

Why Ethnic Advertising Must Be Part of Your Next Ad Campaign

What you need to know about the 20% of Canada that is foreign born

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Introduction

Canada's ethnic population represents over 20% of the market. It can't be ignored by any company interested in growing its business in this country. That's especially true for 2016 which, by all accounts, looks to be a year of belt-tightening in marketing departments. CMOs will be putting the pressure on to achieve more with less resources. We think that tapping into the 20% of Canada that is multicultural is one, smart way for marketers to achieve those results.

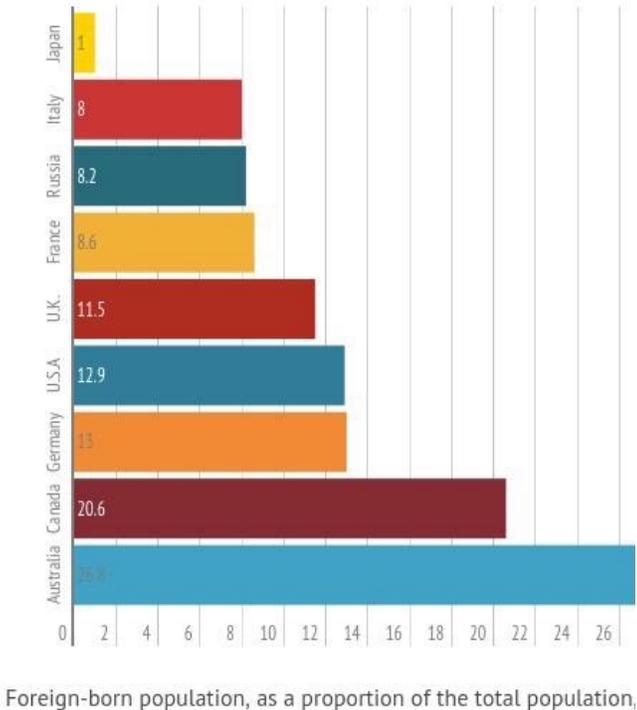
If your company is one of the many that are now getting into multicultural marketing you need some fast facts about the basics. We've prepared this short cheat-sheet for you to help.

How many ethnic Canadians are out there?

Statistics Canada estimates that there are now 6.8 million ethnic consumers in living in Canada. Of the 6.8 million about 6.3 million are what Statistics Canada calls “visible minorities”. Visible minority basically means “not Caucasian” and is a term that Canada has been officially criticised for using by the United Nations. But that’s another story.

Over the past 10 years 2.6 million people immigrated to Canada. To put that into perspective, that’s about the same number of people that live in Vancouver, Halifax and Regina COMBINED. It’s explosive growth anyway you look at it.

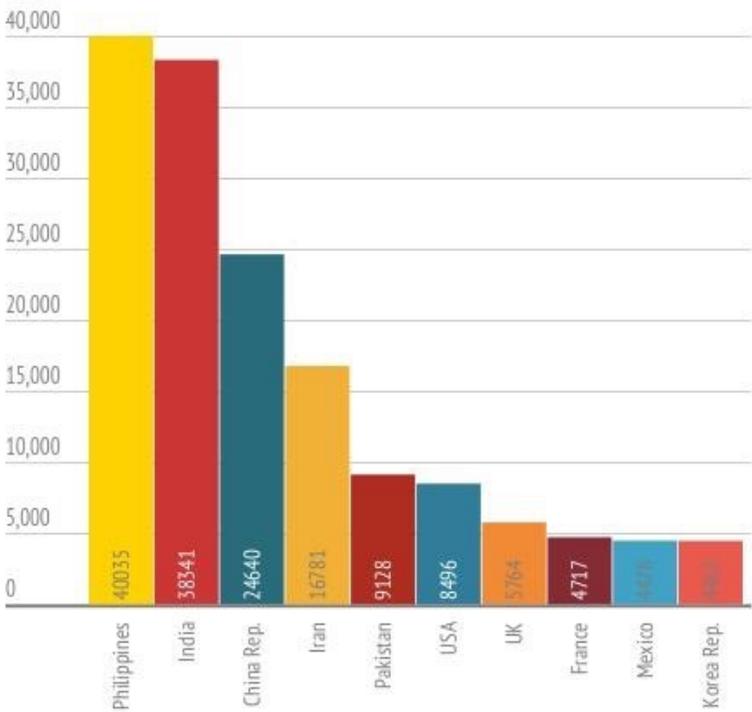
The ethnic segment is growing like significantly. Canada welcomes +/- 250,000 new immigrants each year. That’s about the same number of people who live in Windsor, Ontario. Every year. Among the G7 countries, Canada has the highest proportion of foreign-born population (20.6%). Of the other major, industrialised countries only Australia has a higher percentage.



Where do they all come from?

Over the past 10 years China, India and the Philippines have been the top three immigrant country sources to Canada. Last year (2014) these three countries alone accounted for 50% of the annual intake. The next seven countries accounted for just 10% of the total intake of immigrants into Canada.

But that's only the tip of the iceberg. Canada is home to over 200 ethnic groups, 13 of which have populations over 1 million people. In one of our next blog posts we'll be focussing on how to use digital media to efficiently reach some of these smaller groups profitably.



In 2014 260,404 people immigrated to Canada. Here's the top 10 source countries where they come from (totalling 60% of intake)

If you're a marketer just getting started with multicultural marketing then obviously we would suggest you focus on the "Big 3" segments first. They're low hanging fruit with scale.

Ethnic consumers spend a lot when they get here

For one reason, they have to. Immigrants to Canada don't usually arrive here with local mobile phones, automobiles, snow boots and so on. They purchase these things once they get here.

Canada's 6.8 million ethnic consumers are worth somewhere in the neighbourhood of \$300 to \$350 billion as a market. That's almost much as the GDP of all of Quebec.

Canada's South Asian community alone is estimated to have spending power of \$46 billion. That's equivalent to the GDP of Nova Scotia plus \$7 billion extra to buy every Nova Scotian alive 4,000 bottles of Keith's IPA beer.



Cheers to Canada's South Asian Community!

Where do ethnic Canadians live in Canada?

No need to spend too much time on this point, as it's pretty clear. They live in our major cities. A total of 75% live in Toronto, Vancouver, Calgary & Montreal. Toronto by far though is home to the largest number of ethnic Canadians with over 2.5 million (41% of the total who live there).

Which city should you chose to focus on first if you are doing a pilot on ethnic marketing? Check the details first. “Ethnic” is a big word that hides a lot of demographic detail that matters when you’re planning. Toronto has a higher proportion of South Asians. Vancouver has a higher proportion of Chinese. Montreal has larger Black and Latino communities.

Where Canada's Ethnic Minorities Live

	Total Pop.	Ethnic Pop.	%
Canada	32,852,325	6,264,755	19.1
Toronto	5,521,235	2,596,420	47.0
Montreal	3,752,475	762,325	20.3
Vancouver	2,280,695	1,030,335	45.2
Ottawa	1,215,735	234,015	19.2
Calgary	1,199,125	337,420	28.1
Edmonton	1,139,585	254,990	22.4
Winnipeg	714,635	140,770	19.7
Hamilton	708,175	101,600	14.3

Statistics Canada, National Household Survey, 2011

What’s the rationale for Marketing to them separately?

It’s not really much different than the rationale for having a separate marketing plan for Quebec. Quebec is a relatively large consumer market, with its own customs, language and insights. The rationale for having a separate multicultural marketing plan is the same.

Granted, if you decide to focus on more than one ethnic group you’ll be dealing with an extra language or two. The bottom line is the same though and the opportunities to build volume are huge. Ethnic is the new Quebec in size and scope here in Canada.

Check out our blog post “The case for ethnic marketing is now a no brainer” for a more detailed look at the rationale.

<http://www.maplediversity.ca/blog/ethnic-advertising-is-now-a-no-brainer>

Want to learn more?

Immigration and Ethnocultural Diversity in Canada <http://www12.statcan.gc.ca/nhs-enm/2011/as-sa/99-010-x/99-010-x2011001-eng.cfm>