

A Research Summary

# Inside our Multicultural Mosaic



A closer look at our diverse population



We'll help you get there.®



## **The multicultural American marketplace**

The United States is an intricate mosaic of ethnicities and cultures, creating one vibrant, multi-faceted population. This document is an opportunity to look closer at the individual pieces of the mosaic – the attitudes and habits of diverse population groups. Consider that one-third of the population self-identify as a member of a minority group<sup>1</sup>, and the U.S. Census Bureau estimates that by 2042, minorities, in the aggregate, will become the majority<sup>2</sup>. Looking closer into the mosaic is essential to uncovering new opportunities and improving how we serve and communicate with multicultural markets. This document summarizes key findings from our research.

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<sup>1</sup> Minority refers to persons of non-Caucasian ethnicity.

<sup>2</sup> Source: "U.S. Minorities Will Be the Majority by 2042, Census Bureau Says;" America.gov; Aug. 15, 2008 (<http://www.america.gov/st/peopleplace-english/2008/August/20080815140005xlrennef0.1078106.html>)

# Executive summary

Between 2007 and 2009, MassMutual conducted primary research (corroborated with secondary research, consumer and industry) in communities around the United States from the African American, Asian Indians, Chinese American, Hispanic American and Korean American ethnic groups to gather information and insights about each of these communities [see “Research methods” section for more information].

We found that in order to effectively serve diverse communities, one must understand the definition of success for each cultural community in American society. While many define success as the *American Dream*, the path to this goal varies from one cultural group to another. Thematically, they are not dissimilar. However, their life experiences and journey can and does have impact on how they view financial institutions, financial professionals, and financial success.

In the context of financial services, achieving the American Dream is synonymous with financial success and independence. For many persons who were born overseas and immigrated to the U.S., achieving their financial success and a better quality of life are primary reasons they came to America. They were motivated to provide a better life for themselves and their loved ones (than what they had in their home country). Moreover, financial success also means:

- not living paycheck-to-paycheck
- being able to take care of one’s family financially (paying for children’s education, travel, and pursuing other hobbies/interests)
- achieving long-term financial security for oneself and one’s family
- attaining financial goals as seen in the ‘traditional’ American market, such as, having the ability to purchase a home, starting a business or paying for expenses associated with life’s milestones, (weddings, higher education, preparing for retirement, etc.)

The key for cultural communities achieving the American Dream has three dependent variables:

- family
- cultural literacy
- financial literacy

## Family is paramount

Members of ethnic communities strive, first, to protect their families’ financial security, and they regard their families as a valuable resource for information about financial products and services.<sup>3</sup> Family is also dynamic in that it not only includes immediate family members, but it also includes cousins, friends, and others who are close to the family.

## “Fitting in” into the mainstream

Families seek cultural literacy or the opportunity to integrate into American society in a meaningful way. They strive to navigate toward achieving their goals and aspirations by helping their children “fit in” and become a part of American culture while not abandoning their own cultural identity. By understanding their new surroundings and learning how to live in America, immigrant families are clearly geared towards providing for children’s successful futures.

## Financial literacy is critical for future success in multicultural communities

It is critical to help families accomplish their financial goals and objectives through education and awareness of products, services, and the need for planning.

As a part of a diversity and inclusion strategy, MassMutual is serving multicultural markets through a variety of initiatives focused on:

- diversifying its workforce and network of financial professionals
- market development programs
- strategic relationships with national organizations
- retaining the services of specialized vendors and strategic partners for the home office

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<sup>3</sup> Family includes extended family members as well. As a result, financial plans may need to include provisions and protections for those outside of the nuclear family.

# Research methods

With respect to persons who participated in the Asian American focus groups, respondents were screened to conform to characteristics of “1.5 generation” descriptions: the person’s arrival into the U.S. prior to the age of 16 years as well as language fluency in both English and their native language (Chinese, Korean or Hindi). Many of the respondents arrived to the U.S. between the ages of 9 and 16 years old. Most Cantonese respondents came either from mainland China and Hong Kong; whereas, Mandarin respondents were predominantly from mainland China with a small minority from Taiwan. Focus groups were conducted either exclusively in-language (Korean, Chinese or Hindi).

Hispanic American group participants were either bilingual/bicultural or acculturated/English dominant and self-identified as being Hispanic or Latino/a. Participants were between the ages of 35 and 65 years old. Most reported were of Mexican heritage. Focus groups were conducted bilingually with most indicating a preference to speak Spanish.

With respect to African Americans, the markets where focus groups were held were based on achieving a balance of consumers in the Northeast, Midwest, and South regions of the United States. For each market, one group was comprised of “younger” respondents (between 28 and 44 years old), while the other group was made up of “older” respondents (between 45 and 64 years old). Four of the six groups included respondents with children living in the household – one half “younger” children (up to age 12), the other half “older” children (13 years and up). Between January 2008 through January 2009, MassMutual’s marketing research group facilitated 26 consumer focus groups in 7 cities.

Screening criteria for all participants included:

- having a minimum household income of \$75,000 or higher
- married with the presence of children in the household
- owning a home
- having an interest in acquiring life insurance, disability income or long-term care insurance in the next 6 months

