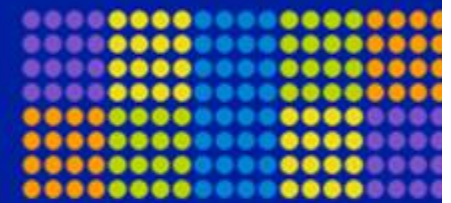


Reach U.S. Hispanics Through Online Marketing



Agenda

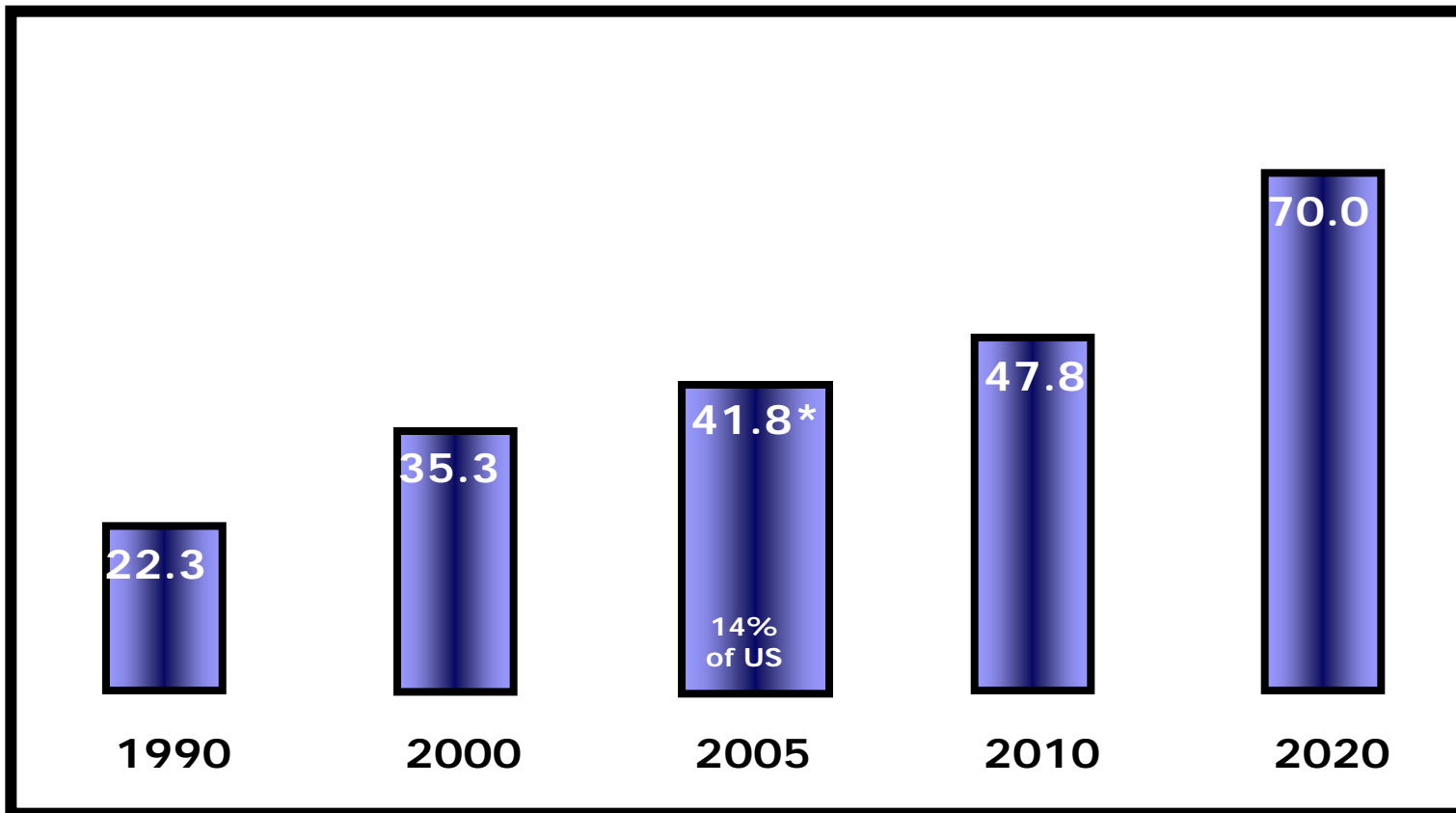


- ❑ ***Why Target the US Hispanic Market?***
- ❑ ***What Makes the US Hispanic Online Market So Attractive?***
- ❑ ***Does Online Advertising Work for US Hispanics?***



Why Target the U.S. Hispanic Market?

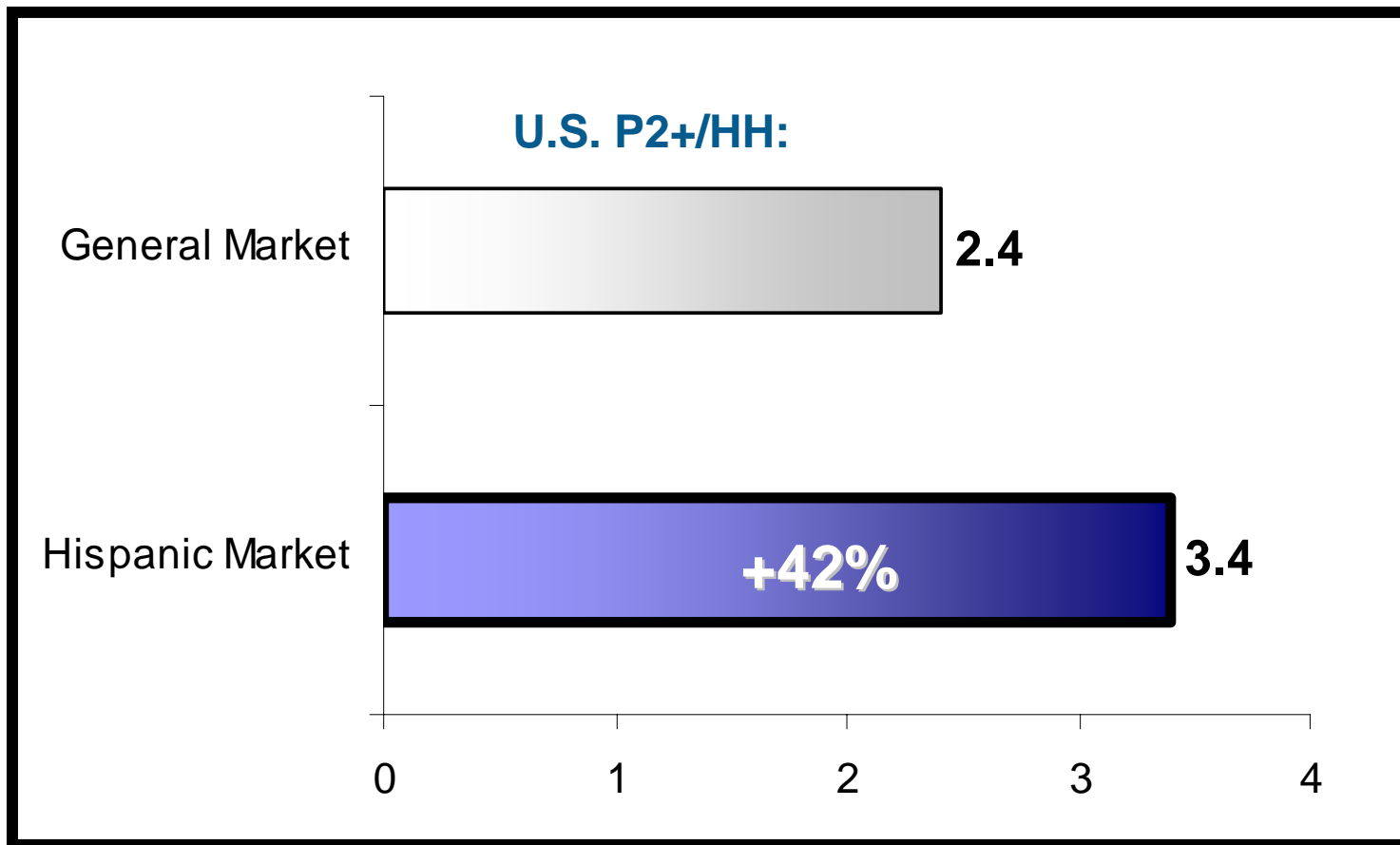
U.S. Hispanic Population is Exploding



Source: US Census Bureaus – Statistical Abstract of the US 2006 and Pew Hispanic Center

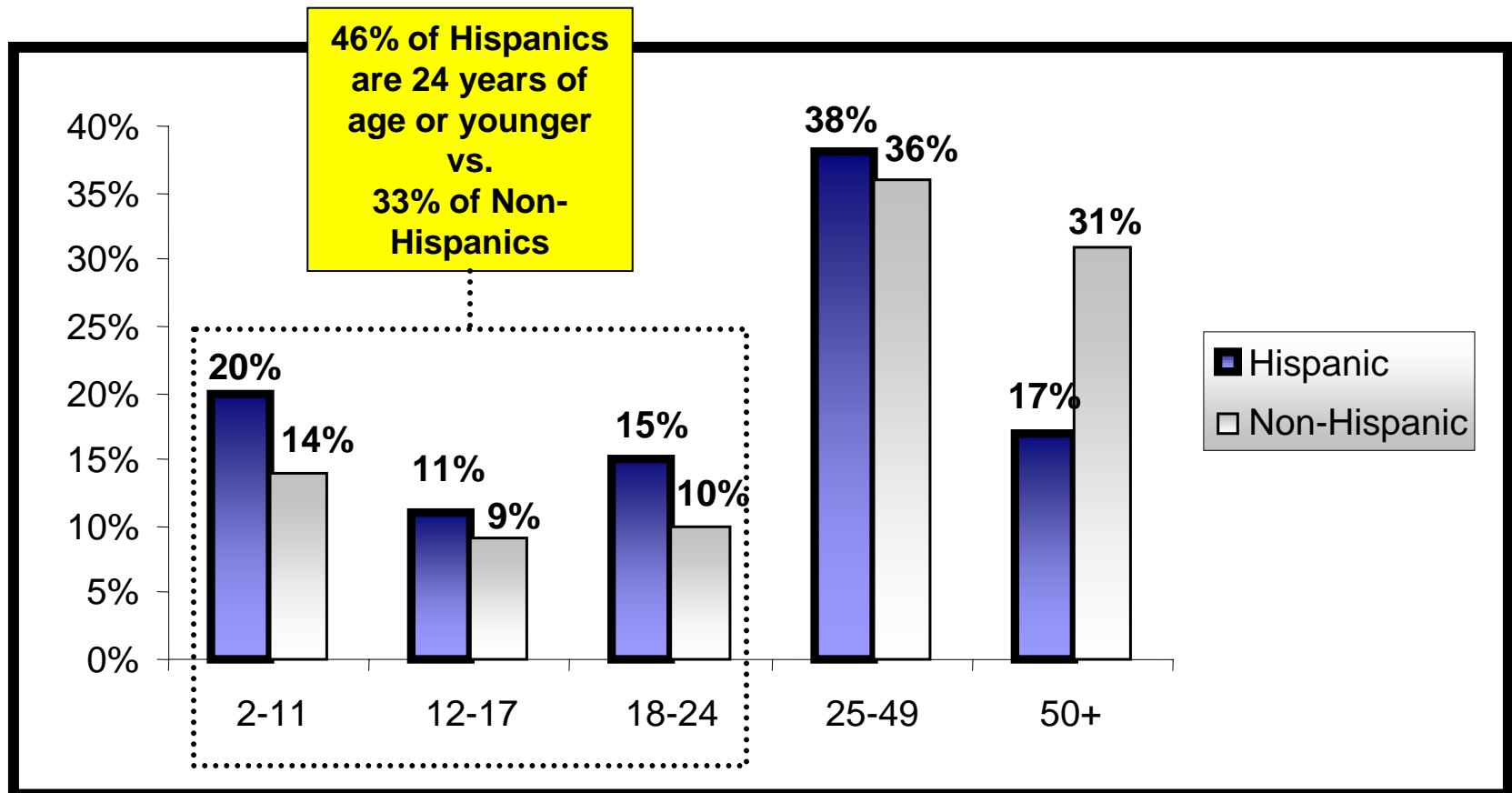
*Number does not include Puerto Rico

U.S. Hispanics Households are 42% Larger



Source: Nielsen Media Research Universe Estimates, January 1, 2006. HH 2+

U.S. Hispanic Market is Young



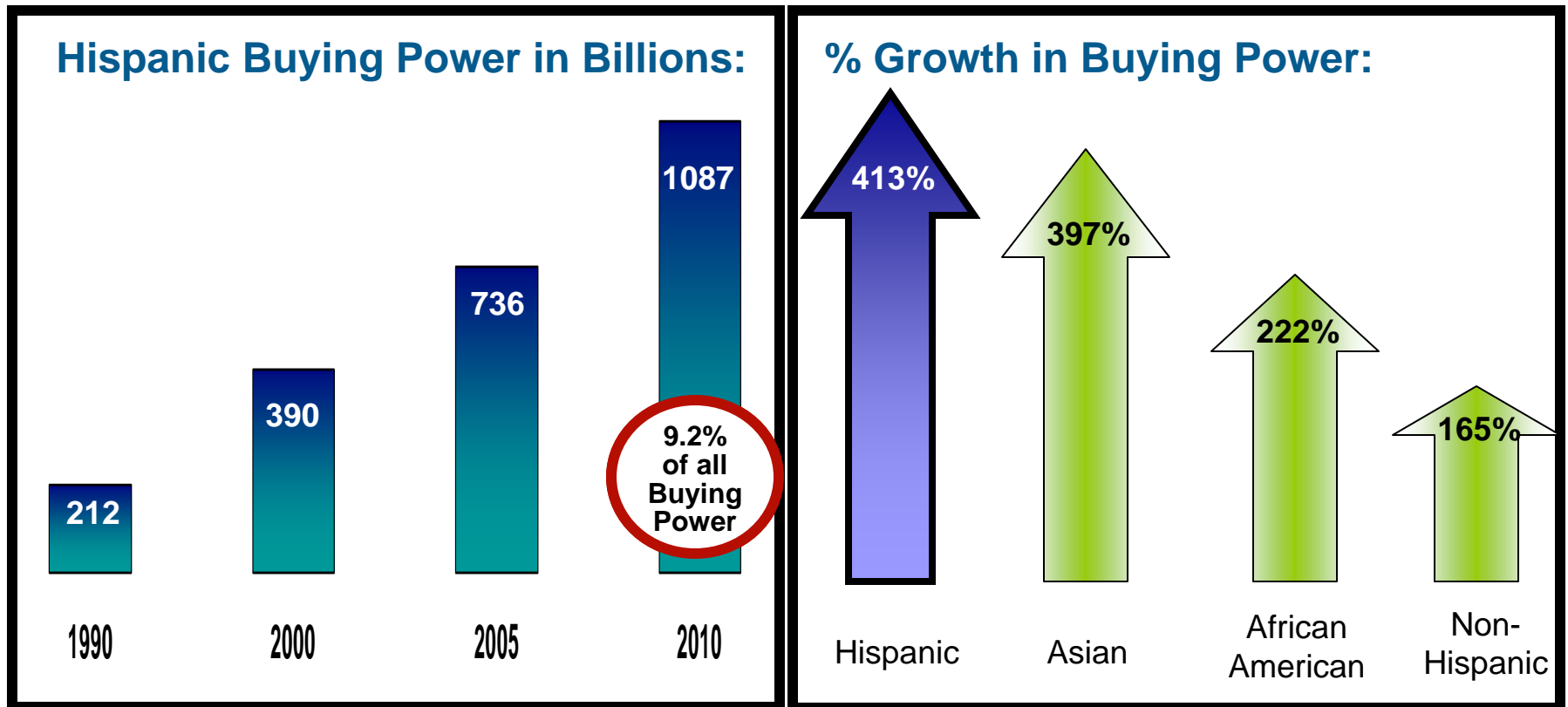
Source: Nielsen Media Research 2006 Universe Estimates

U.S. Hispanic Buying Power is Increasing More Quickly than Non-Hispanic



➤ *“The strongest growth for Hispanics is in the upper income categories (\$75K+). With this rapidly growing affluence Hispanics offer astute markets a major opportunity to build their sales.”*

-Phillip Beswik, The Media Audit



Source: Selig Center for Economic Growth/Univ. of Georgia, "The Multicultural Economy 2005," Third Quarter 2005



What Makes the U.S. Hispanic Online Market So Attractive?

What Makes the U.S. Hispanic Online Market So Attractive?



- ✓ Critical Mass
- ✓ Qualified Consumer
- ✓ Openness to New Technology & Advertising
- ✓ Incremental ***Eyeballs/Opportunity***

What Makes the U.S. Hispanic Online Market So Attractive?



- ✓ **Critical Mass**

Hispanics Online: Critical Mass with Momentum

- **Nearly 16 million U.S. Hispanics have access to the Internet**
 - As measured by ComScore, 14.7 million Hispanics access the Internet from Home, Work or School
 - They also access the Internet from Libraries and Cafés which is not measured
 - So Internet access is *HIGHER* than the reported 15 million
- **U.S. Hispanic Internet user growth outpaces that of the General Market**
 - Time spent and pages viewed have grown 14% in the U.S. Hispanic market, while it has only grown by 10% in the U.S. General Market

Source: ComScore Media Metrix - includes @home, @work and @university, January 2005-January 2006.

Nearly 16 Million U.S. Hispanics Have Access to the Internet

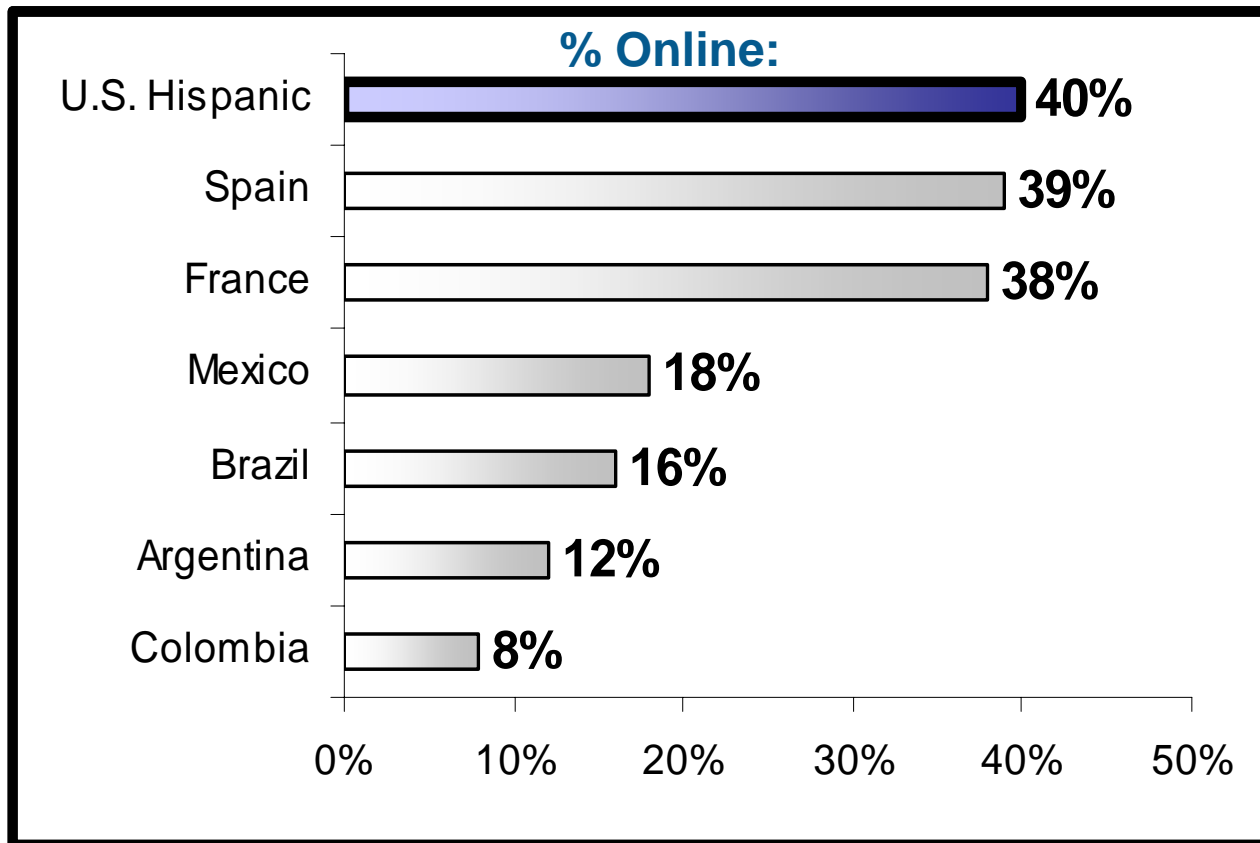


- **Almost 12 million U.S. Hispanic Adults 18+ have Internet access at home**
 - almost *HALF* the total Hispanic 18+ population of the U.S.*
- **Half of Hispanics with access at home are on Broadband**
- **One quarter of U.S. Hispanics have access at work***
- **In total, 60% of Hispanics have access from any location, including libraries, schools, cafes, etc...**
- **Over the last six months, Hispanic entry into the online marketplace doubled that of Non-Hispanics**
 - 14% of online Hispanics vs. 7% of the online General Population

*Source: 2005 AOL Roper Study; 2003 Current Population Survey and Mediamark Research Inc. (MRI) Fall 2004, Adults 18+.



Use of the Internet Among the U.S. Hispanic Market Alone is Higher than that of Many Countries



Sources: US Hispanic: Multiple Sources, All other: ComScore Media Metrix - includes @home, @work and @university, January 2006.

What Makes the U.S. Hispanic Online Market So Attractive?



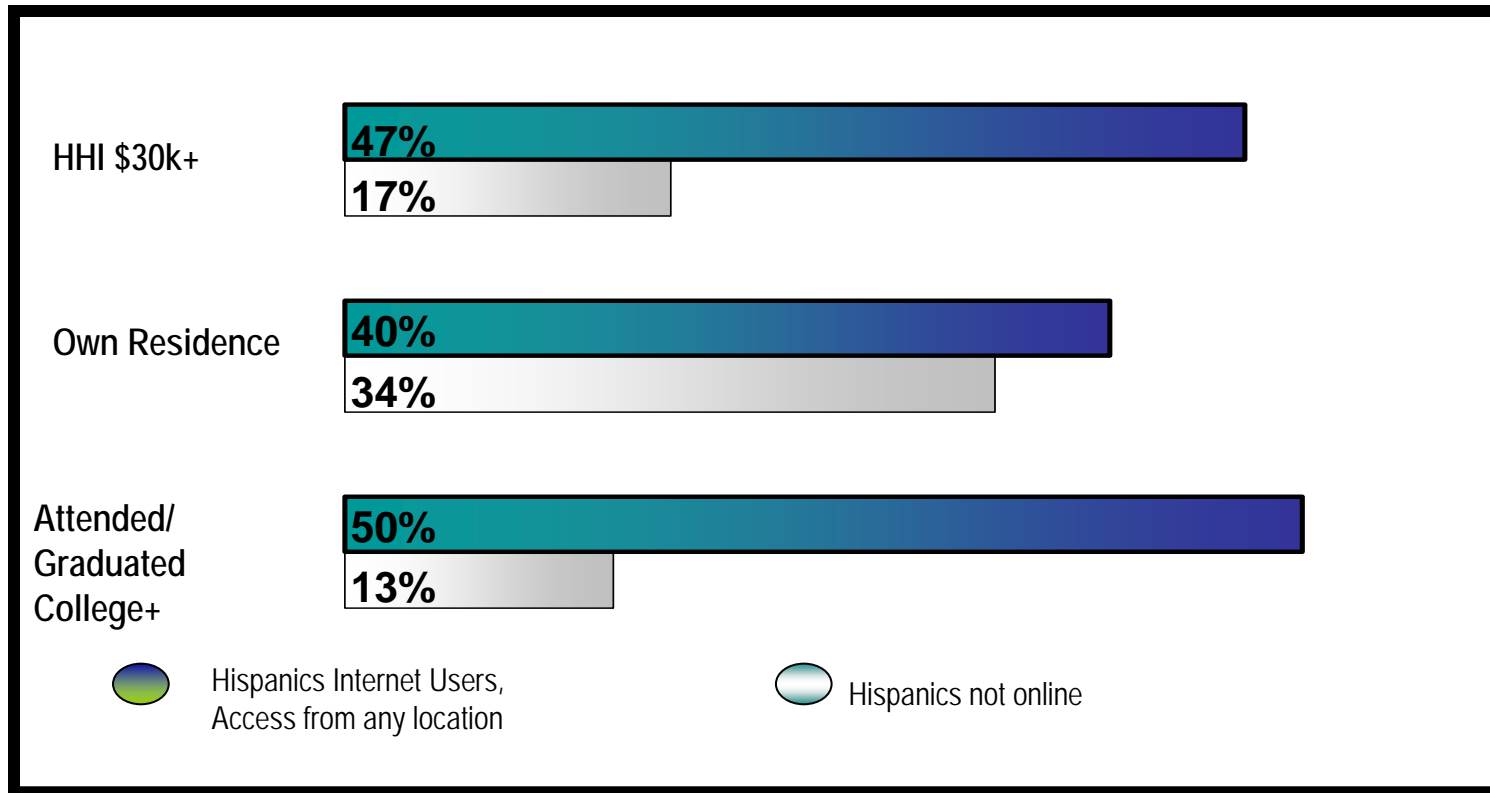
- ✓ Critical Mass
- ✓ **Qualified Consumer**

Hispanics Online: Qualified Consumers



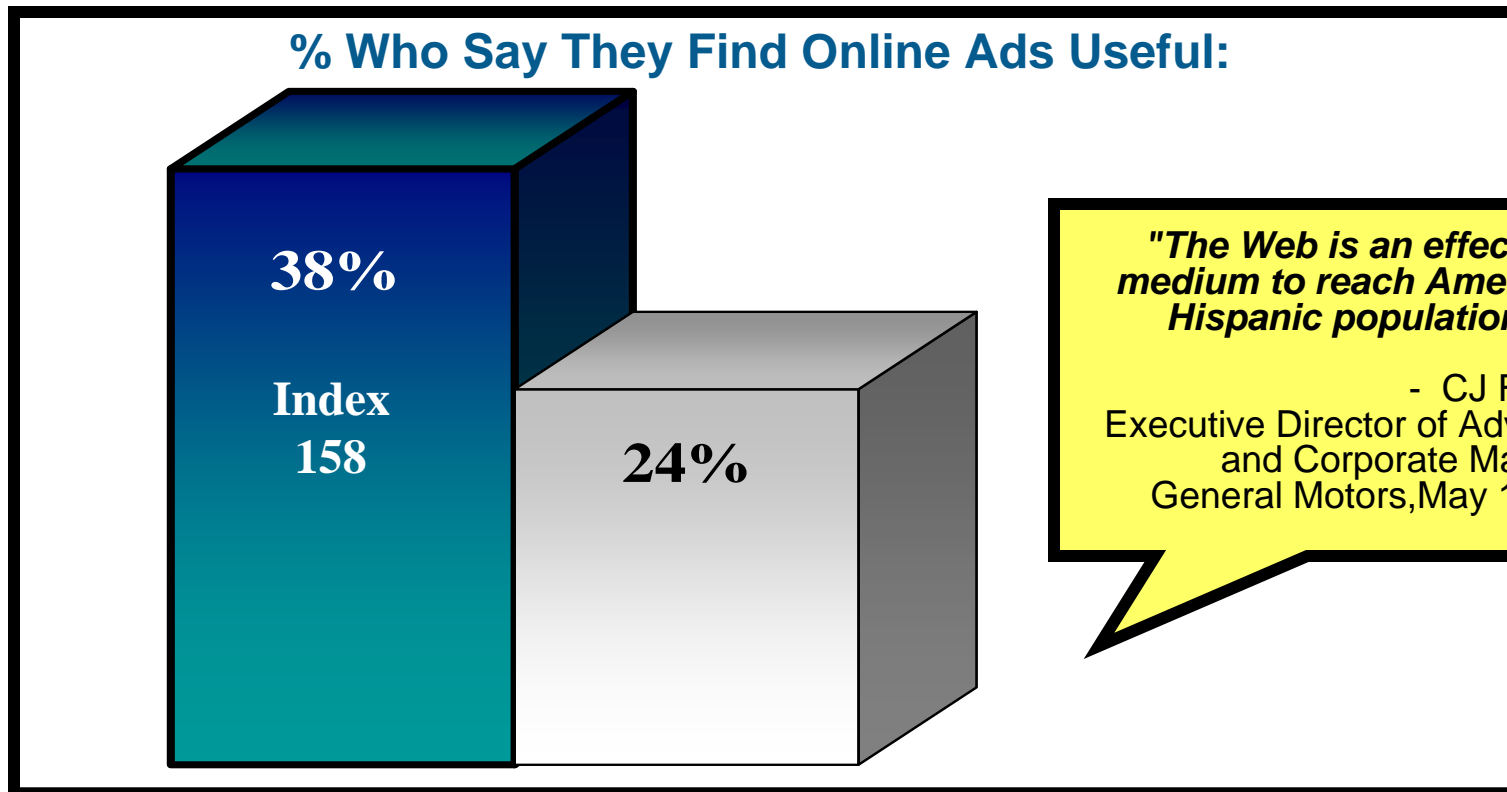
➤ *“While the average client for our cars should have annual incomes of some \$75,000, among the Hispanic public we have many potential buyers under that level. That said, nearly 30% of the Hispanic of Los Angeles are in the income level of \$75,000 or more.”*

- Karina Jaramillo, multicultural marketing manager for Jaguar



Source: Nielsen Media Research, "2005 Hispanic Internet Users Study," March 2005

Hispanics Find Online Advertising More Useful than Non-Hispanic Users



"The Web is an effective medium to reach America's Hispanic population."

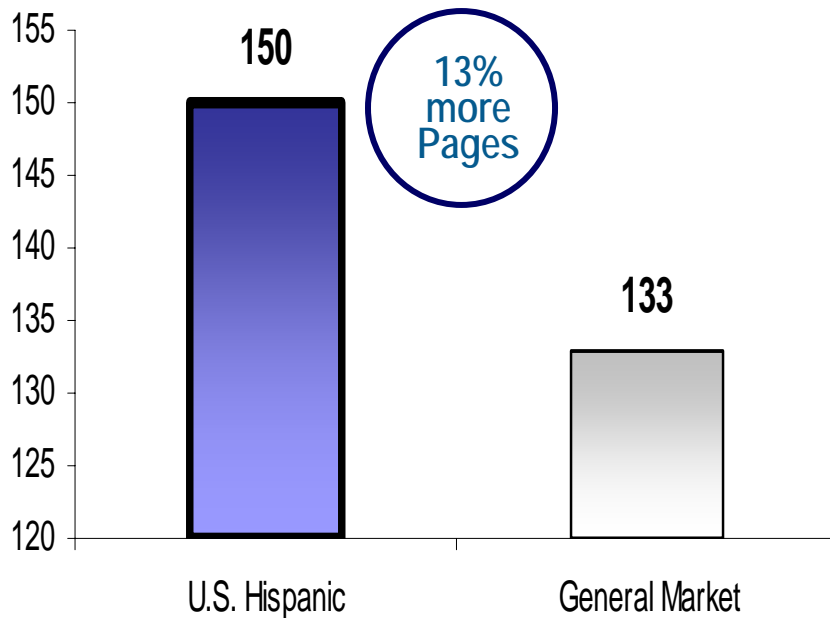
- CJ Fraleigh,
Executive Director of Advertising
and Corporate Marketing,
General Motors, May 14, 2003

Sources: Simmons, National Consumer Survey, Fall 2005; unified study

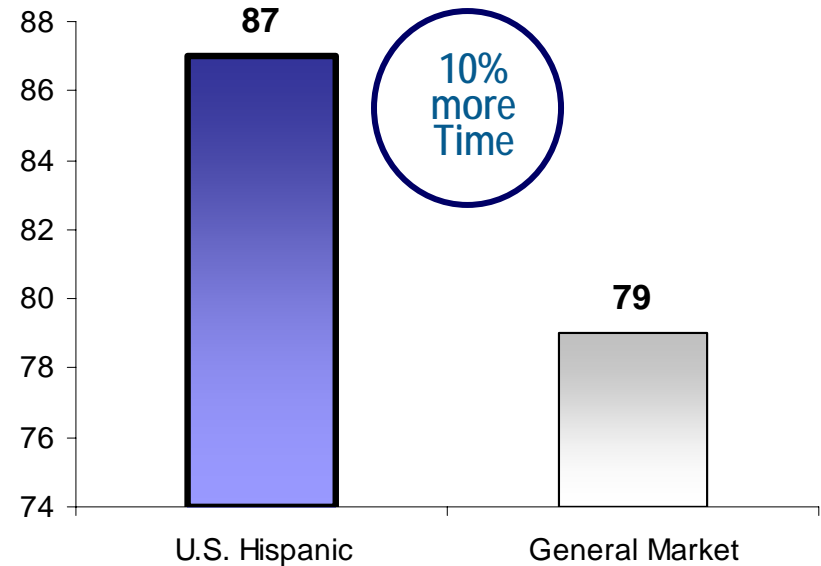
U.S. Hispanics Are More Avid Internet Users



Average Pages Per Usage Day:



Average Minutes Per Usage Day:



Source: ComScore Media Metrix - includes @home, @work and @university, January 2006

What Makes the U.S. Hispanic Online Market So Attractive?



- ✓ Critical Mass
- ✓ Qualified Consumer
- ✓ **Openness to New Technology & Advertising**

Hispanics Over-index in Real-time Internet Communications



% Do "Regularly" or "Occasionally" Online:

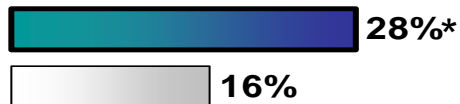
Communicate with friends/family ¹



Online instant messaging ¹



Go to chat rooms/online message boards



Source: 2005 AOL Roper Study

* Significant difference

¹ No significant differences in either proportion from 2002 or 2004

Young Online Hispanics Lead the Pack in Using New Ways of Communicating Online

% Do "Regularly" or "Occasionally" Online:

Online instant messaging



*

Go to chat rooms/online message boards



19%

■ Online Hispanics 18-34
(n=268)
■ Online Hispanics 35+
(n=205)

Source: 2005 AOL Roper Study

* Significant difference

Online Hispanics Use the Internet as a Tool for Connectivity



% Saying Reason Go to Chat Rooms/Online Bulletin Boards*

To share experiences/ opinions



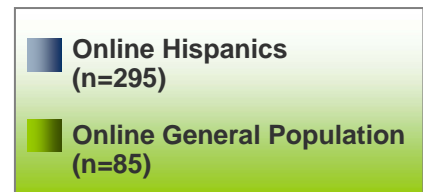
For sense of community with other Hispanic-Americans/others



Learn ways to make life better for self/family



Communicate with others in Spanish



Source: 2005 AOL Roper Study

* Among those who ever do.

** Significant difference

U.S. Online Hispanics Find Relevant Information Online



% Do "Regularly" or "Occasionally" Online:

Get driving directions/ maps from sources like MapQuest



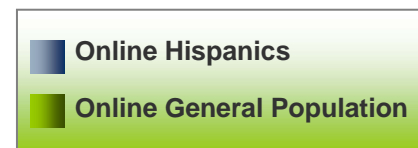
Get local entertainment information



Look for information about health-related issues



Learn about new products that didn't know about before



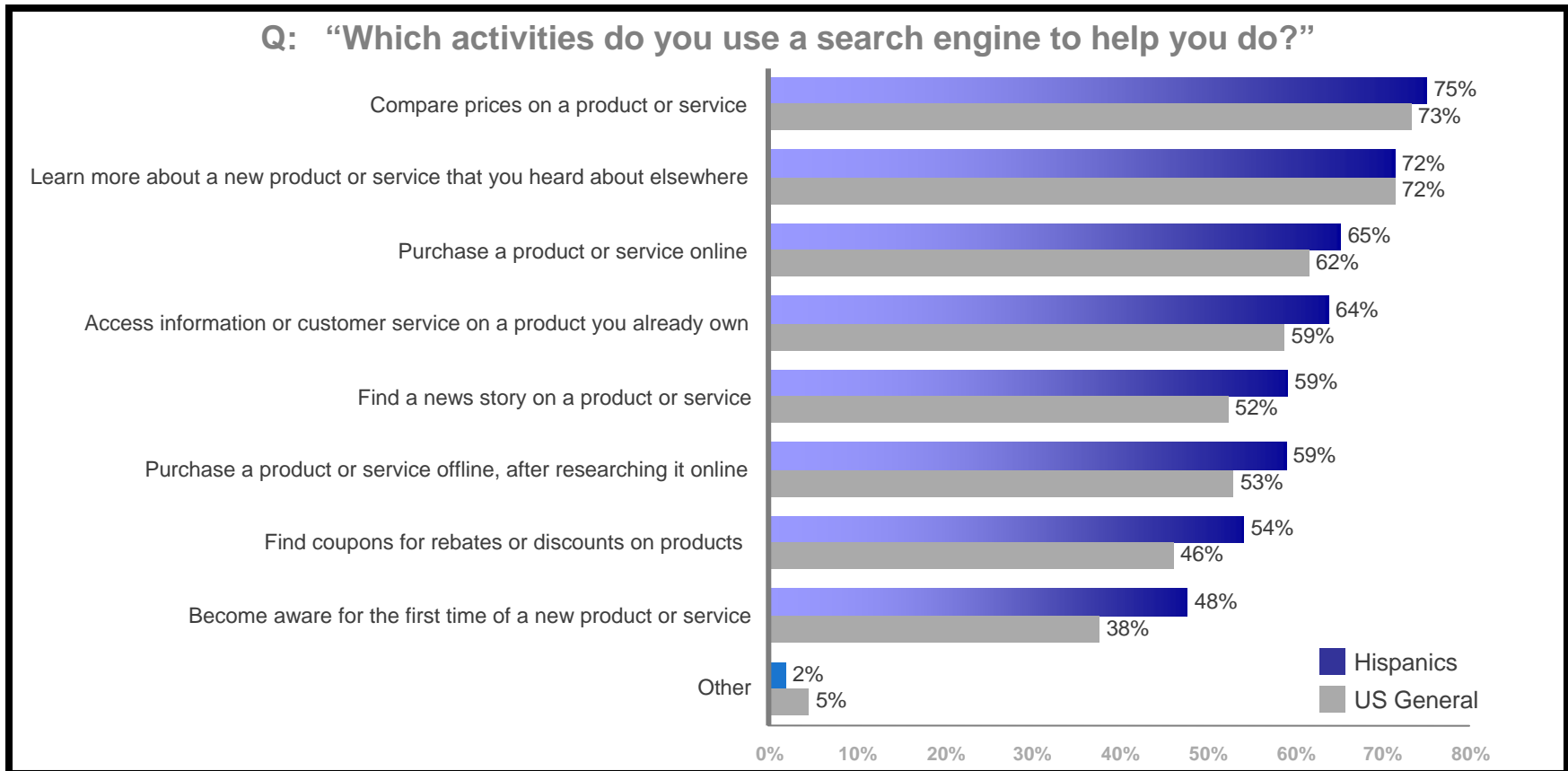
Source: 2005 AOL Roper Study

* Significant difference

Product Activities Search



Hispanics are more likely to use search engines to help with a variety of online shopping activities

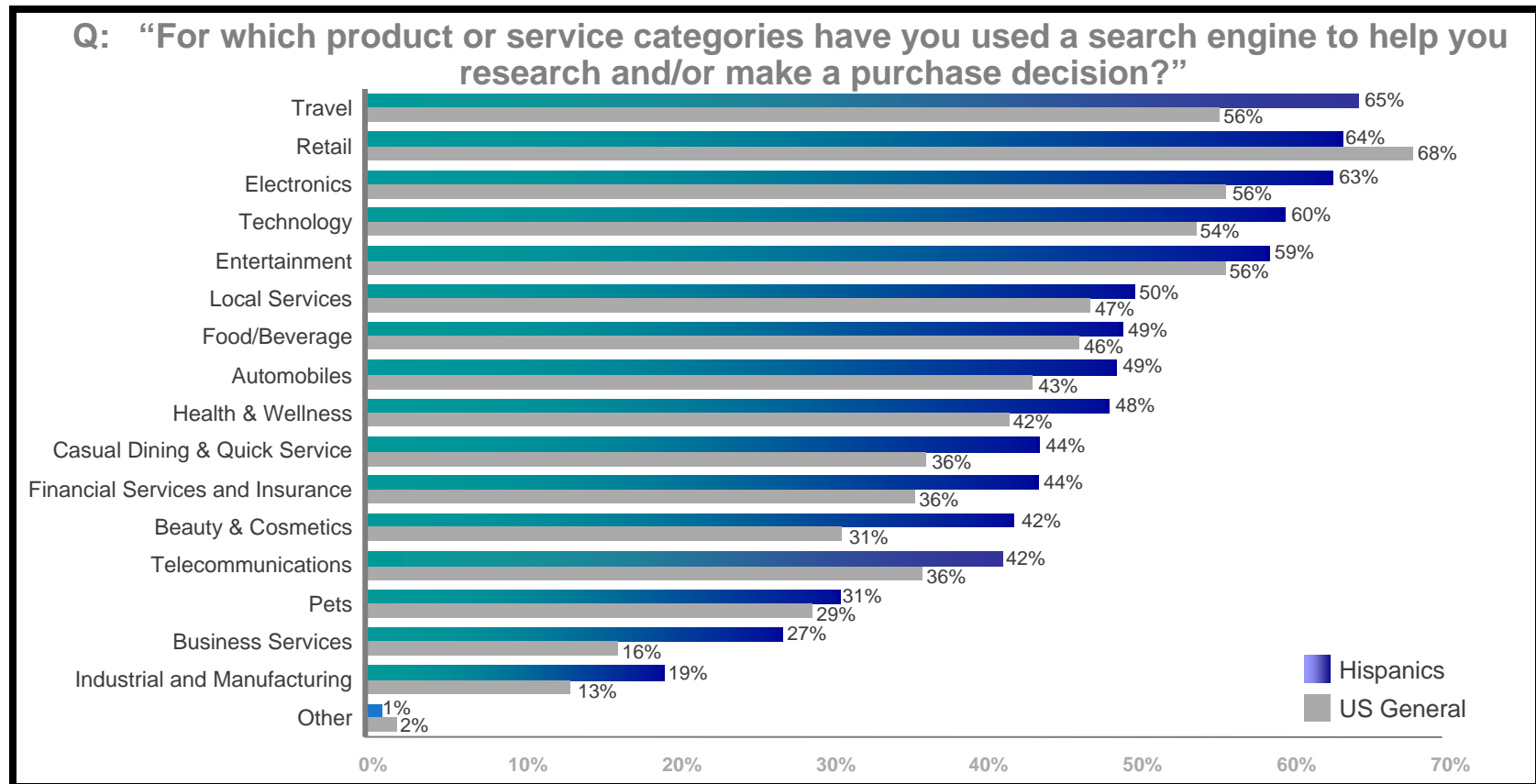


Source: 2006 Hispanics Survey, conducted by Media-Screen (February 2006). Hispanics N=585; US General N=590

Vertical Search



Hispanics are more likely to use search engines to help research or purchase a variety of products and services



Source: 2006 Hispanics Survey, conducted by Media-Screen (February 2006). Hispanics N=604; US General N=601

What Makes the U.S. Hispanic Online Market So Attractive?



- ✓ Critical Mass
- ✓ Qualified Consumer
- ✓ Openness to New Technology & Advertising
- ✓ Incremental ***Eyeballs/Opportunity***

Hispanics are Now Spending More Time on the Internet Than Reading Magazines or Newspapers



Time Spent Per Week

TV:	17.5 hours
Radio:	11.2 hours
Internet:	9.7 hours
Print:	5.4 hours



**Making it an
Essential
Ingredient in
Successful
Marketing
Messages to
Hispanic**



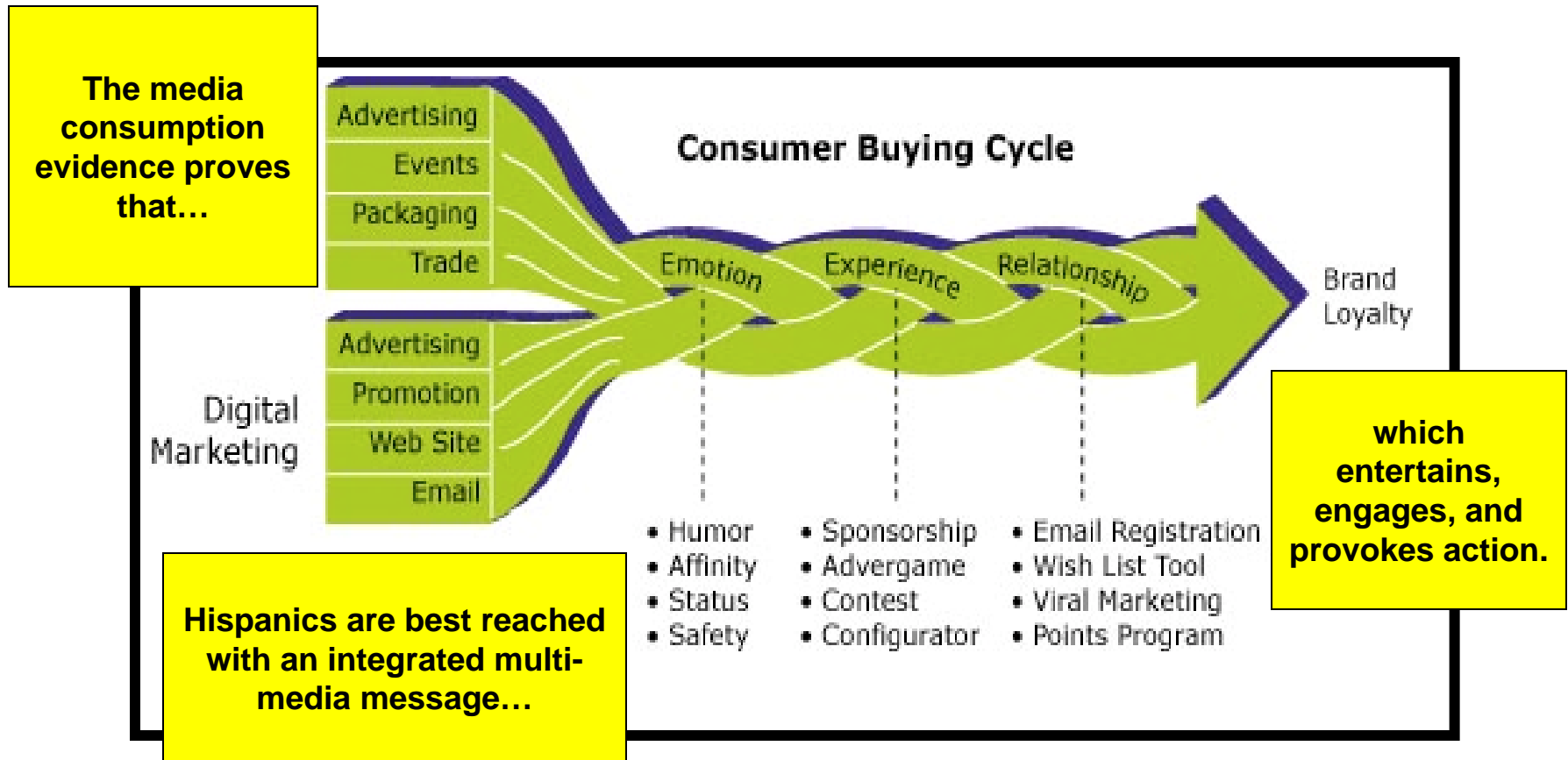
Source: 2005 Hispanic Internet Study, Nielsen Media Research, March 2005

*Base: Spanish Dominant/Bi-lingual Hispanics



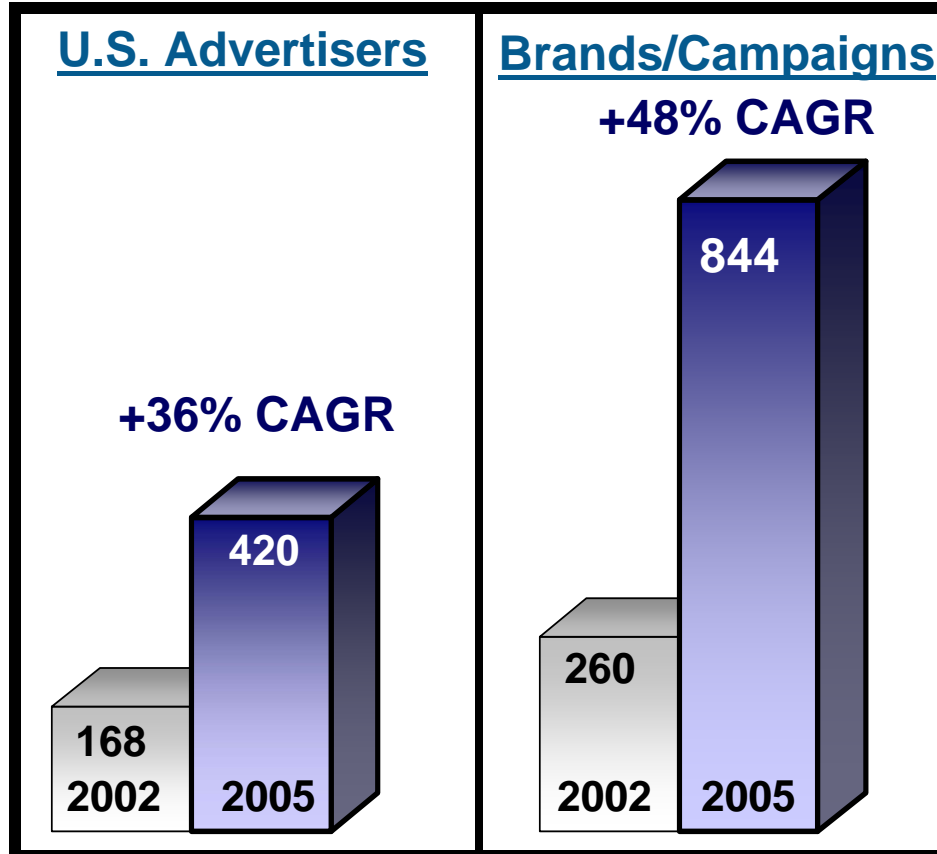
Does Online Advertising Work for US Hispanics?

Impact the Hispanic Audience via an Integrated Message



Source : 2002 XMOS Cross-Media Optimization Study

Advertising Activity on Top Hispanic Portals* has More than Tripled Since 2002

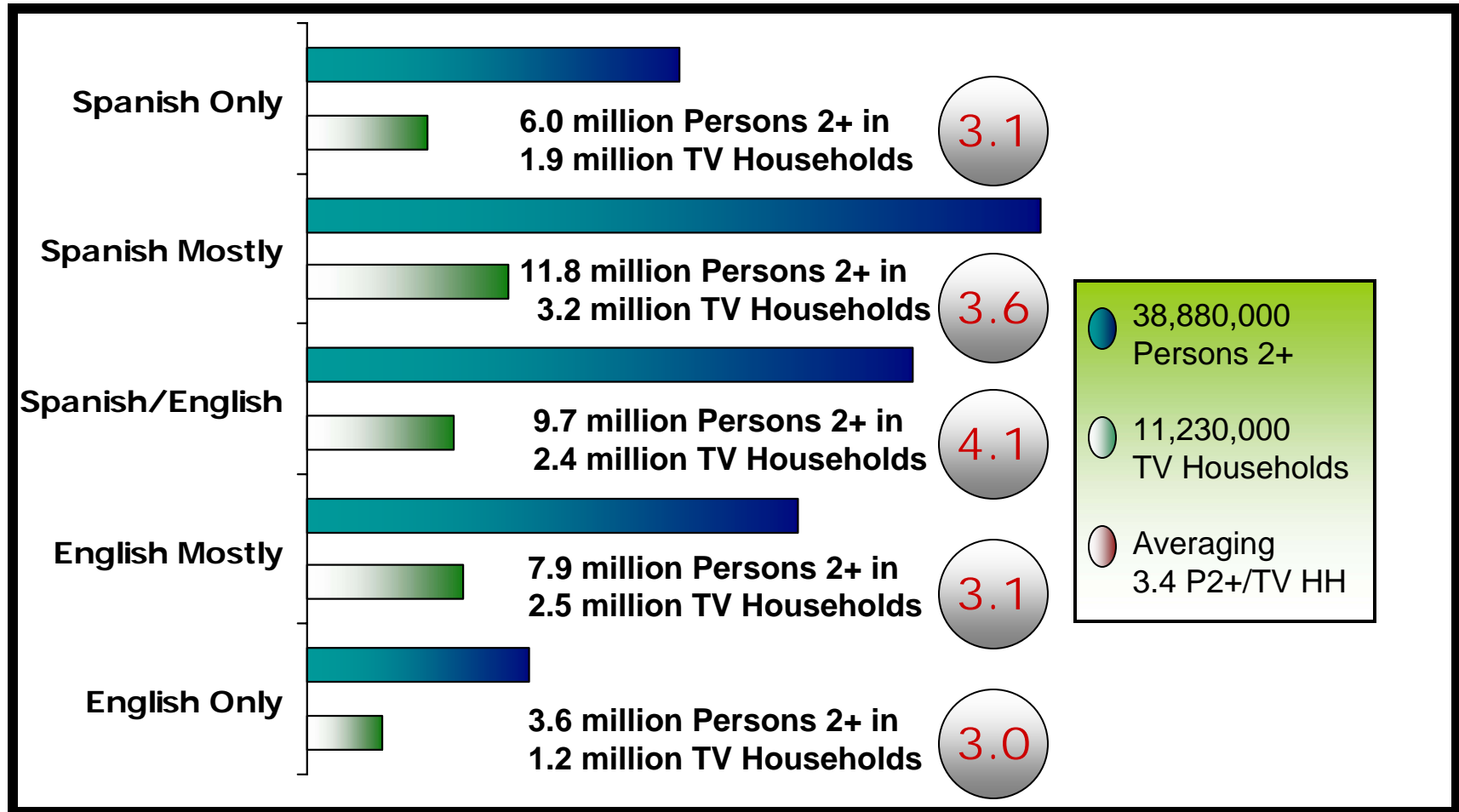


	Category	Share
1	Automotive	15%
2	Retailers	13%
3	Financial	11%
4	Online Media	10%
5	Telecomm	8%
6	CPG	6%
7	Other Media	6%
8	Govt./NonProfit	5%
9	Travel	4%
10	Consumer Care	3%

Source: *HispanicWebMonitor.com*

* Includes: AOL Latino, MSN Latino, Starmedia, Terra, Univision & Yahoo! en Espanol

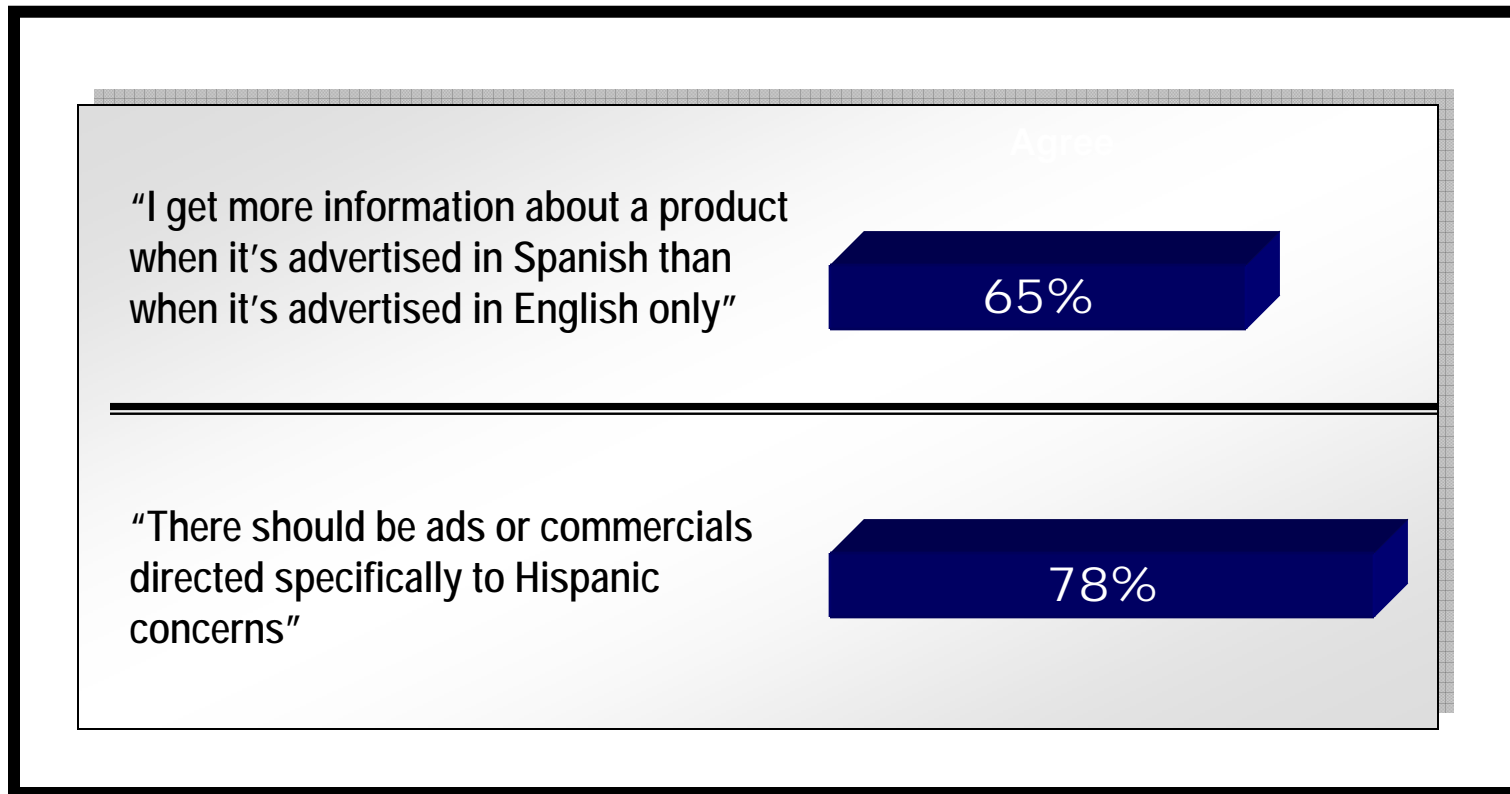
The U.S. Hispanic Market se habla...



Source: Nielsen Media Research 2006 Universe Estimates

Advertising in Spanish Impacts the Hispanic Market

Successful advertisers make their messages culturally relevant to the Hispanic market.



Source: Yankelovich, 2002 Hispanic Monitor

Sources



- ❑ US Census Bureaus – Statistical Abstract of the US 2006 and Pew Hispanic Center
- ❑ Nielsen Media Research Universe Estimates, January 1, 2006. HH 2+
- ❑ Selig Center for Economic Growth/Univ. of Georgia, “The Multicultural Economy 2005,” 3Q 2005
- ❑ ComScore Media Metrix - includes @home, @work and @university, January ‘05-January ‘06
- ❑ Nielsen Media Research, “2005 Hispanic Internet Users Study,” March ‘05
- ❑ Nielsen Media Research 2006 Universe Estimates
- ❑ 2005 AOL Roper Study
- ❑ 2003 Current Population Survey
- ❑ 2006 Hispanics Survey, conducted by Media-Screen (February 2006)
- ❑ Mediamark Research Inc. (MRI) Fall 2004, Adults 18+
- ❑ Simmons, National Consumer Survey, Fall 2005; Unified Study
- ❑ HispanicWebMonitor.com
- ❑ Yankelovich, 2002 Hispanic Monitor
- ❑ 2002 XMOS Cross-Media Optimization Study

About



□ The IAB Hispanic Committee:

– Mission

The Hispanic Committee's goal is to educate advertisers and agencies on the marketing benefits and value of using online advertising to reach Hispanic community. The committee will deliver these objectives through research, standards development and stakeholder education.

– Member Participants

Tom	Arrix	Univision Online	Mark	Lopez	AOL
Michele	Azan	Terra Networks USA	Troy	McConnell	Batanga
Manish	Bhatia	Nielsen//NetRatings	Jed	Meyer	Nielsen//NetRatings
Peter	Blacker	Telemundo	Manny	Miravete	AOL
Elicia	Brand	Advertising.com	Dan	Murphy	Univision Online
Dan	Campbell	Insight Express	Juan Jose	Nunez	StarMedia
Sarah	Carberry	Google	Matias	Perel	LATINTHRE3
Adam	Chandler	Yahoo!	Jeff	Peterson	QuePasa.com
Irma Gonzalez	Clark	Millward Brown	Jonathan	Ragals	360i
Jorge	Consuegra	Yahoo!	Alejandro	Rodriguez	StarMedia
Michael	DeGennaro	MSN	Megan	Rome	Insight Express
Craig	Etheridge	Weather Channel Interactive	Liz	Sarachek Blacker	One Economy
Jack	Flanagan	comScore	Ann	Sestero	MSN
Jose Rivera	Font	Yahoo! en Espanol	Ceril	Shagrin	Univision Online
Natasha	Funk	Terra Networks USA	Blair	Vincent	Verizon Superpages.com
Tania	Garcia	MSN	Lauren	Weinberg	Advertising.com
Michael	Iantosca	MSN	Dave	Williams	360i
Claudio	Lombardo	Eyeblaster	Jeffrey	Zahn	ESPN Deportes