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## Segmentation in Hispanic-targeted marketing

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SEGMENTATION IN HISPANIC-TARGETED MARKETING

A Thesis

Submitted to the Graduate Faculty of the  
Louisiana State University and  
Agricultural and Mechanical College  
in partial fulfillment of the  
requirements for the degree of  
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in

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by  
Silvia I. Medrano  
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I dedicate this thesis to my mother and father. Thank you for keeping me connected to my roots and helping me grow in a new environment. Los quiero mucho.

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## **ABSTRACT**

Hispanic-oriented advertising is a growing area in the advertising industry. Findings reported in this research examined agency strategies for Hispanic-oriented advertising. Interviews with agency practitioners involved in the planning, creation and media selection provided insight into agency best practices in Hispanic-oriented advertising. In-depth interviews at two Hispanic-oriented agencies revealed that a focus on cultural understanding, client relationships, and opposition of common stereotypes and segmentation practices were key in creating successful advertising that connected to Hispanic mindsets. Research results suggest that growth in the U.S. Hispanic population will not only affect the advertising industry, but will also create changes in American culture.

## CHAPTER 1 INTRODUCTION

Targeting Hispanic communities and its unique subgroups is a difficult task for advertisers. Whether selling mobile phones or a new lipstick to Hispanic females, advertising and marketing professionals have found that creating successful campaigns includes knowledge and a clear understanding of this constantly evolving minority group and its subgroups.

Referred to as Hispanic, Latino, Latin American or Spanish (native to Spain), this unique ethnicity can encompass an array of races. In the 2010 Census, the United States Census Bureau differentiated the Hispanic ethnicity as “Hispanic and Latino” and includes those who identify Hispanic as, “...heritage, nationality group, lineage or country of birth of the person or the person’s parents or ancestors before their arrival in the United States” (Ennis et al., 2011, p.1). To harness more information about this minority group, those who identified themselves as Hispanic, as opposed to non-Hispanic, were further asked to self-identify themselves through race choice. While 53 percent of respondents chose “White” (Ennis et al., 2011; Palumbo & Teich, 2005), this exclusive question and divided response in race clearly shows the further diversity within the Hispanic culture.

The Hispanic ethnicity, an independent characteristic from race and non-determinant of an individual’s nationality, is a complex and intertwined concept. Nationalities with Hispanic identification include Mexican, Cuban and Puerto Rican (Caribbean region), Spanish, and those in Central and South America (Ennis et al., 2011). According the U.S. Census Bureau, the Hispanic ethnic group differs from other Bureau categories because, “...they share a common language, culture and heritage, but not a common race” (Palumbo & Teich, 2005, p. 154; Taylor,



et al., 2012; Ennis, 2011, p.13). The unique aspect of shared language in a diverse spectrum of nationalities creates an interesting and growing group in the U.S.

The makeup of the American population is changing. According to 2010 U.S. Census data, 50.5 million Hispanics resided in the United States—16 percent of the entire U.S. population (Ennis et al., 2011). Compared to 2000's data estimating this minority's population at 35.3 million, Hispanics and all of its nationalities, continued to show population growth (Ennis et al., 2011). At 63 percent, Mexicans are the biggest group of Hispanics in the U.S. Puerto Ricans follow at 9 percent and the third largest nationality is Cubans with 4 percent of the Hispanic make up. Along with increasing population, Hispanics are also making residential changes and creating new designated marketing areas (DMAs) (Nielson, 2013).

According to the Nielson website, “The future of the U.S. economy will depend on Hispanics by virtue of demographic change and the social and cultural shifts expected to accompany their continued growth” (Nielson, 2012). Not only is the Hispanic population in the U.S. growing, its influence in American socioeconomics will also continue to draw attention from all areas—including advertising. The Pew Hispanic Research Center notes that 47 percent of Hispanics were homeowners, and the median income for Hispanic households also stood below the U.S. population at \$40,000 (Motel & Patten, 2012). Despite the disparity, Hispanic purchasing power is strong with potential for further growth. According to the Selig Center for Economic Growth, Hispanic purchasing power in the U.S. continues to rise. With an estimated \$1.5 trillion in purchasing power by 2050—11 percent of total spending in the country—this minority group has major growth potential (Miller & Washington, 2013).

Hispanics are the fastest growing minority group, bringing into the U.S. an array of cultural traditions and quickly dominating entire regions of the country. This group will continue

to have changing communication needs. With growing numbers also comes the need for media and advertising specialization on the Hispanic public. For example, grocery store checkouts now feature *Cosmopolitan for Latinas*—an edition of the original magazine for Hispanic women. Despite carrying some of the same content, layout and general topics, *Cosmopolitan for Latinas*' Summer 2013 edition featured a popular Latina celebrity on the cover and articles of interest and cultural relevance to this demographic (Mulligan, 2013). Similar publications separate from *Cosmopolitan* magazine have targeted Hispanics for years but not a particular subgroup. However, an article titled “You talk like a white girl” may not be relevant to the readers of *Latina* or *Cosmopolitan* magazine. Clearly targeting Hispanic women in the U.S., this magazine's language use, its slight code-switching and all-English advertisements with Hispanic celebrities may try to target a particular sub-group of Hispanic women. *Latina* magazine's founder and former CEO Christy Haubegger described the U.S.'s Hispanic population as not just a minority group but in her words, “...the new mainstream” (Paredes, 2001, p.123). Why and how these particular sub-groups are created by the advertising industry is dependent on a variety of social, ethnic and industry factors. Factors aside, the advertising industry is also adjusting to the growing Hispanic population with an increase of agencies focused on developing Hispanic-oriented campaigns.

The Hispanic community and its sub-groups hold substantial power in the marketplace, and their power is continuously increasing, making it important for marketers and advertisers to understand this diverse and segmented demographic. Advertising practitioners will need to create messaging for this growing population, which will involve consumer research on population growth and culture in addition to standard audience research. Hispanic-oriented advertising agencies are multiplying and expanding in an attempt to better understand and target Hispanic

consumers. While there is some research into how to segment the Hispanic population, ranging from research on language dominance (Koslow, 1994) to acculturation levels (Laroche, et al., 1998; Palumbo & Teich, 2005), little is known about the process that account managers, account planners, media planners, and creatives in Hispanic-oriented advertising agencies use as they segment, define, gather insights about, target, and develop advertising campaigns. How do practitioners in Hispanic-focused agencies segment consumers? How do they develop ads that integrate cultural insights? What are some of their best practices?

The purpose of this research is to understand strategic choices made by creative directors, copywriters, account managers, art directors and other advertising practitioners at Hispanic-oriented agencies contributing to the creation of campaigns. Through in-depth interviews at agencies in two major Hispanic DMAs in the U.S., this research aims to offer insight into what segmentation practices and cultural traits are used to communicate to Hispanics and create a sense of cultural understanding in successful campaigns.

## **CHAPTER 2 REVIEW OF LITERATURE**

### **Segmentation of Hispanic Consumers**

Research into the Hispanic community spans a variety of areas. With over 50 percent of national population growth between 2000 and 2010 attributed to the Hispanic population, it is clear that this growing minority group is and should be of interest to the advertising industry (Ennis et al., 2011). While trying to create a connection with this unique audience, advertisers must keep in mind cultural differences and maintain credibility within the eyes of Hispanics. In the past, immigrant culture was expected to conform to the American culture—not just adapt (Keefe, 1980). However, as a growing minority, the power to demand is now in the hands of Hispanics. With both the focus on and understanding of this culture, Hispanic-oriented agencies can provide marketers useful insights into this growing target audience’s specific needs.

While there is no specific research into how practitioners segment and communicate with the diverse Hispanic population, research does offer insights into the types of attributes that differ within the population. Research on language dominance, acculturation, purchasing power and geographic location can offer insights into how segmentation may occur for this diverse group.

### **Acculturation**

Acculturation is seen as an immigrant’s acquisition of a host country’s traits—including the adoption of language, culture or identity (Palumbo & Teich, 2005). Acculturation has a direct connection to time spent in a new country, language level, age and the attitude that an immigrant holds about the host country (Palumbo & Teich, 2005). The 2010 U.S. Census breaks down Hispanic acculturation into three categories, each with different characteristics and relationships to American culture. “Largely unacculturated Hispanics” have lower incomes and have been in

the United States for less than 10 years. These individuals watch mostly Spanish-language media (Palumbo and Teich, 2005). Partially acculturated Hispanics, the second group, have spent more time in the U.S. and tend to be bilingual. Highly acculturated Hispanics tend to have higher incomes, and English is their dominant language. While the Census offers one perspective on acculturation, past research also split acculturation into two models with cultural adoption and loss as some of the differing variables—the bi-dimensional and uni-dimensional (Ennis, 2011). Models of acculturation have divided Hispanics into groups based on cultural strengths and identification.

The uni-dimensional model of acculturation focuses on the division between the native culture and host country's culture. According to this model, an individual will eventually assimilate into American while culture losing some of his or her original cultural values (Palumbo & Teich, 2005). This model may have some connection to the U.S. Census' "highly acculturated" individuals who hold many of the same cultural ties of the middle category but tend to have higher incomes and are English-dominant (Palumbo & Teich, 2005).

The bi-dimensional model outlines a balanced and collective adoption of American customs and behavior while maintaining the customs of their native countries (Palumbo & Teich, 2005). According to Laroche et al., "As a community, immigrants [of the bi-dimensional model] preserve, albeit in varying degrees, their heritage culture while adapting to the mainstream society" (Laroche, et al., 1998, p. 419).

Complete acculturation is not likely in the bi-dimensional model where immigrants will adapt to American culture but never completely conform (Laroche et al., 1998). Cultural balance seems to be key in the bi-dimensional model, and the U.S. Census Bureau's "partially acculturated Hispanics" may be examples of bi-dimensional model at work, since they tend to be

bilingual with a longer amount of time in the U.S. or native born (Ennis, 2011). Despite the longer time in the U.S., these individuals still hold close cultural ties to their native countries.

While the third group has not or, for varying reasons, may not adopt American culture, the bi- and uni-dimensional models cannot be used to categorize “largely unacculturated Hispanics” (Palumbo & Teich, 2005). The “largely unacculturated Hispanics” tend to be a lower income group with less than 10 years in the U.S. or born in a Latin American country and are perhaps one of the most difficult groups for American media to reach. For the most part, these individuals watch mostly Spanish media (Palumbo & Teich, 2005).

Despite the different levels and dimensions of adaptation into the American culture, this process is an American view of the assimilation does not consider how Hispanics view themselves in the transition. New definitions for a clearer understanding of today’s varying acculturation levels may help practitioners understand Hispanics’ identification preferences.

### **Ethnic Identification**

Looking at the Hispanic community as a homogeneous group is a narrow perspective on a complex community. Can advertising create messages that reach all varieties of Hispanics in the U.S.? Should they? These may be the most current issues in multicultural advertising.

Moving from the uni-and bi-dimensional models of immigrating Hispanics to the breakdown of this ethnic group’s personal traits may be the new tool in creating effective target advertising.

Ethnic identification, found to be a higher priority in personal identity than religion, class, or professional standing, is particularly strong in minority ethnicities (Cano & Ortinau, 2012). Individuals create a sense of personal identity with those who hold similar views or beliefs. Hispanics, like any other ethnicity, may be able to bond or identify more easily with other Hispanics (Ueltschy, 2011). Like other forms of segmentation, ethnic identification has been

used to group or divide Hispanics based on strength or weakness of identity to the ethnic group (Desphande et al., 1986). While ethnicity is a complex concept, “self-categorization and self-identification are requisites in the ethnic identification process...” (Ueltschy, 2011, p.11).

Research into the Hispanic culture is a relatively new area of interest, and previous research underrepresented certain Hispanic groups or nationalities. For example, according to the Pew Research Hispanic Center, almost 33 million Hispanics in the U.S. are Mexican—despite only 36 percent being foreign-born (Pew Research Hispanic Center, 2012). Compared to the 67 percent of Honduran or Peruvian immigrants who are foreign born, though representing less in terms of population numbers than Mexicans, these skewed numbers of Hispanic immigrants and their traits can create a misrepresentation of the true Hispanic population in the U.S. for advertisers and society (Pew Research Hispanic Center, 2012).

Even differentiating among acculturated Hispanics can be a difficult task because not all Hispanics view themselves in the same way. Preferences in the use of “Hispanic,” “Latino” or nationality references like “Salvadoran” or “Puerto Rican” vary among individuals. In fact, 21 percent of Hispanics describe themselves as “Americans” with a preference for this description increasing among Hispanics born in the U.S. (Ennis, 2011; Taylor, et al., 2012).

Strength in numbers was also seen in current Census data. Together, Mexicans and Central Americans make up 71 percent of the Hispanic population (Ennis et al., 2011). However, their population numbers may not be as strong in cities like Miami or New York where nationalities like Cubans and Puerto Ricans dominate the Hispanic makeup (Ennis, 2011). Agencies may need to take these and other factors into consideration when developing successful campaigns.

The large population of Mexicans in the U.S. may sway the choice of nationality in certain Spanish language ads. In a Spanish language commercial named *Mexican Lies*, Heineken® uses a common Mexican saying “Una de las tres mentiras del Mexicano” (translation: one of the three lies of a Mexican) as the last line in the advertisement. The advertisement features two men drinking Heineken beer at a bar. One man prepares to leave, but the other suggests one more before they leave—three times. Aside from the slogan itself, the commercial also features Mariachi music, a traditionally Mexican music genre, in the background (The Vidal Partnership, 2011). Along with the language, slogan and music cues, the audience can assume that the men are also Mexican. This commercial leaves us to question whether or not a commercial per nationality is feasible or necessary. Targeting this group in their native language or using native sayings may also be an advertising factor to consider.

### **Language Dominance**

Acculturation levels and personal identification aside, Hispanics hold a variety of language skills. Regardless of a transition period into American society, the bi-dimensional acculturation model suggests that rather than conforming to American culture and traditions, immigrants will adapt while retaining aspects of their native culture (Laroche et al., 1998). The difference between native versus foreign born, illegal and naturalized U.S. citizens, along with language skills and generational standing, creates diverse forms of identification among Hispanics. To many Hispanics, language is one of the strongest forms of identification and varies depending on personal experience.

English-dominant, Spanish-dominant and bilingual individuals, as distinguished by the Pew Research Hispanic Center in many of its studies, and are also an aspect that advertisers have and should continue to consider when creating content for this demographic (Livingston, 2010).



Characterized by their language strength, English-dominant individuals possess greater English speaking and/or writing skills. Bilinguals have equal skills in both languages, while those who are Spanish-dominant see their strength in Spanish speech and writing skills (Livingston, 2010).

However, this terminology is only a small part of the categorization of Hispanics. Language dominance also contributes to the type and amount of media and technology that Hispanics use. Despite some preference for Spanish-language media by people with strong Hispanic qualities, there is no clear preference for English or Spanish-language media by individuals of all language dominance (Villarreal & Peterson, 2008). Language dominance can be used to categorize certain Hispanics. However, these three segments do not include Hispanics transitioning between language dominance levels. If language dominance is used for a particular campaign, this segmentation practice may unintentionally exclude those who lack the necessary English language skills needed to understand English media but have moved away from the Spanish media they originally consumed (Tsai & Li, 2012).

According to a Hispanic agency's advertising practitioner, language use in ads is sometimes, "...an immigrant culture that we have to take through the filter of American culture" (Stuhlfaut, 2011, p.85). Changes in language dominance and even simple exposure to new media and advertising may also open Hispanics to new experiences in the American culture and thereby vary not just language skills but also encourage new preferences. However, creating advertising that targets these sub-groups and appeals to their changing acculturation and language may be one of the difficult tasks facing the advertising industry. Choices in residency and even financial status may play roles in how advertisers view Hispanics.

## **Geographic Location**

Increases in acculturation and partial shifts into the American lifestyle may also mean movement out of well-known Hispanic populated cities. With a tendency of living in central, heavily populated cities in the U.S., Hispanic immigrants over the last decade have slowly shifted to new cities and created new DMAs (Nielson, 2013). Along with population estimates, the U.S. Census Bureau notes that roughly three quarters of Hispanics reside in the southern (36 percent) and western (41 percent) regions of the U.S. (Ennis et al., 2011). This demographic information supports the recent changes in living choices. Hispanics are moving from more urban, concentrated cities like New York and Miami to more suburban areas like Washington D.C. and Charlotte, N.C. (Neilson, 2013). This shift has produced a new area of focus for advertisers. One of the biggest changes in regional population growth between 2000 and 2010 was the 36 percent increase in the western region's Hispanic population; over 29 percent of the population in that area was Hispanic (Ennis et al., 2011). This, along with the South's simultaneous growth, may be linked to the U.S.'s shared border with Mexico. With new and expanding DMAs, multicultural agencies may gain some of the creative power and freedom that mainstream American agencies have had for years. These new DMAs may also signal an increased affluence within the Hispanic community and a continuing financial reason for the advertising industry to focus on this demographic.

## **Purchasing Power and Educational Potential**

Along with high purchasing power, over the last year, Hispanics have also shown an increased optimism in their future economic status (Lopez & Motel, 2012). Rating education and the national economy as higher priorities than immigration in the 2012 presidential election (Lopez & Barrera, 2012), Hispanics clearly show potential to expand not only their economic

standing but also educational status for themselves and future generations of those born and raised in the U.S. As opposed to the rest of Americans, Hispanics also hold more positive views about future personal finances (Lopez & Motel, 2012). In terms of education, 2012 Hispanic high school graduates surpassed the percentage of Caucasian students enrolling in college (Fry & Taylor, 2013). Perhaps an ethnic priority, a method of language adoption or a means of success in a new country, education is a growing requirement for Hispanics.

We do not know how practitioners segment or if segmentation is an important part of the strategic process of advertising at Hispanic-oriented agencies. However, Hispanic purchasing power, along with education advances, language dominance and this minority's movement to new living areas may all be factors for Hispanic-oriented agencies to consider when creating advertising for this diverse ethnic group. Thus, we ask the following RQ:

**RQ1:** How do practitioners at Hispanic-oriented agencies segment the Hispanic population?

### **Developing Campaigns with Hispanic Appeal**

Segmentation is only one part of understanding the value of Hispanic-oriented advertising agencies. To understand Hispanic advertising, it is also important to evaluate the mindset of the creators and the decision-making processes at Hispanic-oriented agencies. Despite some of the current, appealing advertising campaigns, the lack of research and understanding of the Hispanic culture in the past led to failed campaigns and poor investments by mainstream agencies looking to break into this growing market. Palumbo and Teich note GM's failed attempt to market the Chevrolet Nova to Hispanics in the 80s. With a clear lack of consumer research or even a translator, GM's financial loss in the Hispanic market can be attributed to the model name Nova translating to "does not go" in Spanish (2005). Indeed a carefully crafted message to a

particular group of people may be effective. Toyota<sup>®</sup>'s current advertising slogan "Let's Go Places" seamlessly translates to "Vayamos Juntos" (Let's go together) and emphasizes Hispanics' tendency to be a collective versus individualist society (Ruiz, 2005; Toyota USA, 2013). Because of the diversity and complexity of the Hispanic population, some campaigns meant to draw in consumers can have unintended, negative effects. The existing literature on developing campaigns that appeal to Hispanics highlight some of the potential difficulties.

### **Accommodation Theory**

Creating a connection to subgroups within the Hispanic community is difficult, and breaking down the linguistic barriers can be a struggle. According to the accommodation theory, a speakers' engagement in speech accommodation and the effort made to create a similarity with the listener's language will enhance the listener's attitude and feelings toward the speaker (Koslow, et al., 1994). However, the effort made by the speaker can be overshadowed by his or her intentions. For example, if the speaker makes the accommodation effort to influence or wrongly control the listener, there will be no positive reciprocation from the listener (Koslow, et al., 1994). Feeling a sense of exclusion from typical American culture, Hispanics with a range of experiences also use a similar range of self-identifying labels. These categorical differences can create subgroups.

To the media and particularly advertising, these subgroups may be tools used in target advertising. In a door-to-door survey conducted in Canada, Laroche et al. gathered data from Greek, French, American and Italian respondents. Reinforcing the belief that linguistic skills are a major indicator of acculturation, Laroche et al. found that participants' high linguistic skills hold a negative relationship with ethnic identification (Laroche et al., 1998). Although a different

ethnicity than those in Laroche's study, this relationship may be seen in English and Spanish-dominant Hispanics—individuals on opposite ends of the language spectrum.

Although accommodation may initially be used to appeal to a consumer and break down cultural barriers, speakers may also initially seek approval or respect (Koslow, et al., 1994). The Spanish used in advertising can trigger the accommodation theory but may also trigger a variety of outcomes from the receiver. True, effort was made, but the level can also vary based on the amount of Spanish and its placement in an overall thought, statement or tagline. Thus, advertisers must have a true understanding of consumers and their beliefs in order to speak to them in culturally sensitive ways. Targeting to the general market may be a very different task than that of the Hispanic culture. Stuhlfaut's research into ethnically oriented agencies—including Hispanic, Asian and African American firms—found ethnically-oriented agencies hold the informal code of values that most agencies adhere to. However, these agencies also hold “ethnic-cultural insights” that are required to effectively target ethnic consumers (Stuhlfaut, 2011, p.87).

Hispanic advertising must not only grab this audience's attention, but also consider all of the cultural aspects tied to this group. Consideration, along with a well-intended effort to reach Hispanics, can increase a Hispanic-oriented agencies' success. When studying Hispanic values, it is important to consider this heterogeneous group with its, “. . . wide breadth and range of educations, socio-economical, and professional representations of Hispanics within the larger U.S. culture” (Ruiz, 2005, p. 34).

So how does language structure and phrasing effect Hispanics? Especially when studying language dominance, creating appealing and effective Hispanic campaigns may be difficult with multiple languages levels to consider.

## **Code-Switching**

Code-switching, perhaps one of the most used tools in targeted advertising today, is the creation of a multi-language sentence or phrase through the insertion of a foreign word or message into the original message (Luna & Peracchio, 2005). English-Spanish code-switching is prevalent in targeted advertising. However, to utilize code-switching, a slogan usually includes a majority (favored) and minority (less respected) language. Grosjean explains that the majority language is the more formal language while the minority language is considered the informal group language (1982). Code-switching, whether in casual conversation or advertising, emphasizes a message or creates a feeling of unity among a group (Grosjean, 1982).

Some bilingual individuals involuntarily use this tool to fulfill a language gap in daily conversation (Grosjean, 1982). Regardless of majority and minority language, code-switching may be most successful when used to target individuals with bi-dimensional and partially acculturated characteristics. These groups are more likely to be bilingual and catch both language references and the full meaning of the message.

According to Koslow et al., as Spanish-dominance in a receiver increases, the perceived cultural sensitivity of the advertiser decreases because of its perceived informational and not entertainment purpose (Koslow et al., 1994); this is similar to the negative outcomes in misuse of accommodation (Koslow et al., 1994). Choosing when, where and how much to code-switch an advertisement or slogan is dependent not only on the intended subgroup but also the key messages an advertiser wants to emphasize. So Hispanic-oriented advertisers should be careful when using code-switching and how much of a particular language is used.

A 2012 Tide<sup>®</sup> commercial features a Spanish-dominant grandmother signaling to her bilingual granddaughter to translate her comments throughout the entire ad. The granddaughter

translates the grandmother's comments about her use of modern products, but she includes details about her grandmother's old-fashioned methods prior to discovering Tide Vivid Detergent and Boost (Tide Laundry, 2012a). The granddaughter does not mock but notes her Hispanic grandmother's old ways. Despite starting in Spanish, this commercial includes English subtitles, contains more English than Spanish, and appears to be a majority-to-minority language commercial geared toward English-speaking/English-dominant viewers.

Depending on the advertisement's intended subgroup, while emphasizing attitude, "...activation of the minority-culture schema does not necessarily hurt evaluation, but a negative attitude toward the minority language does, along with the ensuing negative elaboration" (Luna & Peracchio, 2005, p.764).

English-language dominant individuals in Koslow et al.'s study found an advertiser more sensitive to the Hispanic culture when using mixed messages (Koslow et al., 1994). Although English-dominant individuals may relate to the family scenario in the above example, attitudinal effect on Spanish language and culture is subject to the viewer and his or her attitude towards the minority language and connected culture. Evaluation of the slogan and product are affected by the attitude toward the language (AL) and can be restricted with the inferior thoughts of the minority language. Luna and Peracchio's study in attitudinal effects suggests that negative connotation tied to the minority language resulted in lower product evaluation (Luna & Peracchio, 2005). Research into AL also notes that the emphasis of a code-switched word prompts the receiver to evaluate the message with their AL in mind (Luna & Peracchio, 2005). Luna and Peracchio note that despite the inclusion of both languages, use of the majority-to-minority language slogans instills a sense of inferiority and a negative connotation toward the

minority language—in many cases Spanish (Luna & Peracchio, 2005)—and in turn may create negative feelings toward the product.

Research in mixed-language advertising also includes a study with a series of interviews, surveys and questionnaire focused on advertisements with varying language dominance. Some advertisements featured English as the dominant, majority language with Spanish subtitles and others vice versa (Koslow, 1994). Koslow et al. measured an advertiser's perceived sensitivity of culture through the receivers' perception of advertiser awareness of Hispanic needs and respect toward these consumers (Koslow, 1994). Findings in this study note that use of Spanish in the advertisements showed participant awareness of advertiser sensitivity.

The amount of English or Spanish used in an advertisement may also be a cue to the effort made by the advertiser (Koslow, et al., 1994). Across many cultures, code-switching can be used to exclude a person or group from a conversation but may ultimately embarrass the excluded (Grosjean, 1982). The use or misuse of Spanish and English can create a harsh contrast in the receivers' eyes and therefore cause negative feedback to the message and its sender. As Koslow, et al. explain:

An advertisement that is completely in Spanish is very effortful accommodation... To use both English and Spanish may be perceived as effortful, but less so than the first case because the advertiser is no longer making an exclusive appeal to people who understand Spanish (1994, p.577).

An altered version of this commercial features the same cast with high accommodation of full Spanish with English subtitles. A Spanish-dominant grandmother talks about Tide's ease of use throughout the entire commercial but notes the complicated English name. The commercial emphasizes the American name of the product by having the bilingual granddaughter pronounce it. This may have been scripted to create salience of the English product name while trying to maintain a positive attitude toward the Spanish language. Despite the minority-to-majority code-



switching of the English product name, the commercial continues to garner a positive attitude towards the Spanish-language dominant public by using the Spanish slogan at the end (Tide Laundry, 2012b).

The contrast between a majority and minority language or vice versa automatically creates salience of the code-switched language and draws attention to that point (Luna & Peracchio, 2005; Grosjean, 1982). If there is something particular that an advertiser would like an audience to note or remember, this may be where code-switching should be used. Judging by the amount and variety of commercials with this duo, Tide marketers made a clear effort reach and understand multiple Hispanic subgroups with a variety of acculturation and language levels.

The results of research on accommodation theory and code-switching suggest that there are both strengths and weaknesses to both strategies. More importantly, it suggests that there is great diversity in the Hispanic market and many factors to take into account for Hispanic marketers and advertisers. In a study of practitioners at ethnically-oriented advertising agencies, Stuhlfaut (2011) found that knowledge of Hispanic culture may be key in understanding how to effectively target this group.

### **Hispanic Culture**

Some Hispanics hold a longing for connection to their cultural heritage. Cultural traits like language, work ethic and family traditions within the Hispanic community are similar across many nationalities. Despite the diversity, as an ethnic group, “Hispanics model demographic qualities of high family values, work ethics and stability. They have a distinct identities, values, modes of expression and language” (Palumbo & Teich, 2005, p. 169). It should be noted that despite the U.S. melting pot, Hispanics are the first group to be singled out and researched according to ethnicity (Taylor, et al., 2012). Perhaps the diverse nationalities, the single

language, or the complexity of Hispanic culture require Hispanic-oriented agencies to specialize and multiply with the increase in Hispanic population.

According to Pew Center data, 83 percent of Spanish-dominant individuals hold a strong belief in hard work and prosperity (Taylor, et al., 2012). Like many other immigrants, hard work, whether in jobs or education, lead to success and, as previously stated, stronger purchasing power and the possibility of financial stability. Hard work and its link to success is a stronger held principle among Hispanics than by the general public. However, this belief is not seen as much in bilingual and English-dominant Hispanics as opposed to Spanish-dominant Hispanics (Taylor, et al., 2012). Perhaps part of the extensive belief in hard work is the support of a collectivist culture that sees individual success intertwined with the success of surrounding individuals (Ruiz, 2005). Ruiz explains that the Hispanic collectivist culture, while creating relationships with other individuals, allows people to grow in the context of the relationships without harming others (Ruiz, 2005). This may be directly related to the family-centered lifestyles that many Hispanics still maintain regardless of acculturation levels.

Ethnically-oriented agencies hold a variety of codes that guide creative teams. Asian-American agencies, while traditional and restricted in nature, differ from African American agencies in their young and modern approach (Stuhlfaut, 2011). Hispanic-oriented agencies must understand that personal relationships and family are priorities in Hispanic culture. Perhaps one of the strongest Hispanic traits, familismo (familialism), is defined as the emphasis that an individual, particularly in this ethnic group, places on immediate and extended family. Familismo also includes the loyalty through financial and emotional support and holding family members as behavioral examples with high respect towards elders (Ruiz, 2005). Along with

strong ties, Hispanic families, particularly those of lower and middle class, tend to be larger than the average American family (Palumbo & Teich, 2005).

Walt Disney World®—a place of wonder and joy for children and families around the world—reaches all nationalities, ethnicities and age groups. With an array of audiences to target, Disney understands the importance of family in this culture. In a commercial titled *Disney Parks-Abuelos*, a Hispanic boy named Carlitos awaits the arrival of his grandparents at an airport. The boy and his immediate family live in Florida, and the grandparents fly in for the, “Third time in the U.S. and second time in Florida” to take Carlitos to Disney World (Disney Parks, 2012). Along with the boy’s Hispanic name, the use of a Hispanic family flying in from abroad and the term “abuelitos” instead of grandparents is a clear effort to connect to Hispanics (Disney Parks, 2012). Accommodating to the strong cultural traditions and even language norms show respect for Hispanics and may open an agency and its clients to this tightly knit group.

To determine how practitioners develop campaigns to target segments of the Hispanic market, the following RQ is developed:

**RQ2:** What tactics do practitioners at Hispanic-oriented agencies use to effectively communicate with this target audience and signal cultural understanding?

## **CHAPTER 3 METHODOLOGY**

### **Participants and Procedure**

Understanding the strategic process linked to the successful—along with the failed—advertising campaigns required information from a variety of agency employees. Despite the creative department’s separation from the rest of an agency’s business matters, both physically and symbolically (Stuhlfaut, 2011), it was important to understand how creative practitioners interpret Hispanic culture and possible use of segmentation in the final advertising product. However, creative practitioners are not the only group of practitioners that make important campaign decisions. Account managers, account planners, the media department, and senior management also play a major role in an agency’s final products.

To gather information about the specific processes and strategies devised in Hispanic-oriented agencies, in-depth interviews were conducted at two advertising agencies with members of the following departments: creative, media, account management, account planning and senior management. Please see Appendices Part B, Chart 2 for the number of practitioners per department or job title interviewed.

Agencies in two strong Hispanic DMAs were recruited through an email to the agencies’ CEO or president. The email described the scope of the project and asked if the researcher could spend one day in the agency interviewing as many employees as possible in the targeted departments. See Appendices Part C for recruitment email. A phone call followed the subsequent week. The researcher requested for an agency administrator to develop an interview schedule that included discussions with members of all mentioned departments. Interviews were dependent upon employees’ schedules and availability and varied in length between 18-55 minutes.

Practitioners were scheduled for back-to-back interviews in a conference room or separate area. The interviews were semi-structured and open-ended to allow for practitioner insights to come to light. Please see Appendices Part A for interview protocol. Interview questions began broad with a brief discussion about the practitioners' past and experiences to understand context before probing for more specific information. At the end of the interviews, participants were asked if they would like to add any additional comments. All interviews were audio-taped and transcribed by the researcher to allow for comprehensive data analysis.

### **Data Collection**

To respect the integrity of internal procedures, agency and employee names were excluded from this study. Understandably, agency practices and strategy are confidential information for all agencies involved, regardless of location and its audience. In the written results of these interviews, all agency employees were referred to by a letter (agency), a number (employee) (e.g. AE3, Account Executive). The key allowed the researcher to maintain the connection between employee position and viewpoint while also maintaining participant and agency names confidential. This discretionary step also allowed those involved to speak freely during interviews (see Appendices Part B for job title abbreviation chart).

After all interviews were conducted, recorded and transcribed, the researcher coded information based on themes found within the data. Many individuals at Hispanic-oriented agencies carry their personal experiences into the workplace and use this ethnic insight daily (Stuhlfaut, 2011). This structure allowed practitioners to share insight and create "unified themes" that sometimes vary between academia (the researcher) and agencies (the practitioners) (Spiggle, 1994). Starting this early on in the interview process allowed for elaboration into a strongly held value or segmenting practices in these Hispanic-oriented agencies.

## **CHAPTER 4 FINDINGS**

Twelve in-depth interviews were conducted at two agencies specializing in Hispanic – oriented advertising. The agencies were located in New York, NY and a large market in Texas. Of the 12 practitioners interviewed, nine were Hispanic, two were Caucasian and one was Polish. All but one interview was conducted face-to-face. The final interview was held by phone. Over five hours of interviews were transcribed verbatim into 70 pages of single-spaced text with a total of 32,734 words. All together, agency practitioners discussed several topics regarding Hispanic advertising and seven client examples.

Addressing the challenges and opportunities in Hispanic advertising, AG1 and AG2 practitioners shared a variety of opinions. Those interviewed discussed segmentation, the transformation of Hispanic audiences, strategy limitations, stereotypes and agency surroundings.

### **Segmentation, Language and Acculturation**

Practitioners interviewed shared viewpoints on segmentation, language and acculturation. Results on these topics showed the sharpest contrast of opinions when AG1 practitioners discussed their use of language in several areas of advertising but not always key in creating connections with consumers. AG2 practitioners explained that the agency moved away from segmentation, language and acculturation in most areas of their work.

### **Looking Beyond Standard Practices**

M at AG1 mentioned language dominance as a tool in media purchases and key in digital placement of advertising. On the other hand, an AG2 practitioner mentioned that in a campaign for a retail brand, the use of language was irrelevant. A digital launch, along with events surrounding the campaign, created positive results for the client (AE1, AG2). “We think the [use of language dominance] is obsolete. We think language every time less and less determines

behavior. We have proof that language is now not the key aspect for effective communication, but the mindset is” (P, AG2).

AE1 at AG2 mentioned that demographics and language dominance were not always used, but language was a reality that was taken into consideration when trying to connect to an audience. Difficulty in segmenting today’s unique Hispanic was also noted, and a practitioner said, “...it is more about culture. Language is one element, but not the whole thing. So what was Hispanic now is not what was Hispanic before” (P, AG2).

A practitioner at AG2 disagreed with segmentation and its use in media placement. He noted that as the bulk of many clients’ budgets were in the Hispanic market, broadcast media did not offer enough channels or programming to segment audiences efficiently:

...the reality is that...the majority of the budget in advertising goes into television, and the majority of the television eyes are on *Univision*, and the majority of the budget is in *Univision*. You really *cannot* segment because everyone is watching the same thing...that’s what contradicts the whole idea of segmentation (P, AG2).

AG2 also opposed standard segmentation practices. Even within Hispanic marketing, AG2 mentioned that targeting was determined more by motivations and mindsets rather than demographics:

So even if my universe is U.S. Hispanic, I’m not going to then boil it down to a particular age group or a particular ethnic country of origin...if it’s a pizza account, I’m going to take my universe and divide it by moms who need to feed their family or guys watching a soccer game. Those are the different mindsets that I would target versus women, 18-35 with two children. Demographics are not the way I’m going to choose to segment my audience (AE1, AG2).

AG1 practitioners mentioned language and segmentation but one practitioner also explained that strategy centered on more than just language. “It’s not just a Spanish-language translation or something else. I believe, we believe, that when you are able to leverage things that

are uniquely Hispanic in the advertising, then the advertising creates a greater connection with the consumer” (P, AG1).

### **Project-by-Project Circumstances**

With clients and projects based in all areas of the country, practitioners required special strategies. Both agencies faced situations where strategic decisions stemmed from variations in the location, consumers, high-volume transactions and demographics of individuals making those purchases. Although some practitioners at AG1 stated the use of general segmentation practices and demographic information, it was noted that regardless of who the target was, “You are most successful in Hispanic marketing when you have clear objectives. Are you trying to grow a brand or defend a brand?” (P, A1).

In an example involving Client 1 [a spirits brand]’s brand growth, the bulk of total sales stemmed from Dominican Republic consumers in the New York DMA. Sales were matched with the ethnic composition of the area and allowed AG1 to create messaging for that priority group. Age, psychographics and income levels were also factors in creating the advertisements for Client 1. An agency practitioner said:

One of the most loyal [Client 1] consumers within that population was the Dominican consumer, which was contributing 80 percent of that consumption...Since that one group is such an important and priority segment, by far it makes sense for [Client 1] to tailor its messages so that it spoke to Dominican consumers in a unique way (P, AG1).

While targeting for a particular group is sometimes necessary, P at AG1 also specified that the focus on just one group was not always appropriate. “Unless you know strategically that there is a particular group that is significantly more important to the business—like the [spirits brand] story—there’s a reason why Dominicans in New York were going to be targeted. That’s why it makes sense to spend that money” (P, AG1).



He noted that despite their use of demographics and geo-targeting information used for individual markets, a national campaign involved, "...talking to all of them," and in some situations, budgets and production were a higher priority:

If I make the advertising specifically for you as a Honduran, could I have a chance at connecting with you on a different level? Yes, I could. Every time I do that, it adds a cost in my production budget. As advertisers, we are always trying to keep the money in media, out there and minimize the amount we spend in production (P, AG1).

While national campaigns often targeted the Hispanic market in general, the agencies sometimes diversified smaller promotions for the campaign based on the region. Practitioners at AG2 held the same view on regional focus as AG1 and explained:

The creative works for everybody, but you can also have some nuances based on the regions. Then if you need to tweak it sometimes with a promotion that plays more on, for example Puerto Ricans, then you cue it a different way. That is a very project-by-project decision you make (P2, AG2).

AG2 practitioners explained that above any strategy, the agency needed to create the correct message for the culture. "They experience what goes on in the general or mainstream culture, and they also have their own Hispanic culture. And helping brands be relevant in that Hispanic cultural context is what makes a brand effective" (P, AG2).

### **The Ambicultural Hispanic**

A change in the U.S. population and the transformation of Hispanic culture has led to a new and emerging culture for all Americans. According to AG2 practitioners, the U.S. is moving towards foreculture, an environment where all cultures learn from each other and eventually build a new culture together. AG2 practitioners explained that through foreculture, all individuals in the U.S. move along paths toward a similar mindset that will one day allow agencies to target everyone—not just Hispanics or non-Hispanics. An account executive said:

The general market has taught Hispanics a lot of things, and we have been open to embracing a lot of the best parts of their culture. But it's not a one-directional anymore. It's a sharing of information and both parties are now, for the most part, open to learning about this new culture (AE4, AG2).

Along with the merging of cultures, AG2 practitioners also highlighted the transformation of Hispanics and defined today's Hispanic consumers as ambicultural individuals. Ambicultural Hispanics learn from the new culture, infuse their own culture into the U.S., but should not be required to assimilate into the American way of life.

“So we don't use bicultural, bilingual. We don't use multicultural. We don't use the word acculturation or assimilation. What that assumes is that an individual comes to this country, and they start on a particular end of the spectrum,” (M, AG2). Aside from being a segmentation tool, she also viewed language dominance and assimilation as spectrums that Hispanics conformed to in the past to assimilate into the U.S culture. “The view was that there is a group of people who will eventually speak English. These individuals don't have to move along a spectrum and become assimilated in American culture. They're creating their own culture” (M, AG2).

Along with the nation's cultural transformation, Hispanics continue to create a personal identity with both their native and American culture. Hispanics and non-Hispanics may feel a stronger connection with one nationality over the other, but the individual aspires to become equal. AG2 defined this aspirational shift as cultural rerouting—the current mindset of a large portion of the Hispanic population.

AG2 practitioners discussed ambiculturalism and what the cultural exchange may carry for everyone in the U.S. A practitioner said:

I'm glad to see that America and non-Hispanics are embracing this idea that we all came from different places and that we can all form something new and something better and something stronger. And that's what the new America is, and it's only going to accelerate forward (AE1, AG2).

The cultural rerouting was also a large part of strategy in event and promotional research at AG2. As part of its strategy, the promotional group took in both cultural nuances and trends to create effective experiential and live consumer engagement events (AE3, AG2). Noting the ambicultural changes in the U.S. at an event his team attended, a practitioner reinforced the concept that cultural influence is not one-directional and affects all areas of life. An account executive said:

They [Major League Soccer] have rallying teams with music that leads into the stadium. They have chanting leaders that may have started in the National Football League and may have been rooted there, but transcended sports [into soccer]. So there are a lot of different cultural nuances in this melting pot that is now creating this new way of looking at soccer. We see this as not a Hispanic thing, not an Asian thing, African American thing. It's a cultural phenomenon in the U.S. (AE3, AG2).

As cultures continue to develop and intertwine, advertising agencies must also learn and develop new methods of communicating with Hispanics and all individuals.

### **Moving from Hispanic to Total Market**

As the Hispanic public continues to change, these agencies must also redefine standards and readjust labels to encompass the agency's full capabilities. Although known for Hispanic advertising, both agencies also cater to a variety of general market clients. AG1 preferred the term multicultural agency while AG2 preferred the term total market agency while. "General market gives a sense that it is something other than Hispanic. Los Angeles is dominated by Hispanics, so who is the general market there? Or do we call it *total* market?" (AE3, AG2).

Redefining conceptualizations of culture and market specialization helped the agencies gain and increase budgets, clients and authority. "Even the language is getting blurred. We have to redefine language and continue to educate our clients on what things mean. And that has huge implications on how you approach a communications plan. And that has huge implications on budgets" (AE3, AG2).

AE at AG1 explained that as a multicultural agency, practitioners handled non-Hispanic accounts. “It’s a multicultural agency, a multicultural communications agency...for [Client 8 spirits brand], we don’t specialize in Hispanics for them. We actually do everything in English” (AE, AG1).

“I handle [Client 6 a state commission], and we handle the general market account. We’re heading the whole business—including Hispanic and African American and Asian. That’s not a Hispanic agency. That is an agency that understands multicultural shifts” (AE2, AG2).

While working with clients that understand the uniqueness of Hispanic culture, agencies also found opportunities to gain entire client accounts. “[Client 4 an automobile company]’s spot was only put on *Univision* and the Hispanic channels. But it worked so well and did so well that they came and asked us to dub the spot in English. They’re airing it as a national spot when it used to be a Spanish-only spot.”

### **Working Under Existing Umbrellas**

Though new projects with established clients can present opportunities to connect to Hispanic consumers, unique challenges affecting the overall messaging sometimes present themselves. As agencies continued to gain general market work and increase existing account sizes, working under the umbrella of a brand or general market campaign required cohesive campaign strategies that also resonated with the consumer (AE1, AG2). The agency practitioners noted the difficulty and restrictions of brand structures and character [P, C, AG1; P2, AG2]. One practitioner explained:

So when we get an assignment, we need to see how this will resonate with the consumer, how the general market campaign resonates too. Because sometimes the DNA of the brand is the DNA of the brand. Because this consumer is exposed to a different language, but you’re not going to say something completely different (P2, AG2).

Brand structure was also listed as an impediment in advertising strategy for AG1. “If a brand is liberal and edgy, then we should have the freedom to be liberal and edgy and push the envelope in the Hispanic space as well” (P, AG1).

Despite the restrictions, AG2 attempted to make the product’s connection to the consumer a top priority—regardless of the client’s position statement or branding. When faced with a client’s established structure, a practitioner said, “You don’t start from scratch communicating with the target. What you do is basically find what are the relevancies of that strategy to the use of our consumer” (P, AG2).

A campaign and slogan for Client 7 [a payment method] was originally created for the general market and then handed to AG1 for Hispanic advertising. These accounts sometimes require additional strategy to maintain message relevancy to Hispanic consumers.

You don’t want to have different campaigns for Hispanic consumers versus general consumers because the Hispanic consumer is exposed to the general market advertising also. You want the exposure that the consumer gets in the mainstream channels as well as the Hispanic target channels to work together. You want them to *help* each other. You want the consumer to take away *one* brand experience, *one* brand message (P, AG1).

### **Clichés, Cultural Cues and Stereotypes**

While connecting with the Hispanic audience, practitioners mentioned the need to stay away from the overt cues, clichés and stereotypes that may not resonate and may inadvertently offend the Hispanic consumer. Practitioners at both agencies mentioned a variety of overused stereotypes and story lines in today’s Hispanic advertising. Some of the most prevalent examples mentioned were the use of large family gatherings, piñatas, sombreros and abuelitas [grandmothers] in commercials and marketing pieces. “Our strategy will not be sombreros and Mexican music, which a lot of clients do expect when they first come in...No, it’s nuances” (AE4, AG2).

Personal connections to the scene may exist, but these cultural cues are not always effective and were also seen as inauthentic and unnecessary in communication for Hispanic audiences. “So never insulting the culture, never insulting the people unless it’s in a funny way and on purpose. So bad casting, bad song selection, bad cultural selection I guess,” (AE, AG1). Along with a need for cultural understanding, there were also the difficulties of explaining the value of nuance to the client.

...that’s always tricky because the audience will get the subtlety, but the client will not get the subtlety. They want to know what is Hispanic about it, and they want it to be very overt. And often times it’s a struggle that the audience doesn’t need us to put a poncho and salsa music in the spot. They just need that little glimpse of, ‘We get you,’ with a wink that can be just as subtle as a behavior or reaction to something to them. I think cultural cues are very tricky. And I think clients often demand them, and we are very resistant to them (AE1, AG2).

Despite some of the universal truths such as family and music, both agencies believed that clichés are not necessary for the engagement and the motivation of the Hispanic consumer. “We don’t all play soccer. We don’t all love our family members. There are things that are universal. I know these are true, but they don’t apply to everybody” (AE, AG1).

Despite what the client and general market agencies may believe, “It may not be so obvious that it’s Hispanic work, and executionally we probably tend to focus on nuances when the nuance is not what makes general market agencies and clients that are not Hispanic and that are not savvy in Hispanic comfortable.”

Sometimes we do work that you can look at and you will be hard-pressed to find anything uniquely Hispanic about it. Other times you might look at our Hispanic advertising and say, ‘Wow, that’s really uniquely Hispanic. That doesn’t exist in the mainstream world’ (P, AG1).

An AG2 practitioner noted subtle but effective work of other Hispanic advertising agencies. A Client 3 [a cleaning product] commercial created by another agency that featured a grandmother and granddaughter used subtle language and family nuances. “We’re not the only

ones that have done great work. I can talk about the Client 3 commercial with the abuela. It's just the little nuances that you have to put in there and not necessarily anything waving back and forth" (AE4, AG2).

Overt use of culture is not a part of strategy or style. Many practitioners discussed the need to educate clients not just in culture but also in human understanding to engage the audience. An agency president said:

...it's more about the mindset. And it's about the human motivation. And it's about being human first and Hispanic second. We do not believe that Hispanics are living a Hispanic life or that their Hispanicity has to be put in front of them in every form of communication (P, AG2).

### **Strategic Planning with a Cultural Emphasis**

As part of any advertising agency, strategic planning ensures all agency work is relevant and meaningful to consumers. The strategic planning function in Hispanic-oriented agencies must extend to include cultural understanding and Hispanic insights. This planning has allowed agencies to learn the culture, adjust creative, and create media for an ever-changing population. Both of these agencies must also continue to redefine Hispanic advertising as cultural shifts occur throughout the U.S.

### **Integrating Cultural Understanding**

Noting U.S. clients' lack of cultural understanding or experience with Hispanics, a practitioner said, "Many times in the U.S. you're talking to clients that don't understand or know the target is very unique. There are those clients that are starting just now trying to reach that segment. There are others that have been doing it for many years. Some, you need to start from scratch" (P, AG2).

Practitioners reinforced the uniqueness of Hispanics and explained that agency knowledge of the Hispanic market allowed them to understand that a simple translation of an

advertisement does not work. “Those cultural insights. It’s not just about translating from English to Spanish. It’s not just about taking whatever they did in the general market and applying to the Hispanic market. It’s understanding little cultural inferences” (P, C1, AG1).

AE4 at AG2 focused on the need to create relevancy to the Hispanic consumer to break through today’s cluttered media. “If you want to talk to Hispanics, then you need to have relevant content to engage them...not just because it’s in Spanish will they turn their heads and be engaged. There are so many brands trying to speak to them at this point.”

To create the relevancy, AG2 created a communications strategy approach more effective than traditional plans and used for all areas of client work. Three main factors: consumer’ lifestyle characteristics, their shopper journey, and their place in the purchase cycle are factors that allow AG2 to consider the consumer holistically.

Aside from marketing software like Simmons, AG1 practitioners mentioned that strategic and creative practitioners visited Hispanic areas of New York and interviewed residents for opinions and viewpoints—something that general market agencies may not do (M, P, AG1). “[General market agencies] oversimplify because they spend more time in Soho than they do in Washington Heights. They don’t live in that context. They don’t know what it sounds like, smells like, feels like, moves like” (P, AG1).

Much like AG1’s hands-on research, an AG2 practitioner explained that additional in-depth, internal and outsourced research is conducted to find out:

- What is stopping them from consuming my brand or buying my brand, or buying more of my brand?
- How can I make them purchase even more?
- What do they like? What do they want? What type of person are they? What are they in to? (AE4, AG2)



While avoiding overt cues, AG1 aspired to resonate with the target consumer. “You showcase all the benefits of whatever the product is. And for Latinos, yes, most of us are coming in from different countries. We started at the border. We’re trying to advance. So it’s a story that helps a lot” (AE, AG1).

Advertisements for Hispanics also involved stepping into the mentality of the consumer. “I put on that mindset. Put that target consumer in your mind because that’s how you’re going to resonate with them” (AE, AG1).

Agency work and personnel experience were seen as benefits, and both agencies’ team members had unique personal, educational and professional backgrounds. “We’re leveraging that into the communications, into what we do. It should be what makes us unique and what makes the client say, ‘They bring that *something* that I couldn’t get elsewhere’” (P, AG1).

As an example of what AG1 had to offer a client and audiences, a commercial for Client 1[a spirits brand] incorporated a well-known Hispanic joke with a double meaning about the product and a woman. The commercial also included a classic song noted by AG1 as being recognizable by most Hispanics. An agency president said:

We brought the client a significant amount of elevated communication value that they would not have gotten with a general market agency. That’s what I feel we are supposed to be bringing the client every time, and we should be inspired to bring the client every time (P, AG1).

According to AG2, advertising ideas in the Hispanic market were sometimes created and judged with a filter and ethnicity in mind. AG2 was not supportive of this practice and said, “ideas should be judged as ideas first, not as ethnic ideas.”

An AG2 practitioner also explained that the agency itself should place the advertising elements before the ethnicity. “We are not a Hispanic agency that happens to be good. It puts

you at a different level. We think that first, ideas should be good and then we can find a way to connect better with the consumer. That's the main approach" (P2, AG2).

When clients sometimes expect work that feels Hispanic to justify the investment, AG2 was faced with the question, "What's Hispanic about it?" This question was a struggle for both agencies and an occasional impediment in creating unique advertising for Hispanics.

Agency practitioners sometimes worked under the scrutiny of a "client insider"—a member of the client team that may or may not be Hispanic and approves Hispanic advertising created for the company (P, AG2). As an additional step in the process, practitioners found this difficult. "It's their job to Hispanicize things. That is, historically, a bit of a hurdle, because you find yourself not talking about ideas, not talking about marketing, not talking about advertising, but about ethnicity. When that goes first rather than the idea, you're in a bad space" (P, AG2).

### **Creating for DMAs**

Along with understanding Hispanics, agencies must also understand the Hispanic DMAs and the shifts in population in those areas. "Miami is no longer *just* a Cuban market. New York is a more Dominican market than Puerto Rican and the group that's growing the fastest is the Mexican group. If you are advertising nationally, your message has got to talk to everybody" (P, AG1).

Both agencies' practitioners take in the surroundings and people to create more effective advertising. For Client 5 [a telecommunications system], AG1 chose particular New York locations to film the regional client's commercial. "So if you live in those areas and you watch it, you can see the bodega [corner shop] you go to. You're going to react a little bit more to it. We could have shot it on green screen, but we wanted to get that authentic look."

However, while the region may be predominantly Hispanic, ethnicity may not be the most important factor. “And the regional nuances, maybe not so much ethnic—yes, ethnicity influences it—but we try to make sure that we capture a mindset that is similar across everybody and talk to that mindset,” (M, AG2).

AG2 is located in Texas, a minority-majority state with a high Hispanic population. However, Client 6 [a state commission] a regional, general market client of AG2, reaches all races, nationalities and ethnicities. Breaking down t

General market work in Texas will be multicultural by its very nature because the majority of the state is minority led by Hispanic. So again, it isn’t that we’re trying to find the things that motivate Hispanics the most. We try to find things that motivate Texans, and that will organically skew Hispanic (AE2, AG2).

### **Client Education**

Despite some of the obstacles that advertising practitioners faced in targeting Hispanic audiences, many of the struggles or successes stemmed from the client relationship. Client education, along with trust, permission, and a growing sense of respect, allowed Hispanic agencies an opportunity to create more media for Hispanics.

Both agencies were faced with clients that knew of the population growth and cultural shifts driven by Hispanics but lacked the cultural respect necessary to communicate with the Hispanic community. Reinforcing the neglect that the Hispanic consumers experienced in past years, one practitioner said, “I also think that you’re working for/against a consumer that the industry still perceives as a lesser *priority* than what the general agency works for, which is perceived as a greater priority” (P, AG1).

Many practitioners from both agencies felt Hispanics were ignored and disrespected for years. Some practitioners experienced the disrespect and noted this as a driving force when they aimed to create unique Hispanic advertising.

...they [general public] were talking to our consumer like they were stupid. We know that there are many people that are in a low, low income. But if those people are smart enough to get into the country legally or illegally, living here, have a life, be consumers, it's probably good to think that they are smarter than what we think (P2, AG2).

Practitioners stressed the need to prioritize Hispanics. "The Hispanic population: we are talking to a segment, a minority *within* the general consumer population in the U.S., that has an identity that needs acknowledgement, recognition and respect" (P, AG1).

A large part of the change in the views of Hispanic consumers may come from a change in client perspective or a knowledge exchange of the consumer group with an agency. Client education, sometimes a stepping-stone to successful Hispanic advertising and bigger budgets, allows Hispanic agencies an opportunity to create more media. In reference to client relations, a practitioner said, "...it's just walking through it and holding their hands, and it comes down to not necessarily teaching them about culture, but letting them trust us, for them to give us their money, because in the end, it is about money" (AE4, AG2).

This knowledge exchange also allowed practitioners to learn internal information about both the client organization and the particular group targeted. When gathering initial information about the client and its consumer, a practitioner said, "How we learn about our consumer is two-fold. There is information that the client holds on their side that they know about their consumer that we might never know. It's a partnership, knowing about their consumer" (M, AG2).

Practitioners mentioned that clients needed work that made them feel comfortable—a challenge when the agency attempted to create unique advertising. Clients sometimes infringed in the creative process and strategy of both agencies. Clients also viewed segmentation as an effective way to target Hispanics because, "...people feel comfortable when they are able to break it down, because they think it helps them understand *this* segment and *this* segment and *this* segment" (P, AG2).

While AG2 stated that they continue to reinforce ambiculturalism and the transformation of Hispanics, many practitioners were faced with clients or prospects interpreting the cultural shift as a task that their general market agencies could perform or not an organizational priority at all. “We get the scraps off the dinner table. We are absolutely last in line and an afterthought a lot of the time. Not with all clients. But we absolutely have to fight for a seat at the table” (AE1, AG2).

### **Hispanic Media and Growth**

Media choice and implementation, sometimes as crucial as the advertisement itself, was also listed as a changing factor in Hispanic advertising. Digital is an efficient form of media for Hispanic audiences, because of the unique options it carries. An agency executive said:

Maybe they know Spanish, they speak Spanish at home, but when they’re on the Internet, they mostly go on English sites. So we can reach them through all the targeting technology with all the Spanish-language creative. We know they’re going to relate to it on a cultural level (AE, AG1).

Digital provided agencies with unique and efficient media options, but conservative media in the Hispanic area held noted limitation. Hispanic media choices and placement of titles, networks and channels were limited, and within those choices, some Hispanic media tended to be conservative and did not take risks for fear of offending anyone (P, AE, AG1). While moving away from traditional media and the constraints, Hispanic advertising is quickly moving into digital formats. New digital outlets have allowed agencies quick implementation, wider reach and useful feedback (C, M, AG1; M, AG2). Moving toward mobile, a medium noted to be favored by today’s Hispanic audience and showing great success, was sometimes a hard sell for clients that don’t believe Hispanics are digitally connected. Noting the changes in digital use, one practitioner said, “...consumers’ lives are more digitally connected. They became busier” (M, AG2). As consumers became busier, Hispanic consumers in particular also underwent what

one practitioner calls a “leapfrog phenomena,”—Hispanics’ larger leap in devices compared to non-Hispanic consumers (ex: flip phone to the most up-to-date smartphone) (M, AG2).

Clients had mixed feelings on digital use for the Hispanic public, but both agencies stated their continued use and reinforcement of digital media—particularly that of mobile and music combined. “[Hispanics’] adoption curve has been outstanding...Communication through mobile applications and mobile and music—marrying those two things. So we’ve seen a lot of resonance, in particular, with those pieces” (M, AG2).

Evidence of the Hispanic community’s high mobile use coupled with its connection to music as a major method of communication for advertisers (AE, AG1). “Music is one of those tactics. Latinos, we over-index on our mobile. We over-index on our phone. We are the fastest growing users of music phones. We have to pay attention to that. It’s not always about making it in Spanish. It’s about culturally Latino.”

## CHAPTER 5 DISCUSSION

### **Redefining Hispanic Standards**

Information from the 12 interviews with practitioners at the two Hispanic-oriented agencies resulted in an array of information regarding cultural understanding, segmentation practices and agency philosophy used to guide clients and strategic planning.

An overwhelming theme to many of the interviews was the need to fight common beliefs centered on language use, segmentation and Hispanic stereotypes. Both agencies noted the use of cultural nuances and subtle ethnic cues but rejected the use of overt stereotypes such as piñatas large family gatherings, and Mariachi music that many of today's advertisers include in Hispanic marketing.

Defining new cultural aspects of Hispanics in a changing nation led AG2 to create new vocabulary. While the terminology focused on the transformation and adoption of culture, it encompassed all individuals in the U.S.—Hispanics and non-Hispanics alike. AG2 practitioners defined foreculture, the ambicultural Hispanic and total market as results of the multicultural shift occurring in the U.S. According to ambiculturalism, Hispanics are no longer required to assimilate or adopt American customs while possibly losing their own culture. Instead, ambicultural Hispanics share many of their traditions while also learning and adopting portions of the U.S. culture. This cultural exchange led AG2 to also develop the theory of foreculture, rather than the use of acculturation, as an aide in foreshadowing the future of American culture as a whole. Agency practitioners mentioned that foreculture involved the movement of all U.S. individuals along similar paths toward the same ideology and mindsets—the key to effective communication with today's Hispanics (AG2). Although Americans continue to move along these paths and have not reached the final phase, AG2 practitioners believed that this foresight

would one day allow them and the entire advertising industry to communicate to Hispanics as they would an entire population—a total market as practitioners emphasized (AE1-4, AG2). Continued practices such as those at AG2 may continue to reinforce the cultural exchange in all groups.

Because mentalities were also changing, this led practitioners at both agencies to redefine their roles in advertising. No longer targeting just Hispanics, AG1's multicultural view and AG2's total market position encompassed the array of market work the agencies completed for diverse clients. These titles not only defined the new mindset of the agencies, but also reflected the new mindsets of the transforming public.

Focused on the in-depth and unique knowledge that a Hispanic-oriented agencies can gather, AG1 practitioners noted that personal experience along with unique information gathering that included what the culture, "...sounds like, smells like, feels like, moves like" were part of the insights that created unique advertising that did not offend, but rather resonated with Hispanics (P, AG1). Integrating these subtle cues and cultural insights in advertising allowed the agencies to create the most effective work and connection to the transforming Hispanic mindset.

### **Changing Mindsets**

Many of the clients at both agencies either did not understand the unique culture or did not make Hispanics a priority in their marketing plans and budgets. Cultural insights were also used to educate and convince clients about what work was culturally appropriate and motivating. Subtleties, nuances and mindsets were part of educating the client—those who approved the final product and authorized budgets.

The agencies stressed to clients that counter to their expectations and the clarity offered by segmentation, language dominance and harsh stereotypes, these tools did not need to be part



of strategic planning. Instead, creating a connection to the consumer was priority. As one practitioner outlined, “Greater engagement leads to greater relevance. Greater relevance leads to greater consideration which leads to trial and usage, which eventually can lead to loyalty, which is what we all want” (P, AG1).

Strategy should focus on core ideas instead of consumer ethnicity that may limit the overall reach of the advertising. Facing situations where relevant content was not comfortable content for clients, both agencies sometimes needed to convince clients that advertising based off of segmentation, acculturation theories or demographic information did not motivate or connect to the mindset of today’s Hispanic. Practitioners stressed the need to move away from these practices and explained to clients that mindsets, above all, determined human motivations.

Practitioners at both agencies also noted that some projects, despite being connected to national campaigns, required a special strategy related to location and consumer information. A clear example of this was AG2’s Client 6 [a state commission] strategy that primarily focused on Texans—a mentality encompassing all races, ethnicities and nationalities—and then on Hispanics, the major minority group in the state. The agency’s ability to gain the entire account for Client 6 was an example of how knowledge of the multicultural shift occurring in the U.S. was effectively reflected in agency strategy.

## **Theoretical Implications**

### **Moving Away from Acculturation**

Past research found evidence of acculturation as a possible way to segment Latino consumers. For example, Palumbo and Teich (2005) differentiated between unacculturated Hispanics with low incomes and less than 10 years in the U.S. versus partially acculturated, bilingual Hispanics versus highly acculturated, middle-class Hispanics. These models of

acculturation proved to be inefficient in Hispanic-oriented strategy because they did not consider changing mindsets of the Hispanic public. Past acculturation theories place Hispanics into groups that were required to adopt U.S. culture. These theories also assume that American culture is rigid and inflexible to the changing population when in fact agency practitioners spoke about the changing landscape of American culture and the exchange made by both parties.

The results from this research did not support this form of acculturation. Instead, agencies chose to focus on Hispanics as humans first, individuals with mindsets that drove their motivations. They focused on the mindsets of busy moms who needed to feed their families and not on partially acculturated Hispanics. The human element of the target really drove the message strategy for the campaigns.

Alternative perspectives on acculturation in the literature have differentiated between two models—uni-dimensional and bi-dimensional. The uni-dimensional model proposes that individuals will assimilate into American culture and lose original cultural values. While this may occur with certain individuals and may be more often seen in highly acculturated Hispanics, practitioners did not believe that Hispanics should or would lose all of their cultural values as the uni-dimensional model outlines. The practitioners interviewed for this research did not feel assimilation should be the goal of Hispanic individuals and communities. Instead, they believed that cultural transformation did not involve Hispanics' start or movement along a "spectrum" but rather a two-way exchange of culture. Their views also take into consideration Hispanics' role in the cultural exchange—as opposed to many of the previous acculturation models.

However, that two-way exchange of culture was similar to the bi-dimensional model of acculturation (Laroche et al., 1998), which explains that Latinos can adopt American customs while maintaining the customs of their native countries. The ambicultural Hispanic, as defined

by AG2, fits this profile. While the bi-dimensional model acknowledges Hispanics' ability to balance both cultures, it may be beneficial to modify this model to include the influence that Hispanics have on American culture. As the Hispanic population continues to grow in the U.S., the two-way cultural exchange will continue to happen and will need to be included in these models, if not specifically outlined in a new model much like the ambicultural view developed by AG2.

### **Language Dominance**

Although practitioners at both agencies noted that language is an important and uniting factor, language skills, specifically the categories of English-dominant, Spanish-dominant and bilingual, were not priorities in any marketing strategies. Many practitioners noted that English-to-Spanish translations (and vice-versa) were not sufficient and did not carry the message or cultural understanding that subtle nuances did. Further the dearth of Latino-specific television programming meant that most ads could not be targeted specifically by language dominance. Findings opposed Villarreal and Peterson's and found media choice to be non-determinant of language skill or level (2008).

In fact, practitioners at both agencies mentioned that digital was by far the most effective medium to use in Hispanic marketing. Leading the digital growth in the U.S., practitioners acknowledged that high digital and mobile use was not associated with an individual's acculturation or language level. Practitioners at AG2 also negated that media, particularly television, allowed agencies to segment to Hispanics. Because most television budgets were spent on a particular network, there was no ability to truly segment this dominant network.

## **Code-Switching**

Despite its use in some Hispanic advertising, code-switching was not mentioned by practitioners at either agency. Code-switching may not be a strategy that these agency practitioners view as effective in connecting with Hispanics' motivations or mindsets. In fact, campaigns mentioned as examples during agency interviews were full English or Spanish campaigns. Future research may be needed to see if this is still a useful strategy or if their opinions on mixed language messages excludes the view of formal and informal languages.

## **Geographic Consideration**

Both agencies were located in cities with a stronger presence of a particular Hispanic nature. However, neither agency purposely used surrounding nationalities in projects. Even in the project-by-project situations, the use was subtle and tailored to that particular group.

One practitioner acknowledged the increased Hispanic population in the 2010 Census data, but explained that major cities like New York, Miami and Los Angeles are experiencing influxes of other nationality groups that may grow to be the larger nationality groups in those cities. For example, Puerto Ricans are the predominant group in New York, but an influx of individuals from the Dominican Republic has created a population change that is sometimes reflected in advertising strategy (Ennis et al., 2011).

Campaigns target at specific nationalities in which a significant portion of the target audience—approximately 80 percent in one case—were from a particular country of origin.

## **Accommodation Theory**

Previous research has examined the effect of language choice and usage using the accommodation theory, which predicts that as a person or brand puts more effort into

accommodating the language needs of others, that person is looked upon more favorably by the receiving group (Koslow, 1994).

The findings from this study show general support for accommodation, however, participants cautioned against using short-cuts, such as language or stereotypes, when it is more important to understand the real lifestyles and motivations of consumers. While producing a Spanish-language advertisement may seem to cover the Hispanic market, practitioners believed that production or translations lacking strategy may backfire because the translation lacks substance. Practitioner thoughts point out a flaw Koslow's belief that this is an effortful accommodation (1994). Because Hispanic consumers have grown savvier to marketing efforts as brands have invested more money in the efforts, real human understanding must be priority of messages targeting the population. As stated by a variety of sources, knowledge and insight into the Hispanic culture is key in understanding how to effectively target this group (Stuhlfaut, 2011; Palumbo & Teich, 2005). Although research shows that Hispanics hold friendships and family relationships as high priorities, agency practitioners noted that these are not always the correct themes to use in Hispanic marketing and have become stereotypes in Hispanic marketing (AE, AG1; AE3, AG2).

Familismo, the focus on extended family, may also be a Hispanic trait, but also spans to close friends and relationships that an individual develops (Ruiz, 2005). Moving away from obvious familismo concepts, practitioners instead used subtle cultural nuances instead of overt clichés in the final products. Reinforcing the role of food, religion, language, family and music as uniting factors in the diverse Hispanic community, these factors are not universal or necessary in every communication (P, AG1; P, AG2).

Findings also shed light on the individual's opinion or willingness to adapt to American culture—something that neither the uni nor bi-dimensional model describe. Cultural rerouting, as defined by AE4, covered a missing portion of the acculturation models and incorporated Hispanic and non-Hispanics' personal feelings and aspiration for an equal feeling of both cultures. Along with the cultural rerouting that an individual aspires to achieve, AG2 also discussed foreculture as an interactive movement toward one, united culture by all individuals in the U.S.—not just Hispanics. This view encompasses the cultural transformation of Hispanics and non-Hispanics and the united shift occurring in the U.S. AG2's ideals are in line with Palumbo and Teich's research and agrees that Hispanics will not assimilate but rather retain their culture while simultaneously gaining some American values (2005).

### **Practical Implications**

This research has implications for clients as well as practitioners in both Hispanic-oriented and general market agencies. Agency input clarified Hispanic misconceptions and existing advertising strategies. Not only were theories on segmentation unused, they were also constant topics of debate with clients. These agencies deferred from the use of stereotypes and clichés while maintaining the ideas, not the ethnicity, as priorities. Findings also enforce the relationship between Hispanic and American culture and the two-way exchange that this population growth will continue to fuel. For any decision-maker that may still rely on the stereotypes and overt cultural cues, this research negates segmentation practices while advocating a deeper cultural understanding of the individual, not just the Hispanic consumer.

For practitioners in Hispanic-oriented agencies, this research suggests that the impetus is on the agency to educate clients on the realities of the Hispanic market and to guide strategy to include focus on the idea. One way to do this is to develop a vocabulary that helps describe the

changing market and consumers. This vocabulary must be carefully crafted to overcome the assumptions and biases of the client. For agencies that hold similar philosophies on culture and strategy, this research references work that incorporates the subtle cultural nuances necessary to connect to mindsets. Other Hispanic-oriented agencies can use these testimonials as evidence of prior success when faced with a client that may, for example, be skeptical of Hispanic's high digital use or insist on segmentation in campaign strategies. With this in mind, practitioners should develop a portfolio of work that speaks to the target audience and should be adept at communicating to clients why and how those advertisements work with the target. While the agencies clearly held the "ethnic-cultural insights," on Hispanics, the true task lies in executing these insights into relevant yet subtle nuances (Stuhlfaut, 2011).

For clients, this research suggests that it is time to move beyond the neat categorizations such as segmentation and language dominance when developing marketing target toward Hispanics. Instead, clients should embrace the parts of their target audience that make them human and motivate them to buy. Once a solid idea is developed, then subtle cultural cues can provide a Latino context. An understanding of Hispanic culture will allow ideas to be relevant to target audiences.

Practitioners discussed multicultural strategies for a number of well-known clients that have seen results from agency guidance and, in some cases, handed these agencies control of entire accounts that would normally be given to general market agencies. Both agencies struggled with client education and brand restrictions but now control a variety of Hispanic-oriented and general market accounts. Many times, the success of these strategic ideas exceeded expectations—the goal of any and all advertising agencies.

Although these agencies do not intend to deter general market agencies from gaining new clients, this research delves into cultural insights that general market agencies may not have, may not be able to gather, or may never fully understand. Because of the growth in the Hispanic population, general market agencies should use this as a wake-up call, suggesting the Hispanic market is a growing, media savvy group who deserves respect from advertisers and campaigns. Practitioners at general market agencies should consider how their clients' campaigns can be subtly altered to better reach this important group.

### **Limitations and Further Research**

Limitations to this research were related to sample size. The original method projected 15-16 interviews. Because of schedule conflicts and availability, only 12 interviews were completed. This small sample size can also be attributed to the use of only two agencies. Perhaps a third agency would have allowed for more interviews and information.

While findings focused on the cultural insights, client relations and strategic planning necessary in Hispanic advertising, future research may need to focus on general market agencies' attempts at targeting Hispanics. Because Hispanics today are, as one practitioner described, "...a hot topic," general market agencies are more likely to attempt Hispanic-oriented advertising in hopes of profiting from the population growth (AE1, AG2). Several practitioners in this research mentioned some clients' exclusive use of general market agencies when they learned about the transformation of the Hispanic individual and the similar mindsets [to those of non-Hispanics] quickly forming; these clients viewed Hispanics as a task that the general market agencies could handle. Practitioner feedback also raises questions about the future of Hispanic media. According to AG2, all American mindsets will one day be similar. Will Hispanic media converge with non-Hispanic media or would this media keep its predominantly Hispanic label?



## **Conclusion**

While U.S. Census data showed the sizeable growth in the Hispanic population, there was no clear evidence of advertising agencies' use or choice in segmentation practices for a growing, diverse group. Research into agency methods and practitioner mentality was needed to find out if segmentation was a standard agency practice and if this was carried out via nationality, acculturation level, geographic location or any other type of practice unique to Hispanic-oriented agencies. Literature on segmentation and acculturation processes, along with the Hispanic population data from the 2010 U.S. Census, left questions about how effective these practices are and will be in the advertising industry.

Past research also looked at Hispanics in groups of distinct acculturation or language dominance. Observations about the culture and the ethnicity as a whole, rather than the individual mentality, were the focus of past research. Others also expected Hispanics to eventually conform or completely adopt American culture.

In-depth interviews were conducted with practitioners at Hispanic-oriented agencies in two different DMAs. Findings in this research included input from account directors, agency presidents and partners, media planners/buyers, and members of creative teams. Those interviewed were asked to share their views on agency practices and tactics that may or may not involve segmentation methods in Hispanic advertising. This research also involved questions on tactics that agencies found successful in communicating with Hispanics and conveying a sense of cultural understanding.

The agencies involved did not focus on standard segmentation methods previously used to identify and categorize Hispanics into subgroups. Not only were standard segmentation practices rejected, once agency created their own vocabulary to better describe the transforming

Hispanic group, the cultural exchange occurring in the U.S., and the future of American culture that will one day consist of a united mindset—regardless of ethnicity.

Research findings showed that while language was a tool in media placement, language dominance was not a major part of agency strategy. Accommodating to the Hispanic culture had generally favorable results, but practitioners warned that simple translations and heavy use of stereotypes were both ineffective and offensive. At both agencies, geographic or ethnic consideration was limited to campaigns with regional relevance to a product and the demographic connected to those sales.

American organizations should prioritize and learn about the growing Hispanic population that, in some areas of the country, is the majority group. As the cultural transformation continues to occur, Hispanic-oriented agencies, clients and the general market agencies must be ready to transform and continuously develop skills and knowledge needed to target this changing group. These groups must also remember that Hispanics are humans with human motivations, not a homogenous people who appreciate stereotypes. Maintaining a clear understanding of Hispanics' mindsets and how these mindsets change, engage and relate to motivations should be a priority to all involved in Hispanic marketing. For both clients and the general-market agencies that may or may not prioritize Hispanics, learning the culture and the individual mindset while moving away from the standard Latino stereotypes and cultural clichés is an essential process in marketing to this unique and ever-changing group.

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**APPENDICES**  
**PART A: INTERVIEW PROTOCOL AND CONSENT FORMS**

Study Name: Benefits and Disadvantages of Segmentation in Hispanic-Targeted Marketing  
Interviewer: Silvia Medrano

**Date:** \_\_\_\_\_

**Job Title:** \_\_\_\_\_

**Agency #:** \_\_\_\_\_

Hi, thank you so much for taking time out of your day to meet with me. I know you have a busy schedule, but your professional input and thoughts on this topic are very important. My name is Silvia Medrano and I am completing my graduate research at Louisiana State University. The research is about the campaign development process at Hispanic-oriented agencies. Not much is known in academic literature about best practices for segmentation and targeting of Hispanics, and so I wanted to talk to the experts on that, which are you and others in your agency.

***Background***

1. Please state your job title at this agency.
2. Can you please take me through your professional background and maybe how you got into this industry?

***Agency process***

3. Walk me through the process of working on a new assignment for a client. Let's start with the assignment brief, if there is one?

Prompts:

- What does the agency do first to learn about the consumer?
  - Does the client provide information on the group or sub-group in mind? If so, what kind of information?
  - Does the agency do additional research on the consumer? What kind of research? Who does the research?
4. Do you feel the client sees you as an expert on the community and its sub-groups? Do they come to you for a better understanding of Hispanics?

***Segmentation***

**RQ1:** The Hispanic culture is large and diverse and segmenting can be difficult. Can you talk to me about what characteristics you or this agency use to differentiate among Hispanic consumers in this community? Do you use any particular traits to categorize Hispanics and create sub-groups or differentiate among them?

Prompts:

- Do you look at how Hispanics adjust and take in U.S. culture?
- Their language dominance or language skills?
- How Hispanics identify themselves and the labels they use to describe themselves?
- Does geographic location of Hispanics create different characteristics?
- Financial status or education levels?

### ***Cultural Understanding***

**RQ2:** Moving on from segmentation to developing the actual campaigns, what tactics do you find most effective in targeting Hispanics and signaling cultural understanding? First of all, are the tactics you use similar across different segments or do they vary by segments?

Prompts if similar across segments:

- What kinds of tactics seem to work across segments?
- Do you use multi-language sentences or phrases?
- Are you sensitive about the amount of Spanish and where it is placed in the ad? (Slogan versus the product name versus standard conversation of the characters)
- Are there any cues you can draw on, such as cultural heritage, strong family values, work ethic, and stability, others?
- Do you have any best practices or sure-fire ways to signal cultural understanding when developing campaigns for Hispanics?

Prompts if differ by segments:

- How do you know which cues/tactics to use for which segments?
- How do you learn about ways to communicate each segment?
- What are some best practices for one of your segments, you pick the segment?

Are there any additional comments you would like to share? Perhaps things on your mind that I did not ask about?

## Consent Form

1. **Study Title:** Benefits and Disadvantages of Segmentation in Hispanic-Targeted Marketing
2. **Performance Site:** Louisiana State University
3. **Investigators:** The following investigators are available for questions about this study:  
Researcher: Silvia Medrano 8 a.m. – 5 p.m. (504-256-9897), [smedra1@tigers.lsu.edu](mailto:smedra1@tigers.lsu.edu)  
Graduate Committee Chairperson: Dr. Kasey Windels, 9 a.m. – 4:30 p.m. (225-578-5126), [kwindels@lsu.edu](mailto:kwindels@lsu.edu)
4. **Purpose of the Study:** The purpose of this research is to understand the creative process in Hispanic-oriented agencies and segmentation choices made by creative directors, copywriters, account managers, art directors and other advertising practitioners contributing to the creation of media for Hispanics. Through in-depth interviews at two major Hispanic DMAs in the US, this research also aims to offer insight into what segmenting practices and cultural traits are used to communicate to Hispanics and create sense of cultural understanding.
5. **Subject Inclusion:** Individuals over the age of 18 employed at Hispanic-oriented agencies in *DMA1 and DMA2*.
6. **Number of subjects:** 8 subjects at each of 2 agencies (16 total subjects)
7. **Study Procedures:** This study will involve 30-45 minute interviews with advertising practitioners. To gather information about the specific processes and strategies devised in Hispanic-oriented agencies, in-depth interviews will be conducted at two advertising agencies with members of the following departments: creative, media, account management and account planning.
8. **Benefits:** Participants will not be compensated for participation in this study. Participation is based on availability and willingness to participate in interviews.
9. **Risks:** Participants will not be harmed. The study will only involve interviews.
10. **Right to Refuse:** Subjects may choose not to participate or to withdraw from the study at any time.
11. **Confidentiality:** Results of the study may be published, but no names or identifying information linking those interviewed or the agency visited will be included in the final publication. In the written results of these interviews, all agencies and employees interviewed will be referred to by a coded job title system (e.g. Creative Director, CD). Subject and agency identity will remain confidential unless law requires disclosure.

The study has been discussed with me and all my questions have been answered. I may direct additional questions regarding study specifics to the investigators. This study was exempt by the IRB. If I have questions about subjects' rights or other concerns, I can contact Robert C.



Mathews, Institutional Review Board, (225) 578-8692, irb@lsu.edu, www.lsu.edu/irb. I agree to participate in the study described above and acknowledge the investigator's obligation to provide me with a signed copy of this consent form.

**Participant Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Silvia Medrano  
Graduate Student  
Louisiana State University, Baton Rouge, LA 70803  
(504) 256 9897  
smedra1@tigers.lsu.edu

## Administrative Consent Form

### Audio Tape Release Form

I voluntarily agree to be audio taped during the interview being conducted by the Silvia Medrano, researcher at Louisiana State University. I understand that the tapes will be used to gather information about participant's professional and personal views and such information will be used to generate a research about advertising practices within Hispanic-oriented agencies and segmentation for Hispanic audiences. The tape will be kept for approximately one year and will be securely stored at Louisiana State University. After the data is collected and transcriptions are made, the tapes will be destroyed.

\_\_\_\_\_  
My Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of the Investigator

\_\_\_\_\_  
Date

### Refusal to be Taped

I do not agree to be audio taped during the interview conducted by Silvia Medrano. I understand that I will not receive compensation. By refusing to be audio taped, I understand that I may not continue to participate in the study.

\_\_\_\_\_  
My Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of the Investigator

\_\_\_\_\_  
Date

Silvia Medrano  
Graduate Student  
Louisiana State University, Baton Rouge, LA 70803  
(504) 256 9897  
smedra1@tigers.lsu.edu

**APPENDICES**  
**PART B: JOB TITLE ABBREVIATION CHARTS**

**Chart 1: Job Title Abbreviation Chart**

<b>Abbreviation</b>	<b>Agency Position</b>
C	Creative Director, Creative Team
M	Media Planner, Buyer
AE	Account Executive
P	Partner, President or Vice President

**Chart 2: Number of Practitioners per Job Title**

<b>Job Title</b>	<b>Number of Practitioners Interviewed</b>
C	2
M	2
AE	5
P	3

**APPENDICES**  
**PART C: RECRUITMENT EMAIL**

Dear Agency XYZ,

My name is Silvia Medrano and I am currently a graduate student at the Manship School of Mass Communication at Louisiana State University. Throughout most of my studies, I have been surrounded by English and Spanish media. I wonder about its content, placement, music and even the English versions of those ads that ran on different channels or magazines. Raised in Honduras and moving to the United States when I was very young, my family and I learned the English language through television, books and even the advertisements that I saw daily. Finding a balance and adapting to this media was difficult. However, learning about mass communication and how Hispanics are targeted through advertising has become my goal.

With the hustle and bustle of today's advertising industry, your time and patience is extremely valuable. Internally and for clients, you see countless pitches. So here's another one.

With your permission, I would like to spend a day in your agency learning about the creative process that you and your team have developed. I would like to do this as part of a study for my thesis, which involves interviewing professionals at Hispanic-targeted advertising agencies to learn about their process for developing campaigns. If allowed, I would visit your offices and set up a day of interviews with practitioners. Interviews with each individual would last about 30-45 minutes.

I would also like to note that confidentiality, especially that pertaining to agency practices, is a priority in this study. Both your agency name and employee names will be confidential, and instead your agency will be described by features such its size and specialization in the Hispanic market. Employee names will be made confidential by using only job title abbreviations (not names) to identify participants.

Let's face it, you and your team already have amazing positions, so you may wonder, "Why would I spend my time in an interview?" Visiting an agency of YYY's stature would not only generate the most accurate and leading information, but my hope is that your agency's insight and personal perspectives into the creative process of Hispanic-oriented agencies will help other researchers gain a better understanding of the creative process and how crucial Hispanic-oriented agencies are to the entire advertising industry.

I hope that you consider this proposal and allow me to visit the agency some time in the next month. Please feel free to contact me at any time. I would love to discuss this further with you.

Have a great day.

Silvia Medrano  
Graduate Student  
Louisiana State University  
(504) 256 9897 | [smedral@tigers.lsu.edu](mailto:smedral@tigers.lsu.edu)

**APPENDICES  
PART D: IRB APPROVAL FORM**

**Application for Exemption from Institutional Oversight**



Institutional Review Board  
Dr. Robert Mathews, Chair  
131 David Boyd Hall  
Baton Rouge, LA 70803  
P: 225.578.8692  
F: 225.578.5983  
irb@lsu.edu  
lsu.edu/irb

Unless qualified as meeting the specific criteria for exemption from Institutional Review Board (IRB) oversight, ALL LSU research/ projects using living humans as subjects, or samples, or data obtained from humans, directly or indirectly, with or without their consent, must be approved or exempted in advance by the LSU IRB. This Form helps the PI determine if a project may be exempted, and is used to request an exemption.

-- Applicant, Please fill out the application in its entirety and include the completed application as well as parts A-F, listed below, when submitting to the IRB. Once the application is completed, please send the completed application to the IRB Office or to a member of the Human Subjects Screening Committee. Members of this committee can be found at <http://research.lsu.edu/CompliancePoliciesProcedures/InstitutionalReviewBoard%28IRB%29/Item24737.html>

-- A Complete Application Includes All of the Following:

- (A) A copy of this completed form and a copy of parts B thru F.
- (B) A brief project description (adequate to evaluate risks to subjects and to explain your responses to Parts 1&2)
- (C) Copies of all instruments to be used.  
\*If this proposal is part of a grant proposal, include a copy of the proposal and all recruitment material.
- (D) The consent form that you will use in the study (see part 3 for more information.)
- (E) Certificate of Completion of Human Subjects Protection Training for all personnel involved in the project, including students who are involved with testing or handling data, unless already on file with the IRB. Training link: (<http://phrp.nihtraining.com/users/login.php>)
- (F) IRB Security of Data Agreement: (<http://research.lsu.edu/files/Item26774.pdf>)

1) Principal Investigator:  Rank:   
 Dept:  Ph:  E-mail:

2) Co Investigator(s): please include department, rank, phone and e-mail for each  
\*If student, please identify and name supervising professor in this space

Dr. Kasey Windels, Mass Communication  
Phone: (225) 578-5126, Email: [kwindels@lsu.edu](mailto:kwindels@lsu.edu)

IRB# E8364 LSU Proposal # \_\_\_\_\_

- Complete Application
- Human Subjects Training
- IRB Security of Data Agreement

3) Project Title:

Study Exempted By:  
Dr. Robert C. Mathews, Chairman  
Institutional Review Board  
Louisiana State University  
203 B-1 David Boyd Hall  
225-578-8692 | [www.lsu.edu/irb](http://www.lsu.edu/irb)

4) Proposal? (yes or no)  If Yes, LSU Proposal Number

Also, if YES, either  This application **completely** matches the scope of work in the grant  
OR  More IRB Applications will be filed later

Exemption Expires: 7/14/2016

5) Subject pool (e.g. Psychology students)

\*Circle any "vulnerable populations" to be used: (children <18; the mentally impaired, pregnant women, the aged, other). Projects with incarcerated persons cannot be exempted.

6) PI Signature  Date  (no per signatures)

\*\* I certify my responses are accurate and complete. If the project scope or design is later changes, I will resubmit for review. I will obtain written approval from the Authorized Representative of all non-LSU institutions in which the study is conducted. I also understand that it is my responsibility to maintain copies of all consent forms at LSU for three years after completion of the study. If I leave LSU before that time the consent forms should be preserved in the Departmental Office.

Screening Committee Action: Exempted  Not Exempted  Category/Paragraph \_\_\_\_\_  
 Signed Consent Waived?: Yes  No   
 Reviewer Meghan Sanders Signature [Signature] Date 7/15/13

## **VITA**

Silvia Medrano is from New Orleans, Louisiana and attended Riverdale High School. She graduated from Louisiana State University in 2011 with a bachelor's degree in Mass Communication, minoring in business administration. She returned to LSU's Manship School of Mass Communication to pursue her master's degree. After graduation, Silvia plans to pursue a career in strategic communication.