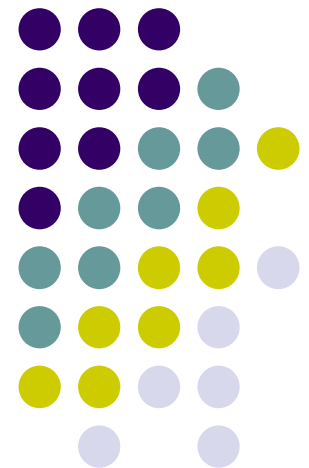


# Measuring Hispanic Audiences

Presentation to  
Newspaper Association of America

Edward T. Rincón, Ph.D.  
President, Rincon & Associates  
Adjunct Professor, SMU Cox School of Business





# General Industry Trends

- Erosion of trust in news organizations, especially newspapers
- Circulation scandals undermine credibility
- Circulation declines in newspaper readership
- Accountability a top priority among national advertisers

# The good news for Spanish-language print



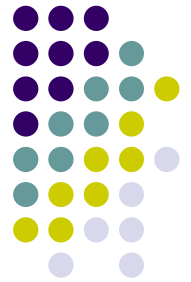
- Explosive Hispanic population growth, especially the foreign-born
- Hispanic buying power approaches \$700 billion
- English-language newspapers continue mediocre coverage of Hispanic people and events
- In 2003, there were 666 Spanish-language newspapers, 40 dailies (Latino Print Network cited in Journalism.Org. 2005)



# The bad news for Spanish-language print

- Under-spending by Corporate America
- Circulation scandals
- Few ABC audits
- Few readership studies
- Increasing competition, losses in readership
- Generational shift among Hispanics

# Generational Shift in Latino Population Growth Will Shape Language Usage



	1970-2000	2000-2020
Latino population growth	9.6 million to 35.3 million	35.3 million to 60.4 million
Net increase	25.7 million	25.1 million
First generation	45%	25%
Second generation	28%	47%
Third generation	27%	28%
	100%	100%

Source: "The rise of the second generation: Changing patterns in Hispanic population growth," Pew Hispanic Center, 2003



# Carelessness in research also undermines credibility.

- **Roslow Study:** Spanish-language commercials are more persuasive than English commercials for bilingual and SD Hispanics. **Problem:** 77% of Hispanics were foreign-born, English-dominant excluded. (Journal of Marketing Research, May/June 1966)
- **Pew Internet Life:** U.S. Hispanic Internet usage exceeded 50 percent. **Problem:** excluded Spanish-speakers from study.
- **El Rumbo de Austin:** 75% of Austin-area Hispanic adults were foreign-born. **Problem:** Actual number is 37% according to Census 2000. (The Austin Chronicle.Com 2-25-05)

# How can Spanish-language newspapers improve their bottom-line?



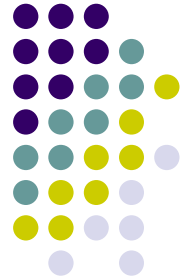
- Change in attitudes, practices
- Improved market segmentation
- Assessment of market potential
- Improving the quality of Hispanic-targeted studies



# Change in attitudes, practices

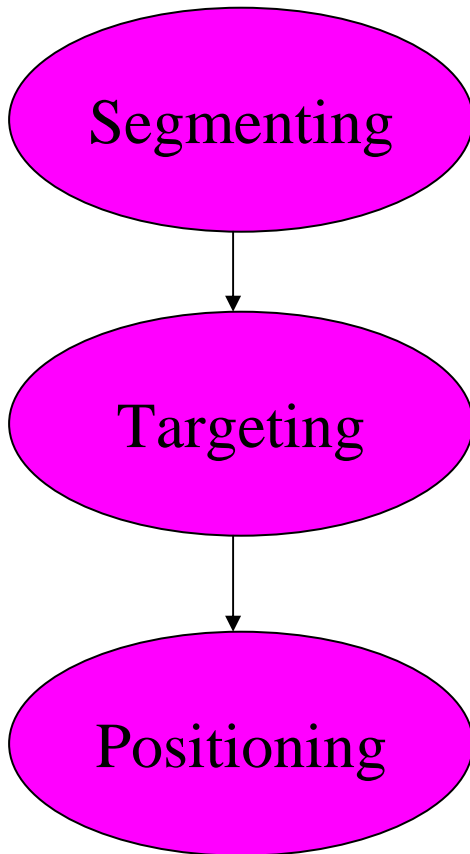
- Moving beyond circulation
- Less hype, more facts
- Increasing visibility of local Hispanic consumers in mainstream business sections
- Encouraging university business schools to move beyond “global markets”





# Improved Segmentation: Getting to Know Your Target Market

# Segmentation Process



Breaking down diverse markets into manageable segments

Choosing specific segments as the focal point for marketing efforts

Aligning the marketing mix to yield distinctive appeal for the target segment

Source: Advertising and Integrated Brand Promotion, O'Guinn, Allen, and Semenik, 2003.

# A good segmentation study provides useful information



## Publication

- Reach and frequency
- Loyalty
- Competition
- Content
- Format, design
- Positioning
- Language
- Pricing
- Distribution

## Target Segment

- Ideal segment
- Demographics
- Socioeconomics
- Attitudes
- Lifestyle
- Media usage
- Shopping behavior
- Readership needs

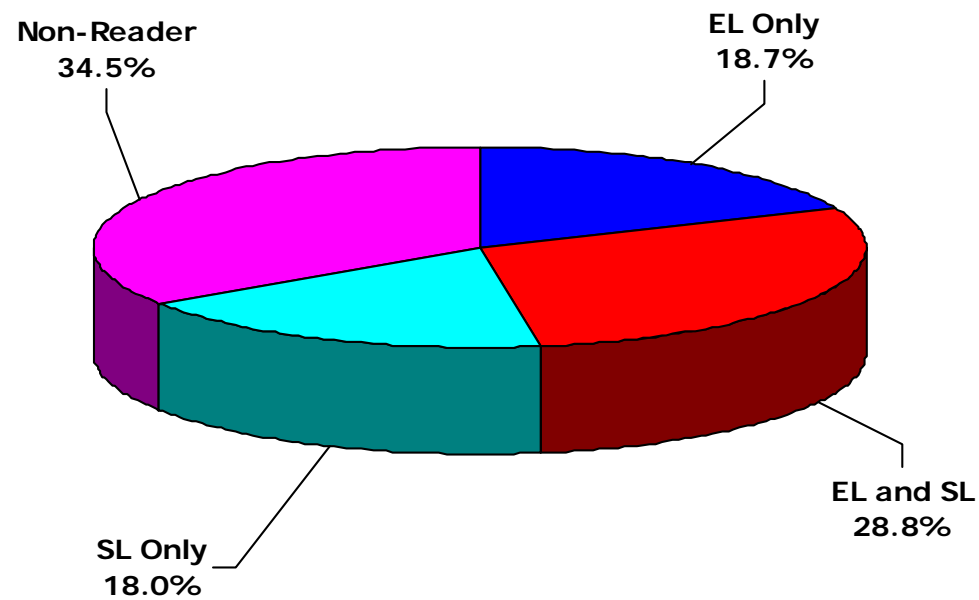
# Traditional approaches to segmenting Latinos have been limited.



- Language spoken at home: English-dominant, both equally, Spanish-dominant
- Generational: first, second, third generation
- Nativity: native vs. foreign-born



# 2 in 3 Hispanics do read newspapers.



Source: DFW Latino Trendline, 2004. Rincon & Associates.

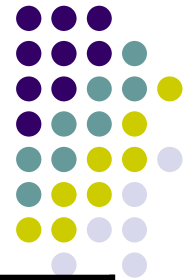
# Income, nativity and education influence newspaper readership.



	<b>Readership Groups</b> (Column %)			
<b>Nativity</b>	<i>EL Only</i>	<i>EL &amp; SL</i>	<i>SL Only</i>	<i>Non-Reader</i>
<i>Pct. HH Income \$30K +</i>	61.2%	46.5%	34.0%	28.3%
<i>Pct. foreign-born</i>	35.3%	77.6%	93.2%	86.6%
<i>Pct. not High school graduate</i>	21.5%	48.3%	74.3%	65.0%

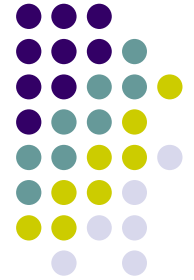
Source: DFW Latino Trendline, 2004. Rincon & Associates.

# Hispanics are not ready to give up English-language newspapers.



<b>Which newspaper does the best job of reporting on Hispanic people &amp; events? (Top 5)</b>	<b>Pct.</b>	<b>Which one will be your primary newspaper over the next 12 months? (Top 5)</b>	<b>Pct.</b>
Diario La Estrella	12.7	Dallas Morning News	26.5
Dallas Morning News	7.9	Diario La Estrella	9.4
Al Dia	6.3	Star-Telegram	7.6
El Hispano News	2.7	Al Dia	5.2
El Sol de Texas	2.7	El Extra	1.8

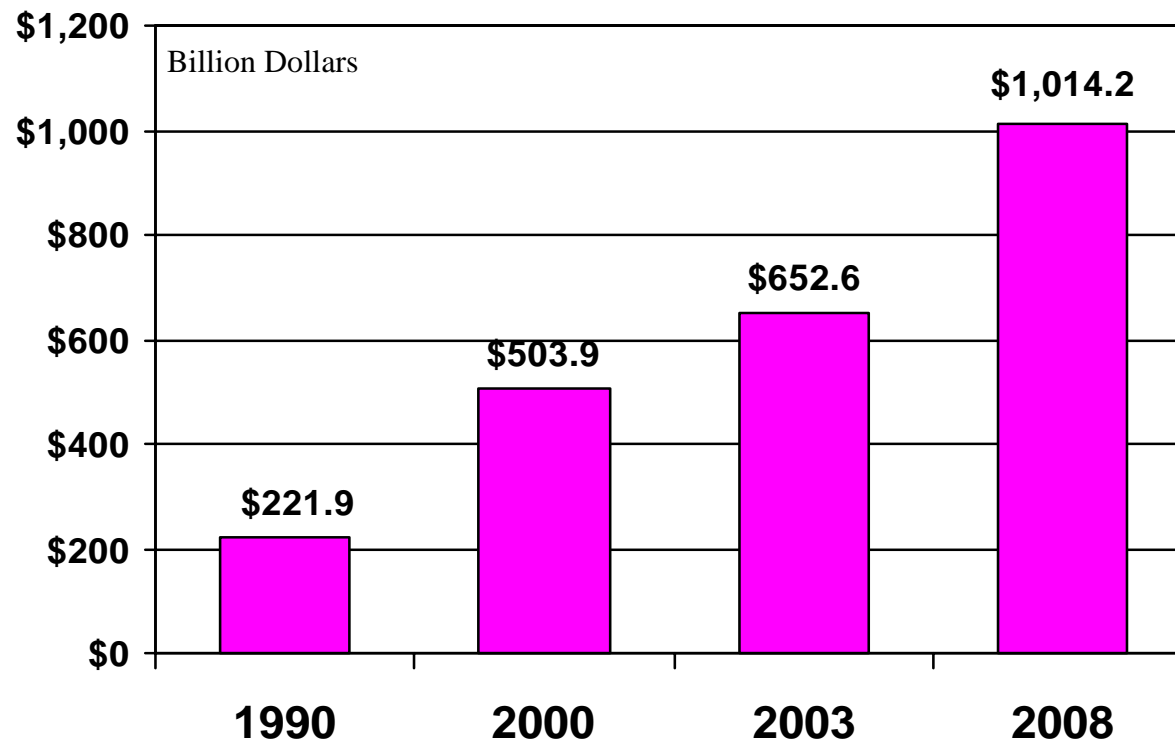
Source: DFW Latino Trendline, 2004. Rincon & Associates.



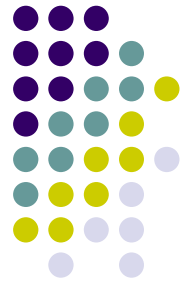
# Estimating Market Potential with Assistance from Census Data



# U.S. Hispanic buying power: Interesting but insufficient.



Source: The Multicultural Economy 2003, America's minority buying power. Selig Center for Economic Growth, 2003.



# Estimating Hispanic Supermarket Potential & Market Share

Hispanic Population		1,120,350
No. Hispanic Households		279,811
Average Monthly Supermarket Expense		\$448
Annual Supermarket Potential		\$1.5 billion
Supermarket	Market Share	Annual Sales
Fiesta	23.5%	\$353.5 million
Carnival	21.7%	\$326.4 million
Sack N Save	10.2%	\$153.4 million

Source: Census Bureau 2000, SF1, SF3; Dallas/Ft. Worth Hispanic Consumer Survey, 2001.

# Using Census data to evaluate market potential for print.



Census File	Table	Description	Group
<b>2000 Census</b>			
Summary File 1 (SF1)	P15H	Households	Latino households
	PCT11	Hispanic or Latino by specific origin	Total Population
Summary File 3 (SF3)			
	P151H	Household income in 1999	Latino households
	P152H	Median household income 1999	Hispanic households
	P153H	Aggregate household income 1999	Hispanic households
	H12	Tenure	Hispanic households
	PCT63H	Place of birth by citizenship status	All Latino persons
Summary File 4 (SF4)	PCT44	Sex b y age by citizenship status	All Latino persons
<b>1990 Census</b>	H11	Number of Hispanic households	Hispanic households
(SF3)	H12	Tenure	Hispanic households
	P85	Aggregate household income	Hispanic households
	P11	Hispanic origin persons	Hispanic persons

# Indicators of market potential for Spanish-language newspapers



- Geographic area has little competition
- Area is experiencing growth
- Area has high proportion of foreign-born or first-generation Hispanics
- Area has homeownership rate that is high or growing
- Good match between staff talents and reader profile
- Area is under-served



# Improved quality of Hispanic-targeted studies

# Latinos are difficult to research



- Highly mobile renters
- Fear of U.S. institutions
- Language abilities
- Educational level
- Geographic concentration

# Common Sources of Bias in Latino Targeted Studies



- Biased sample selection
- Unreliable measurement instruments
- Monolingual interviewers
- Varying respondent cooperation rates
- Weighting problems

Source: Measurement Bias: The Value of a Second Opinion, White Paper by E. Rincon, 2004.



# Biased sample selection

- Targeting high-density zipcodes
- Exclusive reliance on Spanish surnamed sampling lists
- Pre-screening by language skills or media consumption



# Unreliable measurement instruments

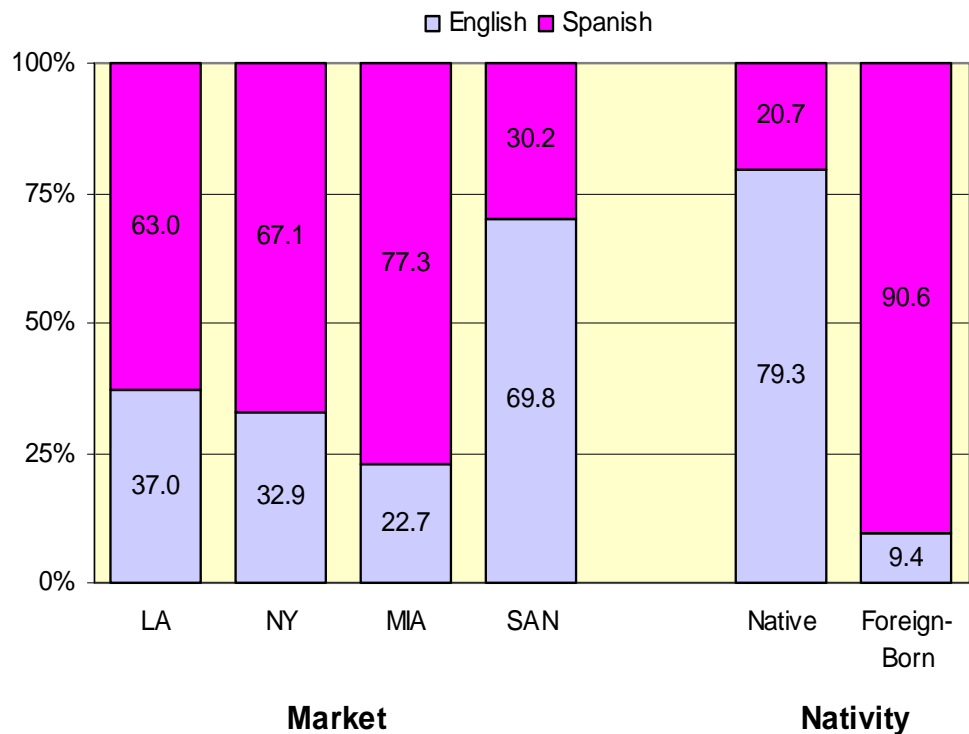


- Surveys: translation, wording, literacy
- Diaries: memory, literacy, compliance
- People meters: accuracy depends on compliance

# Monolingual interviewers can be problematic



**Figure 1: Interviewing Language by Market and Nativity**



Source: Latino Television Study, 2004, Rincon & Associates.



# Varying Cooperation Rates

- Telephone Surveys: Females and foreign-born always more cooperative
- Household Panels: Foreign-born, recent immigrants less cooperative
- Leads to imbalances in sample



# Weighting Problems

- Weighting corrects sample imbalances
- Weighting is not always used when needed
- Use of unreliable or incorrect weights



# Weighted vs. Un-Weighted Ratings

	<b>Network Watched Most Often for News</b>				
	Univision	Telemundo	Fox	ABC	NBC
Un-weighted Percent	61.1	10.0	7.9	6.4	5.7
Weighted Percent (Gender, nativity from Census 2000)	52.0	9.0	11.7	8.3	7.5
Rating Difference	-9.1	-1.0	+3.8	+1.9	+1.8

Source: Dallas/Ft. Worth Latino Trendline, 2004; Census Bureau, 2000.



# Judging Polling Accuracy

- Margin of error
- Response rate
- Predictive accuracy
- Comparison of sample demographics to Census Bureau data



# Hispanic Polling Accuracy is No Accident

Candidates	Latino Poll 2000 July 2000	CNN/ABC Exit Poll November 2000
Al Gore	54%	62%
George W. Bush	33%	35%
Other candidates	4%	3%
Undecided	9%	-
Total	100%	100%

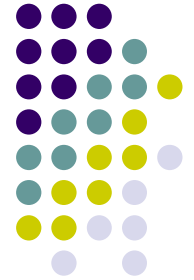
Source: Public Broadcasting Latino Poll 2000, Rincon & Associates, July 2000.



# Qualities of Sound Latino Research

- English and Spanish-language questionnaires available, pilot tested
- Use of bilingual interviewers
- Respondents provided choice of interviewing language
- Sampling across geographies
- Sample imbalances corrected with weighting
- Generalizations limited to sampling universe
- Adequate sample size for desired accuracy





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