



Creating Brand Loyalty: A Starting Point for Hispanic Marketing Plans

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A first-time Hispanic marketing or advertising effort must be developed from both the understanding of a product's or service's foundation in the U.S. general market, along with insights and knowledge about the Hispanic market segment. Using this bi-cultural approach provides an understanding of either how a Hispanic marketing effort fits or does not fit conceptually into the overall marketing plan of a product or service while, simultaneously, assists brand managers in understanding how Hispanic marketing might differ from normal marketing procedures.

A General Market Background

To develop a benchmark against which a Hispanic marketing program can be built and measured, a product's general market condition must be known. This involves reviewing the product's background, lifecycle and any special features vis-a-vis the product category. In most

cases, there will exist a high level of established category awareness and knowledge among consumers, while brand-specific awareness arises as a function of advertising effectiveness and media expenditures over time. In a majority of product categories, the general market features an educated, technically sophisticated consumer, since category familiarity and usage have existed for several generations. With a large selection of similar brands competing within a mature product category, the tendency is greater for these brands to be viewed by the consumer almost as "commodity items," at least within the consumer's "acceptable pool" of brands.

A prime example of this "commodity item" or "acceptable pool" syndrome exists in the floor polish category, where most general market consumers no longer differentiate by brand, but buy whatever brand is "on sale." Since the category has existed for so long, product knowledge is

General market consumers know which polish to use on respective floor types and how to use it. Product innovation has never been radical enough to confuse the consumer, and many products are similar enough to be perceived as one and the same by the consumer. Therefore, brands must combat consumer indifference and attempt to establish preference.

In summary, most consumer packaged goods belong to known product categories with established brands and brand benefits that are familiar to educated consumers. Product re-stagings, including package graphic changes, product additives to differentiate a brand or provide "newness" and promotions, are all understood and accepted by the consumer as part of a product's lifecycle and the regular way that companies conduct business.

Therefore, the decision to choose a specific floor polish for their U.S. residence is a new and unfamiliar decision. Nor has a large percentage of the Mexican or Dominican population had use for floor polish in their countries of origin. This existing difference of previous knowledge and awareness must be considered.

Generally speaking, the Hispanic market appears to be divided between the Mexicans, Caribbeans and "Others" in relation to U.S. category and brand awareness and knowledge. The Caribbean group consists mainly of Cubans and Puerto Ricans. The Puerto Ricans, out of all Hispanic sub-groups (12% of the U.S. Hispanic population), tend to be more familiar with U.S. products, as many are

U.S. Hispanic market that is more likely to be unfamiliar with U.S. brands and product categories. This 75/25 breakdown frequently corresponds to a product's awareness and usage level prior to a Spanish-language advertising campaign. About one quarter of the U.S. Hispanic population regularly uses English-language media enough to be familiar with many U.S. brands.

Cultural Differences

Up to this point, a case has been made for a U.S. Hispanic market typified by a generally less educated and technically less sophisticated consumer than is found in the general market.

Another key factor needs to be considered when developing a marketing

products to heavily target the Hispanic consumer.

Earlier, the subject of differences between Hispanic sub-groups was addressed. Within the Hispanic market, some groups may be more familiar with a brand and product category, while others will be novices. From a marketing perspective, this would require two separate objectives: one to bring new people into the category and one to switch people over from one brand to another. However, from an advertising perspective, the development of a creative approach targeting both groups simultaneously is entirely possible, thus, creating a universal appeal based on common attractions that are largely psychographical in nature.



advertised heavily in Puerto Rico. Cubans (5% of the U.S. population), most of whom came to the U.S. as political exiles, have, on the average, more education and have been established in the U.S. for two or three decades. Therefore, they usually are also more familiar with U.S. products.

On the other hand, the Mexicans (63% of the U.S. Hispanic population) more accurately fit the profile of the Hispanic immigrant whose knowledge, awareness and usage of many common U.S. product categories and brands within these categories may be underdeveloped or nonexistent.

Of the "Other" U.S. Hispanics (19% of the U.S. Hispanic population), about half are classified similarly to the Caribbean population with some category knowledge, while the remainder are more like the Mexican population with less category knowledge.

Overall, the Caribbean and half of the "Others" in the U.S. represent the 25-30% of the U.S. Hispanic population that is more educated to U.S. products. The Mexicans and remaining half of the "Others" represent the 70-75% of the

campaign for Hispanics; certain psychographic characteristics are typically unique to the Hispanic lifestyle and, for example, include the concept of close extended family ties, the value of a "traditional" home life and roles, cultural and ethnic pride, etc. These characteristics lend themselves to the creative elements of Spanish-language advertising, those that allow for universal product positioning versus a sub-group approach.

Besides misjudging the level of sophistication of the consumer when attempting to adapt a general market approach or commercial to the Hispanic market, one must also consider the differences in psychographics based on a cultural frame of reference. Often, a commercial or advertising situation which appeals to a general market consumer will not appeal to a Hispanic consumer. Such differences may also be turned to the advantage of the advertiser who knows his market. For example, the frequency of usage of household cleaning products, based upon more traditional homemaker values, is much higher among Hispanics than non-Hispanics. This indicates an opportunity for manufacturers of these

Conclusion

In summary, a thorough understanding of a product's background and position in the general market provides a basis for comparison to the Hispanic market. The level of brand and product category awareness and knowledge among Hispanics may be contingent on such factors as economic status, education level, country of origin and length of residency in the U.S., all of which may differ greatly from the general market and within Hispanic sub-groups themselves.

Compared to the general market, psychographics based on cultural differences may also affect product usage and purchase motivation. Therefore, purchase motivators, such as advertising, must be based on a sound understanding of these differences and how they operate in a specific market setting.

Finally, although differences among Hispanic sub-groups themselves may exist in relation to awareness, knowledge and usage of a brand, advertising based on a knowledge and understanding of this market can create a universal appeal that will motivate product purchases and establish brand loyalty. ☐