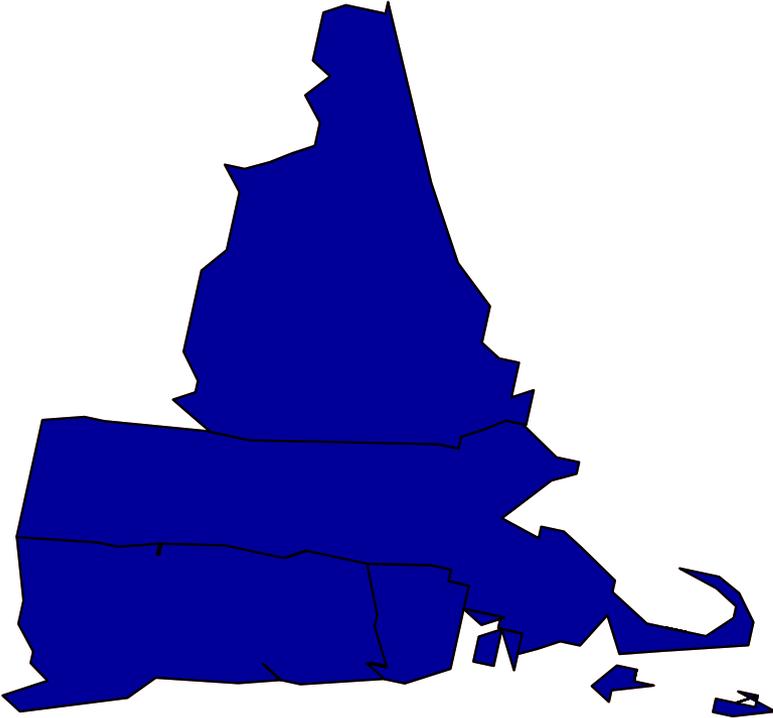


# NEW ENGLAND REGIONAL AND US HISPANIC MARKET



# NEW ENGLAND REGIONAL HISPANIC MARKET

## Local Demographic Data

### Hispanic household income average

\$10,000 to \$29,999

\$30,000 to \$49,999

\$50,000 to \$124,999

\$125,000 or more

Massachusetts Estimate
35 %
22 %
34 %
9 %



### LATINO REPRESENTATION IN MASSACHUSETTS (Main cities)

CITY	% of Hispanics from total population
Lawrence, MA	74%
Chelsea, MA	62%
East Boston, MA	53%
Springfield, MA	39%
Lynn, MA	32%
Revere, MA	24%
Everett, MA	21%
Worcester, MA	21%
Methuen, MA	18%
City of Boston, MA	17%
Lowell, MA	17%
Waltham, MA	14%
Somerville, MA	11%
Brockton, MA	10%

### Percentage by origin in footprint area

Puerto Ricans:	25%
Dominicans:	24%
Central Americans:	26%
Columbians:	11%
Mexicans:	5%
Others:	9%

- The top five cities with Hispanic populations in the Greater Boston are : Boston, Lynn, Chelsea, East Boston and Lawrence.
- The highest percentage of change is in the city of Lynn where the Hispanic population has grown 77%
- The highest Hispanic population is in the City of Lawrence with 74%. However Boston is still the city with most Hispanic residents



# NEW ENGLAND REGIONAL HISPANIC MARKET

## LATINO REPRESENTATION IN CONNECTICUT (Main cities)

CITY	% of Hispanics from total population
Hartford, CT	40%
Willimantic, CT	32%
Bridgeport, CT	32%
New Britain, CT	27%
Waterbury, CT	22%
Meriden, CT	21%
New Haven, CT	21%
New London, CT	18%
Stamford, CT	17%
Danbury, CT	16%
Norwalk, CT	16%
East Hartford, CT	15%

## LATINO REPRESENTATION IN RHODE ISLAND (Main cities)

CITY	% of Hispanics from total population
Central Falls, RI	48%
Providence, RI	26%
Pawtucket, RI	14%
Woonsocket, RI	9%

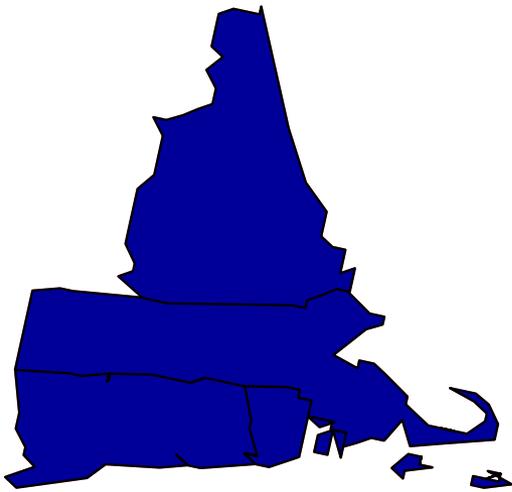
## LATINO REPRESENTATION IN NEW HAMPSHIRE (Main cities)

CITY	% of Hispanics from total population
Nashua, NH	6%
Manchester, NH	5%
Hanover, NH	3%
West Lebanon, NH	2%

\* Source: Zip Atlas: Cities with the Highest Percentage of Hispanics in CT, RI AND NH



# NEW ENGLAND REGIONAL HISPANIC MARKET



\* Rounded to the nearest thousand

Geographic Area	Total *	%	Median Age (years)
Massachusetts	650,000	10%	26
Connecticut	494,000	15%	27
Rhode Island	135,000	13%	26
New Hampshire	37,000	3%	25

\* Source: Pew Hispanic Center tabulations of the 1% Integrated Public Use Microdata Series (IPUMS) sample of the 2011 American Community Survey [1](#)

# NEW ENGLAND REGIONAL HISPANIC MARKET



Geographic Area	Total *
Massachusetts	845,000
Connecticut	642,000
Rhode Island	176,000
New Hampshire	48,000
Orlando, FL	845,000
Fort Meyers, FL	642,000

\* Rounded to the nearest thousand

**Total New England Estimated Population:**

**1.7 MILLION HISPANICS**

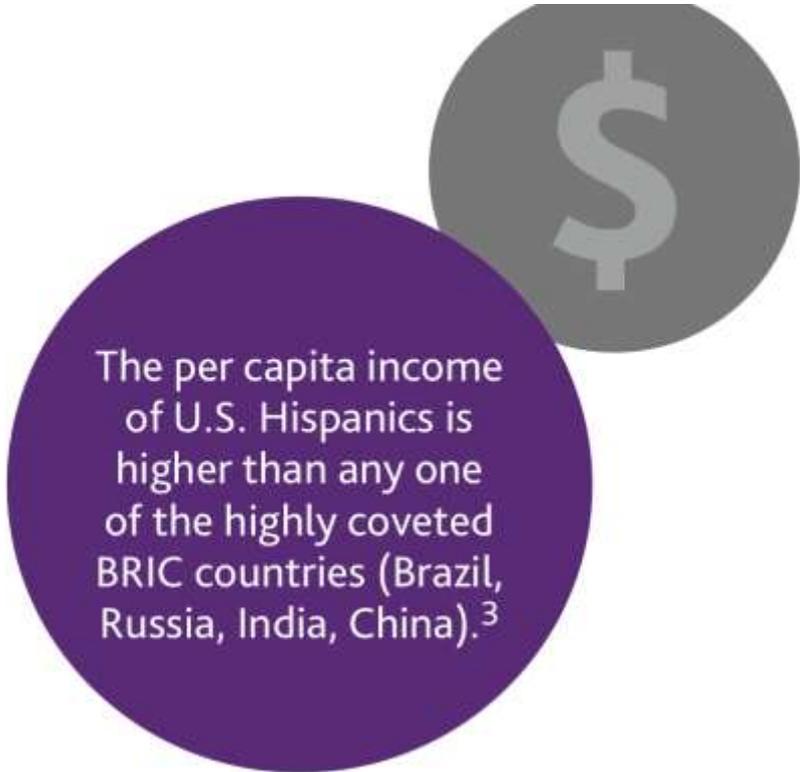
- According to Nielsen Pop-Facts 2011 – 2016, Population by Ethnicity and Single Race; The National Hispanic US Population growth rate from 2000- 2011 was 50%, 2011 – 2016 will be 60%.
- Figures above show a projected modest increase of 30%.

# HISPANIC MARKET

## Latino Marketplace Insights

Hispanics are the cornerstone of future growth:

- Make Hispanic brand growth a measured priority for company leaders and agencies
- Devote adequate resources to identify and define Hispanic market opportunities
- Understand the role of language and culture among the Latino target consumer



The per capita income of U.S. Hispanics is higher than any one of the highly coveted BRIC countries (Brazil, Russia, India, China).<sup>3</sup>

Source: Hispanic per capita income is from Census in 2010: Hispanic per capita income is second to Russia, but above Brazil, China and India.

# HISPANIC MARKET

## Market of today and future

## Hispanic Industry Beliefs and Myths

# Hispanics are too complex

- Across nationalities, Hispanics share cultural similarities that influence shopping behavior and media habits
- Just as in general population targeting, focus should be on highly influential factors such as household age and size
- The key is to understand one's particular Hispanic consumers, and target their habits and behavior without fixating on labels and over-segmentations

# HISPANIC MARKET

## Facts about population

**16%**  
of the  
U.S. population

50 million

**26%**

of kids  
under 5  
are  
Hispanic

**27**

years old is  
the median age  
of the  
Hispanic population.

Total U.S. population:  
37 years old

**19**

of the Top  
100 surnames  
in the U.S.  
are Hispanic

**66%**  
of Mexican Decent

Puerto Rican 9%  
Central Am 8%

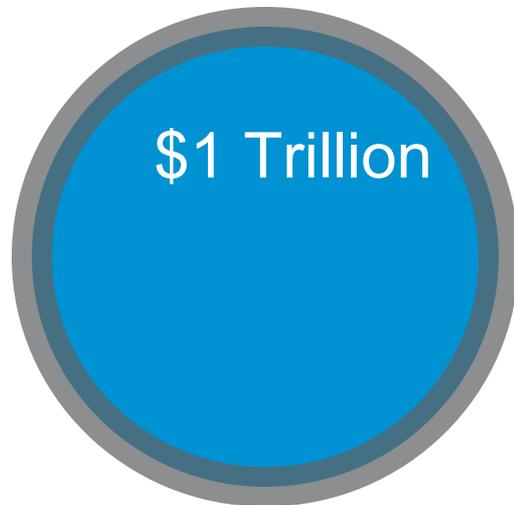
**48%**

of Hispanics  
live in  
California or  
Texas

# HISPANIC MARKET Purchasing Power

## Who will grow your business?

Projected Growth of Hispanic Buying Power  
(Disposable Income, in Billions)



2010



2017

# HISPANIC MARKET Purchasing Power



## Hispanic Industry Beliefs and Myths

Hispanics have  
**low** disposable  
Income  
& buying power

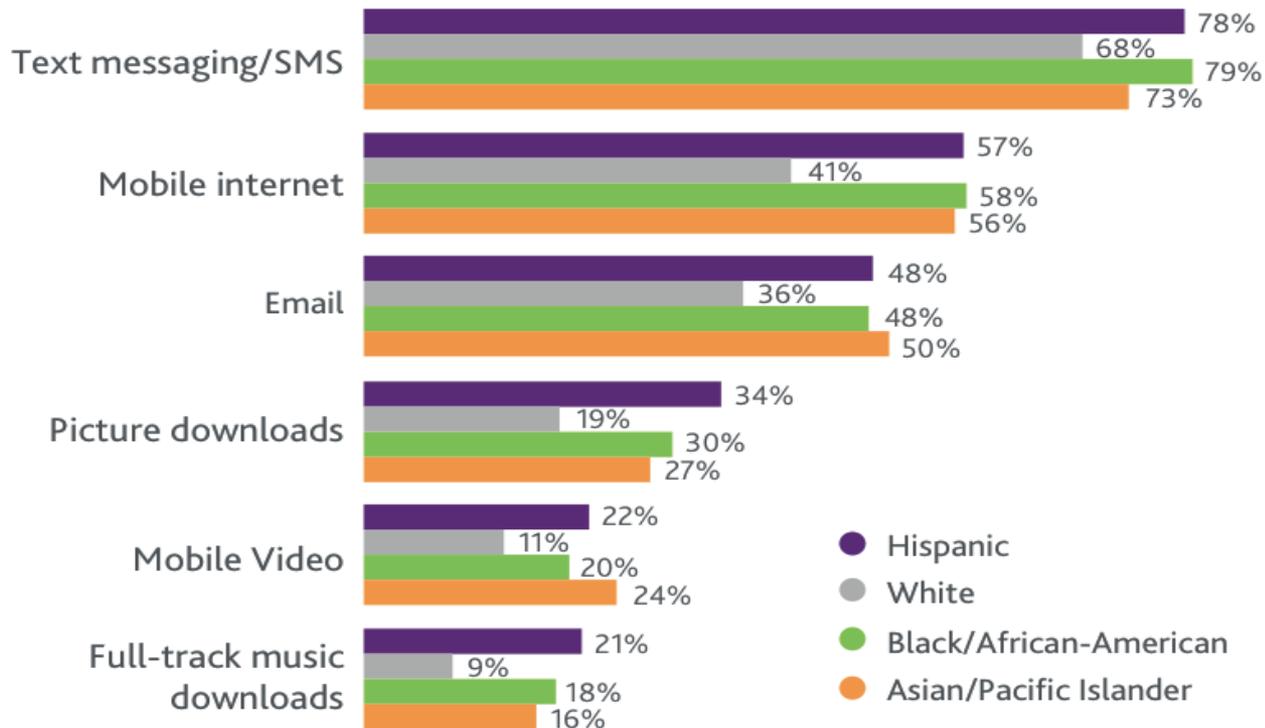
- U.S. Hispanics would rank as the 12th largest economy in the world, with over \$1 trillion in purchasing power
- While Hispanics make fewer shopping trips compared to the general population, they spend the most per trip and annually
- In 2015, Hispanic purchasing power will grow to larger than all but 8 economies in the world





# HISPANIC MARKET Technology

## Mobile Data Services Used by Hispanics in Past 30 Days



Source: Nielsen Q4, 2011 Mobile Hispanic Insights Report

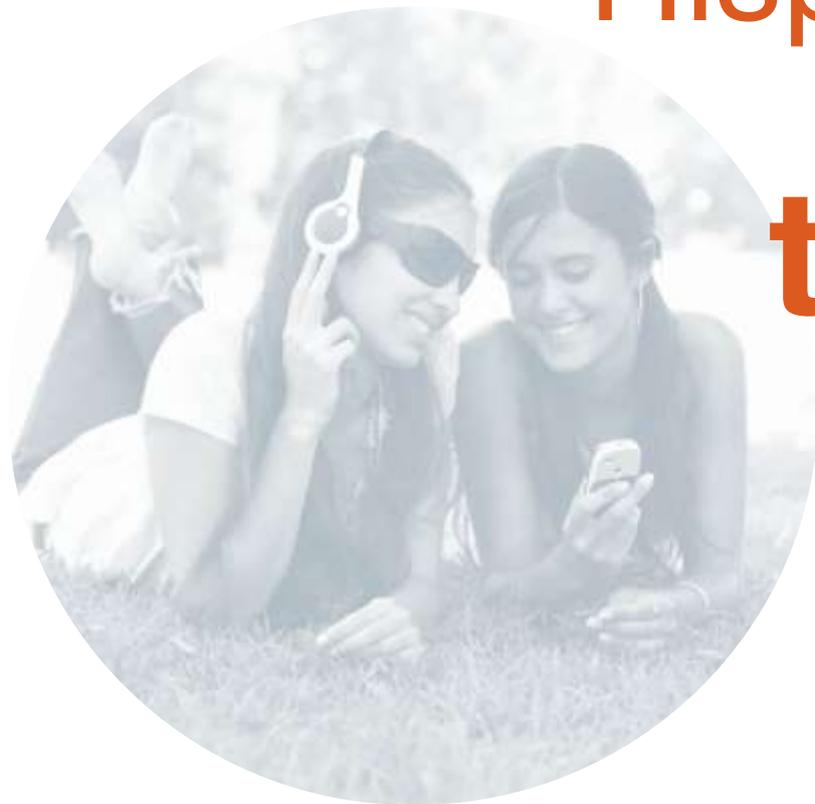


# HISPANIC MARKET

## Power of internet and smart phone

### Hispanic Industry Beliefs and Myths

Hispanics  
are late adopters of  
**technology**



- 62% have access to the Internet at home
- Are more likely to have a Smartphone than the general market (45% vs. 35%)
- Spend \$107 per month on their cell phones (vs. \$96 for Whites)
- They stream 6+ hours of video vs. only 3:50 for Whites

# HISPANIC MARKET

## Big brands target Hispanic consumers

- The population will account for about 11 percent of all purchasing power by 2017, according to projections by the Selig Center for Economic Growth.
- Hispanic media spending in the U.S. grew to **\$7.9 billion** in 2012, according to Advertising Age magazine, which also reported last year that Walmart set out to double its multicultural marketing as part of an initiative to enhance outreach.
- **Nissan** and other big companies, including **McDonald's** and **Walmart**, are flexing their marketing muscles to reach the \$1.2 trillion Hispanic consumer market.
- **Wendy's**, which lags behind **McDonald's**, **Burger King** and **Taco Bell** in favorability among Hispanics, created the Rojo family as the centerpiece of its "**Mucho Mejor**" campaign. The fast-food chain increased by double digits its Hispanic media purchases.



# HISPANIC MARKET

## What NOT to do!



- An ad that misses wildly can join the dubious league of famous flops, such as the California Milk Processor Board's **"Got Milk?"** campaign, which when translated to Spanish unfortunately asked consumers, "Are You Lactating?"
- Howard Johnson's widely successful US "HoJo To Go" campaign hit a hiccup when after spending millions in branding and distribution, had to pull their ads after finding out that HoJo in some Latin American countries was the slang for a female body part. Men were lining up at their hotels after the ads appeared.
- American Airlines To advertise their leather seats, American Airlines used the slogan, **"Fly in Leather"**, which translated in Spanish for the market in Mexico as, "Fly naked"
- Coors Beer manufacturer Coors tried to translate its slogan, "Turn it loose", into Spanish. It went horribly wrong when it was read as "Suffer from diarrhoea".



# HISPANIC MARKET

## Advertisers Cater to Hispanics via English Language

Dual-language campaigns resonate, as do spots emphasizing the importance of family.

- **Ford** aired a Spanish language commercial for its **Ford Escape** during the fourth game of the NBA finals on ABC. While this initially confused some viewers, it signifies a recent trend of advertisers targeting Hispanics via English language
- **Volkswagon Passat “Vamonos”** – This commercial imagines what would happen if you took a cross country road trip with a friend and all you had to listen to was a Spanish language learning CD. Well, it turns out that after 13 hours you become fluent in Spanish. I found this “what if” scenario very humorous and appreciated the actor “talking with his hands,” which is common in Latin cultures.
- **“Mi Tide Abuela”** – This commercial shows a bicultural, bilingual, millennial granddaughter translating her grandmother’s reaction to the new Tide. What resonated with me was how the younger generation is able to understand Spanish, even if they are not able to translate it word-for-word. I especially liked the insight of Hispanics use of “remedios caseros” or home remedies.



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- **The Home Depot** relied on the theme last year with its **“Small Projects”** TV spot that showed a family pitching in to spruce up their home.
- **Target “Clap your hands”** – Target uses the children’s song “If you’re happy and you know it” and alternates between English and Spanish lyrics. As many people do, I watch TV while browsing an iPad and this spot cut through the clutter with the simple soundtrack. The insight portrayed is universal of a family caring for a newborn, but it targets Hispanic consumers through the soundtrack and casting.



# HISPANIC MARKET

## Hispanic Consumer



- **55% love shopping with others**
- **Hispanics are quality and brand conscious. They are willing to pay a premium price for premium quality and are often brand loyal.**
- **Hispanic buying preferences are strongly influenced by family and peers.**
- **46% are influenced in – store by people they respect**
- **Hispanics consider advertising a credible product information source, and U.S. firms spend more than \$4 billion annually on advertising to Hispanics.**
- **53% Say finding the highest quality items is most important to them**
- **73% Research and shop online when making their weekly chore list**
- **Prefer buying American-made products, especially those offered by firms that cater to Hispanic needs.**
- **17% Purchase Impulse Items because they look fun**
- **Convenience is not an important product attribute to Hispanic homemakers with respect to food preparation or consumption, nor is low caffeine in coffee and soft drinks, low fat in dairy products, and low cholesterol in packaged foods.**

# HISPANIC MARKET

## Key Hispanic Insights



- **Fastest growing segment of community**
- **Largest Minority - 17% of population**
- **By 2025, its estimated that 30% of U.S. children will be of Latino Decent**
- **70% are under 40 years of age**
- **73% live in households with 3+ members**
- **Referred to as the Mobile - First Generation**
- **Hispanics are the largest immigrant group to exhibit significant culture sustainability and are not disappearing into the American melting pot.**

# HISPANIC MARKET

## Hispanics + Millennials = Hispennials

- **Hispennials (Hispanic + Millennials is the fastest growing and considered one of the most sought after markets.**
- **21% of Millennials are Hispanic.**
- **To make a make a Hispennial a loyal customer, you have to understand the various levels of assimilation, and consider using the adequate message that respects their culture and country of origin, as well as the suitable language (Spanish or English or both) to reach their goal.**
- **In addition to cultural differences, language differences also exist within the Hispanic population of the United States. Many Hispanics are both bicultural and bilingual.**
- **Unlike Hispennial's recent immigrants with no knowledge of English should be targeted separately from second and third generation U.S. Hispanics.**
- **One of the biggest areas of opportunity to reach Hispennial's is developing valuable content in both Spanish and English. A recent Nielsen study shows that 60% of Spanish – speaking U.S. Hispanic consumers agree that there is a lack of digital content.**



# HISPANIC MARKET

## Content Marketing – Hyper Local

- **Hyper local targeting is one way to reach Hispanics by developing campaigns that are relevant to neighborhoods and how Hispanics shop and interact with their community.**
- **Think how your audience wants to be communicated with. Develop campaigns that respectfully delivers a message that is authentic and not a sales pitch.**
- **Hispanic cultural fairs, parades, events and causes within and out the community is a great way to get your message out and get the pulse of your target market.**



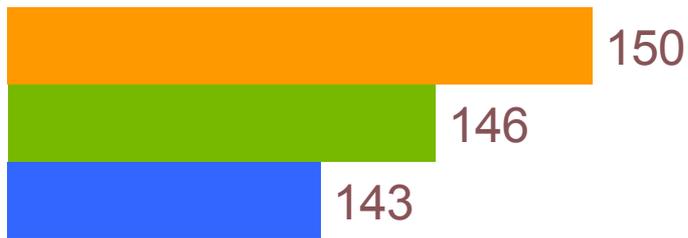


# HISPANIC MARKET

## Hispanics spend the most annually and per trip

### Total Retail Channels

#### Shopping Trips Per Household



#### Basket Ring Dollars Per Trip



● Hispanic – Spanish Preferred ● Hispanic – English Preferred ● White Non-Hispanic

Hispanics spend **\$364 more** per household than Whites in a year.

Use **less coupons** or buy on deal less often

**More frequently shop** in superstores, mass merchandisers, dollar and drugstores

Are **more brand loyal**; value quality over price

Source: Homescan<sup>®</sup>, a service of The Nielsen Company  
Total U.S. 52 weeks ending 12/25/2010; excludes gas only or Rx only trips

# HISPANIC MARKET

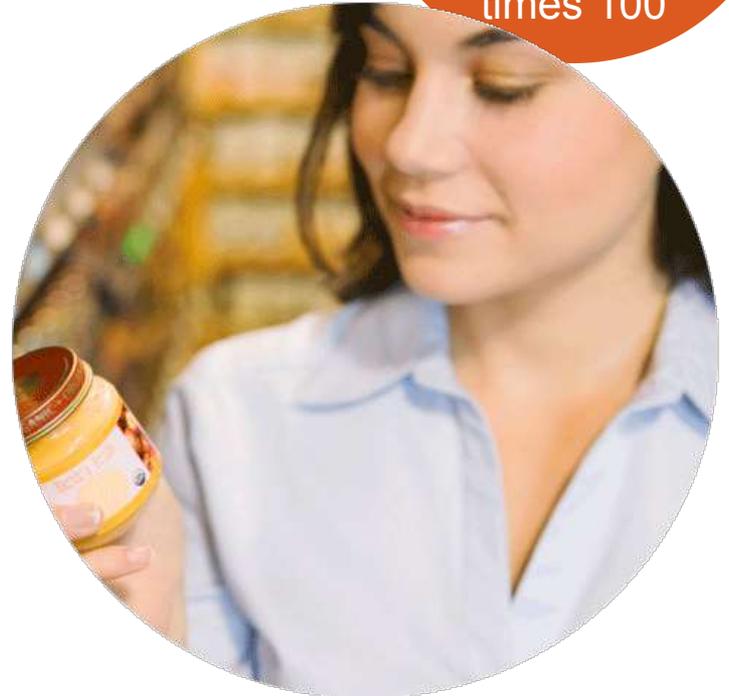
Hispanics spend the most annually and per trip

## Nielsen Category

## Dollar Index to Hispanic Households

Dried Vegetables & Grains	239
Women's Fragrances	157
<b>Baby Food</b>	<b>145</b>
<b>Disposable Diapers</b>	<b>116</b>
Men's Toiletries	130
Shortening Oil	163
<b>Cereal</b>	<b>108</b>
Hair Care	134
<b>Shelf Stable Juices Drinks</b>	<b>138</b>
Laundry Supplies	120

Purchase Index  
Equals Percent of  
Dollars Divided  
by Percent of  
Households  
times 100

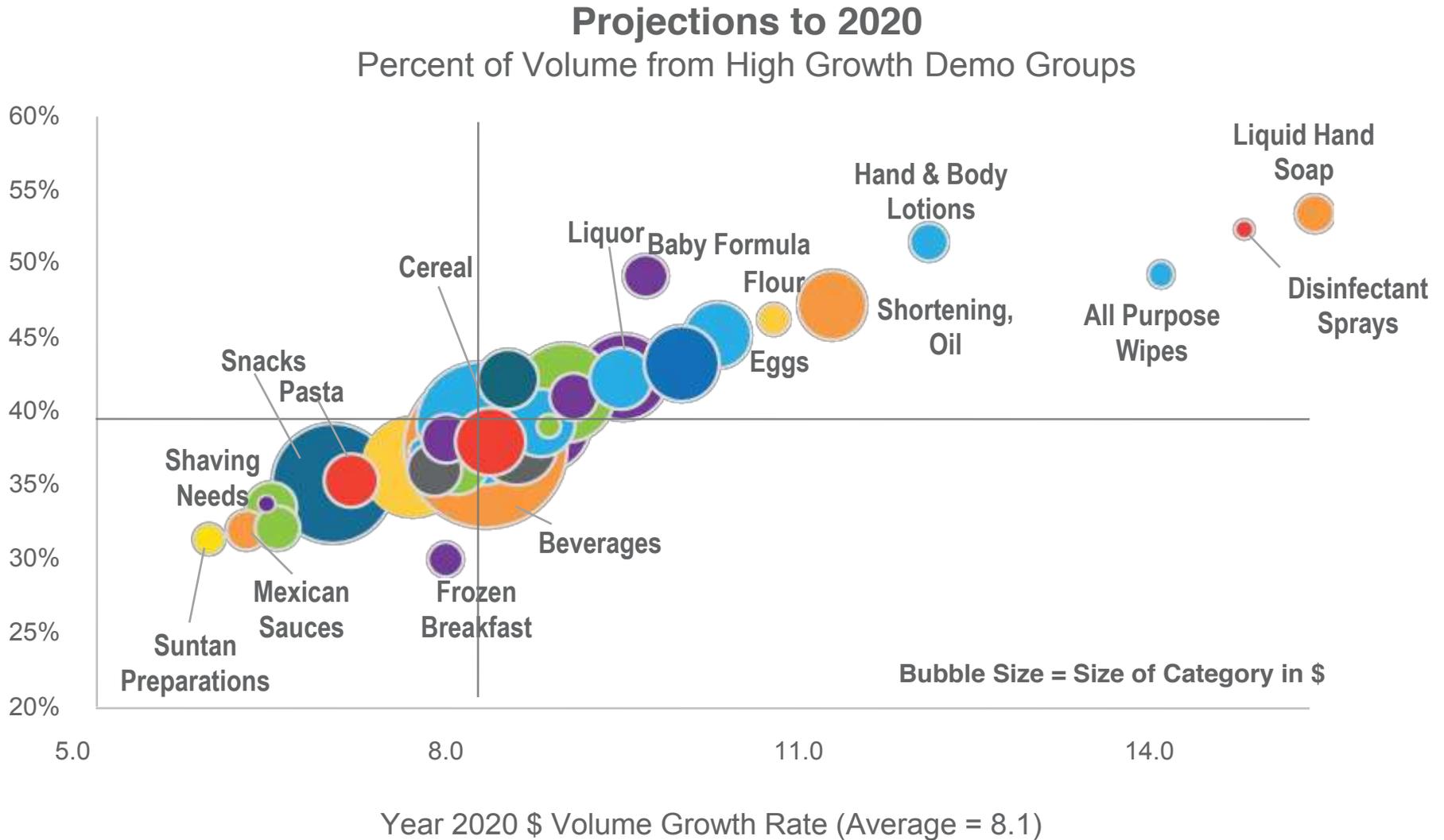






# HISPANIC MARKET

## categories will benefit from the shifts in demography?



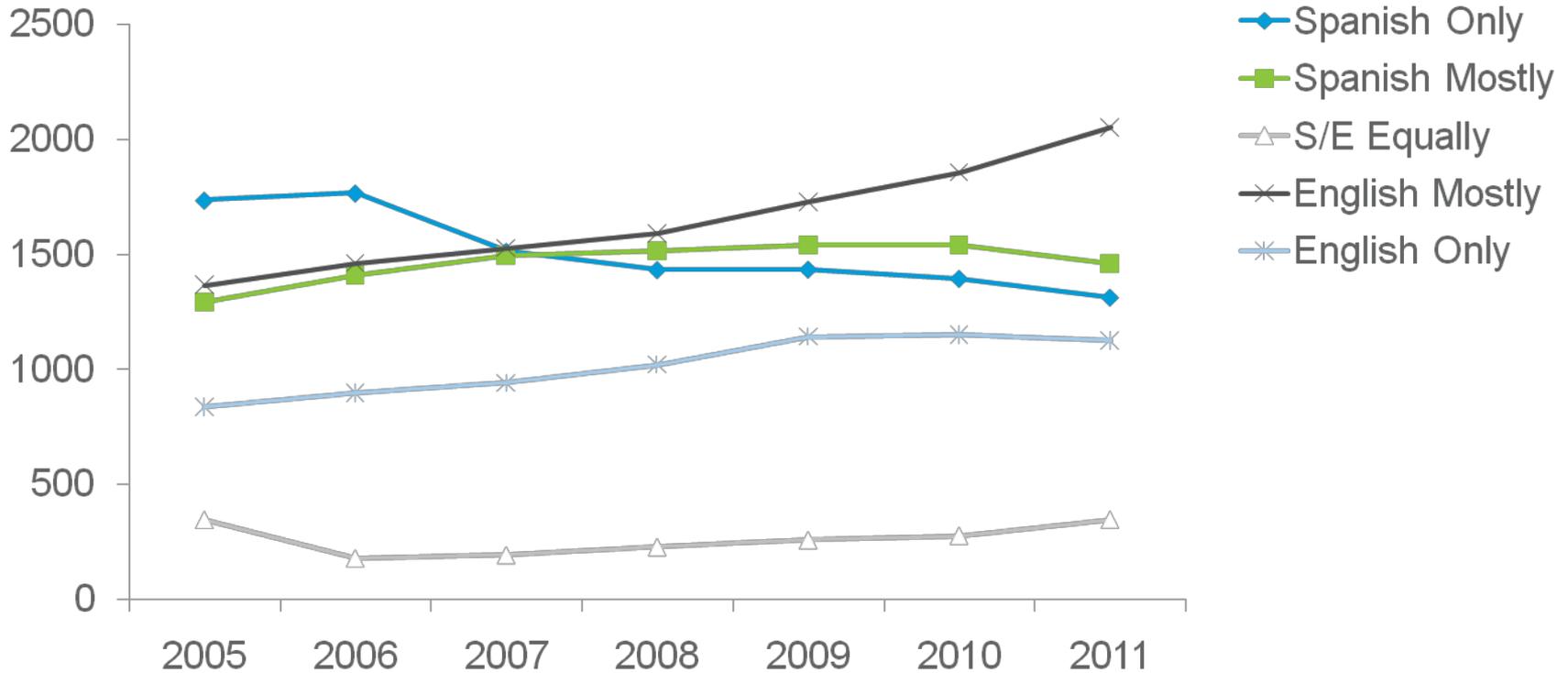


# HISPANIC MARKET

Young Adults Has Dominated the Young Adult Segment Among Hispanics, what is the long-term trend?

## Hispanic population 18-24 by language use

(000)



Source: Nielsen Homescan, 52 Weeks Ending 12/25/10