



Mobile Marketing to U.S. Hispanics By Adriana Eiriz

Integrating a mobile strategy into the marketing mix has become essential for direct response marketers and agencies seeking to reach and engage on-the-go consumers.

In English or in Spanish, understanding our consumers' behavior and the preferred method of communication is paramount. As consumers get busier and mobile technology becomes more advanced, much of the research indicates that consumers will get their information and entertainment via their cell phones. For Hispanic direct response marketers, being able to target a relevant message to a Spanish-dominant or bilingual user will provide a new way of presenting products and services beyond traditional media outlets.

A NEW MARKETING CHANNEL

Mobile technology is incredibly popular with the Hispanic population in the U.S.; figures for ownership and monthly spending are considerably higher than average among this demographic. Research also has indicated that the U.S. Hispanic population is more comfortable in early adoption of more advanced mobile functions. As an example, 52 percent of Hispanic cell-phone users text messaged in the past month--a much higher figure than the overall average of 29 percent. Additionally, staying connected is particularly

important for U.S. Hispanics who use their mobile to speak to family back home in Latin America.

The U.S. Hispanic market represents approximately 50 million people and a group that has projected purchasing power of \$1 trillion by 2008. Within this lucrative market, the number of mobile users is growing and presents an interesting opportunity for Hispanic direct response marketers.



While the opportunity for direct response marketers to target U.S. Hispanics through mobile marketing is potentially very effective, marketers need to keep in mind that this is a heterogeneous population that's not necessarily easy to reach.

To share more insight, James Briggs, co-founder and president of Briabe Media--a new Hispanic mobile marketing company--weighs in on the mobile marketing issue.

Electronic Retailer: Do Hispanic mobile users respond more to a Spanish message than one in English?

James Briggs: This depends on the acculturation state of the Hispanic mobile user. To successfully market to U.S. Latinos, it must be determined from the outset of any marketing strategy whether that target will be one of acculturated or un-accultured Hispanic consumers. We do know that the U.S. Hispanic population is in the midst of a seismic shift from one consisting primarily of Latin American immigrants to one consisting of second and third generations dominated by U.S.-born children. In particular, 85 percent of Hispanics younger than 19 years of age are second and third generation, whereas 60 percent over the age of 19 are foreign born, per U.S. census data. Thus, cell-phone usage for English-oriented Hispanics nearly approaches the overall market penetration rate at 67.5 percent, Bilingual is 64.8 percent, Spanish dominant is 52.1 percent and all Hispanic is 60.6 percent.

ER: What is the average age of a Hispanic mobile user? Is it similar to the DRTV demographic?

| Age | % of Segment |
|-------|--------------|
| 13-17 | 10.3 |
| 18-24 | 27.7 |
| 25-34 | 25.6 |
| 35-44 | 20.4 |
| 45-54 | 9.8 |
| 55-64 | 3.4 |
| 65+ | 2.9 |

Briggs: The mobile industry traditionally tracks data by age groups rather than by actual age. According to Mmetrics, a leading mobile industry researcher, there are 26 million Hispanic mobile subscribers in the U.S. (See chart to the right for a complete breakdown by segment.)

The key demographics for mobile marketing tends to be the 18 to 44 age group, which makes up nearly 74 percent of all Hispanic mobile subscribers. Overall, Hispanics are heavy mobile users. According to Telephia, the latest data showed that Hispanic cell-phone users amassed 979 total voice minutes on

average per month in Q3 2005. Historical trending illustrates a growth rate of 13 percent, compared to other demographic groups, between Q1 and Q3 2005. As far as usage broken down by gender, Hispanic men use mobile more than women: 55.2 percent vs. 44.8 percent.

ER: What types of services or products have been successful in marketing to Hispanic mobile users?

Briggs: Lifestyle, entertainment and large consumer brands such as McDonald's, Coca Cola, Ikea, Univision and Comedy Central have been of the quickest out of the gate with Hispanic-oriented mobile campaigns. In recent months, we have seen a significant increase in interest from industries as diverse as financial institutions, automotive providers and others look to make mobile a part of their campaigns.

ER: What type of content providers are getting into the mix? For example, are there cross-promotion opportunities with media partners like ESPN Español for fitness products that are advertised on that network and then can be promoted through ESPN E's mobile efforts?

Briggs: Any brand you can think of that has a significant content library is starting to leverage those libraries in the mobile arena in many of the same ways that they have done so in TV, web and other media. However, now they are packaging the content specifically for mobile. You now can purchase banner ads on ESPN mobile to promote your fitness offering or purchase a splash page that runs before or after ESPN video content. You can also market within text messages that ESPN sends out to its customers.

ER: Is the drive typically to a website or to a phone number?

Briggs: It really depends on the experience that the brand desires to provide the consumer. For some campaigns, we manage the entire relationship over the mobile device. For example, during a recent campaign to promote the launch of a DVD, we captured the consumers through viral marketing and print pieces, then we drove that consumer to buy the DVD over their mobile device. There was no need to drive them to a website when we could drive them to the stores. As Hispanics grow in numbers and as these same consumers opt to get their television content, news and information on non-TV devices such as iPods and cell phones, Hispanic DRTV marketers must begin to look at new emerging media like mobile marketing as a way to acquire new customers and to communicate with existing ones.

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