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## **New Year, New Markets: "Recession-Proof" Latino Markets, Multicultural Communications and Diversity on the Rise, Says Hispanic PR Expert Perez**



*This week's spotlight: Marcie Perez, Vice President, Consumer and Multicultural Services, [Idea Hall](#)*

"Hispanic purchasing power is on the rise—and will continue to grow through the holidays, New Year and recession," says Marcie Perez, whose Orange County, Calif.- based communications firm Idea Hall recently debuted the "[Hispanic Resource Guide: A Business Case for Marketing to the Fastest Growing Consumer Segment](#)," discussing Hispanics' increasing purchasing power and how PR practitioners and others can better understand and market to this population.

As the largest minority group in the United States, Hispanics represent steadily growing purchasing power and are historically unaffected by economic downturns causing retail businesses to seek a more strategic marketing position to target this significant consumer segment, a release announcing the guidebook elaborated. And Hispanic buying power is projected to grow to \$1.1 trillion by 2009 and to \$12.4 trillion by 2011—reflecting a 287 percent growth from 1990, according to a report published by the Selig Center for Economic Growth at the University of Georgia.

"Because the Hispanic community has grown so significantly, we're fielding more questions from clients on how best to serve the growing multicultural audience and educating them on how to communicate to a diverse consumer target," says Perez, who served as the director of public relations for *Tu Ciudad Magazine* prior to joining Idea Hall. Before that, she was an associate VP at with Euro RSCG Magnet, where she co-founded the firm's Hispanic practice. Here, Perez shares answers to common client questions about breaking into Latino markets—and offers a few multicultural marketing tips for agencies and in-house communicators alike:

### **Is the appointment of Governor Richardson as Secretary of Commerce an indicator of the growing power of the Hispanic market stateside?**

I can look at this question from many different perspectives. My first thought is that with the nomination of President-elect Barack Obama, diversity and multiculturalism will play a key factor across the board. More and more companies will seek multicultural communications campaigns in an effort to embrace diversity. Specific to the appointment of Governor Richardson and the growing influence of the Hispanic market, it indeed serves as an indicator of the continued presence, acknowledgement and rise of Latinos in all sectors, whether public, private, government or otherwise.

### **Why is the Hispanic market seen as "recession proof"?**

Recent data from Experian Consumer Research indicated that 58 percent of Hispanics did not use a credit card in the last month or so and that approximately one-third opt for cash transactions making them

less likely to be affected by the economy. It's also important to note that in many traditional Hispanic households, multiple sources of income from immediate and extended family members are pooled together thus affording them greater percentages of expendable income. The Selig Center for Economic Growth projects that in 2009, Hispanic buying power will grow to \$1.1 trillion.

**Why now? Why should PR communicators and other marketing disciplines consider increasing their multicultural efforts in the months and years ahead?**

Today's consumer marketplace is more complex, diverse and multicultural than ever. Theoretically speaking, most companies are aware of growing consumer segments such as Hispanic and Asian, but have yet to fully embrace marketing disciplines that cater to their specific needs and varied cultural identities. This could be for any number of reasons such as a lack of understanding or in today's economy, lack of budget. PR communicators—and other marcom professionals who don't reach out to these growing and diverse multicultural consumers—are missing out on an opportunity to create a dialogue and brand identity with tomorrow's consumers. That conversation needs to begin today.

**Biggest mistakes agencies make when breaking into multicultural or Hispanic PR?**

With a question such as this one, I'd naturally presume that the agency did its share of legwork and research as a smart business practice to get the right leadership on board as a means to avoid the all too common and stereotypical marketing mistakes. But greater than that, I'd say the biggest mistake agencies make when breaking into this segment is expecting that Hispanic PR and marketing budgets will merit equal or greater amounts than those of general marketing budgets—not true.

**Then what are some of the key cultural differences or unique elements communicators must be aware of when messaging to this market?**

Things like a focus on family, friends and community; respect for differences, formality, cooperation, dependence; a strong religious influence, and even a hierarchical respect for age are examples of what communicators must be aware of and familiar with when developing marketing campaign messages. The key here, however, is to have a keen understanding of the acculturation levels at play as they affect the type of messaging you'll develop for that segment of the audience. For example, strong religious influences are more likely to be tendencies of first generation Latinos vs. that of 2nd and 3rd generation Latinos.

**What key media are influential among Hispanics, generally speaking?**

This is largely influenced by the consumer's level of acculturation and what the medium is being sought for such as for news or entertainment. Typically speaking, radio and print are mediums most accessible to 1st generation Latinos and Hispanics. But when you consider 2nd and 3rd generation Latino Americans, blogs and social networking forums are likely the preferred medium of choice.

**Three tips PR people must follow/be aware of when considering Hispanic PR? Can you share a secret of success?**

The leading tip I'd recommend is to always remain curious about how to truly connect and engage with your consumers—even if you think you have a good understanding about them, because they are not static in their behaviors, they're constantly adapting to the latest and greatest thing. Second, be familiar with some of the leading and nationally recognized Hispanic marketing campaigns archived on the websites of PRSA, HPRA and AHAA. Learn how the winning teams approached a particular challenge or opportunity and how they developed research-based campaigns to net measurable results and inspired call-to-action. Lastly, regardless of language and cultural identity, Latinos are like any other consumers: We respond to needs and this affects our behaviors and motivations just like any other consumer.

### **What do you love most about your work—and multicultural communications?**

The fun part about my work is that no two clients are the same. Each has their own distinct reasons for wanting to outreach to the Hispanic market and because of that, I can assume the roles of a researcher, a creative and a business strategist all at once. The best part about my work is presenting a Hispanic market campaign and seeing the client's face light up because they know you understand their business and better yet, their consumers. That's the best feeling.

### **What do you like to do in your free time—and how might that impact the way you work?**

When I'm not physically working, my mind is active and at times either consciously or subconsciously taking in information to use at work. When I find myself with free time, I'm either trying to catch up on various industry reading and business trend publications or talking to fellow colleagues and peers in the business to see what they're working on and what they're seeing and hearing. My specialty is consumer marketing, both general and Hispanic markets, and because of that, I'm constantly surfing the 'Net, monitoring Facebook and Twitter, and skimming through English and Spanish business and lifestyle ezines for the latest trending in pop culture to see how those trends will be shaping my marketing campaigns and client programs.

### **What New Year's resolutions should PR readers be making now?**

With the inauguration of President-Elect Barack Obama after the New Year, I believe interest in multicultural communications will be on the rise, as companies will seek greater efforts to embrace diversity as a means to advance their business practices and initiatives. So, take active steps to become further educated on not only the Hispanic market but Asian and African-American as well—especially if your agency has government work.

Specific to Hispanic outreach: Awareness, education and understanding about this market will bring to light the value of this sector—not only to your client's business, but to your business as well.

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