

# CASE STUDY: Best Practices MARKETING TO A SEGEMENTED POPULATION: NEW YORK CHINESE CULTURAL CENTER TARGETS THE CHINESE-AMERICAN COMMUNITY

By Aaron Kaplan

## I. Background

Organization Name/Location: New York Chinese Cultural Center (NYCCC), New

York City

Web site URL: <a href="http://www.chinesedance.org/nyccc/nyccc.htm">http://www.chinesedance.org/nyccc/nyccc.htm</a>

Founded: 1973

Year Incorporated: 1973

Annual Budget: \$250K - \$750K

Annual Attendance: 108,000

Mission Statement: The New York Chinese Cultural Center (NYCCC) is

a not-for-profit community-based organization

that nurtures, teaches, and preserves the

traditional Chinese performing arts for present and future generations of Chinese-Americans, while introducing Chinese dance, music, and visual arts

to audiences throughout the United States. Through classes, workshops, performances, lecture-demonstrations, and recordings, NYCCC

creates a focus for community pride and

inspiration, builds bridges to other communities, and promotes knowledge, understanding, and

appreciation of Chinese art and culture.

# II. Description of Project

The New York/New Jersey metropolitan area is home to second largest concentration of Chinese-American residents in the U.S. Current trends show that the Chinese-American population is growing and diversifying. The immigrant generations speak a wide range of Chinese dialects and possess many cultural differences. Adding to the mix are new generations whose primary language is English. All these trends contribute to a much more segmented market than the New York Chinese Cultural Center (NYCCC) faced when it was founded in 1973. Historically, NYCCC had always marketed its programs through the Chinese language media and by word of mouth and gotten successful results. Today's Chinese Americans are much more assimilated into mainstream American life and get much of their information from non-Chinese

media sources. However, the NYCCC's artistic staff is made up of primarily Chinese immigrants with limited English language skills; additionally, the administrative staff members have difficulties with internal and external communication due to the language barrier, thus creating short-term audience development efforts that only addressed its immediate needs.

NYCCC's current facility is situated in a neighborhood on the outskirts of Chinatown, Tribeca and Soho. This area was once populated with fabric stores and garment factories. Chinese parents favored this location because it was safely distanced from Chinatown's main street activities, yet within walking distance to Chinatown. Today, many different forms of public transportation including eleven subway lines, and three major bus lines make NYCCC's neighborhood easily accessible. The PATH train to New Jersey is a ten-minute walk or two subway stops away. The Holland Tunnel entrance to New Jersey is only five blocks away, and the Brooklyn Bridge is seven blocks south.

In the last five years, the neighborhood has undergone many changes. More buildings are being converted to multi-unit residential condominiums, and the increased number of retail stores such as *Banana Republic, Armani* and *Nine West* is making the area a more desirable location for its residents. These changes in area demographics have also provided an opportunity for NYCCC to play up the convenient and exciting location to its potential students and their families.

These demographic and geographic changes also present many challenges. There is a trend among the more affluent and educated Chinese-American families to move to suburban areas and not return to urban centers. On a regular basis, NYCCC has to combat the perception that Chinatown is a dangerous place. NYCCC also has to distinguish itself from the abundant entertainment choices that it is directly competing against for audience members.

Recognizing the changes and challenges brought to light by these trends, NYCCC needed to develop segmented communication strategies to:

- 1. Increase audience development by highlighting the benefits of its location.
- 2. Make sure it reached out to the broadest segment of the Chinese-American population.

# III. Strategy and Implementation

To create a segmented marketing strategy, New York Chinese Cultural Center studied its current customers. An analysis of NYCCC's student registration records between January and June of 1999 revealed the following:

- 87.5% of the student body is female
- 90.5% of the students are ethnically Chinese
- Students range in age from 3 to 70 years old with 71% under the age of 20 years old
- While Chinese immigrants are evenly represented among all age groups, the majority of the students under the age of 20 are American-born
- 94% are from New York State and are primarily from the boroughs of New York City (Manhattan, Queens, and Brooklyn) that contain the highest concentration of Chinese residents in the area.

- 37% of all students were born in Mainland China; 10% were born in other parts of Asia; 28% were born in the U.S.
- 53% of the students have been taking classes at NYCCC for more than 3 years
- Occupations of parents range from factory workers and waiters to medical doctors and lawyers
- Household income is spread across a wide range. Some families qualify for public housing (under \$20,000 for family of four) while other families reside in affluent suburbs.

Further study showed NYCCC had three distinct targets:

- American Born Chinese
- Foreign Born Chinese
- Multi-generational families

To target the more diverse and dispersed Chinese-American community NYCCC first repositioned itself, describing its facility as an inviting space, and characterizing its location and facility as safe and conveniently accessible.

## The "Place" Strategies included:

- Compiling a **resource directory** that lists stores, restaurants, and banks in the neighborhood. This directory is distributed in the reception area and given out to prospective students.
- Printing a one-page guide to area parking regulations and options plus negotiating with area parking lots to provide discounts to NYCCC students.
- Painting brightly colored, child-friendly murals on the studio walls to make the rooms more inviting and child-friendly (See Relevant Attachments figures 1a-1c)
- Providing classes at locations closer to target markets. Classes have since been started in the Bronx, Brooklyn, Upper West Side of Manhattan, and Ridgewood, New Jersey.
- Giving a map that covers area train stations and public transportation directions to prospective students.

Many of these strategies did not require a major cash outlay; however, the amount of staff time and energy was greater than originally anticipated.

In the past, NYCCC had successfully promoted its programs through brochures and flyers. However the standard NYCCC brochure had become obsolete. It was produced in-house and the text did not address the new image NYCCC had implemented to market itself to the changing community. NYCCC produced a new full-color dance school brochure that was bilingual (in English and Chinese) and reflected the quality of its programs and artistic staff. (See Relevant Attachments: Figure 2.) Completed in September 2000, the brochure was distributed to the NYCCC mailing list, as well as to mailing lists of other organizations in the community. NYCCC also distributed its new brochure at local fairs, festivals, community centers, and cultural organizations. NYCCC also approached mainstream media such as Village Voice and the Disney Channel to gain greater exposure to the mainstream arts community.

As a result of improved marketing strategies, NYCCC began to attract audiences beyond its original target group. The English-speaking community's growing interest

in NYCCC made it difficult for the organization's staff (primarily Chinese immigrants with limited English language skills) to handle the influx of English-only inquiries.

The differences in cultural attitudes and practices between foreign–born Chinese parents and English-speaking Chinese parents were more challenging than the language barriers. For example, foreign-born parents prefer to have things fully explained verbally over the telephone or in person; English-speaking parents would rather have detailed written information delivered to them by mail or e-mail. English speakers also favor strict schedules and timely appointments – two things the NYCCC staff was not accustomed to. To adapt, NYCCC hired a non-Chinese assistant with some degree of Chinese language ability to help answer inquiries from the English-speaking parents. The assistant also helped create program brochures and flyers. NYCCC has since hired additional English language assistants to help respond and assist its new customer base.

#### IV. Results

New York Chinese Cultural Center conducted an annual statistical profile of its student body as a way to gauge the success of its new marketing strategies. The administrative staff also informally tracked internal measures and recorded personal observations. In the year 2000 NYCCC benefited from a significant increase in both ticket income and attendance. In strict dollar terms, the organization's earned income has increased by \$34,384. For its Lunar New Year show, NYCCC wanted to sell 400 more tickets than the year before; the organization ended up selling 600 more tickets. This statistic represents a 50% increase in attendance and a 51.6% increase in income. In 2001, both Lunar New Year performances were sold out. (For a poster representative of this event for the year 2000 - see Relevant Attachments: Figure 3). Many people wanted to purchase tickets after the dates sold out, but the exact number of people was not captured. To accommodate the increased demand, NYCCC will add another Lunar New Year performance in 2002.

#### Younger audiences

NYCCC staff noticed that in the year 2000, the adult audience was younger--most were between the ages of 40-49 (28%). In 2001 the audience shifted down in age even further to the ages of 30-39 (21%) while the 40-49 age group was a minority.

#### Less Affluent audiences

With an increase in audience members, came a decline in affluence of the audience members. In 2000, 37% placed their annual household incomes at over \$75,000. In 2001, only 24% were at that same income level. The 2001 audience was evenly spread out among income brackets. These results may indicate that NYCCC's marketing strategy is reaching a broad spectrum of first-time attendees.

## Capturing the targeted audience segment

In 2001, NYCCC saw attendance increase among

- American-born Chinese
- Foreign-born Chinese
- Multi-generation families.

Staff noticed that many Chinese-American families brought immigrant parents and grandparents to events.

#### Other new trends

- 11% of callers report they found out about NYCCC on the Internet
- Increase in enrollment of American-born Chinese from 38.6% to 43.4% in 2001
- Increase in adopted Chinese students from 16.9% to 20.1%
- Increase in Chinese students of mixed parentage from 1.4% to 4.9%
- Increase in revenue in 2000 by 33% and in the first nine months of 2001, revenue shows a 6% increase over 2000; Increases occurred without raising tuition rates
- An unanticipated but welcome growth in the diversity of the NYCCC student body: Current NYCCC student demographics show an increase in Caucasian, African-American, Hispanic, Senior and Transgender students.
- Through student inquiries and registration information, NYCCC discovered that there has been an increase in the number of people who found out about the Center because they walked by and saw its sign.
- A growing number of people picked up the new NYCCC brochure at schools, events, performances, and community locations outside NYCCC.

## V. Conclusions

NYCCC's previous attempts at marketing were somewhat scattered: an ad was placed in a publication or a flyer mailed to its mailing list "because it had always been done this way" or because "other organizations do it this way". NYCCC now takes a more strategic approach to marketing. The organization researches and evaluates the markets it wants to target and then designs its marketing efforts using the results of the target research. NYCCC has learned that it is important to conduct an audience survey before implementing any new marketing plan. A methodical system of tracking and analyzing responses is equally important, in order to evaluate the effectiveness of the marketing strategy and to adjust the methods accordingly.

NYCCC realized it had been unintentionally hiding itself from its customers and began to readjust its thinking to counteract this. All levels of its staff learned to identify the ways the organization had been "hiding". A board member noticed that NYCCC's address and phone number was not featured on the front page of its own website. A staff member noticed that a street level window box could use more color to catch the eye of people walking by the NYCCC building. These two problems were easily remedied to help bring the organization out of "hiding."

Putting marketing strategy into practice also gives an organization a less apparent but important advantage in fundraising. Citing new marketing initiatives (and the resulting successes) can strengthen grant proposals to new funders. Documenting the results of successful marketing can also affirm the decisions of past funders. NYCCC received support to implement its new marketing initiatives from the New York Community Trust. It also received a general operating grant from the Charles B. Wang Foundation. By documenting the results of its successful marketing strategies in its grant proposals, NYCCC has strengthened its credibility with philanthropic institutions, which in turn, increases the organization's chances of being funded.

ABOUT THE WRITER: **Aaron Kaplan** is Program Associate, Education & Training at Arts & Business Council Inc. in New York City.

# **VI. Relevant Attachments**

NYCCC's *place strategies* included painting **brightly colored**, **child-friendly murals** on the studio walls to make the rooms more inviting and child-friendly.



Figure 1a. Detail and 1.b full length view, dragon mural. NYCCC studio interior.



Figure 1c. Mural detail, NYCCC studio interior.



**Figure 2. Brochure (detail)** NYCCC produced a new full-color dance school brochure that was bilingual (in English and Chinese) and reflected the quality of its programs and artistic staff.



**Figure 3. Lunar New Year poster.** For its *Lunar New Year* show, NYCCC wanted to sell 400 more tickets than the year before; the organization ended up selling 600 more tickets. **This statistic represents a 50% increase in attendance and a 51.6% increase in income.**