

*the center for hispanic
marketing communication*

newsletter • april

2015

Contents

Flavor: Stirring Up the Market **4**

Understanding the Billion-Dollar LGBT Market **5**

Staff Profile: Bianca Vilagrana **7**

Graduate Spotlight

Wen Zhao **8**

Neleen Leslie **9**

Alumni Spotlight

Brock Wright **10**

Interview with Nicole Rankin **11**



Flavor: Stirring Up the Market

By Blanca Vilagrana

American's relationship to flavor is changing. With concerns shifting towards what food does to our body, we've almost forgotten to ask the simple question, "How does it taste?" Current weight-loss trends argue we eat excessively because food is a delight to the palate, and according to Mark Schatzker, author of *The Dorito Effect: The Surprising New Truth About Food and Flavor*, the human body takes flavor very seriously. "We would not be programmed to seek out new flavors if they were our enemy," Schatzker claims.

Over the last fifty years, U.S. farms have become more productive, affordable, and resistant to disease yet the food they produce is losing flavor at an equal rate. The foods farmers grow now are virtually tasteless compared to their 1950s counterparts, but the same advances responsible for this flavorless increase in production have allowed these flavors to be replaced by synthetics.

According to Euromonitor International, a London-based market research firm, Americans consume more than 600 million pounds of synthetic flavoring annually. Research conducted by the BBC on global flavor and fragrance commerce estimates that the North American market worth of synthetic flavoring was \$7.1 billion in 2013 and is expected to grow to \$9.9 billion by 2019.

American consumers are experiencing a proliferation in the amount and variety of flavored products. Hispanic and Asian markets are becoming increasingly influential to U.S. food and drink manufacturers, introducing niche flavors to the mainstream. Market research firm Mintel says that 57% of the population consider themselves adventurous eaters and 82% are open to trying new flavors (2014).

There is a magnitude of opportunity available to food companies that successfully market to the Latino consumer population. Sabor in America,

a marketing event sponsored by global flavoring company Symrise, highlights the Latino influence in the modern American food system. Barbie M. Casasus, Multicultural and Latino consumer expert of CEB Iconoculture Consumer Insights, explains that these consumers interact with food labels, but they are not reading labels in the same way as other demographic. Latino consumers are looking for cues that communicate the values of quality that they are looking for, and—in addition to price and nutrition—a delicious flavor is what they expect from their food.

Flavor has always been a factor in purchasing behavior, but today it's more important than ever. Mintel concluded that immigration and a growing non-White population are spurring flavor interest and the internet has allowed a free flow of flavor information. The report explains that Caucasian consumers are interested in worldly, ethnic cuisines, while African-American consumers would like to see more ethnic flavors that are tied to their roots. According to Mintel, millennials and Hispanics are driving the new flavor trends in food service.

"Americans consume more than 600 million pounds of synthetic flavoring annually"

Targeting the right audience for new flavors will bring positive results for food marketers. Spicy, sour, bitter, tangy, and smoky flavors are exploding in mass market appeal. There is a clear resurgence in the desire for flavor, and the trend is growing.

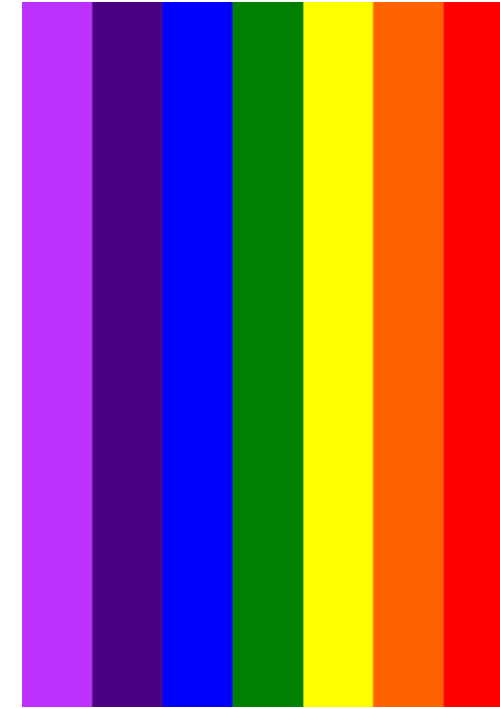
Understanding the Multi-Billion Dollar LGBT Market

By Blanca Vilagrana

Last month, César Melgoza, founder and CEO of Geoscape and board member of the Florida State University Center for Hispanic Marketing Communications, invited several staff members of the Center to attend the 11th Annual New Mainstream Business Summit. This multicultural conference is the premier event on obtaining access to high growth consumers and businesses from diverse cultures such as Hispanic, Asian, African-American and LGBT communities.

At the summit, we discovered helpful insights into the LGBT market, one of America's highest-spending markets. Even though Witeck Communications estimates the total buying power of the U.S. LGBT adult population at \$830 billion, LGBT consumers are one of America's least understood niches due to stereotypes and prejudices that have blocked many from a greater understanding of this market. If marketers make short-term generalizations, they should know that these misconceptions will not be stable over time.

Today, the rise of the LGBT community, its increasing worldwide acceptance, and their growing purchasing power, has forced corporations to change their marketing strategies to compete for the LGBT niche market. But, before engaging this double-income, no kids (DINK) consumer, it's important for companies that are seeking to have exponentially increased sales to learn more about the LGBT community.



LGBT stands for lesbian, gay, bisexual, and transgender. The LGBT movement uses the rainbow flag to symbolize diversity, with hot pink representing sexuality, red for life, orange for healing, yellow for the sun, green for nature, turquoise blue for art, and indigo for harmony. According to Community Marketing Inc., 57% of gay men and 65% of lesbians use the rainbow flag.

"A new Gallup poll estimates that about 3.4% of the U.S. adult population, or nine million people, identify as LGBT."

The LGBT community is a significant contributor to the U.S. economy. The buying power of same-sex households is significant when compared to the

average U.S. household, which offers considerable opportunities for manufacturers and retailers that are able to satisfy the needs of these consumers.

Data points out that 75% of LGBT are living in DINK households. "If you are with a company that is looking to market to a community with traditionally more disposable income, then the LGBT market is something you should consider," says Jeen T. Grace, LGBT marketing and communications expert.

According to Grace, if you put in perspective the LGBT buying power with the top four niche segments, LGBT consumers have four times the buying power per person than Hispanics and African Americans, and double the buying power of Asian Americans. So while LGBT Americans are the smallest sized based on actual population, they have two to four times more buying power than their counterparts.

Marketers should know that LGBT adults are loyal consumers who shop more consistently, spend more, and feel positive about the shopping experience. Numbers show that 70% of LGBT adults would pay a premium for a product from a company that supports the LGBT community, while 78% of LGBT adults, along with their friends, family, and relatives, would switch to brands that are known to be LGBT-friendly.

A common mistake in engaging an LGBT audience is to assume that the entire LGBT community shares the same beliefs, ideas, and values. "If

you target everyone, you are not resonating with anyone," Grace says, "Each individual within the LGBT community should be treated as a separate target market. Marketers should use different strategies for each segment of the LGBT community and should not stereotype."

The better you understand the LGBT customer, the faster your business with this market will grow. You can start by refining your target market and gathering detailed information on who your current clients are. If you do not really know your current clients, create a short survey for your current client base to reach potential LGBT audience.

Once you identify your potential LGBT market, make sure everyone in your company is trained on how to work with LGBT clients. The bottom-line is poor communication can be the kiss of death in your marketing outreach. Jeen Grace helped us

to identify the three biggest faux pas and their damaging effects:

1. Insinuations. The first, and major, faux pas that can damage the bottom-line is to insinuate that being LGBT is a choice. Grace suggests avoiding the use of phrases such as "gay lifestyle." (A good example of the proper use of a lifestyle is "healthy lifestyle", "active lifestyle", etc.)

2. Gender assumptions. Do not assume the gender of one's spouse. It creates unnecessary awkwardness and could result in a lost consumer.

3. Insensitive language. The third is to insinuate that LGBTs have "alternative lifestyles" or are a "non-traditional family". This is often seen in financial industry materials, even if the "traditional family" is on the decline.

Marketers can no longer afford to ignore LGBT consumers, and the predominance of this community is transforming the pop culture conversation. What once was a taboo subject is now part of mainstream discourse. There are big business opportunities for any corporation willing to expand and grow their business with the LGBT market, which remains largely unexplored.



Meet the Author: Blanca Villagrana

My name is Blanca Villagrana. I'm pursuing a double major in Editing Writing & Media, and Modern Language in Spanish at Florida State University. Coming from Mexico City, I decided to pursue my academic degree in the U.S. because it is considered one of the most prestigious and internationally recognized countries for higher education. I've always wanted to be a professional, bilingual communicator able to educate, entertain, inform and persuade people in Spanish and English.

I heard about the Center for Hispanic Marketing Communication and its one-of-a-kind certificate program in Multicultural Marketing Communication in the fall of 2013. The certificate offers a close, hands-on approach to the studying the multicultural market, the new hot buzz in the industry. So far, it has been a perfect complement to my studies.

Immediately after I met the staff, I applied for The Center Internship Program. I did not want to miss out on an exceptional opportunity to have a solid experience in PR, marketing, and advertising. The exceptionally kind and brilliant staff members and interns weave seamlessly into a true team.

My responsibilities at The Center include maintaining the Hispanic Millennial Insights blog, writing for the newsletter, updating the Center's websites (conference.latinomediemarkets.com and puntosdevista.com), and assisting with the logistical coordination of conferences and events.

My internship with The Center has exceeded my greatest expectations. I have been introduced to professionals with valuable understanding and experience of multicultural environments, along with the cultural diversity inherent in the global marketplace, including business, education, and agencies.

I was selected as the recipient of the Center for Hispanic Marketing and Communications Leadership Scholarship; thanks to Adrien Lanusse, Vice President Consumer Insights at Netflix, who generously funded the Center's scholarship program.

I believe that if something is worth doing, it is worth doing well, that work and service come first, and that leisure is possible only when other matters are taken care of. I try to remain grounded, and was born with an innate willingness to help others in some way. I enjoy painting, outdoors activities such as gardening, getaways, sports, and anything that leads to having a balanced, happy family. Above all, I like places with good energy—The Center is definitely one of them.

"I believe that if something is worth doing, it is worth doing well, that work and service come first, and that leisure is possible when other matters are taken care of."

Companies with a 100% "pro-gay" rating by the Human Rights Campaign:



Graduate Spotlight



Wen Zhao earned her Bachelor's degree in Journalism at the Beijing International Studies University, Beijing, China in 2008. She obtained her Master's degree in spring of 2015 from the School of Communication at Florida State University. Her current research interests focus on strategic communication and health communication.

Communicating Social Responsibility Through the Web: Comparing Between Hispanic and Non-Hispanic Energy Websites

This study aimed at investigating the content of leading energy corporations' communications about corporate social responsibility (CSR). The specific purpose was to explore how the leading energy corporations communicate CSR activities as three distinctive approaches on their websites, to compare the differences among the three approaches, and to investigate the relationship between the information on the websites that addresses stakeholder relationship and the financial performance.

Drawing on the theories and instruments from corporate social responsibility literature, this study explored the performance of CSR through a content analysis of leading energy corporations' websites. The results showed that leading energy corporations employed diverse means to build the good image of socially responsible corporations, and they exhibited strong commitments to employees, shareholders, and the natural environment. Qualitative results showed that leading energy corporations crafted and disseminated information in different levels and formats, and widely adopted visualized information. Differences worth underlining were the fact that leading energy corporations do not display the same eagerness to communicate with stakeholders using these three approaches. The ethical business conduct approach was emphasized the most and the strategic public philanthropy approach was the least.

Further, this study found that there was no statistically significant correlation between the information on websites that addresses stakeholder relations and company financial performance (ROIC) among the leading energy corporations. The results suggested that there was little variation among their web-based CSR information, especially stakeholders' information. Finally, the findings of this study suggested that stakeholder communication in CSR had been ingrained in leading energy corporations' norms and values.

Graduate Spotlight



Neleen Leslie completed a Bachelor of Business Administration at the University of Technology, Jamaica where she majored in Marketing and International Business. In 2010 Neleen was awarded a Fulbright Scholarship and moved to Tallahassee, where she enrolled in the Department of Communication in the fall of that year. She earned a Master's of Science degree in Integrated Marketing and Management Communication and a Graduate Certificate in Project Management in the fall of 2011, a Master's of Science degree in Measurement and Statistics in the College of Education as well as a doctoral degree in the Department of Communication at Florida State University in the spring of 2015.

When Appearance and Language Disagree: Effects of Culturally Incongruent Cues in Advertising

The growing multicultural population in the United States has resulted in more and more individuals negotiating multiple ethnic identities in their daily lives. Despite the increasingly multicultural nature of the U.S. populations, academia and industry are still lagging in both research and advertising that fully reflects the multicultural nature of the American consumer. In this study, the author will investigate the effects of cultural incongruence on advertising. Specifically, using accommodation theory as a framework, the study explores how incongruence between source appearance and language affect viewers' perceptions of the source's credibility, attractiveness as well as overall attitudes toward the commercial, the brand and intent to purchase.

The results of this study found that incongruence between source appearance and language results in lower ethnic identification with the ad for Non-Hispanic Whites, when compared to participants from other ethnic groups but no significant differences for Hispanics. It was found that incongruence between source appearance and language results does not produce significantly different perceptions of source trustworthiness, similarity, or significantly different ad message involvement, attitude towards the brand or ad for any ethnic group.

Finally, while incongruence between source appearance and language results in significantly higher liking for the model and significantly stronger purchase intentions among Non-Hispanic Whites exposed to African American model, there was no significant difference for other models, or for Hispanics exposed to ads that contained incongruence between source appearance and language.



Alumni Spotlight: Brock Wright

I'm 26 years old and I grew up in Boca Raton, Florida. I received my Bachelor's in Marketing with a minor in communications during Spring 2011, and my Master's in Integrated Marketing Communications with a certificate in Project Management during Fall 2012. I initially became involved with The Center through my minor in communications during my last semester of undergrad. In grad school, I became much more involved with the center and was a graduate teaching assistant of the Hispanic Marketing undergrad course. I also had a mentor through the center, Isaac Mizrahi of Alma DDB in Miami. Furthermore, I attended to Association of Hispanic Advertising Agencies (AHAA) conferences representing the center.

Since graduating, I have worked as a Senior Analyst on the Audience and Measurement Solutions team for Starcom in Chicago (a part of Starcom Mediavest Group, a global advertising media agency). I have worked on media research for such clients as Kraft Foods, Allstate, Esurance, and Hallmark. My long-term career goals are still evolving with the constant change and convergence we see between the ad tech, media and advertising industries. I would like to develop and lead strategic research and measurement that leverages multiple data sources at the same time, such as combining "Big Data" behavioral data with traditional survey based data. I also am interested in using measurement to define business goals and drive strategic positioning. From a name perspective, I am aspiring to eventually become a research director for an advertising agency or a global client director overseeing strategic client initiatives across markets.

The Center positioned me to understand the unique aspects of Hispanic marketing that I was able to leverage in both my studies and work after school. The most valuable offering the center gave me was the access to a large network of advertising and marketing professionals. From my mentor Isaac helping me make longer-term connections at my current company, to the many professionals I met through attending conferences with the center, I still have several relationships years after graduating that I owe to The Center.

The Impact Of a Campaign Supporting Hispanic Organ Donation

An Interview with Nicole Rankin

The decision to become an organ donor gives anyone willing the potential to save lives. Someone is added to a donation waiting list roughly every 10 minutes. Currently, there are over 120 million donors in the US. Hispanic citizens, however show reluctance in numbers, and are the least likely to donate. Nicole Rankin, A Florida State University student, aims to create awareness for this need with a Public Service Announcement she hopes will reach those more hesitant to donate because of certain beliefs and stigmas regarding donation. The PSA will be entered in the Take Flight With PR contest for a cash prize and paid trip to New York City. The winner's three-minute campaign video will also be shown to 200 PR industry executives. She gives us the run-down on her work so far and the importance of fighting the falsehoods and fears surrounding organ donation.

Within the Hispanic community, whom specifically is this message meant for? We're targeting two audiences, actually, not just Hispanics—this message is also meant for elderly people. Hispanics on the one hand, are the least likely to contribute to organ donation, and there are several reasons for that: religion, myths, and other stigmas prevent many Hispanics from donating organs. There are a lot of beliefs about donation that keep this group

from contributing—many seem to think that a person who's donated organs can't have an open casket funeral, [which is custom for Catholics] even though that's not the case. The PSA's purpose is to shed some light on these topics and these sort of mistruths. As for the elderly populations, a lot of them think their organs don't work as well and wouldn't be good to donate—that's also not true. Anyone can donate.

What can we expect from the PSA itself? How is the message presented? We've got a voice over at the beginning, and accompanying it we're using photos of a woman and her many life accomplishments—she is a Hispanic woman who benefited from organ donation from an elderly man, without whom she would have never been able to achieve everything she had.

“Religion, myths, and other stigmas prevent many Hispanics from donating organs.”

Who is working on this project with you, and what have these groups or individuals contributed to the project? I've been working with a couple of people who are Public Relations majors, and they want make a whole campaign out of it for the contest. They're going to be making a Facebook page, and a video where someone goes out in to the real world and asks people for their real opinions regarding organ donation. We also have someone from the Theatre school who's going to be our actress, take photographs for the actual PSA, and do the voice over.

Is there a specific reason you decided to create this PSA or take on this issue in particular? Why is it important this message be heard? Well, just the fact that so many people aren't okay with the idea of donating their organs, especially in Florida. It's so bizarre to me, because one of my first thoughts when I got my driver's license was "Yes, I do want to be an organ donor." That decision is the decision to maybe save somebody's life. One body can save up to something like ten lives. I know so many people, and have so many friends who are Hispanic who say, "That's not my thing, I don't want to donate." which makes me think, why not? I feel the need to prove to them that agreeing to donate doesn't take anything from them or their lives, they're actually going to be saving people and helping people. It's going to be a good thing. On top of that, if I needed an organ I'd hate to find out there aren't any available.



Nicole Rankin is an organ donor herself, and believes in the potential of organ donation to save lives all over the country.

