Generational and Cultural Orientation Study
Research Study Team

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Agenda

1. Full Report Executive Summary
2. Defining and Measuring Acculturation
3. Defining and Measuring Cultural Orientation
4. Key Cultural Orientation Study Results
5. Conclusions
Section 1: Full Report
Executive Summary
Conclusions

• Cultural orientation varied across Hispanic Millennials, Gen Xers, and Boomers; in other words, study showed that Hispanics are culturally diverse.

• Surprisingly, the study found a level of cultural duality across all Hispanics – not just Millennials.

• The “best” Hispanic customer varied by category, suggesting that the best opportunity for each category can be found in different generational segments and specific Cultural Orientation.
Implications

• Hispanics already lead in incidence and growth in many categories where they could effectively lead Total Market efforts for marketers
  – Maternity & Baby/infant/children: food, meds, clothing, footwear, toys, games, and OTC, etc.
  – Tech & entertainments: wireless, Pay TV, smartphone, computers, tablets
  – Leisure: Foreign travel

• Understanding Hispanic generational differences and product usage can help define targeting priorities for product and service marketers

• Understanding Cultural Orientation and media usage among target category users by generational segments and cross-culturally may allow marketers to increase conversions and deepen engagement with their most promising Hispanic niche
Opportunities for Hispanic Marketers

• Expand the “one-size-fits-all” (i.e., homogeneous) cultural view of Hispanics and target the specific category cultural orientation consumer profile – not just the segment that is culturally ‘Hispanic’

• Use generational marketing to understand the diversity among Hispanics and drive marketing effectiveness

  – This study can help pave the way for deeper analysis by marketers for their specific categories and should be used as a starting point
Section 2: Defining and Measuring Acculturation
Defining Acculturation

Acculturation entails the social and psychological changes that take place when there is continuous first-hand contact and interaction between individuals from different cultures.¹

Source: Berry, 1997
Acculturation Models

Unidimensional

Assimilationist Model

Bidimensional

Multicultural Model

Source: ¹Berry, 1997
Unidimensional Model

Three Items - Acculturation Scale

- Language Use at Home: 1
- Language: 1
- Generational Level: 1

Scale generates one score, reflecting adaptation to two cultural domains

Source: PAS-4;Pas-4  Reliability is .79 (high)
Bidimensional Model

Three Subscales / Number of Items

<table>
<thead>
<tr>
<th>Subscale</th>
<th>Number of Items</th>
</tr>
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<tbody>
<tr>
<td>Language Use</td>
<td>6</td>
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<tr>
<td>Cultural Preferences</td>
<td>12</td>
</tr>
<tr>
<td>Media Behavior</td>
<td>6</td>
</tr>
</tbody>
</table>

Scale generates two scores, reflecting adaptation to two cultural domains

Source: Marin and Gamba, 1996
So, Which One Should We Use?

• Both, depending on what your needs are …

• Unidimensional models are feasible to implement, since they typically include a few variables (On the other hand, the variables are typically demographic in nature)

• Bidimensional models are less feasible since they typically include many more variables (They provide richer information since they measure the adoption of two cultures)
Parting Thoughts

• Regardless of the type of acculturation model, acculturation is comprised of demographic variables like – generational level, time in country, and measures like language and media usage.

• As the Hispanic population becomes more culturally diverse, acculturation is not going to help us understand what aspect of culture Hispanics are supporting - like food, music, and other dimensions of culture – cultural orientation will …
Section 3:
What is Cultural Orientation & Summary Findings
What is Cultural Orientation?

- Cultural orientation is the degree to which individuals actively engage in certain parts of culture (food, music, language, media, celebrations, etc.)

- Provides marketers with concrete measures on how Hispanics are adopting the American culture relative to their native culture

- Cultural orientation is different from acculturation, which relies on proxy variables (i.e., language) – and should not replace it
How Was Cultural Orientation Measured?

Used the Bicultural Involvement Questionnaire* (BIQ) comprised of two subscales (37 items), independently measuring the cultural orientation toward the Hispanic and Anglo cultures.

- **LANGUAGE**
  - 10
- **CULTURE**
  - 20
- **CHANGE**
  - 7

Anglo

Hispanic

37 items

*Szapocznik, Kurtines, & Fernandez (1980)

Reliability scores were high: .93 (Hispanicism); .89 (Americanism)
Value in Measuring Cultural Orientation

- It measures specific cultural areas and provides insights into where Hispanics are different or similar.

- Measuring cultural orientation among Hispanics should be done bi-dimensionally across both Anglo and Hispanic cultures.

- Cultural orientation supports in-culture marketing by measuring the Hispanic connection to Anglo and Hispanic cultures.

- CO can be incorporated into segmentation models.
Cultural Orientation by Acculturation Level

- Low acculturated Hispanics scored the highest Hispanic Cultural Orientation
- High acculturated Hispanics showed the highest Anglo Cultural Orientation

**NOTE:**
Statistically significant differences were found at 95% confidence level

ACOS = Anglo Cultural Orientation Scale
HCOS = Hispanic Cultural Orientation Scale
Cultural Orientation by Nativity and Gen Level

Across all generational groups, US born – higher ACOS …
Foreign born – higher HCOS, as expected

NOTES:
- Statistically significant differences were found at 95% confidence level
- U.S. Nativity levels: Gen Y (65% USb / 35%Fb); Gen X (43%/57%); Boomer (46%/54%)
- Study Nativity levels: Gen Y (60%Usb / 40%Fb); Gen X (39%/61%); Boomer (46%/54%)

ACOS = Anglo Cultural Orientation Scale
HCOS = Hispanic Cultural Orientation Scale
Parting Thoughts

• Measuring cultural orientation is important because it adds a level of precision and accuracy to our understanding about the cultural changes the Hispanic market is currently undergoing.

• Cultural orientation can help marketers understand their target and can be incorporated into segmentation models.

• We encourage you to broaden your research approach and include cultural orientation as well as acculturation and other constructs to better understand the changing Hispanic consumer.
Section 4: Key Cultural dimensions among Hispanics
Key Cultural Dimensions

The 37 dimensions were statistically tested pointing at 7 key dimensions with the strongest importance.

The following section provides a snapshot of cultural orientation, acculturation and Generational segments behavior through these 7 key cultural dimensions:

- Language Preference @ Home
- Enjoyment of Stores
- Enjoyment of TV programs
- Enjoyment of Food
- Enjoyment of Celebrations
- Enjoyment of Music

Stat significant differences were found in data.

Data Partners:

Sponsored by: AARP
Enjoyment of Latino Food is consistently much higher than American Food across Generational segments and Acculturation.

Q: How much do you enjoy American & Hispanic/Latin. food: Very much (Scale 5)

Data Partners:

Sponsored by:
American TV programs score higher across Gen Segments

Enjoy TV programs very much
Top Box

Q: How much do you enjoy American & Hispanic/Lat. TV programs:
Very much (Scale 5)
American Stores score higher yet Latino stores hold their own among Xers

Enjoy stores very much
Top Box

<table>
<thead>
<tr>
<th></th>
<th>American stores</th>
<th>Hispanic/Latino stores</th>
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</thead>
<tbody>
<tr>
<td>ACO</td>
<td>73%</td>
<td>72%</td>
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<tr>
<td>HCO</td>
<td>36%</td>
<td>41%</td>
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<tr>
<td>Mill</td>
<td>64%</td>
<td>54%</td>
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<tr>
<td>Xer</td>
<td>55%</td>
<td>51%</td>
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<tr>
<td>Boomer</td>
<td>69%</td>
<td>43%</td>
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<tr>
<td>High Acc</td>
<td>61%</td>
<td>33%</td>
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<tr>
<td>Med Acc</td>
<td>41%</td>
<td>45%</td>
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<tr>
<td>Low Acc</td>
<td>20%</td>
<td>11%</td>
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</table>

Data Partners:
Q: How much do you enjoy American & Hispanic/Lat. stores: Very much (Scale 5)
The language of the home is quite even across Gen Segments; just slightly higher for Spanish; increasing with Acculturation.

Q: We would like to ask about your comfort level speaking in English and Spanish: Very comfortable (Scale 5)
Latino Music is slightly higher than American even for Millennials; decreases with Acculturation

Enjoy music very much
Top Box

52% American Music

77%

49%

53%

52%

54%

20%

27%

80%

82%

63%

62%

56%

42%

64%

75%

60% Hispanic/Lat. Music

Q: How much do you enjoy American & Hispanic/Lat. Music: Very much (Scale 5)
Latino & American Celebrations are at par among Millennials and Xers

Enjoy celebrations very much
Top Box

56% American Celebrations
72% 58% 57% 53% 50% 41% 29%

74% 58% 56% 46% 41% 58% 59%

52% Hispanic/Lat. Celebrations

American celebrations
ACO HCO Mill Xer Boomer High Acc Med Acc Low Acc

Hispanic/Latino celebrations

Data Partners:
Q: How much do you enjoy American & Hispanic/Lat. celebrations: Very much (Scale 5)
Nearly 3 in 4 Millennials would prefer music and food in both cultures

Q: Sometimes life is not what we really want it to be. If you could have it your way, how would you like Music to be?

Q: Sometimes life is not what we really want it to be. If you could have it your way, how would you like Food to be?
Nearly 2 in 3 Millennials would prefer content in both cultures

Q: Sometimes life is not what we really want it to be. If you could have it your way, how would you like Websites to be?

Q: Sometimes life is not what we really want it to be. If you could have it your way, how would you like TV Programs to be?
Key Take Aways from this Section

• CO helps uncover cultural nuances within Hispanics that typically would be overlooked or generalized.

• Latino food is the strongest cultural dimension across generational segments or acculturation.

• CO can be built into segmentation models to further understand the cultural orientation of target and guide communications strategies.
Section 5: Applying Cultural Orientation
Cultural Orientation varies most markedly by Nativity, among Millennials and by Acculturation.

Hispanic Mean Score by Segments

<table>
<thead>
<tr>
<th>Segment</th>
<th>ACO</th>
<th>HCO</th>
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<tbody>
<tr>
<td>USBorn</td>
<td>3.3</td>
<td>3.3</td>
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<tr>
<td>FB</td>
<td>3.4</td>
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<td>Millennials</td>
<td>3.6</td>
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<tr>
<td>High Acc</td>
<td>4.2</td>
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<tr>
<td>Mod Acc</td>
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<td>Low Acc</td>
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</table>

ACO 3.8

HCO 3.6

Data Partners:

Sponsored by:
Life Insurance buyers have higher Anglo Orientation and lower Hispanic orientation than Foreign Trip buyers; Foreign trip buyers are more bicultural.

Hispanics: Any Foreign Trip

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<tr>
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<tbody>
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<td>FB</td>
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Hispanics: Has Life Insurance

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Data Partners:

- Scarborough
- GRX

Sponsored by:
Hispanic Investors have higher Anglo Orientation and lower Hispanic Orientation than Hispanic Moviegoers

Hispanics: Has any investment

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Hispanics: Watched movie first 3 wks opening weekend

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Hispanic Moviegoers: first 3 weeks of opening weekend

Data Partners:

ahaa
the voice of hispanic marketing

Scarborough
GRK Group
New Car buyers and Upscale Department Stores buyers have very similar cultural duality

Hispanics: Bought new vehicle

Hispanic New Car Buyers

Hispanics Upscale Department Stores Buyers

Data Partners:
Part 6: Conclusions
Conclusions

• Acculturation, cultural orientation are correlated – but they are different constructs

• Marketers should use acculturation to understand if target is changing; but use CO to understand which part of culture is changing

• CO should be incorporated into client segmentation models to add dimension of target and enrich communications strategies
Deck available at AHAA Research page

Continue the Generational & Cultural Orientation conversation at:

Twitter: @ahaa @ScarboroughInfo
Facebook: AssociationofHispanicAdvertisingAgencies
Hashtag: #ahaaresearch