

Five Things About the Hispanic Market

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What's all the fuss about the Hispanic Market? Sure it grew 58 percent in only 10 years so perhaps marketers suddenly see why \$600 billion in buying power can be beneficial. But is that reason enough for the nation's marketers to suddenly go crazy over a niche population?

Yes and No. First, yes. Marketers should go crazy. Hispanics are what has traditionally been considered a "niche" or minority population, but with some 36 million people, they account for 13 percent of the U.S. population. (One must wonder if the term "niche" market still applies). Hispanic births also account for one out of every five babies born in the U.S. today, and will continue to grow faster than any population group (alongside Asian/Pacific Islander) for at least the next 10 years.

But at the same time, as marketers we need to make sure that we do not miss the bigger picture. As each generation of Hispanics matures in the United States, the phenomenon known as "acculturation" begins to take its toll. In other words, Hispanics born in the United States or living here for a long period of time (usually 10 years or more) are more likely to adapt to and begin to live a more "American" lifestyle. This includes acquiring "American" media habits, which generally means mainstream programming and media vehicles. So going crazy over Hispanics might not be necessary at all. Instead, some marketers should see how they can begin to incorporate Hispanics into their existing business plans, making specific cultural augmentation only as needed.

Given this complexity, what exactly should marketers do as they begin to consider the Hispanic market for their clients? There are five key considerations:

1. They live next door to you . Take a good look around. Hispanics are not segregated somewhere else, eating tacos and listening to Mariachi music. Chances are you work with them, play with them, court their business, perhaps even carpool with them. Hispanics are joining the middle class in high numbers, and as their median income rises beyond the current \$35,000 a year, they will come to represent even higher numbers of suburbanites and, what we would otherwise call "ourselves," the American Middle Class. What does this mean to your business? Look for media beyond Spanish language or traditional "ethnic" outlets. Look for media that touches the Hispanic as a consumer, not just as an ethnicity.
2. They look forward to Thanksgiving Dinner too. While most of the country dreads the family reunions that the holidays bring, Hispanics embrace and love opportunities to get together with family. Family is probably the number one priority in most Hispanics' lives, and while that may sound a bit like a stereotype or cliché, it ranks as "numero uno" consistently across studies conducted by reputable researchers as The PEW Charitable Trust and Isabel Valdes & Associates. So as preparation to market to Hispanics, make yours a family friendly brand whenever possible and consider that your message may be touching more than one generation.
3. They like to talk to people longer. Customer service plays a big role in how Hispanics measure affinity for a retailer or service provider. Oftentimes a Hispanic consumer will spend more time on the phone with a customer service representative than your "Average General Market Joe." So, if your company has a consumer

support system, consider hiring bilingual consumers, or train your staff how to take the opportunity to build consumer loyalty during these "extra" long calls.

4. They like free things. Yes, everybody likes free stuff, but Hispanics seem to respond to promotions in greater numbers than other groups. Whenever possible, try to incorporate an integrated approach to your plans that includes grassroots or promotional elements to drive Hispanic traffic and product trial. Things like sweepstakes, raffles and samples are all good ways to, not just get the attention of the Hispanic market, but to support branding efforts. And remember, grassroots events present a great opportunity to accumulate demographic information on your target when they fill out sweepstakes forms.

5. They might need a hand in understanding what you do. Hispanics are sophisticated consumers of some product categories, but they lag behind in others, like financial services and healthcare. It is vital for you to assess whether you need to enter the market with educational materials prior to any call to action. Other categories to consider educating about before launching call to action marketing include: legal services, "organic" foods and real estate.

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