



INSIGHTS

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Dear Colleagues:

In this issue of *Insights* we share with you recent research on the appeal of social media sites to Hispanics, some facts on the upcoming Cinco de Mayo holiday, the latest on the 2010 Census Operations and (back by popular demand) a Multicultural Knowledge Quiz.

As marketers continue to realize the importance of the multicultural markets to their market share and bottom lines, we will continue to provide you with the necessary insights and research tools to better understand what makes these multicultural segments tick.

As always, we would enjoy hearing from you on our newsletter and our comprehensive website, or talking about your next research project.

Que disfruten su verano!

The Multicultural Insights Team



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The rate with which US Hispanic consumers have been going online has been accelerating over the last few years and our research shows that online Hispanics spend significantly more time than other segments browsing the internet and using social media sites [Facebook, AIM, Twitter and MySpace] and are more likely than their online counterparts to have updated/current profiles on these sites. We decided to explore the reasons for the appeal of these sites and here is what we found.

When we delved into the appeal of social media for this segment we discovered that there is no single reason why online His-

panics gravitate to social media but rather a combination of factors that contribute to their strong presence on these sites.



The age factor. Regardless of the consumer segment, younger consumers are the fastest growing group going online and visiting social media sites. Since Hispanics consumers are younger than their counterparts they are more likely to be online.

The connectivity factor. The ability to stay in touch with family and friends who live in other cities/countries is alluring to the online Hispanic consumer. Social media is the best alternative to being there.

"Facebook is almost like being there with them."

"When looking at the recent pictures posted by my family and friends of the different events in there lives...I don't feel so far away."

"My family posted a video of a recent gathering and some of my relatives spoke directly to me...it was great! I almost felt like I was at the party."

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The cost factor. The internet presents a low cost alternative to sharing pictures, messages and videos with family and friends who live far away. Consumers who used to call their relatives and friends using long distance land lines migrated to cell phones and are now discovering these social media sites. These low cost alternatives are even more attractive because of their ability to connect visually as well as audibly.

"It doesn't cost me any more to check-in several times a day or chat for an hour with my family...I am already paying for the Internet."

"I use to spend a lot of money every month developing pictures of my son and mailing them to my mom. Now I can download and post them almost instantaneously."

The time factor. Hispanics online also use these sites to socialize with local relatives, friends and co-workers. Many reported that they did not have the time with their busy schedules to keep in touch with friends as much as they would like. Social media allows them

to let friends know that they are thinking of them by "poking", "following" and "sending virtual gifts" without a significant time investment.

"I am always running. I don't have time during the week to call and chat with my friends...many times I will poke them and they will know I am thinking about them."

"I use it to stay in touch with my best friend. We instant message short phrases and it is much more efficient than calling her in the middle of a work day."

With the growing presence of Hispanic consumers on the

Internet and the increasing use of social media sites multicultural marketers need to take notice. In the near future (if not already), a social media presence will be just as important as other media channels in targeting the online Hispanic segment of the population. Companies that are the first to effectively reach this segment via this channel will enjoy the benefits of long term loyalty with a rapidly growing sub-segment of the Hispanic population. ■

Cinco de Mayo Facts

US Census Bureau



Cinco de Mayo celebrates the legendary Battle of Puebla on May 5, 1862, in which a Mexican force of 4,500 men faced 6,000 well-trained French soldiers. The battle lasted four hours and ended in a victory for the Mexican army under Gen. Ignacio Zaragoza. Along with Mexican Independence Day on Sept. 16, Cinco de Mayo has become a time to celebrate Mexican heritage and culture.

29.2 million

Number of U.S. residents of Mexican origin in 2007. These residents constituted 10 percent of the nation's total population and 64 percent of the Hispanic population.

18.25 million

Number of people of Mexican origin who lived either in California (10.97 million) or Texas (7.28 million). People of Mexican origin made up more than one-quarter of the residents of these two states.

25.8

Median age of people in the United States of Mexican descent. This compares with 36.7 years for the population as a whole.

609,000

Number of Mexican-Americans who are U.S. military veterans.

1.3 million

Number of people of Mexican descent 25 and older with a bachelor's degree or higher. This includes about 362,000 who have a graduate degree.

37%

Among households where a householder was of Mexican origin, the percentage of married-couple families with own children younger

than 18. For all households, the corresponding percentage was 21 percent.

4.1

Average size for families with a householder of Mexican origin. This compares to 3.2 people in all families.

14%

Percentage of employed civilians 16 and older of Mexican heritage who worked in managerial, professional or related occupations. In addition, 24 percent worked in service occupations; 20 percent in sales and office occupations; 18 percent in construction, extraction, maintenance and repair occupations; and 19 percent in production, transportation and material moving occupations.

\$39,742

Median household income in 2007 for households with a householder of Mexican origin.

22%

Poverty rate in 2007 for

people of Mexican heritage.

68%

Percentage of civilians 16 and older of Mexican origin in the labor force. The percentage was 65 percent for the population as a whole. There were 13 million people of Mexican heritage in the labor force, comprising 9 percent of the total.

51%

Percentage of householders of Mexican origin who owned the home in which they live.

\$367.5 billion

The value of goods traded between the United States and Mexico in 2008. Mexico was our nation's third-leading trading partner, after Canada and China. Source: Foreign Trade Statistics

701,078

Number of firms owned by people of Mexican origin in 2002. They accounted for more than 44 percent of all Hispanic-owned firms. Among these Mexican-

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owned firms, 275,896 were in California and 235,735 in Texas. The Los Angeles-Long Beach-Riverside, Calif., combined statistical area had 174,292.

\$96.7 billion

Sales and receipts for firms owned by people of Mexican origin in 2002.

116,290

Number of firms owned by people of Mexican origin in the construction sector in 2002, which led all sectors.

\$100.4 million

Product shipment value of tamales and other Mexican food specialties (not frozen or canned) produced in the

United States in 2002. Source: 2002 Economic Census

\$48.9 million

Product shipment value of frozen enchiladas produced in the United States in 2002. Frozen tortilla shipments were valued even higher, at \$156 million. Source: 2002 Economic Census

347

Number of U.S. tortilla manufacturing establishments in 2006. The establishments that produce this unleavened flat bread employed about 14,500 people. Tortillas, the principal food of the Aztecs, are known as the "bread of Mexico." About one in three of these establishments was in Texas. ■

Test your Multicultural Knowledge

Think your knowledge of the multicultural markets is better than average? Try the quiz below and see how you do.

1. What percent of Americans are projected to be minorities by the year 2038?

- A. 12%
- B. 25%
- C. 30%
- D. 50%

2. Which multicultural segment spends the greatest amount of money on food in a year?

- A. Anglos
- B. Hispanics
- C. African Americans
- D. Asian

3. Which multicultural segment reacts most favorably to cause related programs?

- A. Anglos
- B. Hispanics
- C. African Americans
- D. Asian

4. Which multicultural segment spends the most on alcoholic beverages in a given year?

- A. Anglos
- B. Hispanics
- C. African Americans
- D. Asian

5. Which multicultural segment spends the greatest amount on groceries in a year?

- A. Anglos
- B. Hispanics
- C. African Americans
- D. Asian



6. Which multicultural segment is most likely to respond to direct marketing?

- A. Anglos
- B. Hispanics
- C. African Americans
- D. Asian

7. Which group of owns the most independent businesses?

- A. Cubans
- B. Mexicans
- C. African Americans
- D. Chinese

8. Which multicultural segment is most effectively reached with radio?

- A. Anglos
- B. Hispanics
- C. African Americans
- D. Asian

9. Which multicultural segment is most effectively reached with newspapers ads?

- A. Anglos
- B. Hispanics
- C. African Americans
- D. Asian

10. Which multicultural segment responds most favorably to personal demonstrations?

- A. Anglos
- B. Hispanics
- C. African Americans
- D. Asian

If you want the answers to these 10 questions send us an email at info@multicultural-insights.com and in the subject line type "Multicultural Knowledge Answer Key" and we will send you the correct response. ■

2010 Census Operation Underway

The Census Bureau has started a massive operation on March 30 to verify and update more than 145 million addresses as it prepares to conduct the 2010 Census.

Nationwide, more than 140,000 census workers will participate in the address canvassing operation, a critically important first step in ensuring that every housing unit receives a census questionnaire in March 2010. All information is kept confidential. The countdown to the 2010 Census is officially one year out on April 1.

"A complete and accurate address list is the cornerstone of a successful census," said Tom Mesenbourg, acting director of the U.S. Census Bureau. "Building on the achievements of the 2000 Census, we have been testing and preparing for the 2010 count all decade, and we're ready to fulfill our constitutional mandate to count everyone living in the United States."

Address canvassing is the first publicly visible activity of the 2010 Census and should conclude by mid-July. The operation will use new hand-held computers equipped with GPS to increase geographic accuracy. The

ability to capture GPS coordinates for most of the nation's housing units will greatly reduce the number of geographic coding errors caused by using paper maps in previous counts.



"The primary goal of the census is to count everyone once, only once, and in the right place," Mesenbourg said. "Because the census is used for reapportioning seats in the U.S. House of Representatives and the distribution of more than \$300 billion in federal dollars every year to state and local governments, it's essential to get this first step right."

Over the last several years, the Census Bureau has been actively working on updating its geographic databases and master address files. From implementing the Local Update of Census Address program where more than 11,500 tribal, state and local governments participated in a review of the Census Bureau's address list for their area, to increasing the precision of the GPS mapping, many advances have been made to compile the most comprehensive listing of addresses in the nation.

The address canvassing operation will be conducted out of 151 local census offices across the U.S., with most offices beginning on April 6. In most cases, census workers will knock on doors to verify addresses and inquire about additional living quarters on the premises. This is the first census to include group quarters (such as dormitories, group homes, prisons and homeless shelters) in the address canvassing operation, which should improve both the accuracy and coverage of the final count.

There will be one final opportunity to add new home construction in early 2010 prior to the mailing of the census questionnaires. ■

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