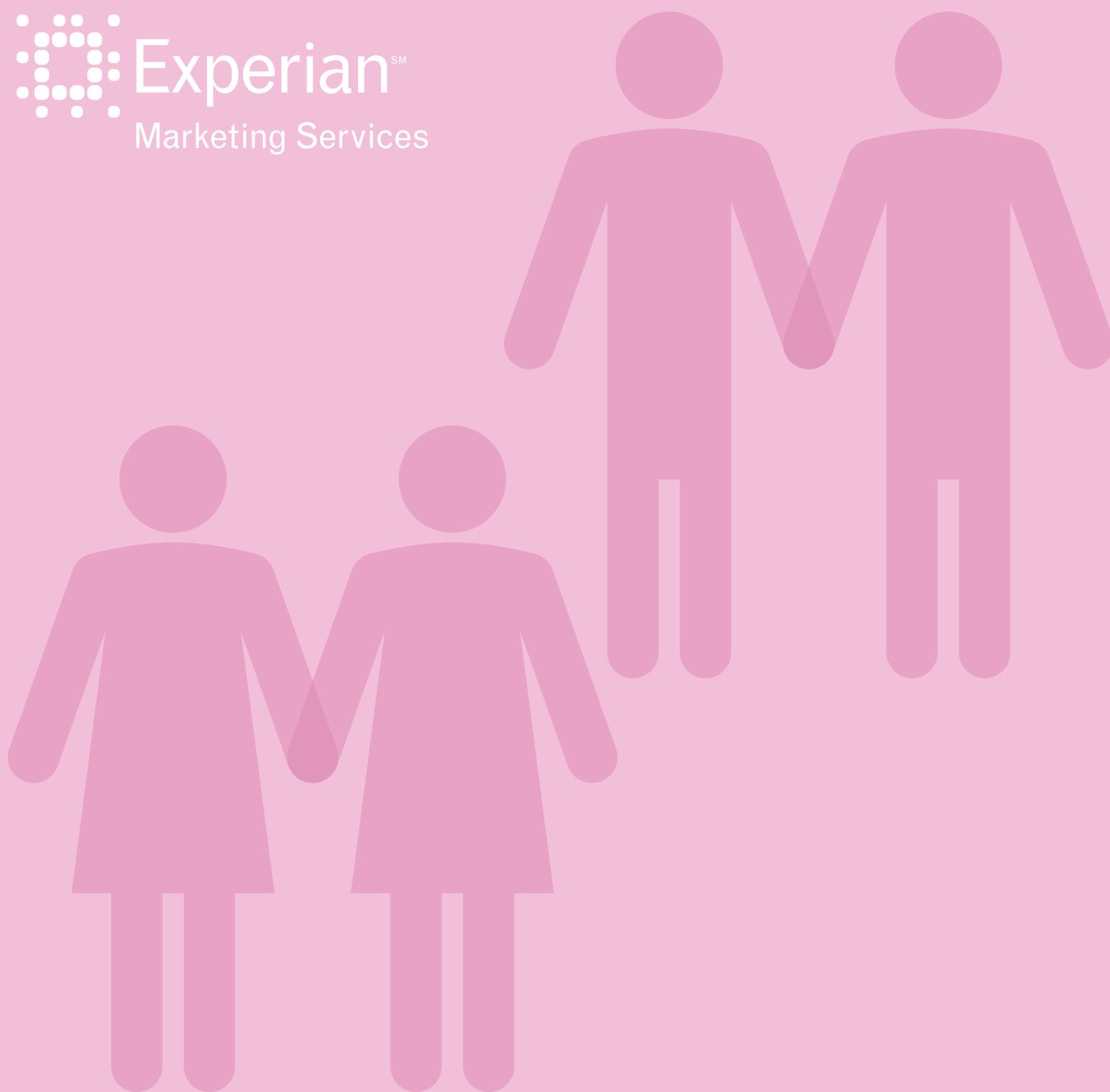


The 2013 LGBT Report

Vivid insights for reaching lesbian, gay, bisexual and transgendered consumers year-round



An Experian Marketing Services white paper

The 2013 LGBT Report

Foreword

2013 has been a milestone year for those lobbying on behalf of expanded rights of Lesbian, Gay, Bisexual and Transgendered (LGBT) Americans. With 12 states and the District of Columbia now formally recognizing same sex marriages and two highly anticipated rulings from the U.S. Supreme Court expected shortly, the momentum is currently on the side of those seeking greater recognition and support of LGBT-related issues.

The speed with which public attitudes have shifted towards greater acceptance of LGBT individuals and their causes has left many marketers scrambling to devise plans that are not only inclusive of LGBT consumers, but in many instances designed to overtly and publically court this influential and growing consumer segment.

This report is designed to provide marketers with a glimpse into the market that is on everyone's radar.

In this report, we will:

- Report on the growing trend of consumers identifying as LGBT
- Track the rise in married gay and lesbian Americans
- Explore household arrangements and cohabitation
- Examine the earnings of lesbian, gay and heterosexual Americans
- Portion out the amount of money spent on discretionary goods and services
- Look at sub-segments within the gay and lesbian communities when it comes to automotive and food lifestyles
- Highlight the importance of mobile in reaching this consumer segment
- Identify the top LGBT content websites and what visitors are looking
- Examine where visitors to LGBT content sites come from and where they go after

For even more insights on the LGBT consumer, contact your Experian Marketing Services account manager or email consumerinsight@experian.com.

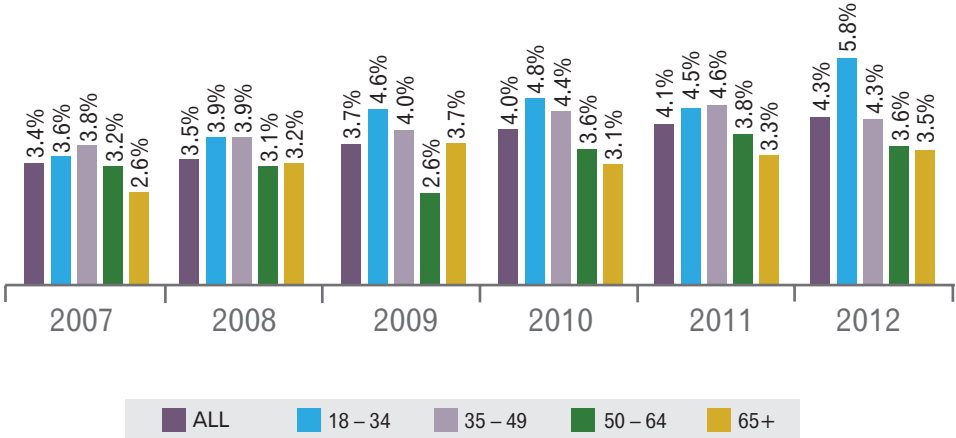
Living out loud

Adult Americans are increasingly likely to identify as LGBT

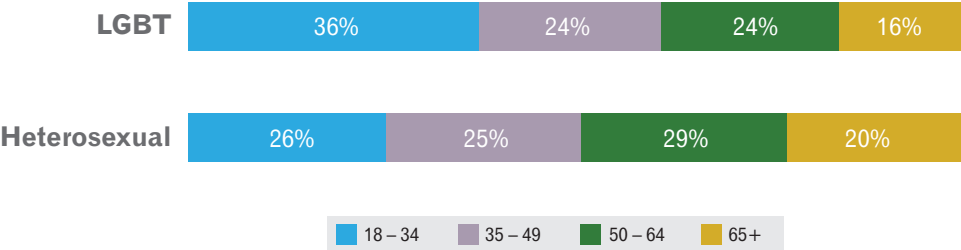
In 2006, when Experian Marketing Services first began measuring sexual orientation among respondents to our Simmons National Consumer Study, we found that 3.4% of all non-Hispanic adults self-identified as either lesbian, gay, bisexual or transgendered (LGBT), a figure consistent with what leading LGBT researchers predicted at the time. However today, 4.3% of the non-Hispanic adult population self-identifies as LGBT, a figure that has risen slowly but steadily year-after-year.

Younger adults have consistently been more likely to identify as LGBT, and in fact today, 5.8 percent of 18 to 34 year olds say they are either lesbian, gay, bisexual or transgendered. As a result, the adult LGBT population predictably skews towards the younger age cohorts. Specifically, 36% of LGBT adults today are aged 18 to 34 versus 26% of the heterosexual population in that age range. Likewise, while 20% of heterosexual adults are age 65 and older, just 16% of LGBT adults are in this age range, though our data shows that the share of adults age 65 and older identifying as LGBT has also risen.

Percent of non-Hispanic U.S. adults identifying as LGBT, by age



Breakdown of LGBT and heterosexual population, by age



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Home and Family

Gay and Lesbian Americans increasingly wed

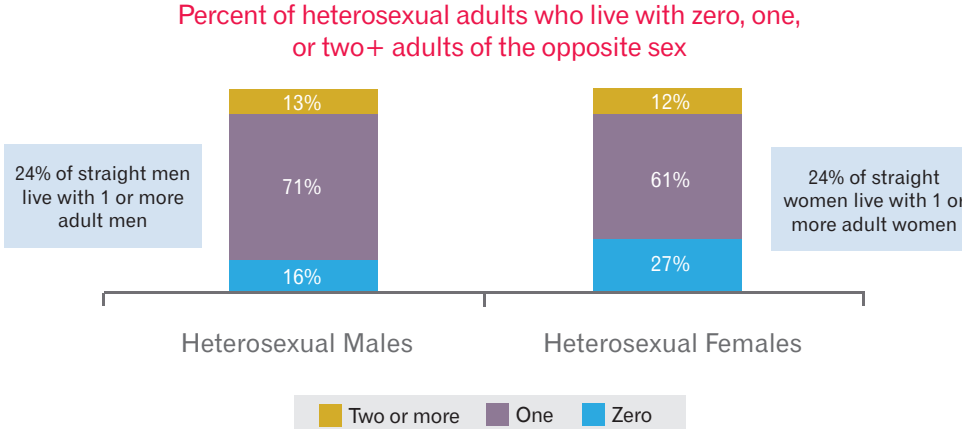
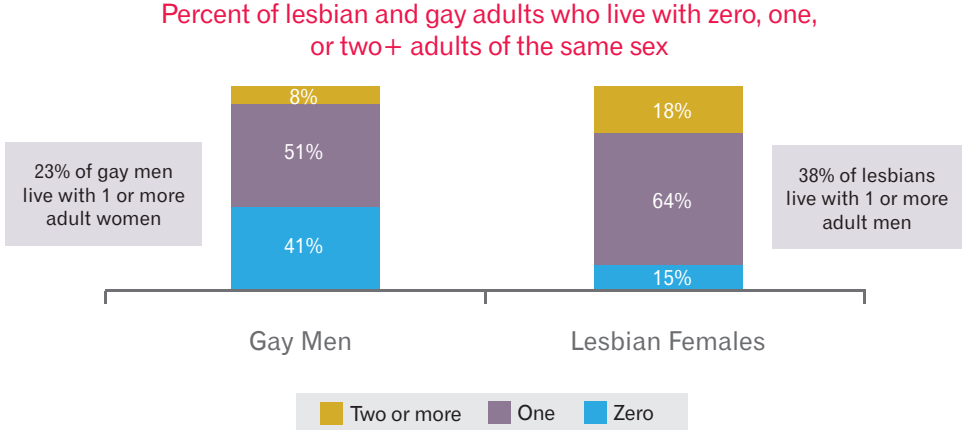
As a growing number of U.S. states pass laws recognizing same-sex marriages and civil unions, we see an increasing percentage of gay and lesbian Americans reporting that they are married. In 2007, for example, when only Massachusetts allowed same-sex marriage, 8% of adult gay men and 14% of adult lesbian women said they were married. Today, 17% of gay men and 16% of lesbian women are married. During the same timeframe, marriage rates among heterosexuals fell slightly. Today, 58% of heterosexual men and 53% of heterosexual women are married. Compare that to 60% of heterosexual men and 55% of heterosexual women who were married in 2007.

Percent of adults presently married, by sexual orientation



Household arrangements and cohabitation

While marriage is a growing trend among the LGBT population, many gay and lesbian adults (as well as many heterosexuals) live with their partners without tying the knot. Today, roughly two-thirds of lesbian women and just over half of gay men live in a household where there is one and only one adult member of the same sex. As expected, the majority of married gays and lesbians are found in these household formations, but we can expect to find many cohabitating couples in this arrangement as well. Among heterosexual adults, 71% of men and 61% of women share a home with one and only one adult of the opposite sex, the comparable formation most likely to contain married and partnered straight couples.



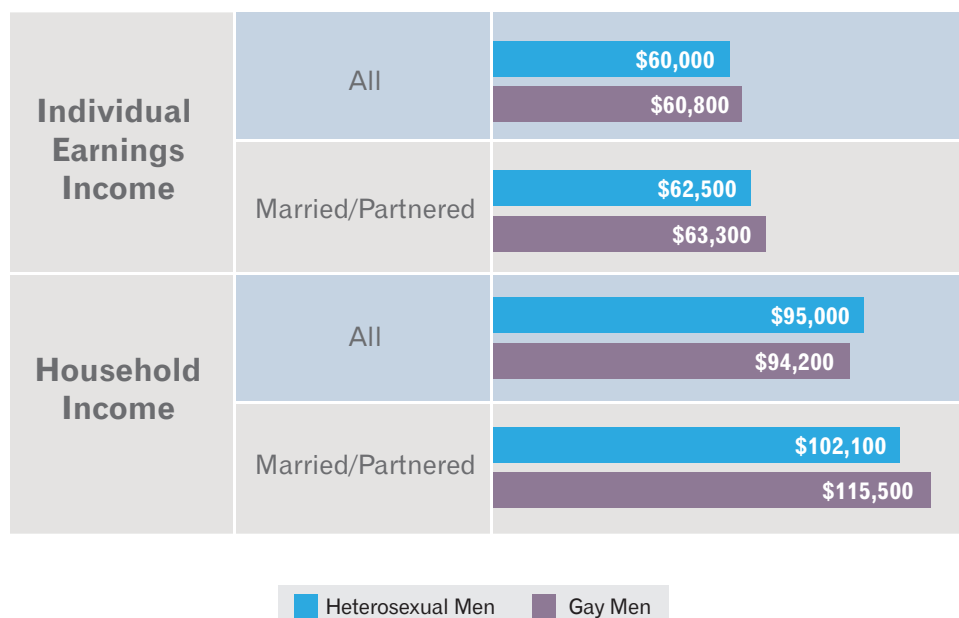
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Balancing the books

Married or partnered gay men have the highest household income

When it comes to individual income, gay and straight men earn roughly the same amount, with gay men taking home just slightly more than heterosexual men, regardless of marital/partner status. When looking at household income overall, gay men and straight men also report nearly identical numbers with straight men edging out gay men by just \$800. However, among a subset of married or partnered individuals, we observe that the household income of the typical married/partnered gay man is fully \$13,400 higher than that of the typical married or partnered heterosexual man, presumably due to the combination of incomes from two men. Specifically, the average household income of a partnered gay man is \$115,500 versus \$102,100 for a heterosexual married/partnered man.

Mean individual earnings and household income of men, by sexual orientation and marital status

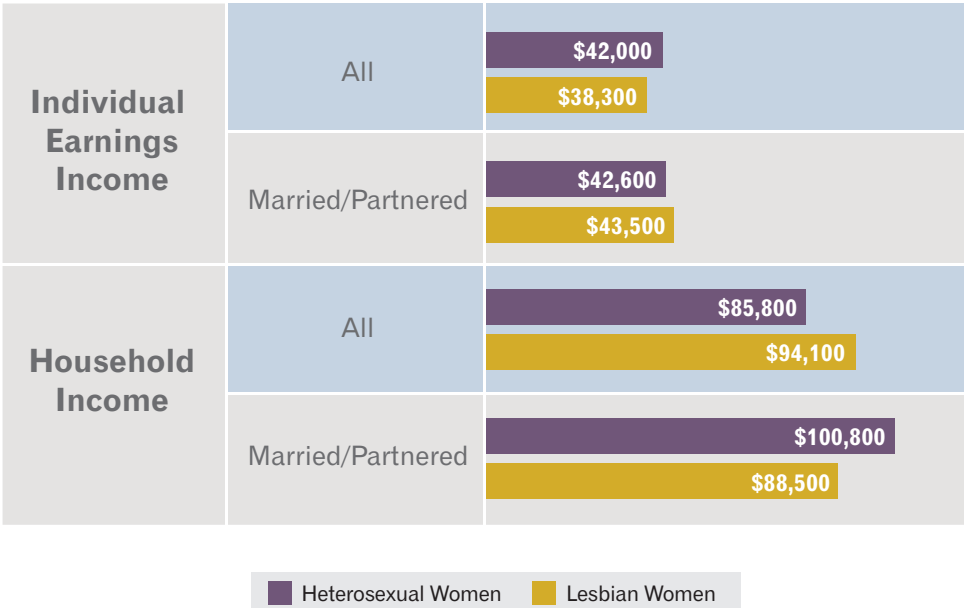


**For the purpose of this analysis, "partnered" is defined as gay man whose household contains exactly two adult men or a heterosexual man whose household includes exactly one adult female.*

Lesbian women often earn less than heterosexual women

Overall, lesbian women have income levels that are \$3,700 lower, on average, than those of heterosexual women. However, among married or partnered women, lesbians earn \$900 more on average than their heterosexual counterparts. Interestingly, when it comes to household income the average among all lesbian women is \$8,200 higher than that of all adult women (\$94,100 versus \$85,800), suggesting that household arrangements of lesbian women lead to a higher aggregate of wages earned. However, when we look at those married or partnered individuals, we see that household income among partnered lesbians falls \$12,300 short of all partnered women. This is most likely caused by the inclusion of income from men. As the previous page in this report indicates, married/partnered heterosexual men earn, on average, \$62,500, which is considerably higher than the average individual earnings income of \$43,500 claimed by the typical married/partnered lesbian.

Mean individual earnings and household income of women, by sexual orientation



"For the purpose of this analysis, "partnered" is defined as lesbian women whose household contains exactly two adult women or a heterosexual woman whose household includes exactly one adult male.

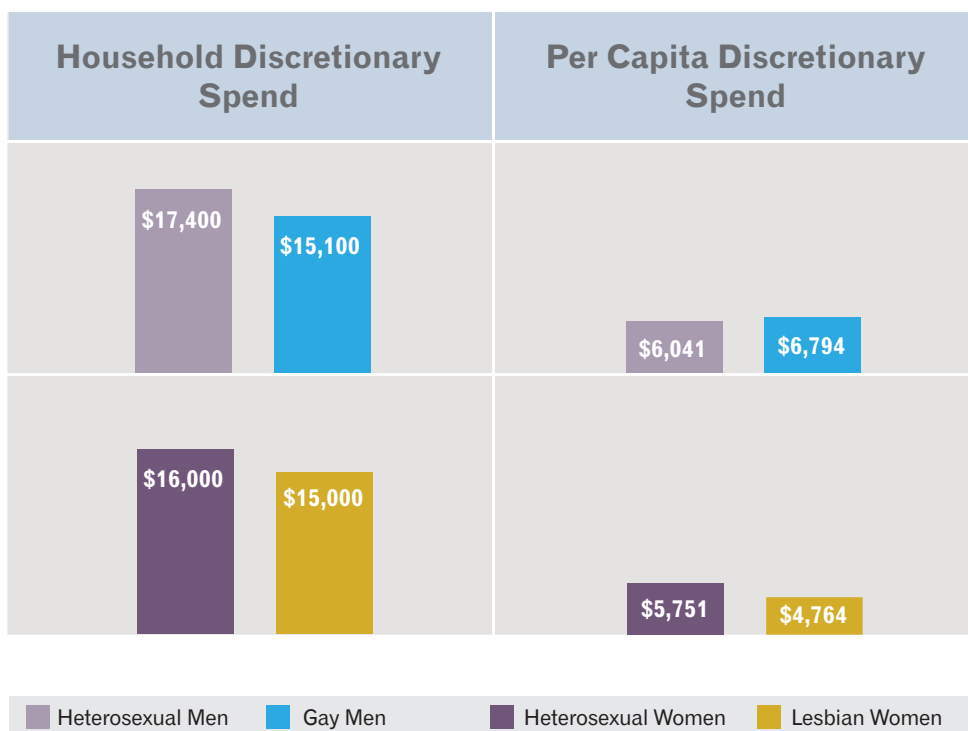
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Gay men have the highest discretionary spending per capita

Income levels are important to consider when targeting consumers, but more important is determining the amount of money they have left over for non-essentials after the other bills are paid. Despite earning nearly identical salaries, gay men have lower annual household discretionary expenditures than heterosexual men. Likewise, lesbian households have fewer dollars than those of heterosexual women to spend on non-essentials. This is mostly likely due to the fact that both lesbian and gay adults tend to reside in larger cities where the cost of living can be considerably higher than average.

Interestingly, when household size is brought into the equation, we see that gay males actually have higher discretionary spending per capita than heterosexual men. In fact, gay men live in households that devote \$6,794 per capita annually to non-essentials, which is \$753 more than what heterosexual men spend.

Mean annual household spending on discretionary purchases, by gender and sexual orientation



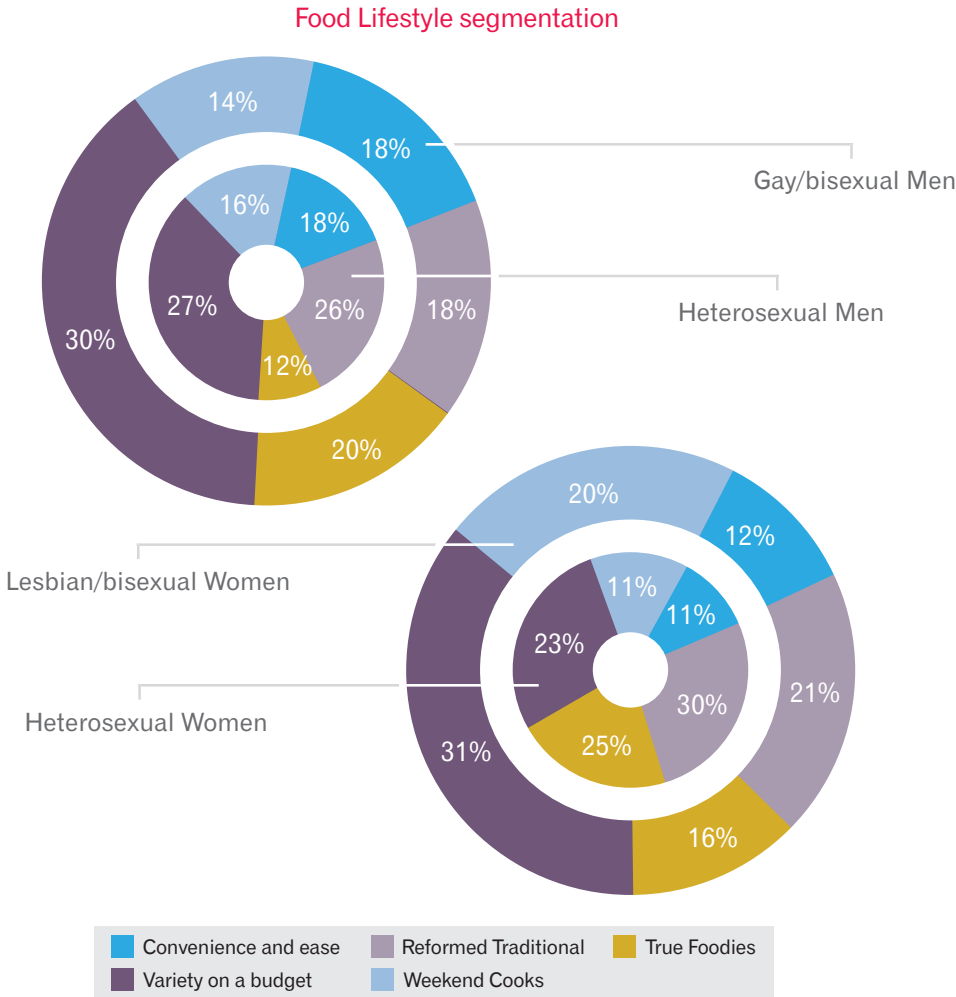
Key Mindsets

Food and lifestyle segments

Gay men have a reputation for their attention to style and presentation and our Food Lifestyle segments indicate that's at least partially true when it comes to food. Our research shows that when compared to heterosexual men, gay and bisexual men are 59% more likely to be considered "True Foodies," the segment of eaters who have the most culinary expertise, eat a variety of food, love to experiment with different cuisines and have adopted a healthy eating lifestyle. In fact, fully one-in-five gay/bisexual men fall into this segment compared with 12% of straight men.

On the opposite side of the gender divide, lesbian/bisexual women are actually less likely than heterosexual women to be True Foodies with only 16% of lesbian/bisexual women falling into this segment compared with 25% of heterosexual women. Both gay/bisexual men and lesbian/bisexual women are more likely than their heterosexual counterparts to be considered "Variety on a budget," a segment that often eats on the run, yet wants food that's healthy and gourmet.

For more information on the Food Lifestyle segments, [click here](#).



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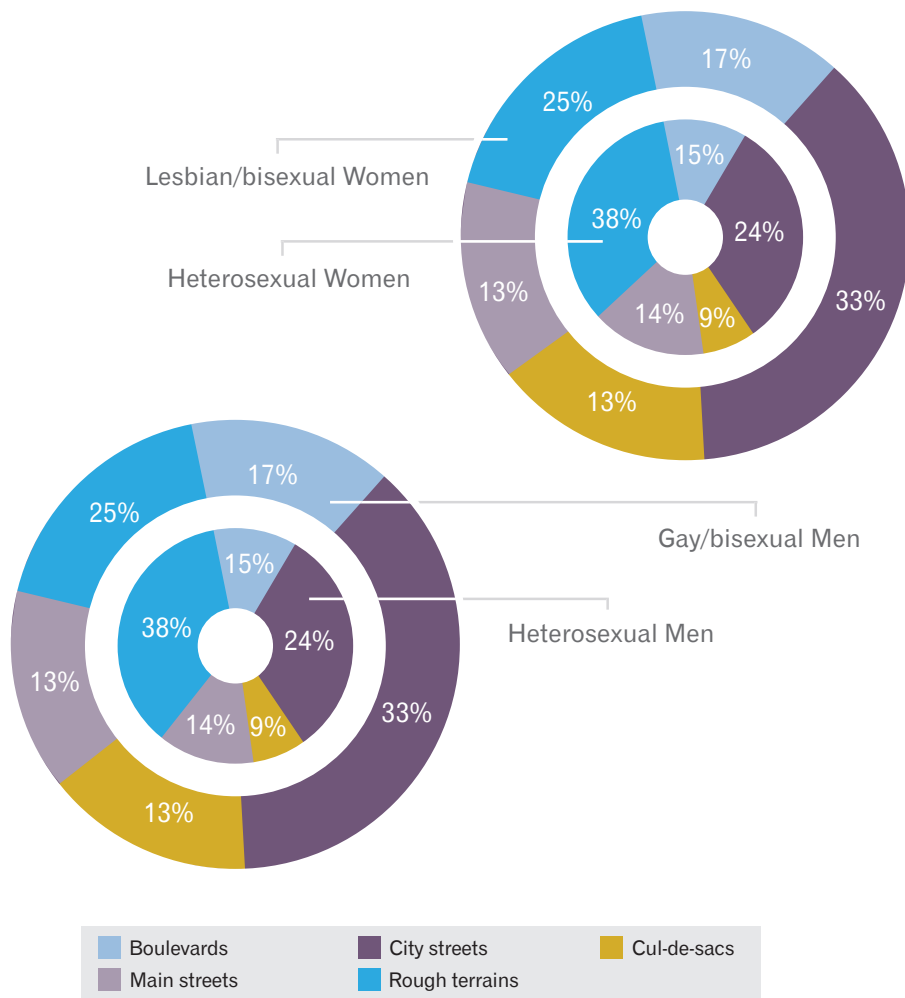
Auto-Motives segmentation sheds light on communities within the community

When it comes to automobiles, gay and bisexual men are noticeably more likely than heterosexual men to fall into the “Cul-de-sacs” and “City Streets” Auto-Motives segments and much less likely to be considered “Rough Terrains.” Lesbian/bisexual women, meantime, are fully twice as likely as heterosexual women to be categorized as “City Streets.”

Cul-de-sacs represent practical drivers who place a higher value on comfort and function over performance, image or status when buying a vehicle. Meantime, City Streets includes drivers who see their vehicle as an extension of their identity and whose primary motivations when selecting a vehicle are image and status. Given that gay/bisexual men are over represented in each segment may seem contradictory, but, in fact, it highlights the importance of getting a more complete understanding of LGBT consumers and discovering sub-segments within the overall community.

For more information on the Auto-motives segments, [click here](#).

Auto-Motives Segmentation



Going Mobile

Mobile and technology innovators

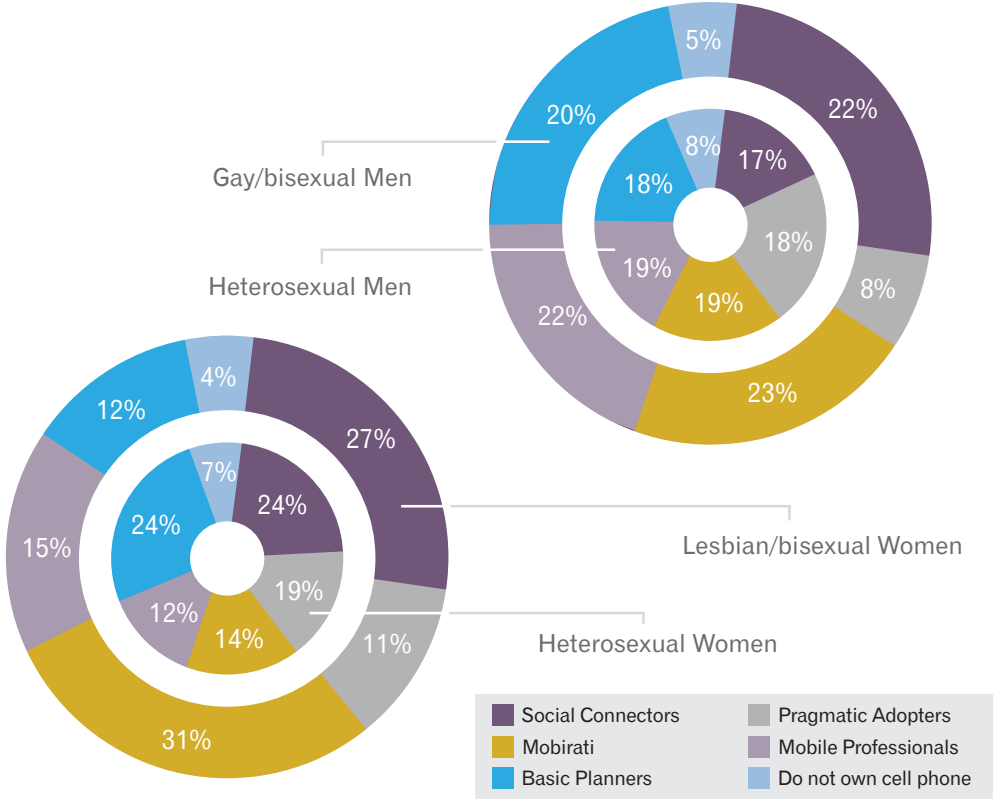
Gays, lesbians and bisexuals are mobile and technology leaders. Compared with heterosexuals, gay/bisexual men and lesbian/bisexual women are more likely to be considered technology “Wizards.” Wizards are the consumers Experian Marketing Services has identified as those for whom technology is central to their way of life. They’re enthusiastic and adventurous users of new technology and can’t get enough of the latest gadgets.

When it comes to mobile, both gay/bisexual men and lesbian/bisexual women are more likely than their heterosexual counterparts to be members of highly active segments from our Mobile Consumer Segmentation that are key for marketers trying to connect with mobile innovators. Specifically, gay, lesbian and bisexual adults are more likely to be considered “Social Connectors,” “Mobile Professionals” and “Mobirati.” In fact, lesbian/bisexual women are fully 2.2 times more likely than heterosexual women to be Mobirati, which represents those adults who grew up with cell phones and can’t imagine life without them.

As added proof that these consumer segments are important targets for mobile campaigns, our research shows that gay/bisexual men and lesbian/bisexual women are 33% and 22% more likely than their heterosexual gender counterparts, respectively, to have redeemed a coupon on from their cell phone.

For more information on the Mobile Consumer Segmentation [click here](#).

Mobile Consumer Segmentation



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Reaching LGBT consumers online

What are LGBT Americans searching for?

Gay and lesbian Americans have always been early adopters of the Internet, a medium that served as place to form safe communities and to access resources that may not be readily available elsewhere. Today, sites like Gay.com, Queerty.com, LogoTV.com and more are among the most popular dedicated to delivering content specifically targeting the needs and interests of the LGBT community and beyond. Experian Marketing Services identified the top 50 LGBT content sites (excluding dating sites) in order to learn more about LGBT online adults and what they're interested in. The top 10 sites appear in the table below.

Top 10 LGBT content sites

| Rank | Website | Visit Share | Rank | Website | Visit Share |
|------|--------------|-------------|------|-----------------------|-------------|
| 1 | Gay.com | 15.2% | 6 | The Data Lounge | 9.2% |
| 2 | Queerty | 10.7% | 7 | AfterEllen.com | 5.3% |
| 3 | Logo TV | 9.9% | 8 | www.gaystarnews.com | 2.7% |
| 4 | Towleroad | 9.3% | 9 | Susan's Place | 2.4% |
| 5 | Advocate.com | 9.3% | 10 | Human Rights Campaign | 2.0% |

Looking at the search terms driving visits to these sites, it is clear that many individuals are looking for information about Rupaul's Drag Race, a popular television show that airs on Logo, a Viacom-owned network. In fact, many of the top non-branded search terms include variations of the show's name and famous host. Searches related to marriage are also driving a decent amount of traffic to these sites as are searches for celebrities, including gay celebrities, rumoured-to-be gay celebrities and gay icons and heartthrobs.



Upstream/downstream traffic

Over a third of clicks directing visitors to the leading LGBT content sites come from search engines and another 17% come from social networking sites and forums. Combined these two categories of sites deliver nearly 56% of all traffic to LGBT content sites, indicating their importance in directing visitors to the content they're looking for. However, both search and social industries receive a lower share of downstream traffic from the top 50 LGBT content sites. In fact, only 10.6% of downstream traffic from LGBT content sites goes back to a search engine and 14.8% goes to a social networking site or forum. Social networking sites are still the top downstream industry for visitors to LGBT content sites, suggesting that visitors are either sharing content from the sites or are going back to their social networks for more. Other gay and lesbian sites, blogs and personal websites and multimedia sites are also all popular downstream destinations from LGBT content sites both in terms of clicks and in the fact that they are disproportionately higher downstream than upstream.

Top upstream and downstream industries for top 50 LGBT content sites

| Upstream Industry | Clicks | Index to Downstream Clicks |
|------------------------------|--------|----------------------------|
| Search Engines | 38.5% | 365 |
| Social Networking and Forums | 17.3% | 117 |
| Gay and Lesbian | 5.9% | 52 |
| Blogs and Personal Websites | 5.7% | 57 |
| Email Services | 4.5% | 204 |
| Multimedia | 3.7% | 60 |
| Print | 2.8% | 52 |
| Portal Frontpages | 2.4% | 132 |
| Television | 2.2% | 56 |
| Dating | 2.1% | 41 |
| Reference | 1.7% | 79 |
| Personalities | 1.2% | 41 |
| Movies | 0.9% | 48 |
| Broadcast Media | 0.9% | 36 |
| Other | 10.3% | 54 |

| Downstream Industry | Clicks | Index to Upstream Clicks |
|------------------------------|--------|--------------------------|
| Social Networking and Forums | 14.8% | 86 |
| Gay and Lesbian | 11.5% | 193 |
| Search Engines | 10.6% | 27 |
| Blogs and Personal Websites | 9.9% | 175 |
| Multimedia | 6.1% | 167 |
| Print | 5.3% | 194 |
| Dating | 5.2% | 245 |
| Television | 3.9% | 179 |
| Personalities | 3.1% | 245 |
| Broadcast Media | 2.4% | 278 |
| Email Services | 2.2% | 49 |
| Reference | 2.2% | 126 |
| Movies | 1.9% | 207 |
| Portal Frontpages | 1.9% | 76 |
| Other | 19.2% | 187 |

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Reaching LGBT consumers on mainstream sites

While reaching LGBT consumers on LGBT-focused sites is a great way to show support for the community, marketers can reach this influential audience on more mainstream sites as well. Sites like Gawker, Reddit, Twitter, The Huffington Post and others like those shown below are among the top upstream and downstream sites for visitors to LGBT content sites. These sites are likely to have high concentrations of LGBT visitors or visitors interested in LGBT content and may prove to be a “safer” place for marketers considering a more over plan for reaching out to LGBT consumers via mainstream media.

Non-LGBT-focused sites to reach LGBT content visitors, by industry

| Entertainment Sites |
|---------------------|
| YouTube |
| NetFlix.com |
| HappyPlace.com |
| Hulu |
| IMDB |
| Gawker |
| MTV.com |
| Cracked.com |
| Daily Motion |
| Flickr |
| Social Networking |
| Facebook |
| Twitter |
| Tumblr |
| Reddit |
| LinkedIn |
| News and Media |
| The Huffington Post |
| Buzzfeed |
| The New York Times |
| CNN.com |
| The Washington Post |

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