B\lanca Franco, a 19-year-old Mexican living in Los Angeles, listens to the radio at least 10 hours a day. Whether she’s just waking up, cleaning house or working at the local Laco Taco restaurant, she’s tuned in—but almost always to broadcasts in Spanish. “It reminds me of my homeland,” she explains. Franco is one of 12 million people who avidly listen to Spanish-language radio. These stations cater to Hispanics who prefer to do it in the language and the media they trust, says Aida Levitan, CEO of Hispanic Media Group, a strategy consulting firm based in Washington, D.C.

### LOOK WHO’S TUNED IN

<table>
<thead>
<tr>
<th>Household Income</th>
<th>% Index of Hispanic (+)</th>
<th>Index*</th>
</tr>
</thead>
<tbody>
<tr>
<td>$75k+</td>
<td>17% 62</td>
<td></td>
</tr>
<tr>
<td>$50,000-$74,999</td>
<td>14% 69</td>
<td></td>
</tr>
<tr>
<td>$25,000-$49,999</td>
<td>14% 69</td>
<td></td>
</tr>
<tr>
<td>$20,000-$24,999</td>
<td>16% 70</td>
<td></td>
</tr>
<tr>
<td>$15,000-$19,999</td>
<td>15% 73</td>
<td></td>
</tr>
<tr>
<td>$10,000-$14,999</td>
<td>15% 73</td>
<td></td>
</tr>
<tr>
<td>$5,000-$9,999</td>
<td>15% 73</td>
<td></td>
</tr>
<tr>
<td>$5,000 or less</td>
<td>15% 73</td>
<td></td>
</tr>
</tbody>
</table>

*A Index of 100 is the national average. For example, in the next 12 months, Hispanics who listen to Hispanic radio are 60% more likely than the average American to buy a newly constructed primary home or condo.

### WITHIN A YEAR, THE HOUSEHOLD PLANS TO BUY: INDEX*

<table>
<thead>
<tr>
<th>Category</th>
<th>% Index of Hispanic (+)</th>
<th>Index*</th>
</tr>
</thead>
<tbody>
<tr>
<td>KIDS IN HOUSEHOLD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0</td>
<td>36% 62</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>23% 135</td>
<td></td>
</tr>
<tr>
<td>2 or more</td>
<td>40% 166</td>
<td></td>
</tr>
</tbody>
</table>

*A index of 100 is the national average. For example, in the next 12 months, Hispanics who listen to Hispanic radio are 60% more likely than the average American to buy a newly constructed primary home or condo.

### Spanish/Hispanic

- Hispanic buying power is estimated at $581 billion today, up 161 percent from 1999.
- Hispanic radio preferences may be increasing at a far faster clip than the general market.

### A BOOMING MARKET

Spanish-language radio is gaining at a far faster clip than the general market.

### THE DEMOGRAPHICS OF MEDIA CONSUMPTION

- Long overlooked, Hispanic radio enables marketers to connect with the fastest-growing ethnic group in America.

### Why aren’t big firms advertising on Hispanic radio?

Patricia Suarez, president of Suarez/Frommer & Associates, Inc., a Pasadena, Calif.-based advertising and communications firm, says large companies don’t advertise on Hispanic radio because they believe Hispanic consumers can’t afford to buy their products.

### FUTURE ACQUISITIONS

- Hispanic buying power is estimated at $581 billion today, up 161 percent from 1999.
- Hispanic radio preferences may be increasing at a far faster clip than the general market.

### LOOK WHO’S TUNED IN

Long overlooked, Hispanic radio enables marketers to connect with the fastest-growing ethnic group in America. BY SANDRA YIN

### AID TO THE DEMOGRAPHICS OF MEDIA CONSUMPTION

- Hispanic radio is growing in popularity. Although Spanish-language radio, also referred to as Hispanic radio, is so popular, in fact, that the format shows up among the Top 5 ranked stations in all leading Hispanic metro markets, according to Arbitron. “If you want to connect with Hispanic consumers, you do it in the language and the media they prefer,” says Aida Levitan, CEO of Hispanic Media Group, a strategy consulting firm based in Washington, D.C.

### SOME COMPANIES DON’T ADVERTISE ON HISPANEIC RADIO, BELIEVING THESE CONSUMERS CAN’T AFFORD THEIR LUXURY PRODUCTS.

There is some basis to marketers’ belief that Hispanic radio audiences tend to be less upscale than the overall radio audience. The average household income for Spanish-format radio listeners is $45,532, compared with an average of $64,568 for all radio listeners in the U.S., according to Mediakick Research, Inc. The average for Spanish radio is likely to be even lower given that the survey was conducted in English, “disassimilating” some Hispanic consumers.”

### WHAT DON’T THESE COMPANIES KNOW ABOUT THIS MARKET?

For one thing, Hispanic buying power is on the rise. The Selig Center for Economic Growth, a research group at the University of Georgia in Athens, estimates the buying power of Hispanics at $581 billion in 2002. That’s up 161 percent from 1990, compared with total U.S. buying power, which rose only 74 percent over the same period. In addition, Hispanic radio listeners are particularly receptive to packaged goods, automotive products, health-care services and insurance and real estate promotions, according to Levitan. During the next 12 months, the mostly Hispanic households that tune in to Spanish radio stations are 64 percent more likely than the average lis-
tender to plan on buying a primary resi-
dence or new condo, reports Sbor-
ough Research, a New York City-based
consumer market research firm. His-
panics also tend to buy more in cate-
gories such as entertainment and com-
munications purchases. Hispanic radio
listeners have a propensity for buying
high-end electronics, including TVs and
sound systems and components that
cost $500 or more. They are also
more likely than average to spend
between $250 and $499 a year on CDs,
cassette tapes and other music.
"You’re missing the boat if you
do’t target the Hispanic market," says
Anna Figueroa, national sales manager
for WCQM- FM in Miami.
The appeal of this market is not lost
even on everyone, however. Such na-
tional brands as Kohl’s, a chain of discount
department stores, and retailer Century
21 have recently begun to tap Hispanic
listeners’ ears and wallets. Meanwhile,
Procter & Gamble, Gerber, Sears and
Western Union have been doing so for
at least a decade.
These companies have identified the
Hispanic market as high fast growing based
on demographic trends. Not surprising-
lly, 9 in 10 Spanish-language radio lis-
teners (86 percent) are of Hispanic ori-
gin, according to Scarborough Research.
Yet immigrants aren’t the only ones
who tune in. Even partially acculturated His-
panic adults are more likely to listen to
radio in Spanish than in English,
according to Strategy Research Corpo-
ration, a market research company
based in Miami.
Spanish-language radio listeners, only
12 percent of Hispanics listen exclusively
 to English broadcasts versus
32 percent who listen only to Spanish
broadcasts. A 2002 survey commis-
sioned by New California Media, an
association of ethnic media organiza-
tions based in San Francisco, reveals
that Hispanics in California prefer eth-
nic media to their English-language or
general market counterparts. Of the
500 Hispanic Americans surveyed, 63
percent said they were more likely to
buy a product or service advertised in
a Latino-oriented publication or on such
a program.
Because they’re in acquisition
mode, starting families and establishing
households, Hispanics who listen to
Spanish-language radio may be a
potential market for categories not typ-
ically associated with young adults,
such as baby and children’s clothing
and food categories such as fruit juice.
This radio market audience tends to
be younger than average, and to live in
households with children. About 50
percent are between the ages of 18 and
34, while 76 percent are between 18 and
44, according to Scarborough Research.
Slightly more than half (54 percent)
are married, and 61 percent work full-
time. About 76 percent live in house-
holds of three or more people; 40 per-
cent live in households with two or
more kids. "Advertisers don’t under-
stand the power of Hispanic radio with
this population," says Felipe Korzenny,
principal of Cheskin, a Redwood
Shores, Calif.-based market research
and consulting firm.
In Latin America, there are some
4,000 radio stations, making radio one
of the most community-oriented medi-
ums on the continent. People turn to
radio not just to be entertained, but also
to get advice, to find jobs and to place
missing person notices. Here in the
U.S., Hispanic radio personalities
are revered, because they offer listeners
a way to connect to their homeland or
adapt to their new one.
On stations operated by Entravi-
sion, a Spanish-language media compa-
ny based in Santa Monica, Calif., radio
personality Gabino Ayala, for example,
takes listeners to hit radio station KSCA’s
program back home to Mexico as he remi-
nisces about life there, interspersing
stories with regional music. Mexico’s
president, Vicente Fox, delivers a weekly
message on Radio Unica, a 24-hour
televised news talk network based in
Miami. MayanFERE helps with
immigration issues, and no prob-
lem is off limits. When a man thought
his wife was possessed by the devil, he
called Renal Almendarez Coello, “El
Cucuy de la Mañana” (the bogeyman of
the morning) who announces that for
two people who listen to the show every
day of the marketing drive, more
than a million listeners a day, for help. A
priest later performed an on-air exor-
sic from KSCA-FM in Los Angeles.
Spanish radio is especially suited
to promote local events. When the
British drug manufacturer Glaxo-
SmithKline (GSK) wanted to raise dia-
betes awareness, it turned to Hispanic
radio to reach a population about that
three times more likely than average to
be diabetic, says Bernadette King,
GSK’s market communications direc-
tor. The company aired radio spots
promoting ethnic festivals where it held
listener contests, targeting Hispanics in
Chicago and Houston, and Puerto
Ricans in New York City. "It was a
good way to reach Hispanics in a
local market," says King.
Hispanic radio is also a strong
medium for product introductions in
local markets. That’s how Zepsi Corp.,
a cooperative of kiwi growers in
New Zealand, chose Spanish-language radio
as a way to introduce Hispanics and
retailers to the product, says Karen
Brux, Zepsi’s business development
manager.
This past summer, the exporter
placed four radio ads on two major
Spanish-format stations in Chicago as
part of a multimedia test-market cam-
paign. Although the results of the pro-
motion were not available at press time,
Brux says that the initial response was
"overwhelmingly positive." In late July,
at a Hispanic festival in Chicago, radio
personalities from one of that city’s
largest Spanish stations stopped by the
kiwi booth and liked the fruit so much,
they started an impromptu eating con-
test, which the station covered on air.
Zepsi handed out 20,000 kiwi samples
that day. And by the end of the first
month of the marketing drive, more
than 40 independent Hispanic retailers
had signed up to sell the fruit.

Hispanics who listen to Spanish radio are in acquisition mode, starting families and establishing households.

Haagen-Dazs proved the potential of test-marketing five years ago when it launched the caramel-flavored Dulce de Leche ice cream in markets with large Hispanic populations. As part of the campaign, the company sent samples around to on-air personalities, who talked up the new flavor. The effort was a success, according to Molly Dell’Omo, spokeswoman for Nestle Ice
Cream Company, which manufactures
and markets Haagen-Dazs for the retail
market. "In terms of sales volume, in 20
percent of the U.S. market, the Dulce
de Leche performed as well as some fla-
vors with nationwide distribution," she
says. "That was an indication that we
had a great flavor on our hands, with
potential for crossover success in the
mainstream market."

When Century 21 Real Estate
Corporation, based in Parsippany, N.J., want-
ed to reach more Latinos, it sponsored
a program and ran ads on the Radio
Unica network for 13 days in late
April. As of press time, the program averaged
more than 1,000 consumer calls per
show, says John Greenleaf, Century 21’s
senior vice president of marketing.

Companies that want to expand
beyond their current markets could
consider Hispanic radio a way in. For
example, firms with successful prod-
lucts in Latin America could expand
their markets by identifying similar
consumers in the U.S. and capitalizing
on consumers’ experiences in their
home countries.

Mexico, for instance, is one of the
Fanta brand’s largest markets, so it
makes sense to target Mexicans in the
U.S. After pulling Fanta-flavored soft
drinks from the U.S. market in the
late 1980s, Coca-Cola reintroduced the
beverages in March 2001. The company is
now using Hispanic radio in the U.S. in
regions that are home to large His-
panic populations as part of a cam-
paign to reach an audience that is
already familiar with Fanta because
of its fruit flavors, says Holly Chambers,
Coca-Cola’s manager of public rela-
tions. "If a sub-ethnic in Mexico
data with the product, the company oper-
atates at an advantage."

"If you would listen to their
markets, they could make greater
roads much quicker," says Pantanini. 

WHO’S LISTENING?

Hispanic adults in most of the Top 10 Hispanic radio markets listen to radio in Spanish at least half of the time.

Source: Strategy Research Corporation, 2002

WEEKLY HOURS OF DAILY RADIO LISTENING BY HISPANICS

<table>
<thead>
<tr>
<th>CITY (NATIONAL RANK)</th>
<th>ENGLISH</th>
<th>SPANISH</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Los Angeles, CA</td>
<td>1.16</td>
<td>2.17</td>
<td>3.33</td>
</tr>
<tr>
<td>New York, NY</td>
<td>1.94</td>
<td>2.20</td>
<td>4.13</td>
</tr>
<tr>
<td>Miami, FL</td>
<td>1.25</td>
<td>1.85</td>
<td>3.11</td>
</tr>
<tr>
<td>Chicago, IL</td>
<td>1.38</td>
<td>1.77</td>
<td>3.15</td>
</tr>
<tr>
<td>Houston, TX</td>
<td>1.71</td>
<td>3.46</td>
<td>5.17</td>
</tr>
<tr>
<td>San Francisco/San Jose, CA</td>
<td>1.56</td>
<td>2.92</td>
<td>4.48</td>
</tr>
<tr>
<td>Dallas/Ft. Worth, TX</td>
<td>1.23</td>
<td>2.39</td>
<td>3.62</td>
</tr>
<tr>
<td>San Antonio, TX</td>
<td>1.76</td>
<td>2.20</td>
<td>3.96</td>
</tr>
<tr>
<td>Phoenix, AZ</td>
<td>1.73</td>
<td>2.06</td>
<td>3.79</td>
</tr>
<tr>
<td>McAllen/Brownsville, TX</td>
<td>1.13</td>
<td>1.83</td>
<td>2.96</td>
</tr>
</tbody>
</table>

Source: Strategy Research Corporation, 2002

WWW.DEMOGRAPHICS.COM OCTOBER 2002 / AMERICAN DEMOGRAPHICS
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