

**ANA**

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**Engaging Hispanic  
Consumers**

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Written by



**dieste**

## 1. The Lowdown

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2009 is proving to be a challenging year for marketers. Most have taken a hard look at investments and made decisions to be conservative on budget. These measures are often required to navigate the economic climate of today; strategic focus should remain a priority for any marketing decisions.

While the economy has affected every consumer segment, the opportunity to smartly target remains. One area that is still open to many brands is reaching Hispanic consumers—the fastest-growing demographic in the U.S. in terms of size, influence, and reach.

## 2. Why Do I Need to Know About It?

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Demographic trends and industry data clearly demonstrate that marketing to U.S. Hispanics and multicultural audiences is one area of opportunity that remains open to growth. Now is the right time to introduce your brand to them, if you have not already done so, and evolve your programs if you are already marketing to them and their interests.

With the Census 2010 around the corner, we are soon to see many marketers take a sharp interest in the demographic and turn to strategies to captivate this audience. However, 2010 is too far in the future, and if you wait, your brand will compete in a cluttered space. Plus, Hispanic consumers are savvy and value when brands are invested in them. Brands that shy away from reaching the segment due to economic restrictions may have to invest larger dollars in the future to attract consumers that are already being pursued by many competitors and top names.

## 3. What do I need to do?

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For some, the following recommendations may be obvious since there are brands that recognize the value of this segment. If your Hispanic strategy is still in development, following these suggestions will help strengthen their impact and deliver more bang for your marketing spend.

The key to begin is developing short-, mid-, and long-term strategies.

### Short-Term Strategies:

- Be online now: With more than 19 million Hispanics online (almost the size of the online audience in Spain), it is difficult to name a brand that should not be online. Don't have a Spanish Web site yet? You don't need it. You can develop a tactical micro-site and even partner with the major online networks to develop one. You don't believe that Hispanics buy online? Well, they do, but especially they look for information about products and services. So you can generate traffic to a store, generate a database for a sale follow up, or create a sweepstakes to encourage product trial. Be sure communications and language are inviting and make sense; deliver content that is relevant. Learn the space. Your Spanish site will get traffic if the content is good; if not, your competition widens and many may even navigate off to English-language sites.



- Thought about direct response? Television is still the main media for Hispanics, but do you know your ROI? Are you only interested in building brand awareness through mass media? So why not do both? Many brands on television should clearly have a direct response strategy but instead are just spending their dollars to build awareness. Direct response television campaigns can generate strong results (calls, visits to Web sites, leads, sales) and help increase brand awareness when they incorporate the right consumer insights in the messaging and don't focus just on product features and offers. Brands tend to just focus on the consumer when they think of the big picture (branding) and think that the offer or prize is what will drive people to call. If you can continue to think that, your competitors will be delighted.

- Trust the power of word of mouth: Engage others in speaking about your brand: consumers, employees, media, opinion leaders. It is not only about using word-of-mouth strategies (which, due to cultural behaviors, are even more powerful among Hispanics) but also about creating something unique and relevant that people want to share about you. Give them an experience, a reason, a why, a connection, and watch your brand value soar.

### **Mid-Term Strategies:**

- Research to redefine your target. As the new census approaches, now is the time to redefine how you target your consumer. Are you still using linear acculturation criteria to segment U.S. Hispanics? Do you still use language as the main criteria for your communication strategy? If so, your strategy is way off. Language, media consumption, and time in the country will not reveal how consumers in the segment live, think, dream, etc. U.S. Hispanics are living a multidimensional existence; they want to be treated as individuals first and want to engage with brands that understand their reality. In addition, they know that they are Hispanics; you do not need to remind them of that on the communication.

- Reassess your value proposition. In today's climate, what felt like a necessity a few months ago probably is a luxury now, and things that you rarely thought of might become a necessity. Economic crises force us to redefine our lifestyle priorities and therefore the role of brands and products. Consumers are rethinking how important your brand is to them. Are you evaluating these changes and staying ahead of the curve?

### **Long-Term Strategies:**

- Don't become stagnant: Hispanic consumers are in fast evolution, dynamic on the acculturation cycles and fast at adopting new products, technology, and ideas. Therefore, your brand should stay attuned to their needs to continuously be relevant. Think about how you would evolve a relationship with any consumer group and invest in keeping on top of trends that will help you stand out and retain the attention of the segment.

- Build and grow: Committing to the segment is the best long-term strategy you can follow. While a shot of activity may make numbers jump during a specific period or lift a product, relationships will help you sustain your place in categories and truly establish your brand as a trusted one in the Hispanic household.



## 4. The Thing to Remember Is...

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Any effort focused on helping your brand connect with Hispanics is an investment that can generate consumer support from a universe of more than 40 million people—and counting. Be smart about your approach, consult with professionals who know the segment and its subtleties, and don't make decisions in a vacuum. Your brand values should translate and this requires a strategy, otherwise you may not see the ROI and other brands will minimize the impact of your efforts.

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