



# **Best Practices for Online Marketing and Retailing to African-American and Hispanic Communities**

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The Swiss Colony

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**December 2009**

## **EXECUTIVE SUMMARY**

The goal of this project was to research best practices for online marketing and retailing to African-American and Hispanic Communities. The report is organized into three sections: an online competitive analysis of Ashro.com (an online business of The Swiss Colony that serves the African American community), marketing research of both communities and their shopping tendencies, and research of best practices for leveraging social media and networking to increase customer acquisition and involvement.

The online competitive analysis utilized a systematic approach, looking at four competitors of Ashro.com. Traffic statistics, home page “real estate” usage, site functionality, and keyword and search performance were all part of the study. By comparing Ashro.com with Chadwicks.com, Metrostyle.com, EspeciallyYours.com, and ExpressUrWay.com, significant areas for improvement were identified. Ashro.com can be improved by making sales promotions more prominent, improving its internal search function, utilizing up-selling and cross-selling at the checkout stage, and through effective Search Engine Optimization.

Through marketing research, it was established that there are significant opportunities in the African-American and Hispanic communities, as both groups are growing rapidly. However, there are some common mistakes that must be avoided when tailoring a campaign at these groups. For example, it is important not to view the Hispanic community as one group, as the group is sub-segmented by country of origin, and each sub-group has its own customs. It is important to differentiate between the groups. For the African-American market, the teen segment is a major player in the retail industry. When creating ad campaigns aimed at these markets, it is important to create culturally relevant messages and link them with the campaigns.

While mining the online world for social media and social networking sites used by African-Americans and Hispanics, it became clear that this area of the internet is very young and undeveloped. The social media world is still dominated by large players such as Facebook, MySpace, Twitter and YouTube. At the same time, though, data showed that people from these ethnic groups are using social media and social networks, and the relative youth of the field means that there is an opportunity for The Swiss Colony to be the first to leverage these channels as outlets for advertising.

Overall, each of the three sections of the report identify areas of opportunity for The Swiss Colony to serve the African-American and Hispanic communities, and overtake its competitors in this space.

## **ACKNOWLEDGEMENTS**

Our group would like to thank the following people for giving us the opportunity to do this project, and helping us along the way.

### **The Swiss Colony:**

- Laura Tegt
- Hans Bernet
- Mark Douma
- And everyone else who participated in our final presentation

### **Networked Insights:**

- Tony Rother
- Dan Neely

### **University of Wisconsin-Madison:**

- Professor Raj Veeramani

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