

## Multicultural Marketing (Part II)

Audiences are becoming increasingly fragmented as broadband and other technologies give rise to an ever-multiplying array of media options. Few people these days are tied to one platform, and an increasing number of people may prefer to use multiple platforms simultaneously. This makes the challenge of reaching diverse audiences especially difficult for marketers, which must pitch their messages via multiple channels while keeping in mind that not all groups consume media in the same way.

Part II of this CTAM SmartBrief Special Report examines best practices in multicultural audiences and also takes a look at research in the field. Part II also includes a Q-and-A with William Ortiz, president of GlobalWorks' Multicultural Division. [Part I](#), which focused on audience segmentation and best practices, was published Tuesday.

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### Q-and-A

#### GlobalWorks' William Ortiz on multicultural marketing



William Ortiz, president of GlobalWorks' Multicultural Division

GlobalWorks is a New York-based advertising agency that delivers creative, cost-effective services for managing global brands. In this exchange with CTAM SmartBrief editor Sean McMahon, William Ortiz, president of GlobalWorks' Multicultural Division, talks

about the rise of multicultural marketing, successful strategies and where the trend is heading.

**Q: How important a role do multicultural strategies play in today's marketing environment?**

A: In this day and time, especially for cable operators, multicultural strategies play a pivotal

role. Most MSOs enjoy a very healthy penetration for their core services in the general market. But many have not been marketing aggressively to multicultural segments. This is virgin territory for those MSOs; untapped potential. It's where their next likely sale is going to come from. And if they don't take advantage of these segments now, the sale will surely go to their competitors, who have been marketing to these segments for quite some time now.

**Q: What do you believe was the "tipping point" that made marketers realize the potential behind adopting multicultural marketing strategies?**

A: I believe the tipping point for most marketers was the 2000 U.S. Census. The fact that these segments make up more than one-third of the U.S. population now, and in the future will account for half of the population in this country. I believe the cable industry is also paying much more attention now, given the data available showing that multicultural segments are adopting many different forms of new technology at a much more rapid pace.

**Q: What are some of the key elements marketers should be sure to include in their approach to multicultural marketing?**

A: First and foremost, marketers interested in tapping into the multicultural markets should adopt the time-honored tradition of "measuring twice and cutting once." It starts with establishing an appropriate foundation: quantifying the multicultural target, identifying differences by segment, product ownership and geographically. Oftentimes, the best route to doing this is tagging your customer and prospect database. The added benefit to tagging your database, of course, is being able to track your progress in acquiring, retaining and expanding your relationship with multicultural segments.

The other key step is understanding the mindset of the multicultural consumer. What are their barriers to purchase? What's the most effective way of reaching them? In essence, it's important to apply the same marketing principles you would apply to a high-potential growth segment. And having the right multicultural agency that can function as an effective partner is of great help, too. Finally, "just do it," don't be afraid to fail. Marketing is a fluid, not static, process. The best marketers constantly test, learn and refine.

**Q: What are some of the common mistakes marketers make when developing**

## **multicultural marketing strategies?**

A: In addition to not setting the appropriate foundation described, some marketers move forward with strategies and tactics that are based on unfounded presumptions. I'll give you two examples. Some corporations assume that the only way to appeal to a Hispanic audience is strictly with a Spanish tier of channels. Make no mistake, in cable, a Spanish tier of channels is a must-have. In our experience, Hispanic households are varied by: level of language proficiency, acculturation, age and income. And our experience with Cablevision and HBO Latino has shown that their interest is also in varied programming -- Spanish and English. The marketer that understands this and leverages in their Hispanic strategies will reap the benefits of this segment.

My second example falls into the African-American segment. Some marketers question whether specialized marketing is needed to attract and acquire these valuable customers. The answer to that question is made clear if one were to analyze a ranker of what African-Americans are watching in primetime vs. what white households are viewing. It's not at all unusual to find that of the top 20 shows watched by whites, less than half rank in the top 20 among African-Americans. This segment has different preferences, and it's clear that the marketer that understands and leverages those differences will be successful.

## **Q: How do you see the growth in multicultural marketing spreading from television to platforms such as Internet and mobile/wireless markets?**

A: It has already started. They say content is king and there is now more and more online content available for Hispanics, African-Americans and Asians than ever before. We've worked with several marketers, Verizon Wireless, JPMorgan Chase and Ortho-McNeil, to name a few, who are tapping into that space. The use of marketing via mobile phones is not as advanced, but will no doubt play a more important role in the mix by 2007. According to Telephia, a respected research company in the wireless area, multicultural segments are where wireless will see their growth now and in the future.

## **Q: What are some of the trends you see developing in multicultural marketing over the next 18 months? What about over the next 5 to 10 years?**

A: We're starting to see more and more media emerge targeted at the African-American segment,

like [TV One](#), which is lifestyle and entertainment oriented. In the Hispanic market, we're beginning to see more and more English-language media targeted at the second and third generation Hispanic. Some good examples are [Si TV](#), [mun2](#) and due to relaunch later this month, [MTV Tr3s](#). We're also seeing a greater influence in U.S. pop culture and lifestyle coming from Latinos. Everything from "Reggaeton" a music genre that began in Panama and then evolved in Puerto Rico, before breaking big here in the U.S., to major broadcast and cable networks tapping into the novella format to attract general market and Latino audiences. The novella "Betty La Fea" (Ugly Betty) is a good example of this.

I think the continued influence of the African-American segment and growing influence of Latinos and Asians bodes well for us all. It means that American culture is on its way to becoming as diverse as its population. [✉ E-mail this story](#)



**AZN Television premiered "Ivy Dreams,"** a new original documentary, on Wednesday, September 13. Exclusive "webisodes" will also be available via AZN's new interactive media player. Plus, AZN will launch an online video contest seeking viewer's mini-documentaries tied to the theme of "Ivy Dreams." For more info, visit [www.azntv.com/ivydreams](http://www.azntv.com/ivydreams).