



FUND FOR SOCIAL EQUITY™ RESEARCH FINDINGS

Black-owned, Managed & Operated Business

Seal Concept Test

2024 February



FUND FOR SOCIAL EQUITY RESEARCH SUMMARY – FEBRUARY 2024

Over a period of nine months ending in July 2023, four nationally representative studies of the general US population were fielded testing two concepts of a seal denoting products, services and companies that are Black owned, managed and operated. When asked about their purchase of a product or service with an identifying seal at a premium price, 47% of all Americans surveyed definitely or probably would buy, increasing to 78% among Black Americans..

Furthermore, 77% of all Americans were neutral to positive on the concept and concept rejectors were low (bottom two box 23%). After exposure to the general concept, the sample preferred the family prosperity concept over a direct racial equity concept 2 to 1.

When the sample was viewed from a regional perspective, the West South Central, Middle Atlantic, South Atlantic, Pacific, and East North Central regions found gen pop appeal of 44%-50% top two box.

Finally, over 15 business sectors were tested and everyday purchases in food and consumer products scored the highest in appeal. The ability to command a price premium is important because it implies that these companies will be able to bring more revenue into the Black community.

Quantitative Survey Research Objectives:

- Understand the overall consumer appeal of Social Equity Label
- Uncover which of the specific value propositions resonate best
 - Family Prosperity
 - Racial Equity
- Identify customers most likely to purchase projects with label
- Identify the categories/verticals that are most relevant for label
- Understand which elements of the label are most important
- Uncover which of the logos resonate best

Survey Methodology: 15-minute survey

- **Concept Exposure and Key Metrics (2 concepts)**
 - Purchase Interest unpriced
 - Purchase Interest if came at premium
 - Which products best suited
 - Most likely category to purchase
 - % additional willing to spend
- **Selection between 2 descriptions**
- **Importance of attributes on seal**
- **Preferred imagery for seal**
- **Additional Demographics**

These are some findings from a Fund for Social Equity poll, with data collection done by Ipsos. For this survey, a sample of 4,000 adults ages 18+ from the continental U.S., Alaska, and Hawaii was interviewed online in English between March 29-30, 2023.

Two Concepts Tested

Racial Equity

For generations, the legal and cultural history of the U.S. severely restricted the ability of Black Americans, among others, to build savings, generational wealth and better lives through business ownership, fair wages and other investment opportunities.

Now, you can address these inequalities when making everyday purchases by confidently supporting businesses that are owned and operated by Black Americans. Many kinds of products (e.g., food, health, beauty) and services (e.g., insurance, car repair, laundromat) will soon feature a seal indicating that their purchase helps break this cycle.

How it Works:

To use the seal, a company needs to meet multiple requirements that are independently verified by a nonprofit organization through business audits and ongoing recertification. Key requirements include:

1. Black American ownership of more than 50% of the company,
2. Operated with more than 25% in all management positions identifying as Black American
3. More than 25% of company materials and supplied purchased from other Black American businesses, and
4. Implementing programs for recruiting, retention, and mentoring of Black American employees.

Family Prosperity

Buying goods and services from people of color helps to spread prosperity among Black American families and reduces barriers they face when trying to accumulate savings and wealth over generations.

Now you can confidently support businesses that foster equality and contribute to brighter futures for many when making everyday purchases. A variety of products (e.g., food, health, beauty) and services (e.g., insurance, car repair, laundromat) will soon feature a seal indicating that their purchase directly benefits these types of American families and businesses.

How it Works:

To use the seal, a company needs to meet multiple requirements that are independently verified by a nonprofit organization through business audits and ongoing recertification. Key requirements include:

1. Black American ownership of more than 50% of the company,
2. Operated with more than 25% in all management positions identifying as Black American
3. More than 25% of company materials and supplied purchased from other Black American businesses, and
4. Implementing programs for recruiting, retention, and mentoring of Black American employees.

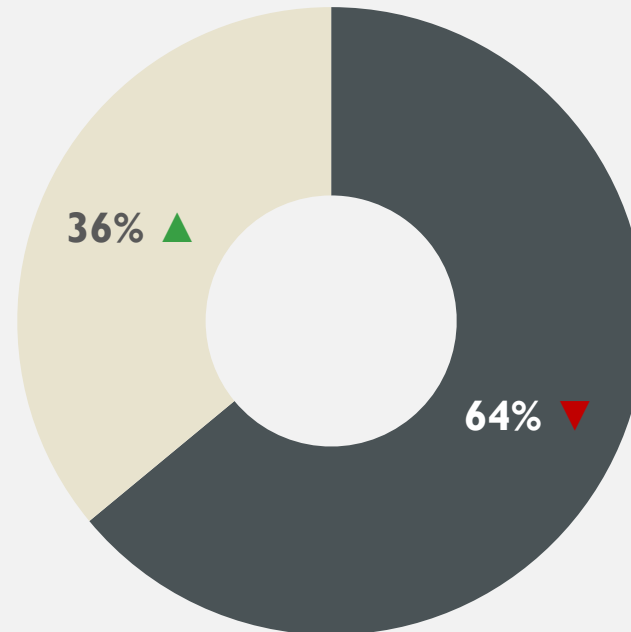
Seal Imagery Options Tested



Although focusing on Black Americans shifts preference towards Racial Equity, there is strong preference for Family Prosperity.

Preferred Concept Description

- Racial Equity
- Family Prosperity



Base: Wave 1 (N=4,000), Wave 2 (N=4,000)

Data Tested vs. Wave 1. ▲/▼ denotes significant differences with 90% confidence.

77% of all Americans are neutral to positive to a premium priced concept while alienation remains low.

General Population*

Purchase Intent

Family Prosperity Concept

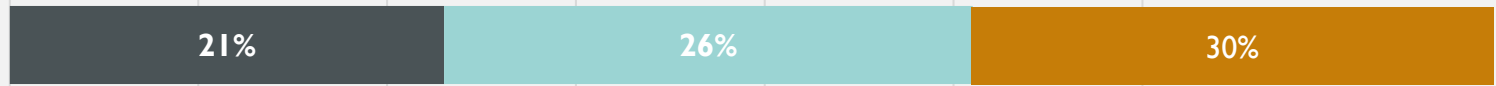
% Definitely or Probably would buy

| | |
|------------------------------|------------|
| Top 2 Box Purchase Interest: | 47% |
| Neutral to Positive: | 77% |

% Definitely would buy

% Probably would buy

% Might or might not buy



General Population*

Alienation

Family Prosperity Concept

% Definitely or Probably would buy

| | |
|--------------------|------------|
| Priced Alienation: | 23% |
|--------------------|------------|

% Definitely would not buy

% Probably would not buy



Base: Wave 1 (N=4,000), Wave 2 (N=4,000),
Data Tested vs. Wave 1. ▲/▼ denotes significant differences with 90%

* Nationally representative sample; Among all Americans

More than half (53%) of all Americans showed interest in the Family Prosperity concept with 15% concept rejectors.

General Population*

Purchase Intent

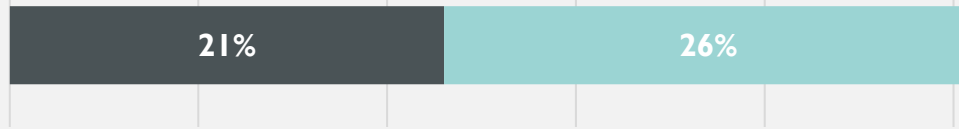
Family Prosperity Concept

% Definitely or Probably would buy

| | |
|------------------------------|------------|
| Top 2 Box Purchase Interest: | 53% |
|------------------------------|------------|

% Definitely would buy

% Probably would buy



General Population*

Alienation

Family Prosperity Concept

% Definitely or Probably would buy

| | |
|-------------|------------|
| Alienation: | 15% |
|-------------|------------|

% Definitely would not buy

% Probably would not buy



Base: Wave 1 (N=4,000), Wave 2 (N=4,000),
Data Tested vs. Wave 1. ▲/▼ denotes significant differences with 90%

* Among all Americans

Among those interested in the Family Prosperity concept, more than half maintained strong interest in a priced version.

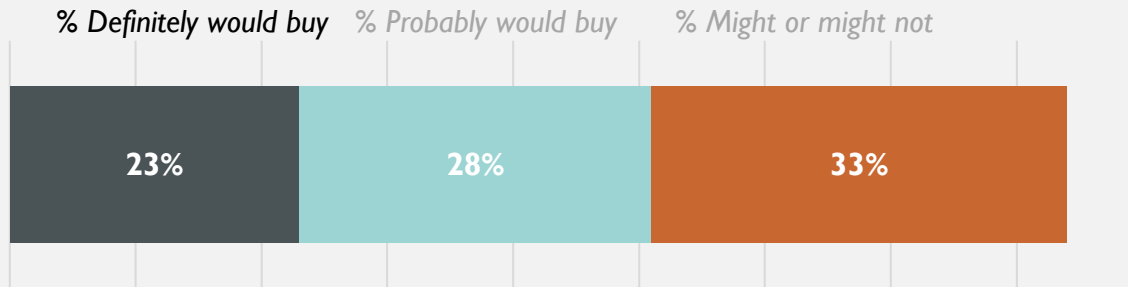
General Population

Purchase Intent

Family Prosperity Concept

% Definitely or Probably would buy

| | |
|------------------------------|-------------|
| Top 2 Box Purchase Interest: | 52%* |
| Neutral to Positive: | 85% |



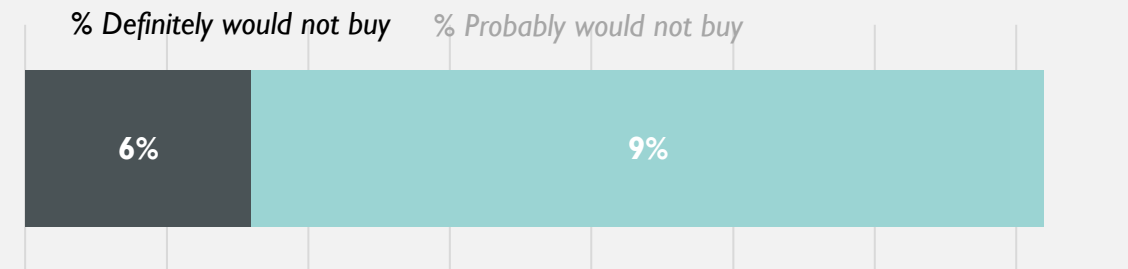
General Population

Alienation

Family Prosperity Concept

% Definitely or Probably would buy

| | |
|--------------------|------------|
| Priced Alienation: | 15% |
|--------------------|------------|



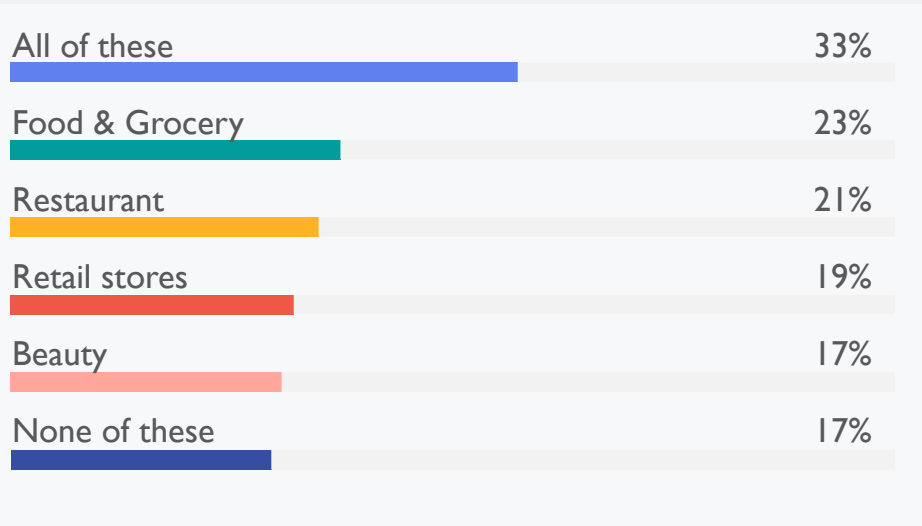
Base: Wave 1 (N=4,000), Wave 2 (N=4,000)

Data Tested vs. Wave 1. ▲/▼ denotes significant differences from 70% confidence.

* Among Un-priced Concept non rejectors

Food and Grocery is the best category suited for the seal although most consumers aren't willing to pay over a 10% premium for the certification.

Categories Best Suited for Seal



Not Shown: Health: 14%; Car Repairs: 12%; Hotels/Hospitality: 13%; Entertainment/Recreation: 12%; Laundromat: 11%; Insurance: 11%; Banking & Finance: 10%; Real Estate: 9%

Base: Wave 1 (N=4,000), Wave 2 (N=4,000)
Data Tested vs. Wave 1. ▲/▼ denotes significant differences with 90% confidence.

Category Most Likely to Purchase



Not Shown: Restaurant: 16%; Retail Stores: 15%; All other categories <10%

% Extra Willing to Spend (of those open to the concept)



The Family Prosperity concept resonated strongest with Black Americans, Democrats, and Millennials.

Priced Purchase Interest

| | Definitely Would Purchase | Definitely or Probably |
|---------------------------------|---------------------------------|------------------------------|
| Cohort | | |
| Total General Population | 22% | 47% |
| Black or African American | 45% | 78% |
| Democrat | 31% | 60% |
| 25-34 | 30% | 60% |
| 35-44 | 27% | 53% |
| 45-54 | 24% | 48% |
| Other race | 24% | 46% |
| 18-24 | 24% | 50% |
| Male | 23% | 46% |

Base: Wave 2 (N=4,000)

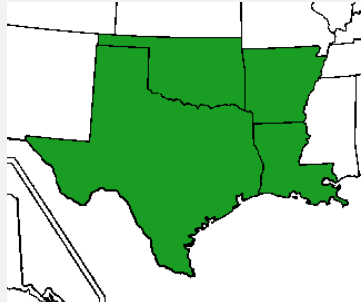
*Dichotomous Question Text Selection: Full Text:
Racism has not impacted the potential for financial success in the US
No one in America is treated differently because of their race

REGIONAL FINDINGS

West South-Central Priced Concept Results – Among those who accept the Family Prosperity concept

DMAs with most Black-owned businesses*

- Houston-The Woodlands-Sugar Land, TX (3,586)
- Dallas-Fort Worth-Arlington, TX (3,414)
- New Orleans-Metairie, LA (987)



Category Most Likely to Purchase

Food &
Grocery



25%

Not Shown: Restaurant: 16%; Retail Stores: 10%; All other categories <10%

Priced Purchase Interest (Among Family Prosperity non-rejectors)

| Cohort | TB | T2B |
|---------------------------------|------------|------------|
| Black or African-American | 38% | 70% |
| Democrat | 37% | 67% |
| 35-44 | 36% | 65% |
| Other race | 33% | 62% |
| 25-34 | 30% | 70% |
| 55-64 | 30% | 54% |
| Single, never married | 28% | 61% |
| Married | 28% | 59% |
| Independent | 28% | 57% |
| Hispanic | 26% | 60% |
| Female | 26% | 58% |
| Divorced or separated | 26% | 59% |
| Male | 26% | 57% |
| Total West South Central | 26% | 58% |

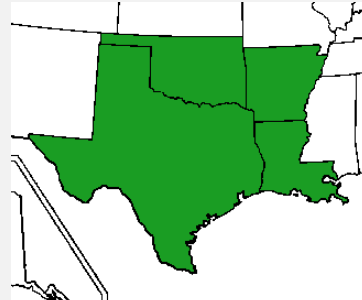
Base: West South Central (N=414)

*Businesses with more than one employee from the U.S. Census Bureau's 2021 Annual Business Survey

West South-Central Priced Family Prosperity Concept Result – All Americans

DMAs with most Black-owned businesses*

- Houston-The Woodlands-Sugar Land, TX (3,586)
- Dallas-Fort Worth-Arlington, TX (3,414)
- New Orleans-Metairie, LA (987)



Category Most Likely to Purchase

Food &
Grocery



25%

Not Shown: Restaurant: 16%; Retail Stores: 10%; All other categories <10%

Priced Purchase Interest†

(General population including Family Prosperity Rejectors)

| Cohort | TB | T2B |
|---------------------------------|------------|------------|
| Other race | 63% | 100% |
| 35-44 | 38% | 70% |
| Democrat | 36% | 66% |
| Black or African-American | 30% | 57% |
| 55-64 | 29% | 50% |
| 25-34 | 28% | 64% |
| Hispanic | 26% | 58% |
| Married | 25% | 53% |
| Female | 23% | 52% |
| Divorced or separated | 23% | 53% |
| Total West South Central | 23% | 50% |

Base: West South Central (N=414)

*Businesses with more than one employee from the U.S. Census Bureau's 2021 Annual Business Survey

† Based to Total including those who would not purchase with no price increase

Middle Atlantic Price Concept Result – Among those who accept the Family Prosperity concept

DMAs with most Black-owned businesses*

- New York-Newark-Jersey City, NY-NJ (14,265)
- Philadelphia,-Camden PA-NJ (3,151)
- Rochester, NY (311)

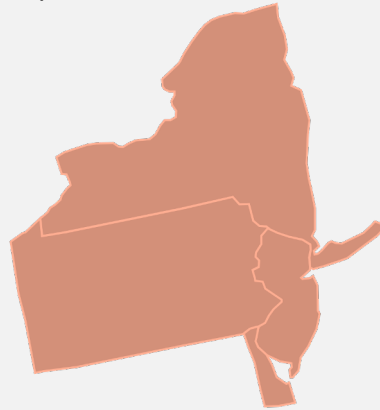
Category Most Likely to Purchase

Food &
Grocery



23%

Not Shown: Retail Stores: 14%; Restaurant: 12%; All other categories <10%



Priced Purchase Interest (Among Family Prosperity non-rejectors)

| Cohort | TB | T2B |
|------------------------------|------------|------------|
| 45-54 | 30% | 60% |
| 35-44 | 29% | 69% |
| Democrat | 29% | 67% |
| 25-34 | 28% | 65% |
| Black or African-American | 28% | 65% |
| Male | 28% | 59% |
| Hispanic | 27% | 65% |
| Single, never married | 25% | 56% |
| Asian | 24% | 72% |
| Other race | 24% | 53% |
| Married | 23% | 59% |
| Divorced or separated | 23% | 55% |
| Total Middle Atlantic | 23% | 57% |

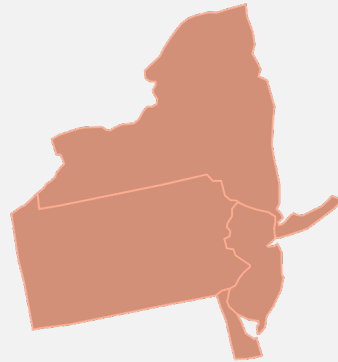
Base: Middle Atlantic (N=431)

*Businesses with more than one employee from the U.S. Census Bureau's 2021 Annual Business Survey

Middle Atlantic Priced Family Prosperity Concept – All Americans

DMAs with most Black-owned businesses*

- New York-Newark-Jersey City, NY-NJ (14,265)
- Philadelphia,-Camden PA-NJ (3,151)
- Rochester, NY (311)



Category Most Likely to Purchase

Food &
Grocery



23%

Not Shown: Retail Stores: 14%; Restaurant: 12%; All other categories <10%

Priced Purchase Interest†

(General Population including Family Prosperity Rejectors)

| Cohort | TB | T2B |
|------------------------------|------------|------------|
| 45-54 | 33% | 65% |
| Hispanic | 29% | 71% |
| Democrat | 27% | 65% |
| 25-34 | 27% | 63% |
| Asian | 26% | 78% |
| 34-44 | 26% | 61% |
| Black or African-American | 26% | 57% |
| Male | 23% | 48% |
| Other race | 22% | 56% |
| Married | 20% | 50% |
| Single, never married | 20% | 45% |
| Widowed | 19% | 58% |
| Total Middle Atlantic | 19% | 48% |

Base: Middle Atlantic (N=431)

*Businesses with more than one employee from the U.S. Census Bureau's 2021 Annual Business Survey

† Based to Total including those who would not purchase with no price increase

South Atlantic Priced Concept Result – Among those who accept the Family Prosperity concept

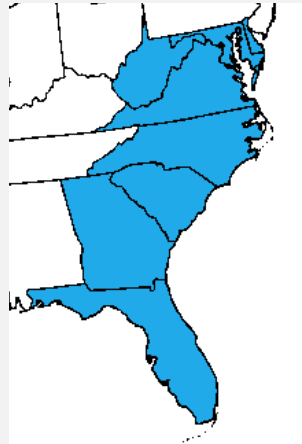
DMAs with most Black-owned businesses*

- Atlanta-Sandy Springs-Roswell, GA (8,663)
- Washington-Arlington-Alexandria, DC-VA-MD-WV (7,933)
- Miami-Fort Lauderdale-West Palm Beach, FL (7,072)

Category Most Likely to Purchase

Food & Grocery  **23%**

Not Shown: Restaurant: 16%; Retail Stores: 13%; All other categories <10%



Priced Purchase Interest (Among Family Prosperity non-rejectors)

| Cohort | TB | T2B |
|-----------------------------|------------|------------|
| Black or African American | 39% | 68% |
| Democrat | 34% | 68% |
| 25-34 | 33% | 66% |
| 35-44 | 33% | 64% |
| Hispanic | 33% | 67% |
| Other race | 32% | 41% |
| 18-24 | 31% | 64% |
| Male | 29% | 58% |
| Married | 28% | 54% |
| Single, never married | 27% | 64% |
| 45-54 | 27% | 59% |
| Prefer not to answer | 26% | 45% |
| Total South Atlantic | 26% | 56% |

Base: South Atlantic (N=702)

*Businesses with more than one employee from the U.S. Census Bureau's 2021 Annual Business Survey

South Atlantic Priced Family Prosperity Concept – All Americans

DMAs with most Black-owned businesses*

- Atlanta-Sandy Springs-Roswell, GA (8,663)
- Washington-Arlington-Alexandria, DC-VA-MD-WV (7,933)
- Miami-Fort Lauderdale-West Palm Beach, FL (7,072)

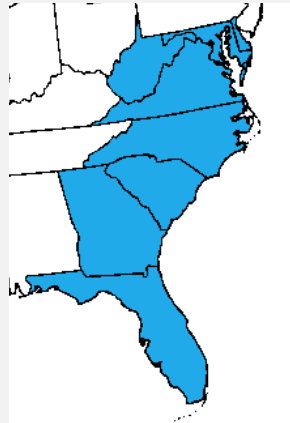
Category Most Likely to Purchase

Food &
Grocery



23%

Not Shown: Restaurant: 16%; Retail Stores: 13%; All other categories <10%



Priced Purchase Interest†

(General Population including Family Prosperity Rejectors)

| Cohort | TB | T2B |
|-----------------------------|------------|------------|
| Hispanic | 40% | 80% |
| 18-24 | 33% | 67% |
| Democrat | 33% | 66% |
| Black or African American | 32% | 56% |
| 25-34 | 30% | 58% |
| 35-44 | 29% | 55% |
| Married | 26% | 49% |
| Widowed | 24% | 55% |
| Male | 24% | 48% |
| Other race | 24% | 29% |
| Single, never married | 22% | 51% |
| 45-54 | 22% | 48% |
| Total South Atlantic | 22% | 49% |

Base: South Atlantic (N=702)

*Businesses with more than one employee from the U.S. Census Bureau's 2021 Annual Business Survey

† Based to Total including those who would not purchase with no price increase

Pacific Priced Concept Result— Among those who accept the Family Prosperity concept

DMAs with most Black-owned businesses*

- Los Angeles-Long Beach-Anaheim, CA (6,864)
- Seattle-Tacoma WA (1,269)
- Riverside,-San Bernardino-Ontario CA (1,195)

Category Most Likely to Purchase

Food & Grocery  **24%**

Not Shown: Restaurant: 22%; Retail Stores: 14%; All other categories <10%



Priced Purchase Interest (Among Family Prosperity non-rejectors)

| Cohort | TB | T2B |
|---------------------------|------------|------------|
| Black or African American | 41% | 65% |
| 35-44 | 33% | 54% |
| Other race | 32% | 68% |
| 25-34 | 30% | 59% |
| Hispanic | 27% | 59% |
| 45-54 | 26% | 66% |
| Married | 25% | 57% |
| Democrat | 24% | 60% |
| Female | 21% | 53% |
| Total Pacific | 19% | 55% |

Base: Pacific (N=560)

*Businesses with more than one employee from the U.S. Census Bureau's 2021 Annual Business Survey

Pacific Priced Family Prosperity Concept – All Americans

DMAs with most Black-owned businesses*

- Los Angeles-Long Beach-Anaheim, CA (6,864)
- Seattle-Tacoma WA (1,269)
- Riverside,-San Bernardino-Ontario CA (1,195)

Category Most Likely to Purchase

Food &
Grocery



24%

Not Shown: Restaurant: 22%; Retail Stores: 14%; All other categories <10%



Priced Purchase Interest†

(General Population including Family Prosperity rejectors)

| Cohort | TB | T2B |
|---------------------------|------------|------------|
| Black or African American | 46% | 71% |
| Democrat | 23% | 56% |
| 25-34 | 23% | 47% |
| 35-44 | 21% | 35% |
| Married | 21% | 47% |
| 45-54 | 20% | 50% |
| Hispanic | 20% | 45% |
| Other race | 19% | 38% |
| Male | 18% | 51% |
| 55-64 | 17% | 50% |
| Total Pacific | 16% | 44% |

Base: Pacific (N=560)

*Businesses with more than one employee from the U.S. Census Bureau's 2021 Annual Business Survey

† Based to Total including those who would not purchase with no price increase

East North Central – Among those who accept the Family Prosperity concept

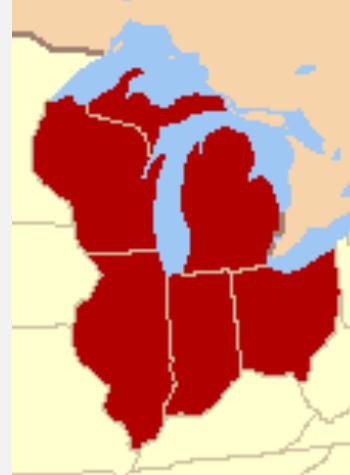
DMAs with most Black-owned businesses*

- Chicago-Naperville-Elgin, IL (4,838)
- Detroit-Warren-Dearborn, MI (2,059)
- Indianapolis-Carmel-Anderson, IN (1,113)

Category Most Likely to Purchase

Food & Grocery  23%

Not Shown: Restaurant: 19%; Retail Stores: 15%; All other categories <10%



Priced Purchase Interest (Among Family Prosperity non-rejectors)

| Cohort | TB | T2B |
|---------------------------------|------------|------------|
| Asian | 56% | 73% |
| Black or African-American | 52% | 73% |
| 25-34 | 41% | 73% |
| Hispanic | 40% | 76% |
| Democrat | 40% | 71% |
| Divorced or separated | 31% | 55% |
| 35-44 | 31% | 54% |
| Widowed | 29% | 59% |
| Male | 29% | 59% |
| 56-64 | 28% | 55% |
| Married | 28% | 55% |
| Single, never married | 27% | 57% |
| Total East North Central | 27% | 54% |

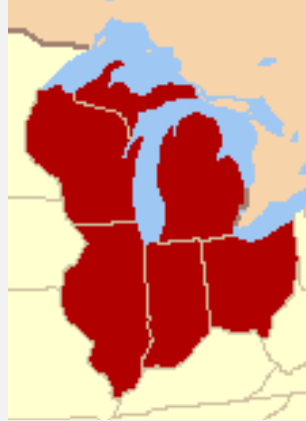
Base: East North Central (N=476)

*Businesses with more than one employee from the U.S. Census Bureau's 2021 Annual Business Survey

East North Central – All Americans

DMAs with most Black-owned businesses*

- Chicago-Naperville-Elgin, IL (4,838)
- Detroit-Warren-Dearborn, MI (2,059)
- Indianapolis-Carmel-Anderson, IN (1,113)



Category Most Likely to Purchase

Food & Grocery  23%

Not Shown: Restaurant: 19%; Retail Stores: 15%; All other categories <10%

Priced Purchase Interest†

(General Population including Family Prosperity rejectors)

| Cohort | TB | T2B |
|---------------------------------|------------|------------|
| Black or African-American | 47% | 65% |
| 25-34 | 39% | 69% |
| Democrat | 37% | 65% |
| 35-44 | 35% | 63% |
| Widowed | 28% | 56% |
| Asian | 28% | 39% |
| Hispanic | 27% | 52% |
| Divorced or separated | 26% | 46% |
| Married | 25% | 49% |
| Female | 23% | 47% |
| Total East North Central | 23% | 46% |

Base: East North Central (N=476)

*Businesses with more than one employee from the U.S. Census Bureau's 2021 Annual Business Survey

† Based to Total including those who would not purchase with no price increase

APPENDIX

We interviewed a robust group of customers

| Total | Gender | | Age | | | | | | T2B Considerers - Placeholder | | Political Party | | | Ethnicity/Race | | | | | Democrats | | | | | |
|-------|--------|--------|-------|-------|-------|-------|-------|-----|-------------------------------|------------------------|---|----------|------------|----------------|--------------------|--------------------|--------------------|--------------------|----------------------|--------------------|--------------------|--------------------|--------------------|----------------------|
| | Male | Female | 18-24 | 25-34 | 35-44 | 45-54 | 55-64 | 65+ | Race-Based Equality Seal | Family Prosperity Seal | Racism in US has limited financial success for Black and Native Americans | Democrat | Republican | Independent | White Non-Hispanic | Black Non-Hispanic | Asian Non-Hispanic | Other Non-Hispanic | Hispanic (all races) | White Non-Hispanic | Black Non-Hispanic | Asian Non-Hispanic | Other Non-Hispanic | Hispanic (all races) |
| A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | P | Q | R | S | T | U | V | W | X | Y |
| 4000 | 1945 | 2055 | 438 | 720 | 667 | 650 | 676 | 850 | 1804 | 1940 | 2537 | 1450 | 1046 | 1068 | 2469 | 461 | 230 | 102 | 644 | 781 | 267 | 83 | 31 | 280 |