



ADVERTISING AND MARKETING COMMUNICATIONS

For U.S. Hispanic and Latin American Markets

CREOLATINO

creates communication solutions that reach diverse Hispanic audiences, express their attitudes and beliefs, and reflect their strong cultural identity.

Hispanic Communication Services

Communications Planning & Consulting
Marketing & Branding
Advertising & Design
Copywriting
Typesetting & Desktop Publishing
Audio-Visual & Online Media Production
Spanish Language Talent

Industry Expertise

Financial Services
Retail
Biomedical & Healthcare
Agriculture, Food & Beverage
Hospitality, Sports & Leisure
Telecommunications
Government & Non-profit organizations

? Did you know that 1 in every 5 U.S. teens is Hispanic? Hispanic teenagers spend an average of \$320 a month - 4% higher than non-Hispanic teens.

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CLUE

Cultural & Linguistic Understanding of Ethnicity®

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Market Segmentation among Latinos

The past twenty years have seen the explosive growth of the Hispanic population in the U.S. The latest Census numbers bear witness to this reality: 35 million Hispanics or 12.5% of the US population.

Despite greater awareness among the general population, U.S. Hispanics remain marginalized by corporate America. The business community's knowledge of the Hispanic market has been likened to the peeling of the onion.

The first layer, **recognition** of this ethnic market as a whole, has been peeled: Once a minority, Latinos are quickly becoming the dominant group in many large metro areas and slated to grow further in the next 20 years. Inspired by these numbers, companies continue to allocate a larger portion of their ad budgets to capture the attention of Hispanics. In addition, this fast growing population is influencing overall culture. These days more companies use Hispanic references not only to sell to Latinos but also to the general market consumers.

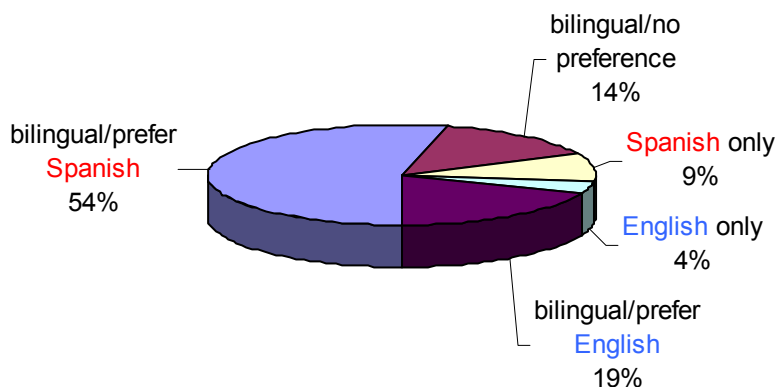
The next layer of understanding is the realization that Latinos are **not all alike**. Despite their many similarities, language being the primary one, Latinos are not a homogenous group. Latinos living in California, Florida or New York may all speak Spanish, but they may not share the same lifestyle or product preferences. This is due to the fact that immigrants from different Latin American countries tend to cluster in specific regions/states of the U.S. Different countries of origin and cultures produce many clusters of Latinos, like the Mexican-Americans in L.A., the Puerto Ricans in the Northeast and the Cubans in Miami, all with very distinct cultural traits and identities.

The third layer proves to be more complex yet. In addition to their countries of origin, Latinos in the U.S. can also differ based on recency of immigration and degree of **acculturation**. Marketing any product to Latinos has to take into consideration how long they have lived in the U.S. (i.e. 1st, 2nd or nth generation) and how well they speak English vs. Spanish, a proxy for acculturation.

Finally, the differences are even more dramatic if we consider additional demographic and sociographic **market segmentations**.

The past two decades saw a remarkable growth in the **Hispanic middle class**. Hispanics have achieved impressive gains in terms of household income, educational attainment and homeownership.

Language Preference of U.S. Hispanics



- Spanish is the preferred language for **63%** of Latinos.

Source: Strategy Research Corp.

- Census data indicates that the Hispanic middle class now accounts for 9.5 million people, a growth of 71% since 1979.
- 64% of middle-class Hispanics owned their home.
- College graduates have grown significantly and are now 20% of this segment (vs. 31% among Anglos).
- One fourth are mid-level white-collar professionals, and another quarter are administrators and professionals.

Another trend among Latinos is the importance of **Generation Ñ**, a growing segment of truly bi-cultural Latinos in their 20s and 30s with the demographic clout, the educational skills and the cultural juice their immigrant parents never imagined. This group sees its Latino culture as a plus. Better versed in American mainstream culture than their elders, the Ñs can be more assertively Latin and are now rediscovering and flaunting their roots. Interestingly, the same percentage of Latinos young and old - 54% - say that their heritage is very important in their lives.

Hispanics as a group are young. Approximately one third of all Hispanics are **children** under the age of eighteen. One of the tenets of the Latino culture is the value and attention paid to its children. The hope and pride that Latino parents feel for their children, regardless of their social status, is a tremendous driving force -- a force that marketers have to fully understand and cater to in order to capture a share of the dollars spent on their families.

In terms of cultural identity, Latinos have shown to be capable of embracing mainstream tastes as well as retaining and celebrating traditional values. This unique cultural perspective is what sets Latinos apart today and is garnering the attention of astute marketers. As Latinos become less an immigrant market and more a diverse ethnic market, advertising to Latinos will move away from the Spanish language focus to target the **multifaceted Latino market**.

Hispanic Holidays

Sept. 16th – Mexico's
Independence Day from Spanish rule

Sept. 15 to Oct. 15 –
Hispanic Heritage Month
Celebrated by Latinos throughout the U.S.

Upcoming Conferences

El Pueblo Hispano
A Conference on Hispanics
September 16-18, 2002
Radisson City Center Hotel, St. Paul, MN

Multicultural Credit & Finance – Profitable
Customer Acquisition & CRM Strategies
October 28-29, 2002
Wyndham Orlando Resort, Orlando, FL

In our next issue of CLUE:
Website Localization for
Global Companies

Sources: R. Brischetto "The Hispanic Middle Class Comes of Age" *Hispanic Business*, December 2001. K. Greenberg "Peeling Back the Onion" *AdWeek*, 2001. T. Kregor "Family Affair" *AdWeek*, 2001. J Leland and V. Chambers "Generation Ñ" *Newsweek*, July 12, 1999. G. Rodriguez "Raising Nuestro Niños".

