

Targeting the “Digital Latino” A Center for Digital Democracy Report

Marketers are focusing on the Hispanic market with laser-like precision, using an array of research and marketing tools to understand and target them more effectively than ever before. Commercial marketers are monitoring Hispanic use of digital media especially closely, and media companies are expanding their digital initiatives to better target them. The use of digital channels to reach Hispanics reflects an understanding of how quickly they have embraced mobile and social media; how technological changes in the way we market and purchase products increasingly enable consumers to make decisions in real-time; and the growth of Hispanics’ buying clout.

In a 2013 presentation to advertisers, Univision explained that its “audiences use interactive devices more than the U.S. average, engage heavily in social media, and are more likely to respond to advertising messages on digital media.”¹ Hispanics, it explained, “over-index in adoption and consumption across all the technologies that matter—mobile, tablet, social, connected devices and digital video.”² Marketers closely following Hispanic use of digital media tout an array of similarly impressive statistics: “Seventy percent of Hispanics in the U.S. own a smartphone; their consumption of online video has soared 282 percent over the last five years; 60 percent of U.S. Hispanics desire more in-language digital video and say they would likely share this content with friends; and, Latinos are more receptive to messaging through mobile and social means than other demographics (more than 70 percent are more likely to purchase products they see advertised on their cell phones than non-Hispanics).”³ Hispanics also “spend more time” on mobile phones than other groups—4.1 hours vs. 3.6 hours. They tend to download “apps” more than others.⁴ The growing relationship Hispanics have with online media led the chief marketing officer of MillerCoors to exclaim, “Given that Latinos are the fastest growing segment in the U.S. population, and that they are extremely digitally active, my prediction is that marketers will become increasingly focused on Latino Digital.”⁵

In a presentation last April to the American Hispanic Advertising Association, Sir Martin Sorrell, CEO of global marketing and advertising giant WPP, made it clear why demographic changes in the U.S. are driving marketers to reach out to Hispanics:

- From 2000-2010, the Hispanic population grew four times as much as the total population—43 percent vs. 9.7 percent;
- More than half of the growth in the total population between 2000 and 2010 was due to the increase in the Hispanic population;
- 50.5 million people, 16 percent of the total population, identify as Hispanic.

Hispanic “purchasing power” is expected to grow from \$1.2 trillion in 2012 to \$1.5 trillion by 2015, Sorrell noted. They now “contribute to 30% of the food business growth,” spend “58% more on education,” and “increased their entertainment spend by 14%” (while non-Hispanic spending actually declined). That’s a major reason why U.S. advertising to Hispanics is growing at a significantly higher rate than the general market, at nearly 15 percent versus 2.7 percent. Focusing on reaching Hispanics through digital

marketing is “key.” For example, more Hispanics than non-Hispanics say that “Internet advertising has motivated them to visit a retail establishment,” and 61 percent of Hispanics “made a purchase in-store” as a result of researching online and also viewing digital ads.

Sorrell also explained that multicultural youth are fully part of what he called the “New Mainstream” in the U.S. The growth of Hispanic children (under 13) outpaces all other groups, including African Americans and Non-Hispanic whites. By 2015, more than a quarter of all children in the U.S. will be Hispanic (and over 14 percent will be African American).⁶

According to one recent “shopper marketing” study, Hispanic shoppers “over-index for smartphone ownership when compared to the rest of the country. ... [B]ilingual Hispanics are the largest group of smartphone owners at 68%,” with “58% of Spanish-dominant Hispanics and 53% of English-dominant Hispanics [also owning] smartphones.” Marketers have noticed Hispanics are widely using an array of digital tools when shopping, including “self-checkout, Search, and coupons printed from the Internet.”⁷ Other studies examine, on a daily basis, the relationship that fast-food restaurants have with Hispanics, their TV viewing behavior (monitored second-by-second), and their use of digital content and tools.⁸

Among the techniques used to influence Hispanics are those involving their family and cultural relationships. For example, explaining the findings of a new study on mobile use by Hispanics, a researcher noted that “For Hispanic users the Web is more organically integrated into their lives. It’s on the go, right now, access to their friends, family and information.” That access to “friends, family and information” is key. Hispanics also rely more on friends and their social networks for product recommendations.⁹ An article in *Candy & Snack Today* focused on the “revenue potential” in the Hispanic market for sweets, explaining that “Familismo, Marianismo and Chicoismo are three great imperatives of the Hispanic culture with great implications at the cash register.” Familismo is described as having a “heightened sense of family”; Marianismo as “keeping the family together and preserving the joy of childhood”; and Chicoismo, which holds “much hope and aspiration” for children, fosters a parental attitude to “trust their children almost blindly in all matters related to technology, regulations and the modern way of life.” Together, the article suggests, they provide a framework that could help motivate “impulse-driven” purchases, indulgent purchases for sweets, and children’s key role in the buying process. Hispanic adults are “heavy users” of many of the leading confections, including Snickers, Hershey’s, Skittles, and M&Ms. Among the recommendations made to better target Hispanics for sweets are making “family and value packs” more available, as well as taking advantage of popular flavors (such as citric, salty, and sour).¹⁰

Food and beverage marketers are digitally targeting Hispanic youth and their parents to promote products, an issue extraordinarily important given the obesity and diabetes epidemic in the community.¹¹ In a recent award-winning campaign to promote Kraft Macaroni & Cheese (“*Sabemos que te va a enchanter*—We know you’re going to love

it”), Kraft worked with the multicultural marketing division of Starcom Mediavest—Tapestry—as well as CP+B. As they explained in a case study, Kraft “knew that first generation, foreign-born Hispanics didn’t have any history” with Kraft Macaroni & Cheese. “To them, eating ‘American’ convenience foods like mac & cheese felt like abandoning their traditions.” Kraft and its marketers decided to “use kids as our voice ... to establish Kraft Macaroni and Cheese as a new traditional in these Hispanic families, a gooey cheese dinnertime ritual that didn’t force them to choose between their Hispanic identity and their American aspirations.”

In addition to TV, radio, sponsorships, DJ endorsements, and festivals, Kraft also increased “interactivity and conversation around the brand” using social and mobile marketing. Its online media “featured supporting messages that eating Kraft Mac & Cheese would make Hispanics happy and not less Latino. Online banners led to a Hispanic Facebook tab where visitors were able to find more information about the products, recipes and where they could find them.” They also created a mobile site and related ad campaign. Overall, Kraft increased sales to Hispanics and began “a new conversation and relationship with families that are learning to love the brand.”¹²

Hispanics, along with African Americans and Asian Americans, are a key focus for all of digital marketing. It will be important for the FTC, other policymakers, and public health groups to examine more closely the impact of digital marketing on the well being of Hispanics—especially its youth.

¹ To help respond to the growth of the Hispanic digital market, Univision developed a bilingual and social-media-oriented “UVideos” network in 2012. Keith Turner, “Univision’s 2013 Upfront Plans,” Univision Communications, 17 Jan. 2013, <http://corporate.univision.com/2013/content-types/articles/univisions-2013-upfront-plans/#.UZ5ihIIvrF0> (viewed 27 May 2013).

² IAB, “Digital Content NewFronts: Univision,” 1 May 2013, <http://www.iab.net/digitalcontentnewfronts/univision> (viewed 27 May 2013).

³ Kevin Conroy, “Technology is Disrupting the Media Industry, but Digital Media Demand is Being Driven by Hispanics,” Digital Dialogue, 16 Jan. 2013, <http://ce.org/Blog/Articles/2013/January/Technology-is-Disrupting-the-Media-Industry,-but-D.aspx> (viewed 27 May 2013).

⁴ Sir Martin Sorrell, “Hispanic Marketing: Myths and Opportunities,” presentation at the 2013 Association of Hispanic Advertising Agencies Conference, 29 Apr. 2013, http://ahaa.org/downloads/2013Conf/AHAA_2013_conf_Sorrellpresentation.pdf (viewed 27 May 2013).

⁵ Quoted in Conroy, “Technology is Disrupting the Media Industry, but Digital Media Demand is Being Driven by Hispanics.”

⁶ Sorrell, “Hispanic Marketing: Myths and Opportunities.”

⁷ Catapult RPM, “What Are the Most Popular Digital Shopping Tools?” Shopper Technology Institute, 23 May 2013, <http://www.shoppertech.org/ds052313.html> (viewed 27 May 2013).

⁸ See, for example, IAB, “Reaching US Hispanics Through Interactive,” http://www.iab.net/insights_research/1672/1666; NPD Group, “CREST for the Hispanic Market,” https://www.npd.com/lps/CREST_Hispanic/; MEC, “MEC Bravo Launches Tool Utilizing Kantar Media Television Audience Data to Measure the Influence of Media on Hispanic Consumer Purchasing Behavior,” 13 Mar. 2013, <http://www.mecglobal.com/mec-news/mec-bravo-launches-tool-utilizing-kantar-media-television-audience-data-to-measure-the-influence-of-media-on-hispanic-consumer-purchasing-behavior/>; Terra, “Terra’s Third comScore Digital Study Shows Hispanics’ Purchasing Funnel Fueled by Mobile and Social Engagement,” 25 July 2012, <http://www.terra.com/advertise/in-the-news108.htm> (all viewed 27 May 2013).

⁹ Aaron Baar, “Mobile Important For Hispanic Shoppers,” *MediaPost Marketing Daily*, 23 May 2013, <http://www.mediapost.com/publications/article/200982/mobile-important-for-hispanic-shoppers.html#axzz2UDmoSAmY> (viewed 27 May 2013).

¹⁰ “Figuring Out the Hispanic Consumer,” *Candy & Snack Today*, May/June 2012, <http://onlinedigitalpublishing.com/publication/?i=109538&p=101> (viewed 27 May 2013).

¹¹ A 2013 report examining Spanish-language children’s television programming, for example, found that that “More than 84 percent of all foods and beverages advertised to children on Spanish-language television shows are unhealthy.” Robert Wood Johnson Foundation, “Food Marketing to Children on U.S. Spanish-Language Television,” 2 May 2013, <http://www.rwjf.org/en/research-publications/find-rwjf-research/2013/05/food-marketing-to-children-on-u-s--spanish-language-television.html> (viewed 27 May 2013).

¹² Kraft Foods, CP+B, Tapestry/Starcom Mediavest, “Kraft Macaroni & Cheese,” presentation at the 2013 Association of Hispanic Advertising Agencies Conference, 29 Apr. 2013, http://ahaa.org/downloads/2013Conf/AHAA_Conf_2013_PP_Kraft_Mac_Cheese.pdf (viewed 27 May 2013).