

Cracking the Culture Code

Why develop a multicultural marketing strategy in the first place?

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The need for a multicultural marketing strategy has often been debated. Yet, it's almost impossible to attend a marketing conference without stumbling upon a panel of experts discussing the benefits associated with reaching niche markets. Then why the hesitation? There seems to be a misconception of what multicultural marketing actually is and what it can do to enhance a marketing strategy. Despite statistics pointing to emerging markets, increasing population numbers and behavioral economics, the decision to implement a solid multicultural plan often gets put on the back-burner. In reality, implementing an effective plan is not difficult once you have an understanding of the role cultural cues play in reaching your audience.

We all have an innate desire to understand where we come from. That association is revealed through our cultural practices, such as the foods we enjoy, the languages we speak, and how we worship. Even someone born in the U.S. may not immediately identify themselves as American, but rather associate with a particular ethnic group. Usually that of their parents or even one parent.

The emerging practice of the total market approach and the reluctance to spend advertising dollars on anything other than the general market has raised questions about multicultural

marketing's validity. Simply put, the total market approach is one marketing program, with one set of cross-cultural executions running in mainstream media, designed to reach all consumers, across general and ethnic markets. However, this approach does not mean the translation of a general market campaign without deep consumer insight from the very beginning of the planning process. Although there is some merit to this approach, it does have its limitations.

For Asian Americans, a total market strategy is especially limited. It may reach more acculturated Asian Americans who mostly consume general market media, however, a total market approach can become a problem when almost 70% of Asian Americans are foreign-born, and, many prefer to speak a language other than English. The reality is that the impact of any Total Market campaign will likely miss the majority of this audience. In fact, the 3AF (Asian American Advertising Federation) has recently published a comprehensive study of Asian American media consumption that clearly shows Asian Americans' preference for in-language and in-culture media channels.

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“General Market” has generally changed

Despite the debate over the total market versus multicultural segmentation, the bigger issue is the notion that any semblance of a “general market” even exists. Therefore, by today’s standard, one must first define who and what the general market is.

General market is defined as the non-Hispanic, non-African American, non-Asian American, non-ethnic-group-insert-here. They’re defined by the U.S. Census as “non-Hispanic whites.” They’re also commonly referred to as “Anglos,” a steadily decreasing population in the country. While Anglos still represent 70% of the total population of the US, this ignores the fact that in key designated market areas, the minority is the majority.

Take the Los Angeles DMA, for example. Anglos account for 35% of the population, while Hispanics account for 45%. What is the general market in Los Angeles, then? Similarly, in the Miami-Fort Lauderdale DMA, Anglos account for 30% of the population, while Hispanics make up 46%. In the New York and Chicago DMAs, Anglos account for little more than half the population.

In marketing, the lines dividing race and ethnicity are beginning to blur partly due to the political climate, here and abroad, which has been a catalyst for brands to incorporate diversity messaging into their advertising. Since November 2016 brands have come out

with arms open wide prepared to embrace every segment of the population under the rainbow. With commercials created to let the world know that there is a place for everyone at their prospective tables. However, we didn't need a quirky commercial or politician to point out the obvious. With each passing generation the world changes a little more and the term general market becomes a little more obsolete.

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It's about cultural nuances

Hispanics currently account for 17.6% of the total U.S. population, and the group is projected to yield over \$1.7 trillion dollars in buying power this year. What does this mean for companies? Honestly nothing – these are national statistics that give you a broader view of how the consumer landscape is changing. It's when we drill down these stats into bite-size pieces that are relevant to a business, corporation or community, that we can begin to identify how valuable a multicultural strategy can be. There are many highly sought after groups, the Hispanic market being one, but effectively targeting the multicultural consumer is about effectively recognizing cultural nuances.

Stereotypes are based on assumptions, not fact. It's these assumptions that often lead to using cliches that end up doing more harm to your brand than good. Once we sweep past an assumption you'll find the cultural nuances that individuals identify themselves with. Nuances are the triggers that activate memories, thoughts, and feelings and provide an accurate picture of someone's cultural composition.

Today there is a cultural alignment that's overriding socio-cultural norms and providing new media opportunities. For example, second and third-generation Hispanics are more adapted

to the U.S. culture and American customs, yet they still maintain an attachment to their Latin traditions and value system. 85% of U.S. Hispanics consider themselves Latino American with an uncanny ability to functionally transition between Latino cultures and the American, giving them a unique position in the consumer landscape.

Now brands have an opportunity to develop relationships based on genuine connections. Conversations that now can be bicultural and multilingual. A recent Google study found that when advertising includes aspects of Hispanic culture, 88% of U.S. Hispanics pay attention and 41% have a more favorable impression of the brand. At the risk of oversimplifying the process, it begins by focusing on the key attributes of your brand, and then determining how to create messaging that will resonate with a new audience in a culturally relevant way. Remember that you should be making a cultural connection with your audience, and starting a conversation, not just stating a truth or marketing message, hoping they'll respond positively.

So how do these cultural nuances play out in the real world? In a pilot study, Anglo and Asian American students at a California university with an ethnically diverse population were

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asked to view advertisements for Welch's 100% Grape Juice. Some participants were instructed to give their immediate reactions to the advertisements, while others were told to think more carefully before evaluating the effectiveness of the ads.

Half of the ads were "promotional" in their appeal. That is, they focused on the benefits that could be gained by drinking the juice — e.g., "Welch's Grape Juice can lead to higher energy levels, is great-tasting as well as energizing, and is fun to drink." The other ads had "preventive" appeals: They highlighted problems that could be avoided by drinking Welch's — e.g., "Welch's Grape Juice can reduce the risk of some cancers and heart disease, helps keep arteries clear so that blood can flow freely, and is healthy to drink".

The results were instructive. When participants gave their immediate reactions to the advertisements, Asian American participants heavily favored the preventive messages; Anglo Americans had the opposite reaction, rating the promotional messages as more effective. This tallied with the researchers' theories that Anglo Americans, who value achievement, accomplishment, and independent thinking, would focus on the positive consequences of their purchasing decisions. On the other hand, Asian subjects, who tend to value protection and security, and have more interdependent ways of viewing the world, were expected to concentrate on the negative consequences of their

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actions or decisions. These findings were discovered when subjects gave only a cursory glance at the ads. All this bore out when subjects gave only a cursory glance at the ads. The immediate reaction was to gravitate toward the message that appealed to their cultural upbringing.

Media consumption, It may not be what you think.

The power of media often gets overlooked. Partly due to an assumption that particular groups are lagging behind the other markets when it comes to how media is consumed. For example, 53.8% of U.S. Hispanics purchase apparel products via a tablet compared to 46.5% of all adults. U.S. Hispanics also spend 2.5 hours watching videos online per session, compared to 2.1 hours for all Americans. The rise of Hispanics using digital avenues to research information, make purchases and communicate with family and friends near and far, should not be ignored by companies that want to connect with this segment.

Hispanics, due to their status as the nation's largest ethnic group and their proclivity to mix and merge with others, are at the forefront of a trend toward a more complex and inclusive definition of American identity. There's a shift toward an "ambicultural" center where traditional cultural values and identity coexist alongside mainstream "American" ones. Today's significantly-younger, increasingly U.S. born, dynamic Hispanic population is shaping the American mainstream by maintaining strong ties to its cultures of origin, developing an ambicultural personality that is at once entirely American and entirely of one's culture of origin. Unlike other immigrant groups, Hispanics feel they are 100% American and 100% Latino—and this is more prevalent among younger demos. In

other words, these consumers are able to shift between their two cultures—American and Latino—seamlessly. It's no longer enough for brands to cast a broad net or only market to Hispanics in English or Spanish—they need both. And while language is important, it isn't the only connection point. Savvy marketers are taking notice and crafting dual-language communications that speak to both the American spirit and the Latino soul.

There's also opportunity to connect with young African Americans in this diverse landscape. In an AdAge article titled *Reaching Next-Gen African American Consumers*, the author Kevin Walker talks about this dynamic group. He writes, "There is money to be made, social currency to gain and brand relevance to enhance by understanding and connecting with millennial and Gen Z African Americans. The code to unlocking the love from this consumer is a complex one. This is a consumer who is hypersensitive about the role of brands; who has a great awareness of self and culture; who is ready to pounce on any person or company who abuses the community, or appropriates without reverence or respect. The collectivism, amplification and quickness of black people on Twitter and social media is a game changer. A once-marginalized group has found its power."

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According to Walker, the path to building relationships with next-gen African Americans should be based on an authentic examination of socio-political sensitivities. This requires assembling targeted insights across the marketing mix, from experiential and content development to user experience and customer experience. This goes deeper than exploring cultural cues, or relying on traditional media, but rather recognition of the social issues affecting African Americans and strategically aligning a brand in an empathetic manner.

Hello my name is

We are living in an environment that can be characterized by high levels of cultural fluidity, driven by the high frequency of cultural interactions. People can choose which cultural identity they display in various cultural environments, such as work, home, school, etc. Further fueled by global technology and social media, we are living in a smaller world making traditional segmentation outdated and ineffective.

Media siloing and the term “general market” are becoming obsolete. Customers are not interested in viewing and interacting with a brand message on one channel, instead the opportunity is in engaging them on a variety of dual language platforms.

Multicultural marketing is about creating a meaningful connection with your audience. And it starts by simply saying hello.

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