

A hot 'Hispanicized' consumer market

At least \$2 billion is spent annually on advertising to Hispanics

By Jane Weaver
MSNBC

May 13 — The Hispanic population and culture has become so prevalent in the United States that mainstream media and corporate America are increasingly reaching out to one of the fastest growing groups in the U.S. - young, bilingual Latinos. From Spanish-language Crest commercials aired on national television and network shows featuring Latino casts, to new beverage and food products aimed at Hispanics in the U.S., mainstream marketers and media have figured out it's cool to be Latino.



 
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IT'S NOT JUST the Spanish actress Penelope Cruz giving a cute, little burp in a commercial for Coca-Cola or the South American singer Shakira tango-ing in a sexy Pepsi ad. Nor is it limited to the Jennifer Lopez effect on fashion, music or movies. Latino culture is part of the mainstream and American marketers and media are eagerly embracing it.

"The American mainstream is being Hispanicized," said Gabriel Reyes, founder of Reyes Entertainment, a marketing and public relations firm aimed at the Latino market which counts HBO, ABC and CBS among its clients. "It's not a matter of us finding them, it's a matter of the mainstream finding Hispanics."

The size and buying power of the Hispanic market is well-known. There are 32 million Latinos in the U.S., the country's fastest growing population and the largest ethnic minority, according to the U.S. Census. They spent \$800 billion on goods and services in the U.S. last year.

By 2010, there will be almost 56 million Hispanic Americans living in the United States and most will be U.S. born. A recent report by the magazine *Hispanic Business* found that the largest shift in the population is towards the English-speaking market.

At least \$2 billion is spent annually on advertising to Hispanics, a figure that should grow as programs and products aimed at Latinos reach the general market.

"The Hispanic market isn't some separate country; it's part of the overall marketplace," said Luis Garcia, founder of Garcia 360, a San Antonio ad agency for the Hispanic market.

Now [marketers] realize we are using mainstream media," said Reyes. "It means that English-language media at all levels is going to have to integrate Latino characters and stories in their ongoing plans."

The movement is most noticeable in national TV programming. Fox TV is expected to add "The Ortegas," an offbeat comedy about a Mexican-American family in Southern California when the network announces its primetime schedule on Thursday. ABC has renewed "George Lopez," a comedy about a Los Angeles family with an all-Latino cast for a second season.

NBC isn't adding any Hispanic-themed shows next fall, but the broadcast network recently brought professional boxing back for the first time in 11 years with a goal of reaching young Latino viewers.

"Hispanic audiences are sports fans and boxing is the No. 2 sport behind soccer," said Mike McCarley, spokesman for NBC Sports. The boxing events, sponsored by Anheuser-Busch's Budweiser, are shared with NBC's Spanish-language network Telemundo. The Saturday afternoon bouts, hosted by bilingual announcer Jessi Losada, has gained viewers since they first aired on May 10.

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Then there's Nickelodeon's bilingual animated show "Dora the Explorer," the No. 1 program for preschoolers on TV, which has become hugely profitable for the cable network.

The new wave of Latin marketing follows the exploding influence of Spanish-language media. For example, last year NBC paid \$2.7 billion for Telemundo, the No. 2 Spanish network. While other magazines has suffered advertising declines, magazines such as *People en Espanol* and the women's publication *Latina* have enjoyed steady increases. Spanish radio and TV stations are in every major market.

Beyond the Spanish-language outlets, marketers and media companies have realized that the largest part of the audience is bilingual and bicultural.

The California think tank Tomas Rivera Policy Institute found that almost 70 percent of Latinos watch television in both English and Spanish.

In Hollywood films such as the 20th Century Fox movie "Chasing Papi" or "Real women have curves" are bringing more awareness of Latin culture to general audiences.

"The Hispanic culture and population has permeated America in such a way that it's changing the kinds of shows and products that are being created, not just to appeal to Hispanic market but to the mainstream," said Garcia.

Or as Filipe Korzenny explains it: "These days being Hispanic is cool."

"Now that it's popular to be Hispanic, having Hispanics on mainstream media is attractive to both audiences," said Korzenny, principal at Cheskin, a Redwood Shores, Calif., multicultural-marketing consultancy.

Consumer marketers such as Procter & Gamble who have long targeted Spanish-language media are reaching out to Latinos in prime-time network TV and Hollywood films. P&G broke the language barrier in February when it ran a Crest toothpaste commercial in Spanish during the Grammy Awards. Pepsi and Nike have incorporated Spanish into national ads. DaimlerChrysler cut a sponsorship deal with 20th Century Fox for the romantic comedy "Chasing Papi," directed by Linda Mendoza. The movie, targeted to young Hispanics and the general market, features a Jeep Grand Cherokee and the new Chrysler Crossfire sports car.

Food and beverage giants are not only bringing their Latin American products to the U.S., they're developing and integrating new items for U.S. Hispanics throughout the general market.

- Kraft Foods introduced the Kool-Aid Aguas Frescas soft drink mix, a milk-based Jell-O called O Gelatina Para Leche and a lime-flavored mayonnaise last year. Nabisco is importing three Latin American cookie brand—Morelinas, Imperio and Surtido Rico—into the U.S. this year.

- The partnership between Frito-Lay and Pepsi will give a big marketing push to the Mexican snack line Sabritas later this year.

- Drinks tailored to Latin tastebuds have become a big trend with tropical-flavored beverages such as Pepsi's Dole Aguas Frescas juice drinks in mango and tamarind flavors and Nestle's Kerns Aguas Frescas, a line of fruit drinks.

"A lot of U.S. and Latin American companies are working on Hispanic food lines for the U.S.," said Phil Lempert, a food trends expert and publisher of *The Lempert Report* newsletter. "It means survival for the food industry. If they don't get [the Hispanic market], they'll be out of business."

