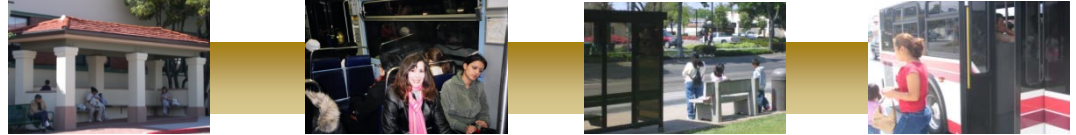


## Highlights:

- The Hispanic market accounts for 18% of public transportation riders in the U.S.
- The Hispanic market has not been historically tapped in relation to its importance.
- Cultural nuance can be an important factor in effective Hispanic advertising.
- Hire a Hispanic marketing specialist for best results.
- Over 40% of all Latino adults, including first generation Hispanics are bilingual in Spanish and English.

## News:

*Congratulations to the Breeze Bus on winning a Grand Prize AdWheel Award in 2007 for Electronic Media (television) and a 1<sup>st</sup> Place AdWheel Award for Internet Home Page!*



## Tapping the Hispanic Market: Defining Your Target

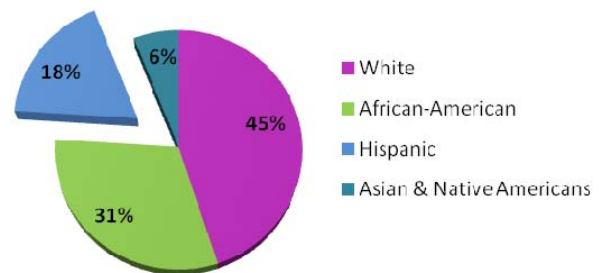
*Part I of a Two-Part Series*

According to the U.S. Census Bureau American Community Survey, Hispanics constitute nearly 15% of the U.S. population and 36% of California's population. The California Department of Finance estimates that by 2020, Latinos are expected to become the largest single ethnic group in the state, and the majority by 2040.

Hispanic outreach is particularly important to transit agencies. This market segment comprises 18% of public transportation riders. In many communities, the percentage of Hispanic riders is double the percentage of Hispanics in the local population. This does not take into account the fact that



### Public Transportation Demographics



*Figure 1: Source: American Public Transportation Association*

surveys often underreport Hispanic numbers.

This market has long been under tapped. A study by the Association of Hispanic Advertising Agencies found that U.S. firms spend only 3.5-4% of their marketing budgets to reach Hispanics. Population estimates suggest tripling this figure. For transit agencies, especially in California, the percentage should be even higher.

### Hispanic Micro-Markets

Generally speaking, what unifies the Hispanic market is the Spanish

language. However, the *Hispanic Market* is really a misnomer. Hispanics or Latinos are not homogenous, but form subgroups by country of origin, time in the U.S., and language.

The majority of first generation Hispanics have minimal English language skills, and speak primarily their native Spanish language. However, Spanish varies widely from country to country and, in the U.S., from state to state.

The Hispanic market comprises various micro slices, and reaching each requires tweaking the marketing approach.

*continued on page 2*



Majic Consulting is your Hispanic marketing partner for the public transportation industry.

We will work with you to develop and implement a strategic marketing plan targeting your local Hispanic riders.

**Services include:**

- Market planning,
- Translation services,
- Advertising campaigns,
- Media selection,
- Collateral development,
- Outdoor,
- Event marketing
- Promotions,
- Graphic design,
- Video,
- Internet.

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## Hispanic Market (*continued*)

The right cultural nuance can be more important than language used.

Catchy ads may need a writer who knows the variety of Spanish that is spoken in your local area—humor is notoriously hard to translate.

When it's important to be clear to a wide audience (as in Ride Guides or maps) or to appeal to a wide audience, you will want to have a certified translator provide a “standard” Spanish translation or script.

### American Influence

While only 23% of adult first-generation Latinos living in the U.S. consider themselves to be fluent in English, these numbers rise significantly among the subsequent generations. In a study by the Pew Hispanic Center, over 40% of all Latino adults, including first generation

### Fluency in Spoken English Rises Across Hispanic Generations

(% who speak English very well)

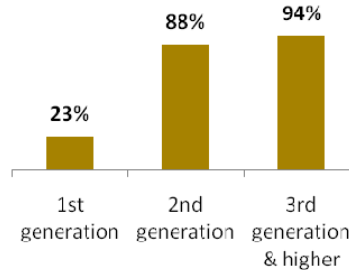


Figure 2: Source: Pew Hispanic Center

Hispanics, are bilingual in Spanish and English. More than two-thirds can comfortably carry on conversations in either language. Therefore, a mix of English and Spanish may be the best way to attract Hispanics, particularly second and third-generation Latinos. English ads placed strategically to reach Hispanic consumers can also be effective.

Latinos tends to have younger, larger families, and often live in multi-generation households. Families often travel together.

Hispanics tend to look to personalities they know and trust. They respond to Spanish-language movie and music stars. A local Spanish station DJ or newscaster can add credibility to your message.

*Feel-good* ads have dominated Spanish-language TV in the past, but ads with slapstick or edgy humor, which target more assimilated Latinos, have begun to appear. Some of these ads closely parallel American general market ads.

As with all advertising, your brand's image and tone needs to be considered in developing your message for your Hispanic audiences.

*Stay tuned for Part II: In the March/April edition, we will discuss how to select the appropriate advertising media to effectively reach your Hispanic riders.*

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