



# A Forward Focus on Wellness and the Asian Consumer

CONSUMER DEEP DIVE REPORT





## Growing mindfully with the Asian consumer population

The Asian demographic is the fastest growing racial demographic within the United States. 22.4 million of the US population self-identified as Asian in 2019, with this number expecting to grow to over 40 million by 2060. Understanding the values and shopping behaviors within this demographic will be crucial for retailers and brands to continue to grow along side the Asian population.

Source: Pew Research Center 2021

# Asian consumers are more likely to be high-income young urbanites.

A little over half of Asian consumers are either Gen Z or Millennials, with over three-fifths living in urban areas. The age of this demographic along with access to high income offers an opportunity for growth – highlighting the importance of understanding unique consumer behaviors .

## ASIAN CONSUMER HIGH LEVEL PROFILE

% Asian consumers indexed vs all shoppers



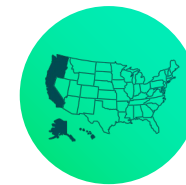
**64%**

Live in urban areas  
Index 188



**55%**

Gen Z and Millennials  
Index 178



**50%**

Live in the Pacific US  
Index 336



**39%**

Have a household  
income of \$125k +  
Index 145



**34%**

Have children  
Index 116



**29%**

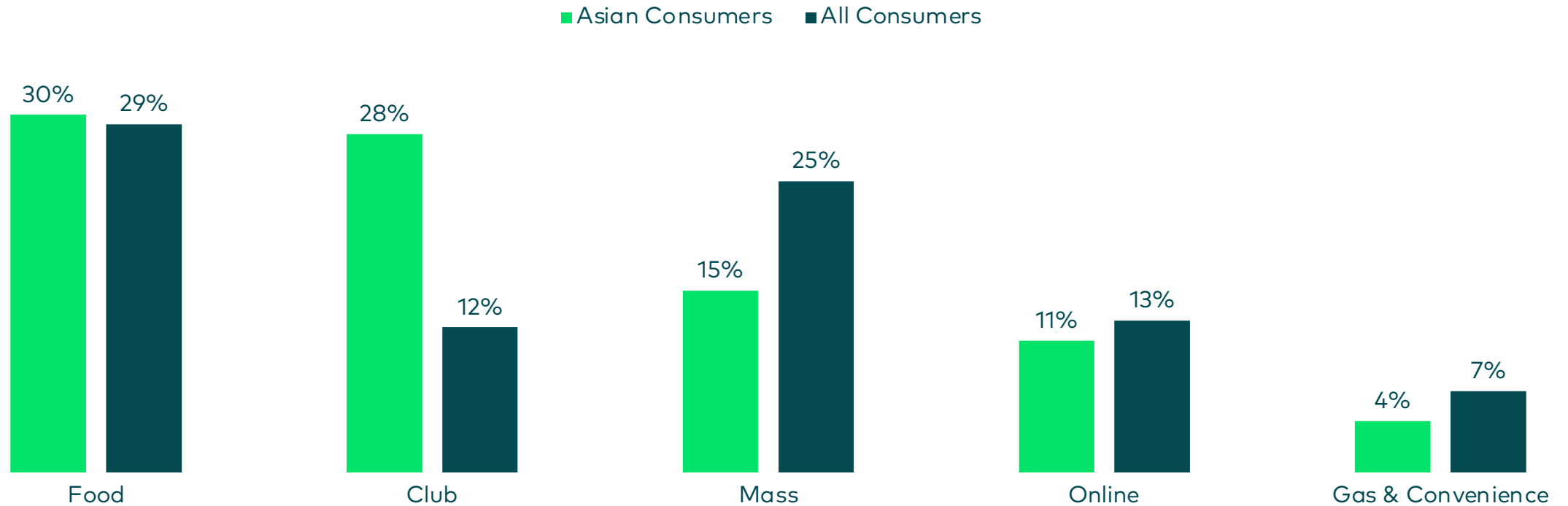
Are better off financially  
this year vs last  
Index 125

# But despite urbanicity, larger-format stores and online are preferred.

Though Asian consumers are more likely to live in urban areas, less spend is dedicated to small-format stores like gas & convenience. Online, food, and club see the most total channel spend, with an especially disproportionate spend at club compared to all consumers.

## CHANNEL BREAKDOWN

% of spend Asian consumer | % of spend all consumers



Source: Numerator TruView Latest 12 Months | Grocery, Health & Beauty, Household, Pet, and Baby sectors

# Brand name is synonymous with quality for many Asian consumers.

Asian consumers are less likely to consider private label due to a negative perception of quality. Popular brand names often indicate higher quality and are preferred, even when private label is on sale.

## PRIVATE LABEL PERCEPTION

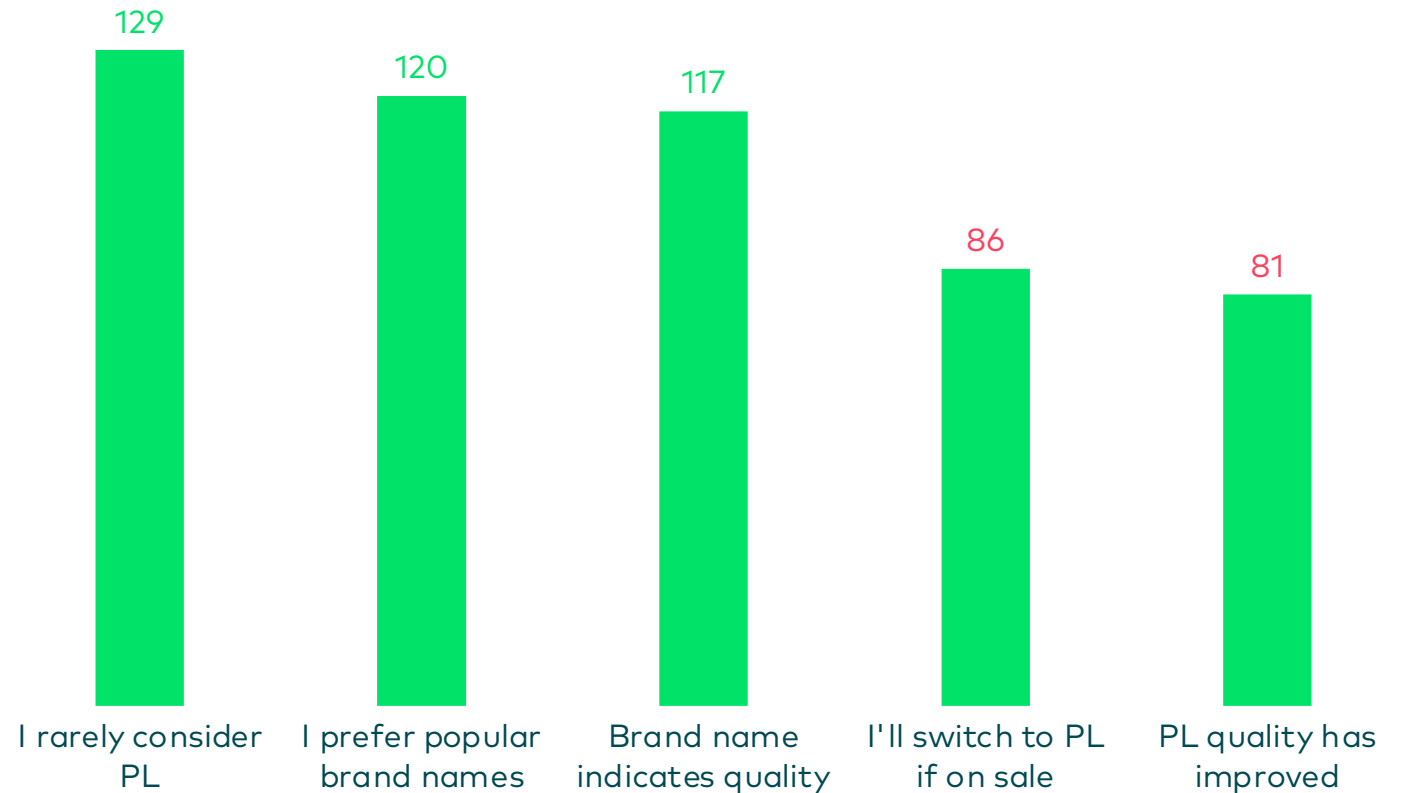
% Asian Consumers indexed vs all consumers

# 58%

More likely to have a negative perception of private label quality

## PRIVATE LABEL SENTIMENT

% Asian Consumers indexed vs all consumers



Source: Numerator Insights Latest 12 M ending (3/31/2023)

# And this focus on quality extends to quality of life through overall wellness.

Health and wellness is a priority for many Asian consumers in day-to-day life. Preferred activities like hiking, listening to educational podcasts, and receiving massages highlight a focus on high quality care of both mind and body.

## TOP ACTIVITIES

% of Asian consumers indexed to all shoppers



**21%**

Receive professional body massages  
(Index 113)



**20%**

Hike as an exercise activity  
(Index 113)



**20%**

Seek out natural / organic foods  
(Index 119)



**11%**

Listen to educational podcasts  
(Index 133)



**10%**

Subscribe to or read health & fitness magazines  
(Index 116)



**8%**

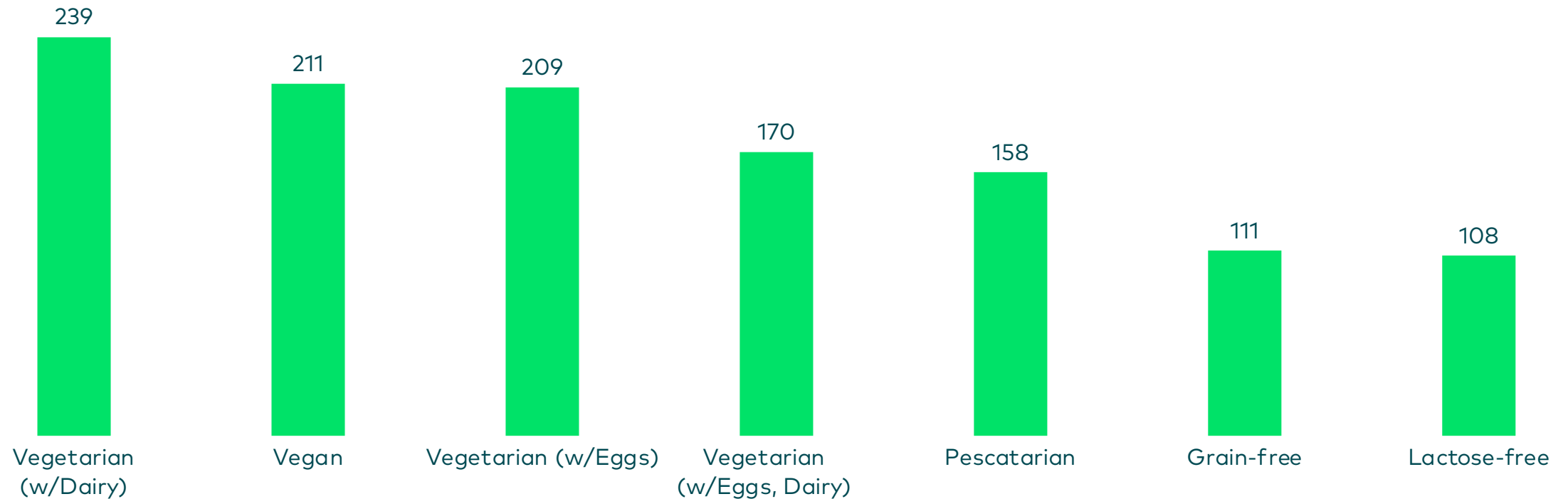
Receive professional skin services from a Spa  
(Index 118)

# A focus on health is apparent in the diets of many Asian consumers.

Asian consumers are two times more likely to be vegetarian (with dairy or with eggs) and vegan compared to all consumers. Other special diets like pescatarian and grain-free aid in living a wellness-focused lifestyle.

## SPECIAL DIETS IN HOUSEHOLD

% Asian consumers indexed vs all shoppers



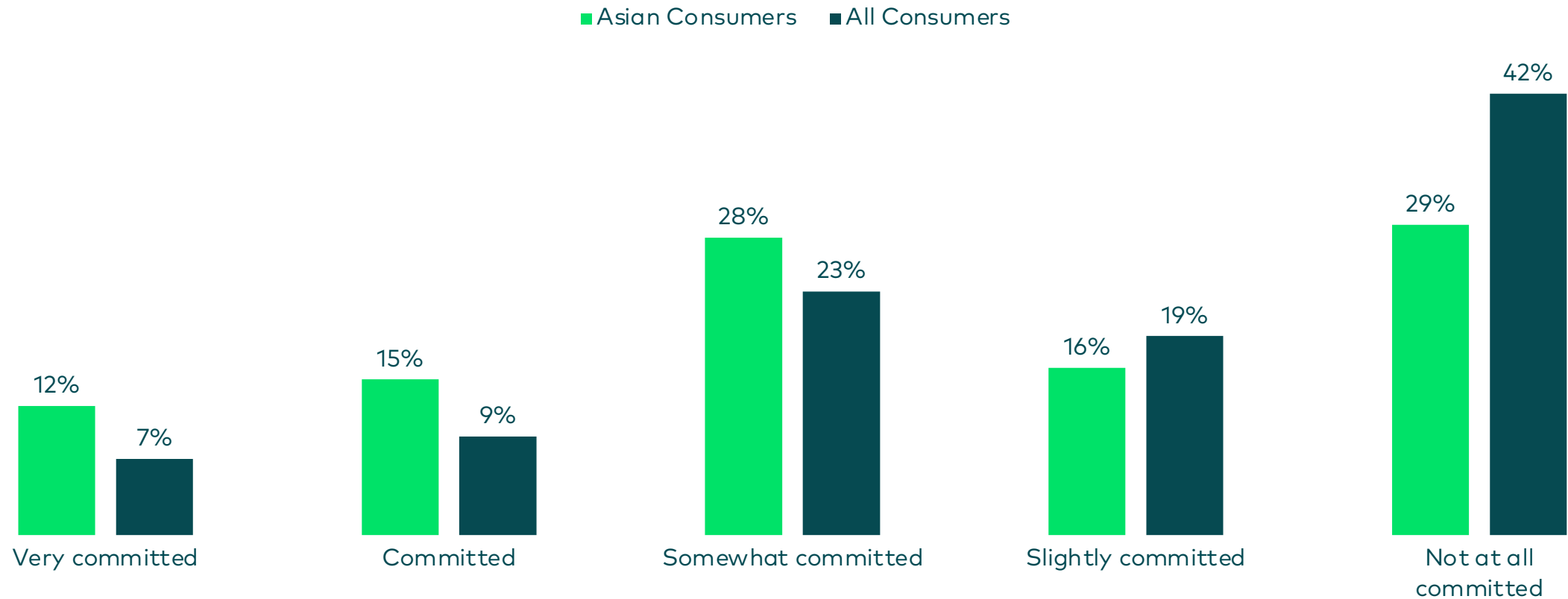
Source: Numerator Insights Latest 12 M ending (3/31/2023)

# Nearly a third of Asian consumers are committed to organic food and drink.

In addition to special diets, many Asian consumers seek out organic options in the grocery aisle. When compared to all consumers, Asian consumers are 63% more likely to be committed or very committed to purchasing organic.

## ORGANIC COMMITMENT

% Asian consumers | % All consumers



Source: Numerator Insights Latest 12 M ending (3/31/2023)

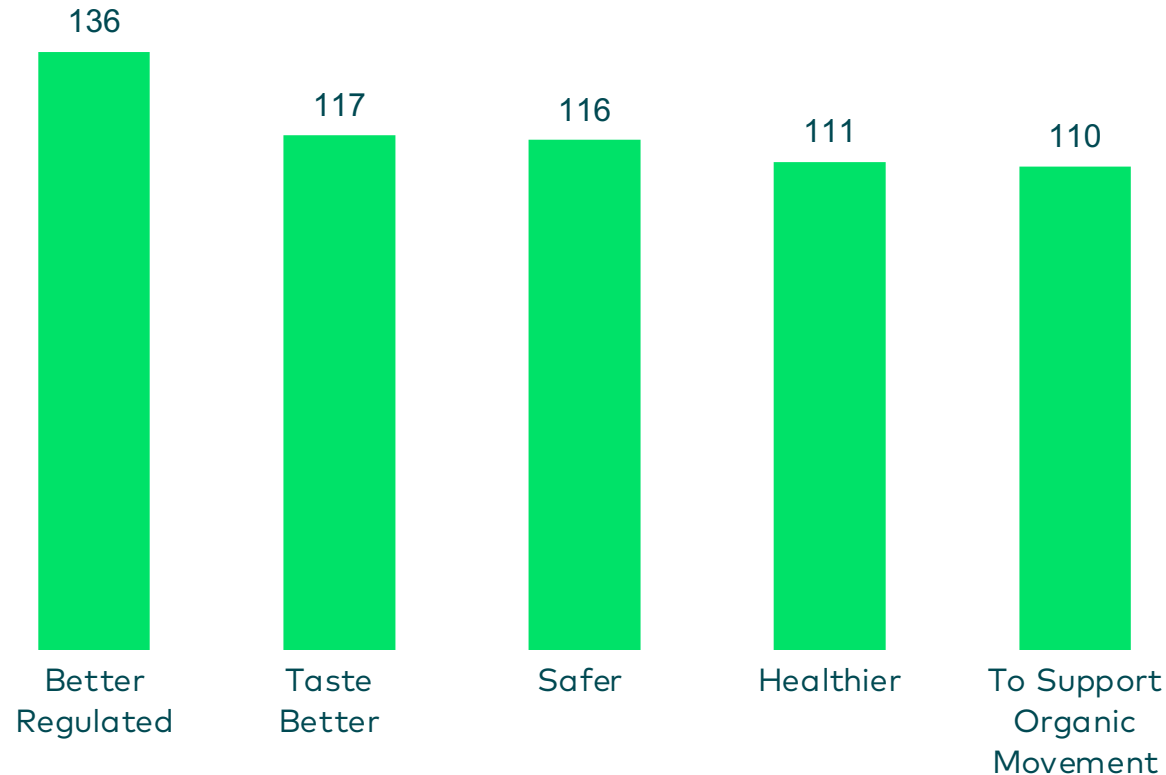


## ...and are willing to pay more for better regulation and taste.

When purchasing organic food and drink, better regulation, better taste and safety are top concerns. When compared to all consumers, Asian consumers are willing to pay more for organic products that align with their needs.

### ORGANIC REASON

Asian consumers indexed vs all consumers



### ORGANIC SPENDING

% Asian consumers vs all consumers

**80%**

More likely to pay any price for organic grocery

**38%**

More likely to pay a slight premium for organic grocery

# A need for organic is reflected by top grocery brands.

Asian consumers are more likely to purchase brands that promote organic and natural ingredients. Top grocery brands include Foster Farms Organic, Harmless Harvest, and Organic Valley.

## TOP GROCERY BRANDS

Asian consumers vs all consumers

**5X**

More likely to purchase **Foster Farms Organic** brand

**3X**

More likely to purchase **Harmless Harvest** and **Made In Nature** brands

**2X**

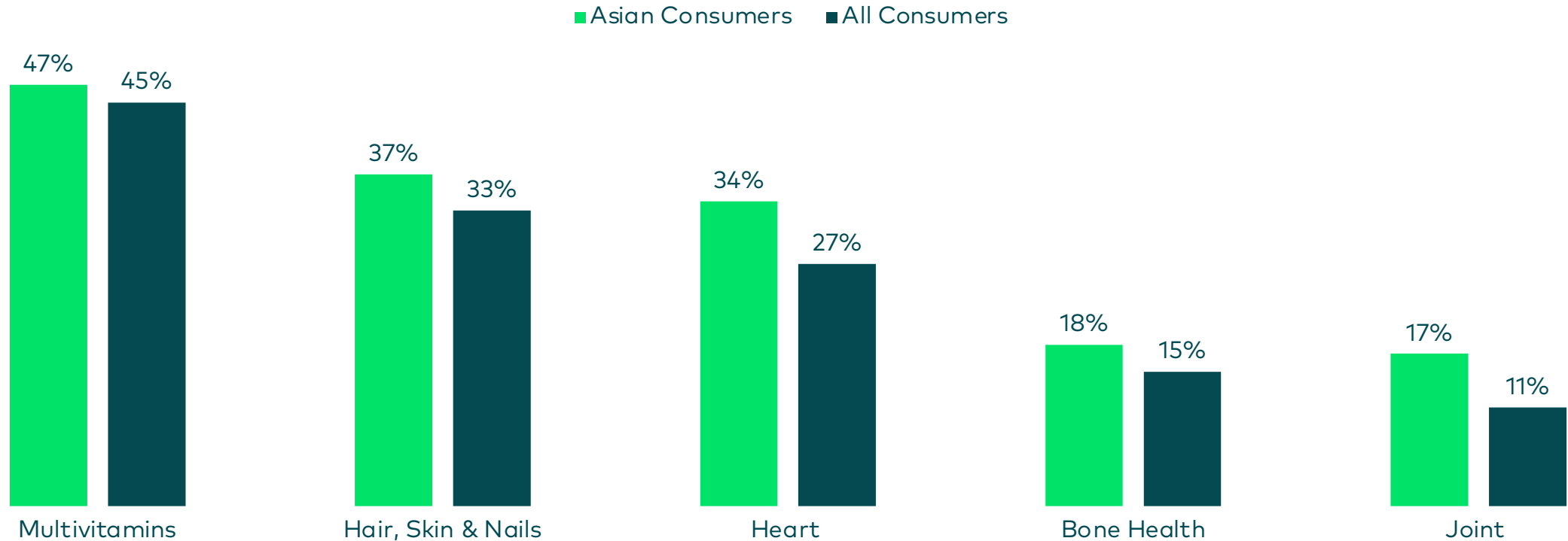
More likely to purchase **Trader Joe's Organic, 365 Organic, Heinz Organic, Earthbound Farm Organic, and Organic Valley** brands.

# Nutritional supplements offer additional contribution to wellness.

In addition to healthy decisions in the grocery aisle, Asian consumers are more likely to purchase certain vitamins and supplements to aid in overall health. Multivitamins and Hair, Skin & Nails are top preferences when choosing supplements.

## VITAMIN AND SUPPLEMENT PURCHASE

Asian consumers and all consumers % of shopper group



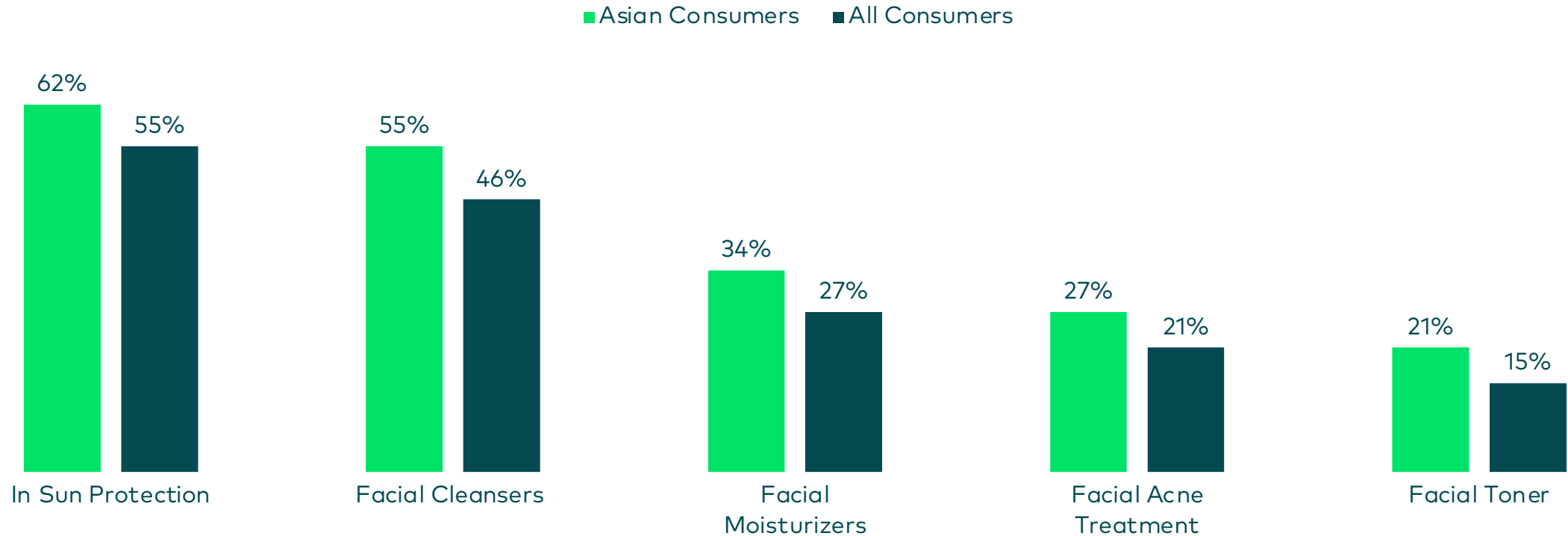
Source: Numerator Insights Latest 12 M ending (3/31/2023)

# Facial care is an extension of holistic wellness for many Asian consumers.

Compared to all consumers, Asian consumers are more likely to purchase various facial care products. With over three-fifths purchasing sun protection and over half purchasing facial cleansers, healthy skin contributes to overall health and wellness for many within this demographic.

## FACIAL CARE PURCHASES

Asian consumers and all consumers % of shopper group



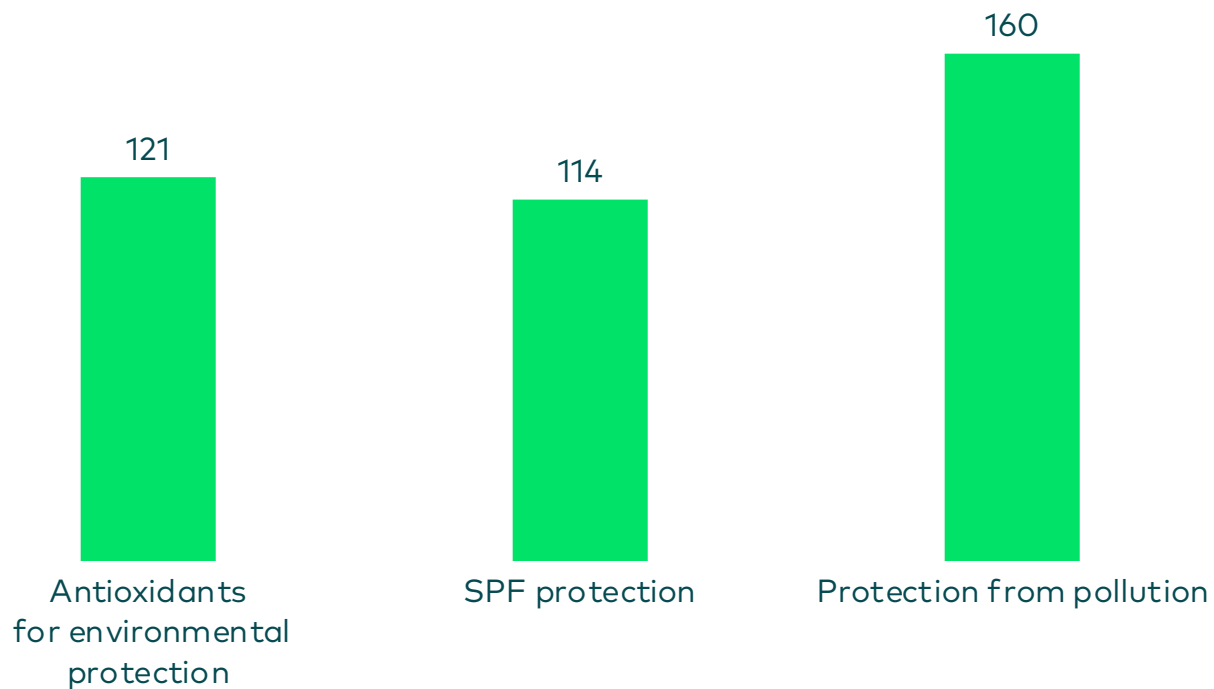
Source: Numerator Insights Latest 12 M ending (3/31/2023)

# Skin care needs reflect unique concern for environmental factors.

Skin care needs reflect the urban lifestyle with a desire for protection against environmental factors like pollution and the sun. Asian consumers are more likely to avoid the sun whenever possible with aging effects in mind.

## FACIAL SKINCARE NEEDS

Asian consumers indexed vs all consumers



## SUN EXPOSURE SENTIMENT

% Asian consumers indexed to all consumers

**31%**

Try to avoid the sun, whenever possible.  
(Index 140)

**27%**

Are concerned about the aging effects of the sun.  
(Index 158)

# A preference for organic is also apparent within skincare and beauty.

A need for organic products extends beyond food and drink, with a fifth of Asian consumers seeking organic body soaps, facial care, and body lotions and willing to pay more for these items. This highlights organic as a way of life- not just a dietary preference.

## ORGANIC SENTIMENT

% Asian consumers indexed to all consumers

**22%**

Seek out organic body soap/wash  
(Index 131)

**21%**

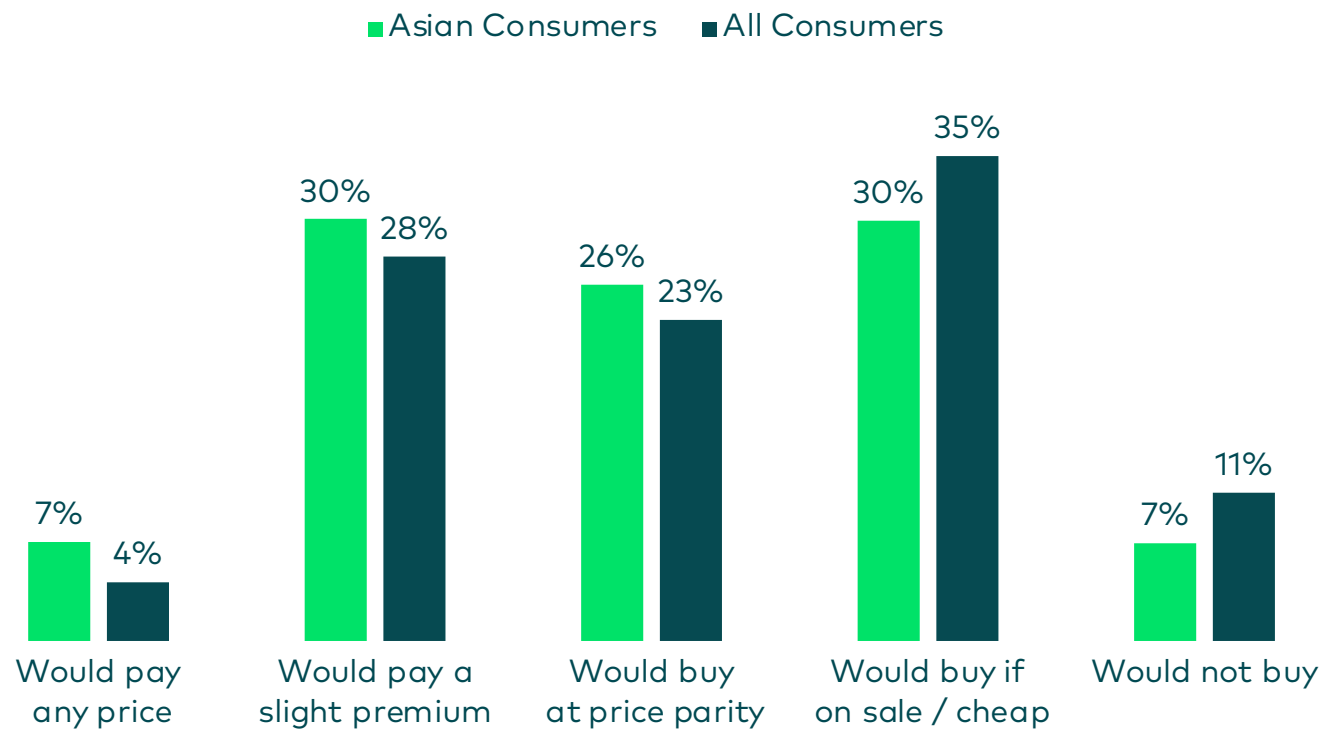
Seek out organic facial care  
(Index 126)

**20%**

Seek out organic body lotions  
(Index 131)

## ORGANIC BEAUTY PRICE SENTIMENT

Asian consumers | % All consumers



# Higher health and beauty spend is showcased by premium brands.

Compared to all shoppers, Asian consumers spend more but purchase fewer items within the health and beauty sector. A greater likelihood to purchase premium products from brands like Estee Lauder and Dior highlights the association between name brand and quality.

## HEALTH AND BEAUTY SECTOR METRICS

Asian consumers vs all consumers

**Spend Per Trip :** \$22.85 (+\$4.84)

**Buy Rate:** \$1490.12 (+\$154.43)

**Avg Basket Spend:** \$60.27 (+\$1.88)

**Purchase Frequency :** 65.2 (-9.00)

**Avg Basket Units :** 8.1 (-2.8)

# 2X

More likely to purchase **Estee Lauder, Dior, and NARS.**

# 1.5X

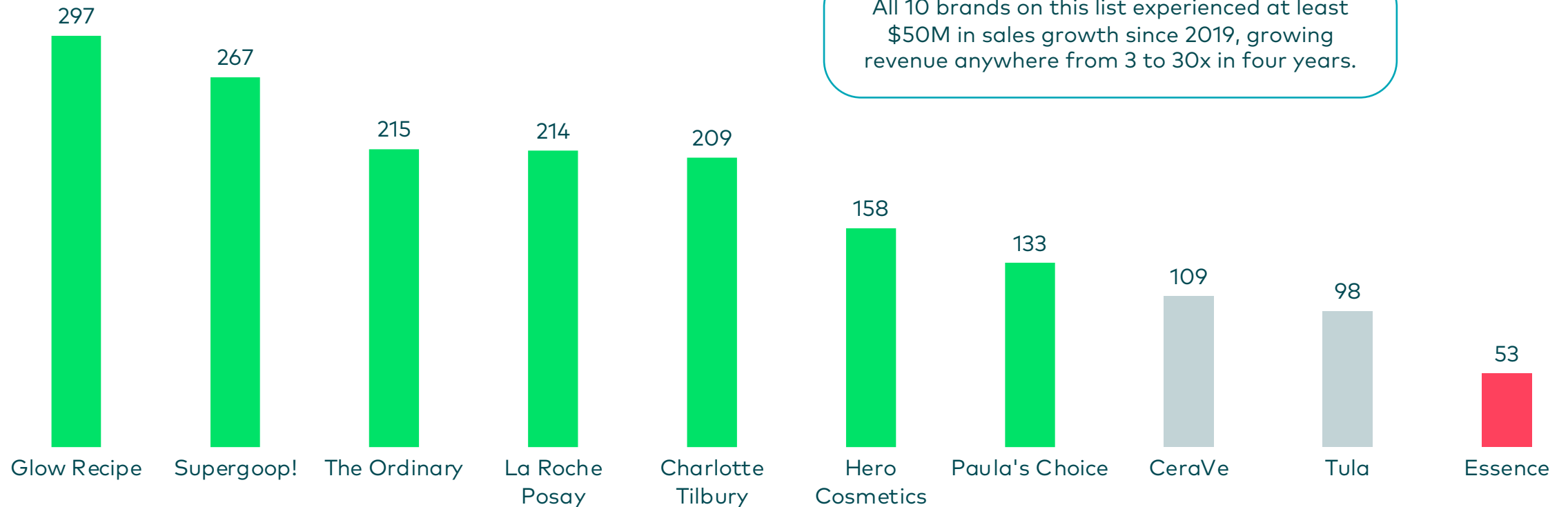
More likely to purchase **Anastasia Beverly Hills, Fenty Beauty, and Urban Decay**

# Many Asian consumers often adopt popular beauty brands before they take off.

In 2019, Asian beauty buyers spent nearly three times more on Glow Recipe and Supergoop! brands and two times more on The Ordinary, La Roche Posay, and Charlotte Tilbury— all of which went on to be some of the highest growth beauty brands in the following years.

## SHARE OF HIGH GROWTH BEAUTY BRANDS

2019 share among Asian consumers indexed vs. all shoppers



Source: Numerator TruView 2019 – 2022, Makeup & Skincare Brands



# Input from trusted subject experts is highly valued in beauty and beyond.

When shopping for beauty products, Asian consumers are more likely to make a decision based on celebrity endorsements or dermatologist recommendations. When using social media, Asian consumers are more likely to follow celebrities and internet influencers / personalities.

## BEAUTY ATTITUDES

% Asian consumers vs all consumers

**79%**

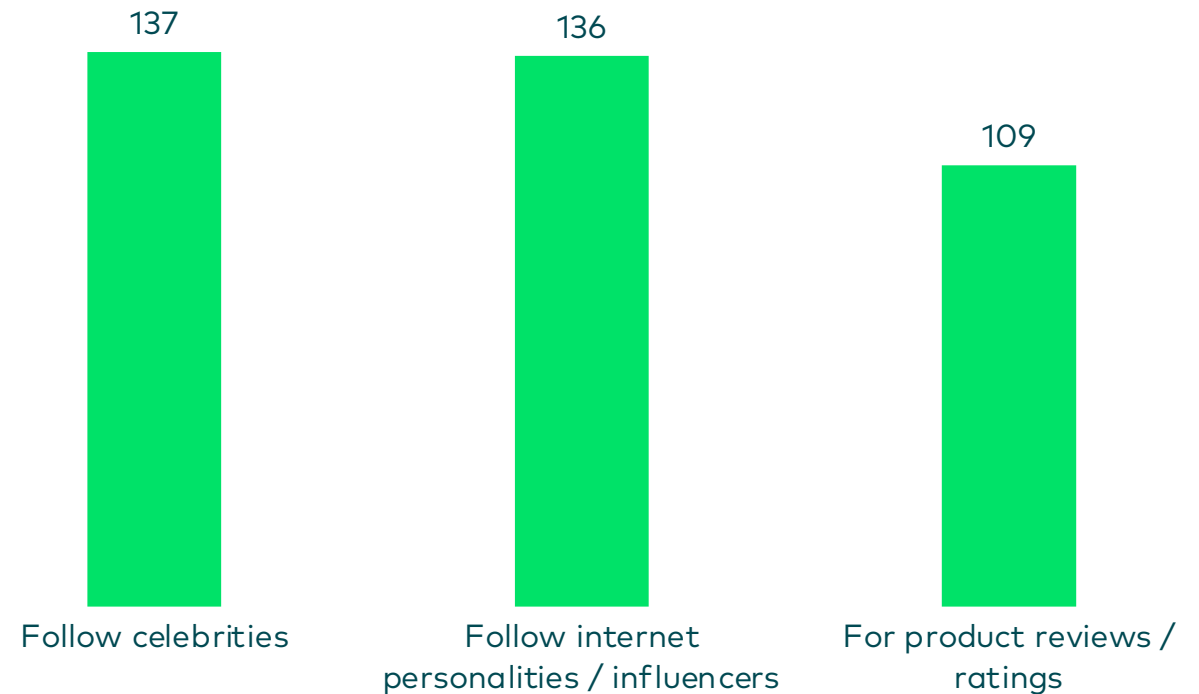
More likely to buy celebrity endorsed products

**15%**

More likely to buy dermatologist recommended products

## REASON FOR SOCIAL MEDIA USE

% Asian consumers indexed vs all consumers



# Preferred social media platform differs by occasion.

While Instagram and YouTube are go-tos for beauty product research, preferred social media platform shifts when looking at day-to-day usage. Asian consumers are more likely to use Reddit, Tumblr, and LinkedIn while less likely to use Facebook and Snapchat.

## BEAUTY RESEARCH METHODS

% Asian consumers indexed vs all consumers

**15%**

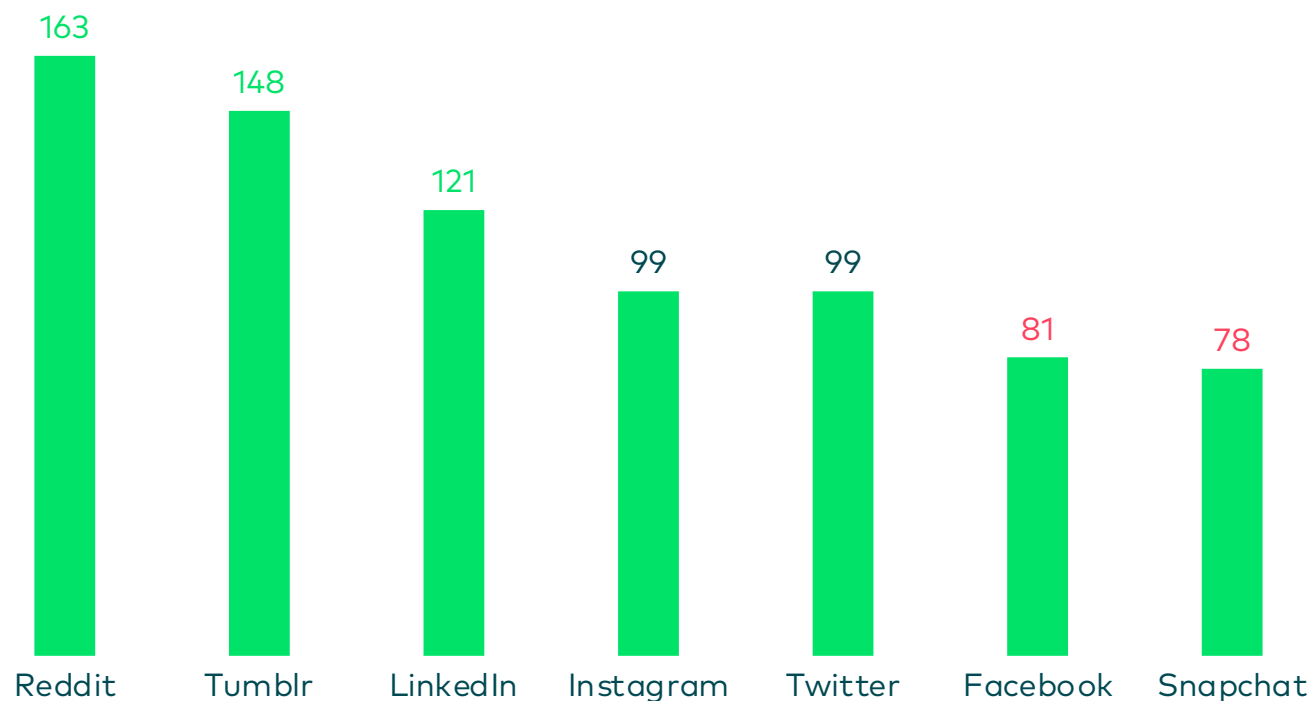
Use Instagram to research beauty products.  
(Index 147)

**19%**

Find beauty product information on YouTube.  
(Index 169)

## SOCIAL MEDIA PLATFORM BREAKDOWN

% Asian consumers indexed vs all consumers



# KEY TAKEAWAYS



## ORGANIC HOLISTIC WELLNESS

Many Asian consumers show a preference for better-for-you organic products in the grocery aisle and beyond. A desire for organic and natural ingredients of varying products reflects an overall wellness-based lifestyle for many within this demographic.

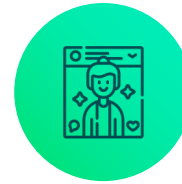
To best reach Asian consumers, brands must align with the healthy lifestyle choices of this demographic and highlight greater contribution to overall wellness.



## QUALITY PRODUCTS FROM PREFERRED STORES

Perceived quality influences purchase behavior for many Asian consumers. With a negative perception of private label, popular brand names are often synonymous with higher quality.

While Asian consumers are less likely to purchase private label, brands can win over this demographic by focusing on product quality at preferred stores like club and food retailers.



## TRUSTED OPINIONS INFLUENCE DECISIONS

Many Asian consumers look to influencers and subject matter experts when making purchasing decisions. From watching a product review from a favorite celebrity or receiving a doctor's recommendation, outside opinions matter.

To gain the trust of the Asian consumer, utilizing celebrity endorsements, influencer reviews, and professional approval is key.



## SOCIAL MEDIA IS OCCASION-BASED

Preferred social media platforms vary by occasion and goal. Instagram and YouTube are top choices when researching skin care but are less likely to be used by Asian consumers overall.

Brands looking to appeal to Asian consumers will see the most success by understanding social media platform use cases and choosing accordingly.



# Let Numerator help you with your insights.

To dive deeper into the data outlined in this report, reach out to your Numerator representative or contact us at [hello@numerator.com](mailto:hello@numerator.com).

