

Outlook 2008: Ethnic Marketing

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The successful marriage of content and digital technology is expected to play a major role in reaching niche groups in 2008. For marketers, that means knowing the cultural nuances, identifying specific consumer preferences and understanding the significance that the Internet and mobile devices play in the lifestyles of the diverse audiences they are trying to reach.

“Technology is allowing marketers to reach a finer and finer segmentation of consumers,” said Howard Buford, president and CEO at multicultural agency Prime Access, New York. “In multicultural marketing there’s more demand for culturally specific messaging and more demand for authenticity in speaking to these audiences.”

The buying power of the U.S. Hispanic, African American and Asian populations is projected to climb to \$3 *trillion* by 2011, per the Selig Center for Economic Growth, Athens, Ga.

From a strategic perspective, this massive financial strength is a major reason why integrating multicultural marketing, and specifically Hispanic marketing, into their plans is becoming more common among U.S. corporations. “U.S. businesses across all industries have begun to focus on the rapidly growing Hispanic/Latino market through targeted advertising spending and customized products,” David Kostin, managing director of Goldman Sachs’ U.S. portfolio strategy, noted in a recent presentation at the Multicultural Marketing Summit, Miami. “We believe this trend will continue . . . Firms taking the lead in these initiatives . . . are likely to see their revenues grow faster than those of their competitors over the long term.”

In 2008, marketers will need to deliver culturally relevant messaging via the Internet and all types of digital channels, said data analyst Tamara Barber of Forrester Research, Cambridge, Mass. “Online video is an increasingly interesting and attractive [marketing] vehicle for advertisers if the content is there,” Barber added. “Consumers want to be able to get their information when they want it, where they want it. And online channels are becoming a place where they want it and it’s available.”

“What we’ve seen in social networking speaks to how critical and essential the Internet is [among Hispanic consumers],” said Mark López, COO at Terra Networks, which operates Spanish-language Web portal Terra.com. “The whole industry has been evolving from a Spanish-only kind of segmentation to relevant content that’s mixed with a community aspect, where we can look at a segment of users and know what content they are consuming,” López said. “Then we can work with advertisers and really create relevant messages for those users.”

- Della de Lafuente