



U.S. Hispanic Audiences

What Advertisers Need to Know About Hispanic Consumers and Viewers

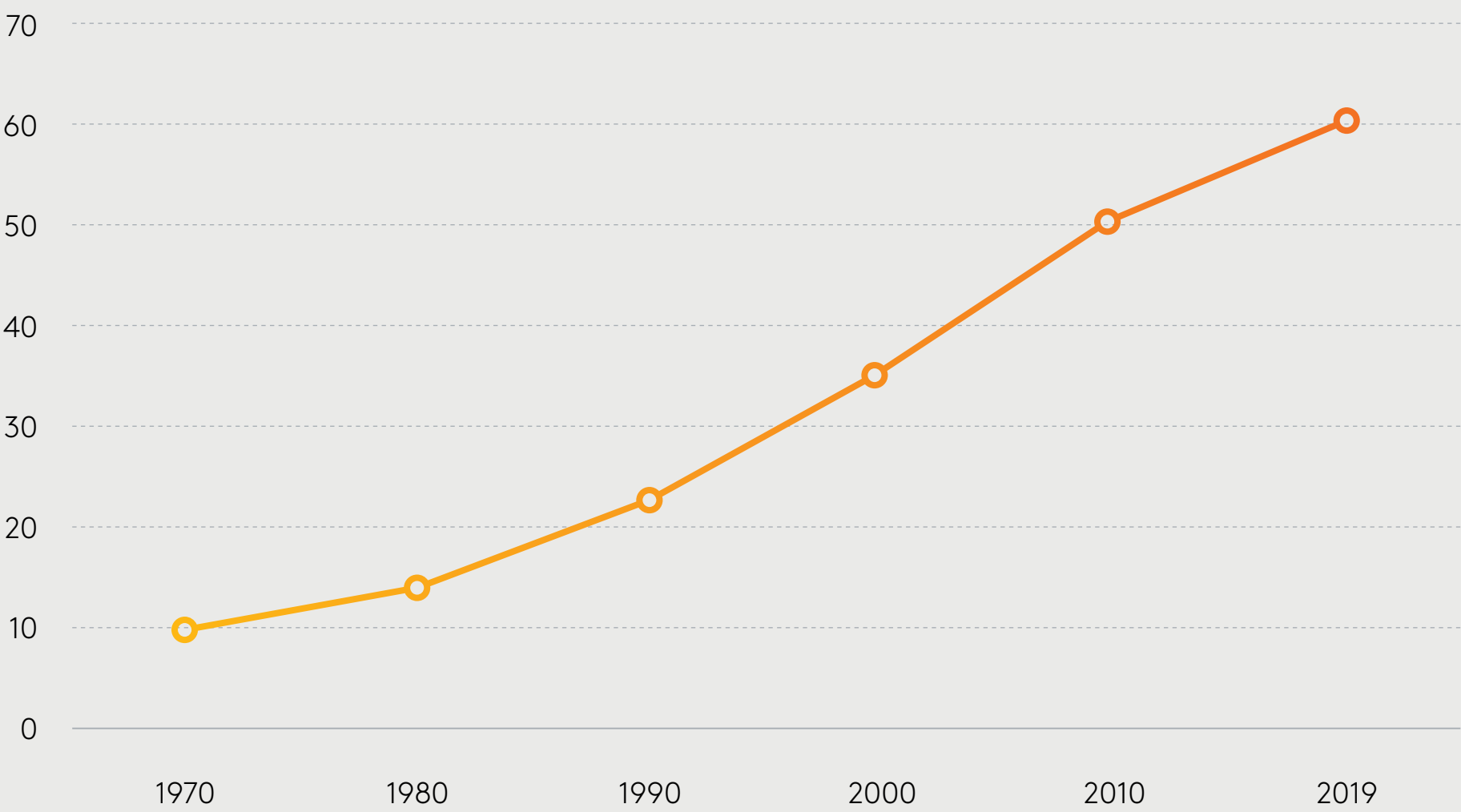
The U.S. Hispanic population is an incredibly diverse group, representing a variety of nationalities, ages, and backgrounds. As U.S. Hispanic consumers continue to gain buying power, it's increasingly vital for advertisers to understand their purchasing behaviors, viewing habits, and advertising preferences. Here are eight key trends for advertisers to know about Hispanic audiences.



01 Population Growth

From 2010 to 2019, the Hispanic population accounted for more than half of all U.S. population growth. Now, more than **60 million Hispanics** live in the U.S., making up about **18%** of the population.¹

U.S. Hispanic Population in Millions¹

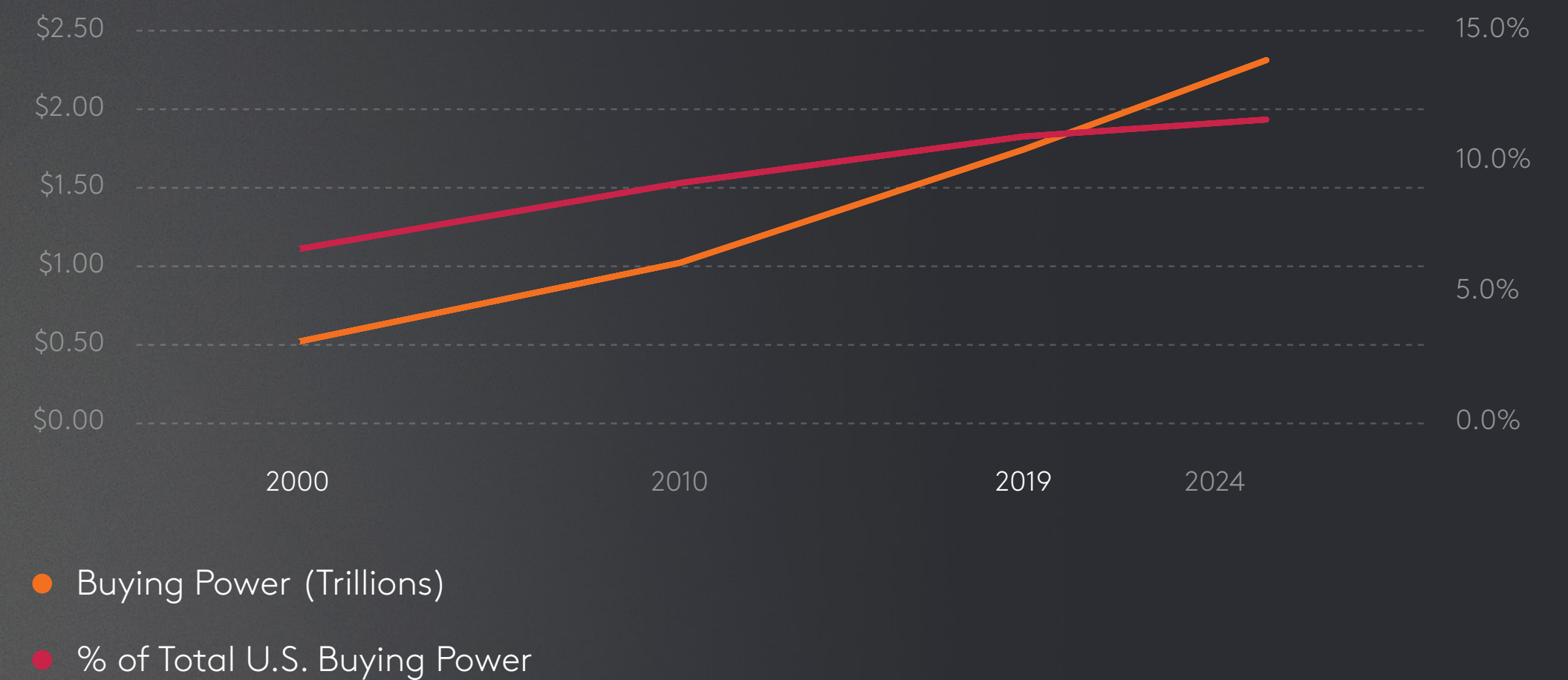




02 Spending Growth

Hispanic consumers' buying power has been steadily increasing for decades. From 2000 to 2019, it more than tripled, and Hispanics now account for about **11%** of all U.S. buying power.²





U.S. Hispanic Buying Power²





This trend holds true across key categories, where spending among the Hispanic population is growing faster than among non-Hispanics.³

Spending Growth Forecast by Category, 2018-2023³





	 Automotive	 Health	 Dining Out	 Technology
Hispanics	+42%	+56%	+45%	+30%
Non-Hispanics	+27%	+44%	+34%	+16%

The outsized growth by category is not just a reflection of fast population growth. For example, Hispanics account for nearly a quarter of all auto sales despite making up just **18%** of the total population.⁴

03 Spending Among Hispanic Women

Much of the spending growth within the Hispanic population is being driven by women. From 2014 to 2018, Hispanic women’s spending increased considerably more than non-Hispanic women’s spending across categories.⁵




Spending Growth, 2014-2018⁵

	 Automotive	 Cosmetics	 Casual Dining	 Investments
Hispanic Women	15%	12%	13%	247%
Non-Hispanic Women	1%	4%	3%	78%



04 Lifetime Value

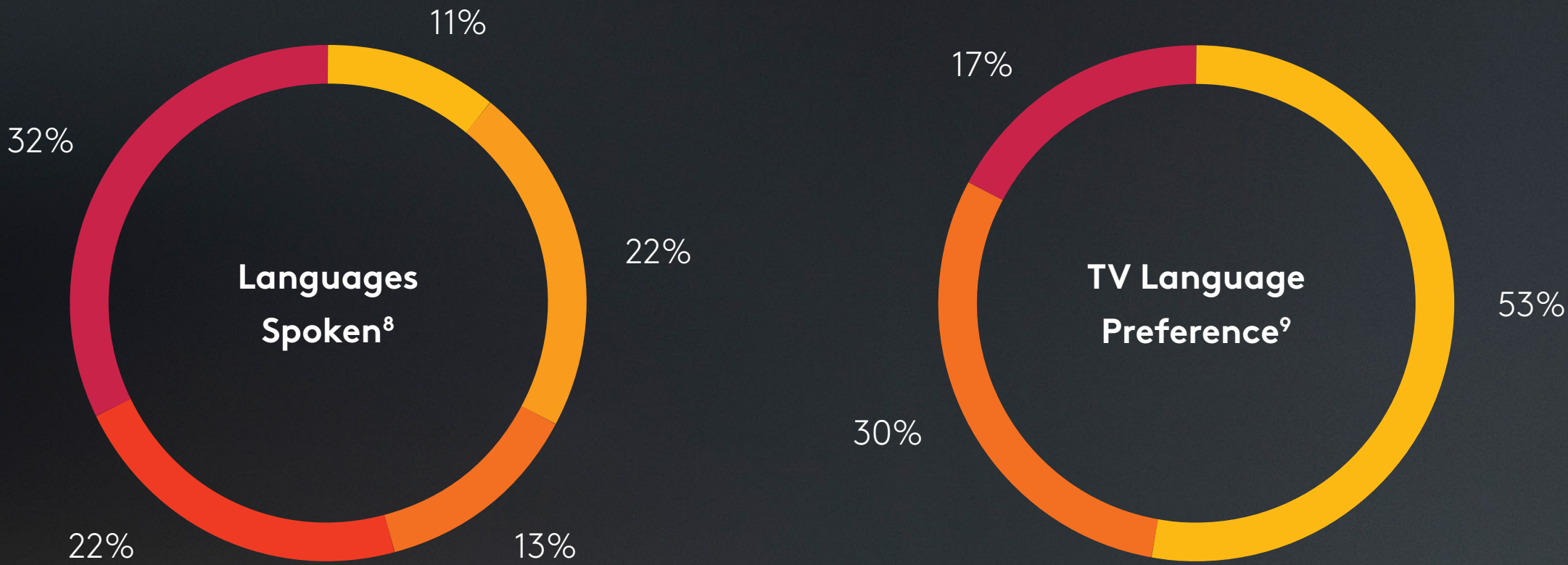
The Hispanic population isn't just spending more now; on average, Hispanic consumers have significantly more years of buying power and therefore have greater potential lifetime value to brands.^{6,7}

	 Life Expectancy		 Median Age		 Years of Effective Buying Power
Non-Hispanic White	79	-	44	=	35
Hispanic	84	-	30	=	54



05 Language Preferences

Advertisers don't need to deliver messaging in Spanish or only on Spanish-language networks to reach Hispanic audiences. **87%** speak English,⁸ and **70%** watch English-language programming.⁹



- Only English
- Mostly English
- Only Spanish
- Mostly Spanish
- English/Spanish Equal

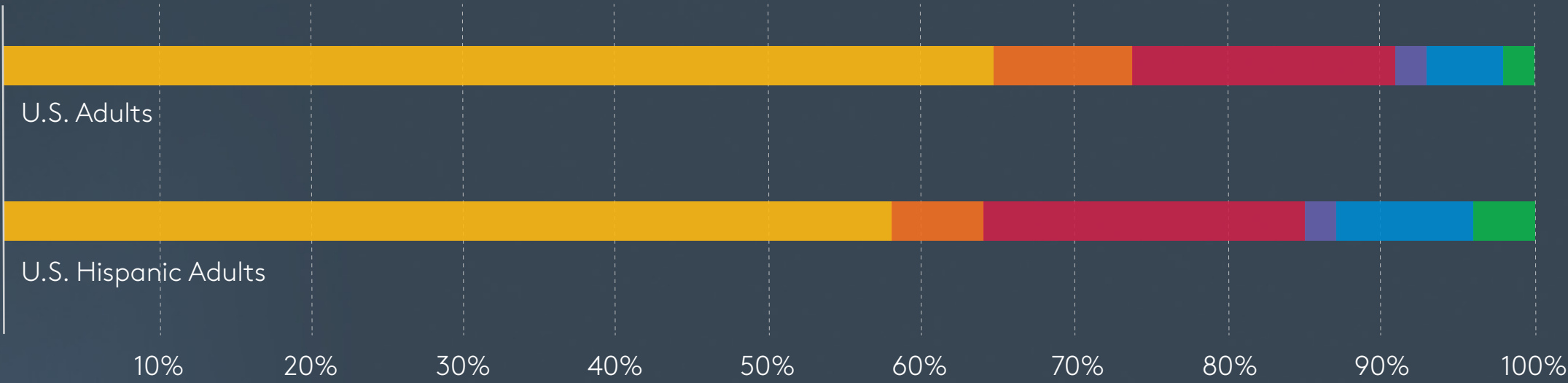
- English
- Spanish
- Both





06 Multiscreen TV Viewing

Traditional TV reaches **83%** of U.S. Hispanics weekly, on par with the total U.S. population.¹⁰ But Hispanic audiences spend a greater portion of their video time with non-traditional TV: **36%** compared to **27%** among all U.S. adults.¹⁰ **Nine in 10** Hispanics use connected TV platforms or services, and **83%** watch video content online.⁹

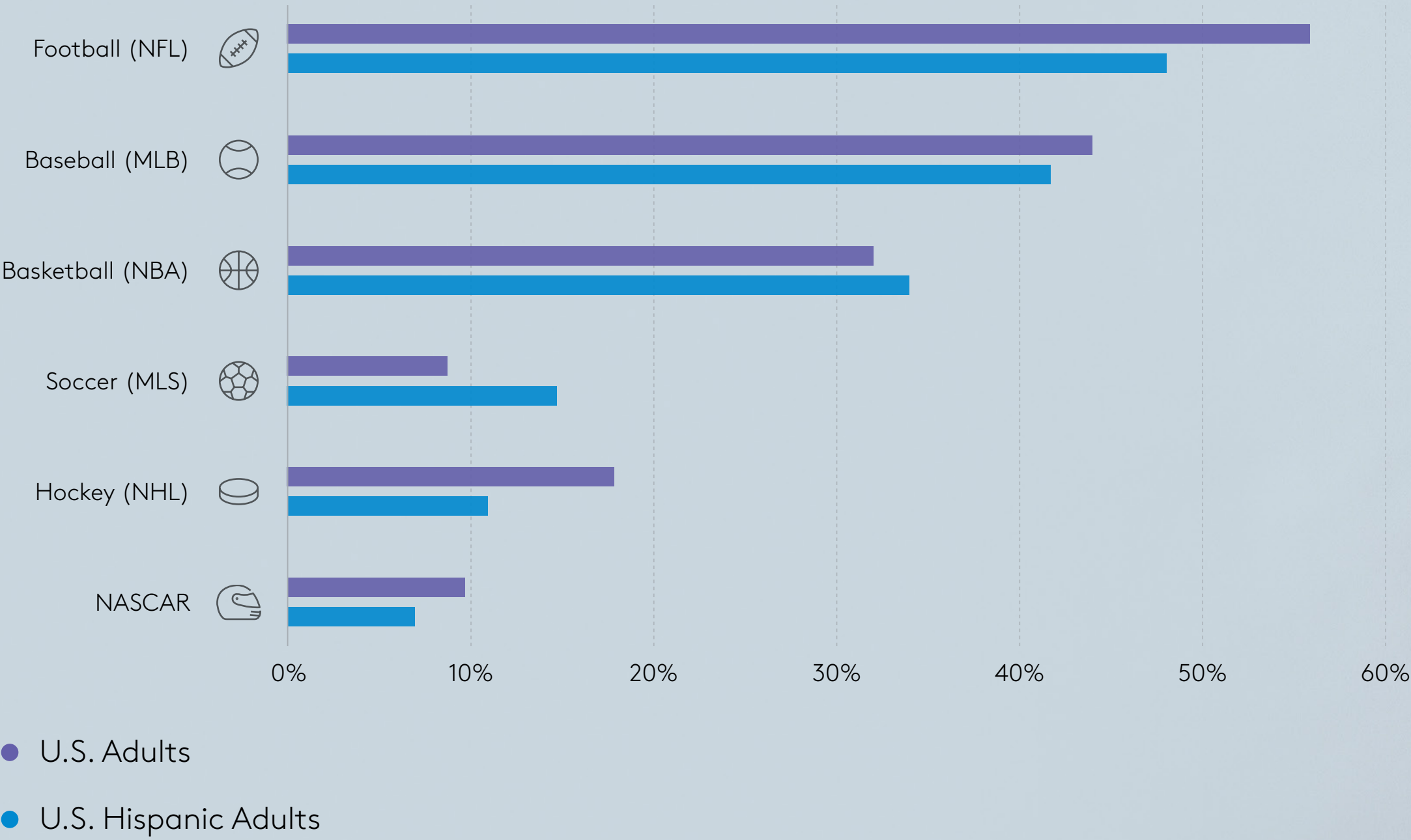


- Live TV
- Time-Shifted TV
- TV-Connected Device
- Computer
- Smartphone
- Tablet

07 Sports Programming

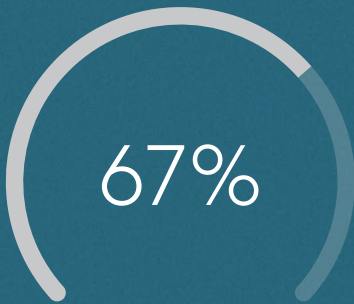
Hispanic audiences are more likely than other viewers to watch soccer, with **15%** tuning in. But soccer is only the fourth most popular sport, and Hispanic audiences are interested in other sports at roughly the same rates as all U.S. adults.¹¹

Percentage Watching Sports¹¹



08 Culturally Relevant Content

Hispanic audiences want to see advertising that’s inclusive of their customs, values, and cultures, and two-thirds want to see more commercials targeted directly at them.¹²



67% of U.S. Hispanics believe there should be more commercials directed specifically to them¹²

Since the U.S. Hispanic population encompasses a number of nationalities, brands need to reflect this in their advertising.⁸



- 59% Mexico
- 18% Caribbean
- 10% Central America
- 8% South America
- 3% Spain
- 2% Other

Incorporating values is also key to accurate representation. In one study, participants cited family, work, education, and security as top priorities, but only **54%** believed these values were reflected by major brands.¹³

54% Barely half of U.S. Hispanics believe their values are reflected by major brands.¹³

Appropriately representing the culture pays off for brands. One study found that consumers who perceive ads as culturally relevant to them are **1.5 times** more likely to seek additional information about the brand and **2.7 times** more likely to try a brand. Cultural relevance also drives consumers to repurchase or recommend a brand.¹⁴

Culturally relevant advertising makes consumers:¹⁴

- 1.5x more likely to seek additional information
- 2.7x more likely to try a brand
- 1.5x more likely to repurchase a brand
- 2.8x more likely to recommend a brand
- 2.6x more likely to find a brand relevant
- 3x more likely to find the ad relevant



FREEWHEEL

Reach More of the Right Audiences

Effecttv can deliver your message to your target audience in the multiscreen content they're already watching, with minimal ad waste. If you need new creative, our in-house agency, Mnemonic, is ready to produce custom, culturally relevant messaging for your brand.

Visit **www.effecttv.com** or call **888.877.9799** to launch your next multiscreen TV campaign.

Sources:

1. Noe-Bustamante, Luis, Mark Hugo Lopez, and Jens Manuel Krogstad. "U.S. Hispanic population surpassed 60 million in 2019, but growth has slowed." Pew Research Center. 7 July 2020. <https://www.pewresearch.org/fact-tank/2020/07/07/u-s-hispanic-population-surpassed-60-million-in-2019-but-growth-has-slowed/>.
2. Nielsen. "Cultural Connectivity Transformed: How Latinos Are Connecting While Social Distancing." 2020.
3. IHS Markit. "Hispanic Market Monitor." Consumer Spending Forecast 2018-2023. 2019.
4. Gazdik, Tanya. "Auto Site Focuses On Impact Of Hispanic Customers." Marketing Daily. 8 July 2020. <https://www.mediapost.com/publications/article/353440/auto-site-focuses-on-impact-of-hispanic-customers.html>.
5. Culture Marketing Council. "Hispanic Market Guide 2020."
6. Measure of America of the Social Science Research Council, 2018. calculations using 2016 mortality data from the Centers for Disease Control (CDC) and Prevention: National Center for Health Statistics, and CDC Wonder.
7. U.S. Census Bureau, 2018. American Community Survey. 1-Year Estimates of the resident population by sex, race, and Hispanic origin.
8. Nielsen February 2020, base = Hispanic P2+.
9. H Code. "2020 Hispanic Digital Fact Pack." January 2020.
10. Nielsen Total Audience Report. February 2020.
11. HispanicAd.com. "Nielsen Snapshot: Hispanics and October Viewing Trends." 22 October 2019. <http://hispanicad.com/el-blog/television/nielsen-snapshot-hispanics-and-october-viewing-trends>.
12. Kantar Futures. 2018.
13. Danziger, Pamela N. "Retailers Need To Go Beyond Demographics To Go Big With Their Latino Customers." Forbes. 9 Oct. 2019. <https://www.forbes.com/sites/pamdanziger/2019/10/09/why-retailers-need-to-think-big-about-their-latino-customers/#780ed56b2b1b>.
14. Association of National Advertisers. "The ANA's AIMM Introduces the Cultural Insights Impact Measure™ (CIIM™) Proving that Cultural Relevance Drives Real Brand Results." 18 Sept. 2019. <https://www.prnewswire.com/news-releases/the-ana-aimm-introduces-the-cultural-insights-impact-measure-ciim-proving-that-cultural-relevance-drives-real-brand-results-300920266.html>.