

Multicultural Marketing: the new kid on the block

By Jade Boneff-Walsh

A relative new-comer to the area, multicultural marketing is on the rise. The demand for expertise in communicating and advertising to multicultural audiences, notably Hispanic, has grown fast across industries in the region. But what exactly are companies and government agencies looking at?

First, there was panic. The immigration wave came crashing down, taking many by surprise. America, despite its immigration history, was largely unprepared for the sheer numbers that arrived legally or otherwise in the country these past few years. All of a sudden, immigrants had become a huge and untapped consumer market. Add to that the fact that these immigrants, unlike those of a generation or two ago, did not feel the need to assimilate the American culture right away. Across the country, they can find countless small businesses - from groceries stores to banks - that cater to consumers who don't speak any English. As a result, the "new immigrants" are able to hold on to their language, customs and consumer habits much longer than the generations before them.

Then, there was money. Buying power among immigrants escalated to unprecedented levels. By 2007, the Census estimates, immigrant consumers will collectively hold most of the buying power in the US. In 2000, that power exceeded \$1 trillion. Latino disposable income has jumped 29% since 2001, at double the pace of the rest of the population.

Now, there is opportunity. Although immigrant consumers have become a major buying force in the US, they are still largely ignored: only 1.3% of the \$200 billion spent last year on paid media was dedicated to multicultural audiences.

So, there is demand. What about the supply? There are very few marketing consultants and agencies specializing in the multicultural audience, mostly because it is such a diverse audience in itself. The cultural differences between Mexicans and Cubans, for example, require separate marketing strategies. The same is true for Japanese and Korean market segments, with the added issue of different languages. In other words, one cannot be a "Hispanic Marketing Expert" or "Asian Marketing Consultant" without knowing the cultural nuances, buying habits and responses that are specific to each group. To make matters worse, country of origin, much like language, is not the best way to "lump it all together". Just ask anyone who has tried to market to Basques in Spain.

While many organizations and government agencies are waking up to the new ball game of multicultural consumers, they are slow in understanding the dangers of generalization, especially when it comes to Hispanics. For many, it is still a simple matter of translating their collateral materials to Spanish. In the meantime, there is fierce competition emerging from the immigrant corner. One out of every 10 small businesses will be Hispanic-owned by 2007.

Successful multicultural marketing professionals will be those who approach each target individually, respecting their differences, and understanding their cultures. It is up to those professionals to educate clients and segment the market.

All rights reserved. This article is protected by international copyright laws. You may not modify, copy, reproduce, republish, upload, post, transmit, or distribute it in any way. You may download this article for your personal, non-commercial use only, provided you keep intact all copyright and other proprietary notices.

