

Numbers

No matter what you want to say about gay income levels, there's now a study to back you up

By Garry Boulard

For years American companies that have targeted gay and lesbian consumers have been guided by the belief—lent credence by a well-known marketing survey—that such consumers are much wealthier than average. And while a study unveiled August 16 disputes that notion, it's making a bigger splash in the political arena than it is in the world of business.

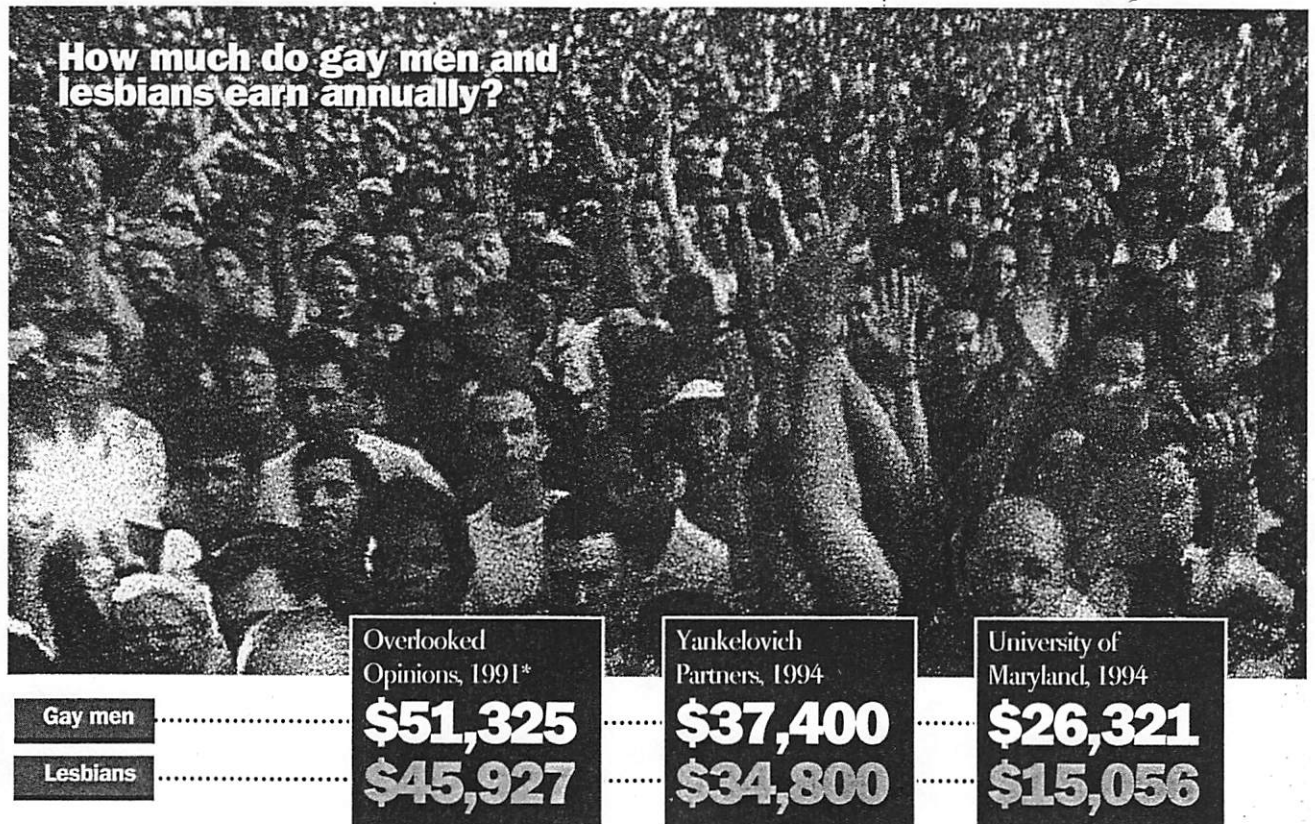
"People see two single [gay or lesbian] persons in professional jobs living together and think they have to have more money than straight couples with children and who may not have good jobs," said University of Maryland professor of public affairs Lee Badgett, who conducted the newest study. "But actually, the evidence is that gay men and particularly lesbians make quite a bit less than has been previously thought."

Badgett said the average yearly

income for gay men she studied was \$26,321, compared to \$28,312 for heterosexual men. For lesbians, average income was \$15,056, compared to \$18,341 for heterosexual women. She based her figures on data gleaned from 47 gay men and 34 lesbians selected at random from the University of Chicago General Social Survey. The study will be published in the Cornell University academic journal *Industrial and Labor Relations Review*, Badgett said.

Her findings were at sharp variance with a 1991 survey of readers of gay magazines conducted by the Chicago market research firm Overlooked Opinions. The study estimated that average household income was \$51,325 for gay male couples and \$45,927 for lesbian couples, compared to the average household income of \$36,520 for American couples in general, both heterosexual and homosexual.

Badgett's findings were immediately embraced by gay political



*Overlooked Opinions results are for households, not individuals.

groups, which said the numbers underscore the need for federal legislation outlawing antigay employment discrimination. The Human Rights Campaign Fund, for instance, said in a statement that "proponents of discrimination against gay and lesbian citizens have misused" the Overlooked Opinions findings to "spread stereotypes about gay people as members of an affluent elite." And Robin Kane, former spokeswoman for the National Gay and Lesbian Task Force, called the notion that gays and lesbians are much wealthier than Americans in general "a myth that is being perpetuated by the radical right to ostracize gay and lesbian people."

But the study irked entrepreneurs targeting gay and lesbian consumers. Ric Barrick, president of PointOne Management Co.—a Washington, D.C., firm that has introduced a credit card targeted at gays and lesbians—said that Badgett's findings downplay the financial impact of gay and lesbian consumers. The findings of the Overlooked Opinions poll, he said, "undoubtedly drove a lot of decisions among companies going for gay consumers. Not only did the survey show higher income levels among gays and lesbians, but it also showed higher education levels, which makes it easier to sell certain kinds of products." The University of Maryland study, he added, "was certainly not as extensive as the Overlooked Opinions study and does not take into account the higher disposable income of most gays and lesbians."

Badgett's study also drew criticism from Tom Smith, director of the University of Chicago General Social Survey. "Tentative and suggestive

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would be the strongest words to use for these findings," he said. "This is a small sample, and it would have a very large margin of error." Badgett acknowledged that the sample size was very small but said her findings were nonetheless surprising and will provide important groundwork for future research.

Badgett disclosed her findings less than two months after the highly respected polling organization Yankelovich Partners Inc. released survey results that reach a conclusion different not only from the Overlooked Opinions survey but also from the Badgett study. The Yankelovich study, based on a sample size of 143 gay men and lesbians, placed the average annual income of gay men at \$37,400, compared to \$39,300 for heterosexual men. Average annual income for lesbians was placed at \$34,800, compared to \$34,400 for heterosexual women. "What it shows is that there is really little difference between gay income levels and the incomes of those who aren't gay," said Yankelovich researcher Rex Briggs, who worked on the survey.

Badgett said that faced with such widely divergent findings, advertisers who target gay and lesbian consumers "will find that they have to be more aware of both ends of the economic spectrum." Findings such as hers, she added, "give a more accurate picture of what the gay and lesbian market is really like, which is much different from the one that's been promoted lately."

Barrick agreed. "Gays and lesbians are still a vast market that hasn't yet been fully tapped," he pointed out. "What the numbers really show is how diverse and varied we are as gay and lesbian people, which is something heterosexuals need to know." ●

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