



Reach US Hispanics through Online Marketing

Winter 2004





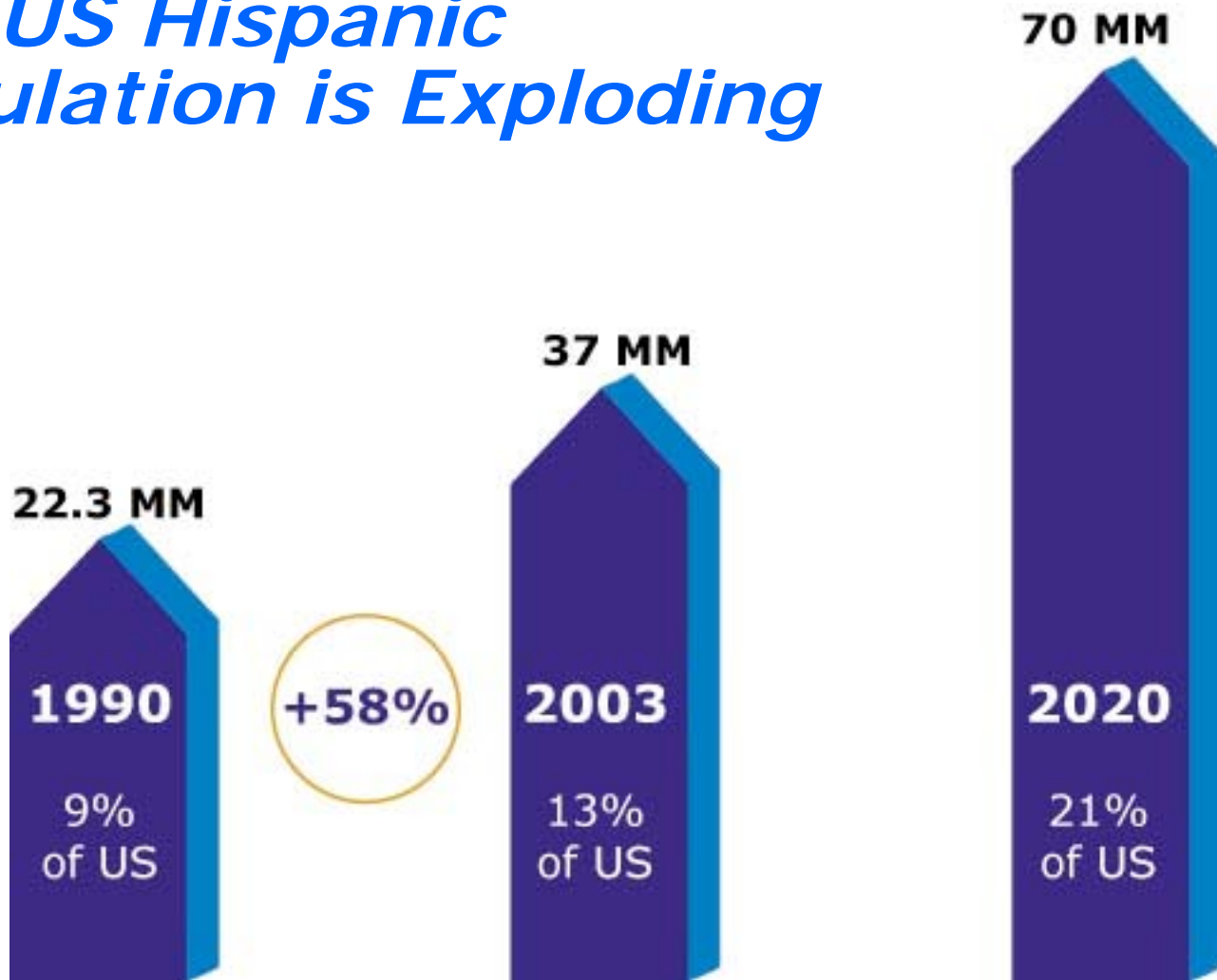
Agenda

- ❑ *Why Target the US Hispanic Market?*
- ❑ *What Makes the US Hispanic Online Market So Attractive?*
- ❑ *Does Online Advertising Work for US Hispanics?*





The US Hispanic Population is Exploding

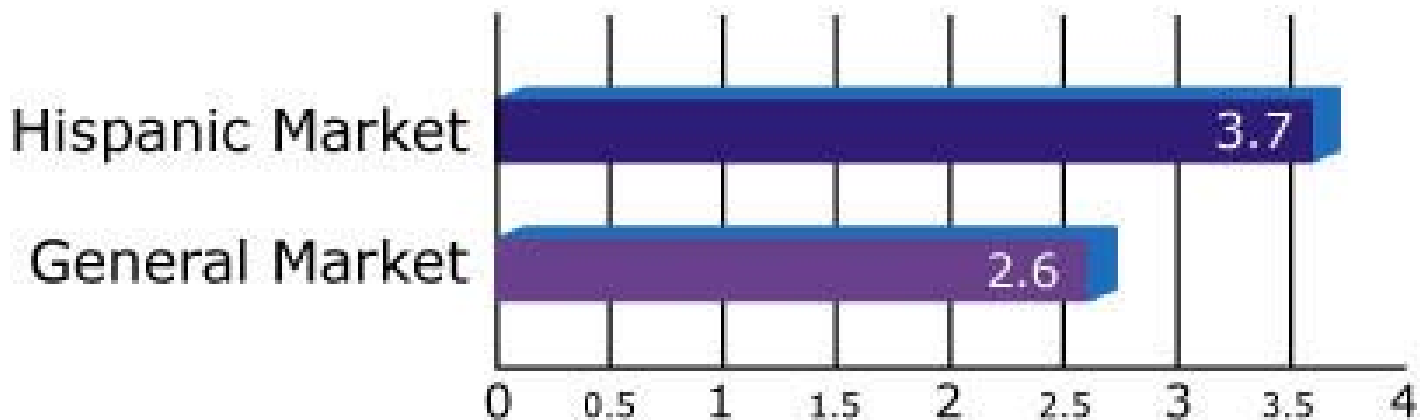


Source: US Census Bureaus (1990, 2000); 2020 Projection Strategy Research Inc., US Census



US Hispanics Have Larger Households

U.S. HH Size



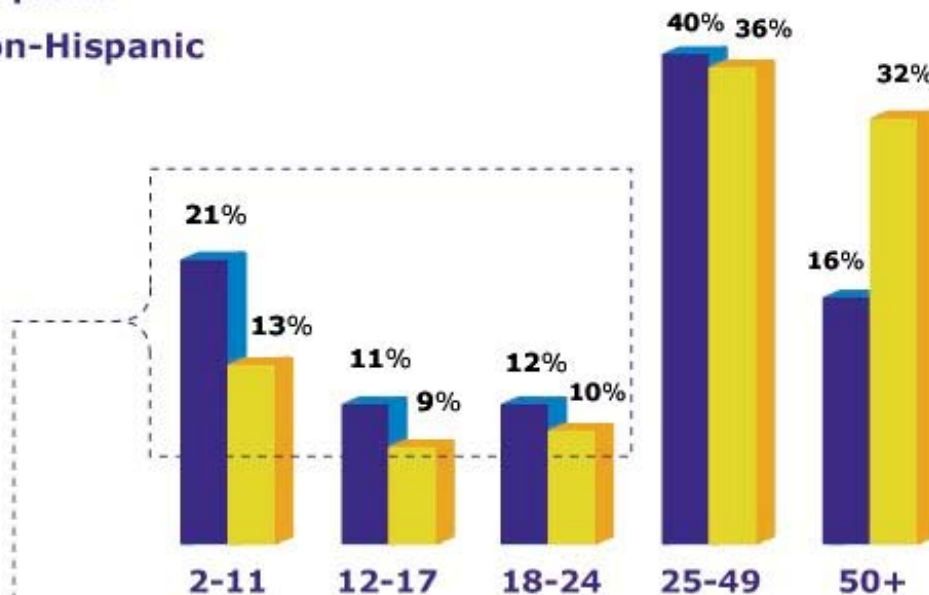
Source: US Census Bureau 2002 Estimates





The US Hispanic Market is Young

● Hispanic
● Non-Hispanic



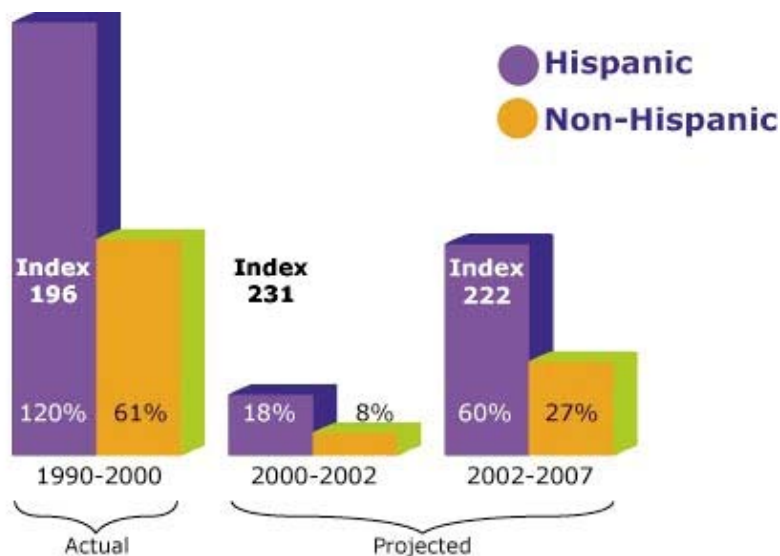
45% of Hispanics are 24 years of age or younger
vs.
31% of Non-Hispanics

Source: Nielsen NHTI 2002 Universe Estimates





US Hispanic Buying Power is Increasing More Quickly Than Non-Hispanic



Percentage Growth in Consumer Buying Power

“The strongest growth for Hispanics is in the upper income categories (\$75K+). With this rapidly growing affluence Hispanics offer astute markets a major opportunity to build their sales.”

Phillip Beswik, The Media Audit

Source: Selig Center for Economic Growth/Univ. of Georgia, “The Multicultural Economy 2002,” July 2002.



What Makes the US Hispanic Online Market So Attractive?

- Critical Mass*
- Qualified Consumer*
- Openness to New Technology & Advertising*
- Incremental Eyeballs/Opportunity*





Hispanics Online: A Critical Mass

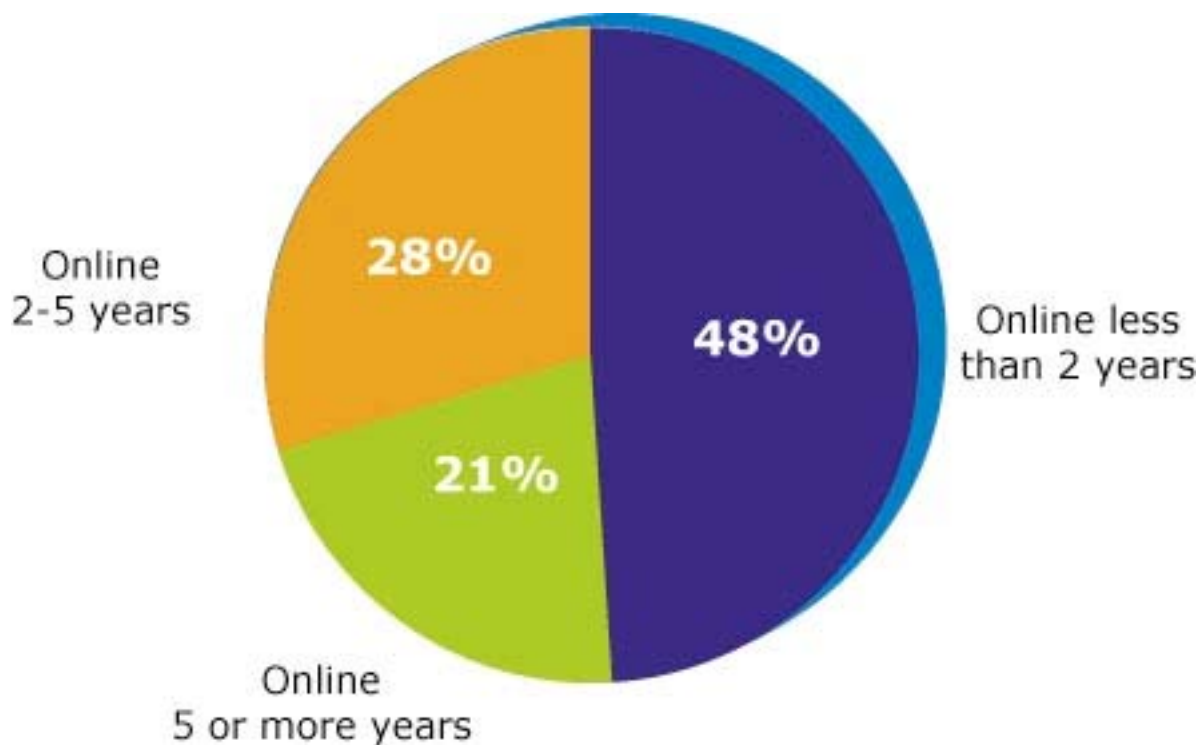
- **More than 14 million US Hispanics have access to the Internet**
- **Growth in use of the Internet by US Hispanics outpaces that of the US General market**
 - Time spent and pages viewed has grown between 30-37% in the US Hispanic market while it has only grown by 6% in the US General market
- **US Hispanics access the Internet from a variety of places:**
 - Home, Work and University
 - Therefore, Internet usage may be even higher

Source: ComScore Media Metrix - includes @home, @work and @university.





Nearly Half of Hispanic Internet Users Are Very New to the Medium



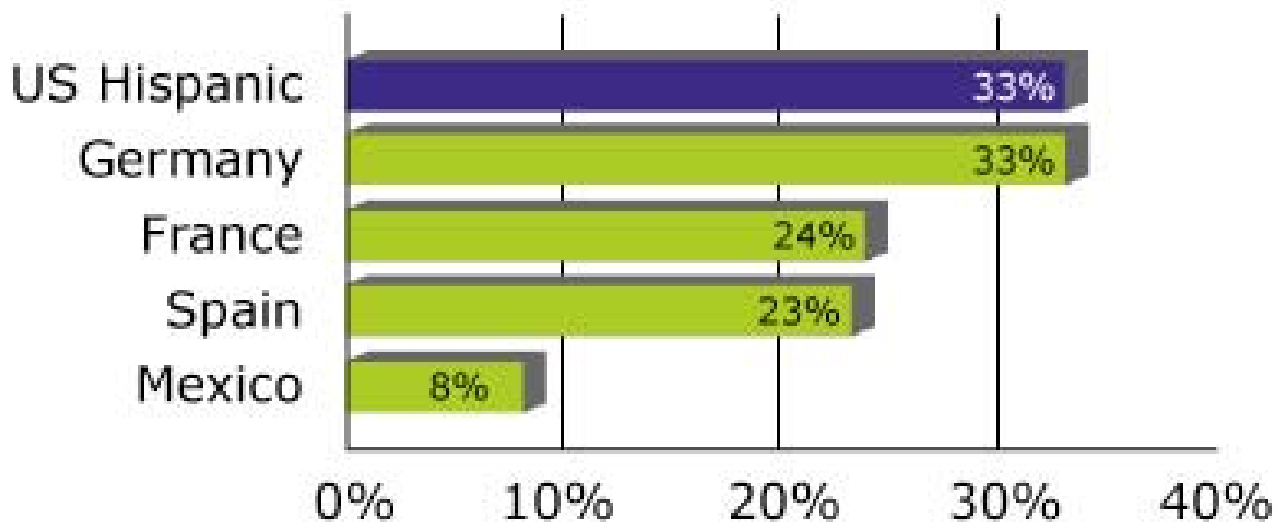
Source : AOL Roper Starch Roper Cyberstudy 2002





Use of the Internet Among the US Hispanic Market Alone is Higher than Many Countries

% Online

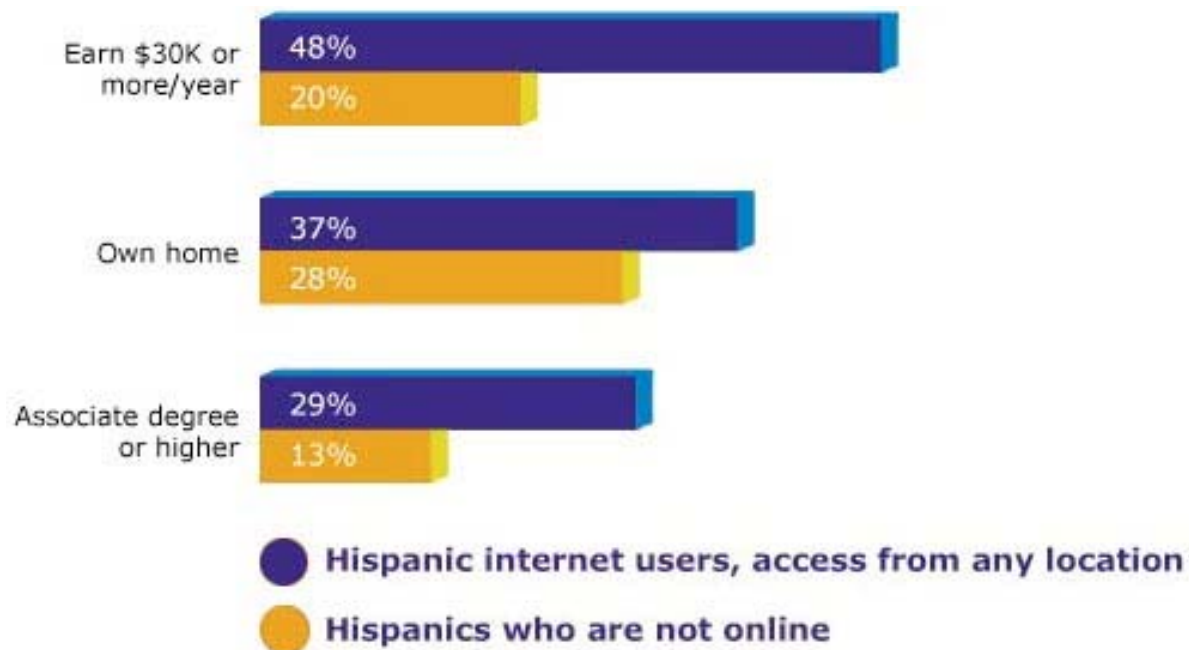


Sources: *US Hispanic: Multiple Sources, All other: ComScore Media Metrix - includes @home, @work and @university.*





US Hispanics Online are Qualified Consumers



“While the average client for our cars should have annual incomes of some \$75,000, among the Hispanic public we have many potential buyers under that level. That said, nearly 30% of the Hispanic of Los Angeles are in the income level of \$75,000 or more.”

- Karina Jaramillo, multicultural marketing manager for Jaguar

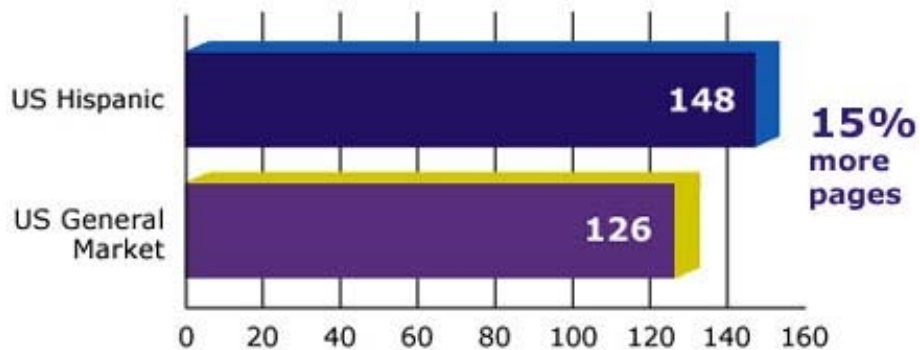
Source: Nielsen Media Research, “2003 Internet Phone Survey,” March 2003



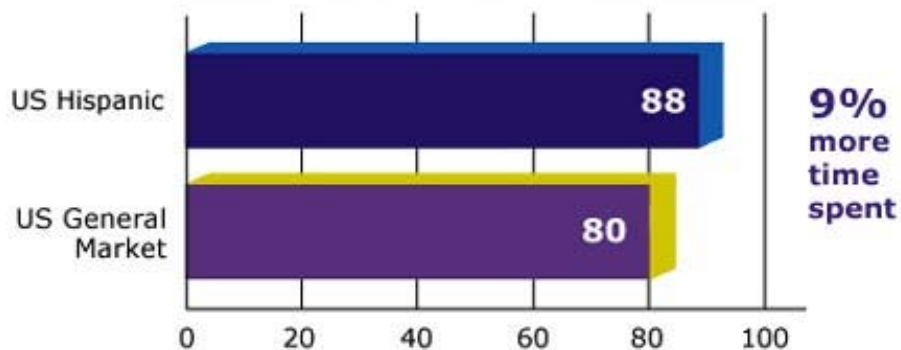


US Hispanics Are More Avid Internet Users

Average Pages Per Usage Day



Average Minutes Per Usage Day

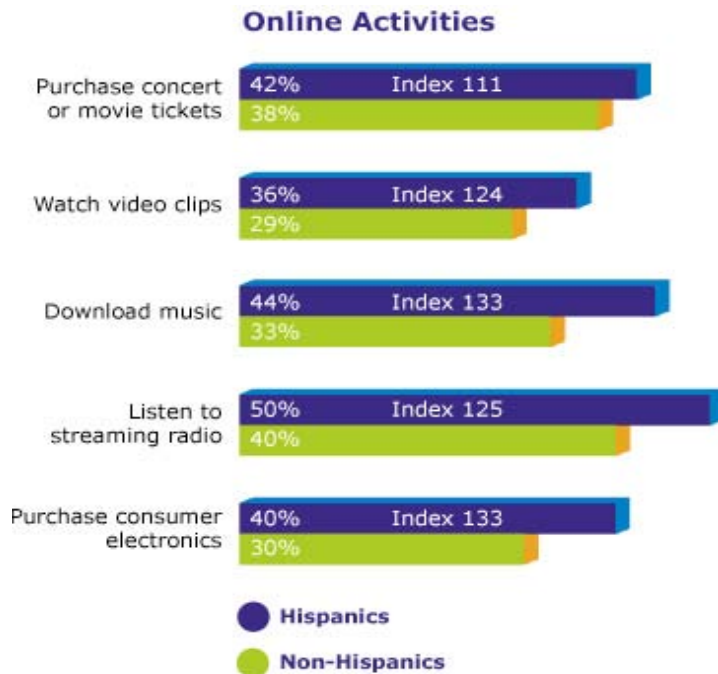


Source: ComScore Media Metrix - includes @home, @work and @university





US Hispanics Outpace General Market in Online Entertainment Consumption



“Last year, Latino moviegoers made up 15% of the US film admissions and saw more movies (an average of 9.9) than any other ethnic demographic.”

- Jack Valenti, MPAA President & CEO, April 26, 2002

Source: AOL/RoperASW Hispanic Cyberstudy, Jan 2003





The Internet is an essential ingredient in a successful marketing message to Hispanics

Fall 2001

	Hours Spent Per Week in 2001
All Media	54.2
Television	28.6
Radio	18.4
Newspapers	2.5
Magazines	1.5
Internet	3.3

Spring 2002

	Hours Spent Per Week in 2002	Growth
All Media	55.0	1.5%
Television	29.2	2.0%
Radio	17.3	-6.1%
Newspapers	2.3	-6.8%
Magazines	1.2	-21.2%
Internet	5.1	55.2%

- Hispanics spent approximately the same time on Media in 2001 and 2002:
- However, time spent on Internet alone, is nearly equal to time spent on Spanish language TV and Radio:
 - Internet total hours spent per week: 5.09
 - Spanish language radio: 6.85
 - Spanish language TV: 8.22
- The data shows that Internet holds an increasingly important position in Hispanic media consumption.

Source : Spring 2002 SRI Data





Does Online Advertising Work for US Hispanics?

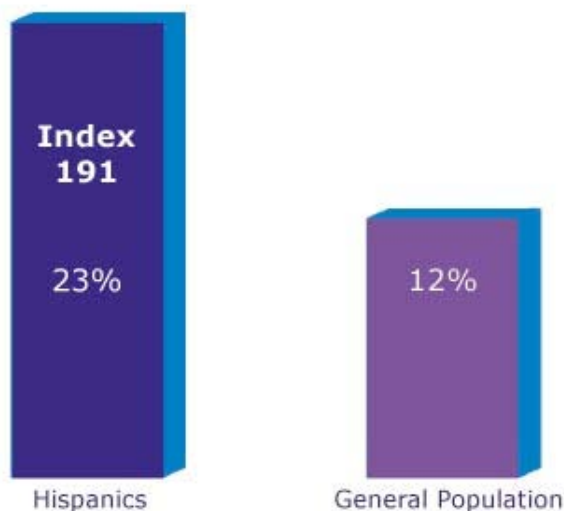
- Critical Mass*
- Qualified Consumer*
- Openness to new technology & advertising*
- Incremental Eyeballs/Opportunity*





Hispanics Find Online Advertising More Useful Than Non-Hispanic Internet Users

% Who Say They Find Online Ads Useful



"The Web is an effective medium to reach America's Hispanic population."

- CJ Fraleigh, Executive Director of Advertising and Corporate Marketing, General Motors, May 14, 2003

Sources: Simmons, National Consumer Survey, Fall 2002; Hispanic Consumer Survey, 2002





Advertising in Spanish Impacts the Hispanic Market

"I get more information about a product when it's advertised in Spanish than when it's advertised in English only."

Agree

65%

"There should be ads or commercials directed specifically to Hispanic concerns."

Agree

78%

Successful advertisers make their messages culturally relevant to the Hispanic market.

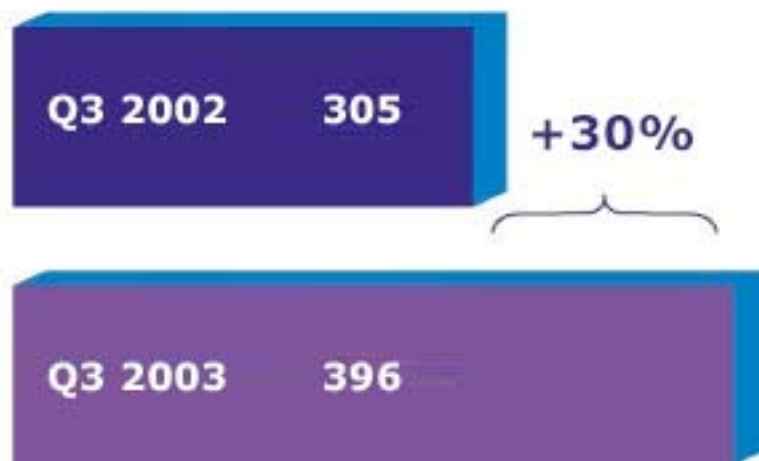
Source: Yankelovich, 2002 Hispanic Monitor





The Number of Advertisers Using Spanish-Language Websites Continues to Grow Dramatically

Number of Advertisers Active All Spanish-Language Websites (Includes Local and National Buys)

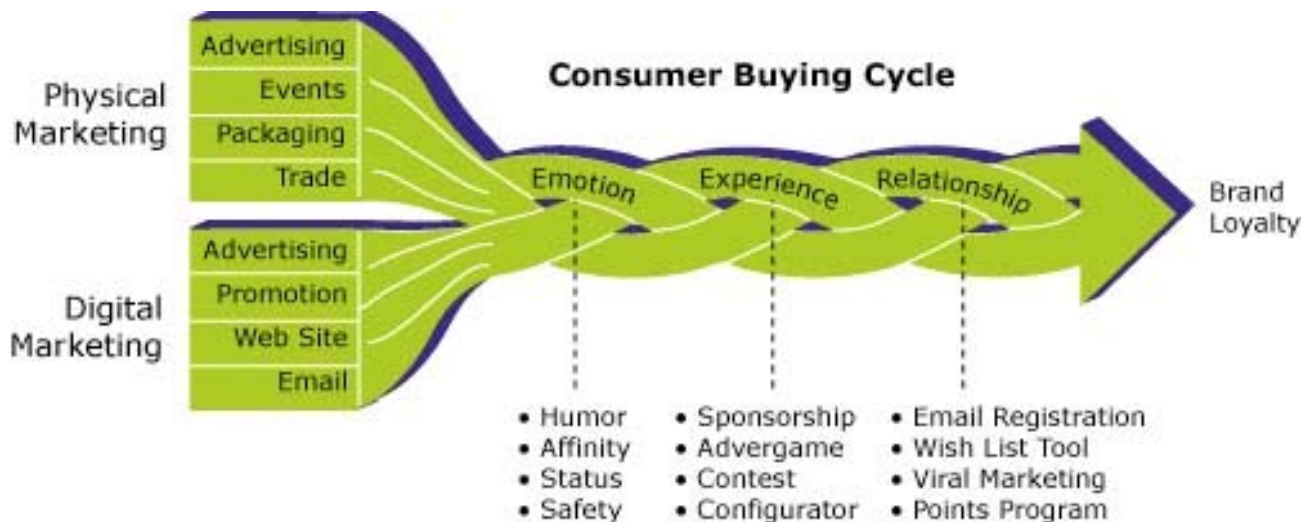


Source: *HispanicWebMonitor.com*





The Best Way To Impact the Hispanic Audience Is Through An Integrated Message



The media consumption evidence proves that Hispanics are best reached with an integrated multi-media message which entertains, engages, and provokes action.

Source : 2002 XMOS Cross-Media Optimization Study





Sources

- ❑ US Census Bureaus (1990, 2000)
- ❑ 2020 Projection Strategy Research Inc.
- ❑ Nielsen NHTI 2002 Universe Estimates
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About

□ The IAB Hispanic Committee:

- Mission

The Hispanic Committee's goal is to educate advertisers and agencies on the marketing benefits and value of using online advertising to reach Hispanic community. Additionally, the committee is tasked with developing industry standards audience measurement. The committee will deliver these objectives through research, standards development and stakeholder education.

- Member Companies

- 360Traffic
- AOL
- AutobyTel
- comScore Networks
- InsightExpress
- La Opinión Digital
- MSN
- Nielsen / NetRatings
- StarMedia
- Terra Lycos
- Univision
- Yahoo! En Español
- Yupi MSN

