

1996 BENSON & HEDGES AFRICAN-AMERICAN MEDIA PLAN RECOMMENDATION

BUDGET

- BENSON & HEDGES 1996 MEDIA BUDGET IS Trade Secret Information Redacted
- B&H AFRICAN-AMERICAN BUDGET IS Trade Secret Information Redacted (11% of Total 1996 Budget; 8% of total-1995 Final Budget)
 - BUDGET FLAT vs. 1995

MEDIA OBJECTIVE

- DELIVER AFRICAN-AMERICAN IMPRESSIONS 2X B&H AFRICAN-AMERICAN VOLUME CONTRIBUTION (20%)
- ACHIEVE CONTINUITY

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**1996 BENSON & HEDGES
AFRICAN-AMERICAN MEDIA PLAN
RECOMMENDATION**

AUDIENCE

- OVERALL AS 35-54, OVER 60% FEMALE

GEOGRAPHY

- BASED ON *MENTHOL* SDIs; HIGH ETHNIC COMPOSITION

-	Houston	268	New Orleans	175	Jackson	135
-	Miami	261	Dallas/Ft. W	166	Birmingham	127
-	Los Angeles	233	Atlanta	140	Pensacola	123
-	San Francisco	217	Chicago	165	Wash., DC	121
-	Tampa	188	Orlando	144		
-	St. Louis	176	Jacksonville	144		

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**1996 BENSON & HEDGES
AFRICAN-AMERICAN MEDIA PLAN
RECOMMENDATION**

KEY CHALLENGES

- LIMITED MEDIA AVAILABLE/VIRTUALLY NO NEW ENTRIES INTO CATEGORY
 - TODAY'S BLACK WOMAN
 - B.E.T WEEKEND
 - SAVOY (New Time, Inc. Title)
- POSITIONING
- MERCHANDISING

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AFRICAN-AMERICAN MARKET OVERVIEW

GEOGRAPHY

- HALF OF THE NATION'S AFRICAN-AMERICANS RESIDE IN THE SOUTH
 - LOWER COST OF LIVING/ECONOMIC OPPORTUNITIES
 - PLACE TO LIVE AS THE "MAJORITY"
 - BETTER QUALITY OF LIFE
- AFRICAN-AMERICANS ARE MORE LIKELY TO LIVE IN METRO/URBAN AREAS THAN WHITES
 - 84% Blacks vs. 76% whites

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HOWEVER, APPROXIMATELY 25% OF THE BLACK POPULATION
NOW LIVE IN THE SUBURBS

AFRICAN-AMERICAN MARKET OVERVIEW

\$PENDING POWER

- AFRICAN-AMERICAN CONSUMER SPENDING TOTALED OVER \$400 BILLION IN 1995.
 - 34% INCREASE vs. 1990
 - 29.5% MORE GROWTH THAN THE OVERALL U.S. SPENDING DURING THE SAME PERIOD
- THE SPENDING POWER OF AFRICAN-AMERICANS CAN BE THE MARGIN BETWEEN SUCCESS AND FAILURE FOR MANY COMPANIES.

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- IN 1994, MARKETERS SPENT A TOTAL OF \$834MM TO TARGET THIS MARKET.

Source: Ad Age 7/95

AFRICAN-AMERICAN MARKET OVERVIEW

\$PENDING POWER

- ALTHOUGH AFRICAN-AMERICANS REPRESENT ONLY 13% OF THE U.S. POPULATION, THEY BUY
 - 31% OF LISTERINE
 - 28% OF SECRET DEODORANT
 - 31% OF COSMETICS
 - 40% CDs/RECORDS & MOVIE TICKETS
 - 30% OF AUTOMOBILES
 - 31% OF CADILLACS
- AN ESTIMATED 10.1MM BLACK HOUSEHOLDS NATIONALLY SPEND:

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- \$5.1 BILLION ON ENTERTAINMENT
- \$1.8 BILLION ON TOBACCO PRODUCTS
- \$1.6 BILLION IN ALCOHOL

Source: Target Market News

AFRICAN-AMERICAN MARKET OVERVIEW

\$PENDING POWER

% AFRICAN-AMERICAN USAGE FOR TOP BRANDS:

#1	#2
McDONALD'S	BURGER KING
50.1	31.4
TYLENOL	ADVIL
45.9	27.9
ALWAYS	KOTEX
30.2	5.6
BUDWEISER	MILLER LITE
19.3	3.3

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NIKE
16.9

REEBOK
15.4

HUGGIES
5.8

PAMPERS
4.0

AFRICAN-AMERICAN MARKET OVERVIEW

MARKET MYTHS

1. THE MARKET IS DOWN SCALE, IT HAS NO SPENDING POWER
2. BLACKS ARE A DEMOGRAPHIC MONOLITH
3. AS BLACKS PROSPER, THEY LOSE ETHNIC IDENTITY
4. TARGETED MARKETING/ADVERTISING IS NOT NECESSARY TO REACH THIS MARKET, INTEGRATING WHITE ADS IS ENOUGH

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5. BLACK NEWSPAPERS ARE READ THE SAME AS GENERAL
MARKET NEWSPAPERS

**1996 BENSON & HEDGES
AFRICAN-AMERICAN MEDIA PLAN
RECOMMENDATION**

MEDIA PLAN ELEMENTS

- MAGAZINES
 - 1/3 VERTICALS
- MAGAPAPERS
- SUPPLEMENTS

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- API SUPPLEMENT
- B.E.T WEEKEND
- ROP
 - CHALLENGES 1994 VS. 1995

**1996 BENSON & HEDGES
AFRICAN-AMERICAN MEDIA PLAN
RECOMMENDATION**

BLACK NEWSPAPER READERSHIP

- BLACK NEWSPAPERS ARE THE PRIMARY SOURCE OF AFRICAN-AMERICANS STAYING INFORMED OF NATIONAL & LOCAL ISSUES

- THE "UNTOLD" STORY

- READERS OF THE AFRICAN-AMERICAN PRESS FEEL THAT ADVERTISERS ARE SENSITIVE TO THEIR NEEDS. 68%

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BELIEVE THAT ADVERTISING INFLUENCES THEIR
PURCHASES

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AFRICAN-AMERICAN MARKET OVERVIEW

DEMOGRAPHICS

- **AFRICAN-AMERICANS REPRESENT 13% OF THE U.S. POPULATION**
- **THE AFRICAN -AMERICAN POPULATION IS GROWING AT A FASTER RATE THAN THE WHITE POPULATION**
 - **50% FASTER THAN THE REST OF THE POPULATION**

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Source: U.S. Census, 1990

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