

Catering To a Wider Demographic Base

The goal of most businesses is to increase their profit margin from one year to the next. In an effort to achieve this goal we increase our marketing budget annually (if we have a marketing budget at all), increase our utilization of technology, and improve our customer service.

In the constant battle to increase profit margins, many businesses often overlook a rich resource that goes largely unnoticed on a daily basis. That resource is our diverse community. Let's take a look at the most recent numbers according to Census 2000 figures, Latinos (or Hispanics) have now surpassed African Americans as the largest minority group in the United States. Latinos, with a population of 35.3 million now comprise 13.2 percent of total U.S. population. The Latino population increased 57 percent since 1990 compared with a total increase of 13.2 of the U.S. population.

African American are now the second largest ethnic group in our nation, with a total population of 34.7 million. They make up 12.9 percent of the U.S. population.

Asian Americans are the third largest minority group in the United States, with 11.9 million, according to Census 2000 data. They make up 3.6 percent of the U.S. population.

The total number of gay, lesbian, bisexual and transgender (GLBT) people in the United States is estimated to be between 13 and 17 million, according to major studies. Depending on the source, the percentage of GLBT people in this country ranges from 3 to 10 percent of the total U.S. population.

These numbers indicate that if a business wants to increase its overall profit margin, then that business has to rethink its marketing strategy. According to the

Hispanic Opinion Tracker, in 2001 seventy-four percent of Latinos tuned into Spanish-language television each week. If a business stayed within its marketing budget, but ran an existing commercial or advertisement in Spanish that business could potentially increase its profit margin without going over budget. This is an example of taking a proactive stance in regards to current trends.

As the white majority ages, the next and future generations are increasingly comprised of people of color. This information (released last year by Census 2000) was a shocking wake-up call for many corporations that believed diversity was well-intentioned, soft, politically correct, human-resources project that wasn't critical to their core business or long-term financial success.

Businesses that stagnate and fail to grow invariably are swallowed by their competition or become obsolete and fade away. It's pretty simple: If you do what you've always done, you'll get what you've always gotten. This failure to recognize the growing affluence and shifting demographics of emerging marketplaces and reach out to these consumers will prove costly to many companies.

If a business wants to succeed in this new century, they need to connect quickly and lastingly with the marketplace. If they ignore potential customers, those customers will find other sources for their needs and that business will become irrelevant.