Budget Alignment
Hispanic Ad Spend Allocation Report 2015
Maximizing Impact in the Hispanic Market
April 29, 2015
Methodology

Advertising spend data including over 340K parent companies was collected by Nielsen Monitor Plus in English and Spanish/Bilingual media. This data was analyzed by Santiago Solutions Group. SSG divided companies into 5 Tiers according to the percent allocation to Spanish Media corresponding to previous AHAA Ad Spend Allocation reports.

- Best-in-Class (more than 14.2%)
- Leaders (6.4%-14.2%)
- Followers (3.6%-6.3%)
- Laggards (1.0%-3.5%)
- On-The-Sidelines (Less than 1%)

Moreover, SSG also segmented the Top 500 Overall Spending (English + Spanish) Companies. This was done for Multiple years 2010-2014, thus permitting the analysis of trends in the marketplace.

Excluded English Media | Excluded Spanish Media
-----------------------|-----------------------
B2B                    | B2B                    
National Internet      | National Internet      
Outdoor                | Outdoor                
National Cinemal       |                       
Regional Cinema        |                       

2010-2014 Nielsen Monitor Plus data; Santiago Solutions Group analysis & interpretation for AHAA: The Voice Of Hispanic Marketing Marketing
Top 500 Advertisers Increased Hispanic Media Spend 63% vs. 3% in English Ad Spend

Ad Spend by Media Language

- English Ad Spend
- Spanish Ad Spend

While overall Ad spend among the top 500 advertisers increased by 6% from $78.6B to $83.6B from 2010 to 2014, marketers made a steep increase in Hispanic Ad Spend, jumping 63% from $4.3B to $7.1B.

- Hispanic allocation increased to 8.4% of all US top 500 marketers ad spend vs. 5.5% in 2010.

- English Media Ad Spend increased by 3% from $74.3B in 2010 to $76.6B to 2014
  - The English share of ad spend among the top 500 US marketers is down to 91.6% in 2014 vs. 94.5% in 2010.

2010-2014 Nielsen Monitor Plus data; Santiago Solutions Group analysis & interpretation for AHAA: The Voice Of Hispanic Marketing Marketing
From 2010 to 2014, the number of companies in the Best-In-Class (BIC) and Leader allocation tiers among top 500 advertisers doubled:

- The number of companies in the BIC tier increased 134%, jumping from 29 to 68 companies
- The number of companies in the Leader tier increased 71% from 58 to 94 companies

At the same time, the number of companies in the Follower, Laggard, and On-The-Sidelines tiers among the top 500 advertisers decreased by almost 20%:

- The number of companies in the Follower tier decreased by 26% from 54 to 40 companies
- The Laggard tier decreased by 22% from 82 to 64 companies
- On-The-Sidelines companies decreased by 16% from 277 to 234 companies
Where Are B-I-C & Leaders Coming From?

Sources of 2014 Growth

- BIC grew mostly from Leaders but also from lower allocation tiers
- Leaders grew mostly from Followers but also from lower tiers

Best-In-Class Sources of Growth

- BIC --> BIC
- Leaders --> BIC
- Followers --> BIC
- Laggards --> BIC
- On the Sidelines --> BIC

Source: 2010-2014 Nielsen Monitor Plus data; Santiago Solutions Group analysis & interpretation for AHAA: The Voice Of Hispanic Marketing
Implications

• The market is growing fast and marketers are stepping up their investments in dedicated Hispanic media.
  • Despite confusion on how to apply Total Market strategies properly between dedicated in-language/in-culture and cross-cultural English tactics, market leaders have increased their focus in Spanish & Bilingual media.

• There is much more Hispanic growth opportunity for all…
  • Especially for 300 Followers to On-The-Sidelines advertisers whom continue to ‘starve’ their Hispanic dedicated efforts and by consequence short-change their growth potential.

2010-2014 Nielsen Monitor Plus data; Santiago Solutions Group analysis & interpretation for AHAA: The Voice Of Hispanic Marketing
Log into AHAA members section for full dataset