



nsights

AHAA INSIGHTS SERIES

Hispanic Ad Spend Trends 2010-14

Restaurant Category

June 1, 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 for AHAA. 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.



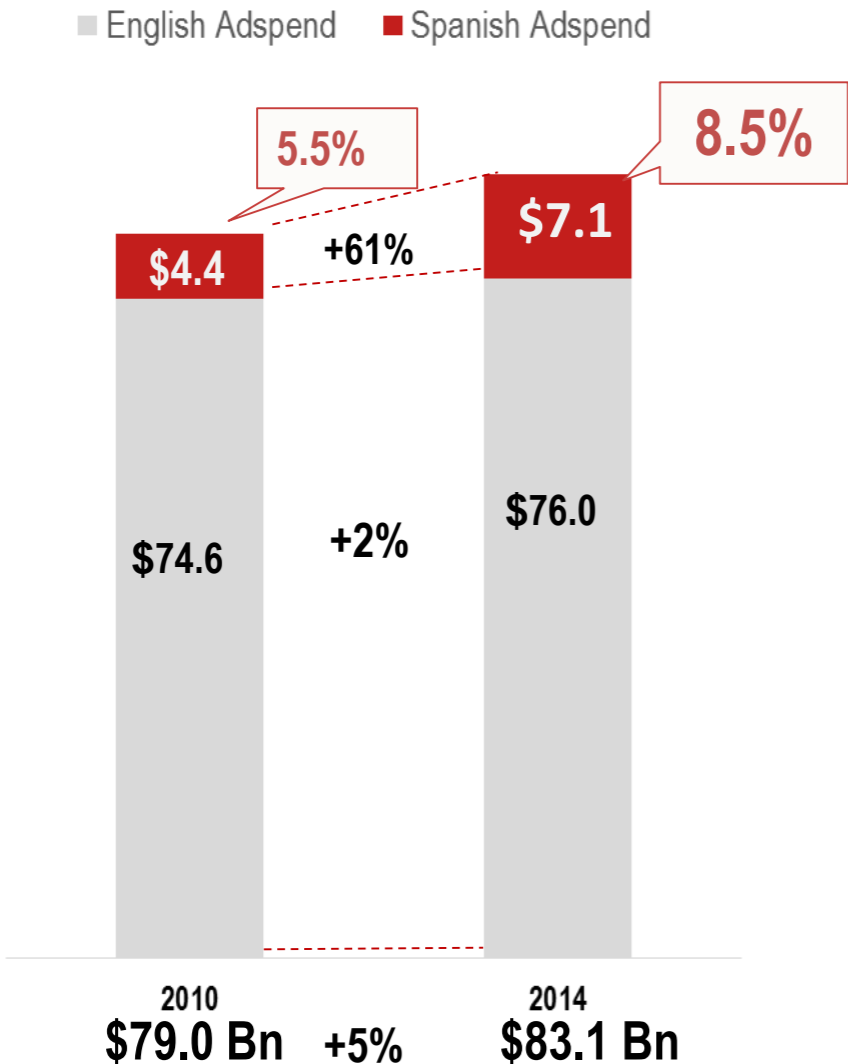
English Media	Spanish Media
Cable TV	Cable TV
FSI Coupon	FSI Coupon
Local Mag	Local Magazine
Local Newspaper	Local Newspaper
Local Sunday Supplement	Local Sunday Supplement
National Magazine	National Magazine
National Newspaper	National Newspaper
National Sunday	National Sunday Supplement
Network Radio	Network Radio
Network TV	Network TV
	Span Language Cable TV
	Span Language Network TV
Spot Radio	Spot Radio
Spot TV	Spot TV
Syndicated TV	Syndicated TV

Excluded English Media	Excluded Spanish Media
B2B	B2B
Display	Display
Outdoor	Outdoor
National Cinema	
Regional Cinema	



Hispanic Share of AdSpend Soared to 8.5% in 2014. Top 500 Advertisers Increased Hispanic Media Spend by \$3Bn or 61% vs. only \$1.5Bn or 2% in English AdSpend

Ad Spend by Media Language



- While overall ad spend among the top 500 advertisers increased by 5% from **\$79.0Bn** to **\$83.1Bn** from 2010 to 2014, marketers made a steep increase in Hispanic Ad Spend, jumping 61% from **\$4.4Bn** to **\$7.1Bn**.
- Hispanic allocation jumped to 8.5% of all US top 500 marketers ad spend from 5.5% in 2010.
- English Media Ad Spend increased by 2% from **\$74.6Bn** in 2010 to **\$76.0Bn** in 2014
 - The English share of ad spend among the top 500 US marketers is down to 91.5% in 2014 from 94.5% in 2010.

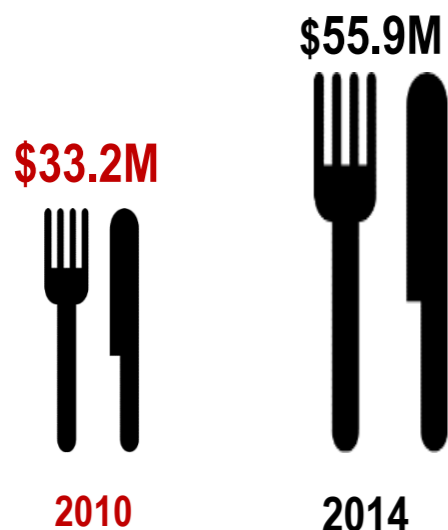


Restaurant Category Among Top 500 US Advertisers

Aggregate Hispanic AdSpend By Restaurants Increased 68%, Allocation jumped 3.5% points, & the Average Restaurant Company Hispanic Dedicated AdSpend increased to \$2.1M

Total Hispanic AdSpend*

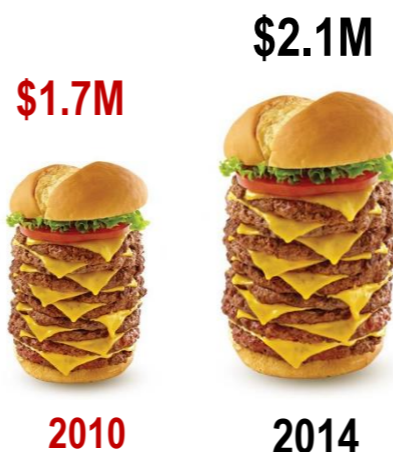
\$\$ Millions



- Restaurant marketers among the top US advertisers increased their aggregate Hispanic Ad Spend by 68% between 2010 and 2014 to \$56M.

Average Restaurant Hispanic AdSpend*

\$\$ Millions



- The mean Hispanic Ad Spend by Restaurant companies increased 24% from \$1.7M to \$2.1M in 2014.

Hispanic % of Overall Restaurant AdSpend*



- The Restaurant category allocation to Hispanic dedicated media, among the Top 500 U.S. Advertisers, increased to 11.4% in 2014.

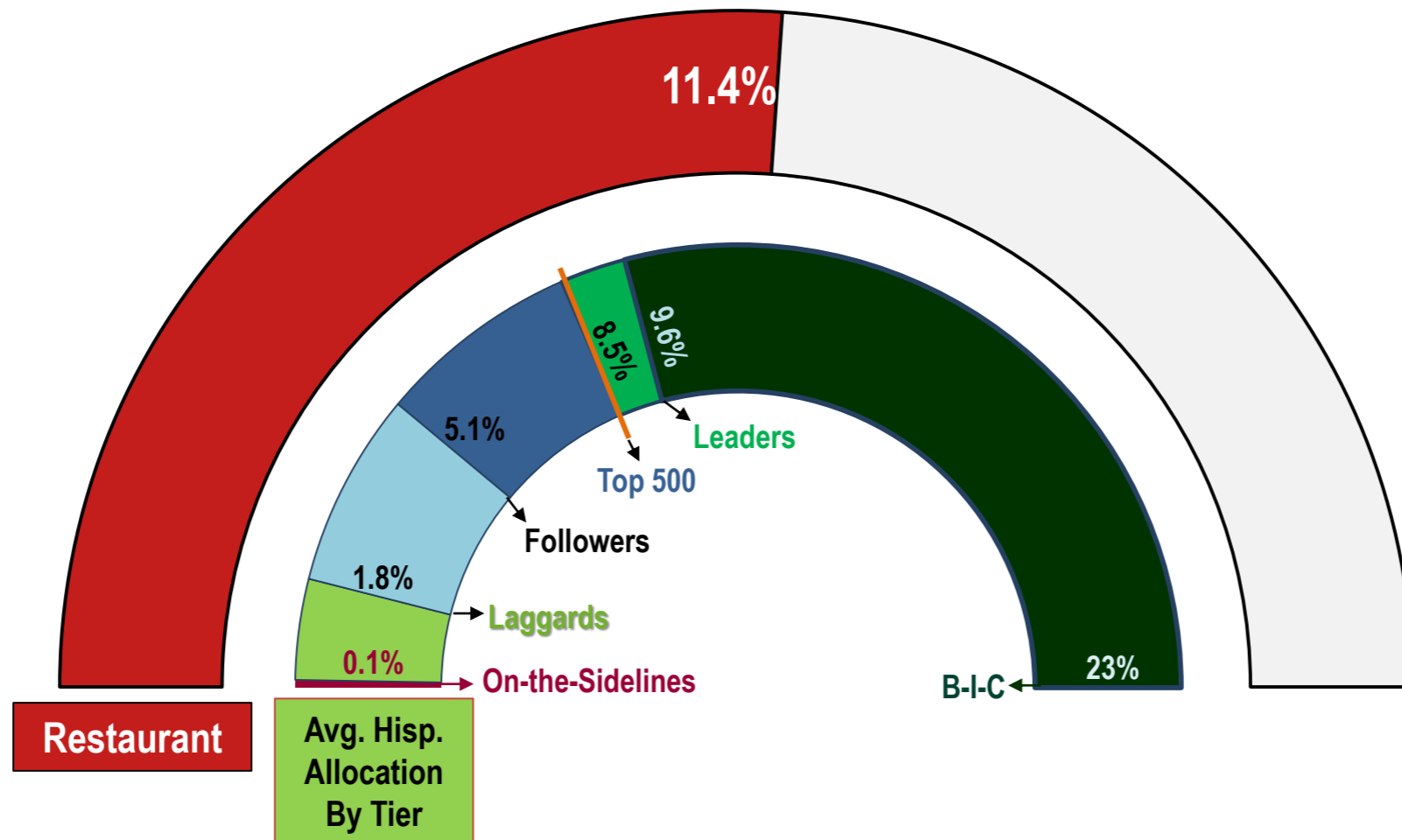
*Among Top 500 in 2014



Restaurant Category Evolved From Being a Follower with 7.9% to becoming Leader with 11.4% Hispanic Allocation

Restaurant Allocation Index: **134** $\left(\frac{\text{Restaurant Companies}}{\text{Average Top 500}} \right)$

Restaurant vs Advertisers Average Hispanic Dedicated Allocation





In 2010 Restaurant Category Marketers were Approaching Hispanics Timidly, 4 Years Later Most Have Graduated to Becoming Leaders & BIC

18 Restaurant companies allocated more than 6.4% to Hispanic dedicated efforts in 2014 from 5 in 2010

Distribution of Restaurant Companies By Investment Tier in 2010 & 2014 (Among Top 500 Advertisers)

INVESTMENT TIER	% Allocation Hisp Media	# of Companies		Hispanic (Span+Bilingual) Dedicated AdSpend \$		Hisp % Allocation	
		2010	2014	2010	2014	2010	2014
BIC	> 14.2%	3	6	\$ 176,979	\$ 303,968	16.9%	20.0%
Leader	6.4% - 14.2%	2	12	\$ 28,804	\$ 253,055	12.0%	8.7%
Follower	3.6% - 6.3%	6	0	\$ 116,846	\$ -	5.5%	0.0%
Laggard	1.0% - 3.5%	4	1	\$ 8,145	\$ 775	1.9%	1.2%
On-The-Sidelines	< 1%	5	7	\$ 1,198	\$ 850	0.3%	0.2%
TOTAL		20	26	\$ 331,972	\$ 558,648	7.9%	11.4%

+68%



Conclusion

- The Restaurant Category “Gets it”, they understand the growth that can be generated by the Latino Consumer
- In 2010, the restaurant category was more timid only allocating 7.9% of their media budgets to Hispanic Advertising
 - Since then there has been enormous growth of Hispanic Advertising Dollars (+68%)
- Restaurant Category is ahead of their Top 500 peers, resulting from Leader-tier Hispanic Ad Allocation





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