



Understanding Asian American Retail Consumers

Dive into the retail behaviors of Asian Americans



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About this Report

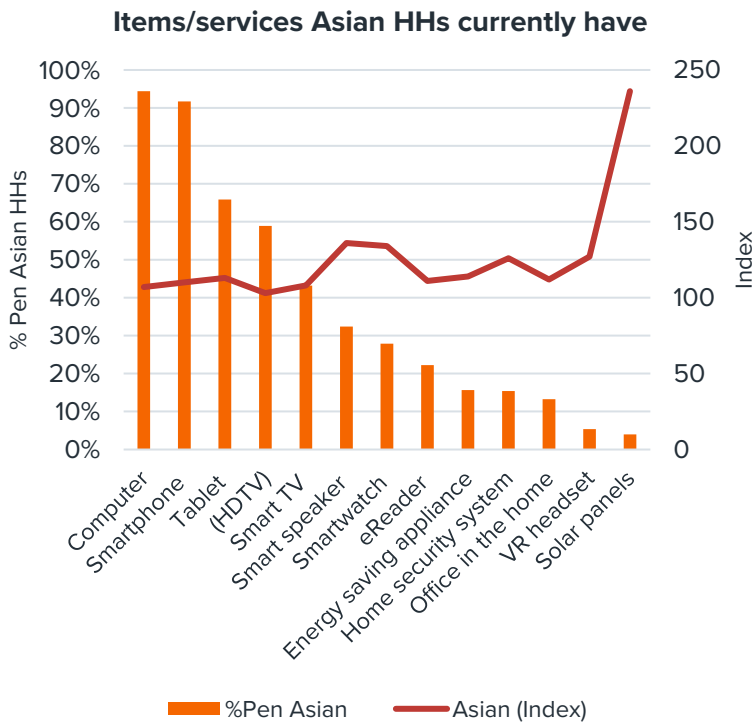
With retail consumers now having a wider variety of brands to choose from and far more places to shop, marketers now need a more cohesive framework for identifying, understanding and engaging their best customers, as well as tools to deliver and optimize marketing across online and offline channels.

In this report, we focus on the US Asian market and seek to identify the strategic opportunities that retail organizations and marketers should consider in order to capture this fast-growing market. We'll dive deep into Asian American consumer motivations, interests, preferences and attitudes toward retail shopping, as well as key actions to take.



Note that this is just a small sample of the vast data and insights Claritas has available to help marketers drive more effective marketing. Not only do we have the best data on multicultural audiences, we also have over 8,000 syndicated audiences built from over 10,000 demographic and behavioral attributes to reach consumers most likely to buy or use specific products or services. Our Claritas segmentation systems (PRIZM® Premier, P\$YCLE® Premier, ConneXions®, and CultureCode®), track surveys, technology scores and custom research solutions are all built using data you can't find anywhere else. We leverage our unique data and proprietary identity graph, to help marketers find their best customers, improve marketing execution and deliver superior ROI.

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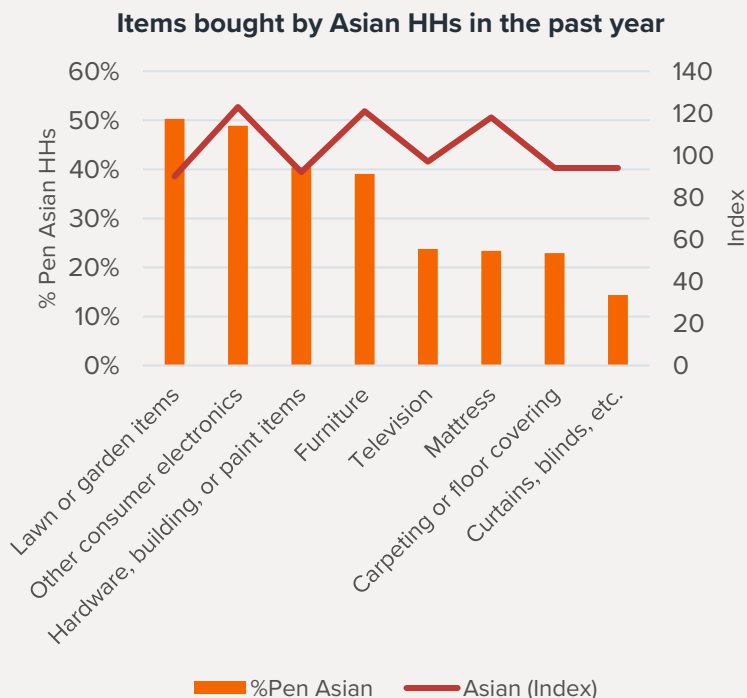
Although most Asian households (HHs) already have a lot of consumer electronics such as computers, smartphones, tablets, HDTVs and smart TVs, approximately half (49%) of Asian HHs still bought additional consumer electronics over the past 12 months.

Our data also shows that Asian consumers have a greater likelihood to have purchased other non-traditional smart devices.

- Smart speakers (Index 136)
- Smart watches (Index 134)
- VR headsets (Index 127)

**Index values are measures indicating whether a characteristic is over/under-represented in a population group. '100' indicates that it is equal to the national average, '50' indicates half the national average, and '200' is twice the national average.*

% Pen = Percent of HHs to exhibit this behavior



Items Asian HHs bought in the past year

- 50% bought lawn or garden items
- 40% bought hardware, building, or paint items
- 39% bought furniture

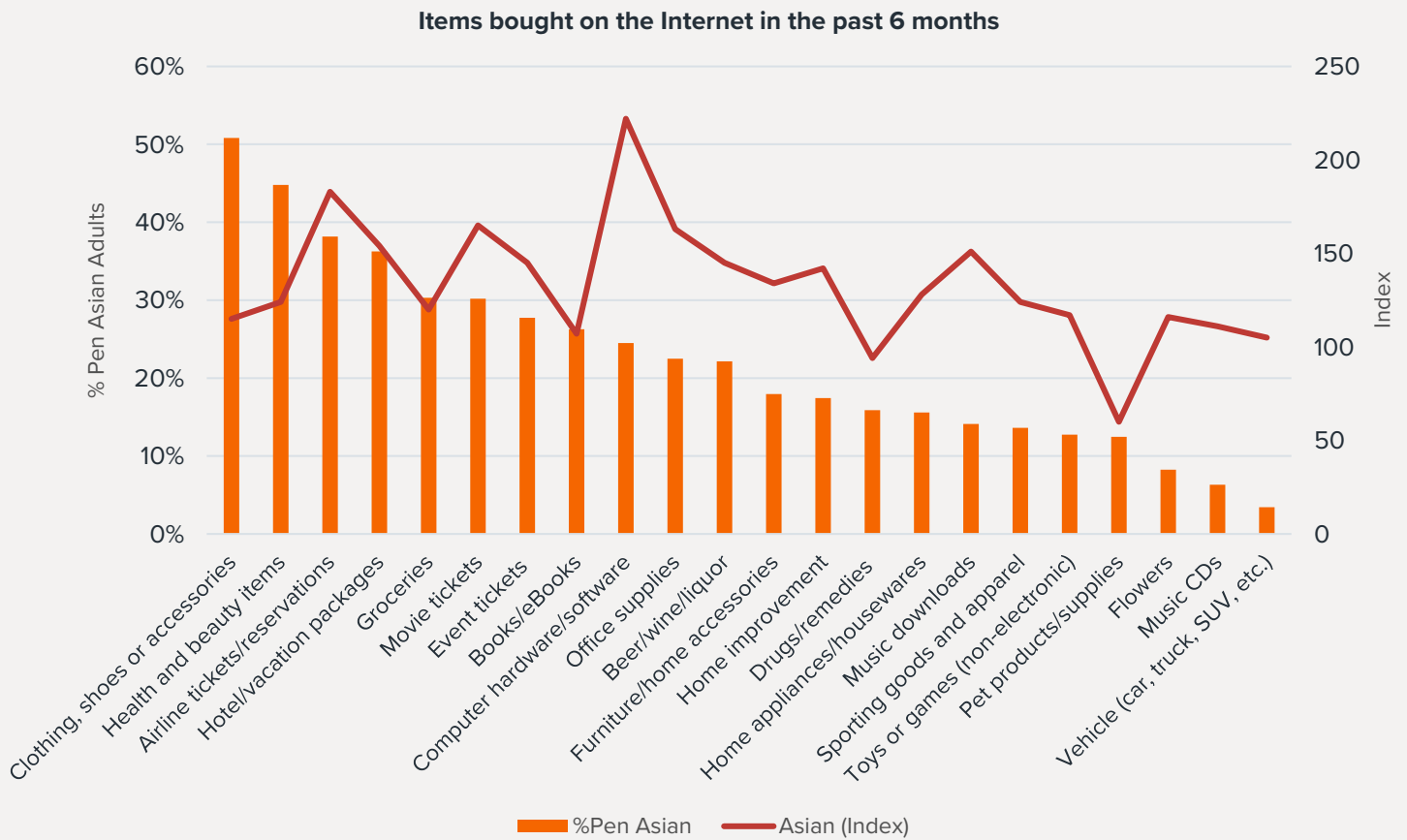
Items bought online in the past 6 months

- 18% bought furniture/home accessories
- 17% bought home improvement items
- 16% bought home appliances/housewares

This spending pattern towards consumer electronics and items for the home most likely emerged as consumers went out to buy items to help them adapt to pandemic living. Due to spending more time at home for both work and leisure, Asian HHs made changes to their living environment by buying more items for their HHs.

Sources: Nielsen Scarborough 2021, Claritas 2021

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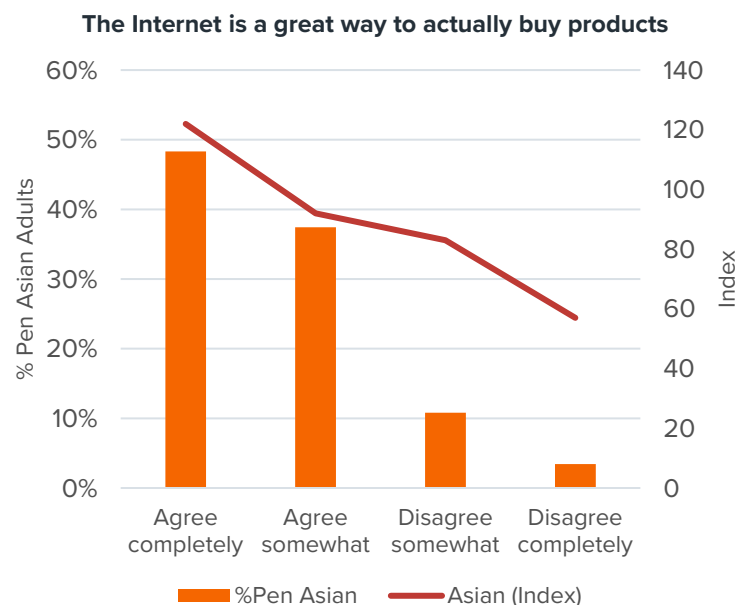


Items bought on the Internet

When looking at the top items bought on the Internet in the past 6 months, we see that the top retail category with the highest percent penetration (% Pen) for Asian adults was clothing, shoes and accessories, followed by health and beauty items. Computer hardware/software also stands out with an index of 222 and a decent % Pen of 25%.

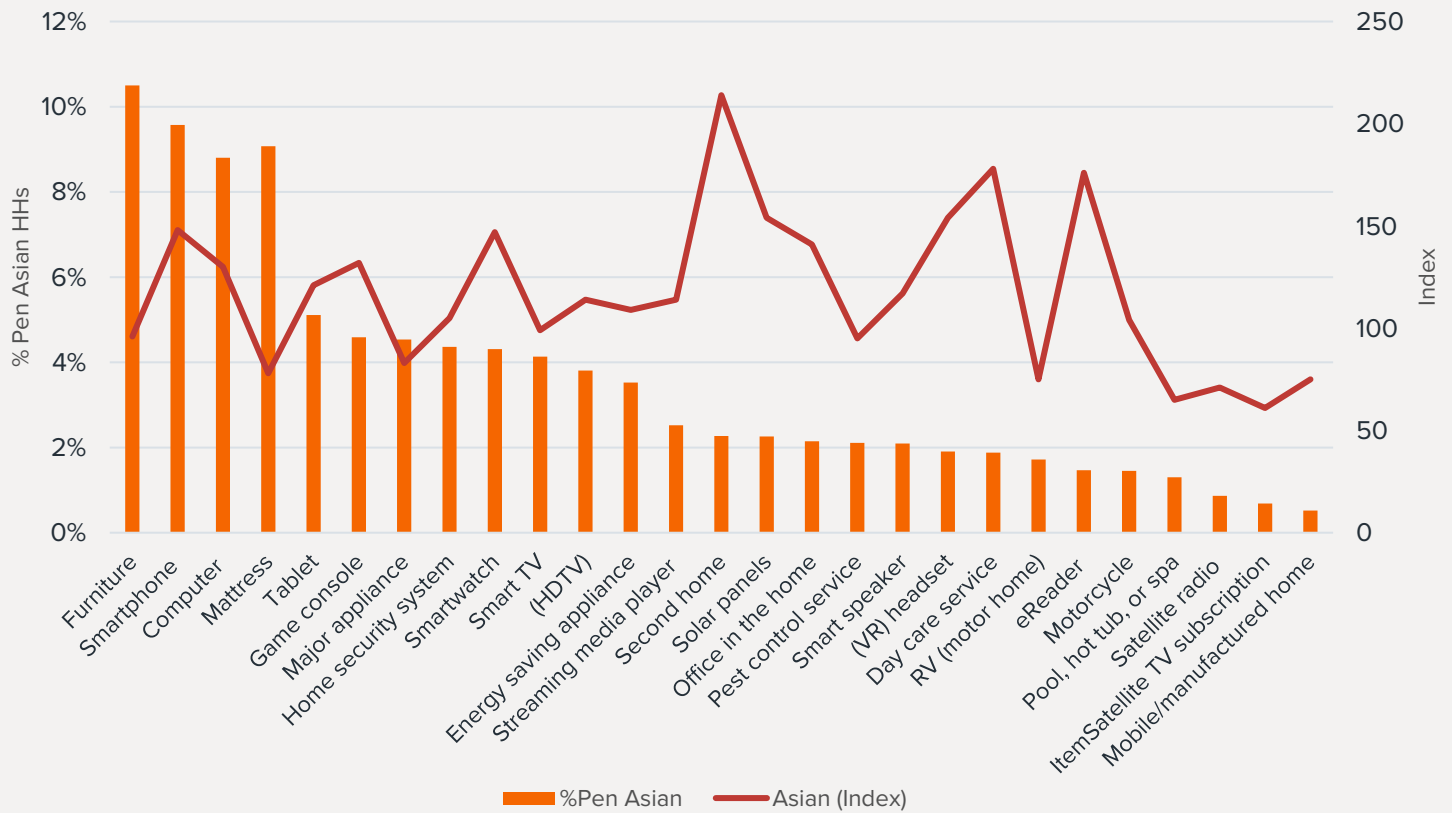
Feelings about making online purchases

86% of Asian adults “agree” when asked if the Internet is a great way to buy products. In fact, they are 22% more likely than average to “agree completely” to this question.



Sources: Nielsen Scarborough 2021, Claritas 2021

Items/services Asian HHLDs plan to buy in next 12 months



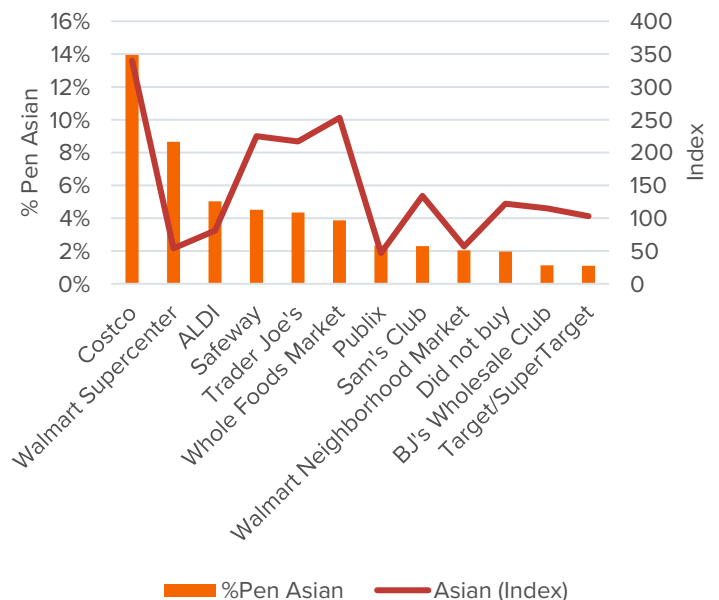
What Asian HHs plan to buy in the coming year

- 11% plan to buy furniture
- 10% plan to buy a smartphone (Index = 148)
- 9% plan to buy a computer

Asian grocery store preferences

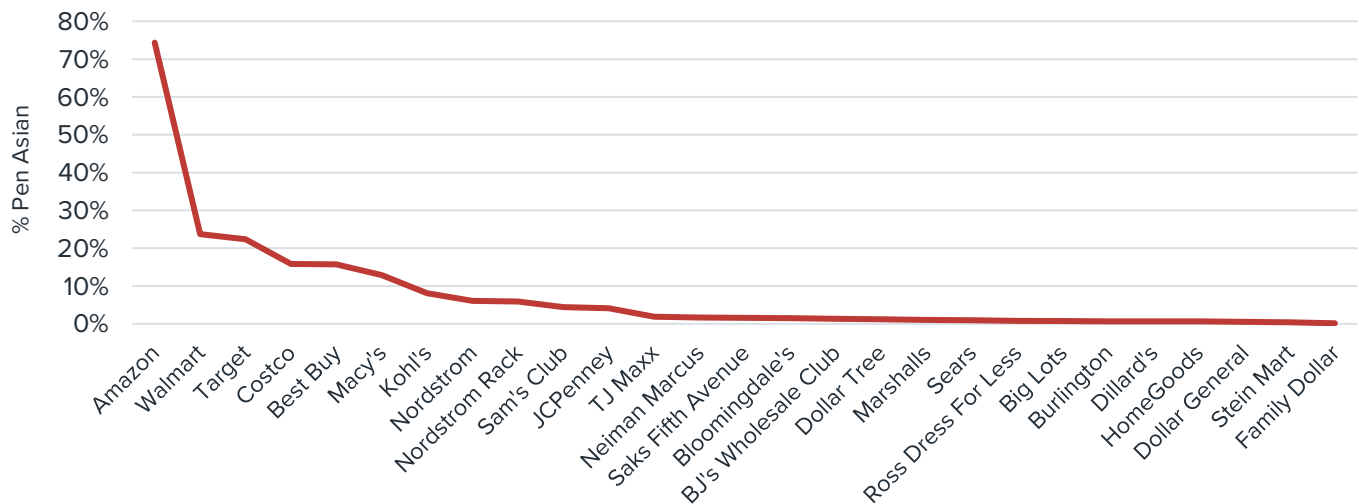
Not only does Costco have the highest % Pen for Asian grocery shoppers, but it also has the highest index at 340, making Costco the grocery store where Asian Americans are most likely to buy most of their groceries. This data suggests that Asian adults like to shop at grocery stores that maintain the lowest prices possible and offer better deals on bulk items.

Grocery stores where most groceries were bought



Sources: Nielsen Scarborough 2021, Claritas 2021

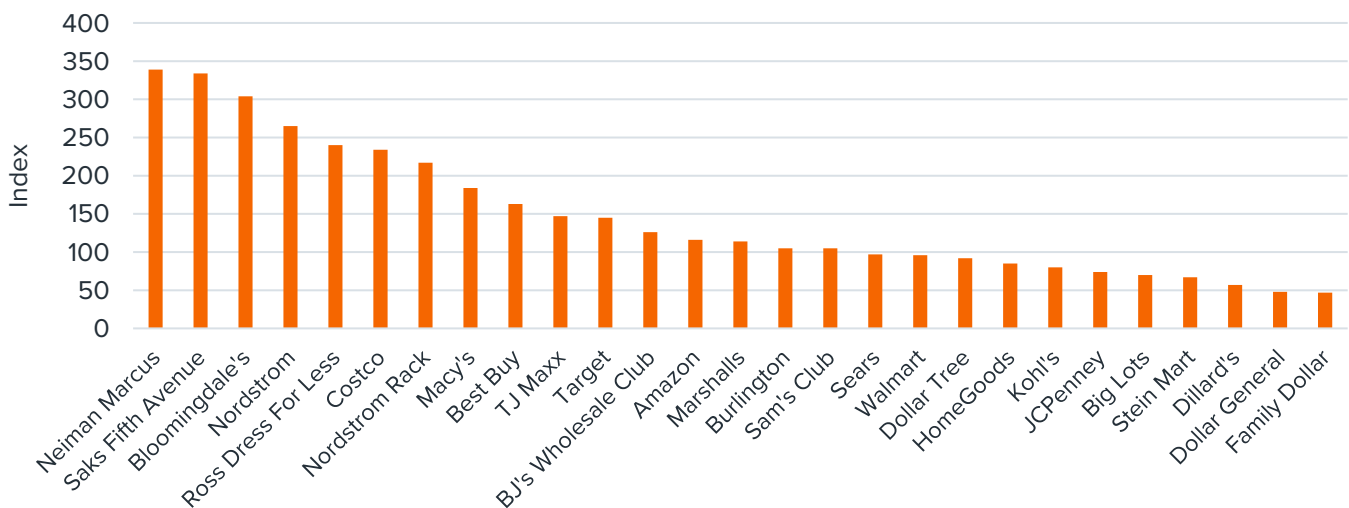
Major/department stores shopped online past 3 months: %Pen Asian



48% of Asian shoppers “agree completely” when asked, “Is the Internet a great way to buy products.” In fact, 74% of Asian adults shopped online in the past 3 months on Amazon.com. Also, 26% of Asian shoppers “agree completely” when asked, “If they would rather shop online vs. in-store.”



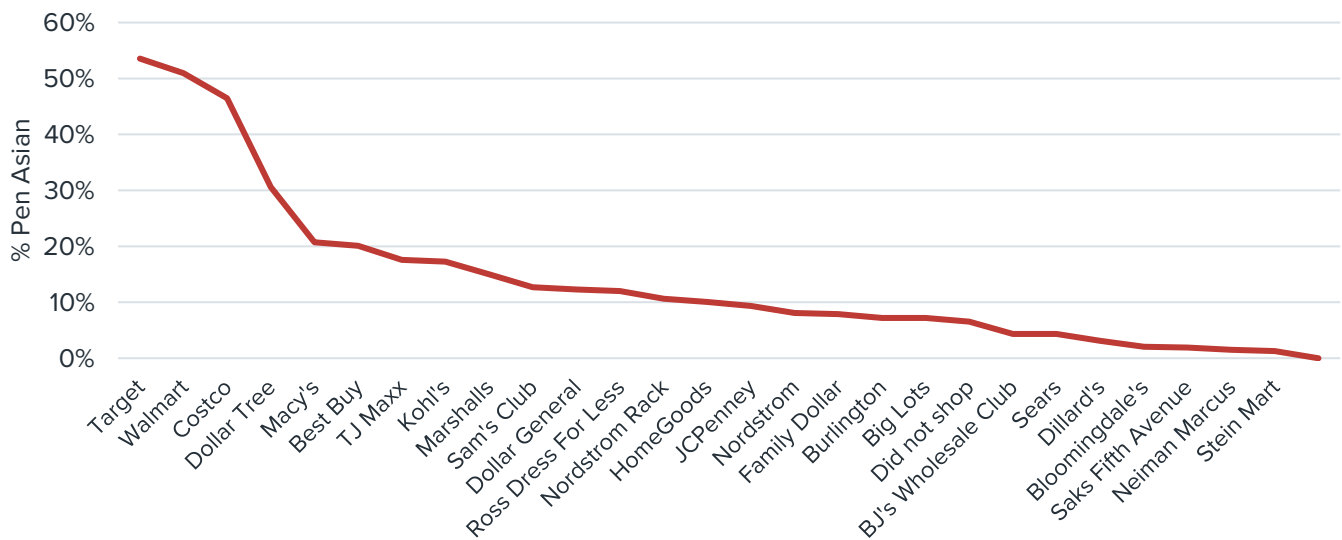
Major/department stores shopped online past 3 months: Asian Index



Sources: Nielsen Scarborough 2021, Claritas 2021

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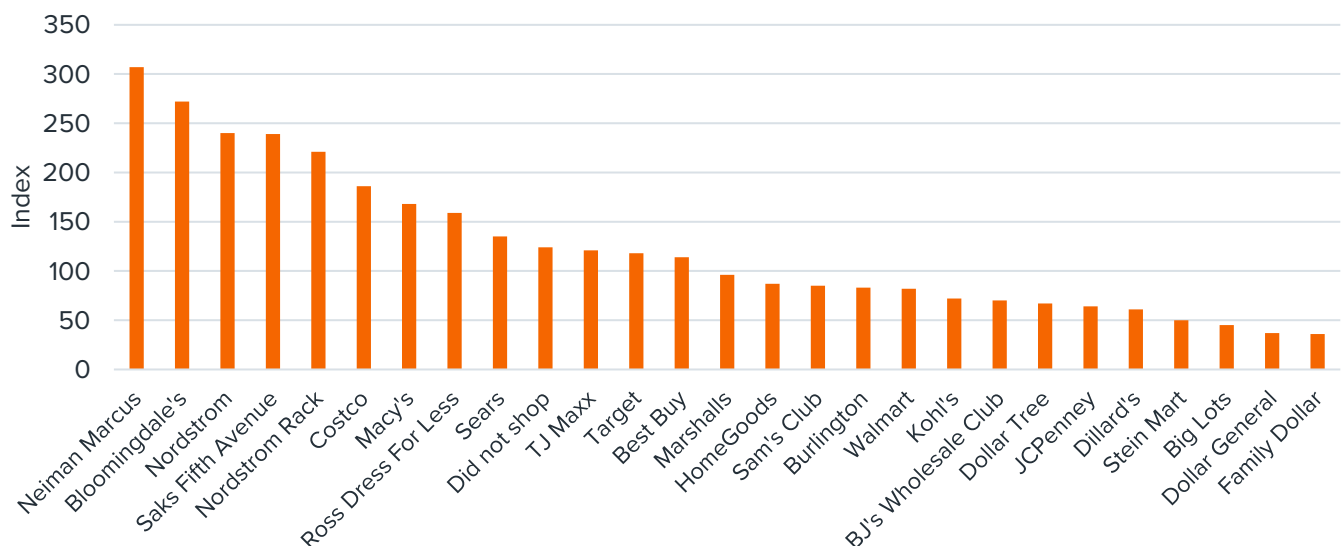
Major/department stores shopped in-store past 3 months: % Pen Asian



In the past 3 months, the top 3 department stores where Asian adults shopped in-store were Target, Walmart, and Costco. When looking at the index, we see that Asian adults index highest for luxury retail stores like Neiman Marcus, Bloomingdale's, Nordstrom and Saks Fifth Avenue – the same top 4 stores that index highest for online shopping.

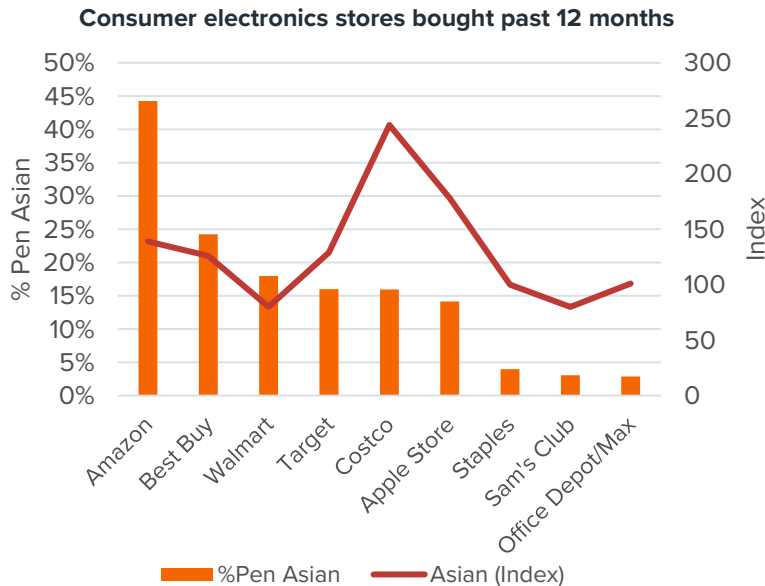


Major/department stores shopped in-store past 3 months: Asian Index



Sources: Nielsen Scarborough 2021, Claritas 2021

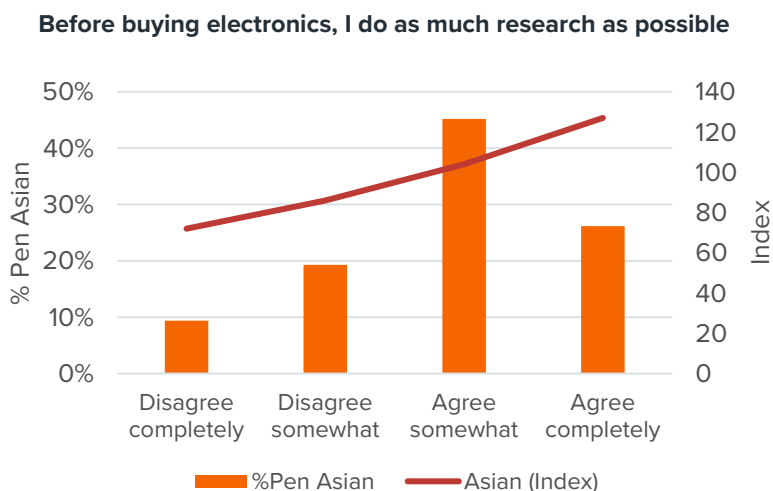
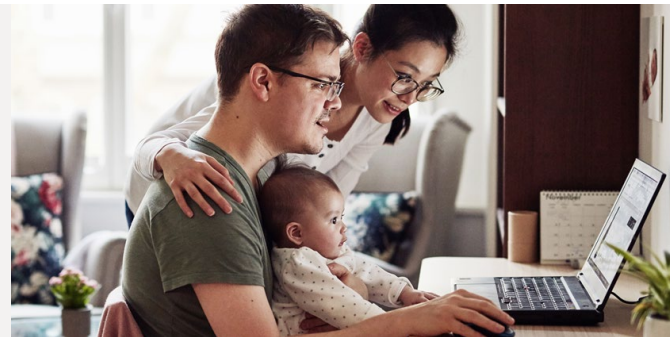
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Consumer electronics store preferences

- 44% of Asians adults bought consumer electronics in the past year from Amazon.
- 24% of Asians bought consumer electronics in the past year from Best Buy.
- 18% of Asians bought consumer electronics in the past year at Walmart.
- Costco not only has a high percent penetration (16%) with Asians, but also has the highest index at 244.

Asian American shoppers do extensive research and read reviews before buying technology products or electronics.



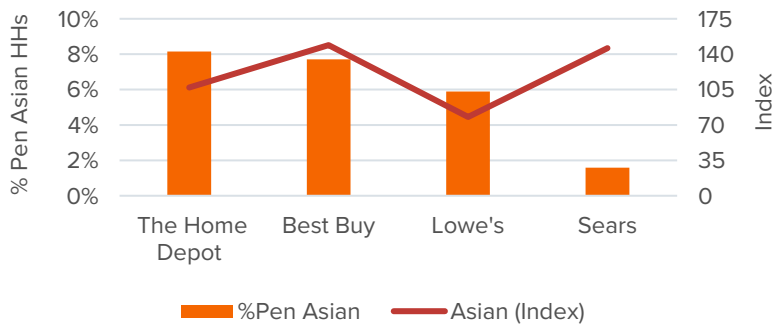
Process of buying consumer electronics

- 71% of Asian Americans “agree” that they do as much research as possible before buying consumer electronics. This is more than Hispanic Americans (63%), Black Americans (62%) and White Americans (63%).
- 73% of Asian consumers “agree” that they like to read reviews before buying technology or electronics.

Sources: Nielsen Scarborough 2021, Claritas 2021

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Large appliance stores where Asian HHs bought from

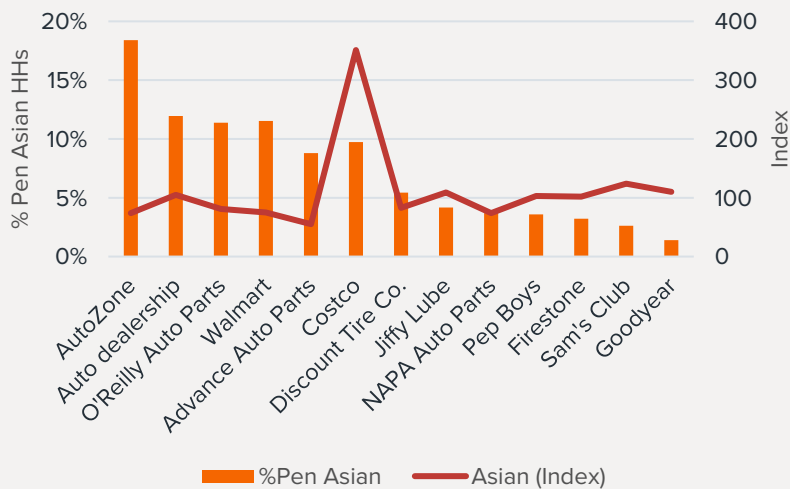


Large appliance store preferences

Although 75% of Asian HHs did not buy a large appliance in the past year, most of the Asian consumers that did buy, bought from Best Buy or The Home Depot.

8% of Asian HHs bought a large appliance in the past year from The Home Depot. Asian HHs are also 49% more likely than the average American to have purchased large appliances from Best Buy.

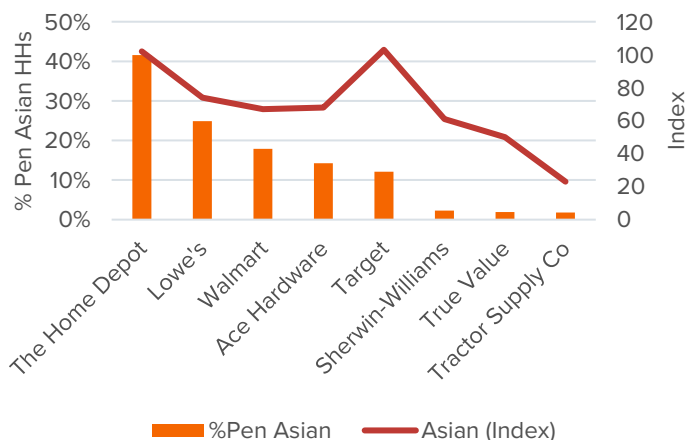
Auto stores Asian HHs shopped at



Stores Asian HHs shopped for auto products/services in the past 12 months

Most Asian HHs bought their auto products/services over the past 12 months from AutoZone, Auto dealerships, Advance Auto Parts, O'Reilly Auto Parts, Costco and Walmart. Asian HHs also index very high for shopping for auto products/services at Costco (Index 351). This is probably because Costco offers exclusive discounts of up to 15% for its members on parts, services and accessories at any participating service center.

Home improvement stores bought at



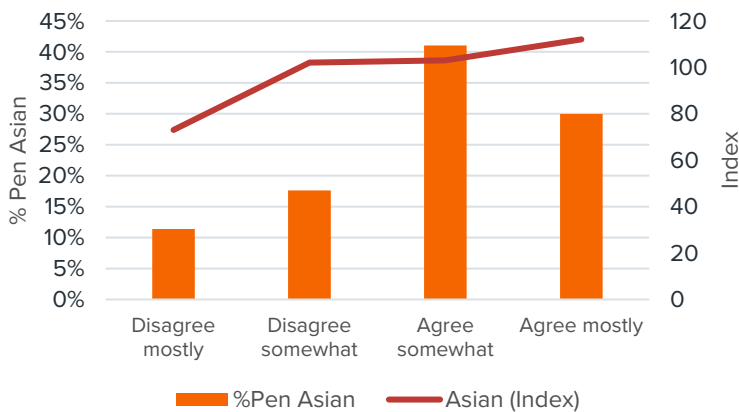
Hardware store preferences

- 42% of Asians HHs bought hardware/paint/lawn/ garden supplies from The Home Depot in the past year.
- 25% of Asians bought hardware/paint/lawn/ garden supplies from Lowe's in the past year.

Sources: Nielsen Scarborough 2021, Claritas 2021

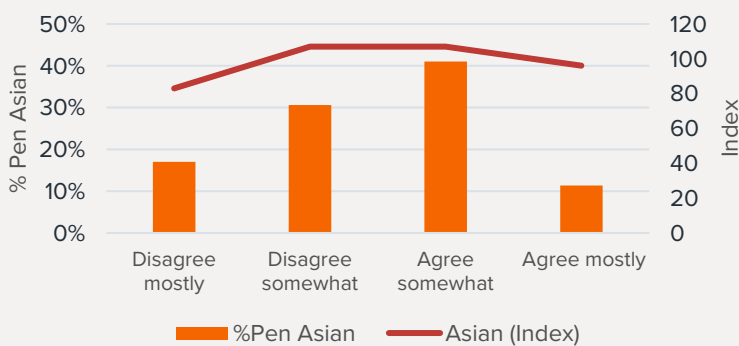
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I like to compare prices across different sites before purchasing something online



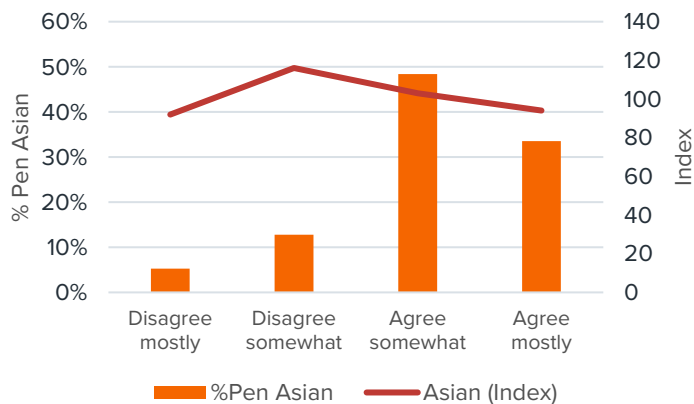
- 72% of Asian Americans “agree” when asked do they like to shop around before making a purchase.
- Asian Americans also like to compare items to one another and distinguish their similarities and differences. In fact, 71% of Asian Americans like to compare prices across different sites before purchasing something online.
- 52.36% of Asian Americans “agree” when asked do you prefer to shop at stores that offer loyalty points.
- 82% of Asians Americans “agree” when asked do they stick to a brand when they find a brand they like.

I prefer to shop at stores that offer loyalty points

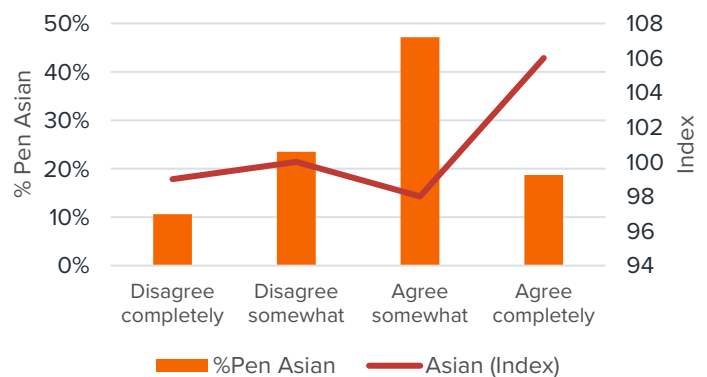


The surrounding data suggests that Asian Americans tend to be more brand loyal vs other segments of the population, so if a brand builds a relationship with them and continues providing the products and services they need when and where they need it and for a fair price, they'll stick with you over the long-term. Also, if you don't offer a loyalty program today, you might want to consider it because this segment of the population tends to look for that as part of their analysis.

When I find a brand I like, I stick to it



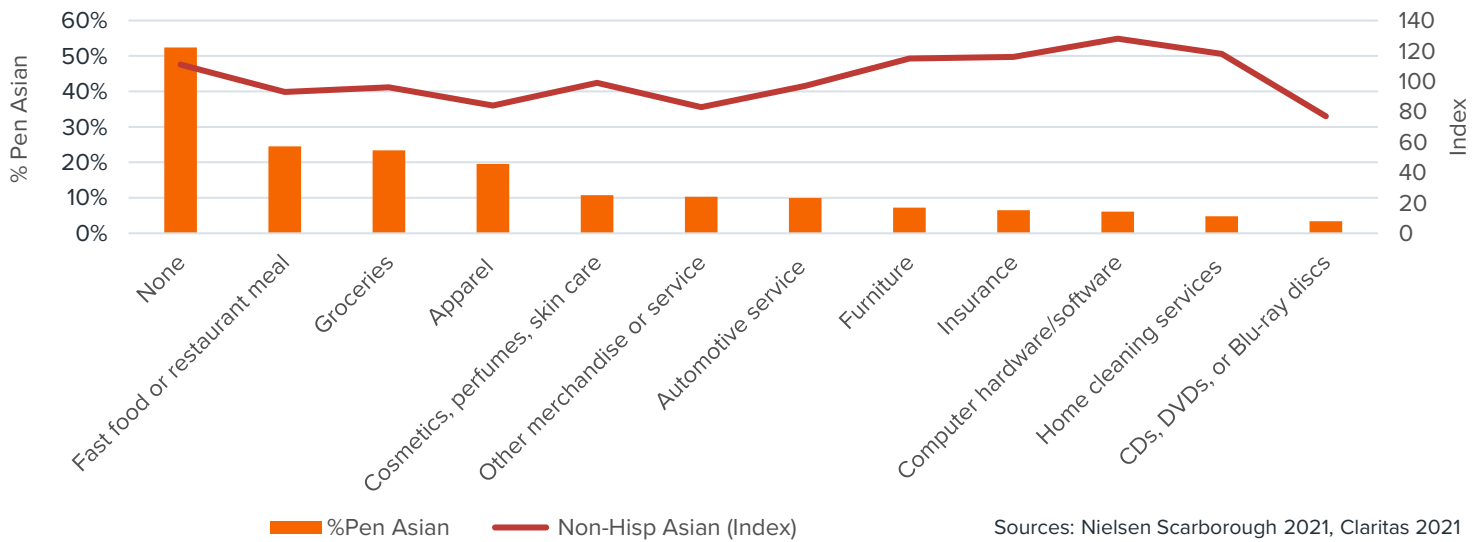
If generic brands are on sale, I will purchase them over my normal name-brand



Sources: Nielsen Scarborough 2021, Claritas 2021

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Merchandise/services bought past year as result of mail ads



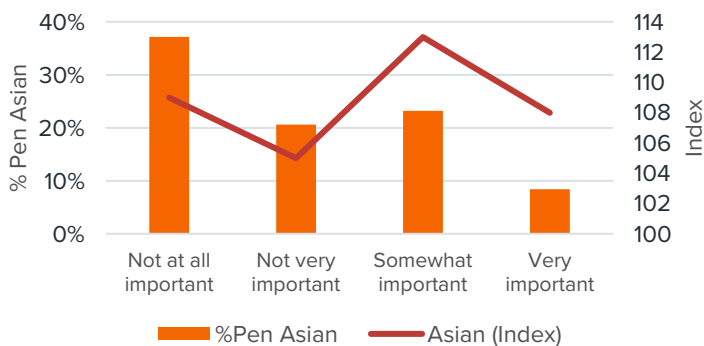
Responses to advertising

Asian consumers are less likely to have bought items as a result of mail advertising in the past 12 months.

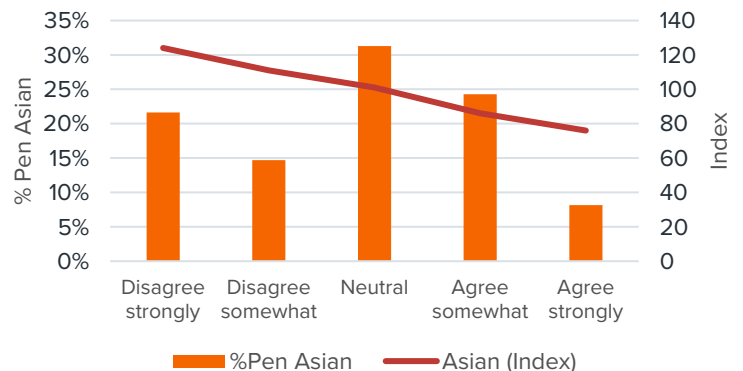
- 24.5% of Asian adults bought fast food or restaurant meals in the past year as a result of mail ads.
- 32% of Asian adults say that it's important to visit or use social networking websites to receive exclusive offers, coupons or other discounts.
- 32% of Asian adults "agree" that advertising on TV provides them with useful information about bargains.



Reasons for visiting or using social networking website: To receive exclusive offers, coupons or other discounts



Advertising on TV provides me with useful information about bargains



About Claritas

Claritas is a data-driven marketing company. With over 10,000 highly-predictive demographic and behavioral indicators and the most comprehensive multicultural data, our proprietary data assets give marketers the most complete understanding of the American consumer.

Our industry-leading Identity Graph unifies data from multiple sources, connecting devices to online behavior in a privacy compliant manner and into the intelligence you need to execute seamless multichannel engagements.

Our multichannel execution solutions coupled with powerful analytics and modeling capabilities will make your marketing more effective and increase the ROI on every dollar.

Targeting the New American Mainstream Consumer

To capture multicultural growth opportunities, you must first understand them: their likes, dislikes, preferences, behaviors, etc. These insights let you create personas, tailor messages and promotions specific to their wants and needs. Marketers leverage Claritas' deep understanding of multicultural segments, using our various solutions across local, national and digital markets for smarter targeting, smarter planning and smarter buying to help drive bigger profits.

Multicultural Insights to Shape a Smarter Plan

Data from Claritas can be applied to a wide variety of situations and challenges. Some of the applications are listed below.

- Strategic Planning
- Market Potential Assessment
- Product Development & Positioning
- Database Mining & Modeling
- Retail Site Selection & Distribution
- Marketing Communications & Media Planning
- Promotions & Direct Response
- Market Research: Surveys, Focus Groups, etc.
- Industry Specific Intelligence Applications
- Sales Potential & Forecasting
- Consumer Segmentation & Targeting
- Customer Relationship Management
- Investment Valuation
- Public & Social Services
- Budget Allocation
- Staffing
- In-store Experience Management
- Retail Shelf-space Planning

To learn more about how to find and win your next multicultural consumer, visit www.claritas.com or call **800.234.5973**



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