



AUGUST 2020

# **NAVIGATING HISPANIC HERITAGE MONTH**

**IN THE COVID ERA AND AN ELECTION YEAR**



# OVERVIEW

As the U.S. Hispanic population grows, BCW's point of view of this audience aims to give perspective to the diversity of this group, their media consumption behaviors, brand relationships, their current challenges and the impact of COVID-19, view on Black Lives Matter Movement and the current political landscape.

**At BCW, we move people and, to move people, we need to understand, include and celebrate diversity.**

Hispanics have contributed to the growth of the U.S. They currently make up 18% of the population and are from a slew of countries. The diversity of heritages means having multiple labels they relate to. **This group contributes to America culturally and economically, but they still face many challenges.** Some face disadvantages in terms of finance, education and healthcare, as well as face discrimination and immigration issues. As COVID-19 continues to sweep the nation, their challenges multiply. Some might think that the Latinx population in the U.S. continues to struggle to find their place in American society. Younger Latinx have taken up activism roles to help fight discrimination and several are starting to realize the power they hold as a collective when they utilize their right to vote.

**Brands need to acknowledge the Hispanic's buying power.** According to [Statista](#), Hispanics represent \$1.7 trillion in buying power and are an untapped demographic for advertising, as only 4.2% of marketing budget gets directed towards them. They are incredibly brand loyal if the brand understands how to talk and interact with them. Hispanics want marketing customized to their attitudes and behaviors, their values and their culture, without entering stereotypical characteristics. They are also a digital-first demographic that is highly active on social media.



# KEY TERMS

**Hispanic Heritage Month** has been a prominent celebration in the U.S. for more than 40 years – taking place from September 15th to October 15th. Hispanics across the country celebrate this month with pride and joy, while commemorating the importance of diversity, history, culture and influence of past generations who came from Spain, Mexico, the Caribbean and Central & South America.

## **The importance of understanding the difference between Hispanic, Latina/o and Latinx**

**Hispanic** refers to linguistic origins from a Spanish-speaking country, in particular Spain.

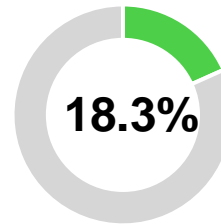
**Latino/a** refers to people who have ethnic and cultural origins from a country in Latin America. The terms Latino and Latina are gender-identified.

**Latinx** is a gender-neutral alternative to Latino/a. It's part of an evolution in U.S. Latino/a culture to move beyond binaries and be inclusive of gender and orientation. According to a recent [Pew Research study](#), about one-in-four U.S. Hispanics have heard the term Latinx, but just 3% use it. And while the adoption of the term is still growing, the term Latinx is inspiring evolved conversations in media, arts and the academia.

# THE HISPANIC COMMUNITY AT A GLANCE



Hispanics are **the largest minority** in the United States. Only Mexico has a larger Hispanic population than the United States.

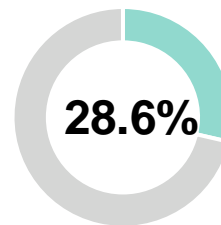


There are an estimated **60 million Hispanics** in the United States and growing, comprising 18.3% of the population. – [Census Bureau](#)



- **50%** of Hispanics describe themselves by their family's country of origin
- **23%** use the terms Latino or Hispanic
- **23%** describe themselves as American

With every new generation of Latinx, the American culture is embraced more. A large majority speaks only English or is bilingual. **52% identify as bicultural.**



In 2015, the Census Bureau projected that in **2060**, Hispanics will comprise 28.6% of the total population, with **119 million Hispanic individuals** residing in the United States. – [Census Bureau](#)



Spanish is an important source of pride for Latinx, with 42 million native Spanish speakers, the **U.S. is the second-largest Spanish-speaking country** in the world [Pew Research Center Hispanic Identity](#),

2017



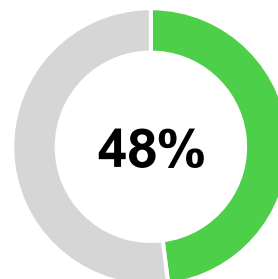
In 2016, Hispanics made up **11% of the electorate**. The Latino Population is one of the key demographics deciding the outcome of the 2020 Election.

# THE HISPANIC COMMUNITY IN 2020



**3X**

The Latino population has been the most affected by the Coronavirus outbreak. The Latino and Black community of the United States have been three times as likely to become infected as their white neighbors – [NYT/CDC](#)



48% Hispanics overall said they had serious concerns about their place in the US. Top concerns are COVID-19, healthcare, climate change, gun violence and job security. [Pew \(1\)](#), 2020, [The Arizona Republic](#), 2019



Some Hispanic activists view the Black community as movers and shakers that fight against systemic racism and inequality. They see their own struggles and voices reflected in the Black community. [New York Times](#), 2020, [LA Times](#), 2020

**1/4**

1 in 4 Latinx self-identify as afro-Latino. [Pew Research](#), 2016



# KEY CONSIDERATIONS

## COVID-19

According to the [Pew Research Center](#), the 2020 coronavirus outbreak has significantly harmed the economic situation of U.S. Hispanics. As the nation's economy [contracted at a record rate](#) in recent months, the group's unemployment rate rose sharply, particularly among Hispanic women, and remains higher among Hispanic workers in comparison to U.S. workers overall. With Hispanic households absorbing lost jobs and wages, many have said they may not be able to pay their bills. Yet even before the outbreak, Hispanics were concerned about their economic situation despite near-record-low levels of unemployment through the end of 2019.

For the [CDC](#), some of the many social aspects that put racial and ethnic minority groups at increased risk of getting sick and dying from COVID-19 include:

- Discrimination
- Healthcare access and utilization
- Occupation
- Educational, income and wealth gaps
- Housing



# KEY CONSIDERATIONS

## 2020 Election

### Increasing turnout

Hispanic Voter turnout is on the rise:

- **13%** increase in 2018 election
- **50%** increase from the 2014 election

Voter turnout is likely to be historic in 2020.

About **500,000** U.S.-born citizens of Hispanic origin **will turn 18 every year for the next 20 years** which means that there will be approximately **10 million** Hispanic voters who are entering the electorate.

**3 Factors** will help continue this trend:

- Young Latino citizens aging into the electorate at a rapid pace
- Newly naturalized citizens registering and voting
- Newly enrolled voter citizens in need of registration

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### Voting Power

In presidential elections, **80–83%** of registered Hispanics vote. This means Hispanics can play a decisive role in 2020.

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### Political Inclination

**Candidates matter, issues matter, and meaningful outreach is essential**

Currently, almost **9 in 10 Latino registered voters are Democrats and say it does matter who wins the White House.** More Latino voters lean Democrat than Republican because **more than half (53%) believe that the Democratic party has more concern for them** than the Republican party.



# KEY CONSIDERATIONS

## The Complexity of the Hispanic Community

Hispanics are not a homogenous group, their heritage comes from more than 30 countries with a blend of ethnicities, languages, diets, traditions, political and social backgrounds. According to a [report released by Pew Research Center](#), there are 9 key facts about U.S. Hispanics and their diverse heritage:

- Venezuelans, Dominicans and Guatemalans saw the fastest population growth since 2010.
- Immigrants are a declining share of the Latino population.
- Most Latinos are U.S. citizens.
- A growing share of Latino immigrants are longtime U.S. residents.
- The share of Latinos who speak English proficiently has increased.
- The composition of the Hispanic population varies widely across major metropolitan areas, fluctuating nationality majority by cities.
- The median age of U.S. Latinos has increased since 2010.
- Venezuelan-origin Hispanics are the population with the highest level of education.
- Latinos' economic conditions vary widely by origin group.





# KEY CONSIDERATIONS

## Buying Power

The Hispanic population is a prime untapped market that brands aren't focusing on, with **\$1.7 Trillion** buying power of Hispanic consumers in the U.S.

## Consumption Power

Hispanic consumption has grown **72%** faster than non-Hispanic consumption the last decade.

If Hispanics in the U.S. were their own country, they would **rank 8th** in having the largest economy in the world.

The US Hispanics GDP is growing **28%** faster than the nation's economy.

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## Advertising

Brands dedicate only **4.2%** of marketing budgets to Hispanics.

**78%** of Hispanics don't think brands target them enough.

**75%** of Hispanics say they are more likely to think favorably of a brand that makes an effort to include their culture.

**80%** would stay loyal to a brand they like.

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## Mothers

**40%** of Latina mothers bring in at least **40%** of the families' income.

Latinas are breaking the glass ceiling and becoming "breadwinners" and the primary decision-makers in their homes.

Sources: [Forbes](#), 2020 | [Statista](#), 2020 | [Portada](#), 2018 | [Nielsen](#), 2017 | [Global Newswire](#), 2019

# KEY CONSIDERATIONS

## Hispanics are loyal to brands that offer quality products at reasonable prices

Hispanic consumers are **value oriented**. They gravitate towards mass merchandisers since they expect these retailers to have **reasonable prices**. **Quality must correlate with price and expectations**.

**62%**

of Hispanics say quality is the factor that impacts the most in their brand loyalty.

**84%**

of Hispanics shop at Walmart

**69%**

of Hispanics shop at Target

**59%**

of Hispanics are digitally driven shoppers.



Source: Mintel | [Forbes](#), 2020 | [Billboard](#), 2019 | [GenZ Insights](#), 2019 | [Customer Communication Group, Inc](#), 2020 | [GWI](#), 2018



# A CHALLENGING MEDIA LANDSCAPE

Anticipating Hispanic Heritage Month, BCW hosted a roundtable discussion with **Lori Montenegro**, Bureau Chief for Telemundo; **Fernando Pizzaro**, former political correspondent for Univision; and **Carolina Trejos**, journalist and host of American Latino TV, to discuss hot topics involving the Latino Population in the U.S.

During the discussion, Carolina highlighted that the data on **Latinx viewership and media consumption** is split evenly three ways:

- 1/3 consume in Spanish
- 1/3 consume in English
- 1/3 consume in both Spanish and English

Additionally, per Nielsen ratings numbers, Univision and Telemundo news segments have gathered more ratings in the past years on any given day compared to CNBC, CNN, and Fox News. Through these various data points, we begin to understand the **full breadth of the Latinx audience and the diverse ways this community consumes media**. This serves as fuel to navigate our clients effectively, to strengthen their relationships with this audience and cultivate impactful change.

Another pillar of our discussion was dissecting the **intersectionality of Latinx and the #BlackLivesMatter movement**.

Lori shared that during coverage of the BLM protests in May, surprisingly, **many black Spanish speakers were a part of the movement**. **Our society's unconscious awareness of the Afro-Latinx intersection highlights the lack of representation of this community in our media and world**.

The power and potential of what can be achieved by bringing these two marginalized groups together remains untapped. In these times of turmoil and division, our duty as communicators is to uncover these disparaged groups, bring them to the forefront, discover their commonalities and show the world a vision of one united voice of hope, change and action.



# ROADMAP

It is important to understand that during Hispanic Heritage Month, the approach needs to be celebrating the many contributions, diverse cultures and extensive histories of Latinx, and what makes us unique. BCW recommends the following four strategic pillars to guide communications and real-impact actions during this month and in the future:

## UNDERSTAND THE DIFFERENCES

The Latino community is very diverse, so much that it's impossible to engage with all the demographic with a 'one size fits all' approach. Understanding the audience and targeting properly is key. Consider generational and cultural gaps while tailoring campaigns and content. Be aware of regional diversity and go beyond translating content!

## CELEBRATE CHAMPIONS

The audience is looking for companies that are finding ways to celebrate those within the Latino community that are helping the fight against the pandemic, racial injustice and looking to create a better place for all. No challenge is too small as many face the realities of returning home to unwelcoming situations or larger issues tied to discrimination, lack of government support or immigration status, to name a few. By celebrating champions, companies can recognize the diversity among their consumers, and even their own employees.

## HUMANS FIRST

Even when unemployment rates begin to stabilize, it is still a prominent issue for many Americans and the Latinx population is especially affected. Everyone is looking to highlight the human stories behind corporations advocating for change or supporting the many Americans looking for jobs.

## SHOW REAL SUPPORT

For years, as brands have looked to engage during Hispanic Heritage month, many have received stark criticism labeling their campaigns as a form of being 'politically correct,' capitalizing Hispanic Heritage Month as a marketing exercise without pledging to create real change.

Companies must prove their support in new ways. Organizations that engage with the cause should connect to the current culture by making tangible commitments to support those impacted by the pandemic –particularly for those in the Latino community.



# ENGAGEMENT BEST PRACTICES

The Hispanic Heritage Month might be a 30-day celebration, but brands need to commit and engage permanently. Communication with purpose and meaning is fundamental to show support. The impact on Latinx communities will present opportunities to provide tangible change during the crisis and recovery.

BCW recommends a year-round approach based on three pillars:

## **1. Year-Round Engagement with the Community**

Showing a commitment to the community should start with a bigger stance around your organization's business strategy and its ties to diversity and inclusion. The most impactful campaigns are those rooted in long-term allyship, leveraging current product offerings/services as part of a greater good. If your commitments are meaningful and real, it will be easy to show your accomplishments.

## **2. Highlight the Importance of Intersectional Voices**

Diverse voices are integral to any engagement. By championing those who live at the intersections of overlapping systems of privilege and oppression, companies and brands can ensure they are advocating for voices often disproportionately impacted by societal inequalities.

## **3. Build Third-Party Credibility Through Strategic Partnerships**

Understanding minority communities who have been disproportionately affected by COVID-19, organizations thinking about engaging the Hispanic community long-term should consider partnering with local or national groups that are driving change.