

# The **MULTICULTURAL**ECONOMY

2015 Mid-year Report  
THE AMERICAN LABOR FORCE EVOLUTION AND  
WHAT IT MEANS TO MARKETERS  
SSG Total Market ROI Watch; Issue 5  
July 2015

*As part of SSG's series, we bring deep analysis & insights on economic & growth indicators pointing at Total Market opportunities where Multicultural, Millennial & Gen Z advantages increasingly impact marketers' overall success.*



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# The New Total Market Economy

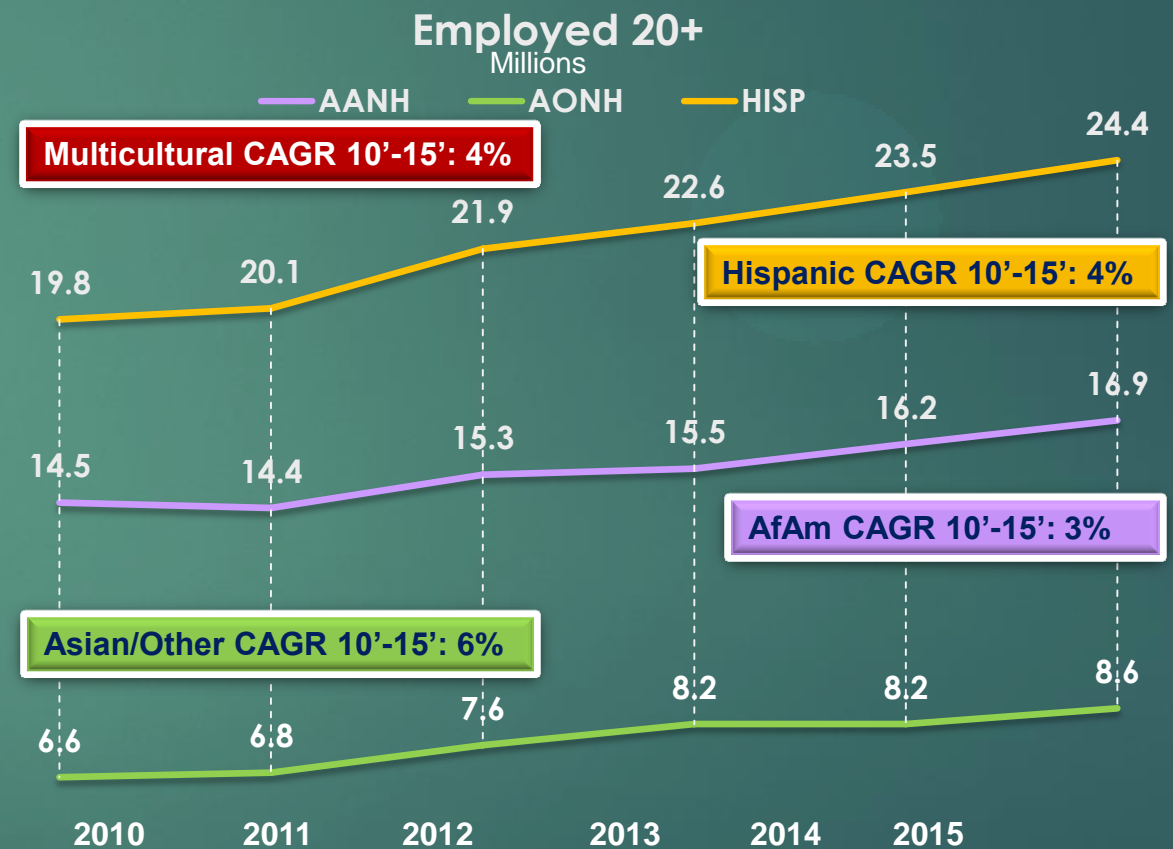
## 2015 Mid-Year Exec Summary

- ▶ 9 in 10 of job entrants in 2015 have been from Multicultural segments (vs. 8% WNH) adding 84% of the US incremental personal income
- ▶ For every 1 WNH job entrant since 2010 there were 11 Multicultural job entrants
  - ▶ 9M Multicultural vs 0.8M WNH
- ▶ The US Civilian Labor Force (CLF) is now 35% Multicultural.
- ▶ The entire CLF expansion since 2010 came from Multicultural segments while WNH continued to exit the CLF.
  - ▶ WNH CLF declined 5% or 4.7M since 2010
- ▶ 60% of all US job growth came from the Top 10 Total Market states; in order of job growth: CA, TX, FL, IL, PA, WA, VA, NC, GA, NY



# Since 2010, Multicultural Employment Expanded by 9.0M While WNH Declined by 0.8M

- Between Jan-June 2010 to Jan-June 2015, the number of Hispanic employed has risen by 4.6M, AA by 2.4M, Asian/Others by 2.0M, while the number of WNH employed has declined by 0.8M



# US Job Growth Relied On Hispanics & Multicultural

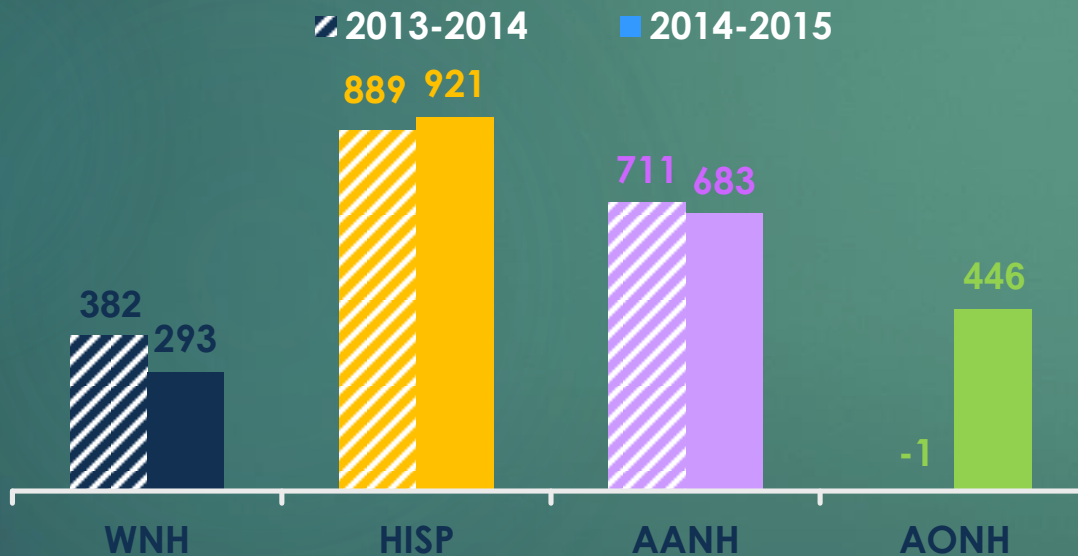
2014-2015

- ▶ The latest Jan-June '14 to Jan-June '15 job figures show Hispanic employment increasing steadily by 921K vs 889K in the first six months of the prior year.
- ▶ Job growth among Asian/Other jumped sharply, AA's growth softened slightly but

WNH job growth declined severely this latest period.

- ▶ Multicultural generated almost 9 in 10 of the new job entrants in the country
  - ▶ Hispanics represented 4 in 10 of the overall US job growth.

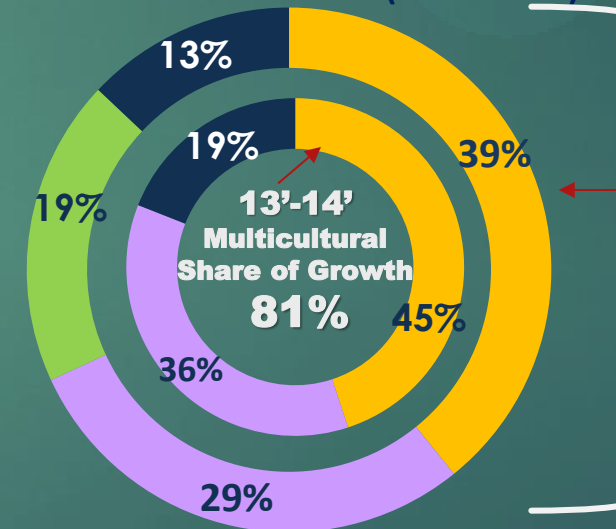
**Growth in Employment (000)**



**Share of Growth 2014-2015**

Share of Growth 2013-2014 (Inner chart)

HISP  
 AANH  
 AONH  
 WNH

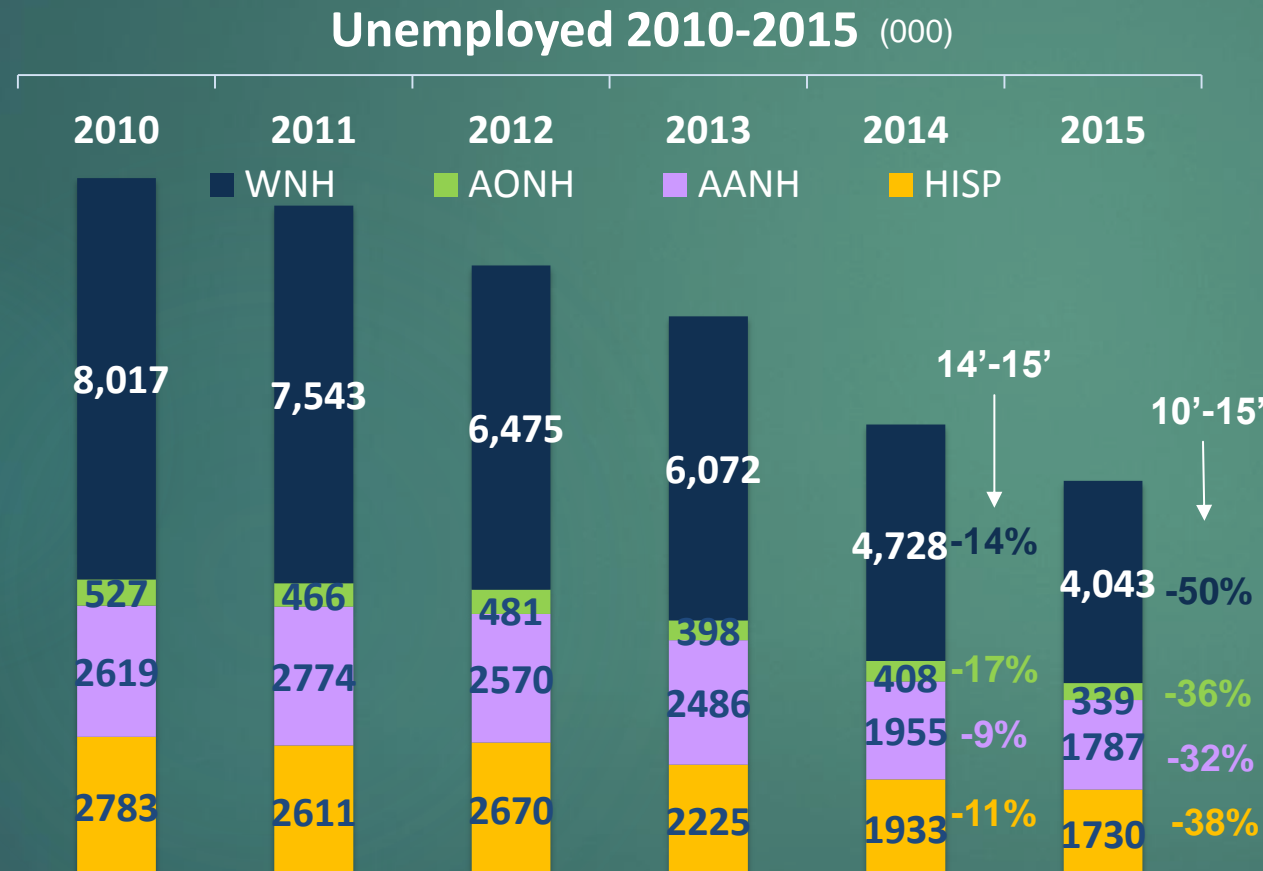


**14'-15'**  
**Multicultural**  
**Share of Growth**  
**87%**



# Unemployment Has Been Cut by a Third Among Multicultural Segments Since 2010

- ▶ Multicultural Unemployment experienced a 10% decrease between the first half of 2014 and the first half of 2015



- ▶ From 2010 to 2015, Multicultural Unemployment decreased by 35% While White Non-Hispanic Unemployment decreased by 50%

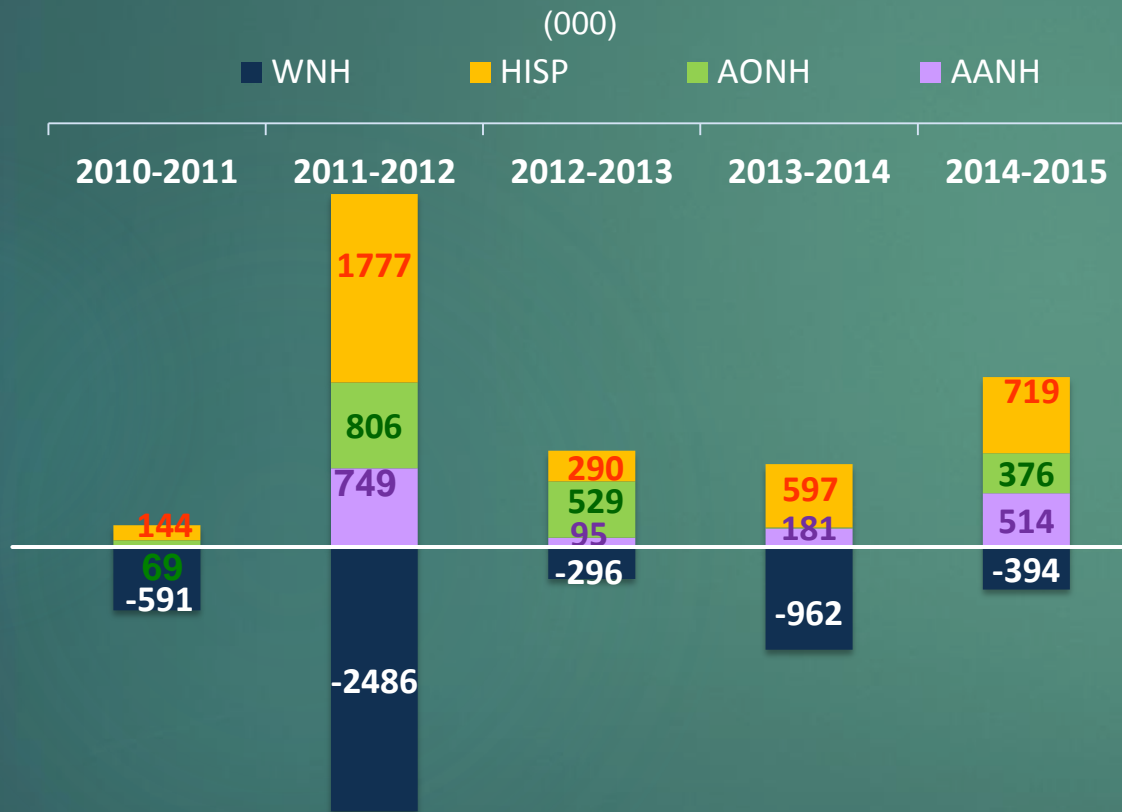
- ▶ Hispanic Unemployment decreased 38% from 2,783K to 1,730K
- ▶ AA Unemployment decreased by 32% from 2,619K to 1,787K
- ▶ AONH Unemployment decreased by 36% from 527K to 339K



# Multicultural Labor Force Is Driving the Growth of Civilian Labor Force While WNH Continues to Exit

- ▶ the Multicultural Growth in the Civilian Labor Force (Employed + Unemployed) increased 107%, from 2013-2014 to 2014-2015

## Growth of Civilian Labor Force 2010-2015



Although the WNH decrease in the Civilian Labor Force softened from -962K to -394K, Hispanic Share increased by 20%

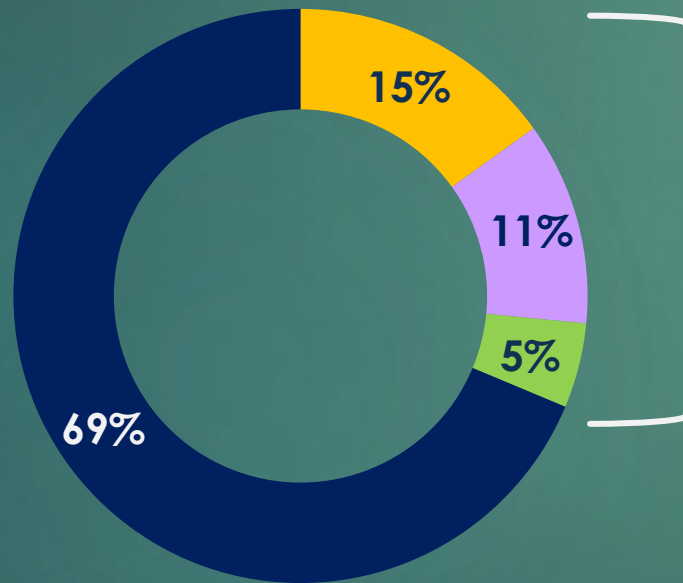
- ▶ Asian/Others growth increased from 0K to 376K
- ▶ African American growth accelerated by 184%



# 35% of the U.S. Labor Force is now Multicultural

- ▶ The Multicultural share of the US Labor Force continued to grow by 4 points from Jan-June 2010 to Jan-June 2015.

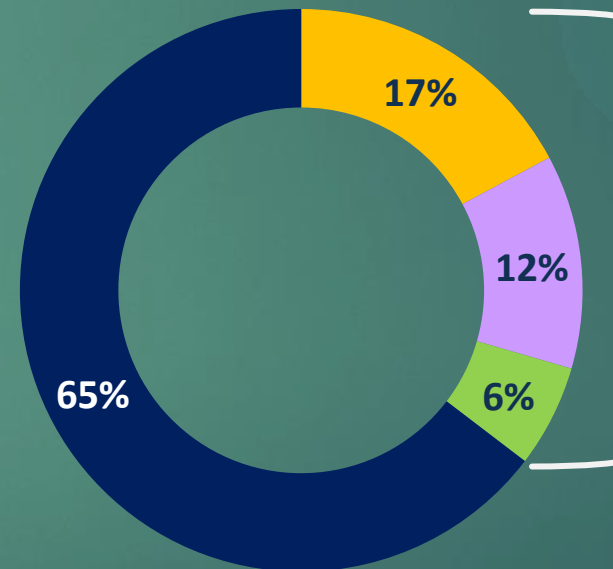
2010 Share of Civilian Labor Force



**2010  
Multicultural  
Share of  
Labor Force  
31%**

■ HISP  
■ AANH  
■ AONH  
■ WNH

2015 Share of Civilian Labor Force

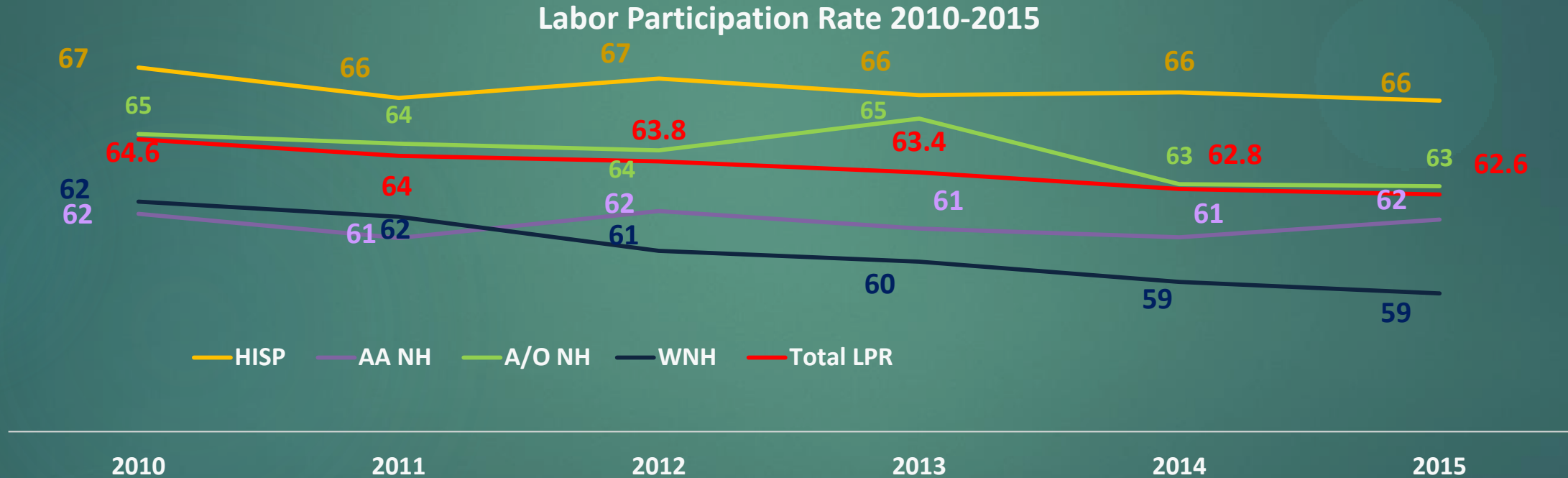


**2015  
Multicultural  
Share of  
Labor Force  
35%**



# Hispanic Labor Participation Rate Lead Over WNH Has Widened –Now 12% higher vs 8% higher in 2010

- ▶ Total Labor Force Participation Rate in the U.S. is stabilizing at 63% in 2015 thanks to Multicultural groups, led by Hispanic LFP Rate at 66% in 2015 and an improvement in AA LFP
- ▶ WNH Labor Participation Rate has declined by 5% since 2010

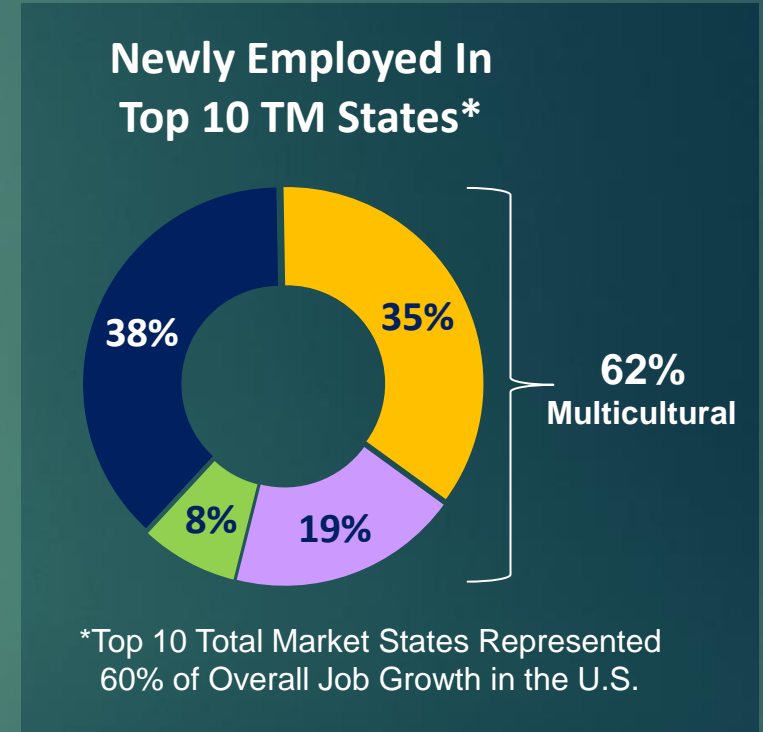
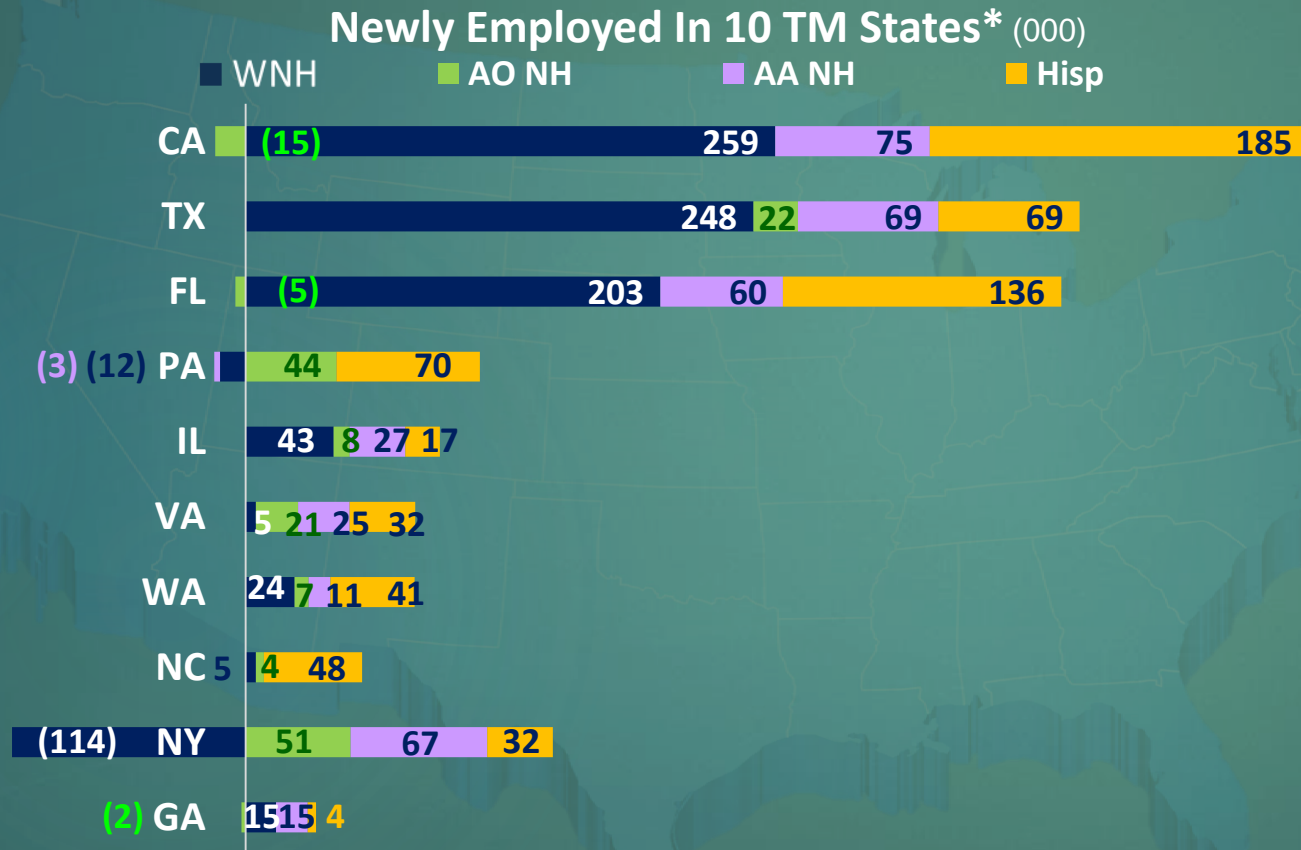




# 62% of Newly Employed In Top 10 Total Market States Between 1<sup>st</sup> Half 2015 v 2014 are Multicultural

2014-2015

- ▶ California lead in the number of Newly Employed with 504K newly employed; 37% are Hispanics

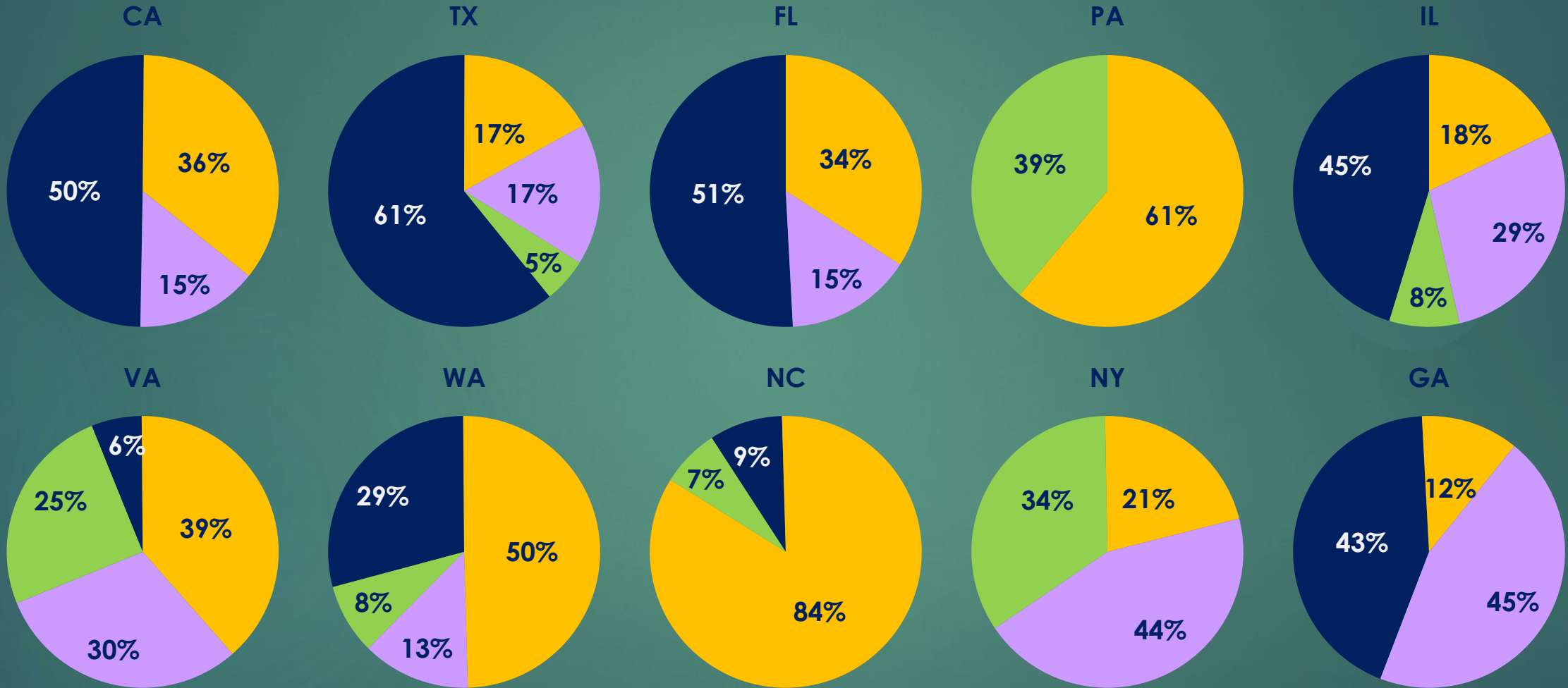


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# Share of Growth in 10 TM States

2014-2015

■ WNH ■ Hisp ■ AANH ■ AONH



# Why Should Marketers Care?

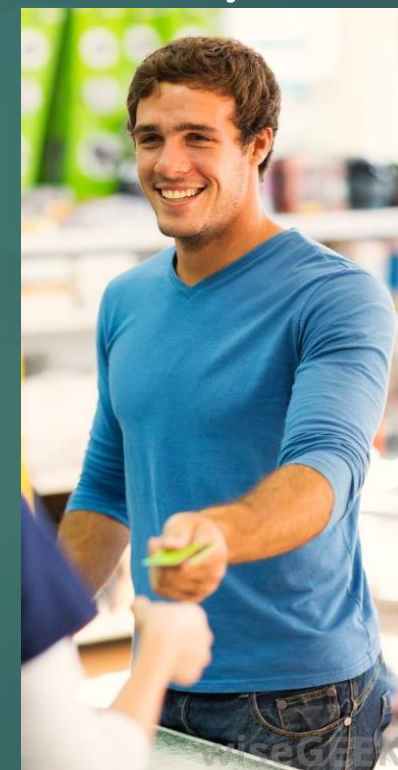
2014-2015

- ▶ **84%** of U.S. **Incremental** Personal Income from New Job Holders So Far in 2015 was Generated from Multicultural Wallets
  - ▶ \$37Bn of \$90Bn Multicultural incremental income generated by Hispanic new job holders

## 84% Multicultural



- ▶ White Non-Hispanic new job holders generated 16% U.S. Incremental Personal Income
- ▶ Hispanic new job holders generated 35% of U.S. incremental income from Jan-June 2014 to Jan-June 2015



# About SSG

SSG is a strategy, analytics and research consulting firm; experts in guiding clients' growth strategies by leveraging Big Data, advanced consumer research, predictive modeling, and innovative segmentations.

We uncover actionable consumer segment insights that enhance clients' marketing effectiveness and optimize sustainable total market growth.

We arm clients with intelligence and roadmaps, including 'size of the prize', drivers to purchase, and customer journeys across marketing "Ps," aligned with ROI targets for Millennial, Multicultural, Hispanic and Total Market.

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