THE ONLINE U.S. HISPANIC: FIRST- AND SECOND-GENERATION INSIGHTS

New findings and analysis based on recent online research conducted by MRM Worldwide in partnership with MSN Latino.

January, 2008
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THE ONLINE U.S. HISPANIC: FIRST- AND SECOND-GENERATION INSIGHTS

INTRODUCTION

AMERICAN-BORN HISPANICS: A BOOMING SEGMENT

It is unlikely to come as startling news to any U.S. resident that the U.S. Hispanic population is growing as a demographic segment, a political influence and an economic force.

That said, this report focuses on the Hispanic population’s second generation or the “American Hispanic”: a segment that until recently has been barely recognized, less frequently targeted, and rarely affected.

By the year 2020, U.S.-born Hispanics will constitute approximately 70% of the total Hispanic market. They form a critical emergent consumer segment because they are better off economically than their parents, tend to be extremely influential in multigenerational families, and have not been targeted effectively by most marketers in the past.

The reason for the failure by marketers to reach American Hispanics efficiently is that the latter are not generally responsive to the Spanish language approaches used to target their parents. Most of the time they prefer to receive information and to communicate primarily in English.

At the same time, while they may sometimes seem to the casual observer to be totally assimilated, second-generation Hispanics seldom in fact are.* The reality is that while American by birth, American Hispanics remain greatly informed by their parents’ cultural origins, and remain bilingual and bicultural throughout their lives; at times they are more “American” and at others more “Hispanic,” depending on a plethora of factors such as age, acculturation level, education, and income.

Primarily English in language choice, but at the same time infused with the culture of their parents, the Hispanic second generation is indeed a “bridge generation.”

*In fact, the second generation of any immigrant group typically remains solidly bilingual and bicultural; it is not until the third generation, sociologists believe, that assimilation takes place.

By the year 2020, almost 70% of all U.S. Hispanics will be American born.
There are currently 44 million Hispanics in the United States.

Purpose and Approach

Our purpose here is to shed light on the American Hispanic and to educate marketers who wish to engage, convert, and retain this valuable emergent sector.

We will highlight and draw primarily on the quantitative results of online research specially commissioned by MRM Worldwide on MSN® and MSNLatino.com (the “MRM/MSN Latino Study”) and carried out during Hispanic Heritage Month in late September/early October 2007. We will also refer to the qualitative insights of a Roundtable Discussion (the “MRM Roundtable”) held in September 2007 of MRM Worldwide’s American-Hispanic Advisory Panel, which includes Hispanics of both the first and the second generations who are professionally engaged in marketing.

We will examine these data in detail, consider what they and other previously published third-party research tell us about the circumstances and opinions of American Hispanics, and offer new insights secured from the panel (in the margins) into what this means for marketers. We will address why this element of the Hispanic market has been neglected in the past, what makes it worth targeting, and posit what efforts should be considered to tap this lucrative consumer segment effectively in the future.

Who is Hispanic?

“Hispanic” is a very general term created as a bureaucratic catchall to refer to a broad ethnicity—in the sense of a shared Spanish language, shared cultural traits, and in most cases, a shared Spanish ancestry. It is not and was not a term that any immigrant—whether from Mexico or Spain, Cuba, Puerto Rico, or any other Spanish-speaking country—would use or would ever have used at home in the culturally varied lands of their births. Only after entering the U.S. do most discover that they are now “Hispanic.”

Hispanic immigrants are typically either “economic” or “political” exiles. Regardless of their exile status, the immigrant experience itself is more often than not informed by a struggle—la lucha—and by the prejudices and stereotyping of the surrounding non-Hispanic population. It is largely this experience, after their arrival in the United States, that forges such strong emotional bonds among Hispanics.

By 2050 the Hispanic population in the U.S. will be 102 million.

The MRM Worldwide American-Hispanic Advisory Panel is comprised of a group of eight bilingual and bicultural Hispanic marketing executives from Fortune 500 companies. They represent both generations: first and second.

The Panel’s first meeting on September 26, 2007 consisted of a day-long roundtable discussion designed to gain qualitative insights from the participants into their self-perception, acculturation levels, media consumption, language usage, and brand loyalty.

Some of the insights gathered from this discussion appear in quotes throughout this document.

“Hispanic doesn’t mean anything... so you say Puerto Rican, Mexican.”
The Hispanic population is growing four times faster than the U.S. population as a whole.

**Hispanic Numbers**

**The largest minority**

According to the U.S. Census Bureau, in 2006 Hispanics formed the largest minority in the nation, numbering just over 44½ million, or about 14% of the total U.S. population.¹ They make up approximately 11.5 million Hispanic households, or 10% of the U.S. total. With an average of 3.5 children, these households are twice the size of the national norm of 1.71—reflecting first-generation Hispanic Americans' high fertility rate.

The racial makeup of this fast-growing population is primarily Caucasian or White (92.5%), and in terms of national origin, people from Mexico or of Mexican parentage are the largest individual group at 70.9% (see Chart 1).

**A fast-growing, mobile population**

The Census Bureau projects that in 2010 Hispanics will number a little under 48 million, or 15.5% of the U.S. population, and will represent purchasing power of $1.2 trillion.

Between 1960 and 2000, half of the Hispanic population growth was the result of immigration; from the years 2000 through 2020, however, primary market growth will be driven by the children of these immigrants—our American Hispanics.

Hispanics have not just increased in numbers, but have spread ever more widely geographically. Hispanic populations have begun to proliferate far from their traditional centers. While most Hispanics (70%) still currently live in five states (California, Texas, New York, Florida, and Illinois) the highest concentrations (e.g., ratio of Hispanics to total residents) are now in New Mexico, Arizona, Nevada, Colorado, and New Jersey. Furthermore, many other states are experiencing rapid growth in this consumer segment. The fastest-growing Hispanic populations are, in fact, in Georgia, Tennessee, South and North Carolina, and Maryland—a circumstance that few would have predicted a decade ago as these states have historically attracted few Hispanic immigrants.³

From 1990 to 2006 the Hispanic population increased by 85%, while the total U.S. population increased by 18%.
Total Hispanic purchasing power is forecast to be $928 billion in 2007, and $1.2 trillion by 2010.

**Hispanic Marketing and Technology Adoption**

Not only are Hispanics under-targeted relative to the U.S. population as a whole, but marketers have also traditionally worked on the assumption that they are a relatively monolithic, monolingual [Spanish-language dominant] group. As a result, 81% of the total ad spend in 2005 by the top 25 Hispanic agencies was used for Spanish-language broadcast media.4 The reality, however, is that the majority of U.S. Hispanics are bilingual, to a greater or lesser extent. The numbers break down as follows:6

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<tr>
<td>Bilingual</td>
<td>65%</td>
</tr>
<tr>
<td>English Dependent</td>
<td>18%</td>
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<tr>
<td>Spanish Dependent</td>
<td>17%</td>
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Meanwhile, just as Hispanics’ linguistic abilities are changing, so is their media adoption. Research indicates that Hispanics are enthusiastic adopters of modern technology. They are, in fact, considerably more open to it than the U.S. population as a whole and clearly trust it, with 68% of adult Hispanic Internet users considering the Internet as the best source for purchase decisions.7 What is more, 84% of second-generation Hispanics have PCs (12% higher than the population as a whole) while 73% of first-generation Hispanics report PC ownership (3% lower than the general population).8

As we proceed, we will see that these new realities offer today’s marketers valuable untapped opportunities.

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Margin quotes throughout are taken from the MRM American-Hispanic Advisory Panel Roundtable discussion held in September, 2007.

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THE MRM/MSN LATINO STUDY: NEW INSIGHTS INTO THE AMERICAN HISPANIC

The core purpose of this white paper is to present and interpret the results of an MRM online research study conducted in partnership with MSN Latino (the “MRM/MSN Latino Study” or “the study”). This study surveyed Hispanic Americans (defined as first-generation or immigrants) and American Hispanics (U.S.-born or second-generation) to determine similarities and differences between them. Our hypotheses going into the study were that 1) second-generation Hispanics provide brands with a valuable consumer segment that has not been appropriately tapped; and 2) they are, as a consumer group, strong brand influencers.

OVERVIEW OF OUR APPROACH

We conducted this online research on the main English-language MSN.com Web site and on the Spanish-language MSNLatino.com site during Hispanic Heritage Month. The MRM/MSN Latino Study’s sample size totaled 951 individuals ages 18 to 55, of which 753 were Hispanic Americans (first generation) and 198 were American Hispanics (second generation).

WHAT WE LOOKED FOR

We designed the study with 17 questions intended to elicit detailed information in the following areas:

- Ethnic/cultural affiliation
- Age, education, and income
- Media consumption patterns and habits: online; off-line; by activity/language
- Response to Hispanic marketing practices
- Ability to influence brand purchases across multigenerational family/extended family
- Brand loyalty

“I was always trying to push aside who I really was and where I came from, because it was just not recognized. People didn’t understand. There was always just this negativity around your heritage, and for such a long time, I tried to resist it and fit into this culture. And now having kids, it’s just become a force. I have to make sure my kids have the connection, that legacy.”

“I want to do business with companies that care about my community. I want to know that they’re helping my parents who came to this country to make sure their kids have a better life, because that’s important for me as a Latina who’s had professional and financial success. I want to make sure that somebody else is reaching out. I want to make sure that their kids are successful.”

Marginal quotes throughout are taken from the MRM-American-Hispanic Advisory Panel Roundtable discussion held in September, 2007.
WHAT WE FOUND: DEMOGRAPHICS

Age and education

An individual’s use of the Internet presupposes a level of acculturation, knowledge, and technical sophistication that does not exist in the Hispanic community as a whole, particularly among first-generation Hispanic Americans. As we will see below, this fact affected the demographics of the study’s panel both as to age (although these numbers should be interpreted with care, since 50% of Hispanic Americans did not divulge their ages) and most markedly as to their countries of origin.

Of those who did give their ages, Hispanic Americans were somewhat, but not dramatically, older than American Hispanic respondents. This online age gap is, it should be noted, significantly smaller than that between the generations in the Hispanic population as a whole.

Countries of origin: different online from offline

When we asked American Hispanics about their parents’ nationality, their answers showed how varied and cross-cultural their backgrounds are: Close to 37% of those who participated had mothers and fathers who had not been born in the same country.

We also saw an interesting difference in the countries of origin of our online Hispanic American (first-generation) respondents compared with the Hispanic American population as a whole. This insight raises an important point for marketers: The Hispanic American population online is different from the Hispanic American population off-line.

The Mexican population—which comprises 64% of the first-generation population overall and is largely comprised of economic exiles—made up only 32% of the study’s Hispanic American respondents, indicating that our survey’s respondents were drawn from a much wider range of Latin regions (see Chart 4).

This lower incidence of Mexicans online is consistent with previous research regarding U.S. Hispanic Internet users. A 2006 study found that online usage varies by country/region of origin, the breakout was as follows: South America 70%; Puerto Rico 66%; Cuba 64%; Dominican Republic 59%; Mexico 52%; and Central America 50%.\(^9\)
Income levels

As expected, American Hispanic incomes were higher than those of their parents—around 12% higher, in fact. We had not predicted, however, that the study’s American Hispanic respondents would be less educated than its Hispanic American respondents (see Chart 5).

One possible reason for this was the different composition of the group. With a lower proportion of Mexicans than the Hispanic population as a whole, and a concomitant wider mix of South Americans, Mexicans, Caribbeans, and Central Americans, the study may have included a higher proportion of political to economic exiles than is generally the case. If this was in fact so (and the Pew Hispanic Center data quoted at the bottom of the previous page suggests that it is at least a strong possibility), it would be likely to manifest itself in the education levels of the study’s respondents: while political exiles emigrate in search of freedom and tend to be better-educated, economic exiles—who make up the overwhelming majority of those who come to the U.S. from Mexico—emigrate for economic reasons and tend to have lower levels of education.*

This lower pay among the first generation, in spite of their better education, reflects a general truth of the immigrant experience: even highly qualified immigrants (who figured disproportionately among our first-generation sample) seldom manage to find jobs in their new country that are equivalent to the ones they left in the old one. Their American Hispanic children, on the other hand, have the advantage of being native speakers in an environment that they fully discern and dominate: they can extract full value from whatever education they have.

*It should also be noted that these numbers are probably yet further distorted by the fact that some of our American Hispanic respondents have not yet completed their education due to their youth.
...while most second-generation American Hispanics are comfortable speaking Spanish, more than 40% of them reported that they neither read nor write it.

WHAT WE FOUND: A GENERATION OF TRANSITION

Language preference: Speaking/hearing vs. reading/writing

A recent Pew Hispanic/Pew Internet study found that one-third of Spanish-dominant Hispanic adults go online, compared with 78% of English-dominant Hispanics. In another study, which segmented the Hispanic Internet user base by language preference, a little over half of respondents reported a preference for using English, while 26.7% reported that they preferred using both languages.

Recognizing, however, that conversational usage is often very different from written usage, we asked questions in the MRM/MSN Latino Study that were designed to dig a little deeper.

Most notably, we found that while most second-generation American Hispanics are comfortable speaking Spanish, more than 40% of them reported that they neither read nor write it. First-generation Hispanic Americans, on the other hand, overwhelmingly do all three. It’s clearly vital for marketers targeting American Hispanics to take this factor, which affects a broad swathe of behavior, into account.

Who speaks what and when they speak it

American Hispanics use Spanish most frequently of all when talking with their immigrant parents (see Chart 6). They often do this because Spanish is the only language that their parents speak without reservation, but they also do it, anecdotally at least, out of respect. Many also speak English, a mixture of Spanish and English or both languages when talking to siblings, friends, and children.

Almost 60% of the study’s American Hispanic respondents either only speak English or mostly speak English to their children (see Chart 7). This is consistent with other research that indicates that it is the third generation (the second generation’s offspring) of an immigrant group that is more likely to achieve complete assimilation.
Marketers must understand the emotional importance of the Spanish language to this group.

Second-generation American Hispanics or hyper-acculturated Hispanics do not use language simply to communicate facts and opinions. Their choice of which language to use can also convey important information and emotions. Many MRM Roundtable members reinforced this fact, as evidenced in the side quotes.

The lesson here is that marketers must understand the emotional importance of the Spanish language to this group. For them, it makes things more intimate and personal; for marketers, it is a tool that—carefully used alongside a clear recognition of cultural nuances, acculturation-level, and individual relevance—can break through barriers to generate awareness, conversion, and consumer loyalty.

WHAT WE FOUND: SHARING INFORMATION

Modern methods prevail across generations

When looking at the channels respondents use in order to share information, we naturally expected the study’s older first-generation Hispanic Americans to show some preference for traditional methods.

This expectation was incorrect: the use of Instant Messaging, for instance, was popular among both generations, and there was little difference between the generations in the use of e-mail or telephone (see Chart 8).

Again, it is important to bear in mind that the MRM/MSN Latino Study’s overall sample was, in the first place, restricted to those with Internet access. This fact itself does, however, point to an additional opportunity for a 1:1 experience using micro-targeting tactics.
The top two activities...were personal Internet use and work Internet use.

“I like user-generated on-demand networks. You interact with a social network when you want to, not when they decide.”

“Drive time in the morning: Spanish-language radio. With TV, English language reality shows, primarily. I don’t watch Spanish TV at all.”

“Internet, Radio, and TV

Hispanics are now spending more time on the Internet than reading magazines or newspapers. In fact, television, radio, and Internet were the top three media that Spanish-dominant Hispanics spent time with as early as 2005: television (17.5 hours per week), radio (11.2 hours per week), and Internet (9.7 hours per week).

These numbers were reflected in the study: both generations of our panel also spent more time consuming broadcast media and the Internet than print media. Meanwhile, while video gaming consumption was low in both generations overall, it was, predictably, considerably higher among younger American Hispanics than among older members of either generation.

Broadly speaking, the Internet, TV, and radio were the main media consumed by both generations of the study’s respondents. When we look more closely (see Chart 9 above), however, we see that the top two activities, measured in time spent per week, were 1) personal Internet use, and 2) work Internet use, followed by TV and finally by radio. In fact, American Hispanic respondents spend more than eight hours a week, and first-generation Hispanic Americans more than seven hours, on personal Internet use alone. When work and leisure Internet use are combined, moreover, they handily exceed television watching for both the American Hispanic

“I consume everything online...it’s all convenience consumption.”
January, 2008

The Online U.S. Hispanic: First- and Second-Generation Insights

Hispanics spend more time online than their non-Hispanic counterparts.

and the Hispanic American online populations. This is an important signal to marketers that online channels are likely to provide them with an effective way to reach this segment.

This is also consistent with other research that indicates that Hispanics spend more time online than their non-Hispanic counterparts, and consume more pages online as well (150 pages for U.S. Hispanic, vs. 133 pages for general market). As of December, 2006, Hispanics spent on average 88.1 minutes online per day, vs. 81.7 minutes per day for the online audience in general.  

This strongly suggests that the Internet is likely to be an efficient and important component of any media plan targeting this segment.

WHAT WE FOUND:
SEEKING INFORMATION AND ENTERTAINMENT

Language choice varies by medium

The gap in comfort among the second generation between spoken Spanish and the written language (discussed earlier) naturally means that relatively few American Hispanics read Spanish-language newspapers and magazines, while more of them occasionally listen to Spanish radio and watch television.

This discomfort with, or lack of ability to, read/write Spanish is reflected online. Among online activities, over 50% of the study’s American Hispanics used only English for e-mailing, shopping, seeking sport content, travel, and healthcare information. Around 40% of them use only English for instant messaging, blogging and posting, and seeking financial content.

Again, this is consistent with previous studies which indicate that when looking at language preference, just over one-half (51.8%) of the Hispanic Internet user base prefers to use English, and a little more than one-quarter prefers to use both languages.

Over 50% of the study’s American Hispanics used only English for e-mailing, shopping, seeking sport content, travel, and healthcare information.
The only time on the Internet when more American Hispanics use Spanish and English equally vs. using English alone is when they are seeking Latino/Hispanic content. In all likelihood, this is because much of this content is only available in Spanish. Over 20% also used both languages to watch videos/listen to music, and to seek fashion, beauty and lifestyle, news, and entertainment content.

More than 90% of the study’s participants reported seeking entertainment content online, regardless of language. This finding is of particular interest—even if somewhat skewed because of online bias—since, in a previous study, less than 40% of Hispanics reported regularly searching for online entertainment.17 Again, this finding may be skewed by an online bias but nevertheless it is of significance.

Social networking

It is also interesting to note that the study’s respondents reported engaging in online social networking activities to a greater extent than reported in other earlier research. As mentioned earlier, Instant Messaging usage was a surprise. Regardless of language, almost 90% of the MRM/MSN Latino Study’s respondents reported using it, and a little more than 70% reported blogging and posting. Earlier studies, on the other hand, indicated that Instant Messaging usage ran at 68%, and reading or posting to blogs at 52%.17

WHAT WE FOUND:
AMERICAN HISPANICS AS INFLUENCERS

Second generation’s role as interpreters

The majority of the study’s respondents from both generations reported that family members were at least interested in purchase recommendations that they made. But American Hispanics felt significantly more influential. Over 40% reported that family members considered and/or tried what they recommended (under 40% for Hispanic Americans), and that over 15% always bought what they had recommended (under 15% for Hispanic Americans).

The unique influencer status of the second generation reflects a general anecdotal truth of the immigrant experience: nonnative speaking first-generation immigrants look to their English-speaking U.S.-born and more acculturated children to translate the language and interpret an alien world for them.

In many cases, this means that American Hispanic children have significantly greater influence at a much younger age than their

“I am the oldest child. In many respects, I was the talking head of my family and I disseminated information and brought information back—and I did translate. I still do that as a result of my childhood.”

Marginal quotes throughout are taken from the MRM American-Hispanic Advisory Panel Roundtable discussion held in September, 2007.

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The Spanish idea of a family is a much larger and more widespread network of relatives and friends.

non-Hispanic peers. They play this role as true discerners of the new homeland from an early age—and this influence often becomes a fixed pattern of family interactions.

The sphere of these influencers is not confined simply to their immediate families, but spread broadly across an extended multigenerational array of actual and “honorary” uncles, aunts, friends, and distant relatives. Indeed, a much broader definition of family membership is an almost universal truth of the Hispanic experience.

This sphere of influence adds a multiplier effect to consumer lifetime value. Understanding it should improve returns on investment in both quantitative and qualitative terms for marketers targeting this segment.

**WHAT WE FOUND: BRANDS OUT OF TOUCH**

**Lack of relevance**

A company’s state of being or not being “in touch with consumers” is typically reflected in both its marketing activities and in its product or service offerings—and, following on from those, in the reactions of its consumers.

Almost 30% of the study’s American Hispanic respondents reported that American companies were not in touch with the needs of the Hispanic consumer, with another 28% remaining neutral. Furthermore, when asked if American companies deliver products and services tailored to the Latino/Hispanic consumer, more than one-quarter of both first-generation and second-generation Hispanics said that they did not.

**Language not the issue**

Interestingly, in 2005, New American Dimensions queried Hispanics between the ages of 14 and 29 about the use of Spanish vs. English in Media and Marketing. Of those polled, 67% supported the statement “I really appreciate marketing that speaks to me as a bicultural Hispanic person,” and 63% agreed with “I wish there were more commercials in English targeted towards Hispanics.”

The second-generation Hispanic often influences the buying decisions of a large number of people.

Margin quotes throughout are taken from the MRM American-Hispanic Advisory Panel Roundtable discussion held in September, 2007.
More recently, a new Yankelovich study found that only 25% of Hispanics feel that today’s marketing is both personally and culturally relevant to their lives.¹⁹

The above reinforces the reality that bilingual/bicultural Hispanics are less well understood than they should be, and do not feel that they are adequately marketed to or courted by brands. This may be because knowledge of the bilingual/bicultural Hispanic is not as prevalent as that of the immigrant Hispanic; discerning their needs is, therefore, both a challenge and a great opportunity for brands interested in courting a lucrative, relatively untapped consumer segment.

**WHAT WE FOUND:**

**HISPANICS MORE LIKELY TO BE LOYAL**

Hispanics in general have a reputation for being brand loyal. This was reflected in the findings of the MRM/MSN Latino Study. Both generations, with the first generation slightly in the lead, strongly agreed that they were loyal to companies that understand them and the reality of their lives as both Americans and as Latinos/Hispanics.

The response was almost identical when respondents were asked if they were likely to purchase from companies that tailor their advertising efforts in a bilingual, culturally relevant way (see Chart 16).

Meanwhile, reflecting the fact that it is their native and generally preferred language, somewhat more first-generation Hispanics (66% “strongly” or “somewhat” agreeing) support companies that market their products/services in Spanish (see Chart 17). Again, the issue of language is worth a closer look. Spanish-language usage is not a requirement for second-generation Hispanics, who use English much more than their parents. Understanding these nuances of language and culture are key to tapping this market and securing its loyalty.
THE AMERICAN-HISPANIC OPPORTUNITY

AN EMERGENT CONSUMER SEGMENT: DISTINCT TRAITS

We have seen that American Hispanics are growing in number: demographers estimate that by the year 2020 U.S.-born Hispanics will comprise approximately 70% of the U.S. Hispanic population—itself growing rapidly. It is imperative that marketers understand this segment as it will account for the bulk of the nation’s largest minority group in the near-term.

We know that American Hispanics are significantly better off than first-generation Hispanic Americans, and that they haven’t so far been effectively reached by marketers. We have also seen that American Hispanics are often powerful brand-influencers in multigenerational Hispanic families, potentially increasing the ROI for marketers who engage with them. Average family size for second-generation Hispanics in the study was, moreover, 5.9 (vs. 6.8 for the first generation). This number is significant in itself, even without the non-blood honorary “relatives” whom many American Hispanics, with their extended concept of family, would nevertheless still consider to be part of theirs. This influencer status in large family groups holds out a multiplier effect on their investment to marketers who can engage with them.

The second generation in general consumes more media (Internet, radio, and TV measured in hours) than the first generation and spends more time online than with any other medium. When they tap into their Spanish-language roots, they typically do so via media that they can easily discern (e.g., Radio and TV), reflecting our findings that American Hispanics’ conversational knowledge of Spanish is stronger than their ability to read it and write it. It follows that they tend to use only English when engaging with print media.

In general terms, marketers have also known for some time—and the results of the MRM/MSN Latino Study have largely confirmed—that American Hispanics prefer to use English most of the time when speaking. More than half reported speaking only Spanish to their parents, and mostly English to friends, siblings, and children. Again, their ability to speak Spanish is greater than their ability to read or write Spanish.

“My parents made a huge sacrifice coming here for me to get to do what I do, and if I can help [other Hispanics] in any way, I’m very passionate about that…”

“We still think of Latinos, we always have this layer of connection. There’s some Spanish involved, there’s some culture involved, there’s some food involved, there’s some music involved, and then we have the differences.”

“I still find word of mouth is effective, even for me. You have to be the right person to be talking to me, but it is, you know, I think influential in some of my decision making.”
For example, the American Hispanics in the MRM Roundtable revealed that they will often, when speaking to other Hispanics, begin and end English-language conversations with Spanish-language greetings, and smatter the rest of the conversation with Spanish phrases to establish a stronger rapport and emotional connection, and/or to better illustrate their point.

At the same time, American Hispanics are distinctly different from the non-Hispanic English speakers around them. We know that while American by birth, they have inherited many of the cultural attitudes that their parents brought with them as immigrants: they are bicultural, bilingual, and greatly informed by their Hispanic roots.

**RECOMMENDATIONS**

**1:1 Marketing is key; relevance is paramount**

While the bulk of our research and recommendations were focused on the second generation, it’s important to note that the online first-generation Hispanic was much more educated than was originally expected. Marketers need to be acutely aware of this when marketing to Hispanics online. This population is not a mirror image of the off-line population, and in this case, was comprised of more educated consumers representing multiple Latin countries/regions. Ensuring that Spanish-language marketing to this segment is both culturally and intellectually pertinent is paramount.

That said, second-generation Hispanics also need to be targeted in a linguistically, intellectually, culturally, and media-savvy fashion. Being “acculturated” does not mean that the second generation has been “anglified.” Treating them as if they were any other English-speaking group among the general, 100% assimilated population is a mistake. Our research shows very clearly that second-generation Hispanics are a group with diverse cultural affiliations and sensitivities. What’s more, while no single medium ever holds the total answer, it’s a fundamental fact that Hispanics in general are much more likely than the population as a whole to say that technology is important to them.

“We’re a hard group to market to. We’re working 24/7; we’re rarely targeted on television. The fastest way to reach me is probably when I’m online, but [it has to be] when it makes sense.”

“You can speak to me in English, but leverage those insights that are going to motivate us to action.”

“I think for me it’s not necessarily about speaking to me in Spanish. It’s about being in culture. And so, I think it has to be that emotional connection with something.”

“Loyalty programs definitely make me continue to want to shop.”
The availability of online channels—and the enthusiastic uptake of online media and other technology by Hispanics in general—has made targeting this consumer segment possible in a way that would not previously have been possible. Behavioral targeting, geo-targeting, contextual targeting, and registration-based targeting are some of the ways that marketers can now minimize waste and augment efficiency when reaching this emergent consumer segment. Ongoing campaign analytics and program optimization are also readily available, providing shorter than traditional learning cycles and maximum ROI. In many ways, 1:1 marketing leveraging online methods would seem to be almost tailor-made for addressing this group.

Furthermore, though off-line direct marketing wasn’t addressed in the survey, a recent study indicates that compared to the total U.S. population, more Hispanics (35%) glance or skim through direct mail compared to only 15% of the total U.S. population. Hispanics also receive less direct mail than the general population. There is definitely an opportunity to execute targeted direct mail to this consumer segment successfully—again, as long as it’s culturally, linguistically, and intellectually relevant.

Finally, it’s imperative that campaigns targeting multicultural segments be integrated and coordinated with general market campaigns for the greatest possible leverage. Reaching out to Hispanic Americans and American Hispanics concurrently with varying linguistic and culturally aware approaches should be considered by all committed marketers tapping the Hispanic community. This is the only way to truly reach the Hispanic market in an inclusive, holistic fashion.

As brand influencers within a multigenerational family and within a broader definition of family, the second-generation Hispanic should provide a significant ROI to organizations that decide to engage them in their marketing efforts. This emergent consumer segment is a group that is noteworthy in size, buying power, and influence, and yet is underserved. If marketers want them to take action, brands must carefully tailor their messages, leverage the right media, utilize appropriate cultural and linguistic tone, and employ key insights—both effectively and affectively—to successfully tap this promising consumer demographic.
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