

## More Than Just Language: A Look at Diversity Among Hispanic Boomers

### Executive Summary

The potential of the Hispanic market is not new news anymore. Hispanics, now the nation's largest minority group at 42 million, are the fastest-growing group in the country. It is estimated that by 2020, one in every five Americans will be Hispanic. According to the Selig Center for Economic Growth at the University of Georgia's Terry College of Business, the buying power of Hispanics is projected to grow to more than \$1.2 trillion five years from now.<sup>1</sup> Among the US Boomer segment (born between 1946-1964), Hispanics represent approximately 10% of the population – over 7 million consumers.

Companies are aware of the importance of targeting Hispanics and many of them are already doing it - some aggressively, others cautiously. To date, however, the focus has been mainly on the less acculturated segment, or Spanish-dominant Hispanics. Why? Behaviors of less acculturated Hispanic consumers can be significantly different from Caucasian consumers, not only the obvious language difference but also their lifestyles. Companies frequently have to either tailor their General Market strategies or develop a new approach to reach less acculturated Hispanics effectively.

What about the more acculturated Hispanic Boomers? Can we simply group these Hispanic Boomers with "General Market" Boomers, or do they require communication specifically targeted to them?

The *Wall Street Journal* recently reported that "marketers are starting to rethink how they advertise to Hispanics, using less Spanish language advertising. Even with a shift to more advertising in English there still appears to be differences from the General Market in terms of cultural identity, values and motivations for behaviors."<sup>2</sup> Diversity goes beyond just language differences. Companies are recognizing the potential of the acculturated, are beginning to understand that they are different from both the General Market and the less acculturated, and are developing different strategies for reaching them.

Focalyst worked with Millward Brown's Multicultural Practice to better understand the more acculturated Hispanic Boomer segment.

**Note to the reader:** For brevity's sake, the term "Hispanic Boomers" throughout the report refers to the combined population of Acculturated and Bicultural Hispanic Boomers and does not address the Spanish-speaking Unacculturated Hispanic Boomers.



## Key Findings

Hispanic Boomers differ from General Market Boomers on a variety of levels, from demographics to life goals. Just as the General Market Boomer population is diverse, Hispanic Boomers exhibit differences not just from the General Market, but from each other as well, and it is not only about English or Spanish fluency.

While there are common values around family and traditions, Acculturated Hispanic Boomers and Bicultural Hispanic Boomers have different life experiences, different goals for the future, and differing attitudes about life. For these reasons, marketers trying to reach either of these segments may miss out on both if they use a General Market message.

### Notable findings:

- There are more trailing Hispanic Boomers than in the General Market, meaning that they have additional years before many will be reaching the age when critical insurance and financial decisions are made.
- Hispanic Boomers live in larger households, often made up of younger children, adult children, or older relatives. With extended families, Bicultural households have the largest household composition.
- Acculturated Boomers are the most likely to be a caregiver for a family member, with 14% recently taking on this role.
- Besides supporting larger households, a quarter of Hispanic Boomers are providing substantial financial support to someone outside of their homes.
- Both Acculturated Hispanic Boomers and Bicultural Hispanic Boomers are aspiring for a better life, but the Acculturated are using education to further themselves, while Bicultural are entrepreneurial.
- Despite experiencing more negative life events and not having many of the educational and financial advantages that the General Market and even the Acculturated Hispanic Boomers have had, Bicultural Hispanic Boomers have very positive attitudes about life.

## Methodology

This report is based on survey results from two sources: 1) the Focalyst View survey of 17,040 Boomer Americans (including 482 Acculturated Hispanics and 243 Bicultural Hispanics - the mail questionnaire for this study was in English therefore Spanish dominant households were not included); and 2) a nationally representative Multicultural Segmentation Study conducted by Millward Brown that interviewed 1,300 respondents in the language of their choice.

### How big is the more acculturated Hispanic Boomer segment?

In researching the total Hispanic population, Millward Brown's Multicultural Practice has divided Hispanics by their level of acculturation, finding a correlation between acculturation and specific attitudes and behaviors (Figure 1). **Unacculturated**

**Hispanics represent approximately 10% of the Boomer population – over 7 million consumers**

**Hispanics** are foreign born, speak Spanish in the home, and identify strongly with their native culture. **Bicultural Hispanics** are consumers born either in the US or in Latin America that identify with aspects of both cultures.

Foreign-born Bicultural Hispanics are likely to have many years living in the US and are bilingual. **Acculturated Hispanics** are U.S. born and speak primarily English. They identify strongly with American culture, but still keep ties with their Hispanic culture. Based on Millward Brown's Multicultural Study, two-thirds of Hispanic Boomers are either Bicultural or Acculturated. For the purposes of this report, we will look deeper into these two segments.

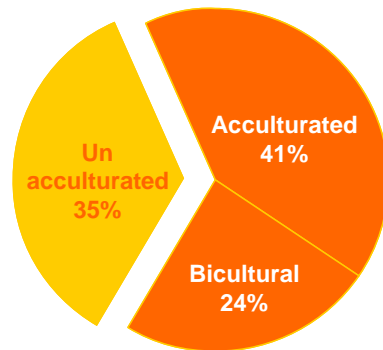
Figure 1

### Hispanic Boomers by Acculturation

2 in 3 Hispanic Boomers are "more-acculturated"

#### Unacculturated

- Foreign born
- Spanish dominant
- Higher consumption of Spanish media
- Strong self identification with Hispanic culture



#### Acculturated

- US born
- English dominant
- Highest consumption of English media
- Strong self identification with the American culture, still keeping ties with their Hispanic background

#### Bicultural

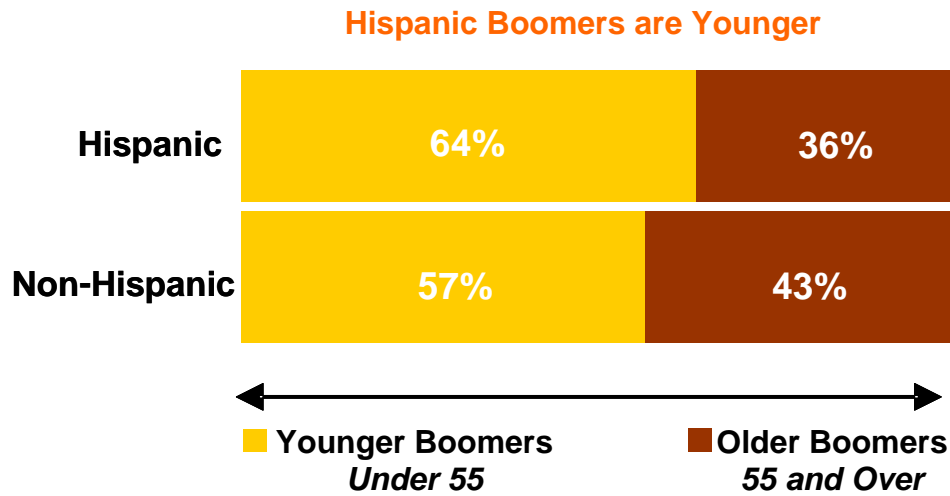
- US born, or foreign born living many years in the country
- Bilingual, significant use of the Spanish language in specific situations
- Consume both English and Spanish media
- Self identification with both cultures

Source: Millward Brown '06

### Hispanic Boomers are younger and have relatively lower income than General Market Boomers

Hispanics, in general, are the youngest ethnic segment in the US and this holds true within the Boomer population. More Hispanic Boomers are in the lagging (younger) Boomer segment than the General Market (Figure 2). According to the most recent Census data, 64% of Hispanic Boomers fall into the younger age range compared with 57% of the non-Hispanic population. This has significant implications for businesses such as finance and insurance, as there are additional years before many Hispanic Boomers will be reaching the age when many critical insurance and financial decisions are made.

Figure 2



Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement, 2006.

Bicultural Hispanic Boomers are the least likely to have any college education and are the most likely to be married or partnered. Hispanic Boomers are in the work force in the same proportion as their General Market counterparts but they earn less annually. Roughly 3 in 4 work either in a full time position or are working part time (approximately 14% of the Boomer population is currently unemployed or retired, regardless of ethnicity). In spite of their similar working status, Hispanic Boomers have lower income than the overall Boomer population. On average, Biculturals earn 23% less than General Market Boomers on an annual basis.

Figure 3

**Demographic Profiles of General Market and Hispanic Boomers**

	General Market Boomers	Total Hispanic Boomers	Acculturated	Bicultural
Average Income	\$73,921	\$64,456	\$68,475	\$56,607
% College Educated*	73%	65%	69%	55%
% Married or Partnered	69%	68%	64%	75%
% Employed/Retired**	77/15	76/9	75/10	77/7

\*Some college +; \*\*the unemployment rate does not vary among groups from ~14.5

Source: Focalyst View

**Attitudes About Life**

Events experienced in life, whether planned or unplanned, can have an important impact on attitudes and behaviors. Findings from the Focalyst View reveal that Hispanic Boomers are more likely than the General Market to experience negative life events around finance and career, such as unexpected debts and job loss, and this is most prevalent among the Bicultural.

However, despite experiencing more negative life events and not having many of the educational and financial advantages that the General Market and even the Acculturated Hispanic Boomers have had, Bicultural Hispanic Boomers have very positive attitudes about life. They are just as or more likely to feel that they have been fortunate and have accomplished as much in their lives as the General Market Boomers (Figure ).

Figure 4

**Hispanic Boomers Are Positive About Their Place in Life**

	General Market	Acculturated	Bicultural
I have accomplished a great deal in life	77%	76%	80%
Compared to most people I have been fortunate in life	82%	82%	86%
I look and feel younger than most people my age	69%	74%	72%

Source: Focalyst View

Although they appear on the surface to be living with less, they may be much better off at this stage of their lives than they would have expected when they were younger and/or in their native country. There is a common phrase among some Hispanics, "Estamos mal, pero vamos bien"... "things are bad, but we are doing well." This statement reflects the optimism, even in bad situations, that we see among these Hispanic Boomers.

**Conclusion**

Just as Hispanic Boomers differ from the General Market, they cannot be lumped together; language-spoken is only one way to divide this population. There are a variety of demographic, attitudinal and behavioral differences depending on where they were born and their acculturation level. Marketers need to go beyond language and understand the diversity that exists within the Hispanic Boomer population.

Acculturated Hispanic Boomers are more like the General Market but their emphasis on home, family and tradition may call for different messaging than mainstream Boomers. Bicultural Hispanic Boomers are more positive overall, despite negative life events and

lower education/income. Biculturals are also more motivated and adventurous than either the General Market or Acculturated making an aspirational message more appealing.

In a future Insight Report, we will look deeper into the financial picture, attitudes toward health and adoption of technology in the Hispanic Boomer population.

*Focalyst™ ([www.focalyst.com](http://www.focalyst.com)) is a leading source of information and insights about Baby Boomers and Mature consumers. As a Millward Brown specialty practice supported by AARP Services Inc.,<sup>SM</sup> Focalyst offers a broad range of qualitative and quantitative custom research solutions. Focalyst pioneered the largest, most comprehensive study ever conducted about Boomers and Matures and has the unique expertise to help marketers better understand and connect with this important demographic. For more information about Focalyst call 212.548.7270 or email [Jackie.Bartolotta@focalyst.com](mailto:Jackie.Bartolotta@focalyst.com).*

*Millward Brown's Multicultural Practice is a specialty group focused on providing research consultancy and market insights on Hispanics, African Americans and Asian Americans. Most recently, MB's Multicultural Practice conducted a lifestyles segmentation of the US Hispanic market, approach that went beyond language to analyze Hispanic consumers on a diverse array of dimensions. For more information about the Multicultural Practice of Millward Brown, call 630.955.8993 or email [David.Burgos@us.millwardbrown.com](mailto:David.Burgos@us.millwardbrown.com).*

<sup>1</sup> Selig Center, "The Multicultural Economy 2007,"  
[http://www.terry.uga.edu/news/releases/2007/minority\\_buying\\_power\\_report.html](http://www.terry.uga.edu/news/releases/2007/minority_buying_power_report.html).

<sup>2</sup> *Wall Street Journal*, "Pitches to Hispanics Get More Nuanced," January 8, 2008.