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## NCAA Financial Ads, in Black and White

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By Kerry Pechter    *Wed, Mar 23, 2016*

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*During the first weekend of March Madness, I saw a commercial for Northwestern Mutual Life that emphasized the importance of combining insurance and investments--and that seemed to have chosen bi-racial couples to reinforce that message.*

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During the broadcast of the NCAA men's basketball tournament last weekend, Northwestern Mutual Life aired commercials in which two pairs of actors portrayed bi-racial couples: a Caucasian man with an African-American wife, and an African-American man with an Asian or Caucasian wife.

The tagline on the screen at the end of one commercial read: "Live Life Differently." The spot emphasized the idea—explicit in the messaging and perhaps reinforced by the imagery—that Americans need to integrate investments and their insurance when they make their financial plans.

Since few inadvertent decisions ever occur within the creative content of advertising—the advertiser needs to control every aspect of the message—it's tempting to try to deconstruct the commercial and its apparently deliberate mixture of race and financial planning.



Northwestern Mutual isn't the only financial services company to break new racial ground. A recent ad by Merrill Lynch Asset Management on the back cover of the *Journal of Retirement* shows an African-American man, perhaps in his 50s, and a blonde woman laughing over mugs of coffee while seated on the steps to a rustic cabin. (In the hazy background, you can see a padlock in a hasp on the cabin door, perhaps symbolizing security or safety.)

The headline of this ad says, "Navigate retirement toward the things that matter to you most." The first line of the body copy says, "We understand that retirement is a unique situation for everyone."

I have no idea what to make of these advertisements. Perhaps they represent a more evolved America. We have our first African-American president. “Mixed marriage” no longer shocks the way it once did. It’s been almost half a century since the Supreme Court ruled, in *Loving v. Virginia*, that state “anti-miscegenation” laws were unconstitutional.

But the ads can hardly be described as *trailing* indicators. De facto segregation persists. Recent police shootings triggered the birth of *Black Lives Matter*. On average, African-Americans still earn, save and invest at a much lower rate than average white Americans—lower even than the white Americans who *themselves* are angry enough about inequality to have fueled the candidacy of Donald Trump.

It would be unfair to suggest or pretend that blacks have reached financial parity with whites. In 2013, only 41% of blacks between ages 31 and 62 had retirement account savings (compared with 65% of non-Hispanic whites), according to the Economic Policy Institute. Among blacks with retirement account savings, the median account balance was only \$22,000 (compared with \$73,000 for non-Hispanic whites).

And, despite what you’re starting to see on TV, black/white marriages are still rare in America. In 2010, only seven-tenths of one percent of U.S. marriages were between non-Hispanic whites and non-Hispanic blacks, according to the Census Bureau. Mixed couples are most likely to live in Virginia, Maryland and the District of Columbia, and near military bases in Kansas, Georgia, Texas and Oklahoma.

So what’s motivating the choice of actors in the Northwestern Mutual ads? Here are some guesses, in roughly my estimates of probability:

1. The use of blended couples reflects the theme of blending insurance and investments and/or the theme of sensitivity to unique planning situations.
2. The NCAA basketball tournament attracts a broad audience of African-Americans, whites, Latinos and Asians, and advertisers want to appeal to the entire audience.
3. A company that uses bi-racial couples in its ads will be seen as inclusive and progressive.
4. Other tournament advertisers—Buffalo Hot Wings, Michelob brewers—routinely depict social events where Asians, Caucasians, Latinos and African-Americans mingle in more or less equal proportions. It would be conspicuous not to do the same.
5. The use of bi-racial couples in ads is unusual and eye-catching. In an age of media saturation, advertisers have to take risks in order to be noticed.
6. Advertisers naturally want to immunize themselves against any accusation that they are not progressive or inclusive.

In the interest of providing context as well as transparency, I should disclose that a member

of my family is in a bi-racial relationship. As someone who grew up when even a *bi-religion* relationship could fracture family relations, I have to admit that I experienced an interval—not a long interval, but an interval nonetheless—of adjustment to the idea. It required personal growth and change. I can't imagine that an insurance or asset management company would take even a tacit position on such a sensitive matter without giving it careful thought, and without having a specific goal. If you know what they are thinking, please tell me in an email ([kerry.pechter@retirementincomejournal.com](mailto:kerry.pechter@retirementincomejournal.com)).

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