Urban Trends

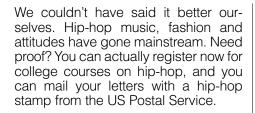


A quarterly newsletter published by Motivational Educational Entertainment

Saluting The Hip-Hop Nation

"Rap is something you do, hip-hop is something you live and I live it. It's like a tribe of people who relate to one another. We bop our heads the same way, to the same beats. We wear a certain kind of clothing and we go to the same kind of places. Hip-Hop is music, Hip-Hop is graffiti, Hip-Hop is dancing, Hip-Hop is MC-ing, Hip-Hop is spoken word. It's what Be-bop was to Thelonious Monk."

Erykah Badu, Electronic Urban Report



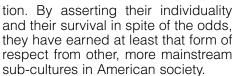
Generation Y, also known in the mainstream as the "Millennial Generation," Echo Boomers, or Generation Net, were born in the 1980's and beyond. At 60 million strong, they are the biggest group since the Baby Boomers, and may turn out to be the largest teen population in U.S. history. While most adults are still trying to figure out exactly what it is they "stand for," it's inevitable that young hip-hoppers will, just like the baby boomers and the Generation X-ers before them, make a big impact on our society.

Important to the cultural and economic trends of this country, many of this "new generation," regardless of race, embrace the hip-hop phenomenon, continuing its emergence as a critical market for mainstream success. Even the youngest members of the hip-hop nation are media-wise, sophisticated and influential trendsetters. They are discriminating and active consumers at even earlier ages than previous generations, spending billions of dollars of their own money each year on videos/movies, music, clothing and food. On top of that, they influence household spending and buying decisions at an even larger rate.

With all of this mainstream acceptance (and even co-option) it's become imperative for suppliers and retailers to learn about and reach out to "hip-hoppers." Main Street and Wall Street may not want to emulate them by walking a mile in their shoes, but they sure would like to sell them the footwear to make the trek, and with good reason. This population will represent the bulk of the market for many products and services. While the sales potential is enormous, this customer base is not as easy to target as the Baby Boomer or the Gen X consumer. Determining the shopping habits of hip-hop customers takes authentic, culturally-sensitive research.

A Shift in Values

In doing such research, MEE has found a different set of values among young people who face constant discrimination, poverty, oppression and other unhealthy influences. They perceive that there is no real future worth waiting for, so instead they "live for the moment." They build their own networks of peers who they can depend on, doubting that government or big business will ever be there to take care of them. They will look to have more fun and excitement in their lives, either to escape from reality or to grab all they can "while there is still time." In spite of their bleak reality, a sense of resiliency and hope undergirds the hip-hop nation. If imitation is indeed the sincerest form of flattery, hip-hoppers should feel awash with adula-





Hip-hop music is no longer relegated to late night radio as it was in its infancy. Urban-formatted radio stations are the leaders in many markets across the country and rap/hip-hop music sales continue to increase exponentially. In fact, it was hip-hop music that saved many of the record companies from going under in the 1990's. When Lauryn Hill won five Grammys in 1998 and appeared on countless magazine covers, Middle America began to sit up and take notice. What was once underground is now situated next to Garth Brooks at the local music retailer. Now you're as likely to hear DMX thumping from car speakers at a suburban mall as you are in the heart of the inner city. According to Soundscan, three-quarters of all rap music is sold to White consumers, most of who reside nowhere near the inner city.

Setting the Fashion Pace

Members of the hip-hop nation are more likely to seek ways to assert their individual identity than other customers. They perceive themselves as setting the trends, not following them. Because they feel that mainstream society has rejected them, by not creating a place at "America's table," they feel absolutely no allegiance to



FromTheEditor

Welcome to this first issue of *UrbanTrends* of the new millennium, and my first as its Editor!

After more than six years of writing, editing and consulting behind the scenes, I've joined MEE Productions as its new Director of Communications. As this new regime gets underway, look for a few changes in UrbanTrends over the coming issues. Specifically, I envision UT reflecting the dynamism, diversity and innovation of the urban populations it covers. That style will be reflected in our content, our graphics and our message, while we retain our professionalism and standards.

Some things, however, won't change. UT will continue to inform our readers about the latest trends in the ever-changing world of urban life. We remain fully committed to sharing practical information, from an insider's point of view, about what's going on in the inner city. You should find something new and of interest to you in every issue of *UrbanTrends*. If you do, we will have succeeded.

For example, in this issue, we take an updated look at the hip-hop nation. You won't find its members represented as a category in the newest census; nevertheless they are a force to be reckoned with. Also, we present our second-annual "Who's Hot/Who's Not" survey of African American youth. Here you learn who's leading the pack in movies, music and sports. It turned up some old favorites, as well as some surprising newcomers. Couple that with new trends in fashion, music, movies and more, and you'll see that we've attempted to present a broad picture of where urban youth are leading us.

We hope you will read *UrbanTrends* each quarter, and encourage your colleagues and friends to order their own subscriptions. The newsletter remains available on the Internet, through the MEE Productions website, www.meeproductions.com. Remember, though, that you will need the password, embedded in each hard-copy issue, to access the on-line version.

As we continue our process of growth and change, you can help by providing constructive feedback on UrbanTrends. Drop me an e-mail at MEEComm@aol.com and let me know how we can best help you do what you do, what you'd like to see, or what we're missing. Or give me a call at (215) 829-4920. Keep your suggestions coming!

Peace and blessings,

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Pamela Weddington Editor

Hip-hop Nation (continued)

following traditional values, attitudes and styles. Why should they feel pressured to gain acceptance or fit in with people who have, literally and figuratively, turned their backs on them?

Fashion and music go hand in hand within the hip-hop nation. When young people see their favorite hip-hop artists modeling the latest fashions in magazines like The Source or Vibe, it won't be long before they are seeking it out at their neighborhood boutique. Urban youth don't care about what's being paraded on the runways of Paris or Milan. What matters to them is what Missy Elliott or DMX or Dru Hill is wearing. The marketer who wants to be ahead of the demand will be watching BET and other video music outlets regularly to see where the fashion trends are headed.

Selling to the Hip-hop Consumer

Because of the oral communications culture of African Americans, combined with the global capacity of the Internet, young people everywhere find out about even the most obscure trends soon after they emerge and look to their peers, not mainstream media, to determine "what's hot" (see our chart on p. 5). What we are now seeing is a global cultural influence that can travel around the world nearly instantaneously.

"Even though mainstream society continuously criticizes them," says MEE President Ivan Juzang, "urban youth are still setting the trends for fashion, music, art, dance, and more. They see the irony in the fact that so much of what they do is being copied, yet they still are not being valued as a contributing force. Marketers who think they can 'BS' young people into buying their product are in for a surprise."

This generation tends to choose what they like, and then change it to fit their individual styles. Therefore, selling conformity to one "look" is a nowin strategy. What's valued is being unique. Young people today exhibit their personality and style through individual choices, whether it's through hairstyles, tattooing or footwear. "The pitch to these consumers should not be about how they can impress society, but about how they can use what they have to express themselves," said Juzang.

Once you win them over, hip-hoppers tend to be brand loyal. Understanding how to do that is the hard part. These are customers who know what they want before they head out shopping. They've seen it in a magazine, in somebody's video on television, or on one of their peers. That means stores must be at least one step ahead of the curve. "If you're only carrying Puff Daddy's new Sean John collection, for example, and suddenly Karl Kani makes a big comeback with the Nation," said MEE senior VP Thierry Fortune, "you're going to be stuck with a lot of unsold goods."

Respecting the Cultural Identity

As hip-hop continues its crossover into the mainstream, moving from the inner cities across the Plains, integrity remains an issue. "Keeping it real" is essential in any messages targeted to urban youth. Marketing ads based on traditional, Eurocentric positioning, images, and feelings, simply don't work.

Since the hip-hop nation feels that so much of their future is compromised by influences outside their control, the smart marketer will focus on the positive, supporting aspects of close relationships with people who you know "have your back," and on young people who have overcome the challenges and unhealthy influences they face, yet in an authentic manner which allows them to maintain the respect of their peers.

⁸⁰ With the unprecedented rise of hip-hop as the world's most popular, and most profitable, form of music, hip-hop based fashion has begun to cash in as well. Ralph Lauren's Polo brand jumped in with both feet, signing Tyson Beckford to a long-term exclusive contract, and making him the first African American male supermodel. While older, urban-tinged fashion brands are struggling to hold their own alongside the mainstream companies DKNY and Tommy Hilfiger, newer lines such as FUBU are making an immediate splash with a more consciously pro-African American approach. The name FUBU, "For Us By Us," is an example of the attempt to appeal directly to African Americans and to notions of cooperative economics. Despite this afro-centered push, people of all backgrounds are flocking to clothing outlets to buy these latest fashions. FUBU, founded in 1992, has already outpaced other urban fashion brands such as Karl Kani, Mecca USA and Envee.

Marketing Channels - What's Effective?



It is becoming common knowledge that to reach the lucrative youth market in the United States, responsible for over \$141 billion in sales in 1998, marketers must first gain the allegiance of African American urban youth. Since 1990, African American consumers have increased their buying power by more than 50%, spending \$500 million in disposable income in 1998 alone. Recent studies show that African-Americans will continue to outpace white households in the purchase of cars, home furnishings, appliances, clothing, and telephone and computer services. Retailers and marketers, both public and private, who want to be poised to take advantage of the more than \$500 billion minority groups are expected to spend in 2000 alone, must become educated about which media channels are most effective reaching Americans and other minority groups.

Taking It to the Streets

Fast rising companies like sports apparel retailer "And 1" are generating word-of-mouth publicity through street teams that connect with youth in ways that other traditional forms of advertising cannot. "We found out early on that kids are not watching TV 24-7. They're on the street," says Phil Colon, president of Urban Latino, an urban youth magazine.

Radio Remains On Top

The very social nature of these teens makes *radio* a very natural and effective choice. "We'd use radio for support because if kids aren't at home, they are out in their cars listening to the radio, on the street listening to their walkmans," Colon adds. According to Arbitron, 54.5% of the total African American population can be

reached by advertising on urban contemporary, hip-hop/rap, and Black adult contemporary radio formats. Latino populations are also avid radio listeners. Often they will listen to the radio throughout the day, with an entire family listening to the same station, on average 26-30 hours a week. This is more than 13% above the amount of time the general population spends listening to radio.

The "Digital Divide" Narrows

Cyberspace, the next frontier, is also opening its doors to African Americans and people of color. Despite the "digital divide" recently described by President Clinton, almost five million African Americans are online. Of those, almost half are under the age of 30; they also tend to be wealthier and more educated than their offline counterparts. As household income increases, so does the percentage of racial and ethnic minorities who own computers and have Internet access. Given the government's pledge to bridge the gap between the technological "haves" and "have-nots," advertisers would do well not to underestimate the potential impact of a diverse population of Web surfers as we go deeper into the new millennium.

[marketmedia.com, tbwt.com, Business and Industry, Advertising Age]



[∞] Just as African American youth culture has been defining popular culture for the past decade, now it appears that Latino culture is primed to do just the same. From actress Salma Hyek to actress/singer Jennifer Lopez to superstar crooner Ricky Martin, Latinos/as from every background are making a huge impact in music and fashion. Even Latino and Spanish-inspired foods are now hip in elite circles. Esco, a Latino-flavored brand of urban clothing, has rapidly become one of the most popular styles, providing a "hot" alternative to Tommy Hilfiger.

This ethnic group's impact will only grow in the coming years. By 2005, the Census Bureau projects that Latino youth between the ages 12 and 19 will be the largest ethnic youth population in the country. By the year 2020, it is estimated that the number of Latino teens will grow by 62 percent, to seven million, compared to only 10 percent growth in the number of teens overall. Latino youth spend on average \$320 a month, four percent more than the national average.

All of this serves to reinforce the idea that minority youth cannot be ignored when it comes to marketing. In addition to the impact they already have in cultural trend-setting, they will soon become a majority of the population in the United States. "Marketers have to understand that the new majority is going to be people of color," reports advertising giant Young and Rubicam. "The new minority is going to be your white, 'all-American' kind of kid."

[American Demographics]

Did You Know?

© Powered by the success of original bboy executive Russell Simmons, founder of Def Jam and the meteoric rise of today's rap scene has been an emerging trend of entrepreneurship. "It's become part of the hip-hop culture now to become a business mogul," says L. Londell McMillan, a New York-based entertainment attorney. Now young entrepreneurs like Puffv Combs (Bad Entertainment), Master P (No Limit). Brian Williams (Cash Money Records). and Damon Dash (Roc-A-Fella) have been able to establish favorable deals with the major record companies and distributors. These power deals have allowed these new wave hip-hop moguls to increase their percentage of the bottom line while providing the opportunity to leverage their music marketing muscle and to fund other businesses, including clothing, movies, sports, restaurants and magazines. [Black Enterprise]

More than a dozen colleges in eight states have received racist hate mail late last year and early this year, Historically-Black schools have been particularly targeted. "The total destruction of your race is our mission in life," the letters state. They also warned that in the year 2000, "the war" against Blacks will escalate. [Jet Magazine]

™ It appears as if major rap concerts have equaled the infamous pomp and pageantry exhibited for years by mainstream rock and country acts. Previously held back by studio-bound performers and concert promoters scared of violence, rap stars are now beginning to use major stage props to enhance their performances. A recent concert of the Ruff Ryders crew in Philadelphia began with the group emerging from a helicopter suspended from the ceiling. At the same show, rapper Eve made her appearance by stepping out from inside a giant disco ball. Such big-budget productions are only another sign that rap artists are claiming their substantial piece of financial pie, alongside traditional main-stream favorites. These lavish live displays project the showmanship formerly reserved for mainstream groups like the Rolling Stones and U2. In fact, the current Ruff Ryders tour is likely to become the highest-grossing rap tour to date.

[Philadelphia Inquirer]

JustTheFacts

♦ Slain rap giant Notorious B.I.G. may be gone, but in the minds of rap fans, he definitely is not forgotten. Born Again, which resurrects the B.I.G.'s old rap songs with new beats and guest performers, came in at No. 1 on the Billboard chart during its first week, selling 485,000 copies according to SoundScan.

(Jet Magazine)

A Latinos are the fastest-growing group when it comes to motion picture attendance. They are twice as likely than the mainstream population to see the latest movie releases, with their share of ticket sales rising 22% in 1997. Overall, Hispanic entertainment consumption has increased 50% since 1993, with the largest increase (86%) in the purchasing of audio, video and entertainment equipment. Meanwhile, African Americans also comprise a disproportionate share of the movie-going public. They make up 13% of the total U.S. population, but roughly 25% of the movie audiences, to the tune of nearly \$10 billion a year in ticket sales.

(marketmedia.com)

Famed comedian-actor Chris Tucker recently inked a deal to earn \$20 million for the sequel to his hit movie Rush Hour. According to Variety, the star of Friday, Money Talks, and The Fifth Element will become the second Black actor to reach that salary milestone. Eddie Murphy was the first, with his deal for The Nutty Professor.

(Jet Magazine)

A How far has hip-hop come? One recent example of hip-hop's rise in mainstream prominence is the United States Postal Service new stamp that is dedicated to hip-hop culture, part of the USPS's "Celebrate the Century" program.

(Jet Magazine)



BackToYourRoots











♦ The Roots have come a long way since playing for free on the sidewalks of Philadelphia's funky South Street. The group, which mixes live instrumentals with the more traditional beats and samples, staked out new ground in the ever-changing world of commercial hip-hop, with their release "Things Fall Apart." That innovation was rewarded last month with the group's first Grammy Award, for the single, "You Got Me," which they recorded with Erykah Badu.

Along with other acts such as Common, Outkast, and Lauryn Hill, The Roots are at the head of "The Next Movement," which aims to steer popular hip-hop away from the gangster-based, violent music of Puff Daddy, Jay-Z, and Master P. In its place, these artists offer songs that are more complex both musically and lyrically. They also aim higher than the standard popularized depictions of "thug life," which have been in vogue since the 1988 release of N.W.A.'s Straight Out of Compton.

With the introduction of instrumental and vocal improvisation into their hip-hop, The Roots have brought new respectability to the form, drawing raves from jazz and pop listeners. The Roots' popularity has grown to international dimensions, and they are now much sought-after collaborator on projects from around the world. The group is scheduled to team up with French hip-hop duo Les Nubians, and the Zairian/Belgian a cappella group Zap Mama.

(Philadelphia Inquirer)

ho'sHotWho's

MEE conducts ongoing quantitative and qualitative research to find out from young African Americans "Who's Hot and Who's Not" (WHWN) in the entertainment and sports industries. This research has assisted MEE's clients in casting for movies, commercials, or spokespeople. The following results were compiled from a Northeast regional survey administered to 240 African American youth ages 15-25.

Male Rappers

Jay-Z:

DMX: Number 1 in last WHWN poll (Spring 1999);

N.Y. based rapper with nationwide appeal

Number 2 in last WHWN poll; Close friend of

Biggie Smalls

Innovative N.Y. rapper Nas:

Not Hot: Outkast; Last survey's #3; How fast trends change

Female Rappers

Relatively new to the scene; Philly rapper; Member Eve:

of DMX's Ruff Ryders label; Hardcore sexuality

Lauryn Hill: Maintains high street credibility; Appeals to males

and females

Missy Elliot: Moved up a spot from last year, but received a

significantly higher percentage of the votes

Not: Foxxy Brown & Mia-X; Last survey's #2 & #3

Male R&B

Dru Hill: Two members began solo careers, nevertheless,

group's hits still receive consistent radio play

Good looking and popular with the ladies Ginuwine:

K-Ci & JoJo: Frontmen from Jodeci; Continued staying power

Not: Boys II Men

Female R & B

Destiny's Child: Only group voted for; Mentioned by more than half

of voters; Rumors of a break-up

Mary J Blige: Last year considered Not Hot; Back on the rise Erykah Badu: Still popular even though she hasn't released an

album since 1997

Not: Brandy: Still warm, but slumping: MEE declared

she may be the next Will Smith and lose musical

credibility to urban youth

Male Actors

Chris Tucker: Remains overwhelmingly funny and popular Martin Lawrence: Still popular in syndication and as a screen actor

with the movie BlueStreak

Mike Epps (Next Friday) Not:

Female Actors

Jada Pinkett: Males love her

Vivica Fox: Very attractive; Mentioned in over half the surveys

Nia Long: Incredible rise since last survey

Regina King Not:

Male Sports Figure

Kobe Bryant: #1 again; Madison Avenue spokesman;

Role Model?

Allen Iverson: #2 again; Appeals to all-important urban males;

Represents urban youth culture

Peter Warrick: Top football draft prospect from FSU; Look for

him in the future

Female Sports Figure

WNBA star Sheryl Swoopes:

Future Stars: The Williams Sisters: Transcend their sport's

upper class image

Male Comedians

Martin Lawrence: Still respected as a stand-up even after moving

primarily to acting

Chris Rock: Last survey's #1 write-in

Cedric the

Entertainer: Profanity-free comedian Bernie Mac: African American icon

Female Comedians

Chocolate & S'More: #1 and #2 again

hat'sNex

Coming to you in the next issue of UrbanTrends...



We will explore such topics as:

MARKETING TV SHOWS AND MOVIES TO URBAN AUDIENCES

HIV TESTING: WHY IT'S SUCH A HARD SELL BLACK YOUTH SEXUALITY 2000: A PREVIEW

RAISING A HIP HOP ADOLESCENT

THE MEE WEB SITE AT HTTP://WWW.MEEPRODUCTIONS.COM WILL OFFER FULL-TEXT SEARCH AND RETRIEVAL FROM OUR RESEARCH ARCHIVES. SEE THE NEXT EDITION OF URBAN TRENDS FOR THE ACCESS PASSWORD.

Research & Movies	Movie Title	Opening Gross	Domestic Gross	Rank	Movie Studio
	Rush Hour	\$33.00	\$141.15	7	New Line
	Mulan	\$22.75	\$120.61	3	Disney
	Blade	\$17.07	\$70.00	8	New Line
	Bulworth	\$10.52	\$26.34	68	20th Century
	The Players Club	\$5.90	\$23.03	73	New Line
MEE has provided market research,	He Got Game	\$7.61	\$21.55	78	Disney
script and ad testing, execution of		Ų. i.c.	4 200	. •	2.65
promotional or community campaigns					
and other marketing services for some of	1999				
the most popular films and TV shows of	Bluestreak	\$19.21	\$68.09	31	Columbia
the 90s. Here's a review of how some of	Life	\$20.42	\$64.02	35	Universal
these MEE-assisted movies have fared at	The Best Man	\$9.03	\$34.08	56	Universal
the domestic box office. Figures are	The Hurricane	\$.33	\$48.14	76	Universal
estimates (in millions).		· ·	, .		
,	In Too Deep	\$4.22	\$13.88	102	Miramax
	Trippin	\$2.53	\$8.75	126	October
	1				
	2000				
	Next Friday*	\$16.92	\$54.14	1	New Line
	* = still in theaters at time of publication.				(The Movie Times)

^{* =} still in theaters at time of publication.

(The Movie Times)

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