

# Feature: US marketers speaking the same language as Hispanics

Although the Hispanic community makes up around 15% of the US population and is the largest minority group in the country, only 4% of advertising dollars go towards Spanish language media, according to consumer packaged goods specialist CPGmatters. This distribution skew shows that companies are still undervaluing the benefits of targeting Hispanic consumers. *Insight North America* looks at how OTC marketers in the US can benefit from understanding the healthcare-based needs and wants of the Hispanic community and explores effective ways of reaching different sections of this multicultural group.

## A growing population sector

In 2006, there were 44.3mn Hispanics in the US, according to the US Census Bureau, and this number is set to increase. Meanwhile, the rise in disposable income in the Hispanic community is above average for the US population. Hispanics now control more personal income than any other US minority group, according to a study conducted by the Selig Center for Economic Growth at the University of Georgia. Furthermore, Hispanic spending power is projected to reach over \$1tn by 2010, as reported by the Santiago Solutions Group.

Though marketers in the US are becoming increasingly aware of the importance of appealing to Hispanics, many treat them as a homogenous group when, in fact, there are extensive demographic and economic differences within the Hispanic population.

## Spanish language marketing

The Spanish language is one of the main tools used by marketers – including companies which offer OTCs – to reach the Hispanic market and can act as a reminder of cultural heritage for many. However, language preference tends to be dependent on how long a family has lived in the US, with dramatic increases in English language ability occurring from one generation to the next, according to a survey from the PEW Hispanic Center.

Language preference reflects acculturation levels, the degree to which Latinos assimilate mainstream US culture. Although immigration of Hispanics into the US is still high,

over 60% of the Hispanic population of the US is now native born, suggesting this group is likely to comprise English speakers who have purchasing habits more in line with the US trends. Conversely, the purchasing habits of Spanish-dominant and immigrant Latinos may be more likely to reflect their natural heritage. For marketers to use Spanish effectively to target Latinos, they must know which generation they are targeting – for example, an arthritis treatment may benefit from Spanish language marketing more than an acne remedy.

Numerous surveys have found that even Hispanics who only speak a little Spanish find Spanish language ads more persuasive and easier to recall. Adspends for Spanish language media are forecast to increase by 7.8% in 2008, compared to a predicted 4.2% increase of overall spending on advertising, according to *TNS Media Intelligence*. However, a New American Dimensions study found that half of Hispanics interviewed felt that the media represented the Hispanic experience poorly, showing that increased adspends are not sufficient if advertising is not properly tailored to the Hispanic community beyond conveying its message in Spanish.

## Advertising media

### TV / radio

Between 2000 and 2007, the number of Hispanic households with a TV grew by a third, from 8.7mn to 11.6mn. Hispanics over-index in their consumption of broadcast media and are attentive to adverts, says Laura

Sonderup, director of multicultural marketing agency Heinrich Hispanidad. Additionally, 71% of Spanish network viewers claim their purchasing decisions are influenced by TV ads, compared to 30% of non-Hispanics who watch English-language TV, according to *Nielsen Media Research*, making TV and radio powerful communication channels to reach the Hispanic population.

## Print

Sonderup adds that, direct mail promotions are far more effective among Latino communities than with the US population as a whole. Latinos are 3.5 times more likely to read information sent by mail. Immigrants are particularly responsive, seeing it as a means to become more informed consumers, so promotional material displayed in Spanish is particularly effective in this medium.

Despite Latinos' responsiveness to print material, research by the University of Pennsylvania School of Medicine found that magazines aimed at Hispanic women contain far less health-related adverts than publications aimed at women from certain other communities. The study, published in *Bio Medical Center Public Health*, counted 121 OTC ads in white-oriented magazines, but only 22 in equivalent magazines aimed at non-Hispanics.

## Internet

The internet offers a vast opportunity for marketers to target Hispanics. Between 30-40% of the US Hispanic population are online. According to an AOL survey on Hispanic internet habits, more than half of those without the internet at home intended to connect to online services within the next 2 years. Considering that Hispanic consumers actively use the internet to search for information on products, services and available brands, OTC marketers stand to benefit greatly by making their online content relevant to Hispanics.

## Hispanics and OTCs

### Specific health concerns

Diabetes management and weight loss are two OTC categories of particular importance to Latino consumers.

## Johnson & Johnson

J&J is one of the top 10 advertisers across all Spanish media in the US. The company spent \$47mn in the first half of 2007, 12% more than the same period a year earlier, according to *Nielsen Monitor-Plus*.

In 2005, J&J introduced Vida Nuestra, a Hispanic health & wellness retail marketing programme that travelled to stores and Hispanic festivals. Following on from the information gathered from the programme, the company embarked on an in-store study in September 2007, conducted by Meyers Research, on Hispanic shopping behaviour. J&J has since launched a Hispanic-oriented marketing campaign for its baby products, featuring singer Olga Tañón, and sponsorship of Spanish network Univision's "Primeros Pasos" baby segment on its leading morning show. It also provides Spanish language websites for some of its leading OTCs, such as [www.tylenolespanol.com](http://www.tylenolespanol.com) and [www.imodiuemespanol.com](http://www.imodiuemespanol.com).

Siéntete bien.  
**TYLENOL**

The National Diabetes Education Program estimates that around 9.5% of US Hispanics over the age of 20 have been diagnosed with diabetes and are around 1.7 times more likely to have the condition than non-Hispanics. Blood glucose meter marketers Roche Diagnostics, which offers Accu-Chek, and Lifescan / J&J, which fields OneTouch, have both sponsored education programmes directed specifically at Latinos.

Similarly, obesity is a more common problem for Hispanic women than non-Hispanic women, according to a study conducted by the US Centers for Disease Control & Prevention. However, a survey by Encuesta for GSK found that 50% of Hispanic women doubted their ability to succeed at losing weight. GSK has been one of the first marketers to tailor a weight loss programme to Hispanic women's needs. Consumers using Alli can access Spanish

## Flavouring innovations

**Analysis of consumer preferences shows that Hispanics tend to prefer different and stronger flavoured OTCs. As a result, numerous marketers in the US offer alternative flavours designed to appeal to Hispanics.**

- Blistex has collaborated with the makers of the popular Mexican soft drink, Jarritos, to release a Jarritos flavoured lip balm.
- Crest Whitening Expressions toothpaste range (P&G) is targeted at Hispanic consumers using the same flavours – Extreme Herbal, Cinnamon Rush and Fresh Citrus Breeze – as Crest’s Cool Explosions range, which are sold in Mexico.
- Colgate’s MaxFresh Burst toothpaste (Colgate-Palmolive) offers invigorating flavours and is promoted by reggaeton singer, Tito el Bambino.
- FLAVORx, which provides flavourings to add to Rx and OTC medicines, as well as the FLAVORIT at-home flavouring kit, markets culturally specific lines of products, promotional materials and services.



It offers citrus and watermelon flavours which it claims are more popular with Hispanics than more traditional US tastes such as root beer and bubblegum.

language resources and receive support on how to make lifestyle changes to lose weight at [www.mialli.com](http://www.mialli.com).

## Retailers

Wal-Mart has employed numerous initiatives to cater for Hispanic communities. In areas inhabited by a large number of Hispanics, the retailer employs its “Store of the Community” concept, tailoring store design and merchandise to reflect Latino consumers’ needs. Wal-Mart also works closely with Wal-Mart de México to provide products familiar to the Mexican-American population. It offers bilingual monthly circulars in stores and acknowledges important dates in the Hispanic calendar, such as Three Kings Day and Hispanic Heritage Month.

One challenge that retailers have is promoting store brands, particularly among predominantly Spanish speakers. Although 81% of English-dominant Hispanics have a positive perception of private label brands, this number drops to 61% among Spanish-dominant speakers, according to Vertis Communications’ Opiniones study.

The proliferation of in-store clinics may improve the resources for Hispanics to educate themselves on this type of product and other healthcare matters. In-store clinics have proved popular with the Hispanic community and efforts have been made to appeal to Spanish speakers, such as Stop & Shop pharmacies offering Spanish labelling on prescription medications. US retailers are gradually being presented with more



options from Latin American, such as Bedoyecta nutritional supplements (Grossman / Valeant Pharmaceuticals) which was launched in the US

in September 2007 and had sales of \$25mn in Mexico in 2007, according to *DB6 2008*.

## Conclusion

Hispanic consumers are open to receiving information on healthcare and OTC brands, especially with regard to conditions for which they are at high risk, such as diabetes. However, marketers need to know which niche of the Hispanic community they wish to advertise to and tailor their marketing efforts accordingly. Whichever segment marketers do focus on, they are likely to benefit from one rule of marketing that holds regardless of who is being targeted – it takes time to build a credible reputation. Therefore marketers must commit to continuing efforts to reach the Hispanic consumer. ❌

**Insight North America would like to thank Laura Sonderup, director of multicultural marketing agency Heinrich Hispanidad for her help with this article.**

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