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Wooing the Hispanic: A study of marketing communication strategies targeting the United States Hispanic market

Olga I Delgado
University of Nevada, Las Vegas

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WOOING THE HISPANIC: A STUDY OF
MARKETING COMMUNICATION
STRATEGIES TARGETING THE
U.S. HISPANIC MARKET

by

Olga I. Delgado

A thesis submitted in partial fulfillment
of the requirements for the degree of

Master of Arts

in

Communication

Greenspun School of Communication
University of Nevada, Las Vegas
August 1995

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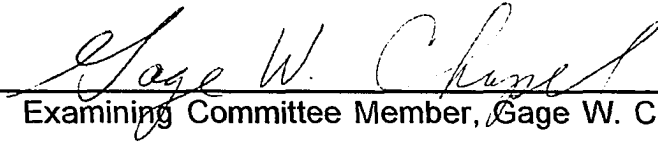
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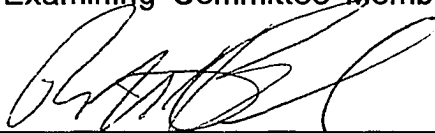
Chairperson, Barbara L. Cloud, Ph.D.



Examining Committee Member, Gage W. Chapel, Ph.D.



Examining Committee Member, Erika Engstrom, Ph.D.



Graduate Faculty Representative, Robert H. Bosselman, Ph.D.



Interim Dean of the Graduate College, Cheryl Bowles, Ed.D.

University of Nevada, Las Vegas

August 1995

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ABSTRACT

Case studies of three national corporations examine their successful U.S. Hispanic marketing communication strategies. They are Ford Motor Company, Anheuser-Busch Companies, Incorporated, and Metropolitan Life Insurance Company. Similarities of strategies are an emphasis on community relations, reliance on Spanish-language messages, and a geographic concentration in the largest Hispanic markets. Differences are media mix and advertising style. Ford and Anheuser-Busch strive to meet regional needs and focus on electronic media: Metropolitan Life uses a general approach and emphasizes print media. Important trends for U.S. Hispanic marketing are the growing homogenization of Hispanic groups which permitted the introduction of pan-Hispanic strategies and increased use of bilingual and/or English advertising. Spanish-language media growth also contributed to U.S. Hispanic marketing development by providing more options for marketers. Studies of acculturation and ethnicity are suggested as resources for marketing strategies.

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CHAPTER 1

INTRODUCTION

Prior to the 1980s, the concept of a national U.S. Hispanic¹ market did not exist in advertising. This changed with the 1970 U.S. Census projections for an unprecedented increase in the U.S. Hispanic population that would begin in the 1980s and continue into the 21st century. As a result, the 1980s was called by some the "Decade of the Hispanic" (Totti, 1987; Melville, 1988). The projections were so dramatic and portended so enormous a change that the implications were immediately apparent for the consumer marketplace in this country. If developed as a new market segment, the Hispanic population had the potential to change America's taste in products and services, and indeed, as an example, today salsa outsells ketchup as a condiment; the potential to impact marketing techniques, as evidenced by the ensuing discussion which describes

¹"U.S. Hispanic" in this thesis refers to self-identified members of a subgroup characterized by a commonality of Spanish-cultural ancestry, and not race, or Spanish-language usage. Included as consumers are U.S. citizens, permanent resident aliens, and illegal aliens.

the change from mass marketing to market segmentation; and thus, the potential to change the "bottom line" for corporate America. Consequently, in the early days of the decade, the more visionary in the corporate world began a tentative effort to carve a niche, expanding upon the new field of ethnic marketing (Gutierrez, 1990) that resulted from African-American demands following the civil rights movement of the 1960s (Kassarjian, 1969; Wilson & Gutierrez, 1985).

This thesis proposes to define the U.S. Hispanic² market and trace the development of Hispanic marketing segmentation to show how the corporate world responded to a growing awareness of the unique characteristics of this population. An analysis of the communication tools and strategies in selected marketing campaigns highlights similarities in marketing approach.

Hispanic Market Demographics

The 1980 census reported about 1 out of 5 persons in our

²Hereafter referred to as "Hispanic." It is noted that the Hispanic nomenclature is only one of various labels by which the group is known. Other labels include Latino, Chicano, Mexican-American, Hispanoid, and Spanish.

nation of 226 million was a member of a minority.³ The minority population included 14.6 million Hispanics (6.5 percent of the population, up from 4.5 percent reported in the 1970 Census). The Hispanic population in this country has undergone dramatic changes over the last two decades. The two most important changes are in national origin composition (e.g., ancestral country of origin) and in size (Wilson & Gutierrez, 1985; Veciana-Suarez, 1990).

Historically, the Hispanic population has been predominantly of Mexican origin for two reasons. First, the United States obtained Mexican citizens when they acquired vast territory from Mexico resulting from two separate actions. Under the Treaty of Guadalupe in 1848, the acquisition included areas encompassing the states of California, Nevada, Arizona, western Colorado, northern New Mexico, Texas, Utah, and parts of Wyoming, Oklahoma, and Oregon. The Gadsden Purchase in 1853 brought more Mexican citizens living in southern Arizona and southern New Mexico.

The second reason for Mexican prominence is that Mexican immigration has been and is today the largest contributor of new

³"Minority" as used in this thesis refers to racial and/or cultural subgroups in the U.S. population which do not have ancestral roots in Europe or whose members personally identify with ethnicities outside of the mainstream American culture.

Hispanic residents. Representation from Caribbean Hispanics and from Central and South America has not been as visible because their numbers have always been relatively smaller. Nevertheless, a significant shift in the ratio of that composition has taken place, with a large influx of Cuban, Puerto Rican, and Central and South American refugees that occurred during the 20th century. It is noteworthy that Puerto Rico shifted a massive one-third of the island's population to the U.S. mainland in the years following World War I. These "immigrants"⁴ to the mainland have created a viable market, located in the Northeastern United States, that has grown in size and has its own blend of U.S. and Puerto Rican cultural characteristics (Nelson & Tienda, 1985). The second largest Caribbean-Hispanic immigration occurred when Cubans began what essentially became four distinguishable waves of entry into this country, beginning in 1962 and ending in 1980. Over this period of time, approximately 625,000 Cubans sought political refuge in this country (Rogg & Holmberg, 1983). The later arrival of other Caribbean-Hispanic groups has helped create a Cuban market in

⁴Puerto Ricans' unique status means they are not immigrants in the sense of foreign citizens coming into the United States. For this thesis, the label connotes a Spanish-speaking population viewed as foreign by mainstream U.S. society, and includes them as part of Hispanic migration.

Florida and the modification of the Puerto Rican market to include a significant Dominican population (Braus, 1993). Additional Hispanic immigration includes Central Americans also seeking relief from political turmoil in their countries in the 1980s, and an ongoing stream of illegal immigrants from all of Latin America, especially Mexico. The more recent Hispanic immigration has not only changed the composition but has also dramatically changed the U.S. Hispanic population size (see Table 1).

TABLE 1. U.S. CENSUS BUREAU HISPANIC POPULATION RATIOS		
National Origin	% - 1980^a	% 1988^b
Mexican	64	62
Puerto Rico	11	12.7
Cuban	5	5.3
Other*	20	18
% U.S. Population	6.5	8.1

*Central, South American & Caribbean countries are included, except Cuba and Puerto Rico.

Sources: ^a1980 U.S. Census

^bU.S. Census Bureau's "Hispanic Population in the U.S.: March 1988"

According to the 1990 census, Hispanics now comprise 10 percent of the U.S. population.

The population increase has also been influenced by other factors besides immigration. A significant birth rate is another reason for rising population numbers. The 1980 census shows a

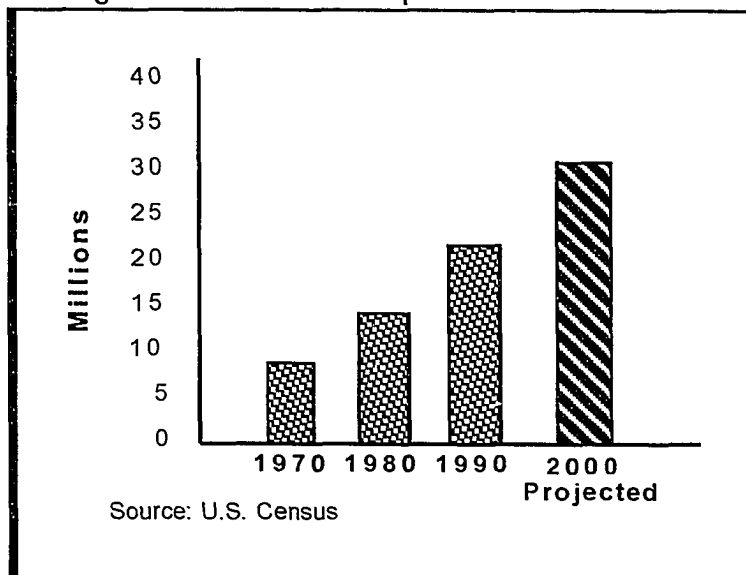
relatively young Hispanic population with a median age of 22.1 as compared to 29.5 years old for the general population. This means there are proportionately more Hispanic women than non-Hispanic women capable of bearing children. This fact together with a population that is estimated at 85 percent Roman Catholic (Guernica, 1981) may be the reasons why the Population Research Bureau reported in 1982 that Latinas were averaging 2.6 children while White women averaged 1.76 children (Wilson & Gutierrez, 1985).

Determining the increase in population size is complicated by the on-going change in data-gathering methodology used by the U.S. Census Bureau. Data have been collected on the Mexican-origin population by the Census since 1850. However, the manner of collection, objective (e.g., language, surname, country of birth) versus subjective (e.g., self-identification) has varied widely from decade to decade (Hurtado & Arce, 1986). In addition, the criteria have also varied widely. For instance, the 1970 Census required Hispanics to choose a race designation. Yet, before releasing the 1970 data, all Hispanics who had chosen "Other" and who indicated a Spanish-cultural origin, such as Latino or Mexican, were reclassified

as White. Consequently, 93 percent of the Hispanic population was categorized as White even though Hispanics are of all races. In 1980, the Census Bureau did not reclassify Hispanics who had self-identified themselves as "Other," which resulted in 56 percent categorized as White, 3 percent as Black, and 41 percent as Other (Kasarda, 1984). Some of the changes in methodologies by the Census over recent years are a result of an attempt to identify more narrowly the subgroups which make up the nation. These changes make comparison of actual census figures from different years difficult, and require some manipulation of data in order to be useful (Kasarda, 1984).

Nevertheless, in 1980, the U.S. Census showed that persons identifying themselves as Hispanic grew to 14.6 million from 9.1 million in 1970. The 1990 Census figures rose to 22.4 million and projections are that this number will leap to 30.6 million by the beginning of the next century. (See Figure 1.) Contrast this last projection with a national population projection growth rate of 7.8 percent or an increase of 20 million people by the year 2000 and imagine Hispanics constituting nearly half of the new population (Bass, 1994).

Figure 1 U.S. Census Hispanic Growth



Currently, the United States ranks as the fifth largest Spanish-speaking country in the world with nearly 25 million Hispanics (Kingaard, 1994).

Consumer Characteristics

This kind of growth has been accompanied by an even greater increase in purchasing power. In 1984, Hispanics had an aggregate disposable income of \$84.8 billion (AMA Research, 1987). Between 1985 and 1990, this purchasing power grew by 103 percent or \$172 billion. By the year 2000, this purchasing power is projected to reach \$477 billion (Telemundo, 1994).

Awareness of the potential of this group as consumers increased within the marketing industry as demographers discussed the implications of the projected population figures. Hispanics are a growing, young population that until the 1980s has never been targeted as a major segment of the general consumer market. As discussion focused around the potential impact the rising numbers of Hispanics could have on the country, marketers became cognizant of the potential this group had, if targeted successfully, for revitalizing stagnant sales figures or expanding market shares (Kesler, 1986; Strazewski, 1986; Brusco, 1981; Albonetti & Dominguez, 1989).

For corporations with a strong interest in establishing a niche in this marketplace, the chief attractiveness of the group is in its market size and growth potential (Albonetti & Dominguez, 1989). Another reason for seeking out this target market is that its members are said to have the desirable consumer characteristic of being exceptionally brand loyal (Kim, 1995; Webster, 1992). Thus, persuading them to purchase a brand enhances the likelihood of a long-term consumption pattern for that product or service. Inadequate information about the Hispanic hampers a corporation's

ability to carve itself a market share.

In the 1980s, at the inception of the marketing efforts focusing on Hispanics, several approaches were used; some turned out disastrously and some were highly successful. In analyzing failures, such as the initial practice of translating English advertising directly into Spanish, marketers learned that some English idioms could not be directly translated and that Spanish, too, had its idioms to consider in developing Spanish-language advertising (Braus, 1993; Swenson, 1990; Durance & Korzenny, 1989). On the other hand, by utilizing the services of agencies specializing in this area or the services of research companies who could provide insight into this population, some companies were quite successful in reaching this new market. It took time, however, for most corporations to realize that this market was a diverse one and that various marketing approaches could indeed be applied because of its diversity.

Evidence of the newness of the marketers' recognition of the diversity of this market is the significant amount of research which still attempts to answer what "Hispanic" means. Braus (1993) in an article titled, "What does 'Hispanic' mean?" concludes that even

though Hispanics share some similar traits and history, there is no simple response to this question because there really is no one, single homogenous Hispanic population. Rather, the term serves as an umbrella descriptive for a wide range of ethnicities and nationalities bonded by a common Spanish cultural heritage and language. Each of these ethnic groups brings its own distinctive cultural values, traditions, and beliefs, even while sharing some commonalities (Swenson, 1990). Among shared commonalities are large family size and family loyalty, youth of the population, religion, a few traditions (e.g., celebration of the *quinceañera* or 15th birthday for girls), and as stated, a Spanish cultural heritage including the Spanish language. At the same time, cultural variations of all of these commonalities exist. For example, the nuances of the Spanish language vary by country (Durance & Korzenny, 1989; Helin, 1992; Lemieux, 1994), and family size differs among nationalities (Braus, 1993). Among more easily ascertainable differences are holidays celebrated, diversity of races, taste in music, and socioeconomic status. For marketing purposes, understanding how to determine when to incorporate or exclude these commonalities and differences is at the crux of designing successful communication

strategies.

In part, the confusion over what a Hispanic is or is not may lie in the stereotypes of this group. Because the Mexican-origin segment of the Hispanic population has dominated from pre-colonial days of this country, the image of an Hispanic for most general population members is tied to the Mexican stereotype. The two stereotypes that prevailed in past marketing efforts are that of the "Latin lover" (Wilson & Gutierrez, 1985), a smooth, exotic creature with humming hormones whose purpose in life is to provide romance and pleasure, or the more sinister, threatening image of the Mexican villain (Greenberg, Burgoon, Burgoon & Korzeny, 1983), replete with a long mustache, wide sombrero, and a wicked smile. Also prevalent was the more passive image of a poor peasant leaning against a cactus while sleeping with his sombrero pulled over his eyes, embodying the philosophy of *mañana* (tomorrow will take care of itself). Against these stereotypes, the marketers faced the knowledge that they really knew little about this group and even less about how to market to them successfully.

Of interest in this thesis is the evolution of a marketing communications strategy and images as marketers learned more

about the Hispanic market. Several questions are important in examining how the marketers designed their efforts to attract this target population. The questions include: What was the U.S. Hispanic image held by the mainstream marketing industry at the beginning of the decade? Did the perception change over the decade, and if so, how and why? How did communication to this target market evolve? What guided the development of advertising communication strategies for this market, (i.e., was it research, habit or intuition)? What were the tools that proved most effective? What is known about this population today that has implications for future marketing? Where does marketing communication appear to be heading?

Interest in this area of research began for with an interest in AIDS health communication strategies. Questions quickly arose concerning the apparent lack of success in the field of health communication as evidenced by figures that seemed to indicate, for example, the incidence of AIDS among Hispanics was more than double their population (Magaña, 1991). That is, given the extensive mass communication efforts of AIDS public health campaigns, the statistics are not showing a decline in AIDS for Hispanics. Why not?

What is missing in the communication that has failed to create behavioral and/or attitudinal change? A cursory review of this area seemed to indicate that what was missing was application of cultural research. For example, persuasion research studies of national anti-smoking and drug abuse prevention campaigns illustrated the need for credibility of source in their message-delivery design; yet, designers failed to provide Hispanic spokespersons for AIDS messages even though cultural research has identified those persons as most admired by Hispanics (Krafft, 1993). If addressed by a credible Hispanic spokesperson, perhaps more Hispanic viewers will see AIDS as a relevant topic. There is no evidence that any campaign viewed by Hispanics has as a basis sound research which demonstrated an understanding of culture and/or acculturation effects. This realization led to a search for examples of successful outreach campaigns targeting Hispanics which have resulted in a change in behavior and/or attitudes. Examples were found in both product and service marketing as represented by the case studies of three national corporations.

Significance And Scope Of Study

The importance of conducting this study is twofold. First, the U.S. Hispanic community continues to gain attention as a target market because the population is expanding rapidly, fed by an unceasing flow of immigrants and births. Second, to date, insufficient public research has been done in this area. More research is required to meet the needs of those seeking to communicate with this audience, particularly those unable to afford proprietary research. Application of research based upon an understanding of how to reach the U.S. Hispanic has far-reaching implications in that this knowledge can be adapted to many communication efforts, including health communication.

Basic to understanding the strategies used successfully is understanding the rationale and goals companies used to decide whether to enter the race to attain a niche in Hispanic marketing. In a study of advertisers who were currently involved in or who had terminated Hispanic advertising, Albonetti & Dominguez (1989) found the two central reasons for targeting this segment were to gain marketing and competitive benefits. However, some corporations saw targeting of Hispanics as an affirmative action

initiative rather than a consumer strategy and their efforts were generally unsuccessful (Straad, 1986). By looking at marketers who elected to seek out this market as a business decision and at how segmentation of the target group gave them an advantage in marketing and competitive benefits, this study will help define strategies for future efforts.

Chapter 2 seeks to define the U.S. Hispanic beyond the purely demographic profile by looking at research on the acculturation process and ethnicity. It also reviews the evolution of Spanish-language media as channels of communication for marketers.

In Chapters 3 and 4, selected case studies are compared and contrasted as a sampling of advertising strategies implemented in the 1980s. The three companies studied were selected based on descriptions found in trade publications as successfully carving a niche in the U.S. Hispanic market in the 1980s. The companies are Anheuser-Busch Companies, Inc., Metropolitan Life Insurance Company, and Ford Motor Company. In each case, interviews were conducted with persons serving as administrators of target marketing, especially Hispanic marketing. The analysis of these

companies' marketing campaigns includes an overview of similarities in marketing strategy. Samples provided by the companies of print and television advertising for Hispanics are also analyzed.

The analysis shows how products and services were positioned successfully through advertising and other marketing approaches for consumption by the target group, and identifies adaptations from the mainstream campaigns or innovations. Particular emphasis is given to the type of research that gave marketers the data upon which to build their campaigns.

Chapter 5 describes the development of marketing strategies and identifies trends. A discussion of the issues encountered and their resolution is included, as well as recommendations for further research.

CHAPTER 2

LITERATURE REVIEW

A common feature of available research on Hispanics is that most studies focus on demographics taken from the U.S. Census: the population size, age, income, and geographic concentration of the target market. Articles in trade journals describe great interest in the business world to woo this target group, a willingness to spend money to do so, but uncertainty on how to spend the money most wisely (Albonetti & Dominguez, 1989; Braus, 1993). Of those businesses targeting Hispanic marketing, some plunged in quickly. Often their campaign designs were not supported with sound research. This resulted in some early fiascos, like the practice of literal translations of English advertising into Spanish. This practice at times resulted in use of terms that, while correct in the literal sense, had local connotations that proved embarrassing to the companies. An example of the hard lesson this approach taught is the Braniff slogan which invited travelers to "Fly in Leather" in English,

but in Spanish invited travelers to "Fly Naked" (Helin, 1992, p. 14). Other companies have taken no initiative to compete in this segment. The reason is summed up by the advertising director for a toy producer, Tonka Products, who said, "As far as we know, Hispanic kids are watching English-language programming . . .and that seems to be sufficient to reach them" (Fisher & Fitzgerald, 1991, p. 32). Still others have planned their strategies carefully and proceeded with caution, learning along the way (Kesler, 1986; Strazewski, 1986).

There is a consensus throughout the articles studied that there is insufficient advertising or marketing research in the public domain which clearly lays out the relevant demographics of the Hispanic market and/or its psychographic or social and cultural characteristics that may influence message delivery. The meagerness of research probably is due to two reasons: the newness of the market and lack of interest by academic researchers (Albonetti & Dominguez, 1989). Even though not large in quantity, some important work has nevertheless been accomplished. Albonetti & Dominguez (1989) conducted a survey of consumer packaged-goods marketers who had used Hispanic media advertising. Their study

confirmed that businesses entering Hispanic marketing segmentation successfully did so by using in-house staff assigned specifically to this market and supported by outside Hispanic market specialists. As will be seen, this practice is used successfully by the corporations who were subjects of the case studies. The authors also confirmed the need for further research in such areas as consumer behavior and the differences among the diverse Hispanic subgroups. A second relevant advertising study by Webster (1992) looked at Hispanic information-search behavior. This research found that, in general, language or ethnic identification has a significant effect on information-search patterns. Webster also examined advertising credibility in the process of information gathering for purchase decisions among Hispanics.

Acculturation and Ethnicity Research

Further contributing to the body of knowledge that could be useful for marketers is related research on acculturation, ethnicity, and media.

A natural beginning for looking at cultural communication theory is to explore intercultural communication. However, a survey

of available studies found that most research in intercultural communication is focused on communication theory validation and does not contribute either new theories that expand the field or new insights on how cultural communication functions (Shuter, 1990). While most of this research has focused on Japan and the United States, little intercultural research has been done which includes "culture, an interest in descriptive research, or a desire to generate intracultural theories of communication" (Shuter, 1990, p. 237). Since this thesis is about intercultural communication between two U.S. cultures, Hispanics and the mainstream culture, this concentration is not included in this discussion.

Acculturation

A salient area of study fosters a better understanding of acculturation. Acculturation is usually taken to mean a unidirectional process of change within a minority subculture as it adopts the cultural characteristics of a dominant culture (Negy & Woods, 1992). However, others see acculturation as an exchange involving a greater impact on a subcultural group by a dominant culture but also with a lesser impact on the dominant group

by the subculture. The exchange results in the subcultural group acquiring the ability to function in mainstream culture by adopting of some of its traits, while the mainstream culture acquires at least an understanding of the subculture, and may, in fact, adopt some its values or traits (Negy & Woods, 1992; Brusco, 1981).

The premise of acculturation is that it challenges the well-known "melting pot" assimilation theory which held that immigrants had to lose their own ethnic identities in order to fit into the mainstream culture. The analogy of the melting pot proved valid for European immigrants whose descendants quickly adapted to the American mainstream culture, losing the ability to speak the language of their ancestors, and often losing many of the cultural values and traditions within a few generations (Wilson & Gutierrez, 1985). The expectation that the Hispanic population would likewise assimilate has been unfulfilled as this group is continually reinforced in its values, cultural traditions, and language by new arrivals. What has resulted is a bicultural style which incorporates an acculturation to the larger society while maintaining strong ties to native culture.

Acculturation studies resulted in several theoretical models

being devised to explain the acculturation process for Hispanics living in the United States. These range from a two-model theory proposed by Buriel (1975) which juxtaposes an "acculturation to the majority" model with an "acculturation to barrio" model (cited by Negy & Woods, p. 225), to the Keefe & Padilla (1987) multidimensional model (cited by Negy & Woods, p. 226). Negy & Woods criticize the two-model theory as not allowing for alternative patterns of acculturation, such as middle-class immigrants acculturating to a middle-class Hispanic culture rather than either the majority or barrio cultures. The multidimensional model on the other hand permits selective acculturation of majority traits or customs while allowing retention of traditional culture and is seen by Negy & Woods as perhaps more useful because of this flexibility.

A weakness in this study area has been the general disagreement by researchers on the operationalization of the term "acculturation." Among the various criteria used as measures have been generation level, predominant language spoken in the home, sociocultural characteristics (e.g., education, occupation), and attitudes and values. In spite of these differences, however, some

interesting findings have emerged. Among the more relevant findings in the Negy & Woods study are that Mexican-American wives increasingly perceive themselves as more equal partners with respect to family purchase decisions as the level of acculturation rises, that education rather than time spent in the United States is inversely related to traditionalism, and that the impact of socioeconomic status may be even stronger than expected in determining acculturation degree, regardless of the measure used. With respect to the latter, all studies reviewed contend that the greater the degree of acculturation, regardless of measure chosen, the more Anglo or mainstream the Hispanics are in their lifestyles, values, and attitudes.

An exception, however, cited in almost all articles as a unique cultural characteristic, is the Hispanic's strong familial ties and values. A study confirming this perception is cited by Negy & Woods: "the only factor unaffected by acculturation, generation level, place of birth, or place of growing up [suggested] that the high level of perceived family support was invariable" (p. 233). Relating this characteristic to marketing may mean, for instance, that families with more traditional Mexican-American values more commonly seek

out information only among their extended families and friends while more acculturated Hispanics will seek information from strangers, as well. Knowledge of this characteristic could be useful in determining how a message is designed and/or placed.

A marketing approach which uses the acculturation process and adapts it to serve as a base for campaign design is described by Brusco (1981). From the study of acculturation, the marketing and advertising agency, Sosa & Associates, developed a theory of Acculturation Influence Groups (AIG). This theory segments the Hispanic market by using three major categories of cultural variables: language, psychometric, and socio-cultural. Each AIG describes a language and culture comfort zone:

- AIG 1-** most comfortable in Spanish language and culture, lowest degree of acculturation.
- AIG II-**comfortable in both Spanish and English languages and Hispanic and Anglo cultures.
- AIG III-**most comfortable in English language and operates in a highly developed synthesis of the Hispanic and mainstream cultures. (pp. 8-9)

This design was based on a review of acculturation studies from a variety of disciplines where four areas of similarity are defined as principal to establishing their model:

- (1) identifying relevant cultural variables, (2)

determining interdependent structure among relevant cultural variables, (3) ascertaining cross-cultural equivalence of the cultural variables for groups under study, and (4) specifying the cultural variable within the proper temporal context. (p. 8)

Another way that understanding the acculturation process may be useful in marketing is that it permits a more positive slant to the negative stereotypical image of the Hispanic who is resisting assimilation. Acculturation helps to explain the many levels of acceptance of the mainstream culture that exist in the Hispanic community and how these co-exist with mainstream culture. Taking advantage of the natural segmentation that occurs as a result of the multi-dimensional stages of acculturation should be part of the process of designing targeted marketing campaigns.

Ethnicity

While taking acculturation research into account is a potentially useful tactic for marketers to use to create more effective ways to reach the Hispanic market, an understanding of the dynamics of ethnicity also has value. The ties between acculturation and ethnicity are inseparable and Gans (1979) sees the national interest in ethnic identity as possibly a new phase of acculturation

and assimilation. "Ethnicity" is defined by F.M. Padilla (1984) as "an intergroup identity reflecting a consciousness of a collective uniqueness derived from shared cultural characteristics such as language and an awareness of being different from other social groups in the United States" (p. 653). Padilla further defines Hispanic "ethnic-conscious behavior [as] a collective[ly] generated behavior which transcends the individual national and cultural identities of the various Spanish-speaking units and emerges as a distinct and separate group identification and consciousness" (p. 654). In other words, the development of an ethnic image comes about as a result of a dynamic process of evolution (Stainano, 1980; Gans, 1979; Melville, 1988) that incorporates culture, values, and behaviors into an image that is identifiable to both the dominant society and member subgroups.

Ethnicity is further broken down into ethnic identity and symbolic ethnicity by Gans (1979). Maintenance of ethnic identity involves a continuation of culture through organizations and retention of cultural values and practices and is particularly important for first- and second-generation immigrants. Symbolic ethnicity, on the other hand, does not require the active practice of

cultural values and traditions, but is characterized by a need to visibly state one's ethnicity through the use of symbols. The practice of symbolic ethnicity is most prevalent among the third and fourth generations of immigrants Gans (1979).

However, a grasp of the factors that serve as catalysts for the creation of an ethnic identity can be useful in determining a market strategy. Ethnic identity is believed by some researchers to be shaped by a variety of factors, including socioeconomic status, common language, and common cultural heritage (Nelson & Tienda, 1985; Totti, 1987; Padilla, 1984). Padilla (1984) argues that cultural characteristics used as a single measure to categorize an ethnicity are useful to out-group observers only in that they serve to differentiate among groups. Rather, Padilla proposes that ethnicity is a situational type of group identity and consciousness influenced by the interaction between structural (i.e., socioeconomic status) and cultural variables and is manifested in group consciousness and form. Some acculturation studies on Hispanics, as presented earlier, appear to support this theory in that this population is increasingly recognized as stratified into socioeconomic levels which display differing self perceptions and

ties to cultural tradition (Brusco, 1981).

Spanish-Language Media

A relatively accessible way of observing the ethnic symbols that the Hispanic community uses to identify itself may be found in Spanish-language media. These media have always been an important component of the Hispanic presence and are recognized as such by both the mainstream and Hispanic community. However, their value to marketers has become apparent only recently and this discussion of Spanish-language media describes their evolution in providing an important channel of communication between the mainstream marketer and Hispanic communities.

Without assistance from acculturation and/or ethnicity research, the mainstream interpretation of Hispanic ethnicity has focused on two principal cultural characteristics: language and traditional practices. While it is true that the majority of Hispanics (70%) speak Spanish at home as the primary language, a significant segment of the population either speak English as the primary language (13%) or speak both languages at home (17%) (Telemundo, 1994; Braus, 1993). However, the general stereotypical

image of the Hispanic held by the mainstream population included an individual who spoke with a heavy accent. This stereotype led to a mistaken perception that only messages delivered in Spanish would be useful. Thus mainstream marketers either largely ignored Hispanics as an audience or attempted to reach them through literal translations of English advertising into Spanish. Initially, both the bilingual and primary-English language user were virtually ignored in Hispanic marketing.

Adding support for this assumption of Spanish-only have been various experts in Hispanic market characteristics. "As a target audience for media and advertisers, Hispanics prefer media choices characterized by the use of Spanish, the presentation of shared cultural experiences, ties to their countries of origin, and involvement with the local Hispanic community. These informational demands are rarely fulfilled by the general audience media" (Guernica, p. 6; see also Jeffres & Hur, 1980). This left Spanish-language media to step in and fill the void and has contributed to great growth for Hispanic media (Gutierrez, 1990; Wilson & Gutierrez, 1985).

Initially, the role of Spanish-language media in providing a

link to the old countries, its focus on local Hispanic community affairs, and its largely exclusive use of Spanish limited the sales appeal for advertisers who, in keeping with a mass communication perspective, preferred to spend their dollars reaching the greatest number of readers for the least amount of money. This made the sale of advertising space a formidable task for Spanish media. The evolution of these media as an attractive option for mainstream marketers was a slow process. This was particularly true for Spanish newspapers and magazines.

In 1920, a Hispanic editor in Texas appealed to the Ad Club of El Paso to consider the diversity of the Mexican community by demonstrating "good faith with products of good value at a fair price" (Gutierrez, 1990, p. 6) and suggested using his newspaper as a way to advertise to Hispanics. The account does not indicate how successful this particular appeal was, but similar appeals by many other editors have continued throughout the decades that followed. The change from mass marketing to market segmentation during the 1980s finally fueled Hispanic print medium growth and enhanced advertising revenue for this group. Hispanic print is projected to be the new growth area in the 1990s (Gutierrez, 1990). One area of

interest to prospective marketers who use print is the readership preference of each Hispanic subgroup. Readership of Hispanic print varies by market, with Miami having the heaviest readership, with 35 percent exclusively reading Spanish, and the greatest number of Spanish newspapers published (Roberts, 1990). A target sub-segment among Hispanics that is receiving special attention in this medium are the middle- and upper-income strata who are being courted with English, Spanish, and bilingual print, especially magazines (Gutierrez, 1990; Braus, 1993; Kesler, 1986). (See Appendix I).

By comparison, the electronic media evolved quickly. As early as the 1950s, Mexican television executives saw the potential for this medium to prosper in the United States and by 1961, a major network, Spanish International Network (SIN), was established under Mexican ownership to serve the Hispanic population. This network became Univision in 1976 (Gutierrez & Schemment, 1984) and is today a serious contender for Spanish-language audience viewers, competing with Telemundo, the second largest Hispanic network. Early Spanish-language television did poorly with respect to attracting advertising dollars, but by the early 1980s, advertising

buyers were estimated to be spending between \$60 million to \$166 million in this medium (Gutierrez & Schement, 1984).

A survey by Hispanic Marketing Research & Communications covering 10 markets in the continental United States determined that 40 percent of the nation's Hispanics watch Spanish television, and between 14 percent and 50 percent watch Spanish television exclusively (Roberts, 1990). In 1993, Nielsen began measuring Hispanic television and confirmed that Hispanics prefer Spanish-language television over English television and have different viewing tastes. The results of these surveys are not surprising considering the 70 percent of Hispanics who speak Spanish as their primary household language. Nielsen's statistics also measured Hispanic television advertising revenue and estimates it will reach nearly \$800 million this year (Coe, 1995). *Hispanic Business* reported that in 1993, an impressive \$720 million was spent on all Hispanic media nationwide (Bürgi, 1994).

Spanish-language radio has a similar history of rapid growth as television. Radio is considered the cheapest expenditure in Hispanic advertising among marketers (Roberts, 1990). However, the type of programming that appeals to each segment of this population

varies. Older, more traditional Hispanics listen more to talk shows and to the news and rely more heavily on this medium as their source of information. Younger members listen to more entertainment programming (Dunn, 1975; McClellan, 1995) and rely more on newspapers or television for their information. Arbitron surveys in 1994 found that 44 percent of all radio listening by Hispanics is to Spanish-language programming, an increase of 2 percent from 1993.

Considering that 30 percent of the Hispanic population is either bilingual or speaks only English, it is clear not all Hispanics are best served by Spanish-language media. Long-time residents and U.S.-born Hispanics are usually bilingual and some Hispanics, especially middle- and upper-income classes, prefer English or may not speak Spanish (Swenson, 1990; Braus, 1993; Albonetti & Dominguez, 1989). Noting marketers' increased proficiency in targeting this particular sub-segment of the Hispanic market, Gutierrez (1990) describes the 1980s as a time of change from the relatively novel notion of "minority market segmentation" to the current practice of "minority market stratification" (p. 8). The shift is characterized by the increased competitive need among minority

media, as well as Anglo media, to attract specific segments of the minority audience through targeted programming, content, and format.

Certainly, an important role of the Hispanic media is to satisfy the interests of its audience; however, a secondary role of minority media is to assist acculturation by providing information about the host society (Riggins, 1992; Veciana-Suarez, 1990). Minority media serve as important vehicles for educating immigrants about American lifestyles, products, services, and tastes. Gutierrez (1990) notes, "Today the media and the advertising systems identify and reinforce cultural and linguistic differences while they promote consumption of mass-produced products" (p. 13). By the Year 2000, Hispanic spending is expected to exceed \$477 billion (Telemundo, 1994). Corporate America is bidding for its share of the pot.

CHAPTER 3

CASE STUDIES

This chapter presents selected case studies focusing on advertising strategies implemented in the 1980s. The companies are all national companies and have a history of success in attracting U.S. Hispanic consumers. All three companies were selected as being successful based on descriptions found in trade publications. They are Anheuser-Busch Companies, Inc., Metropolitan Life Insurance Company, and Ford Motor Company. In each case, interviews were conducted with persons serving as administrators of target marketing, especially Hispanic marketing.

The presentation of each corporation's marketing strategy is intended only as an overview and does not provide great detail for a variety of reasons. Among the reasons was the need for telephone or

written interviews which limited the interviewer's ability to explore at length any area of interest. All of the individuals interviewed were busy executives who headed their company's ethnic or Hispanic marketing responsibilities, limiting the amount of time available for the interview. Finally, and most importantly, because of corporate policy prohibitions intended to protect each company's market share, executives were unable to provide information pertaining to budgets, precise descriptions of marketing strategy, and proprietary research results. Because of the exploratory nature of this thesis, however, a general overview is sufficient to give a broad brush look at factors affecting the development of the marketing strategies and to lay the groundwork for future research.

Included in each case study is a brief description of the process used to achieve company goals and an evaluation of strategy results. Therefore, each case study features a brief history of the company with respect to ethnic marketing, a synopsis of the company's decision-making process for entering the target marketplace, and where appropriate, how this process was modified to evaluate the feasibility of the Hispanic market. A brief

description of the actual strategy utilized is included and follows an outline designed by Greyser (1992).

Most advertising companies use research as the basis upon which any marketing campaign decision is based and for the design of campaigns. Nevertheless, there is a certain level of guessing because of the great amount of subjectivity involved in the process. As a way of addressing the subjectivity in an analysis, Greyser (1992) designed six steps in a series beginning with the letter "M" (p. xiii). The steps propose to focus attention on areas that can be measured more objectively for comparison-and-contrast analysis:

- Markets: What audience is the company trying to reach?
- Media: How is the message delivered?
- Messages: What does the company want to say? What themes or copy conveys the message?
- Money: What kind of budget is allocated for this purpose?
- Measurement: How is success evaluated? What are the components of the evaluation?
- Milieu: What is the social environment in which the message is presented? (p. xiii)

The discussion will employ five of the six "M"s. As noted previously, the "Money" category consists of budgeting information not available from any of the corporations as a result of company policy, so this particular step will be omitted. In this discussion,

the social environment or "Milieu" discussion is confined to the community relations component of the marketing strategy common among the three case studies. A full discussion of the social environment in which any advertising message is presented is beyond the scope of this thesis since so little information is available from the companies. On the other hand, the context in which the community relations message is presented is somewhat more discernible from the interviewees' descriptions.

Anheuser-Busch Companies, Incorporated

Markets

Anheuser-Busch Companies, Inc. (A-B) found itself in a sluggish industry environment during the 1980s and in order to expand, needed to locate new prospective consumers. The corporation had been doing ethnic marketing for over 15 years prior to entry into the Hispanic market and had attained a sophistication of its marketing segmentation approach by marketing to other demographically ethnic groups, such as Germans, Irish, and African-Americans. A-B has used segmentation heavily and successfully by dividing the general

marketplace into regional, ethnic, and demographic target groups and producing advertising campaigns for each that are distinct and appropriate (Kesler, 1986).

Satisfaction of certain criteria guided the decision to enter the ethnic markets. The criteria included a projected growth pattern for target populations, geographic concentration, and the state of the nation's economy in general. A-B's initial research indicated that the Hispanic market met the criteria and had the potential to be tapped successfully. As a first step, the corporation undertook more extensive research both in-house and by hiring Caster Spanish International, an agency specializing in marketing to Hispanics. "The company took a very respectful stance to be sure they entered the right combination of people in the jobs that were charged with taking the company into these segments," said Alejandro Rueles, Senior Manager of Ethnic Marketing⁵ (personal communication, April 27, 1995). "The corporation began only with the assumption that here was a consumer market that we don't understand, and we need to find individuals who do understand and have them drive the

⁵Information for the Anheuser-Busch case study came from an interview with Alejandro Rueles, Senior Manager of Ethnic Marketing, Anheuser-Busch Companies, Inc., unless noted.

company's entry into the consumer marketplace." All direction to the outside agency was and is driven by the company and is supported by in-house research.

Media

A-B began advertising in Spanish-language media in the late 1970s. The media strategy in the beginning was simply to utilize whichever vehicles were available that were cost effective and provided the maximum exposure. Consequently, there was initially an emphasis on print because that seemed to be the primary channel for delivery of messages. This was followed by heavy use of radio and, later, television. The latter has grown to include network television, supplemented or localized through use of spot advertising in print, radio, and television advertisements. The latter method allows a more personalized, local touch.

Rueles attributes much of the growth in the Hispanic market to the increase in numbers and sophistication of Spanish-language media. The growth in Spanish-language media vehicles has expanded the options available to marketers and allows more focused outreach. For example, a marketing decision now may involve

choosing an image, trying a different message, and deciding which channel to use, whereas in the 1970s there was little choice in channel.

Budget information is proprietary and was not available.

Rueles confirms that budget plays a role in selection of media, but he maintains that giving dollar figures or percentages does not reflect accurately the strength of a marketing effort because they do not necessarily reflect that ethnic media is less expensive than the general media. Also, the most appropriate channels for each ethnic community may differ from the general marketplace; therefore, the costs will vary widely. Rather, media choice is driven by specific strategies, and media purchase is tailored accordingly. Rueles maintains that A-B's Hispanic marketing budgets have consistently grown and kept pace with appropriate results. A-B advertising has concentrated most of its budget on the electronic media, but differs from its competitors in an increasing budget allocation earmarked for print. This is in recognition of a growing Hispanic middle class that is more reachable through a print medium (Kesler, 1986).

Messages

The message with which A-B approaches the Hispanic market is based on the company's general philosophy according to Rueles. "The consumer has the final say in everything we do. Early on, a positive assumption was made that became the primary motivator for the corporation: if you took a group that saw itself as foreign in this country and embraced them as individuals, you would gain their loyalty for a long time. The results speak for themselves," says Rueles. Thus, A-B strives to send a supportive message in their advertising where "every message carries the theme of coming into a success story for every Hispanic in the U.S."

Spanish-language is integral in delivering A-B's advertising messages because research and experience have shown that a message does not have the same appeal if delivered in an English mass communication style as when spoken in the target group's own language. Use of focus groups is one research method employed to ensure proper cultural nuances are instituted in the proper context to obtain a positive reception.

Other relevant research finds that the Hispanic market subgroups have become more homogenized in their tastes and

viewing or listening preferences rather than more fragmented because of their initial diversity. The development of a national Hispanic media means that the various subgroups are watching or listening to more of the same programs. An example is the appeal of the Hispanic variety show, *Sábado Gigante*, which appeals to all segments of the Hispanic market, consistently rating in the top 10 Spanish-language programs (Coe, 1995). Participants on the program come from all over Latin America and the program is hosted by a Cuban. This program has the greatest number of viewers in the world for a show of its kind. For marketers, this means that advertising on this program provides an opportunity to appeal to potential consumers in ways they understand, i.e., in Spanish. A-B has taken advantage of this trend to homogenization by introducing "crossover" television commercials which are produced using both English and Spanish dialogue and are aired for the general market as well as in regional campaigns. This means they don't have to spend as much money and can still retain relevance in the marketplace. Rueles noted that another significant development in marketing to this community is the evolution of a "generic" Hispanic image, usually coupled with pan-Hispanic marketing approaches, such as a focus on

core values that cross all Hispanic groups.

Measurement

The corporation for the most part does not set corporate goals in a segmented fashion to reflect its strong market segmentation strategy. Rather, general corporate goals are set, then each division sets its own goals to assist in satisfying the corporate goal. An example of how the company goal setting functions occurred in 1994, when Budweiser sales went into a fairly steep decline in California. A-B employed various initiatives that allowed it to recapture all of its market share and return to a growth mode within the year. Assisting in this success story is the fact that the corporation has remained committed to developing its own proprietary research related to beer consumption, and maintains sales tracking studies on attitudes and usage as part of this research. Evaluation results are measured accordingly by looking at ongoing sales figures and comparing them to company goals. A sophisticated tracking communication system with their wholesalers allows monitoring by geographical region and by brand so that timely modifications in strategy can be set as necessary.

Another way that the company measures ongoing efforts is through surveys. Population samples are surveyed for their response to product innovations or new directions. Creative approval is obtained by testing creative work before Hispanic panels or focus groups. Rueles emphasizes that Hispanic marketing requires the understanding that there is no substitute for knowing and understanding intimately the consumer in general because Hispanic consumers are no different from the mainstream in that they are growing and evolving rapidly.

Three factors are especially significant in the company's future decisions, according to Rueles. A-B's research has reaffirmed the assumption of loyalty from consumers if spoken to in their own style and in their own language, whether strictly Spanish-language or bilingual. Perhaps most significant is the substantial growth of communication vehicles in Spanish that now allows marketers to reach a broader segment of the Spanish-language population through a variety of formats. Finally, A-B has found that the pan-Hispanic or "generic" Hispanic images are accepted and seen as relevant to a wide variety of Hispanic subcultures.

Milieu

A-B developed a community relations component as an important part of their integrated campaign. This was in keeping with A-B's history of supporting the community in which they did business. They began an Hispanic outreach campaign involving participation in the community, before starting their marketing efforts. This proactive attitude included corporate support for local events, scholarships, and organizations, and created a corporate presence in the community. Additional funds support programs addressing minority procurement and business development (Kesler, 1986). A-B continues to maintain its relationship with the community.

Ford Motor Company, Incorporated

Markets

Ford Division, Ford Motor Company, Inc., pioneered in Hispanic marketing among the automotive corporations by initiating advertising to Hispanics in the late 1970s. According to Ingrid

Otero-Smart,⁶ Senior Vice-President of Client Services, Mendoza, Dillon & Asociados (personal communications, June 5-20, 1995), Ford saw the Hispanic population demographics and population growth trends as providing an opportunity for company growth in sales. Initial research helped clarify the company's position in terms of awareness and image among this market's prospective consumers.

At Ford, data are obtained from the U.S. Census, and from companies specializing in Hispanic market information such as R.L. Polk Hispanic registrations, Yankelovich Monitors, Strategy Research Corporation studies, and other sources. Ford has also commissioned extensive proprietary research in major Hispanic markets, such as Hispanic buying habits and tendencies.

Ford markets its products nationally but its Hispanic campaigns are mostly focused in areas of major Hispanic population concentrations such as San Antonio, Los Angeles, and Miami.

Media

J. Walter Thompson does all creative work for television and print for Ford Division's general market across the country. At the

⁶Case study information on the Ford Division of Ford Motor Company is from a series of correspondence, June 5-20, 1995, with their Hispanic agency, Ingrid Otero-Smart, Senior Vice-President of Client Services, Mendoza, Dillon & Asociados, unless otherwise noted.

beginning of Ford's venture into the Hispanic market and until 1986, Ford's Hispanic marketing creative work was done by J. Walter Thompson's Hispanic agency, Hispania. Mendoza, Dillon & Asociados, Inc. (MD&A), has been Ford's Hispanic agency since 1987. MD&A develops and implements all Hispanic-oriented strategies, media, and creative work. All of the television and radio creative material is developed specifically for the Hispanic market. Print is usually an adaptation of general market print advertisements.

Ford Division's Hispanic advertising plan uses exclusively Spanish-language television, radio, and magazines. Ford's early emphasis was on print, but since 1988 has moved to the electronic media, especially television. Television is emphasized because this medium is seen as the most successful channel of communication. Otero-Smart noted, "Television is the most cost-efficient medium to reach this [Hispanic] segment and has also proven to be the most effective means of communicating our message." The media mix used is consistent overall with some exceptions. "San Antonio is the only major Hispanic market where radio is more cost efficient than TV," said Otero-Smart. "A second major market, Miami, offers an option for local magazine advertising not available elsewhere." For Ford,

the biggest change in media since 1993 has been a shift from network television into spot television. Merchandising awareness is also created by using various proven marketing strategies, i.e., sweepstakes, direct mail, event marketing, coupons, and brochures designed for Hispanic consumers. Bilingual printed pieces have been developed for use in some of these campaigns. (See Appendix II).

Another important level of advertising for Ford Division is at the retail level, and involves increasing consumer awareness of Hispanic sales staff and dealers. MD&A has developed dealer-oriented advertisements for Southern California, Southern Florida, and Southern Texas since 1993. In turn, dealers develop their own advertising, frequently employing the same agencies that develop the general market advertisements.

Messages

Otero-Smart said there were no stereotypes or images of Hispanics held by Ford prior to the start of this program. Currently, the marketing programs emphasize regional need rather than nationality differences. They have found over the years that regional differences exist among Hispanics, as they do for the

mainstream population. The success in advertising is attributed in part to addressing these differences. Examples of the differences may be taste in music or food, or in language idioms. However, it is possible to market to the various subgroups as a single group by taking some cultural traits into account. For example, Otero-Smart notes that "Years of experience have shown us that the core values are the same regardless if you are Cuban, Mexican, Puerto Rican or Venezuelan. Appeal to our sense of family, community, tradition, and you are speaking in one, universal language."

Measurement

Some program evaluations occur before being presented to the public. Television and radio creative work are tested both quantitatively and qualitatively in major markets prior to launching and must test above norms established by previous research. For example, new sample television automotive spots were tested in a mall-intercept survey in the three major markets of Los Angeles, Miami, and San Antonio. As a result of the tests, car spots run in all major Hispanic markets, while truck commercials run only in Texas and California.

Monitoring of sales data, e.g., Hispanic new vehicle registrations, and use of the Hispanic tracking study data determine the success of the programs.

Otero-Smart said that MD&A has also found, as Anheuser-Busch did, that there is a "generic" language and a pan-Hispanic approach that is effective.

Milieu

Ford Division also sends a message of caring about the community through development of a community relations program. Ford has joined several national Hispanic groups, such as National Council of La Raza and the U.S. Hispanic Chamber of Commerce and has participated in other Hispanic-oriented programs. Among the latter are Hispanic Family of the Year, The Tejano Music Awards, Se Habla Español Conferences, the Mexican-American Grocers Association Conventions, and others. A scholarship program that Ford created, "Salute to Education," has been successful in San Antonio for almost three years, and a similar program has just started in Miami. Ford also has a strong record of participation in local community events, such as Calle Ocho (Miami), Fiesta

Broadway (Los Angeles), and Puerto Rican Day Parade (New York) and has developed public relations programs to target these segments of the market.

Metropolitan Life Insurance Company

Markets

Entry into Hispanic marketing at the Metropolitan Life Insurance Company (MetLife) began in 1983. This interest in ethnic marketing was spurred by the tremendous growth of minorities in this country. Gil Lebron, Director of Hispanic Market⁷ (personal communication, May 2, 1995), said that the decision to enter the field followed awareness of the Hispanic community growth profile and the decision that this growth represented a worthwhile investment for the company to explore. The company had not ventured into ethnic marketing before 1983. Preparation for entry into the Hispanic market included a market survey (Gunnerson, 1987; Strazewski, 1986). MetLife hired research companies and conducted its own research, which included use of focus groups. What it found

⁷Information for the Metropolitan Life Insurance Company case study came from a telephone interview with Gil A. Lebron, Director, Hispanic Market, unless otherwise noted.

was that the Hispanic population showed rising education and income levels, was very aware of the necessity for insured security, and possessed a high sense of loyalty (Strazewski, 1986). Other traits that appealed to a potential insurer were that Hispanics were very traditional in values and family orientation. In selecting an insurance provider, Hispanics relied heavily on company reputation for honesty and integrity and the capability for Spanish-language service (Strazewski, 1986). MetLife created a division called Target Marketing to service this group, and, keeping the survey results in mind, the company began Spanish-language sales-promotion material and regional advertising campaigns. In 1984, the company proceeded carefully, and slowly, by test marketing its first campaign in three of the major Hispanic concentrations in the country: Miami, Los Angeles, and San Antonio. By January 1985, the program was ready for introduction in other markets (Gunnerson, 1987; Strazewski, 1986).

The budget allocation for Hispanic marketing has varied annually. The business plans for different cities are put together by Hispanic committees composed of local sales representatives in those cities. This is because the sales agents are seen as the first

link between the company and the community. A component of the marketing strategy involves using this first-line connection to guide some decisions, such as allocation of community project support.

Media

A variety of media approaches have made up the Hispanic marketing campaigns over the years. The first advertising campaign in January 1985 cost approximately \$1 million and included print advertisements, two radio spots, and two television commercials. The television commercials were especially well received (Gunnerson, 1987; Strazewski, 1986).

Today, the company has moved away from television advertising because of the heavy expense. The advertising for Hispanic customers is now concentrated mostly on print. Most advertising is directed toward local mainstream newspapers, especially in areas of high concentrations of Hispanics, such as California, Florida, or New York. Some advertising is also done in Spanish-language newspapers, especially those with a national circulation. Other printed materials, such as brochures or letters,

have been designed for bilingual or Spanish readership. "Once the Hispanic marketing unit was in place, we knew [the target group] had a different culture and did things differently. We designed brochures to help market our products and make it easier to understand the way to do business with us," said Lebron. "Approach letters are done in Spanish, and recruiting letters are in Spanish, too." (See Appendix III).

The remainder of the advertising budget has included some national television and some radio. The advertisements are designed both by in-house agencies and some Hispanic advertising agencies.

Messages

MetLife quickly discovered the diversity of the Hispanic population in its research. The research, however, also suggests that, for insurance at least, Hispanics can be marketed similarly to the general market population. The company has interpreted research findings to mean that beyond the cultural differences, Hispanics are more similar than dissimilar to the mainstream population. In particular, Hispanics have the mainstream population's desire for a

piece of the American Dream. MetLife's message is that MetLife is capable of providing the security that is part of the Dream. The subtle message is that Hispanics are also able to afford to purchase life insurance, like anyone else.

The company takes steps, such as the use of focus groups, to ensure that their promotional materials are appropriately sensitive to cultural nuances and to select nuances, such as differences in Spanish-language usage and idioms, that are acceptable to the general Hispanic population. Further support for development of culturally appropriate materials is provided through services from a variety of advertising agencies.

Measurement

Evaluation is measured by the amount of insurance sold by the Hispanic sales force. MetLife found that the initial team of 100 new Hispanic insurance agents assigned to the Hispanic market produced at 93 percent of the capacity of experienced agents (Strazewski, 1986). Today, focus groups comprising local Hispanic sales representatives contribute feedback for both evaluation purposes and marketing strategies.

Over the years, the most significant finding for MetLife is that regional language nuances and local customs must be considered and adjustments made in designing messages. Another finding is that marketing to some segments of the Hispanic group can be done using English or bilingual materials (Strazewski, 1986). Lebron also noted that marketing in some ways is easier with television or radio and more difficult with print because of the ease of manipulation of messages in television and radio.

Milieu

Currently, marketing has been redirected away from the initial heavy electronic media approach toward an emphasis on print and supporting or participating in community events. Participation in the community has mostly consisted of providing displays at events and creating community awareness of the company.

CHAPTER 4

ANALYSIS OF CASE STUDIES

The analysis of the companies which serve as case studies for this thesis uses a compare and contrast method of study. The four "M" steps by Greyser (1992) which were described in the preceding chapter will form subheadings corresponding to the way the case studies were presented in Chapter 3. The questions that support the "M" steps are presented as part of the subheading and are the main focus of the analysis in each of these subsections. An accompanying set of exploratory questions is intended to add depth to the analysis by looking at how the Hispanic marketing strategies were developed and executed. These questions strive to discover: (1) the planning and research that supported the Hispanic marketing efforts, (2) how the corporation proceeded to plan and implement the marketing strategy, (3) how well the marketing strategy worked, and (4) what experience discovered that impacted later decisions.

Marketing: What Audience is the Company

Trying to Reach?

All three corporations serving as case studies are national companies. Two of them, Ford and MetLife, had predominantly utilized a mass communication approach in their general marketing efforts prior to the entry into the Hispanic market. Only A-B had experience in segmentation marketing because they had marketed to other ethnic groups, such as Germans, Irish, and African-Americans. Ford did not indicate whether they had any previous segmentation marketing experience, and MetLife had no experience in ethnic segmentation marketing. For all three companies, the decision to market to the Hispanic consumer was preceded by a three-step process: awareness of the demographics and population growth, research to ascertain the feasibility of entry into this market, and design, testing, and implementation of a Hispanic marketing campaign. For all three companies, the population size was cited as an important factor in the decision to target Hispanics, as was the demographic profile of a young, fast-growing group. This preliminary information set the target group apart as having the potential for the interested companies to gain market share and a competitive

edge in their respective industries. Only A-B cited the geographic concentration of the group as initially being viewed as an exceptional marketing advantage. For A-B, another factor in deciding to approach the Hispanic market was an existing company need to revitalize sales and expand market share.

Upon deciding that this was a feasible marketing effort, the companies created divisions responsible for oversight of marketing to Hispanics. In all three cases, the in-house division used outside agencies specializing in Hispanic advertising for creative and marketing strategy support. Initial marketing strategy consisted of Spanish-language advertising and the development of a corporate-community relations component. Community relations responsibilities are handled in-house.

Extensive research prepared the companies for this venture. They reported having no pre-conceived images or stereotypes of the Hispanic market. All three companies utilized in-house research staff and supplemented their information by hiring research companies that could provide more data. Ford, in particular, noted that they still commission proprietary research.

All three companies have developed marketing strategies that

segment the Hispanic market geographically based on high levels of population concentrations.

Media: How is the Message Delivered?

Both A-B and Ford began advertising in the Hispanic media in the late 1970s. The initial campaigns included strong print media preferences and have since incorporated an integrated media mix. MetLife, on the other hand, took the opposite tactic of entering into Hispanic marketing with a highly integrated media mix and evolving its strategy into an almost exclusive emphasis on print. Ford and A-B initially concentrated advertising in Spanish-language newspapers because this appeared to be the principal channel for delivery of messages. For A-B, the heavy use of print gave way to an emphasis on radio, which has been replaced by television as the medium of choice. A-B continues to use all three media channels. Ford shifted from print to the electronic media in 1988 and with two noted exceptions, emphasizes television in its marketing media mix. The two exceptions, San Antonio and Miami, are a response to regional market media preferences. MetLife's strategy employs advertising in local mainstream newspapers, especially in market areas with high

concentrations of Hispanics, and uses some national television and radio advertising.

Ford's media mix is consistent in most of their chosen markets and emphasizes television, radio, and magazines. Magazines are selected based upon their distribution in geographically attractive markets. Since 1993, the biggest change in their media marketing occurred with a shift from network television into spot television. Spot television advertising is tailored to the regional needs of the target market to accommodate tastes, preferences, or nuances. All television and radio material is developed specifically for this target audience by the MD&A agency. Print, on the other hand, is adapted from general market print advertisements.

MetLife began Hispanic marketing in 1984 using a variety of media channels. Initially, they relied most on electronic media. Their television advertisements were especially well received and some national exposure has continued through advertising on network television and selected radio programming. However, because of the heavy expense involved in producing these advertisements, current efforts, beginning this year, have been re-directed to print. Most print advertising is placed in local mainstream newspapers,

especially in areas of high concentrations of Hispanics. National print advertisements are usually placed in Spanish-language newspapers. Brochures and letters in Spanish comprise an important part of their marketing strategy.

A-B, like Ford, emphasizes television advertising in their marketing. A-B also uses spot advertisements, but uses them in all three media to personalize messages and has experienced great success doing so. This approach is in part successful because of the number of options available for spot ad placement as Hispanic media have grown in both size and sophistication.

Ford uses primarily Spanish-language media in its messages although it has developed some bilingual print advertising. A-B also focuses on Spanish messages, but has begun using crossover television advertisements which are produced in English with some Spanish words in the dialogue, and are aired for the general market. MetLife produces both Spanish- and English-language print advertising to market to Hispanic consumers and to recruit Hispanic sales representatives.

Finally, all of the companies utilize front line staff, e.g., beer distributors, auto dealers, and insurance agents, as channels of

communication with their publics.

**Messages: What Does the Company
Want to Say and What Themes
or Copy Convey the Message?**

The general market theme of the American Dream runs through the executive interviews and most of the advertisements reviewed. The practice of juxtaposing the ideal of the American Dream with possession of material things is carried into the Hispanic marketing strategy for all three companies. Although no advertisements targeting Hispanics were provided for review from A-B, the information gained from the interview suggests that a message inherent in the company's advertisements and relationship with the community is that the Hispanic culture and its values are positive forces. The values include a desire to succeed and to attain a portion of the American Dream. According to Rueles, A-B's advertisements support this theme by showing Hispanics who appear to have achieved the Dream without giving up their culture or values. An important message that is perhaps more implied than stated is that A-B knows and respects the Hispanic culture as shown by their

strong use of regionalized spot advertisements.

Ford provided Spanish-language samples of both print and television advertisements for review. Although there were no English-language advertisements provided for comparison, the Spanish-language advertisements appear to represent Ford's customary adaptation of print advertising from their English print advertising. (See Appendices IV, V) The theme again, like A-B's, supports the American Dream through its depiction of a mainstream middle-class value system that equates material possessions with success and happiness. The "Fiesta" automobile advertisement (see Appendix IV) conveys excitement, indicated by the fireworks, over the new vehicles being featured. The poster in Appendix V, on the other hand, has little emotional appeal, but is a straightforward description of vehicle features. The message is simply that this is a vehicle that should be of interest to the consumer because of its safe, state-of-the-art construction and features. An inferred message might be that Hispanic consumers are sophisticated individuals who will find the technical description useful in their information search. In its bilingual advertising, however, Ford more pointedly focuses on appealing to the Hispanic family value by using

photographs of a Hispanic family and a youthful Hispanic couple. (See Appendix II). A clear message is that the vehicles are suitable for a financially stable family.

In addition to the print advertisements, three 30-second television advertisements with a Spanish-language voice-over were provided by Ford. One advertisement, for a Probe car, features young Hispanics, a male and female, each driving a version of the sporty automobile very fast and ends in an emotional rendezvous of the two casually, but well-dressed, drivers. A second advertisement focuses on the Ford Ranger truck and features two young Hispanic males in both work and recreational settings as the owners of the vehicles. Their work dress hints of "sport casual" rather than real work apparel. The last advertisement does not clearly identify the driver sufficiently to be able to determine any characteristics, but simply presents a pretty picture of a beautiful vehicle in a lovely rural setting on a sunny day. The common theme in all the advertisements is that ownership of the vehicles enhances happiness and the image of success. This is a very mainstream concept and ties into the notion of the American Dream. The target audience appears to be the more acculturated Hispanic since the scenarios could easily have

been produced for the mainstream audience with no changes except for substituting non-Hispanic White actors.

MetLife's messages are conveyed in its themes of providing security for families, success in reaching the American Dream, and respect for traditional family values. A flyer, provided in both English and Spanish versions, presents these messages both in copy and photography. (See Appendix VI.) The copy in this flyer uses phrases like "economic future" and "maintain their current standard of living" to illustrate how the consumer can be a responsible provider by insuring with MetLife and creating security for the family in case of either death or retirement.

A second flyer, a recruitment tool for Hispanic agents, clearly sends a message that they believe Hispanic males are success-oriented and aggressive. (See Appendix III.)

**Measurement: How is Success Evaluated
and What are the Components
of the Evaluation?**

For all three corporations, the critical measure of marketing campaign performance is the financial bottom line drawn from the

sales revenue of the campaign. At A-B, however, campaign efforts are also measured through population surveys and by closely monitoring wholesaler performance. This is done by geographic region, and the company adjusts its sales strategies based on the monitoring results on an on-going basis. At Ford, the use of strict criteria in evaluating its television and radio advertising measures the likelihood of success based on research-established norms. All advertisements must exceed norms established by previous research in order to be launched. Another evaluation tool for Ford is the use of Hispanic-tracking study data to determine the success of programs. All three companies use focus groups as a preliminary evaluation tool for prospective advertising or marketing strategies. MetLife noted only the use of panels comprising local sales representatives to monitor marketing strategy outcomes.

Milieu: What is the Social Environment

In Which the Message is Presented?

The corporations in the case studies all convey an implied message of knowing and respecting the Hispanic community through the long-term support of their community relations programs. Ford

has a long history of support for Hispanic organizations and participation in sponsoring of education and important cultural events. A-B's message is clearly stated by Rueles as reflecting the corporation's general philosophy that the consumer is of the highest importance. This message is seen in the company's efforts to gain and maintain a personal relationship with the Hispanic consumer. MetLife did not cite the depth of community support described by A-B and Ford. The company does, however, attempt to create community awareness and cited as one example its providing displays at community events.

CHAPTER 5

DISCUSSION AND SUMMARY

In the discussion that follows, the marketing strategies that were implemented by the corporations in the case studies are reviewed to determine whether answers to the questions previously outlined in Chapter 4 can be ascertained. The questions are: (1) what planning and research supported the Hispanic marketing efforts, (2) how did the corporations proceed to plan and implement the marketing strategy, (3) how well did the marketing strategy work, and (4) what did experience discover that impacted later decisions?

The decision to undertake segmentation marketing for corporate America was an effort to increase its collective share of the market. This same attitude prevailed among those companies choosing to practice Hispanic segmentation marketing. In presenting an overview of actual strategies, it is important to review the reasoning behind the decision to target the Hispanic population. Albonetti & Dominguez (1989) categorize an organizational decision

to target a group as the awareness of “the existence of a large and growing market segment or potential strategic advantages to be gained at the expense of rivals” (p. 10). An added advantage was a realization that Hispanics are also concentrated geographically in high-density regions. The business decision is also weighted by considerations of costs versus benefits. Benefits can be derived from market size and growth, both current and projected. Costs are considered in terms of organizational resources: time, human, and money. The basis for determining both the decision to enter and the level of commitment of resources relies on having the proper information. For the three companies in the case studies, it seems clear that when research revealed the size of the Hispanic market and its potential for growth, they saw an opportunity to gain benefits at a minimal cost. The fact that all three companies continue marketing to Hispanics is an indicator that the business decision was a profitable one.

Evolution of Marketing Strategies

The evolution of the marketing strategies used to attract Hispanic consumers is a direct result of the change marketers’

perception of the Hispanic. Until the late 1970s, most mainstream awareness of Hispanics was created through coverage in the mass media that the media use stereotypes to depict American society's members is not a revelation to any one. The stereotype serves as a composite or generalized image of the group it represents (Seiter, 1986). This may be a positive image as is often attributed to White mainstream males. On the other hand, Hispanics have often been depicted in negative stereotypes, and the media historically have presented Hispanics as a problem for society (Wilson & Gutierrez, 1985; Greenberg, et al., 1983). Wilson & Gutierrez (1985) cite a study of national magazine coverage of Mexicans in the United States covering a period from 1890 to 1970. The survey revealed that during this period of 80 years, the only coverage of Mexicans was to depict them as a threat to society. A later survey cited by Wilson & Gutierrez analyzed California newspapers from January 1977 to March 1978 and found the largest categories of headlines dealing with immigration described immigrants as law enforcement problems or as a drain on public funds (p. 47). Between the negative stereotypes and the marketing practice of mass communication, the Hispanic market was invisible until the 1970 census. It was in this

climate that the 1970 census presented its predictions for the future and current composition of the U.S. society.

In view of these facts, the assertion by the companies studied that they entered Hispanic marketing with no pre-conceived stereotypes or images was surprising. The media-created images were so pervasive and there was so little research available about Hispanics that it is difficult to imagine a stereotype-free beginning. The early assumptions the companies made about family values and loyalty, in fact, contradict the image-free argument. Because of the confidentiality of company research that preceded entry into the Hispanic market, it is not possible to determine the extent to which it supported or rejected commonly held images of Hispanics or discovered new characteristics such as the diversity of the group. However, early marketing strategies make it possible to infer, at minimum, an adherence to the stereotype of a monolithic Hispanic population. In particular, the early and exclusive emphasis on Spanish-language advertising which, incidentally, continues today for many companies, appears to be based on a stereotypical image of Hispanics as either speakers only of Spanish or of having a poor grasp of English.

Tied to the on-going use of Spanish-language advertising are efforts to market to Hispanics simply by using translations of English messages into Spanish. The inadequacy of this method is well documented. Recall the airline example that resulted in inviting passengers to “Fly Naked.” This experience taught marketers to be sensitive to cultural and language nuance differences among the Hispanic groups.

Since the early days of Hispanic marketing, research has shown that the use of Spanish-language messages is indeed appropriate and effective among Spanish-primary and bilingual Hispanics. Additionally, however, researchers have also discovered that English can be an effective means of communicating marketing messages to Hispanics. These findings resulted in a new bilingual strategy, as can be seen in both Ford’s and MetLife’s bilingual messages, and is evident in the crossover advertisements that are being produced. Finally, the push to create an English-language Hispanic marketing strategy is underway and has fostered the introduction of national publications, such as *Hispanic Magazine* and *Hispanic Business*.

Another important area that has changed over time in

marketing to Hispanics is the media mix. In most cases, advertising has gone from an early emphasis on print media to the electronic media. MetLife, as mentioned earlier, took the opposite tactic. As the Spanish-language media options grew, marketers have taken notice. However, it was not until recent research, such as the Nielsen surveys, began to seriously measure Hispanic viewer preferences and “legitimized” the importance of Spanish-language media that advertisers began to purchase significant space in these media. Thus, even as the case study corporations and other companies described advertising dollars allocated to Spanish-language media from the onset of their Hispanic marketing, these media were not generally viewed as a serious marketing avenue because there was no research to support the degree of their relevance. This would account for the difficulty they had in attracting advertising funding and suggests that while Hispanic marketing strategy emphasized Spanish-language media, efforts were isolated and sporadic, rather than concerted. This newfound respectability of Spanish-language media, however, has resulted in increased advertising, enabling it to grow and become more sophisticated, which in turn makes it better able to accommodate

the new interest by marketers in purchasing time or space.

The development is also timely because this media can now offer options for a variety of marketing approaches that were not available before. For instance, some of these options may be national television viewing or magazine circulation, a variety of radio and television formats (Fisher, 1994; Taras, 1994; Petrozzello, 1995; Rueles, 1995), and more state-of-the-art equipment. Research today also can provide the demographic profile of the media consumer in any given region providing marketers with the kind of information they need to design personalized messages. This impacts today's advertisements in that they are at times regionalized to more closely identify a product with the consumer. Finally, development of bilingual or English printed media, especially magazines, targeting specific strata of the Hispanic market gives marketers an additional stratification strategy (Gutierrez, 1990; Braus, 1993; Kesler, 1986).

The practice of literal translations into Spanish was noted earlier. What has not been discussed was that this practice also included use of English-language advertising with dubbed translations. This meant that the Hispanic viewer was exposed to

the same images that the mainstream population saw. As a result, Hispanics saw images of the American Dream, but with non-Hispanic Whites in the actor roles. The message communicated by the omission was that Hispanics did not belong in the American Dream. A secondary, more subtle message was that the marketing community either was not interested or did not know enough to design appropriate messages. The evolution of Hispanic marketing has included correcting the omission by designing advertising with Hispanics as protagonists and by producing the messages in Spanish, even when adaptations.

What seems to be an important component of the strategy for most companies in Hispanic marketing is the appearance of a well-defined community relations program. The programs revolve around maintaining a corporate presence in the community by creating personal relationships with its leaders and supporting community issues, such as education and economic development. This effort fits the finding that the Hispanic values personal relationships most and is wary of efforts to appeal to him or her from unknown entities.

Many of the changes that have occurred in Hispanic marketing are the direct result of companies calling for more research after

realizing that they needed additional information to compete more successfully in the increasingly crowded marketplace. Some changes occurred as marketers re-assessed their experiences, learning from these and incorporating their new knowledge into marketing strategies. Other changes may have been discovered as occurring naturally as the marketing technological sophistication and new techniques converged. An innovation called a "pan-Hispanic" (Rueles, 1995) approach may be the result of the latter coincidence.

Over the last 25 years or so, marketing strategies have developed in a somewhat circular fashion. At the inception of Hispanic segmentation as a strategy, the Hispanic image was of a monolithic group who spoke Spanish and was traditional in values. The result was a broad-brush marketing strategy using only Spanish-language messages. The next movement was toward stratified segmentation reflected in more regionalized advertising and prompted by the discovery of the diversity of the market. Spanish continued to be the dominant language of choice in message design. Currently, the trend appears to be headed back to a generalized approach resulting from the perceived growing homogenization of the group and the development of the pan-

Hispanic strategy, but the language choices have now begun to be diversified to attract bilingual and/or English-language Hispanic consumers.

Trends

The term “pan-Hispanic,” as used in this context, implies a broadness in marketing style that appeals to a general theme or image, as contrasted to a more segmented, tailored style. This approach comes from the growth in Spanish-language media which has contributed to the homogenization of the Hispanic market. Through exposure to the same viewing and listening options, consumer tastes have been modified, resulting in a similar taste for some things. For instance, A-B’s Rueles pointed to music as becoming more generalized among consumer preferences. Where previously each region’s musical partialities may have differed, now the music from the East Coast has grown in popularity and acceptance across the country. Another characteristic of the pan-Hispanic approach is the use of a “generic” Hispanic image (Lalvani, 1993, p. 20). The image employs physical characteristics that are “neutral, not too white looking, and not too dark,” and the use of

"broadcast Spanish" (p. 20). "Broadcast Spanish" uses a Mexican idiom and accent because it is considered to be "the most palatable" (King, 1991, p. 14). Yet another method of pan-Hispanic marketing employs messages appealing to core values that are shared among the various Hispanic subgroups. As Otero-Smart observed, "Appeal to our sense of family, community, tradition, and you are speaking in one, universal language" (see this thesis, p. 50). As these options have grown, fueled by research, the old negative stereotypes have begun to dissolve.

The presence of Hispanics in general marketing advertisements is growing and is evident in the increasing use of crossover advertising which incorporates Spanish into the advertisement. A second example of increasing Hispanic presence is in use of Hispanic models. Since the 1960s, mass media have been exhorted to reflect the country's population more honestly by employing models representative of the various ethnic and/or racial groups. More companies have begun employing Hispanic models in their general market advertising.

The growth of Spanish-language media research has permitted increased stratification of this market. A new development is the

interest by marketers to target the various strata by using this research to identify their preferred media choices.

Marketers are also discovering that they can segment the Hispanic market by a variety of criteria similar to those used to segment the general market. The characteristics of the market permit a diversity of marketing strategies ranging from a general, Spanish-language, pan-Hispanic approach to spot advertisements that personalize a message to meet regional needs.

The realization that commonly used general marketing techniques and strategies can be applied successfully has opened new avenues in approaches being tried. For example, direct mail, direct response, and the use of coupons are “new” efforts to attract Hispanic consumers. These efforts are aided by the ongoing refinement of the stratification of the Hispanic market. One company, Donnelley Marketing Information Services of Stamford, Connecticut, is dividing the market into a minimum of 18 groups (Braus, 1993). These divisions aid marketers by identifying characteristics which best fit their product marketing strategies and can assist in such decisions as determining store locations.

Conclusion

Large corporations, like Ford, Metropolitan Life, and Anheuser-Busch, have been able to successfully enter the Hispanic market thanks in part to research. However, most of this research is proprietary, either having been done in-house or commissioned, and there is little evidence that it adequately examined such topics as acculturation or ethnicity. Academic research, or other research in the public domain, continues to be a rarity in spite of the richness of opportunity to explore such a vast population. For instance, more studies are needed regarding stereotypes and bias. Discovering which stereotypes of mainstream society are prevalent in the Hispanic community and how these images evolved may be as useful as knowing how Hispanics are perceived today. Another question that provides opportunity for research is understanding the impact of stereotypes on Hispanics defined by acculturation level. The role of mass media in the presentation and creation of stereotypes is acknowledged as a powerful one. More exploration of this role is needed to discover current trends and their effects on society.

Acculturation studies that were reviewed suggest this area of study could greatly assist in understanding how immigrants proceed

to deal with the culture shock attached to living in a new environment. The diversity of Hispanic immigrants provides a large area that provides many opportunities for exploration. The few theoretical models that were proposed as acculturation models were clearly inadequate to explain either the process of acculturation or the many levels that comprise acculturation. As suggested earlier, these levels of acculturation each have their own characteristics that can translate into stratified marketing. Interesting questions to explore might be how acculturation levels influence decision-making and what factors count in these decisions.

Likewise, the study of ethnicity is a relevant one to marketing in that, if Gans (1979) is correct, symbols of ethnicity can become a very useful marketing strategy to more acculturated Hispanics.

The topic of Hispanic consumerism greatly needs attention. Attributed characteristics, such as brand loyalty, need to be identified, defined and confirmed or rejected. Other consumer traits such as attitudes, information search behavior, gender roles in major product purchases, and the impact of advertising messages on Hispanic viewers are areas that are not clear at the present time. Additional studies on similarities or differences between Hispanics

and other groups as well as among Hispanic groups can be of use in marketing. Understanding the maturing of the Hispanic market is another study that would be important in strategy development.

The whole area of pan-Hispanic marketing promises to be an important research topic for Hispanic marketing. Of particular interest might be the evolution of the generic Hispanic image and language and whether this development is related in some way to the issue of the "bleaching syndrome" in the assimilation process described by Hall (1994). The bleaching syndrome is attributed to be a factor in Hispanic efforts to assimilate by rejecting the darker skin tones of most Hispanics and striving to become as "white" as the dominant society.

As a last recommendation, the studies of intercultural communication focused largely on communication theory validation and/or studied intercultural communication between the U.S. mainstream population and foreign countries. In this time of increasing diversity in the United States, what is greatly needed is a better understanding of intercultural communication between U.S. cultures.

In conclusion, it is apparent that this study is limited in scope.

The limiting factors are acknowledged to be the difficulty in obtaining information because of the proprietary nature of much of the marketing strategy research conducted by companies, and particularly the companies in the case studies. Also contributing to the difficulty of obtaining information was the need to use telephone or written interviews which resulted in fewer details than would be ideal. Finally, the number of case studies is small. A fuller understanding of the problems of marketing to Hispanics could be obtained by personal interviews or ethnographic studies of companies, as well as of the Hispanic specialists who serve them.

Nevertheless, this thesis has identified popular strategies and trends in marketing to Hispanics and surveyed the existing body of research available to the public and found it limited.

APPENDIX I

Sample of Magazine Publications

INTRODUCING
Editorial América, S.A.
*The Largest Spanish-language Publishing Company in
the United States and the World*

Every month we reach millions of Hispanic Consumers:

- in their language of preference - Spanish
- in the privacy of their homes
- appealing to their every lifestyle and interest

Beauty / Fashion			Youth		
Home / Family		Entertainment		Computers	
Men's			Health		

Editorial América, S.A.
A wholly-owned subsidiary of Grupo Televisa

Now that you know about us,
let our readers know about You!

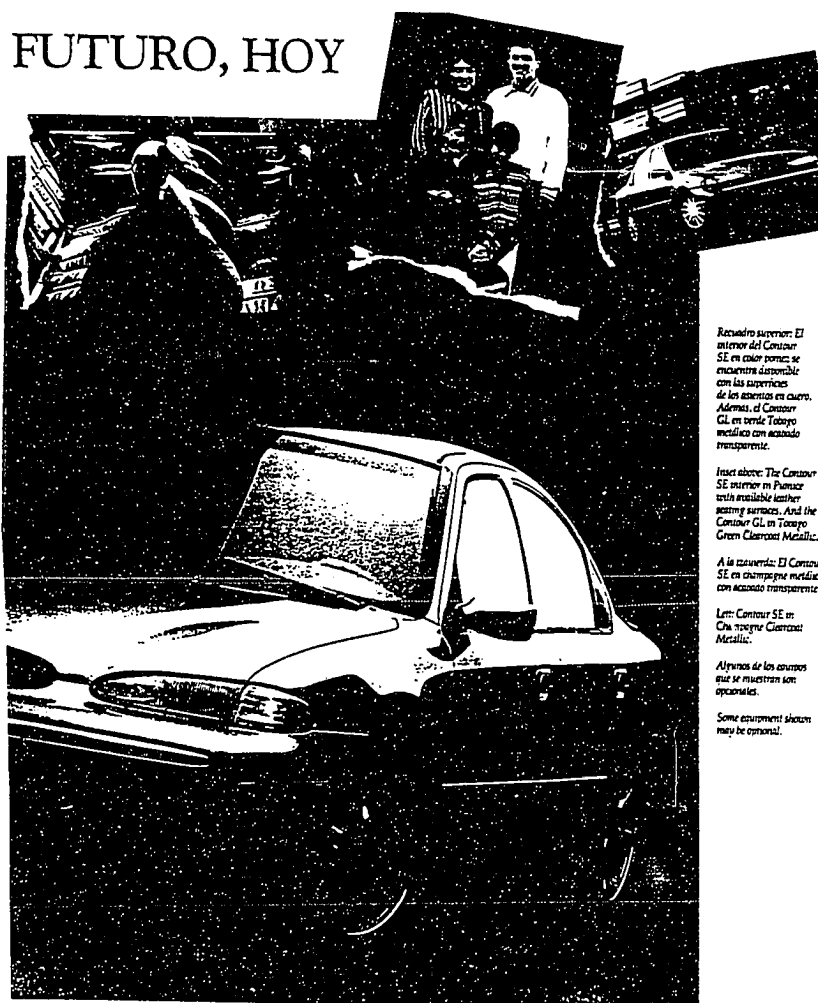
Call (305) 871-6400 ext. 230

Source: Advertising Age, January 23, 1995, p. 35.

APPENDIX II

Futuro, Hoy: A Bilingual Catalog

FUTURO, HOY



Resumen superior: El interior del Contour SE en color ponzo, se encuentra disponible con las superficies de los asientos en cuero. Además, el Contour GL en verde Tabayo metálico con acabado transparente.

Inset above: The Contour SE interior in Ponce with available leather seating surfaces. And the Contour GL in Tabayo Green Clearcoat Metallic.

A la izquierda: El Contour SE en champagne metálico con acabado transparente.

Left: Contour SE in Champaign Clearcoat Metallic.

Algunos de los equipos que se muestran son opcionales.

Some equipment shown may be optional.

Source: Mendoza, Dillon & Asociados for Ford Motor Company, June 1995.

APPENDIX III

MetLife Recruitment Flyer

If your goal is success,
you're on the right track with



You're a capable ambitious person.
You want to improve your position and multiply
your income virtually without limitation. Now, MetLife
offers you the opportunity as one of our Bilingual Account
Representatives to work with the growing HispanicMarket.

You put in your initiative. We put in one of the best training programs in the insurance industry and the
backing of a company with more than 125 years of experience. At the present time, we manage more than
\$150 billion in assets and more than 45 million people are covered by programs insured or administered
by MetLife and its affiliates.

If you're ready...on your mark...get set...write to us!

MetLife Hispanic Market
501 US Highway 22 Area 3E-80
Bridgewater, NJ 08807

Metropolitan Life Insurance Company, One Madison Avenue New York, NY 10010-3480

Equal Opportunity Employer

Source: MetLife Hispanic Market Division, Metropolitan Life Insurance Company, June 1995.

APPENDIX IV

"Fiesta" Advertisement

¡Ford está de Fiesta porque tiene 5 de los 10 vehículos de mayor venta!*

SERIE F: espaciosa y con bolsa de aire standard del lado del conductor.

ESCORT: por menos que cualquiera de los otros autos pequeños que más se venden.

EXPLORER: el vehículo deportivo familiar más espacioso.

RANGER: súper deportivo y con frenos antilock estándar.

TAURUS: el auto número uno en ventas ultra grandes.

*Siempre consulte el sitio web. **Entre los vehículos de mayor venta en ventas más recientes en los Estados Unidos, basados en el volumen de ventas del modelo del año. ***Comparación basada en el MSRP del 1994. Los datos en los Estados Unidos son los que más se venden. ****Basados en las ventas al por mayor reportadas en los años fiscales de 1993 y 1994.

¿Ha manejado un Ford últimamente?

Source: Mendoza, Dillon & Asociados for Ford Motor Company, June 1995.

APPENDIX V

Ford Contour Poster

Un mundo de ideas en un auto completamente nuevo.

Nos basamos en los mejores adelantos del mundo y logramos un auto completamente nuevo: Ford Contour. Hay dos motores completamente nuevos para elegir. El motor "Zetec" es de 16 válvulas, fuerte y económico. El motor opcional "Duratec" con 24 válvulas, puede llegar hasta las 100,000 millas sin un "tune-up". El Contour viene con dos transmisiones completamente nuevas. Excelentes detalles de seguridad. Y, exclusivo en esta clase de autos, está disponible con un sistema de filtración de aire interno que, prácticamente, elimina todo el polvo y el polen del aire. También está disponible con control de tracción en todas las velocidades para evitar patinajes. Los mejores adelantos para su conveniencia.

Desde menos de \$14,000. El paquete especial del GL cuesta sólo \$14,655. Incluye aire acondicionado, AM/FM estéreo cassette, espejos eléctricos de los dos lados con desempañador, desempañador de vidrio trasero, consola, y más. Precio base sugerido por el fabricante de Ford Contour GL del '95 en su \$11,900. Precio sugerido por el fabricante del Contour del '95 con el paquete GL P 2.3i en su \$14,655. Incluye impuestos y licencia.

Precio sugerido por el fabricante del Contour SE mostrado es de \$16,190.

El totalmente nuevo Ford Contour.

Ford Contour. El auto del futuro, hoy.

Source: Mendoza, Dillon & Asociados for Ford Motor Company, June 1995.

APPENDIX VI

Who Needs Life Insurance?

WHO NEEDS LIFE INSURANCE?



WHEN YOUR FAMILY NEEDS PROTECTION,
METROPOLITAN STANDS BY YOU BECAUSE YOU DO.

Yes, I want more information about life insurance.
Send me the free booklet "Who Needs Life Insurance?" under no obligation
from you.

Name _____
Address _____
City _____ State _____ Zip _____

Out and out the company is: MetLife Hispanic Market
501 U.S. Highway 22, Bridgewater, NJ 08807-2438

Most people with dependents need life insurance, because it is the best way to help your dependents maintain their current standard of living should you pass away unexpectedly.

And unless your savings account can guarantee them a steady income, a life insurance policy is the most practical and efficient solution to protect the economic future of your loved ones.

YOU NEED LIFE INSURANCE...

- If you want to make sure your family will have the necessary economic resources in case you would pass away unexpectedly.
- If you'd like to have additional money for your retirement, on top of your social security benefits.

Talk to a representative from MetLife, one of the largest insurance companies in the world. Currently, Metropolitan has over \$163 billion in assets under management and insures or administers coverage for over 40 million people.

If you prefer, ask for more information about life insurance using this coupon.



Metropolitan Life Insurance Company, Member of MetLife New York, NY 10001

800-871-8888 (toll free)

¿QUIÉN NECESITA UN SEGURO DE VIDA?



CUANDO SU FAMILIA NECESITA PROTECCIÓN,
METROPOLITAN RESPONDE POR USTED.

Si, yo quiero más información sobre seguros de vida.
Envíame el folleto gratuito "¿Quién necesita un seguro de vida?" sin obligación
de compromiso de mi parte.

Nombre _____
Dirección _____
Ciudad _____ Estado _____ Código Postal _____

La mayoría de las personas con dependientes necesitan un seguro de vida, porque es la mejor forma de garantizar que sus dependientes mantendrán su mismo nivel de vida actual, en caso de que usted llegara a faltar inesperadamente.

Y a menos que sus ahorros le puedan garantizar un ingreso estable, un seguro de vida es la solución más práctica y eficiente para proteger el futuro económico de los suyos.

USTED NECESITA UN SEGURO DE VIDA...

- Si quiere tener la seguridad de que su familia tendrá los recursos económicos necesarios en caso de que usted llegara a faltar.
- Si le gustaría tener ingresos adicionales para su retiro, además de sus beneficios del Seguro Social.

Hable con su agente de MetLife, una de las compañías de seguros más grandes del mundo. En la actualidad, Metropolitan administra más de \$163 mil millones en activos y asegura o administra la cobertura de más de 40 millones de personas.

Si lo prefiere, solicite más información sobre seguros de vida usando este cupón.



Metropolitan Life Insurance Company, Member of MetLife New York, NY 10001

Source: MetLife Hispanic Market Division, Metropolitan Life Insurance Company, June 1995.

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