

The

# CULTURE Markets REPORT<sup>SM</sup>

Published by Access Worldwide Communications, Inc., Cultural Access Group

## IN THIS ISSUE :

- ▲ **Hispanic Babies**  
Because of the family-centered nature of Hispanic culture, we expect the Hispanic baby market segment to flourish as the new millennium unfolds.
- ▲ **Baby Boom**  
Between 1997 and 2001, an estimated 18.6 million babies will be born in the United States. Almost 18% will be born to a Hispanic mom.
- ▲ **...Terrific Customers**  
Does more Hispanic babies mean more business for you? When it comes to Latinos, families, and baby products, the answer is a resounding "YES".
- ▲ **Reaching Hispanic Families**  
The majority of Spanish-language advertising strategies revolve around the family, either explicitly or implicitly
- ▲ **How the Cultural Access Group Can Help**
- ▲ **Upcoming Events**
- ▲ **How To Get Information Online**

## Hispanic Babies

As you may already know, Hispanic households offer the best opportunity for growth in most categories. First, the Hispanic market is easy to target because it is highly concentrated in urban areas. Only 1 in 50 Hispanic families live in rural areas, compared to 1 in 16 African American families, and 1 in 6 white families (Paulin 5). Second, Hispanic households are considerably larger than non-Hispanic households. In 1997, the average family sizes for whites and African Americans were 3.2 and 3.59, respectively, while the average Hispanic family size was 4.17 (Bryson 4). This means that if you were to reach 100,000 households in each of these segments, you would reach 320,000 whites and 359,000 blacks, compared to 417,000 Hispanics. Almost 100,000 more people, and in very concentrated regions! Because of the projected Hispanic baby boom over the next five years, and because of the family-centered nature of Hispanic culture, we predict that the most successful American businesses will be marketing to the Hispanic family as the new millennium unfolds.

### The Hispanic Baby Boom

Between 1997 and 2001, an estimated 18.6 million babies will be born in the United States. Over one in six of these (3,286,970, or 17.7%) will be born to a Hispanic mom. Since Hispanics reside in a small handful of cities, births to Hispanic women, on a per-market basis, is dramatically high (see Table 1). Birth rates can be as high as 53% - 82% in high-density Hispanic markets. For example, in the Los Angeles CMSA (which includes Los Angeles, Riverside, and Orange County), over half (53%) of the newborns will be Hispanic. In other words, more than one out of every two children born in the largest U.S. Hispanic market, Los Angeles, will be of Hispanic origin or descent (Graph 1). The next largest newborn Hispanic populations will be found in New York, Chicago, and Houston. Percentage-wise, the

## President's Column

Dear Readers:

Welcome to our new company – and new newsletter! The synergy with our sister companies as part of **Access Worldwide** has helped us create new and unique marketing tools and resources for our clients, including our expanded newsletter. As the Culture Markets Report, we can bring you information on the Hispanic market, and on other multicultural marketing opportunities in the U.S. We are also proud of our range of new services from tele-marketing and tele-research in fifteen languages, to our national pharmaceutical fulfillment center, to our worldwide medical education business. And this is just the beginning!



M. Isabel Valdés  
President  
Access Worldwide,  
Cultural Access Group

In addition, there is our partnership with the AC Nielsen Homescan Hispanic Panel to conduct a major longitudinal panel test in Los Angeles. After four years of planning, we're taking the first steps to bring you trended Hispanic household brand and product volumetric data, for 1200 categories, by language segments, indexed against general market data. To celebrate Hispanic families, in this issue we present Hispanics new birth data and analysis. As you can see, Hispanic households will continue to offer the best opportunity for growth in most categories.

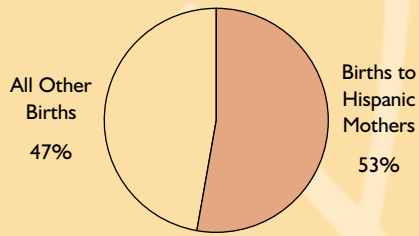
We wish you great success in 1999 and look forward to hearing from you soon.

Sincerely,

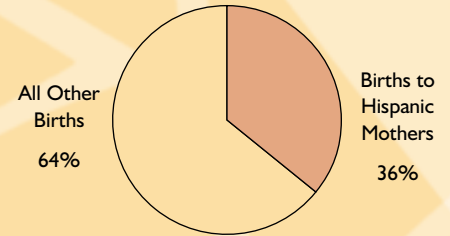
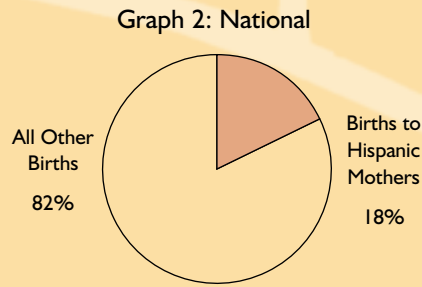
M. Isabel Valdés  
President  
**Access Worldwide**  
**Cultural Access Group**

*continued inside*

## 5 Year Projected Births to Hispanic and Non-Hispanic Women




Graph 1: Los Angeles



Graph 3: Miami

*The most successful American businesses will be marketing*



next largest populations will be Miami, Houston, and San Diego, all with over one in three births to Latinas. The fastest growing Hispanic baby market segments are El Paso and San Antonio with 82% and 65.4% Hispanic births, respectively.

Interestingly, cities that have previously not been known for their Hispanic populations are also experiencing the Latino baby boom.

This will be most notable in cities such as Portland, OR (10% or 15,141 births), Milwaukee, WI (8.6% or 9,844 births), Philadelphia, PA (8% or 30,195 births) and Washington, D.C. (7% or 34,678 births).

Hispanic Children And Their Parents Are Terrific Customers

Does more Hispanic babies mean more business for you? Fortunately, when it comes to Latinos, families, and baby products, the answer is a resounding “YES”.

As you may know, Hispanics tend to be very home, family, and child oriented. Not only do Hispanic families

have more children (2.1 per married Hispanic female vs 1.7 per married white female, Bachu 4), they also spend more per child than the non-Hispanic population. Known for “over-indulging” their children, Latino parents emphasize giving their children what they did not have. Because Hispanic households

are more likely be larger and to have several generations living together, marketers can reach more people through fewer households.

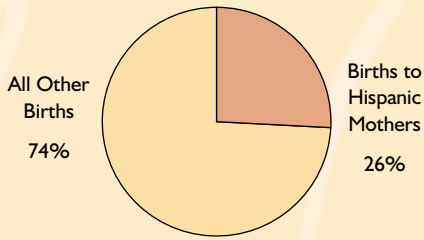
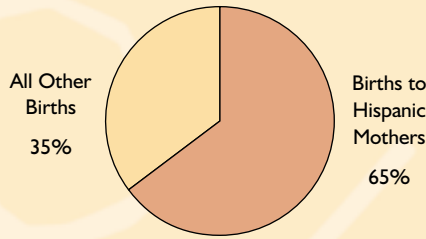
For example, a recent study of Hispanic household spending conducted with our research partner, AC Nielsen, among bilingual and

**Table I**  
Five Year Projected Births To Hispanic Women By Markets 1997 - 2001

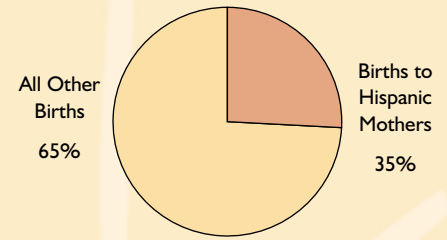
MSA's and CMSA's	Births To All Women	Births To Hispanic Women	Hispanic Births As Percent Of Total
El Paso	84,445	69,260	82.0
San Antonio	132,240	86,459	65.4
<b>Los Angeles</b>	<b>1,343,969</b>	<b>708,441</b>	<b>52.7</b>
<b>San Diego</b>	<b>221,728</b>	<b>80,689</b>	<b>36.4</b>
<b>Miami</b>	<b>259,894</b>	<b>94,079</b>	<b>36.2</b>
<b>Houston</b>	<b>372,157</b>	<b>131,504</b>	<b>35.3</b>
San Francisco	438,795	122,473	27.9
<b>New York</b>	<b>1,302,985</b>	<b>341,182</b>	<b>26.2</b>
Dallas	381,808	96,085	25.2
Denver	164,485	39,712	24.0
Sacramento	114,284	24,635	21.6
<b>Chicago</b>	<b>708,522</b>	<b>144,137</b>	<b>20.3</b>
Portland	149,645	15,141	10.1
Milwaukee	114,864	9,844	8.6
Philadelphia	380,809	30,195	7.9
Washington DC	476,856	34,678	7.3
Seattle	221,385	14,479	6.5
Cleveland	189,117	7,210	3.8
Detroit	343,829	12,823	3.7
Cincinnati	130,265	1,246	1.0
National Total	18,595,280	3,286,974	17.7

Source: Access Worldwide, Cultural Access Group, TGE Demographics, 1998

Graph 5: San Antonio



Graph 4: New York



Graph 6: Houston

to the Hispanic family as the new millennium unfolds

English-dominant\* households from the Homescan Consumer Panel, showed that market penetration for baby foods was 57% higher in Hispanic homes than in non-Hispanic homes. During calendar year, 1997, 25.5% of ACNielsen Homescan Hispanic households purchased baby food at least once, while only 16.2% of non-Hispanic homes purchased baby food during the same period. According to the Homescan Hispanic Consumer\*Facts study, for every 1,000 Hispanic households, \$22,623 was spent on baby food during the 52 week period. This was 61% more than non-Hispanic households, whose dollar volume per 1,000 households was only \$14,069. In all baby categories in the study, including baby food, disposable diapers, baby juice, accessories, bottles, teethers, powders, and oils, Hispanic households had greater market penetration (see Graph 7), and greater dollar volume per 1000 households.

When it comes to clothes for infants and children, Hispanics again are excellent customers. In 1994, Hispanics spent almost \$2 for every \$1 that non-Hispanics spent on infant (ages 0-2) apparel. Similarly, for children ages 2 - 15, Hispanics spent 93% more on girls' clothes and a whopping 119% more on boys' (Consumer Expenditure Survey, US Bureau of Labor Statistics).

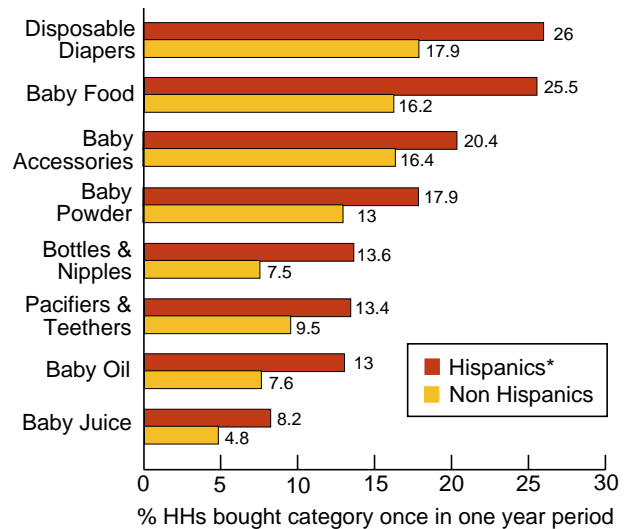
\*The source for this information is the ACNielsen Homescan Consumer Panel, 1998 Hispanic Consumer\*Facts report. Panel households were segmented using the Cultural Access Language Segmentation. The panel currently does not include Spanish-dominant households that tend to have even larger families. Therefore, this data actually underrepresents the actual sales data.

Reaching Hispanic Families

Because the Hispanic market is more family oriented than the general market, it is not enough to translate general market strategies into Spanish.

Marketing must focus on the cultural context and resulting attitudes that Latinos have towards their children. The pillar of the Hispanic culture is the family, which often includes grandparents, uncles, aunts, cousins, and family friends. This means that the family's needs and welfare take precedence over the individual family member's needs. The family, as a group, is the first and most relevant priority. It is for this reason that the majority of Spanish-language advertising strategies revolve around the family, either explicitly or implicitly. Furthermore, children in Hispanic families are expected to be dependent for as long

Graph 7: Market Penetration\*



Graph 7 Source: Access Worldwide, Cultural Access Group, ACNielsen Homescan Consumer Panel, 1998

as possible. When marketing even a most basic product to Hispanic children, advertisers should always include a parent (or other adult) in order to make the greatest impact.

How the Cultural Access Group Can Help

Clearly, there is opportunity for marketers of infant and early childhood products in the Hispanic baby market segment. If you are interested in more information, please contact our Director of Marketing and Sales, Jennifer Lynch at: 650-965-3959. We would be happy to put our successes and expertise to work for you.

## Upcoming Events

---

Look for *Cultural Access Group* at these coming events:

- January 21 – 22: National Hispanic Corporate Council Institute (NHCCI), Washington, D.C.
- February 8 – 9: Strategic Research Institute, “Targeting Women”, New York, NY
- February 25 – March 1: Association of Hispanic Advertising Agencies (*ahaa*), San Antonio, TX

## References

---

Bachu, Amara, “Fertility of American Women: June 1995 (Update)”, Current Population Reports, US Census Bureau, October, 1997.

Bryson, Ken and Lynne M. Casper, “Household and Family Characteristics: March 1997”, Current Population Reports, US Bureau of the Census, March, 1997

*Consumer Expenditure Survey*, US Bureau of Labor Statistics, <http://146.142.4.24/cgi-bin/dsrv?cx>, data retrieved October 26, 1998

Cultural Access Group and ACNielsen, Homescan Consumer Panel, Hispanic Consumer\*Facts, 1998

Paulin, Geoffrey D., “A Growing Market: Expenditures By Hispanic Consumers”, Monthly Labor Review, Bureau of Labor Statistics, March 1998

TGE Demographics, Honeoye Falls, New York, (716) 624-7390

## HOW TO GET INFORMATION ONLINE

For information about the Cultural Access Group, visit:

[www.accesscag.com](http://www.accesscag.com)

Also visit:

U.S. Census Bureau at:

[www.census.gov](http://www.census.gov) –

“Subjects A- Z”

U.S. Department of Labor/  
Bureau of Labor Statistics Data  
at:

[www.bls.gov](http://www.bls.gov) –

“Data”

*Hispanic Market Report* is published by:

**Access Worldwide Communications, Inc.  
Cultural Access Group**

5150 El Camino Real, Suite D-11

Los Altos, CA 94022

(650) 965-3859

FAX: (650) 965-3874

Editor:

M. Isabel Valdés, President

Assistant Editor:

Bonnie Walker

Director of Marketing & Sales:

Jennifer Lynch

---

Volume I, Issue I, Winter 1998/99

**Access Worldwide  
Cultural Access Group**  
5150 El Camino Real, Suite D-11  
Los Altos, CA 94022