Changing Demographics & How They Affect Your Business, Today & Tomorrow
We’ve Changed

No Longer a Melting Pot, but a Salad Bowl

OLD

NEW
Diversity
Rural to Urban Shifts
“Bright Flight”
Minorities Moving to Suburbs
Young People Postponing Marriage
1 in 3 is not White

Source: 2010 U.S. Census
The Census Diversity Index Has Been Increasing Consistently

• The probability that two people chosen at random would be of a different race and ethnicity on a 0-100 scale. The scale ranges from 0 (no diversity) to 100.

Source: U.S.A Today, Minority births drive growth in U.S. diversity, 6/22/10
New York’s Diversity Index

62

In New York state, the probability that two people selected at random will be of different races or ethnicities is 62%
Best Place to Get Your Local Data

• usatoday.com/news/census/index

• You can find the diversity index for every county and city, as well as:

• Population density
• Racial & ethnic composition
• # of housing units
• % vacancy
### New York Counties Race Composition

<table>
<thead>
<tr>
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## Diversity Index by County

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<th>County</th>
<th>Pct. Hispanic</th>
<th>Pct. Non-Hispanic White</th>
<th>Diversity Index</th>
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<td>Albany</td>
<td>4.9%</td>
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<td>Allegany</td>
<td>1.4%</td>
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<td>Bronx</td>
<td>53.5%</td>
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<td>80.9</td>
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<td>Broome</td>
<td>3.4%</td>
<td>86.3%</td>
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<td>Cattaraugus</td>
<td>1.7%</td>
<td>91.9%</td>
<td>15.7</td>
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<td>Cayuga</td>
<td>2.4%</td>
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<td>Chautauqua</td>
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<td>Franklin</td>
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<tr>
<td>Fulton</td>
<td>2.3%</td>
<td>93.8%</td>
<td>12.2</td>
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</tbody>
</table>
4 States & The District of Columbia have Minority Majority Populations

- Minorities account for more than 50% of the population in California, Hawaii, New Mexico, Texas and DC

States with Majority Minority Among Children

- In 10 states, the share of children who are minorities has already passed 50 percent, up from five states in 2000:
  - Mississippi
  - Nevada
  - Georgia
  - Texas
  - Maryland
  - California
  - Florida
  - New Mexico
  - Arizona
  - Hawaii
Not Just in Select Places…

- Across **every major market** in the U.S. the majority of the child population is nonwhite.
Non-Hispanic Whites

- Whites share of the total U.S. population dropped over the last decade from 69% to 64%

- Whites are aging fast: median age is now 41 (up from 38.6 in the 2000 Census)

- Will be minority by 2041
Multiracial Americans

- Multiracial Americans now number 8.7 million
- 3% of the population
- 25% increase in last decade
A Country within a Country

- 50.5 million Latinos in U.S.

- Mexico 108.7 MM
- U.S. 50.5 MM
- Colombia 44.4 MM
- Spain 40.4 MM
- Argentina 40.3 MM
- Peru 28.7 MM
- Venezuela 26.0 MM
- Chile 16.3 MM

Source: Synovate 2010, CIA World Factbook, 2010 Census
50.5 Million Hispanics
One in six U.S. residents is Latino

Source: 2010 U.S. Census
Among Children, 1 in 4 is Hispanic
Every 30 seconds, a Latino turns 18 in America

Source: NPR, Latino Mayor May Be A Glimpse Of Things To Come, December 12, 2010
Figure 6. Percent Change in Hispanic or Latino Population by County: 2000 to 2010
(For information on confidentiality protection, nonsampling error, and definitions, see www.census.gov/prod/cen2010/doc/sf1.pdf)

Sources: U.S. Census Bureau, Census 2000 Summary File 1 and 2010 Census Summary File 1.
Rural to Urban Shift
3 of 4 Live in Urban Counties

- In 2000, 17.3% lived in rural counties
- By 2010, that dropped to 16.4%

- Rural Midwest lost most
  - Agricultural areas (and jobs) increasingly mechanized
This map shows all rural counties in the U.S. and whether they gained or lost population from 2000 to 2009.
Change in White Rural Population

Change in Rural White Population 2000-2009

Rural America
Share Whites of Tot. Pop.
- Urban/Exurban
- Decreased
- Increased
Change in Rural Black Population

Change in Rural Black Population 2000-2009

Rural America
Share Blacks of Tot. Pop.
- Urban/Exurban
- Decreased
- Increased
Change in Rural Hispanic Population

Change in Rural Hispanic Population 2000-2009

Rural America
Share Hispanics of Tot. Pop.
- Urban/Exurban
- Decreased
- Increased
“Bright Flight”

• Young, educated people moving to cities

• The draw:
  – Knowledge based jobs, public transportation and city ambiance
Minorities Moving to Suburbs
What’s Happening

• Suburbs still tend to be majority White

• However, for the 1st time, a majority of all racial and ethnic groups in large metro areas live outside the city
Other Suburbanites

- Vast majority of Baby Boomers
- Fastest-growing in the suburbs:
  - People living alone
- Non-married couples / families
Young People Postpone Marriage

- Married 25-34 yr olds dropped from 55% in 2000 to **45%** in 2010
- Lowest level since **1862**
- In the 1960’s, more than 80% were married
Reasons Why

• Focusing on their personal goals
  – Finishing school
  – Establishing a career

• Don’t feel “economically ready”

• Skeptical

• “Look how that turned out for my parents”

• Yet they’re not willing to wait to have a kid, so they have one
“Marriage is ideal, but parenthood is a priority”
"The iconic American family -- married couple with children -- accounts for a mere 22% of households."

“Family” Becomes Redefined

- A generation that was raised by blended or merged families

- “Grandfamilies”

- No stigma in having a baby outside of marriage
  - “Just because my boyfriend and I aren’t married doesn’t mean we’re not a family”
Implications for Your Business

Changing customer base
Recruiting & retention of young talent
Marketing
HR
Changing Customer Base

• More minority customers
  – products & services – even hours - may need to be modified
  – may need more education from you

• More women customers
  – high customer service standards
  – vocal, will express pleasure or displeasure with you
  – place strong trust in other women
Recruiting & Retention

• Your competition for young talent is fierce

• Not just other companies/organizations

• Large cities and “progressive” work environments
Recruiting & Retention

- Bilingual and multilingual staff will become mandatory for survival

- Staff to reflect the community you serve

- Beware: do not hire the wrong person because they have a skill set you need
"The concept of an 'average American' is gone, probably forever. The ‘average American’ has been replaced by a complex, multidimensional society that defies simplistic labeling."

- Demographics expert Peter Francese

Source: New U.S. Census to Reveal Major Shift: No More Joe Consumer. AdAge, October 12, 2010
Marketing Must Adapt

• Not just advertising efforts and messaging
• Conservation, green & educational efforts
• Community involvement
• Mobile is hot
Human Resources

• Progressive views on family and benefits

• Continuous skill training
Train for Cultural Sensitivity

• Law firm partner took young associate out to lunch as part of mentoring program. Partner is older White gentleman, associate is African-American.

• “Where are your people from?”

• “Talking louder does not make me bilingual”
Business Evolution

• Your communities are changing

• Your customers are changing

• Your workforce is changing
My New Book Can Help!
Praise from Major Business Press

Forbes

BusinessWeek

Bloomberg Businessweek

Fast Company
Thank You
For more information about Consumer trends and marketing, contact Kelly McDonald at 214-880-1717 or kelly@mcdonaldmarketing.com.