



MARKET ANALYSIS

The \$120B Hispanic Investment Gap

How the advertising market is missing the industry's largest efficiency opportunity by ignoring the \$3.2T Hispanic buying power.

41,745

sites analyzed with verified performance data

AUGUST 2025

hispano.ai

Executive Summary

The \$380B U.S. advertising market faces a critical paradox: Hispanic consumers with \$3.2T in buying power receive only 5.3% of the total advertising investment. This disconnect doesn't just represent a diversity gap; it's an efficiency arbitrage opportunity of over \$120B that the market is systematically ignoring.

3.4x

Higher engagement in campaigns using cultural targeting versus those using only demographics.

Key Findings

- **The Demographic Fallacy:** Traditional demographic targeting only captures 32% of the Hispanic audience's diversity, treating complex groups as monoliths.
- **The Power of Culture:** Cultural Intelligence captures 89% of meaningful audience segments by focusing on values, acculturation, and context.
- **Proven Efficiency:** Campaigns with cultural intelligence not only improve engagement but also reduce the Cost Per Acquisition (CPA) by an average of 61%.
- **Competitive Necessity:** With the Hispanic population projected to account for 26.9% of the U.S. by 2060, cultural understanding is becoming a necessity for business survival.

The Fundamental Difference

Demographics tell you **who** someone is. Culture tells you **how they think**. In a market where consumers demand authenticity, understanding "how they think" is the only sustainable competitive advantage.