

[MULTICULTURAL]



Canadian Immigrant and RTVi; just two of the hundreds of ethnic media sources in Canada

Missing the Boat

Some national advertisers are ignoring ethnic media and missing out on high-potential immigrant markets because they won't spend \$19 BY CHRIS POWELL

Census data and research studies confirm it: A "new Canada" is emerging. We no longer embody the global stereotype of a nation of hockey loving, poutine-eating, lumberjacket-wearing hosers. We're younger. Better educated. And we like basketball.

The reason for Canada's changing makeup, say researchers, is a steady influx of immigrants—about one million every four years. According to the 2006 Census, two-thirds of Canada's population growth from 2001 to 2006 was attributable to "higher levels of immigration." By comparison, U.S. population growth in the same time frame was primarily due to "natural increase."

And while new Canadians turn to mainstream media because it offers what Toronto research firm Solutions Research Group (SRG) calls a "window to a new world," they also rely heavily on ethnic media to meet their desire for information and entertainment in their native language.

The Ottawa-based Media Awareness Network counts 14 full-service ethnic radio stations, plus another 60 mainstream stations that include ethnic programming in their schedules; 250 newspapers representing 40 cultures, including seven non-English dailies, and a "flourishing" ethnic TV market that includes more than 50 conventional and specialty services.

That fails to take into account interactive ventures such as Toronto-based Jump TV, which aggregates 302 TV channels from 75 countries and makes them available over the Internet, IP-equipped TVs and browser-enabled cellphones. The company had 34,148 subscribers as of June 30.

"Without a doubt, ethnic media will play a more important role going forward given the immigration

trends," says SRG founder and president Kaan Yigit. "For New Canadians, ethnic media acts as a bridge—a blend of familiar and the new. But ethnic media is no longer just radio and TV, Internet is playing an increasingly significant role."

SRG's "Diversity in Canada" study—based on interviews with 3,000 people 15+ from six distinct population groups (Chinese, South Asian, West Asian, Hispanic, Italian and Black Canadians) in Toronto, Montreal and Vancouver—calls the Internet a "lifeline" for new Canadians that is increasing in relevance. For example, while 81% of the general

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population in Toronto/Montreal/Vancouver owns a home computer according to SRG research, 94% of the Chinese population and 82% of the South Asian population in those markets are connected.

And while Internet ventures like Jump TV try to develop a viable advertising model (advertising/syndicated-related revenue accounted for just \$120,000 of its US\$1 million in second quarter revenues), established ethnic media like TV and print are actively soliciting ad dollars from national advertisers.

"[New Canadians] represent an audience that advertisers should really want to communicate with," says David Frattini, director of business development, business ventures for Star Media Group, a division of Torstar Corp. "They're educated, they have great income potential, they're younger than Canadian-born citizens and they have larger families. As a demographic, these people are a lucrative audience."

Among Star Media Group's properties are the

Chinese-language daily *Sing Tao* and *Desi Life*, a new glossy bi-monthly catering to Toronto's South Asian community. Last December, Torstar purchased *Canadian Immigrant*, a three-year-old Vancouver publication billed as a "how-to" manual for new immigrants.

Star Media Group launched a 50,000-circulation Toronto edition of the monthly publication this summer—the Vancouver edition has a circulation of 30,000—and is looking to launch an Alberta edition early next year. There are also what Frattini calls "ambitious plans" for the *Canadian Immigrant*

website (thecanadianimmigrant.com), which he calls a "critical" component.

New Canadians represent an emerging opportunity for advertisers, says Frattini. "These are consumers that have a clean slate in front of them," he observes. "Lots of their purchase decisions are going to be first-time purchase decisions: what bank do I use, what cellphone service provider do I use, who's the local retailer that I establish an affinity for?" Education has also emerged as the leading category for *Canadian Immigrant*, since many new arrivals to the country are keen to upgrade their language and job skills.

Yet according to the "Diversity in Canada" study, 52% of people agreed with the statement: "I rarely see advertising messages intended for me."

And while national advertisers frequently crow about their so-called "multicultural" marketing strategies, one sales executive for an ethnic broadcaster complains that "multicultural" is too often



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a euphemism for Asian-oriented advertising. This despite the fact ethnic groups such as Germans (2.7 million people according to the 2001 Census), Italians (1.3 million) and Ukrainians (1 million) all comprise a significant amount of the population.

One broadcast group catering to these and other ethnicities is Ethnic Channels Group, a three-year-old Toronto company that operates 12 multicultural TV channels and has been granted Category 2 licences for 41 other services (meaning that cable and satellite companies can carry them at their discretion). The 12 existing channels are carried by five cable companies, among them Rogers Cable and Bell ExpressVu.

Apart from CRTC-mandated Canadian content, Ethnic Channels Group's services offer programming from international channels that director of national sales Gil Koren describes as "the equivalent of the CTVs and CBCs" in those countries. Among its services are Russia's RTVi, the Arabic channel Abu Dhabi TV and the Greek channel Mega Cosmos. "For the immigrants coming here, these are very well known, well-branded popular channels," says Koren.

According to Ethnic Channels Group's internal research, 48% of its subscribers watch no English-language TV, while 61% rate commercials as a "good to excellent" source of information on products and

Multicultural media: by the numbers

74%

Chinese Canadians age 30-49 who consume TV, radio and newspapers produced in their native language

39%

Chinese Canadians born in Canada who consume TV, radio and newspapers produced in their native language

67%

South Asian Canadians age 15-29 who consume TV, radio and newspapers produced in their native language

35%

South Asian Canadians born in Canada who consume TV, radio and newspapers produced in their native language

SOURCE: SOLUTIONS RESEARCH GROUP'S DIVERSITY STUDY



services. Subscribers also watch an average of 27.6 hours of TV per week, while nine out of 10 watch their channels at least once a day. Koren attributes the latter to the cost of the channels, \$14.99 per channel, per month—considerably higher than à la carte pricing for other digital specialty services. "Because people are paying this kind of money for the channels, they're watching them," he says.

But despite making inroads with local advertisers, Ethnic Channels Group is still trying to win over national advertisers, despite what he says is an average price of \$19 for a 30-second spot.

"Nineteen bucks for a 30-second spot? C'mon, do a test. I don't understand what you're holding out for," Koren implores. "You spend hundreds of thousands of dollars on mainstream media, I'm not even talking about 1% of that. Give us a 100th of 1% and just see what kind of response you're getting. That's not happening, and it's pretty frustrating."

SRG's Yigit says new Canadians have "limited knowledge" of Canadian brands for the first five to seven years after they arrive, meaning that international brands with a global marketing footprint have a considerable advantage. He says marketers need to think of new Canadians in the same way they think of young Canadians: "They don't yet have set brand preferences in many categories. And reaching out to them early is a long-term play." **M**