

COLUMNS

## Brands and publishers must tap the changing Hispanic market

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By **Ian Foley**

Despite the earning potential, pharmaceutical and insurance companies have traditionally not effectively advertised to the Hispanic market. The primary cause is because marketers have not sufficiently tailored their message to the Hispanic community.

However, with the launch of the Affordable Care Act, these marketers now have a growing market with significant buying power that needs a tailored approach.

The Affordable Care Act made it possible for Hispanics to buy health insurance and pharmaceuticals at a reasonable price through exchanges.

With health insurance now being obligatory, and approximately one in four uninsured United States consumers being Latino, per the Department of Health and Human Services, reaching the Hispanic market is an opportunity that marketers cannot miss.

Here are three approaches to help pharma and insurance companies take advantage of the growing market opportunity.

**#1 Increase awareness, particularly with Latinas**

The challenge for pharma and insurance marketers, however, is that many Latinos know little to nothing about health insurance companies.

In fact, only 8 percent of insured Latinos have used the widely available health exchanges or marketplace to obtain insurance. This suggests that raising awareness and informing the Hispanic community about availability of health exchanges should be the first step every pharma and insurance company makes on its path to pursuing Hispanic market.

To increase the marketing reach among Hispanics, the marketers should first identify the primary shoppers in Hispanic households. Fifty-nine percent of decision-making for pharma product is made by Latinas.

A good example of a company that took advantage of this is skincare products maker Olay.

To promote its Total Effects skincare line of products, Olay organized an event especially for Latinas. The 180 Latinas who signed up for the event later participated in a special event promoting Olay's skincare products.

Afterward, all participants reported that they would use Olay and recommend the brand to other women

**#2: Adapt the messaging for the audience**

Marketers trying to address Hispanics often ignore that simply translating the English copy into Spanish is not enough to effectively deliver the desired message. Without addressing the cultural differences, the message loses its emphasis and appeal.

What marketers should do, on the other hand, is to localize their marketing message, taking into account the characteristics of Hispanic community.

As Barb Stabno from Bard Advertising puts it, "It's about understanding culture, preferences and respectfully delivering a message that is authentic and not a sales pitch."

McDonald's invests in multicultural targeting like no other brand, and has marketing departments responsible for each of the targeted demographic, including Hispanics. This allows the brand to craft marketing campaigns that perfectly meet the needs of Latino audience, especially since the majority of the staff consists of Hispanics.

For its multicultural marketing efforts, in 2014, The Association of Hispanic Advertising Agencies (AHAA) awarded McDonald's the Marketer of the Year honor.

### #3 Use the right medium

Nielsen reported that as many as three in four Latinos 72 percent own smartphones, with as much as 10 million watching videos on their devices. Mobile, in particular, seems to be the optimal content distribution platform for pharma and insurance companies.

Increasing the amount of Spanish video content should be especially important to pharma marketers since, according to a study by Nielsen, an average Hispanic spends more than eight hours watching online video each month, a number higher than the U.S. average.

Therefore, when crafting Latina-oriented campaigns, pharmaceutical marketers should focus on delivering more video content on mobile platforms to increase their reach.

Dr Pepper's Vida23 campaign is one of the most prominent examples where a company used video to target Hispanics.

With the help of Latino marketing agency Lopez Negrete Communications and the popularity of singer Pitbull, Dr Pepper made a music video in Spanglish. Users were then able to download the song lyrics and do their own mixes.

WITH THE ROLL-OUT of the Affordable Care Act, pharma and insurance companies have a chance to target one of the biggest markets in the United States.

It seems that one of the most effective way to do this is creating Latina-focused marketing campaigns using video content and mobile platforms as a means of distribution.

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