



Refuel your campaign



ADVERTISING TO MULTICULTURAL AUDIENCES

An analysis of current statistics and trends in multicultural markets based on data from both Hispanic and Black markets in our annual Refuel Agency Explorer research.



WHAT IS MULTICULTURAL MARKETING?

At its core, multicultural marketing is crafting messages that speak directly to ethnic and cultural subgroups—speaking to their values, way of life, and unique qualities—and creating an advertising strategy based on how they specifically use media. In the modern marketing landscape, roughly 1 out of 3 consumers come from a multicultural background so understanding and catering to their needs is essential.

Our focus for this guide is specifically on Hispanic and Black markets and the impacts of multicultural marketing on these demographics. With increasing diversity in the United States and the integration of multicultural elements into daily life, every brand needs to understand how to authentically and impactfully reach these groups.

HISPANIC AUDIENCE INSIGHTS

02

YOUNG • EDUCATED • SOCIALLY DRIVEN

The Hispanic Population is estimated at 62.5 million people with a shared buying power of over \$2 trillion dollars. Demographically and psychographically, there are a few key patterns and trends we are seeing across the Hispanic market. With a median age of 30.5 years (about 12 years younger than comparative white markets), the market is largely concentrated in younger generations with 41.5% of consumers being from Generation Z and only 12.0% coming from Generation X.

Of the Hispanic demographic, **51% of consumers primarily speak Spanish**. Notably, within Generation Z, about 2 out of 5 Hispanics report primarily speaking Spanish, a decline from older generations and something that will play into Multicultural Marketing on a tangible scale.

Buying Power (in Trillions)



Source: 2021 Hispanic Explorer, 2021 U.S. Census, 2023 Winter MRI-Simmon

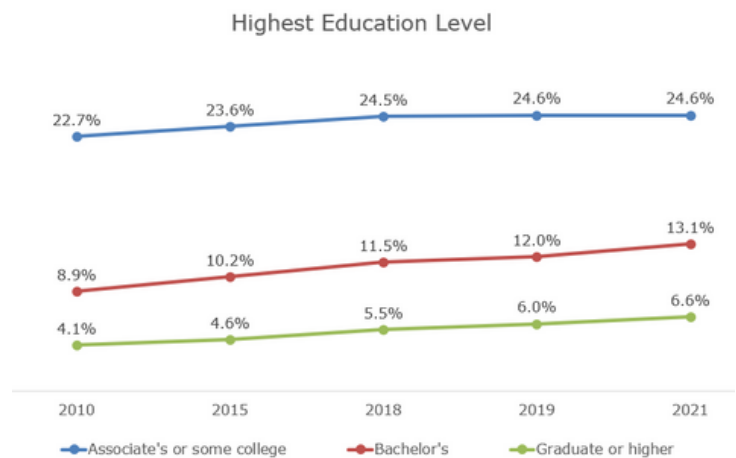
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HISPANIC AUDIENCE INSIGHTS

YOUNG • EDUCATED • SOCIALLY DRIVEN

This demographic displays a keen growing interest in higher education, with 44% reporting a college education. Further, the amount of Hispanics pursuing post-graduate degrees is steadily increasing, similar to what we are seeing in other multi-cultural groups.



Psychographically, this group comprises “Swayable Shopaholics” with a large emphasis on social media channels—celebrity endorsements are particularly effective with this audience. In addition, Hispanic audiences reported resounding support for brands that support and address racial equality. The three areas to watch in terms of future spending in Hispanic markets are **fast food**, **telecommunications**, and **entertainment**. The Hispanic audience is also more likely to watch and read Hispanic media, as well as trust the sentiments from it.

BLACK AUDIENCE INSIGHTS

03

YOUNG • EDUCATED • SOCIALLY DRIVEN

Black Audiences are also growing and have now reached 40M with a total spending power of \$2 trillion. Detailed in our 2021 Black Explorer Report™, there are many key demographics related to this audience that provide insight into marketing trends and effectiveness. The demographic of this population is also notably young, reporting a median age of 35.3 years old, about eight years younger than white audiences and about 63% of this demographic are either millennials (29%) or Generation Z (34%). In the years since 2010, we have observed a 75% increase in household incomes over \$100k, tying into growing market power.

Further, an increased number of Black consumers are pursuing higher education with about 57% being college educated and many choosing to explore post-graduate degrees as well. The central values of this group is their desire for **equal opportunity for all**—something that largely impacts purchase decisions and spending.



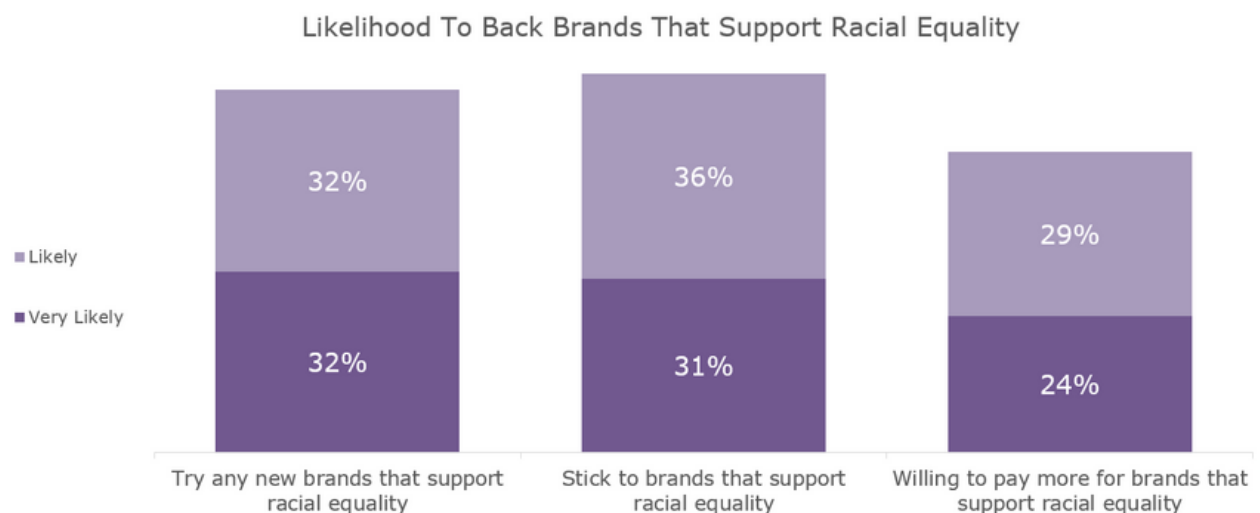
BLACK AUDIENCE INSIGHTS

YOUNG • EDUCATED • SOCIALLY DRIVEN



Psychographically, the Black audience is composed of both “Swayable Shopaholics” and “Influential Consumers,” positioning them as trendsetters in the realm of consumption. With a lot of time spent at local establishments and large retail stores, these consumers are 43% more likely than white audiences to rely entirely on offline in-person shopping.

In terms of spending, the three areas to watch carefully for this market are **telecommunications, personal care, and local community**. About $\frac{3}{4}$ of Black consumers reported supporting brands that promote racial equality, and 24% are willing to pay more for brands that embody this. In terms of media consumption, Black audiences tend to listen and watch Black media on radio and tv, and also have higher levels of trust in these forms of media.



Source: 2021 Refuel Agency Black Explorer™

HOW CAN WE ADVERTISE TO MULTICULTURAL AUDIENCES?

Understanding how multicultural audiences perceive media and engage with it is essential in the realm of conceptualizing marketing and ad creatives. Through a variety of approaches we can appeal effectively to multicultural audiences and promote high engagement rates.

Today's consumers have raised the bar, and are looking for brands to fill the gaps where other institutions may be failing. Our research has shown that cause marketing connected to specific issues is specifically impactful on younger audiences, making it one approach to targeting Hispanic and Black audiences which have lower median ages than white audiences and more Generation Z populations.

Certain insights are becoming more prevalent, and this exploration of Black and Hispanic market patterns and shopping habits offers insight into future and current trends.

ENGAGING HISPANIC AUDIENCES

Twenty-nine percent of Hispanics speak only Spanish in their home settings. Appealing to this use of language is one way to expand and influence. **Notably, the amount of Hispanics that primarily speak Spanish does appear to be declining, encompassing about 60% of Gen X and 40% of Gen Z, but this remains a key element to consider for ad creatives.** US-born Hispanics place high value on education, enjoyment in life, and preserving culture for future generations. Notably, Hispanics are 44% more likely to read Hispanic media compared to general consumption of market media.

A key finding from our research was that in terms of evaluating news sources, **Hispanic markets have much more trust in information they receive from Hispanic media than general market media.** Connecting back to the applications of cause marketing, 3 out of 5 Hispanics reported trying new brands that openly support racial equality. In general, there is a focus in this market on outdoor and social media communication, and streaming services and devices were preferred over cable TV.

Diving into the perception of Hispanic portrayal in current media provides interesting insights into consumer habits and beliefs. **Fifty-six percent of Hispanics reported being more likely to pay attention to an ad if it relates in some way to their culture.** Further, 41% reported feeling that the portrayal of Hispanics they saw in the media was accurate. This market pays roughly equal attention to ads whether they are in English or other languages, with 49% reporting they do, compared to the multicultural average of 43%. In terms of ad formats that appeal to Hispanic audiences, **there is strong support for creativity and uniqueness related to marketing materials.** Additionally, Hispanic audiences prioritize seeing incentives and promotions as well as thorough informative elements. Cultural imagery is not as effective in terms of capturing the attention of this audience, but still a key value they hold.

ENGAGING BLACK AUDIENCES

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Similar to the Hispanic market, Black consumers place a lot of value on their culture and how it is depicted in the media and put a lot of trust in Black media. These consumers are 53% more likely to read a Black newspaper over general market media. **In general, this demographic has a central focus on self-reliance, lifelong learning, and promoting equal opportunity.**

In relation to Gen Z in particular, the ideas of education and respect for ancestral culture become more important. In connection to their media consumption, Black audiences also reported reading newspapers at higher levels than comparative white audiences. **Thirty one percent reported completely trusting Black media, as opposed to only 23% for general market media.** With a consumer base that has a connection to social issues, it is not surprising that 3 out of 4 Black consumers are supporting brands that openly support racial equality. 53% of this demographic is also very willing or potentially willing to spend more on products that support racial equality.



Understanding the perception that Black markets have of their portrayal in the media becomes relevant in the advertising process. Comprehensively, 42% of Black consumers believe their ethnicity is being depicted accurately in advertisements. **82% reported positive opinions related to ads that reflect their culture, also reporting that they were more likely to try those brands and trust their information.** In terms of ad formats, this demographic is most impacted by ads that focus on creativity, promote new products, and provide incentives or offers. Similar to Hispanic audiences, Black consumers are more likely to pay attention to information and incentives over cultural imagery in the context of advertising.



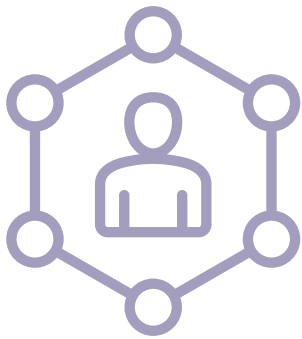
THE BOTTOM LINE ON APPEALS AND ENGAGEMENT

Effective marketing is so well integrated that it can be difficult to spot, but brings a message to your audience in innovative and impactful ways. Looking at Hispanic and Black markets, which both value their unique cultures and social issues surrounding that, cause marketing becomes a lens to design and target ads based on understanding the values and motivations behind these groups. But there are a variety of effective approaches that can carry weight with both of these "Swayable Shopaholic" groups, and authentic integration of cultural elements is another very effective method to reach these demographics in meaningful ways.



REACHING CONSUMERS: OMNICHANNEL MARKETING

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For the multicultural audiences we are interested in (and even those beyond), the important element is being able to successfully reach consumers in many facets of their lives. This is largely accomplished through **omnichannel marketing** which relies on centering the consumer at the center of the world your company resides in and media strategy and planning.



Single channel and multichannel marketing strategies focus on the interactions that customers have with various marketing channels. With a multichannel marketing approach, the goal is to distribute the marketing message through as many channels as possible, but often this results in a disjointed customer experience that is difficult for marketers to track. Conversely, omnichannel marketing does make use of multiple channels but with a slightly different approach. While a multichannel approach views more marketing channels as more ways to reach the customer, the **omnichannel approach** views more channels as a way to remove friction and increase consistency—which in turn, builds brand loyalty.

REACHING CONSUMERS: OMNICHANNEL MARKETING

As previously mentioned, the Hispanic and Black markets largely heed print media and OOH advertising they encounter in everyday life. Not only are these ads the most likely to build recognition, but actually promote action from these groups. For Hispanic audiences, the mobile market is particularly important—especially the use of mobile ads. In terms of social media usage, the Hispanic demographic reported Facebook, Instagram, and YouTube as their top three most used platforms. Notably, the young adults aged 18-24 frequent TikTok more than other social media platforms presently.



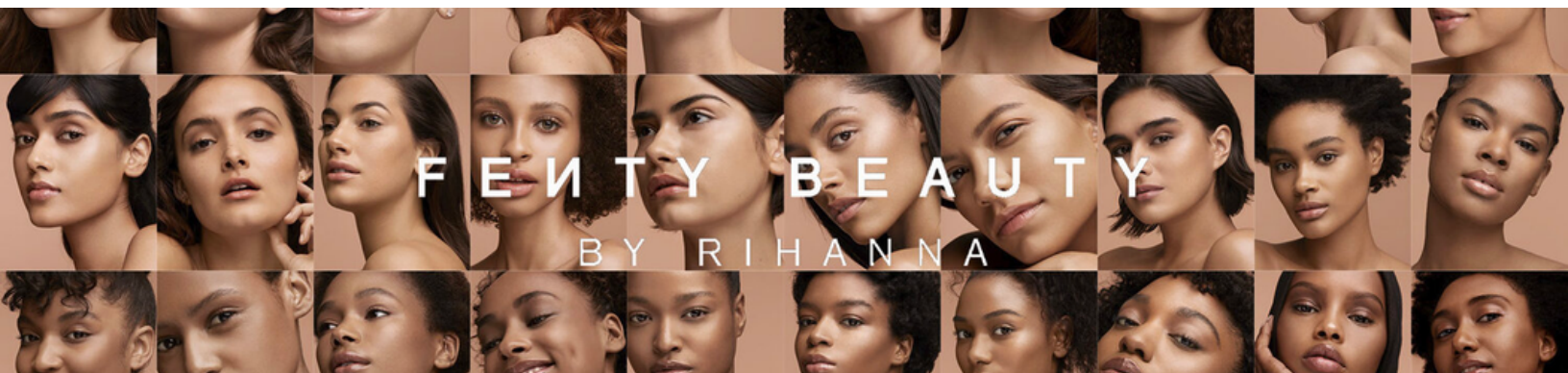
The Black consumer audiences generally put less weight into social media compared to other demographics, but do pay attention to the ads they are seeing online nonetheless. While it is key to harness the power of social media for these multicultural consumers, specifically Hispanic audiences, a central focus should remain on creating and publishing OOH and print media. As previously mentioned, these markets are particularly trustful of media that connect to their ethnicities, whether it's a Black-owned news channel or Hispanic radio station. Making use of the large platform these cultural media sources have within our multicultural audiences is an important advertising consideration.

MULTICULTURAL MARKETING: SUCCESSFUL EXAMPLES

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Where General Marketing Fails

The problem with general marketing that does not take a specific multicultural approach is that it often leaves out perspectives, identities, and communication styles among other things. But just because you understand how important a multicultural marketing strategy is doesn't mean that it's easy to create one and land among the best diversity ads out there. Central to the idea of multicultural marketing is recognizing and engaging with specific audiences through their culture and ethnicities and the context surrounding this.



1. Fenty by Rihanna's "Beauty for All" Campaign

Consistently praised as an inclusive and diverse beauty brand, Rihanna's namesake brand has developed into a prime example of multicultural marketing done right. The idea was simple—beauty is for everyone. What makes this multicultural marketing so effective is also the conceptual backing in Fenty itself.

The brand has made a name for itself with an increasingly expansive range of products and shades for women of color to choose from in their makeup. This tangible showcase of supporting multicultural audiences shown in both marketing and product development is key and Rihanna's position as a Black woman with a personal tie to this mission further propelled this campaign to success.

MULTICULTURAL MARKETING: SUCCESSFUL EXAMPLES

2. Target's #SinTraducción Campaign

When done right, integrating Spanish words and phrases is extremely effective in making the Latino consumer audience feel understood—resulting in a marketing strategy with higher engagement and sales.

The #SinTraducción campaign from Target celebrated good times with friends and family. It used the slogan, “without translation”, was expanded upon by usage of untranslatable Spanish words like “sobremesa”. The campaign resonated with the Latino community, and the hashtag encouraged the sharing of more untranslatable words.



CONCLUSION

Multicultural markets across the United States are growing rapidly, and Black and Hispanic demographics are two key groups to consider in these advertising efforts. Executing and strategizing a multicultural marketing campaign requires careful planning and research into current and future consumer habits, and what values and psychographics are central to these multicultural demographics specifically.

It is important to remember that while multicultural advertising often comes from a place of good intent, there is a fine line between resonating with our target audiences and potentially alienating them. Keeping the appropriate preservation of culture and conversations surrounding multiculturalism is essential and leads to the highest levels of brand awareness and action from multicultural Black and Hispanic audiences.

Through the use of cause marketing and with an omnichannel approach, connecting and reaching Black and Hispanic audiences in a meaningful way is entirely possible. With consideration for the differing perspectives and cultures that make up our world and understanding of the related consumer habits, multicultural marketing offers avenues for highly influential campaigns and conversations to be built.

With over 35 years of expertise, Refuel Agency works to create multicultural marketing strategies individualized for each brand and product.



Refuel your campaign



ABOUT REFUEL

For over 35 years, Refuel Agency has led the industry through proprietary research studies focused on military, teen, college, and multicultural consumers. The combination of a deep knowledgebase and year-over-year marketing data trends provide unique insights to audience behavior that only Refuel can offer. It's what keeps our team ahead of the game, makes our strategies successful, and keeps our client campaigns performing at a consistently higher level than industry standard.



refuelagency.com



866-360-9688



info@refuelagency.com