

What You Think You Know vs. What You Need to Know About U.S. Hispanics And Media

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There are more than 50 million Hispanics living in the United States, making them the single largest ethnic group, according to the U.S. Census Bureau.

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If U.S. Hispanics were a country, they would rank as the 12th largest global economy, somewhere between Mexico and Australia, commanding more than \$1 trillion in purchasing power.

The fact that U.S. Hispanics represent more than half (56%) of net population growth from 2000 to 2010 and are projected to contribute 100 percent of the population growth between the ages of 18-49, is game changing.

By 2050, Hispanics are projected to account for more than 30 percent of the U.S. population â€” a significant growth driver that marketers can no longer overlook. But the questions for many remain:

- * How do I reach and successfully engage Hispanics?
- * Will general market campaigns capture enough of the Hispanic demographic?
- * Is online relevant?
- * Should I consider mobile in my market mix?

To answer these questions, Nielsen breaks down the prevailing myths surrounding Hispanic interaction with today's media.

Myth #1: Bilingual Hispanics don't watch Spanish television

There is a belief that once Hispanics learn to speak English well and become bilingual, they become "acculturated" and use English as their primary language.

However, acculturation is a process rather than an absolute classification whereby Hispanics adopt American customs while still guarding their culture, heritage and traditions.

While 77 percent of U.S. Hispanics speak English well, according to current American Community Survey estimates, 61 percent of Hispanics aged 18+ tell Nielsen they prefer to speak Spanish in their homes versus only 17 percent who say they speak only English.

Spanish language remains a core component of the Hispanic home long after English proficiency is gained. Language spoken at home rather than English ability tends to be a better indicator of TV viewing behavior.

While there is general consensus that Spanish-language-dominant homes (speak mostly or only Spanish) predominately watch Spanish-language TV, there is debate about viewing patterns in multi-language homes (where English and Spanish are spoken equally). The viewing breakdown during the 2009-2010 TV season for persons 18-49 is as follows:

- * Spanish-language-dominant homes viewed 78 percent of TV in Spanish.
- * Multi-language homes viewed about 50 percent Spanish-language TV.
- * English-language-dominant homes (speak mostly or only English) spent only three percent of time viewing Spanish-language TV.

Digging deeper into a multi-language home reveals that English- and Spanish-dominant members primarily watch TV in their preferred language, but as expected, the time spent viewing in English and Spanish language eases towards the middle.

English-dominant Hispanics in multi-language homes spend 80 percent of viewing on average in English and 20 percent in Spanish versus English-dominant-homes where the split is about 97 percent English and three percent Spanish.

The same movement toward the middle is seen with Spanish-dominant members in a multi-language home where 65 percent of viewing is in Spanish versus 77 percent for a Spanish-dominant home. Despite the variability across the different Hispanic language groups, in 2010, the top ten broadcast shows for the Hispanic demographic were all Spanish-language programs.

The fact that the majority of Hispanics aged 18+ prefer to speak Spanish at home underscores the growing need for advertisers to better connect with Hispanics in the native language.

Myth #2: I can reach Hispanics through my general market campaigns;

Spanish-Language advertising is an expendable part of my budget

In 2010, Nielsen reports that only 75 percent of the top 200 advertisers spent money on Spanish-language cable or broadcast, and those that did only spent about eight percent of the total advertising budget on Spanish-language TV.

For English-language television, Hispanic viewing time is dispersed over a large number of networks, while Spanish-language viewing is more concentrated. A brand advertised across all English-language national broadcast networks in primetime would only reach about 40 percent of all Hispanics aged 18-49, while a Spanish-language broadcast would reach 53 percent.

However, when looking into Hispanics 18-49 who are Spanish-language dominant, the gap widens substantially. An English-language broadcast campaign in primetime only reaches 19 percent of Spanish-language dominant Hispanics versus a Spanish-language campaign that reaches 85 percent of Spanish-language dominant Hispanics over a month.

That's a difference of 5.6 million Spanish-language-dominant Hispanics 18-49 or roughly 60 percent of the demographic. A primetime English-language-focused broadcast campaign effectively leaves out Spanish-dominant Hispanics.

Besides providing access to a unique audience, Spanish-language advertising is generally more effective than English-language advertising for Hispanics. Nielsen's advertising effectiveness studies show that advertisers who translate English ads into Spanish receive an increase in general recall among Hispanics when compared to general market English-language commercials.

However, original Spanish ads (ads that do not have an English counterpart or that are based on existing ads by modifying the narrative and soundtrack) see a 15 percent general recall lift from English-dominant Hispanics and a 69 percent general recall increase from Spanish-dominant Hispanics.

Two reasons for this effect are that Spanish ads create a deeper personal connection to Hispanic consumers and Hispanics are less likely to time shift Spanish-language programming.

While only 30 percent of Hispanic homes have DVRs compared with 38 percent for the general market, the format in Spanish-language television programming (i.e., daily novellas) make it less likely to be time shifted than English-language TV. As an example, during 2010, English-dominant Hispanics were twice as likely to time shift programs in English as in Spanish while Spanish-dominant Hispanics were three times more likely to do so.

Myth #3: Hispanics are late adopters of technology, so using online and mobile campaigns is unnecessary

According to Nielsen 2010 universe estimates, approximately 30 million Hispanics (62%) have access to the Internet at home. Include the number of Hispanics who have online access via work, school or in other public places and Internet penetration rises to about 88 percent.

And mobile Internet access closes this gap even further, since Hispanics are more likely to have a video and Internet enabled cell phone than the general market (44% vs. 35%). While Hispanics spend 20 percent less time online than non-Hispanics, they stream twice as much video online, accounting for almost 30 percent of their online activity.

New studies are finding that Hispanics are equally, if not more involved in emerging technologies than the general market. A recent look at Nielsen's national people meter panel reveals that Hispanics are just as likely as non-Hispanics to own an HDTV (69% vs. 66%).

And Nielsen's 2010 Q4 mobile insights survey of more than 50,000 people and more than 8,000 Hispanics reveals that Hispanics are not only more likely to own a smartphone, but also they are part of the most valuable mobile consumer segments, carrying an average monthly bill that is 14 percent higher than the market average.

Hispanics also lead all ethnic groups with an average of 40 percent more calls made per day and are the most likely ethnic group to use text messaging, mobile Internet and e-mail. They are also more likely to download pictures or music on mobile devices.

The Hispanic consumer represents the greatest potential for sustained growth in the U.S. today. At the current rate of expansion, Hispanics will drive population growth and, in turn, consumption in America for the next generation. Reaching Hispanics effectively should be at the top of every marketer's to-do list.

Hispanics actively embrace new technologies and platforms, while keeping close ties to their roots, especially language.

And while Hispanics do consume English-language media, Spanish-language

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