



The New Mainstream

South Asians will soon be Canada's largest visible minority group. Marketers who ignore these affluent consumers do so at their peril BY EVE LAZARUS

Telus is well-known for the colourful use of animals in its advertising. But finding fauna that resonates with the South Asian population—an important target for its telecommunications services—wasn't easy because it was important that the ads stick to the Telus brand platform while doing a lot more than just translating the mainstream message. Telus came up with Punjabi spots for multicultural TV that feature hummingbirds and rainbow coloured fish.

Chris Neary, Telus's Vancouver-based marketing communications director, says that the product-home networking in the fish spot, and a kind of "stick with us, we know what we are doing" message in the hummingbird ad—was also part of the strategy.

"Home networking is particularly poignant for South Asians," says Neary. "They tend to have large extended families with multiple computer users

in the home and a fairly low understanding of what Telus offers in terms of IP-based services."

The fish spot is an attempt to preserve the company's long-distance revenues, says Neary. "We are reassuring them in their own language that we

"In large part because we are speaking to them in their own language and in their own terms, we are building a relationship and they are learning to trust us"

know what we are doing: Stick with us, we are here for you."

With a population of around one million—and expected to double by

2017—South Asians are the second-largest visible minority group in Canada. In fact, South Asians could well be the largest visible minority group in Canada by the country's 150th birthday, with the vast majority living in Toronto and Vancouver, according to

"Population projections of visible minority groups, Canada, provinces and regions," released by Statistics Canada last March.

Add that to the vast spending power of South Asians and marketers who continue to ignore this group (or worse, stereotype them) do so at their peril. In Toronto alone, the South Asian market is worth \$12.6 billion a year, according to Mapinfo 2004 statistics.

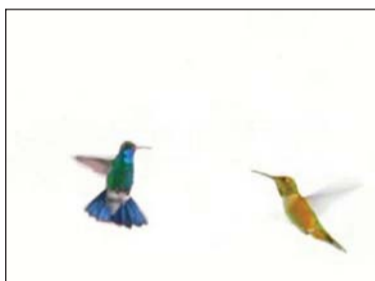
Telus's strategy appears to be effective. Since Telus started targeting South Asians two years ago, through Richmond, B.C.-based Response

Advertising, the customer base for long distance has grown by 400%. That's quite astounding when you consider that Telus is not the cheapest telecom provider.

"If they were price sensitive they would have used Yak or Sprint or somebody with a more competitive price point, but the fact is that they are brand sensitive and brand loyal," says Neary. "In large part because we are speaking to them in their own language and in their own terms, we are building a relationship and they are learning to trust us."

Telus has a South Asian advisory panel that meets twice a year with senior executives. They assess the communications and new products and discuss which sponsorships will best increase the company's profile within the community.

Home furnishings retailer IKEA is also paying more attention to the South Asian consumer. David Innis, president and CEO of Fat Free Communications in Toronto, is behind a



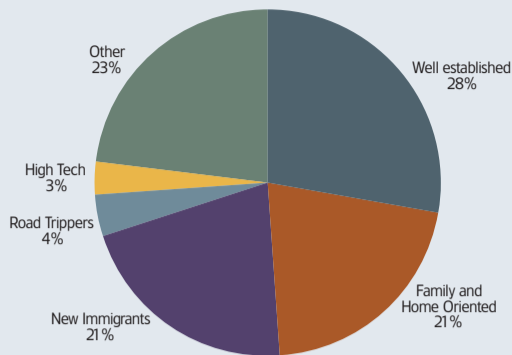
MAKING A CONNECTION: Telus promotes home networking and long distance to tech-savvy South Asians with large extended families

South Asian consumers in Toronto

Omni Television, owned by Rogers Broadcasting Ltd., breaks the South Asian market in Toronto into five lifestyle clusters:

WELL ESTABLISHED: Comprises 154,000 people and 28% of households. This segment has large families with multiple earners. Household income is around \$84,000. Professionals who own large homes, they like to travel and have interests that include sports, fashion, business and news.

FAMILY AND HOME: Comprises 113,000 people and around 21% of households. Headed up by 25- to 44-year-olds with children under six, this segment is preoccupied with home renovations, paying down mortgages and children's education. They have household incomes of between



SOURCE: MANIFOLD DATA MINING INC., JULY 2004

\$62,000 and \$74,000 and work in business, finance, middle management and technology.

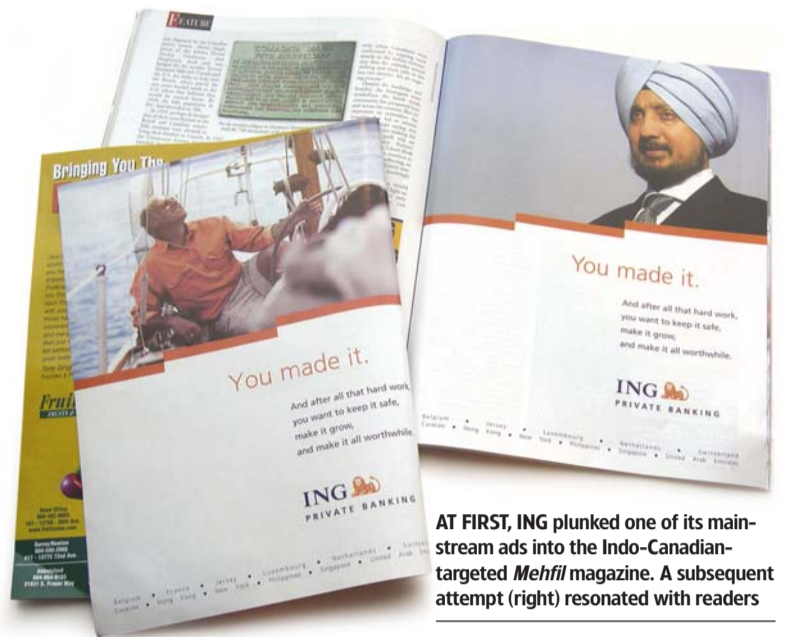
NEW IMMIGRANTS: Comprises 112,000 people and around 21% of households. This segment is between 25 and 34 with young children and older relatives; most rent apartments, use transit and rent cars when needed. They are well educated and currently

underemployed with annual household incomes in the \$40,000 range. This segment reads and spends more than average on education and training.

ROAD TRIPPERS: Comprises 21,000 people and 4% of households. This segment is largely blue-collar apartment dwellers with household incomes around \$30,000.

HIGH-TECH ORIENTED: Comprises 14,000 people and 3% of households. This segment has household incomes of more than \$95,000. They are extremely well-educated professionals who spend above average on education and child care and are passionate about technology and want the latest high-tech items.

—EVE LAZARUS



AT FIRST, ING plunked one of its mainstream ads into the Indo-Canadian-targeted *Mehfil* magazine. A subsequent attempt (right) resonated with readers

series of print and television ads, for IKEA that launched in Toronto last fall to coincide with Diwali, the Indian festival of lights. The print ads, which ran in the *India Journal* and *Desi News*, use the Hindi expressions “Yeh Kea” (done this) and “Who Kea” (done that) followed by “IKEA.” In one ad promoting \$1 breakfasts, the two Hindi expressions are positioned under images of samosas and

the Vancouver-based *Mehfil* magazine, is plunking that ad into ethnic media. Vig says when ING Direct delivered to the magazine an ad that featured an older white guy on a yacht with the headline “You made it,” the bank was advised to try again. “It’s a classic mistake: ‘We’ve got the creative, let’s throw it in there.’ You have to have something specific to that audience.” Vig also says marketers



COMFORTABLE FIT: An IKEA newspaper insert reflects growing South Asian customers

dosas. The third image, a plate of scrambled eggs, goes with the IKEA logo and \$1. IKEA’s tag line “Fits” is also adapted to “Fit Hai,” an expression with a similar meaning in Hindi.

It was the first time IKEA had run a consumer-directed campaign targeting South Asians, and Nandini Venkatesh, marketing manager, says that in terms of home furnishings, South Asians do not have brand loyalties. “They are fragmented in terms of where they shop; they are more middle-class than affluent. But then, the potential to earn is high. We are also seeing a second generation coming in attuned to Western culture and lifestyle, and that is also eager and willing to integrate quicker into the mainstream,” says Venkatesh. “They like to know that they are getting their money’s worth, so I think all of these (ads) speak to who they are and what they are after.”

According to LLS Market Research June 2003 data commissioned by Omni Television, nearly half of all South Asians in Toronto say their opinion of a company would improve if they saw ads in their own language on South Asian television. Sixty-two per cent say they would look more positively on companies that sponsor community events.

While simply translating a mainstream campaign is not good enough, neither, says Rana Vig, publisher of

should remember that while Punjabis make up about 60% of the South Asian population in the Toronto area, in Greater Vancouver it’s closer to 80% and they respond better to Bollywood culture than, say, cricket. In the case of ING, *Mehfil* was able to replace the white guy with a South Asian model. “That was at least a middle ground to bring some noticeability to the ad,” Vig says.

Because South Asians tend to live in multi-generational households, the magazine’s 25,000 national circulation targets a wide demographic in English.

Vig believes that marketers are missing this demographic because they put too much faith in their advertising agencies. “Traditionally agencies don’t want to deal with it because they don’t understand the ethnic markets,” says Vig. “It takes a lot less effort to do a \$1-million buy than it does to make a \$200,000 buy, and our feeling is that they don’t guide their clients appropriately. It’s too much work, too much effort, and they continue to say that everybody watches *Global*, everybody reads the *Vancouver Sun* and clearly that’s not true.”

The answer, says Vig, is simply knowing your consumer. “If you step back for a second, common sense tells you that the composition of your advertising message should reflect the audience that you are catering to.” ■