



Marketer FAQs

How will engaging Hispanic shoppers help me win the holiday season?





No matter the circumstances, people love the holidays.

While inflation is a top concern for many, consumers continue to look forward to the holiday season as a special occasion to celebrate with family and friends. This includes opening their wallets to buy gifts and spend across holiday-related categories for social gatherings, despite economic uncertainties.

The holidays are especially important to Hispanic consumers, and marketers can best connect with this segment by creating authentic campaigns that highlight their unique cultural traditions and holiday celebrations to drive higher attention and deeper engagement.

6 reasons Hispanics will be driving brand growth during the holidays

This passionate community, rooted in their culture and traditions, embraces all aspects of the holiday season



Reason 1: In addition to their population growth and larger household size, Hispanic consumers are a valuable audience for marketers due to their increased spending power



Hispanic population has grown by **over 10 million people** during the last 10 years

There will be an estimated **66.5 million** Hispanics in the U.S. by January 2023, accounting for **20%** of the total population (vs. 54.5 MM, or 17%, in 2013)



Hispanics live in larger HHs than non-Hispanics*

3.8 average HH size vs. 2.8 for non-Hispanics



Hispanic consumer buying power has increased **69%** since 2001**

Average annual household expenditures

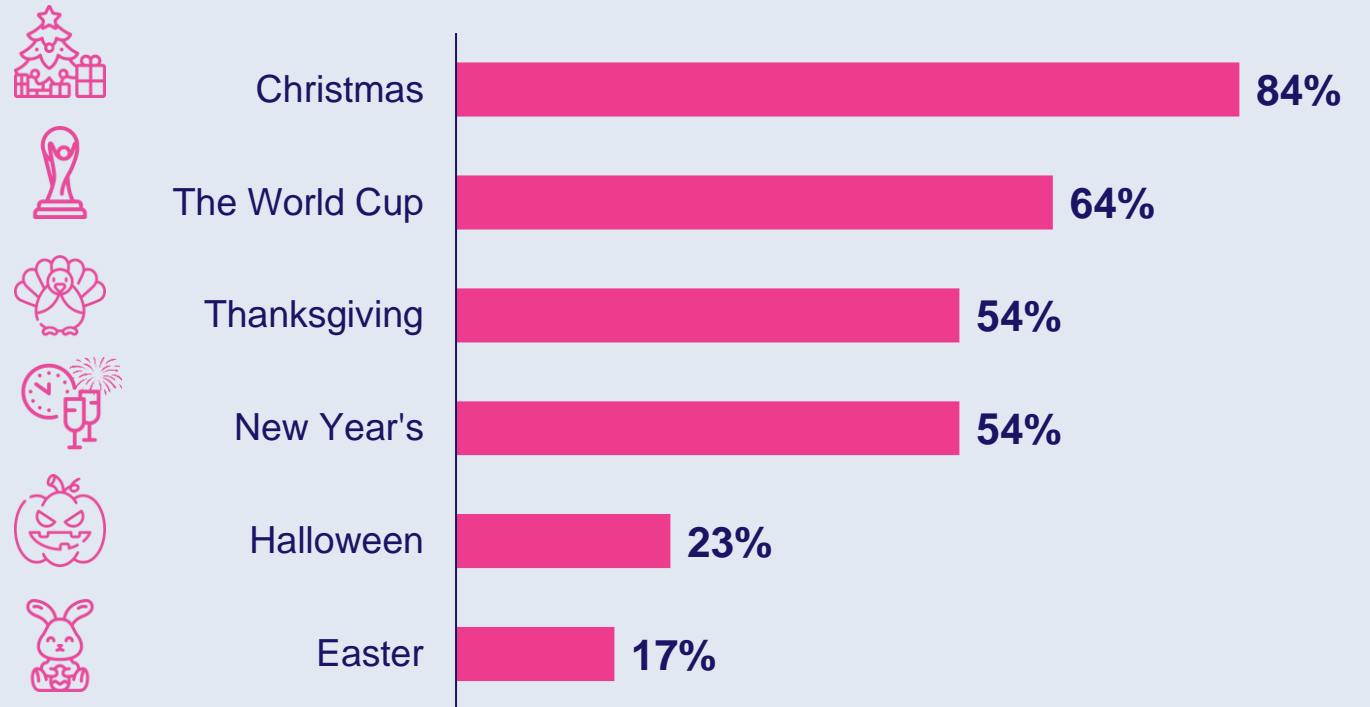
<u>2001</u>	<u>2011</u>	<u>2021</u>
\$34,361	\$42,086	\$57,955
	+22% vs. 2001	+69% vs. 2001

Source: Claritas, *The 2022 Hispanic Market Report* and VAB analysis of U.S. Census Bureau data, 2017. *VAB analysis of MRI-Simmons Spring 2022 Doublebase, Non-Hispanic A18+ vs. A18+ of Spanish or Hispanic origin (17% of A18+ population). **VAB analysis of Bureau of Labor Statistics data, Table 2200. Hispanic or Latino origin of reference person: Annual expenditure means, shares, standard errors, and coefficients of variation, Consumer Expenditure Surveys, 2001, 2011 & 2021.

Reason 2: Hispanics have such an immense love for the holidays that even the most passionate fútbol fanatics rank Christmas above the World Cup as their favorite celebration



Favorite celebrations among Hispanic enthusiasts
Percentage of enthusiasts who rank these celebrations as their top 3 favorites



Source: Telemundo, *The Future is Fútbol*, 2022 report. Based on 1,351 completed interviews among 967 Latinos and 384 non-Latinos, representative of soccer followers in the U.S., fielded February 2022.

Reason 3: Their cultural heritage and traditions are a source of great pride and, as they **gather to celebrate** both American and Hispanic holidays, they are willing to spend their time and money to make them extra special



Hispanics value their culture and heritage and enjoy sharing it with others

84%

'enjoy sharing my Hispanic / Latino heritage with other Hispanic / Latinos or my non-Latino friends'

78%

agree that 'my cultural / ethnic heritage is an important part of who I am' (vs. 56% NH)



Celebrating their heritage is a major part of their holiday activities

88%

'often celebrate U.S. National holidays such as the Fourth of July and President's Day or holidays from Hispanic countries'

30%

are more likely to 'include cultural traditions in their holiday celebrations,' - driving them to buy food items and decorations to make the festivities even more special

Source: VAB analysis of MRI-Simmons Spring 2022 Doublebase Study, based on non-Hispanic A18+ vs. A18+ of Spanish or Hispanic origin (17% of A18+ population).

Reason 4: Their fervent holiday spirit means that **Hispanic consumers** are planning to spend one-third more than the average adult on holiday shopping this year

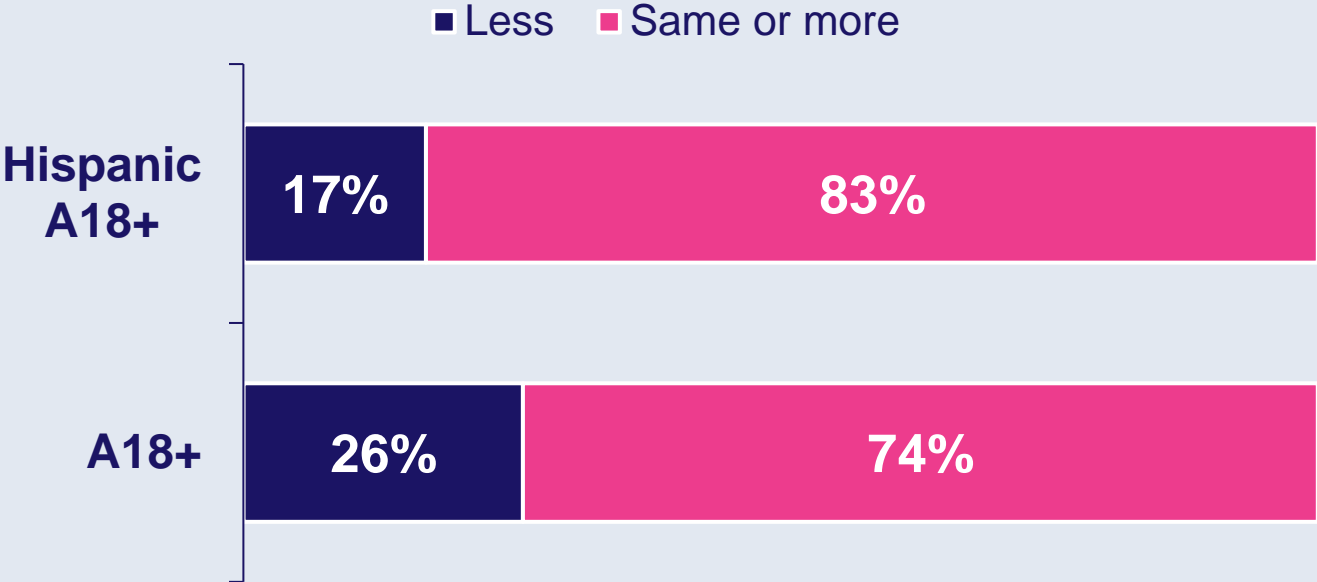


+34%

Spend on the holiday season by Hispanic adults vs. the average adult

\$1,392 vs. \$1,041
(+\$351)

Holiday Shopping Spend in 2022 vs. 2021
% of U.S. Adults



Source: Samba TV, 2022 Holiday Report. Based on HarrisX online survey of 2,505 U.S. adults, fielded 8/29/22 – 9/1/22.

Reason 5: Hispanics are spending much more annually across many categories that are also popular during the holiday season – like toys, apparel and alcoholic beverages or food for communal gatherings

% Growth of Hispanic Annual Aggregate Expenditures by Category: 2021 vs. 2019 (pre-pandemic)

compared to growth among non-Hispanics
(2021 Hispanic aggregate expenditures in billions)



+84% YOY
vs. +10% NH
(\$10.6B)

Pets



+73% YOY
vs. +39% NH
(\$4.0B)

Toys, hobbies & playground equipment



+33% YOY
vs. -11% NH
(\$14.9B)

Women & girls apparel



+32% YOY
vs. +30% NH
(\$40.7B)

Household furnishings



+30% YOY
vs. +8% NH
(\$99.3B)

Vehicle purchases



+20% YOY
vs. -9% NH
(\$11.9B)

Men and boys apparel



+19% YOY
vs. -6% NH
(\$8.1B)

Alcohol beverages



+19% YOY
vs. +9% NH
(\$411.0B)

Housing



+19% YOY
vs. -1% NH
(\$17.3B)

Audio & visual equipment & services



+17% YOY
vs. +14% NH
(\$24.8B)

Meats, poultry, fish, and eggs



+8% YOY
vs. +6% NH
(\$13.0B)

Housekeeping supplies



+5% YOY
vs. +3% NH
(\$27.6B)

Cellphone services

Source: VAB analysis of Bureau of Labor Statistics data, Table 2200. Hispanic or Latino origin of reference person: Shares of annual aggregate expenditures and sources of income, Consumer Expenditure Surveys, 2019 & 2021.

Reason 6: Hispanic consumers provide a halo effect for brands as their influence extends to a larger circle of non-Hispanic friends and online communities who look to them for advice, opinions and reviews

Hispanic Consumer Profile

Hispanic index vs. non-Hispanics

Early Adopters



146 index

'I'm always one of the first of my friends to try new products or services'

Technology Ambassadors



147 index

'People often ask my opinion when they are buying new technology'

Influential Advisors



140 index

'People come to me for advice before buying new things'

Online Advocates



134 index

'I like to share my opinions about products and services by posting reviews and ratings online'

How to read: Hispanics are 46% more likely to agree that 'I'm always one of the first of my friends to try new products or services' than non-Hispanics (146 index)

Source: VAB analysis of MRI-Simmons Summer 2022 USA Study. Based on psychographics and buying style data for Hispanic Americans (A18+ of Hispanic or Spanish origin (17% of A18+ population)) and non-Hispanic adults 18+. Indices based on 'any agree' responses for each question.

Marketers looking to engage the growing, passionate, influential Hispanic segment can connect with them through impactful, authentic messaging



Marketers can drive engagement and sales by **creating authentic campaigns** that are inclusive of the Hispanic community's cultural traditions

- ▶ Hispanics are more likely to value authentic messaging in their native language, which drives greater memorability and higher purchase intent

% of Hispanics who agree with the following statements



65%

'I believe that companies who advertise in Spanish **respect my culture and want my business**'



55%

'I am **more likely to be loyal** to a company that **makes an effort to advertise in Spanish**'



50%

'When a product or service is advertised in Spanish, I am **more likely to pay attention** to the advertisement and **remember it later**'



37%

'Advertisements in Spanish are the **best source of information** when I'm **purchasing** products or services'

Source: MRI-Simmons, Spring 2022 Doublebase Study, A18+ of Spanish or Hispanic origin (17% of A18+ population).

These real-world campaigns highlighting cultural traditions and authentic Hispanic celebrations show how brands who tailor their messaging with personalized, authentic stories can better engage with Hispanics

Holiday-related campaigns with Spanish-language messaging and authentic Hispanic stories

Ad Attention Index against total P18+



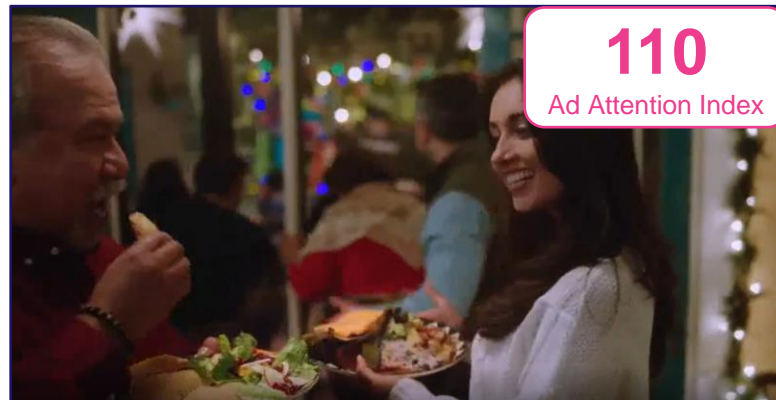
'Ven por ingredientes' TV Spot

(Flight duration: 11/7/2021-12/21/2021)



'Navidea y come de todo' TV Spot

(Flight duration: 11/8/2021-12/24/2021)



'The Recipe' TV Spot

(Flight duration: 11/1/2021-12/31/2021)



How to read: 'Ven por ingredientes' (119 index) had 19% less interruptions than other ads in the context of the media placement with a 100 score being average.

Source: Creative from iSpot.tv, time period of airing 11/1/21 – 12/31/21, Ad Attention Index within iSpot.tv's Attention Analytics. Index scale is 0-200 with an 100 index seeing ad performance as expected. Note: Ad Attention Index is based on total viewers, not specifically Hispanic or Spanish-language consumers. [Click above images to watch TV spots.](#)

Key Marketer Takeaways

- ▶ Hispanics are a valuable audience for marketers looking to drive growth this season because, in addition to their increased buying power, they spend much more than the average adult during the holidays which is spread across a variety of 'gifting' and other holiday-related categories
- ▶ During the holiday season, marketers can further engage with the growing, and influential, Hispanic community through authentic messaging and storytelling that embraces their cultural heritage and interests in family, traditions and celebrations

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Consumers Through Streaming



**It's the Most Opportune
Time of the Year**
Why consumers' holiday spirit
triumphs over economic uncertainty

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