

MARKETING TO DIVERSE CUSTOMERS

By Michael “Soon” Lee, MBA

Multicultural customers in the United States buy nearly \$2 trillion in goods and services every year. However, marketing is only half the story if you want to get your share of the fastest-growing consumer market in the country.

Once minorities enter your store or office you must sell them on your products or services in a whole different way. Otherwise they won't buy and they will tell friends and relatives not to patronize your business as well.

Today, one million new immigrants enter the United States annually and one-third of all Americans are minorities. People from diverse cultures present a tremendous opportunity for companies to sell more products and services... if they are willing to adjust their practices to meet the unique needs of the fastest-growing consumer group in the country. The buying power of Hispanics, African Americans, Asians and Middle Easterners is growing rapidly.

Many Americans wrongly believe that multicultural people only want to do business with people from their own culture. In most cases, nothing could be further from the truth as long as they are treated with respect and patience. In some cases, minorities deliberately seek out businesses and salespeople who are from outside their culture. For example, in real estate some Asian and Hispanic clients look for agents who are not from their culture because they are afraid that if they share personal financial information with one of their brethren that private information might become public knowledge within their community.

Developing a diverse customer base takes more than simply printing brochures in different languages or hiring bilingual clerks. It requires a long-term commitment and a willingness to adjust business practices to meet the special circumstances of minorities in America. U.S. businesses can bridge this gap and increase sales to the multicultural market by educating themselves on the differences.

One of the biggest challenges when trying to attract this group is that they don't buy products and services in the same way as Anglo Americans and they may prefer goods that are customized for them. For instance, homebuilders may need to change the models they offer, amenities and even orientation of the property on the site.

Just a few of the other diversity differences that affect retailers and service providers include: building rapport, negotiations and contracts. For instance, it's a little-known fact that not all people throughout the world are comfortable being greeted in the same way. As Americans, we assume that everyone wants to be met with a firm handshake which is not necessarily true. In fact, the most common greeting in the world is the bow, not the handshake which can actually be offensive to many people.

The first step in building rapport with any person, regardless of culture, is never to assume how they want to be greeted. In other words, let them determine the most comfortable greeting by hesitating before extending your hand and see what they do first. Most men in the United States, regardless of culture, will offer a handshake and may even nod as they do so. Simply do likewise.

However, it is crucial after shaking a male's hand to be sure and drop your hand to your side before turning to a woman companion. Many traditional Middle Eastern, Japanese and other women are uncomfortable or even forbidden to touch another person who is not their husband.

Recognize that some cultures are used to hugging and even kissing people on the cheek. If this happens to you please take it as a sign that they are comfortable with you and do likewise. American men are not used to having strangers, especially other men, kiss them on the cheek. Guys, be forewarned, if you turn away as someone is about to kiss your cheeks you will get the next one squarely on the lips!

Immigrant men from the Middle East often shake hands with a slight nod or bow and then exchange kisses on both cheeks. Traditional Muslim men may shake hands and then touch the right palm of their hand to their heart as a sign of friendship. Men from this country generally do not shake hands with women. They often do not introduce women who accompany them nor is it expected that you shake hands with her.

The global rule of greeting is: never assume anything! Greet the customer verbally and then hesitate for a moment giving him or her the opportunity to offer the kind of greeting that is most comfortable for them. Then, of course, simply return the gesture.

There are other cultural differences of which store owners and service providers should be aware. Personal space varies among cultures. In the United States we are used to shaking hands and then standing about two-and-a-half feet apart. This is not always comfortable for some people from more formal countries like Japan where they bow or shake hands and then take a step back. When this happens to an American we feel difficulty in communicating across a distance that seems like the Grand Canyon so we step forward. If you've ever had your personal space violated you know how uncomfortable this can be so a Japanese person will naturally step back to reestablish a more comfortable distance for them. You can easily see how this could result in you "chasing" the member all over the store or office!

There are other cultures that prefer a closer distance than Americans when communicating. Among these are the Middle Easterners and many Hispanics who will often hug you and simply stand at that distance. This is way too close for Americans so we naturally step back to a safer distance. Of course, this is probably too far away for the other party so they naturally step forward violating our own personal space. If this continues they will steadily chase you all over your establishment. Obviously, this makes communications difficult and uneasy. It also does not start your relationship on a very positive note.

Another difference Americans should be aware of is the amount of eye contact to expect from people from diverse cultures. In the United States we equate strong, direct eye contact with honesty and respect. On the other hand, many Asians and Native Americans avoid direct eye contact as a sign of respect for you. They feel that looking someone in the eye is intrusive and rude so they look down to honor you. Unfortunately, this is extremely uncomfortable for people from this country so we do everything possible to catch their eye.

The solution to lack of eye contact is simple – look down. You can also use this as an opportunity to show them brochures, pictures, price charts or other material since they are looking down at your desk already.

As usual, not all cultures behave the same way and there is a tendency for Middle Eastern people and some Hispanics to give very direct and strong eye contact. In fact, there is a saying in the Middle East that the “eyes are the windows to the soul”. People from these groups may make Americans somewhat uncomfortable with their intensity. Just get used to it is the best advice you can get.

Many new immigrants come from countries where negotiating is a way of life. Unfortunately, here in America we have gotten into the habit of paying full price for nearly everything except cars and houses. This puts us at an extreme disadvantage when dealing with people who are used to haggling over everything from clothes to food. If you have many customers who hail from negotiating countries it would obviously be a good idea to enroll in a negotiating class as soon as possible!

Contracts are also not the same around the world. In the United States we put everything we agree upon in very detailed writings. When we sign a contract here that puts an end to all further negotiations. In many other countries signing a contract begins the bargaining process so, again, a negotiating class would probably be a good investment.

Minorities in America are growing at an astounding rate. According to the U.S. Census Bureau, the Hispanic population in America swelled 58% from 1990 to 2000, during the same period Asians increased in numbers by 48% and the African American population jumped by 16%. It is estimated that from 2000 to 2010 these groups will expand their numbers by 31%, 13%, and 20%, respectively.

These consumers can be an increased source of income for companies who are willing to adjust, just a little, to make people from diverse cultures more comfortable in doing business with them.

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