popular buying categories include fragrances, personal health and beauty products, household care and cleaning products.



African-Americans are brand-loyal consumers and will spend more for those quality products that appeal to their passions.



As African-American consumers are avid consumers of all forms of entertainment, consider integrated marketing campaigns that appeal to these preferences.

SECTION IV

CULTURAL INFLUENCE

It's a long-established fact that the influence of African-American culture on the whole range of entertainment industries is enormous. From movies to sports to music and everything in between, Black culture resonates broadly, extending deep, cultural traditions that span generations and all consumer groups. The power of Black influence is something businesses and content creators must consider when developing strategic marketing campaigns and programs not only for African-Americans, but for the general population, too.



>> BLACKS' BUYING AND FASHION STYLE ATTITUDES

HOUSEHOLD INCOMES OF \$50,000 - \$75,000,
PERCENT MORE LIKELY TO AGREE VS. NON-
HISPANIC WHITES WITH SIMILAR INCOME



+96% AGREE

A CELEBRITY ENDORSEMENT MAY INFLUENCE ME TO CONSIDER OR BUY A PRODUCT.



+79% AGREE

WHEN A CELEBRITY DESIGNS A PRODUCT, I AM MORE LIKELY TO BUY IT.

Percent more/less likely of African-Americans vs. non-Hispanic Whites with similar income, agree = strongly or somewhat

Source: Nielsen Scarborough USA+ 2014 Release 2, GfK/MRI Attitudinal Insights Module, August 2013 - September 2014

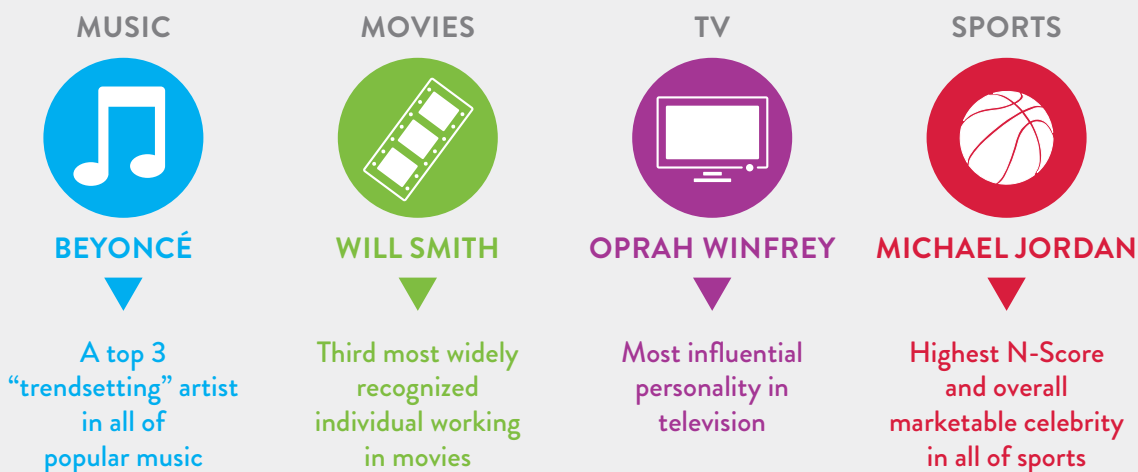
AFRICAN-AMERICAN STAR POWER

Celebrities can have qualities that are both aspirational and relatable, and marketers often depend on these strong connections to gain consumer trust and brand loyalty, which can help propel products and services to success.

A sense of presence and connection to celebrities is extremely important among African-American consumers, and it has a real influence on purchasing behaviors. Celebrity endorsements have purchase implications among African-American households across all income breaks, but the connection is the strongest among those making \$50,000 - \$75,000, who are 96% more likely than their non-Hispanic White counterparts to consider purchasing a product that is endorsed by a celebrity.

In fact, African-American celebrities are among the most well-known, influential marketable personalities and trendsetters across the entire entertainment landscape. In music, Beyoncé is one of three top trendsetting artists in all of the pop genre. Will Smith is the third most widely recognized actor working in the film industry. Oprah Winfrey is viewed as the most influential media personality in television. And Michael Jordan, one of the most accomplished athletes of all time, is the highest marketable celebrity in all of sports.

TOP PERFORMERS ACROSS ENTERTAINMENT CATEGORIES



Source: Nielsen Entertainment, N-score 2015

AFRICAN-AMERICANS PROPEL PRIMETIME TV

Since Nielsen's first report on African-American consumers in 2011, there's been an increased presence of African-American themed content and programs with at least one Black lead actor or actress on the small screen. African-American households earning \$100,000+ are 142% more likely than non-Hispanic Whites to feel good about seeing other Black celebrities in the media, which was the highest of all income breaks—but the general point holds across all income groups.



>> AFRICAN-AMERICAN HOUSEHOLDS MAKING \$100,000+ **ARE 142% MORE LIKELY THAN NON-HISPANIC WHITES TO REACT POSITIVELY AND FEEL GOOD ABOUT CELEBRITIES IN THE MEDIA WHO SHARE THEIR ETHNIC BACKGROUND.**

Source: Nielsen Scarborough USA+ 2014 Release 2, GfK/MRI Attitudinal Insights Module, August 2013 - September 2014 – Agree Completely or Somewhat

Last year's (2014-2015) broadcast line-up was a noteworthy season of firsts for Blacks in primetime television. For the first time in history, two African-American Academy Award- nominated actresses were leads in primetime scripted television shows. A Black producer was responsible for an entire evening line-up on a major network. And two African-Americans headlined the "Best Lead Actress in a Drama Series" nominations in the coveted Primetime Emmy Awards—the first time two women of color shared nominations in the same category in the same year.

The marriage of social media and television has also provided a platform on which viewers not only discuss their feelings about their favorite shows, they also use the medium to create awareness about the lack of diversity recognition in popular awards shows. This is something African-American viewers do, passionately. While this sentiment was largely ignored in years past, today the industry is taking note and making changes to reflect a more diverse line-up.

With the overwhelming success of pilot programs last year, such as Fox's *Empire*, ABC's *Black-ish* and *How to Get Away with Murder*, and STARZ's *Power*, the appetite for African-American cultural content and talent continues to grow across both broadcast and cable networks. Another medium attracting the eyes of network executives are webisodes (online program series) created by African-Americans. Issa Rae, one of today's well-known YouTube stars, has just over 200,000 channel subscribers with over 28 million views. She is the creator of the popular web series *The Misadventures of the Awkward Black Girl*. HBO has ordered a comedic pilot titled *Insecure*, which is loosely based on Rae's life.

THE BLACK SOCIAL MEDIA MOVEMENT: IMPACTFUL, CULTURAL AND BOLD

THE POWER OF SOCIAL MEDIA TO EFFECT CHANGE

Sharing experiences and social networking is fundamental to the African-American community. In today's digital age, online social networks have become the virtual gathering forum to exchange ideas, feelings, aspirations and plans. African-Americans have become leaders in expressing their feelings and advancing their causes through social networks by becoming their own authors—sharing news and bringing wide-spread awareness to social issues and trends. And savvy civic organizations and marketers of goods and services are listening and taking action.

HASHTAGS FOR SOCIAL JUSTICE

The #BlackTwitter phenomenon started as a hashtag and has become a cultural entity on the platform full of cultural humor, entertainment, discussion, dissent, breaking news and trends. The *Los Angeles Times* recently hired a reporter to cover “Black Twitter” and other online cultural communities where topics and movements are often born and become viral so quickly that feeling their constant pulse is essential to understanding pop culture.

One of the most powerful examples of the evolution of social media to effect civic change is the grassroots movement #BlackLivesMatter, which began as a social media hashtag in 2012 after the shooting of Trayvon Martin. The hashtag has since become an ideological and political organization with a physical structure across the country working to bring about societal improvement and change.

“What’s new,” said Donna Byrd, publisher of *The Root*, “is the ability of everyday people to capture these acts on video and distribute them on social media. This has changed the national conversation and the sense of urgency because there is visual evidence of what’s happening across our country.”

>> BLACKS' REASONS FOR USING SOCIAL NETWORKS

HOUSEHOLD INCOME OF \$100,000+, PERCENT MORE LIKELY TO SAY VERY/ SOMEWHAT IMPORTANT VS. NON-HISPANIC WHITES WITH SIMILAR INCOME



+44%

TO SHOW SUPPORT FOR MY FAVORITE COMPANIES OR BRANDS.



+44%

MEET OR NETWORK WITH PROFESSIONAL CONTACTS.



+29%

FIND OUT ABOUT PRODUCTS AND SERVICES.



+14%

FIND INFORMATION ABOUT NEWS OR OTHER CURRENT EVENTS.

Percent more/less likely of African-Americans vs. non-Hispanic whites with similar income, very or somewhat important

Source: Nielsen Scarborough USA+ 2014 Release 2, GfK/MRI Attitudinal Insights Module, August 2013 - September 2014

HASHTAGS SPEAK VOLUMES

#BlackTwitter' is an influential cluster of users on Twitter, who consistently drive global trending topics and cultural conversations. Here are some of the most popular hashtags discussed by this powerful community:

HASHTAG	# OF MENTIONS
#BLACKLIVESMATTER	4,756,536
#SANDRABLAND	3,642,898
#FERGUSON	2,421,801
#FREDDIEGRAY	2,087,080
#ASKRACHEL	994,065
#CHARLESTON	955,538
#RACHELDOLEZAL	854,342
#SAYHERNAME	834,894
#BEYONCEALWAYSONBEAT	632,421
#STRAIGHTOUTTA	440,780

Source: Twitter Inc. (Year-to-date totals as of August 10, 2015)

THE UNTOLD STORY: CULTURAL INFLUENCE DRIVES CHANGE

- African-American cultural influence spans multiple areas in entertainment - resonating with not only Black consumers but the general population as well.
- Celebrity endorsements have purchase implications among African-American households across all income breaks, but it is the strongest among those making \$50,000 to \$75,000, who are 96% more likely to consider purchasing a celebrity endorsed product.
- Social media has become a virtual gathering forum among African-Americans. Households making \$100,000 or more use the medium for multiple reasons including finding the most current events and top news stories.

CONCLUSION

The social and cultural clout of African-Americans is quickly rising and will continue to do so for decades to come. As marketers and advertisers compete for the attention of young and influential consumers, developing longer brand relationships with Black consumers must be an indispensable component of this goal.

Culturally Confident Consumers. African-American consumers are making gains on multiple fronts from education to income to social media and civic engagement—while becoming increasingly affluent, influential and culturally diverse. The youthfulness and vitality of Black consumers, bolstered by an influx of affluent and educated immigrants, is amplifying buying power and expanding influence across a wide spectrum of services and goods in the U.S. mainstream.

Digitally Enabled and Socially Empowered. As avid users and creators of digital content, Blacks are at the vanguard of using social media. At the same time, African-Americans have changed the conversation around civic and social justice, drawing national and even world attention to events led by everyday people.

Vibrant and Visible. Africans-Americans are leading the charge for greater diversity and visibility in the media and entertainment world, where they have achieved higher prominence—both on screens and behind the scenes.

Youthful and Influential. From 2000 to 2014, the nation's Black population grew 35% faster than the total population, and is projected to increase from the current 45.7 million to 74.5 million, making up 17.9% of the total U.S. population by 2060. Black consumers are increasingly viewed as trendsetters and influencers across the U.S. mainstream.

Educated and Evolving. The percentage of Black high school graduates enrolled in college jumped last year to 70.9%, exceeding that of both non-Hispanic Whites and Hispanics, and high school graduation rates for Black students outpaced the growth for all students nationally. Black immigrants—who now account for 8.7% of the nation's Black population—are enriching the cultural mix of U.S. Blacks and contributing to an overall rise in consumer education and affluence.

Upwardly Mobile. At every income level above \$60,000 per household, Black income growth outpaced non-Hispanic Whites. The younger age of Blacks means that fewer have reached their career pinnacles and have more years of increasing income potential. Growth in Black household income is projected to continue, as larger proportions of Blacks join the workforce for the first time or move up from entry-level jobs as they age.

METHODOLOGIES

Insights used in this report were sourced from the following Nielsen analytical tools and solutions. All tools offer their own representative levels of consumer insights and behavior across African-American, non-Hispanic White and Total Population respondents (based on data collection, survey/panel design and/or fusion approaches).

Homescan Panel Data: The Homescan national panel consists of a randomly dispersed sample of households that is intended to be representative of, and projectable to, the Total U.S. market. Panel members use handheld scanners to record items with a UPC code purchased from any outlet. Data for this report is based on Homescan panel data from the following period: 52 weeks ending, December 29, 2013 - December 27, 2014.

Nielsen Scarborough USA+ 2014 Release 2, GfK/MRI Attitudinal Insights Module August 2013 – September 2014: (Base: Age of respondent summaries: Adults 18+ - Projected 242,977,984, Respondents: 203, 921) By integrating 400+ attitudinal statements and segmentations with Nielsen Scarborough's syndicated data set, this analysis reflects consumer psychographics in the studied categories.

Nielsen Share of Wallet Study, November 2014: This project was conducted in two stages. First, an online English-language survey was given to a general population (White, African-American, Hispanic and Asian-American) sample of 5,028 respondents 18 years or older, weighted by gender, age and race. Second, oversamples were conducted with 1,442 Asian-American respondents; oversamples were conducted entirely online and in English. The goal of this study was to see “who spends what, and where, and with what payment method” on a solid empirical grounding. Verticals analyzed included: Retail/Specialty Retail, Telcom/Financial, Restaurant (Fast Food/QSR and Casual Dining), Consumer Packaged Goods (CPG) and Travel/Entertainment.

Nielsen Social: Nielsen Social collects tweets for TV programs across 250+ U.S. TV networks and 1,900+ brands. Using data from Twitter's fire hose, Nielsen Social ensures comprehensive, precise collection through automated and dynamic classifier creation, a rich TV program metadata database, and human auditing. Nielsen Social collects relevant tweets from three hours before through three hours after an episode's initial broadcast, local time. Unique Audience and Impressions of relevant tweets are measured from when the tweets are sent until the end of the broadcast day at 5am. Nielsen Social tracks brand-related Twitter activity on a 24/7 basis. Brand Affinity evaluates the likelihood of TV audiences to tweet/retweet about a brand or brand category.

Nielsen NPOWER: Audience estimates based on a nationally representative panel of people whose televisions are metered with a device called the National People Meter (NPM), which passively detects exposures to codes embedded in content. A comprehensive questionnaire is also collected of the panel.

Nielsen Electronic Mobile Measurement: Nielsen's Electronic Mobile Measurement (EMM) is an observational, user-centric approach that uses passive metering technology on smartphones to track device and application usage on an opt-in convenience panel. Results are then reported out through Nielsen Mobile NetView 3.0.

Nielsen N-Score: N-Score provides the necessary metrics for evaluating and tracking the endorsement value and brand or program fit of personalities across industries. A minimum respondent pool of 1,000 persons is surveyed on a weekly basis about 50 different personalities. The sample is representative of the national 13+ population (based on U.S. Census estimates). The survey collects respondents' opinions on personalities' awareness and likeability on a list of attributes. The survey also collects demographic information of respondents including age, gender, race, ethnicity and fan affinity.

RADAR: RADAR methodology captures Black, non-Hispanic demographic information in all Nielsen radio Personal People Meter (PPM) and Diary Markets, as well as Radio County Coverage survey areas.

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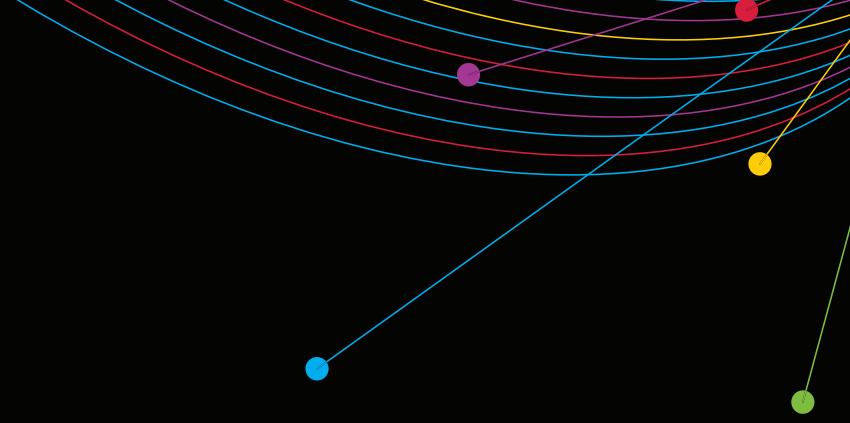
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ABOUT NIELSEN

Nielsen N.V. (NYSE: NLSN) is a global performance management company that provides a comprehensive understanding of what consumers Watch and Buy. Nielsen’s Watch segment provides media and advertising clients with Total Audience measurement services across all devices where content—video, audio and text—is consumed. The Buy segment offers consumer packaged goods manufacturers and retailers the industry’s only global view of retail performance measurement. By integrating information from its Watch and Buy segments and other data sources, Nielsen provides its clients with both world-class measurement as well as analytics that help improve performance. Nielsen, an S&P 500 company, has operations in over 100 countries that cover more than 90 percent of the world’s population.

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