



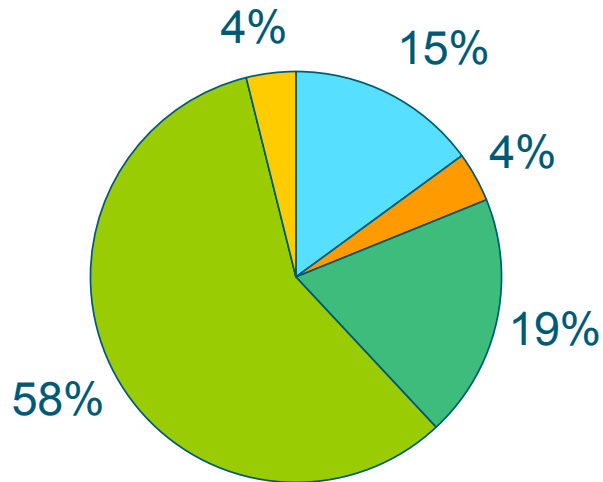
ARF Annual Youth Council Meeting
July 27, 2006

Overview

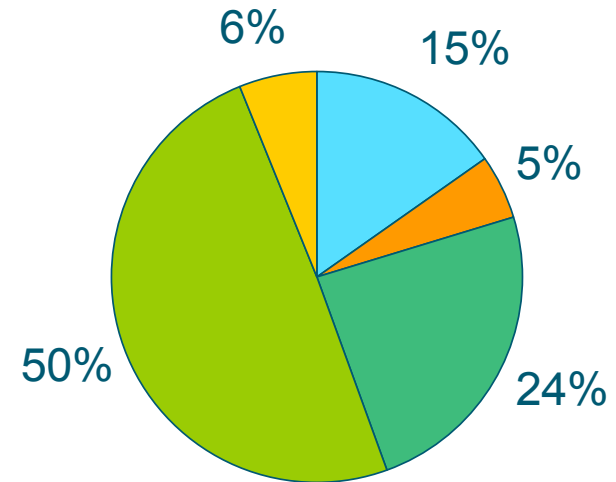
- Background & Methodology
- Inseparable: The Child and the Context
- 5 Key Areas of Focus from the 2006 Study
 - My Family, My Culture
 - My Experience with Diversity
 - Technology - My Comfort Zone
 - Ka' Ching!
 - Decision Dynamics – My Vote Counts
- Conclusions

A Changing Market: Ethnicity of Children... Today and To Come

Current Population Kids
Age 6-14



Projected 2028 Population
Kids Age 6-14



Legend: African American (light blue), Asian (orange), Hispanic (green), White (light green), Other (includes mixed race) (yellow)

Background & Objectives



- Partnership:
 - Nickelodeon, the #1 entertainment brand for kids
 - Phoenix Cultural Access Group, leader in multicultural marketing research
- The 3rd annual syndicated study exploring the lifestyles, attitudes, and mindsets of multicultural kids age 6-14 in the U.S.
 - African-American
 - Asian
 - Hispanic
 - White (non-Asian, non-Hispanic)

Overview – Topic Areas



2006

- Technology & Media in the Home
- Diversity
- Parent-Child Marketplace Dynamics

- Self-Perceptions and values
- Acculturation, heritage, & family culture

- Incidence & frequency of technology/media activities
- Money, spending, & saving
- Favorite brands and venues
- The American Dream

2005

- Technology & Media in the Home
- Diversity
- Parent-Child Marketplace Dynamics

- Signs of Success
- Well-Being
- Career Aspirations

- Shopping
- Religion
- School

2004

- Technology & Media in the Home
- Diversity
- Parent-Child Family Dynamics

- Self-Perceptions and values
- Family & Culture

- Food & Nutrition
- Money & Spending
- Chores
- Friends & Social Activities
- Worries

Methodology



Quantitative

- 1300 one-on-one intercept interviews with children age 6-14
 - 325 African-American
 - 325 Asian children
 - 325 Hispanic children
 - 325 White children
- 1300 parents of the above children
 - 949 moms
 - 299 dads
- Participants recruited from 16 U.S. markets
- Data for each ethnic group weighted to be nationally representative based on region and household income

Methodology

Qualitative

- Twelve in-home ethnographies with child and his/her closest friends
- Participants divided into like-ethnic groups
- Cities include:
 - African American: Cincinnati, New York
 - Asian: San Francisco, New York
 - Hispanic: San Francisco, New York
 - White: Cincinnati, San Francisco

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Study
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Inseparable: The Child & The Context

Kids are Kids – Some Common Attitudes and Personal Styles



- Kids see themselves as happy and playful
- Kids want connections
- Kids want control
- Kids want to be counted on
- Kids define success similarly
- Kids want (more than!) a few of their favorite things, but they are surprisingly thoughtful as well

Kids have common hopes and dreams

If I could have three wishes...

My Mamma
to become the
first Black
President

Ser futbolista

Go to Mexico and bring
my dad out here

To be a basketball star

To know my heritage

A peaceful
world

A lot of money

I wish that
my Daddy
could live
with us

Help the poor
and hungry

My own
cell phone

A big TV

My Mom and
Dad to be
together and
not argue all
the time

For everyone
in the world to
accept one
another as
equal
individuals

A lot
of
candy

My own
room

I would
want my
family to be
happy and
healthy

To go to
college

Be on
American
Idol

Salud y
felicidad para
mi familia

To become
A doctor

That I
could
fly

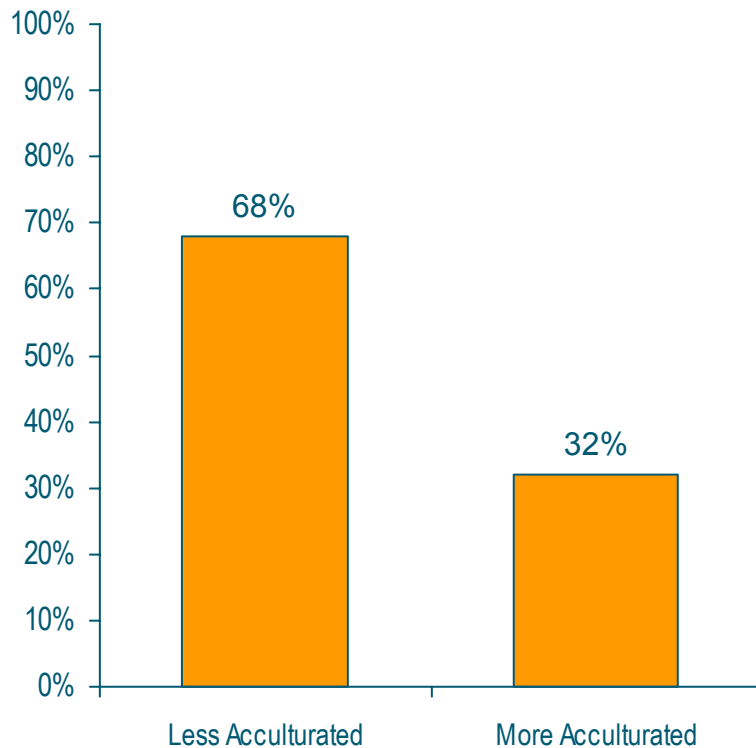
Demographic Environment Shapes Experience



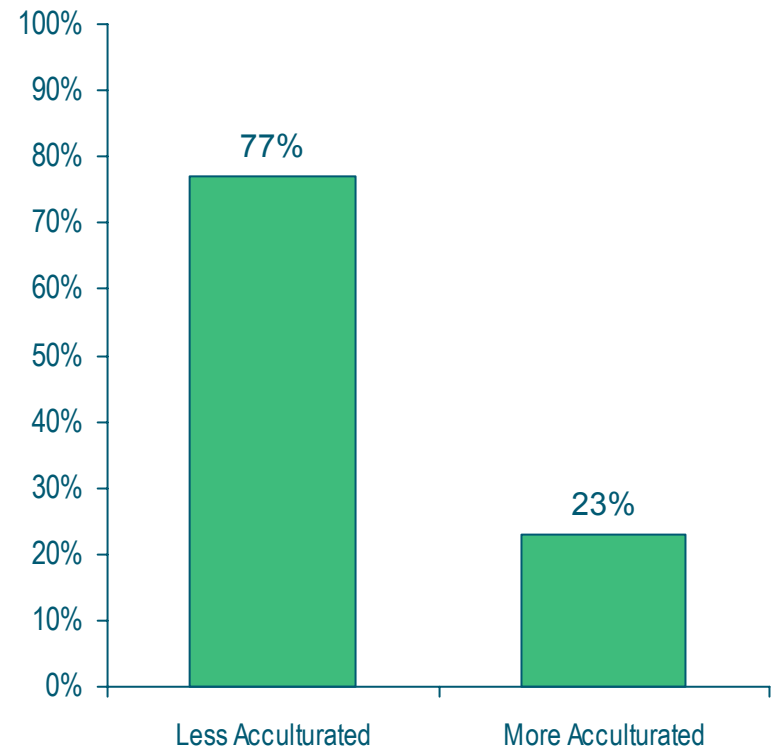
- Family Composition
- Socioeconomic Status
- Heritage and Origin
- Acculturation

Acculturation

Acculturation Level among Asian Parents of 6-14s

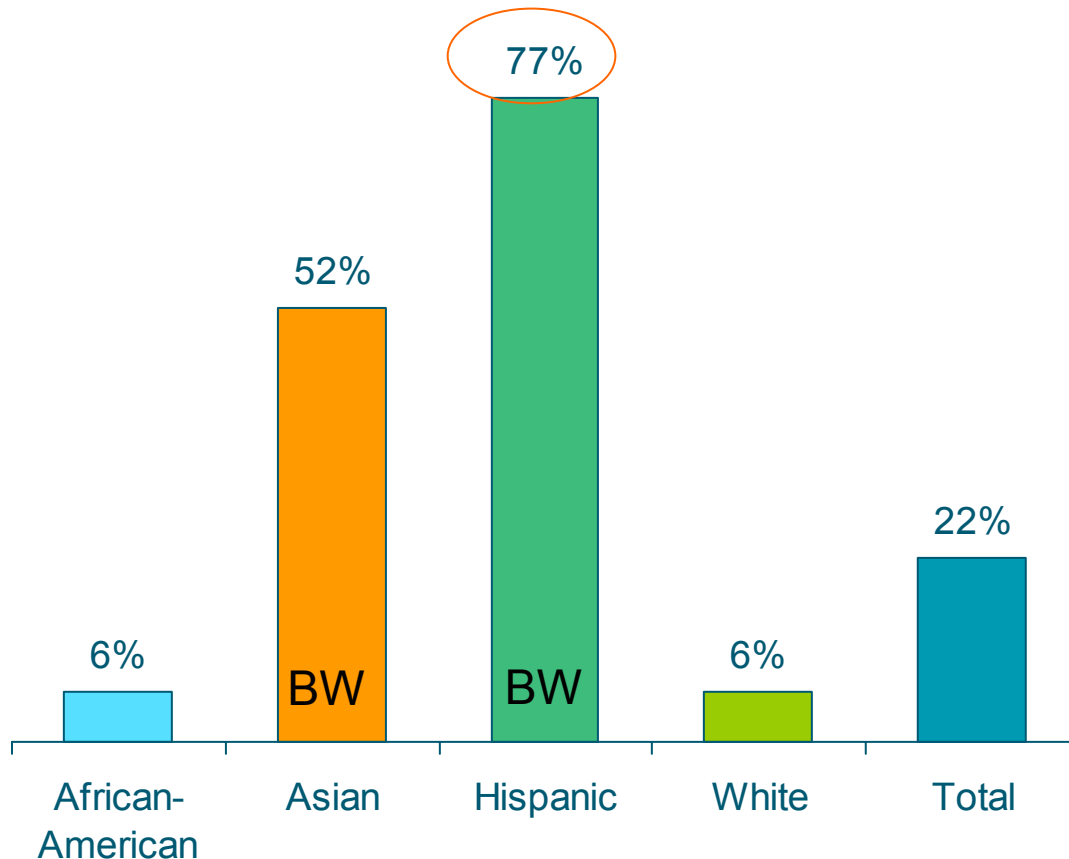


Acculturation Level among Hispanic Parents of 6-14s



Language

Children Speak Another Language Besides English



- 84% of bilingual Hispanic children speak Spanish
- Languages spoken by bilingual Asian children include:
 - Chinese
 - Korean
 - Vietnamese
 - Tagalog

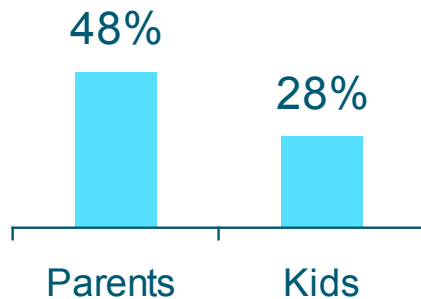
Common Parenting Themes



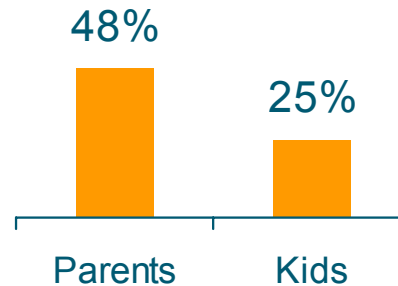
- Parents have high expectations for their children
- Parents desires for their children place intangibles over tangibles
- Parents' vision for their children's future is not defined by the classic, middle-class "American Dream"

Parents and kids who have heard of the American Dream

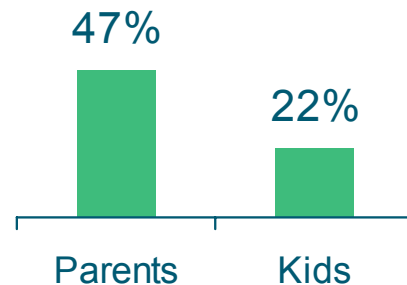
African American



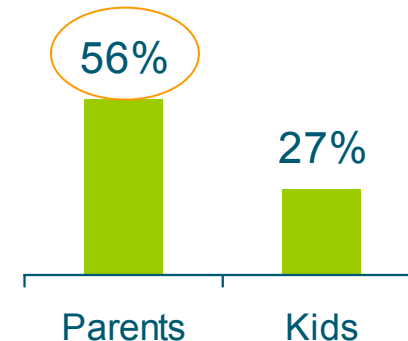
Asian



Hispanic



White



Parents' Description of The American Dream

| | Total | African American | Asian | Hispanic | White |
|--|-------|------------------|-----------|-----------|-----------|
| A big/nice home | 34 | 35 | 17 | 34 | 35 |
| To have a happy family | 17 | 15 | 12 | 16 | 19 |
| To acquire what you desire | 17 | 16 | 15 | 13 | 18 |
| To be successful in life | 16 | 17 | 35 | 19 | 14 |
| Have a good job/career | 13 | 5 | 9 | 15 | 14 |
| To have lots of money/financially stable | 11 | 12 | 9 | 15 | 10 |
| For happiness in life | 7 | 6 | 17 | 4 | 7 |
| To have a new/nice car | 7 | 9 | 0 | 3 | 7 |
| Other | 13 | 16 | 15 | 18 | 11 |

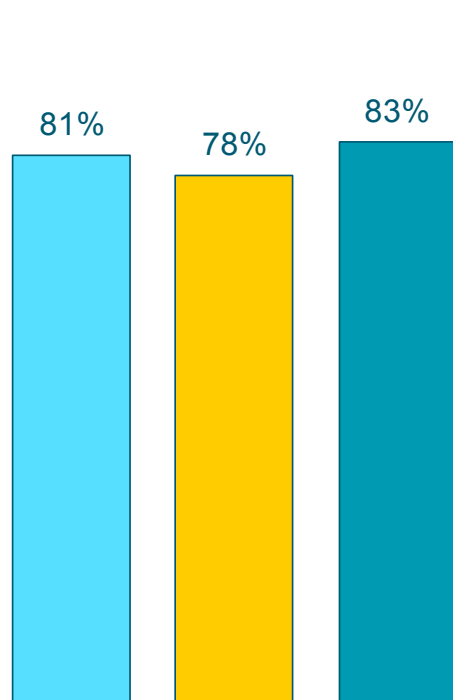
Unaided responses among those who have heard of The American Dream

Kids' Description of The American Dream

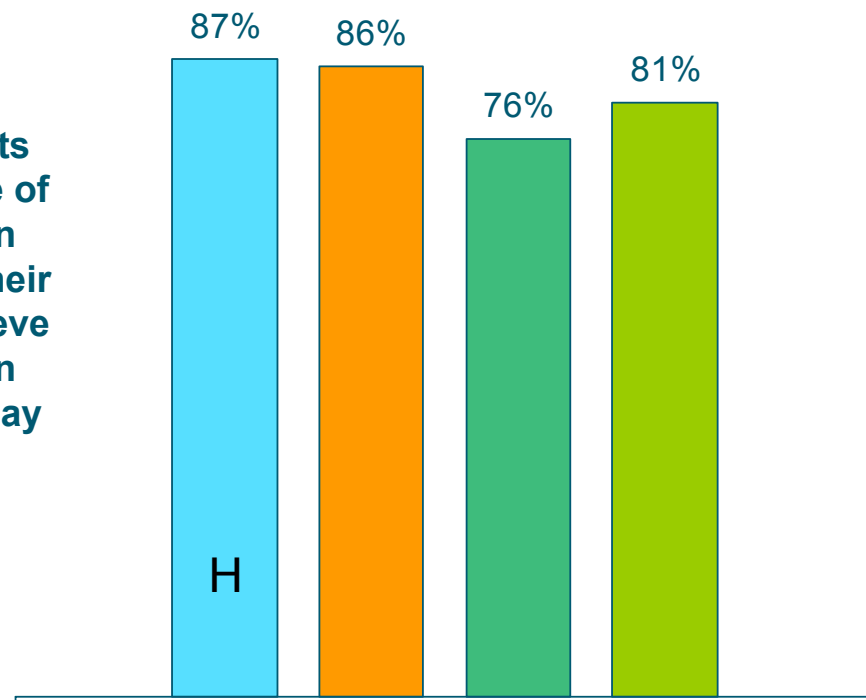
| | Total | African American | Asian | Hispanic | White |
|----------------------------|-------|------------------|-------|----------|-------|
| To be successful in life | 21 | 10 | 25 B | 22 B | 24 B |
| To have a big house | 17 | 14 A | 5 | 22 A | 17 A |
| To have/make lots of money | 16 | 13 | 17 | 14 | 18 |
| To have what you desire | 14 | 17 H | 16 H | 4 | 16 H |
| Peace/equality | 13 | 23 AH | 11 | 3 | 14 H |
| To be happy in life | 8 | 8 | 17 W | 15 W | 5 |
| To have a nice car | 7 | 5 | 1 | 3 | 8 A |
| To have a good job | 5 | 9 W | 3 | 11 W | 2 |
| To have a good education | 5 | 5 | 2 | 11 AW | 3 |
| Other | 10 | 13 | 15 | 19 | 7 |
| I Don't Know | 10 | 7 | 4 | 8 | 12 |

Regardless of income or ethnicity, the vast majority of those who do not think they have achieved the American Dream believe that one day, they will.

Among those that have heard of the American Dream, Percent
believe they will achieve it one day



95% of parents who are aware of the American Dream think their child will achieve the American Dream someday



Total Under \$60K HH Income \$60K+ HH Income

African American Asian Hispanic White

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My Family, My Culture

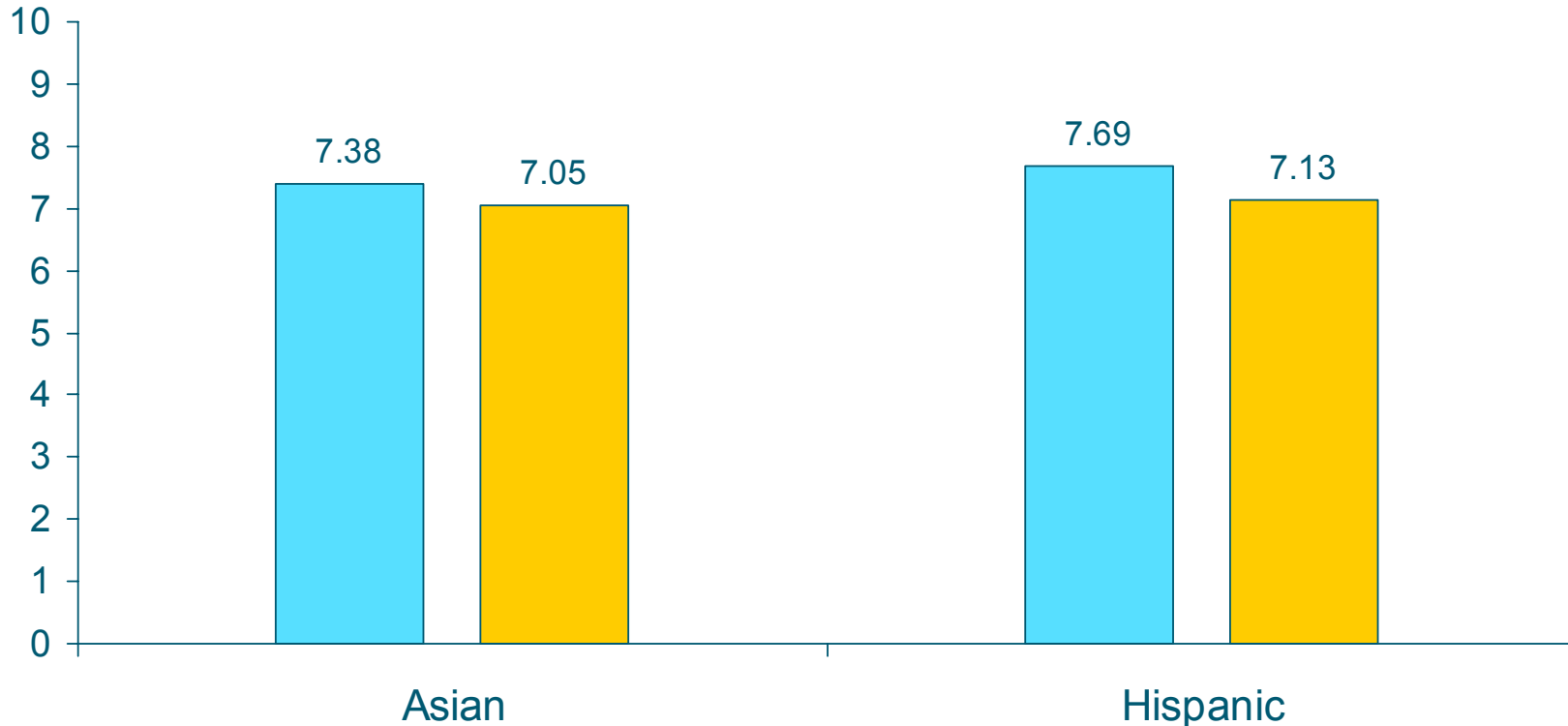
My Family, My Culture



- Kids feel good about their families and the time they spend together
- Importance of maintaining family traditions now and in the future
- Experiences and activities are highly connected to ethnic identity – across acculturation levels
- Bicultural mindset among Asians and Hispanics – a foot in both worlds

A Bicultural Mindset

Among parents, mean score on 10 point scale
where 10=Strongly Agree that it is important to them that their child...



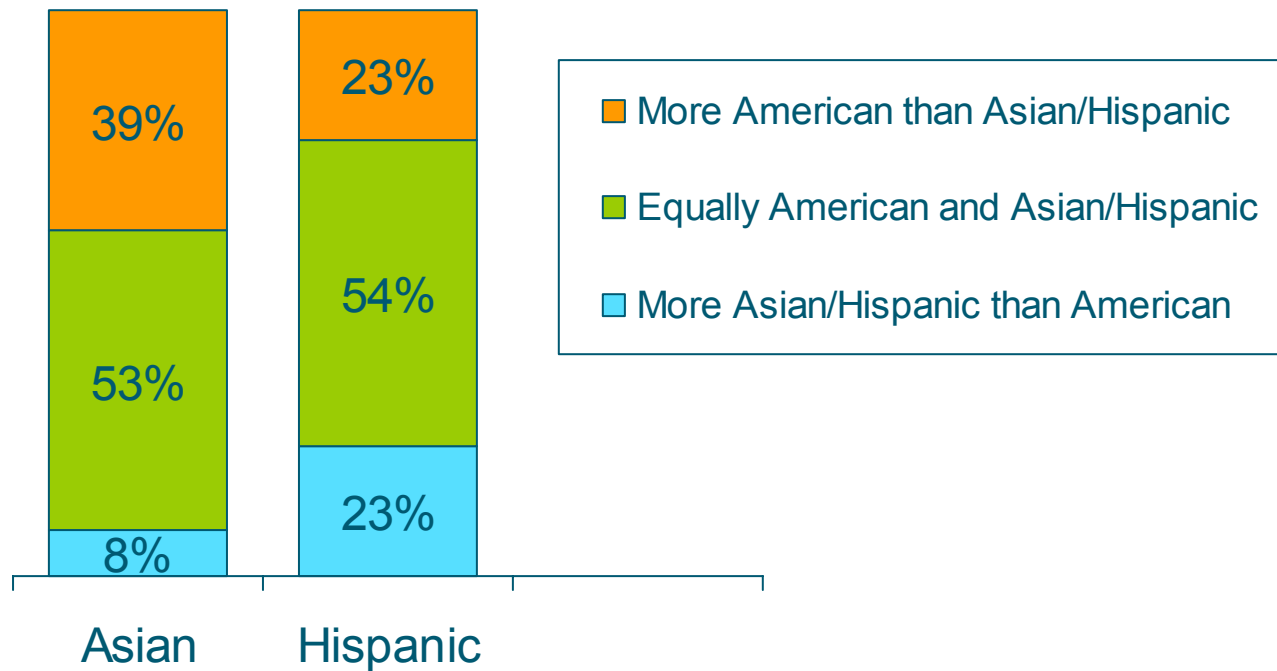
■ Maintains the traditions of our home country ■ Learns to live the American way of life

The American Way Of Life

| | Asian | | Hispanic | |
|---|-------|---------------------------|----------|---------------------------|
| Parents Agreement with statement on 10-pt scale: It is important to me that my child learns the American way of life | Total | Home Country of High Imp. | Total | Home Country of High Imp. |
| Top 3 box | 44% | 66% | 53% | 66% |
| Mean Score | 7.05 | 7.96 | 7.13 | 7.73 |

A Foot In Both Worlds

How parents describe their kids....



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My Experience With Diversity

How We All Experience Diversity

“Direct”

Inter-
personal



Work/School



Community

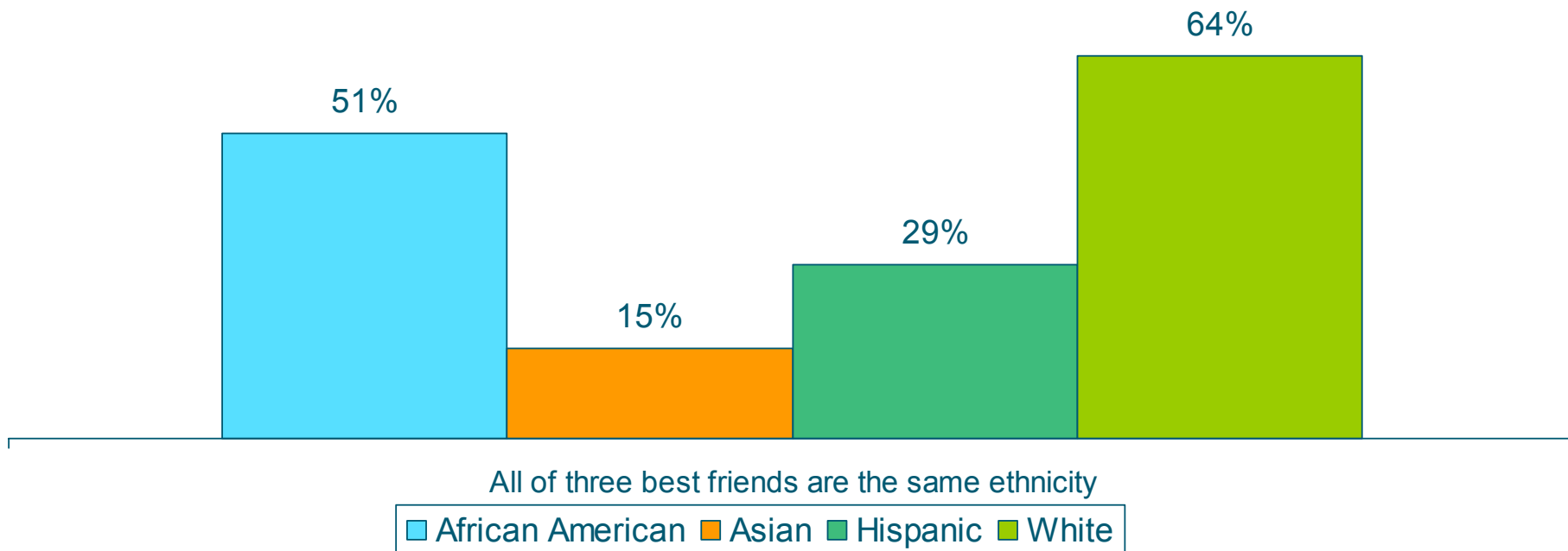


Media

“Indirect”

The Child's Social Circle

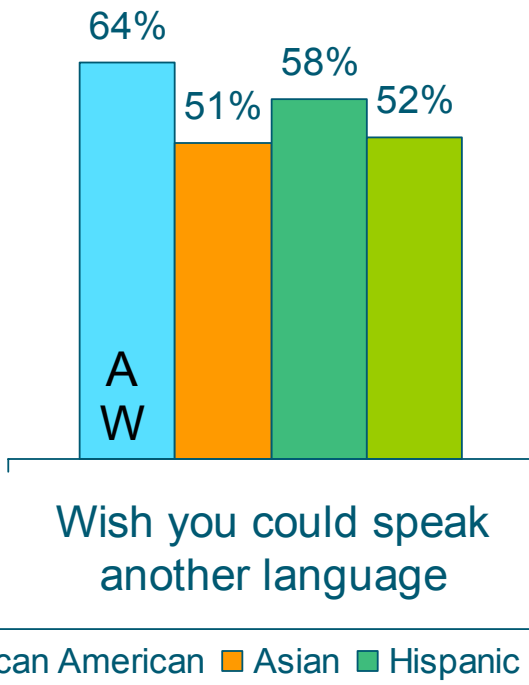
Ethnic Origin of Three Best Friends



Note: For these data, Asian and Hispanic children were asked about their specific nationality.

The Allure of Bilingualism

Among non-bilingual children:



Among those that wish they could speak another language, language they wish they could speak

| | African American | Asian | Hispanic | White |
|---------|------------------|-------|----------|-------|
| Spanish | 66 AW | 27 | 80 AW | 55 |
| French | 12 | 4 | 2 | 17 |
| Chinese | 9 W | 13 | 9 | 3 |
| Korean | - | 15 | - | - |
| Tagalog | - | 7 | - | - |
| Other | 12 | 29 | 9 | 23 |

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Technology: My Comfort Zone

Kids' Prowess with Technology



- Access Abounds
- Kids Benefits of the Internet
- Kids' expertise and input

The Family Experts

| | Among total parents, % get input from child | Among those that say child knows more than them, % get input from child | Index relative to total |
|--|---|---|-------------------------|
| Copying music to a CD or MP3 player | 38% | 79% | (205) |
| Downloading music from the Internet | 45% | 82% | (182) |
| Finding things on the Internet | 50% | 80% | (160) |
| Programming a cell phone with special ring tones | 45% | 83% | (184) |
| Programming a DVR like TiVO | 29% | 67% | (233) |
| Uploading pictures from a digital camera | 34% | 80% | (236) |

Note: While base sizes are small within ethnicity, the average index across all activities is about 200 for African American, Asian and White parents. Hispanic parents are slightly lower, with an average index of about 175.

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Ka' Ching!

Kids' "income" drives a formidable buying power

Sources of income for kids:

Reward for good grades

Child's allowance

Lunch money

Gifts

Earned money

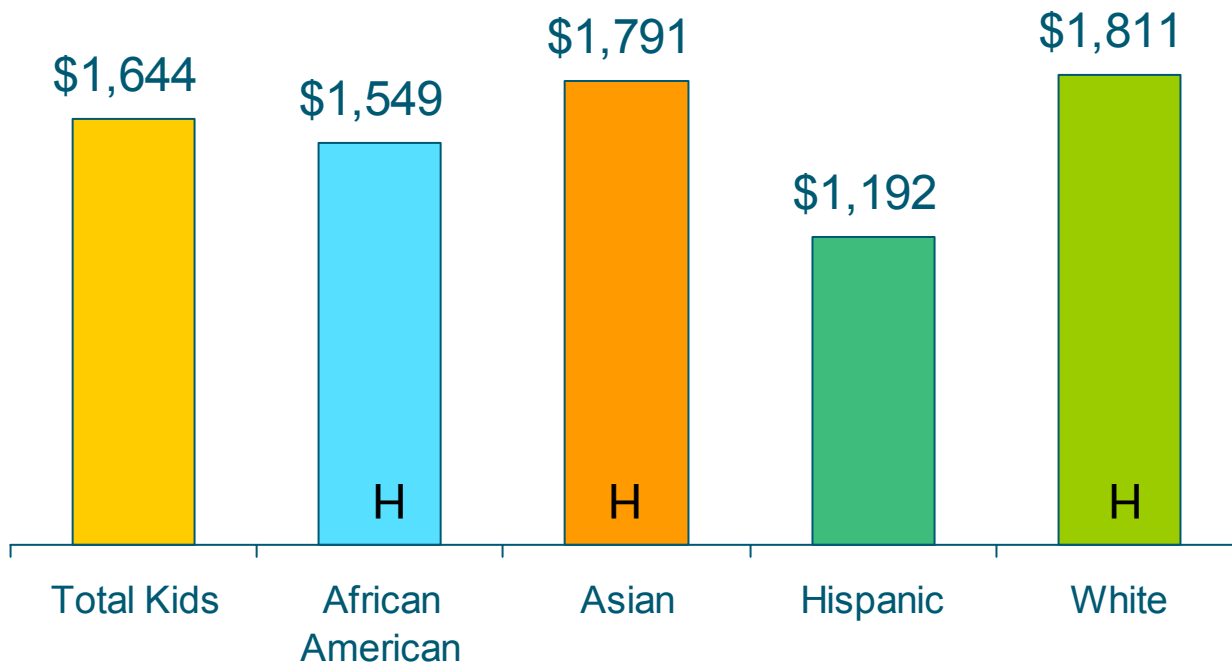
"Other" spending money

**\$60.4
Billion**

Total Kids 6-14

Annual Income

Yearly "income" among 6-14 year olds



Includes: Money for lunch, allowance, money for good grades, gifts, earned income, all other ways of getting spending money

Per Capita "income" around the globe

Nigeria / \$1,400
China / \$1,290
Philippines / \$1,170
West Bank / \$1,100
Ethiopia / \$900
Yemen / \$900
Afghanistan / \$800

Sources: The World Factbook 2006,
World Bank 2005

Where does it all go...

Kinds of things kids spend their money on (top six responses shown - unaided)

| | Total Kids | Age 6-8 | Age 9-11 | Age 12-14 |
|--------------------|------------|-----------|-----------|-----------|
| Food/snacks/ candy | 43 | 45 | 47 | 38 |
| Toys | 42 | 69 | 51 | 12 |
| Clothes | 41 | 23 | 37 | 64 |
| Video games | 31 | 30 | 47 | 43 |
| Music | 25 | 19 | 27 | 46 |
| Shoes | 25 | 11 | 21 | 41 |

Bold indicates significance against unbolded groups. Circle indicates significance against all other age groups.

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Decision Dynamics: My Vote Counts

Decision Dynamics

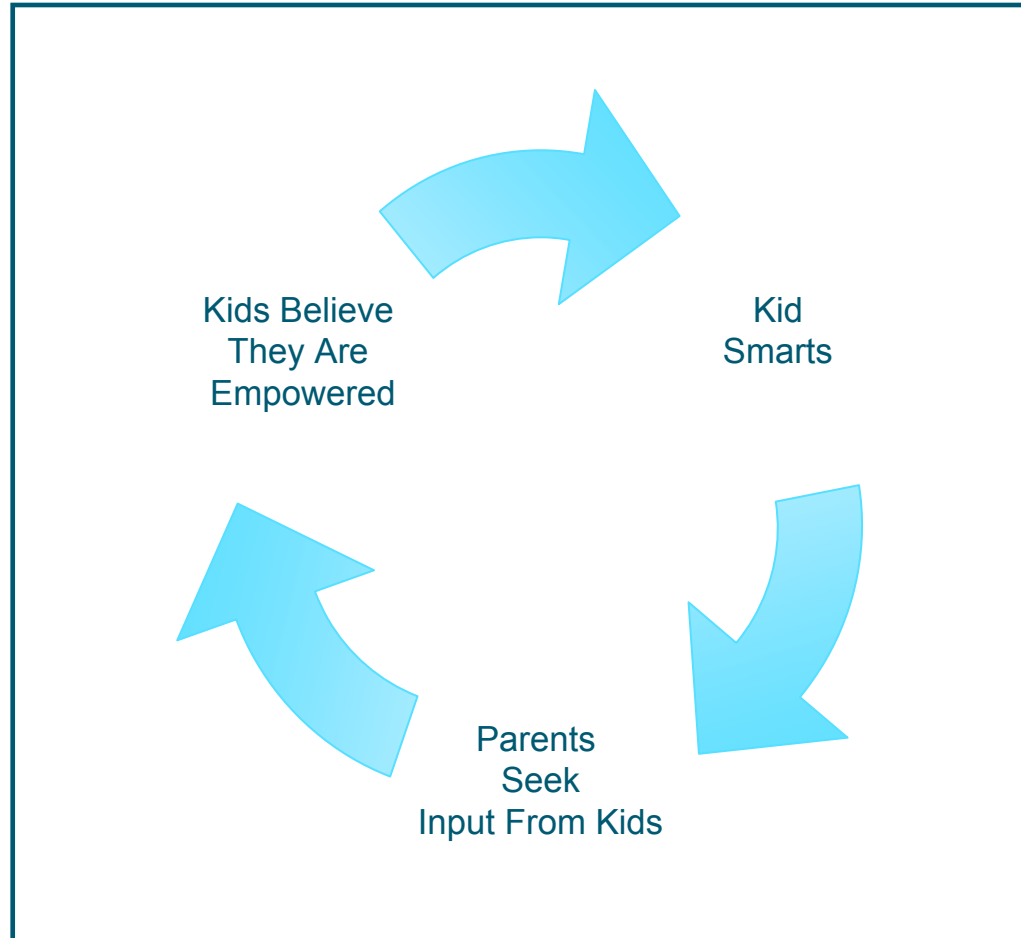
- Parents are inclusive in their decision-making style
- Kids see themselves as empowered
- Parents seek input from kids
- Family decision-making dynamic: a self-sustaining cycle

Parents seek input from kids even for products not primarily used by kids

% Of Parents Saying They “Get Input” From Their Child In Category Shown

| | Total |
|---|-------|
| <i>Family Experience:</i> | |
| Movies at the theater | 80 |
| Good places to vacation | 72 |
| Sit down restaurants | 55 |
| <i>Family/Primarily Family Use products/services:</i> | |
| Brands of packaged snack foods | 56 |
| Brands of breakfast foods | 53 |
| Brands of other kinds of packaged foods | 51 |
| Brands of cell phones | 29 |
| Cars | 25 |
| Cell phone calling plans | 19 |

Family Decision-Making Dynamic



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Conclusions

Fundamentals For Today's Consumers



- Kids are empowered on their own and in the family context
- Kids and parents demand a more rewarding and comprehensive experience to connect with your brand/product/service

For More Information:



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