

CARL KRAVETZ – LATINO IDENTITY

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Identity. It's a powerful, profound and pervasive force. It is what defines us in our own minds and in the eyes of others. It is what makes us us. When it comes to Latino Identity, we have long considered that the language we use, the country from which we come, or the time we have lived here are what best define us. And these factors have served us well. In fact, they have spawned an entire industry that is now \$5 billion dollars strong. And they are not altogether wrong.

However, as I said during my inaugural speech in Los Angeles last April, language is not the single most compelling definer of Latino Identity. We can no longer allow language...the Spanish language to be precise... to be the primary reason to market to Hispanics. And I say this for several reasons, not the least of which is that it is a linear, overly simplistic view of who we are.

In L.A., I said that we had allowed the Hispanic advertising industry to be dragged into a Spanish vs. English debate and that, in order to get ourselves out of the language corner, there were three things we needed to do:

One. To move beyond defining our market in terms of English or Spanish.

Two. To insist on permission to be complex.

Three. To adopt a new language... the language of agency... the language of marketing... the language of business building.

I issued this challenge because Hispanic agencies are under assault from all corners and because it is up to us to define our consumers or risk having them defined for us. We have an obligation to pay attention to the growing sophistication of Latino consumers, their greater mix of language ability and preference, their broader media exposure, external forces such as the immigration debate, all of which are fueling how we are defined. And anyone who believes that our lives are not changing is living in a bubble.

As Mark Twain said,

“It ain’t what you know that gets you into trouble. It’s what you know for sure that just ain’t so.”

It is fitting that we are having this discussion in Miami because Hispanic advertising was created by a bunch of Cuban guys with big cigars.

It was the Cuban revolution that kicked off US Hispanic advertising. In 1959 and 60, a number of Havana advertising men suddenly found themselves in exile and they wanted to work at what they knew best. So they began the long arduous process of convincing American advertisers that that there was a vast, untapped market hidden away right under their noses. And the reason they

were untapped? Because they didn't speak English and couldn't understand advertising in that language!

At first the advertising was local, targeting Cuban communities in Miami and New York, but the numbers weren't significant enough to get traction with national advertisers.

Enter the US Government who combined Cubans, Puerto Ricans and Mexicans into something called "Hispanics," and, together with prescient advertisers like Procter & Gamble and imported programming from MeTelevisa, national Hispanic advertising was born.

In many respects, we are doing the same thing here today that those early visionaries did. We are looking at the Latino consumer landscape and saying, "something here isn't working the best it can. We are not connecting with Latino consumers because we are not speaking their language."

The language I'm talking about, however, is not a language in the linguistic sense. It is a deeper, much more sophisticated and nuanced way of communicating and connecting with Latino consumers today ... and in the future.

If you take language...Spanish or English.... out of the equation, what makes a Latino Latino?

With the help of some of the brightest minds in our industry and community, AHAA's Latino Identity Project explored this deceptively simple question. What we found was fascinating on so many levels, yet reflective of the natural evolution of our consumer group and of our industry.

Here are our conclusions:

One. Neither language nor acculturation, on their own, are the true markers of Latino Identity. They may be the consistent measures that have been available to us up to now, but their simple presence is NOT what makes a Latino Latino.

Two. While there are qualities of Latino cultural identity that may be familiar to us...things like collectivism, familismo, or simpatia.... it's the interconnectedness, and not the simple presence, of these attributes that challenges our conventional view of what makes a Latino Latino.

Three. Additional conventional factors such as acculturation, ethnic pride, language preference and socioeconomic level that we thought DEFINED Latino Cultural Identity are, in fact, CONTEXTUAL, and not defining, factors in our new model of Latino Identity.

In short, the work of the Latino Identity Project has resulted in a profound shift in the way we define Latino cultural identity. As a result, we are also redefining

the way in which marketers must reach out to Latino consumers. It is compelling and exciting work.

The premise is fairly straightforward. Latino identity is as complex and, perhaps, as fragmented as the general market.

One would not define all American consumers across the nation with a one or two dimensional segmentation model so why should it be acceptable to do so for Latino consumers?

I'll go one step further. So comprehensive and nuanced is Latino Identity that only specialized Latino agencies are prepared to understand and unearth it.

We did not arrive at these conclusions lightly.

We consulted with leading Latino academicians who helped us understand things such as:

- Identity is not only who you define yourself to be, but who society thinks you are.
- The single most important indicator of ethnic loyalty is the individual's perception of discrimination, and

– It's not so much what *unites* Latinos that's important; rather, it's what makes us *different* from non-Latinos.

The Latino Identity Project reviewed nearly 40 years of academic literature on issues of identity and culture, digging deep into psychology, anthropology, linguistics, healthcare, education, sociology, management and the arts...all the things those of us in the "real world" never really get a chance to investigate in depth. What is curious is that ALL the academic research reached essentially the same set of conclusions.

We met in four cities throughout the course of the year .

And we dared to put planners from seven agencies in the same room to discuss and debate what academic research had to say on the subject of Latino identity.

We even hired two graduate students who spent the summer helping us in our research.

We also went in search of what's REALLY shaping Latino identity today.

I set out a challenge for our industry in April and AHAA has done...and will continue to do.... our part. What I ask of each of you here today is to listen with an open mind, and an open heart. And to consider what you will need to do differently as a result of hearing this presentation.

The hypothesis of AHAA's Latino Identity Project is this:

Latino Cultural Identity is NOT confined to language and acculturation.

Rather, at the heart of Latino Cultural Identity is set of complex, adaptable, intricate and interrelated values...

... that change through time according to the environment and external stimuli.

It is complex, but not complicated. And, as we'll see, language and acculturation have a role, but it is only a supporting role.

There are two parts to our new model of Latino Cultural Identity.

- A Heart
- And a set of contextual factors that interact with and continuously reshape the Heart

If the heart is the core of Latino Identity, then the four chambers responsible for its functioning are:

- Interpersonal Orientation
 - Time and Space Perception
 - Spirituality
- and
- Gender Perception

Let's break these down.

Interpersonal Orientation is the way we live our relationships with other people and it is a dimension of Latino Identity that is radically different from that of non-Latinos. Our Interpersonal Orientation is made up of

- Collectivism
- Familismo*
- Power distance
- Respect
- Polymorphic leadership
- Simpatia* and Harmony

Compare this to one of the key non-Latino American core values, individualism, in which equality, self-development, and self expression take precedence over key values for Latinos such as cooperation and cooperative approaches; and familial needs vs. individual needs. Ours is a collectivist culture in which the goals and interests of the group are emphasized over those of individual members.

Our Interpersonal Orientation also drives our acceptance and giving of authority, our dependent relationships, our communication style, and our relaxed sense of privacy.

Among the implications for marketers are

- Understanding the family as a unit

- Understanding group decision making
- Alleviating the conflict between individual needs and group expectations
- Using experts as messengers, and
- Offering strategies to maintain harmony, even in conflict.

Our next dimension of Latino identity is Time and Space Perception.

It's no secret that US Latinos have a particular way of perceiving time and space, which is different from the way non-Hispanic Whites do. We tend to

- Have longer time horizons
- Be more present and past oriented
- Balance many tasks at one time
- Consider time commitments as more of a goal than real commitments
- Change plans often and easily
- Care about close friends and relatives more than privacy
- Are more involved with each other, interact frequently
- Casually touch each other with ease

This dimension is also radically different from non-Latinos who tend to be monochromatic, future oriented, have a rigid sense of space and privacy and be very results oriented. Think about the first time you tried to kiss an Anglo client "hello!"

Marketers may have to think about things like customer service in a different way; they may need to offer more flexible operating schedules; and they should not be hesitant to get close to Latino consumers...literally.

The third area at the heart of Latino identity is Spirituality.

Religion and spirituality influence nearly every aspect of US Latino life, and they affect how Latinos see the world. From Catholicism we acquire Fatalism and External Attribution. Our indigenous roots lead us to believe in *curanderismo* or in the remedies found in *botánicas*. Latinos' relationship with nature gives root to our holistic view of the world, our belief in intuition, our overall sense of health and well-being. And rituals and celebrations are as much a part of a young Latina's dreams for her *quinceañera* as they are about abuela's annual pilgrimage to visit *Nuestra Senora de la Divina Providencia*.

The view of death that many of us hold is particularly intriguing. Octavio Paz, when explaining *El Dia de Los Muertos*, wrote, "Undaunted by death, the Mexican has no qualms about getting up close and personal with it...He chases after death, mocks it, courts it, hugs it."

By contrast, non-Latinos tend to be driven by a more rational, scientific orientation.

To connect with Latino consumers, then, marketers may have to use more holistic persuasion techniques that take into account more sensorial and emotional aspects; and work toward alleviating guilt, embarrassment or fear.

Finally, we come to the fourth and final element at the heart of Latino Identity: Gender Perception.

Traditional gender roles continue to affect how US Latinos perceive the world, and thus themselves, even as these gender roles shift over time.

Machismo has both positive and negative aspects. On the plus side, machismo is about honor and respect. It is about protection of the family and feeling obligated to provide. On the minus side, it can manifest itself as aggressiveness or cause shame if a male feels he cannot live up to his role. It also creates a peculiar dichotomy in their view of women: they are seen as either the perfect, saintly mother or as an object of conquest.

Marianismo, which is named after the cult of the Virgin Mary, is at once about the moral superiority of women and the taking of submissive roles. On the one hand, the matriarch rules the extended family. On the other hand, she is a martyr, taking upon herself the blame for the failings of those close to her.

Marianismo is about sacred duty, self-sacrifice and chastity... I must, however,

point out that these are not necessarily values embraced by the young women of Latina Power today.

Gender roles in our Latino world are also radically different from non-Latinos who tend to practice, or at least profess to practice, gender equality.

These differences obviously impact the approach marketers would take communicating with Latinos. They should take care to understand who the decision maker really is, emphasize the positive aspects of traditional roles and attempt to alleviate the stress of role inversion.

What we learned from the academic research is that it's not such so much what UNITES Latinos that's important, as WHAT MAKES US DIFFERENT FROM NON-LATINOS.

Let's see how we compare on the four principal areas at the heart of Latino Identity.

I mentioned earlier that there are two components to our new model of Latino Identity, the heart itself, and a set of contextual factors, which enter the four atria of the Heart, causing it to expand and contract. I also mentioned that Latino Cultural Identity is set of complex, adaptable, intricate and interrelated values that change through time according to the environment and to external

stimuli. Our model includes familiar external qualities such as collectivism, familismo, immigration stress or education but it is the interconnectedness, and not the simple presence of these factors, that forces us to reconsider what makes a Latino Latino.

Let's talk about the contextual factors that interact with our heart and why this interaction is key to understanding Latino Identity.

Contextual factors are the things that make us individually unique. They are the things that shape us throughout the course of day or the course of a lifetime. My experience growing up in Mexico is deeply different than that of someone who grew up in a barrio in Chicago. These differences will significantly alter our Interpersonal Orientation, Time and Space Perception, Spirituality and Gender Perception. Similarly, you may have the ability to be very "American" at work and very "Latino" at home. This is due to the different set of contextual or environmental factors which interact with the heart of your Latino Identity in different places or situations.

Let's look at the contextual factors of Latino Identity.

This list contains ideas that are certainly familiar to you.

You'll notice that acculturation and language are here. This is a significant departure from the way in which we have talked about Latino consumers up to today.

And it is critical that we understand this because it is in a place deep within the heart that real communication takes place. Ultimately brands, and the things we as advertisers do to grow them, are about emotion and personality.

The chairman, president and chief executive officer of Procter & Gamble, A.F. Lafley, understands this. In his foreword to the book "Lovemarks: the future beyond brands," Lafley says that in order to establish a lifelong bond with consumers one must think about "mystery, sensuality and intimacy as brand building tools" and that "consumer insights must leverage the power of emotion, respect and love."

And where do love, emotion and respect reside? In our hearts.

I've placed a great deal of emphasis on understanding that there is a difference between the heart of Latino Identity and the Contextual Factors that play on it. Each one of the heart's chambers will change as it interacts with these contextual factors, which overlap, magnify or minimize different parts of the heart.

Think about what happens to a Latino's Interpersonal Orientation when it comes in contact with differing levels of acculturation. What are the consequences of

Time and Space perception and Fatalism interconnecting when a medical diagnosis is given? When perceptions of masculinity and femininity interact with immigration stress, roles are often reversed, children often know more than parents; women may find it easier to get a job than men.

This new model of Latino Identity is a threshold moment for our industry because it not only tells us HOW Latinos are, it tells us WHY we are the way we are. And this is very VERY significant.

Latino Identity is complex, fluid, dynamic and ever changing. And this is our new language. The unique ability of specialized Latino agencies to interpret it leads to an understanding of the deep values, beliefs, needs, and desires of Latino consumers. Our destination? The place where insights that connect deeply with our consumers are born.

Our ability to connect with consumers is our livelihood. But we must also connect with our clients.

The members of the Latino Identity Project and the AHAA Board of Directors have challenged us to think about what we do with this model to ensure that its creation hasn't been only an academic exercise. That we take the necessary steps to ensure that the companies that hire us also grasp that Latino Identity is rich and complex.

To reinforce our conviction that we must change the language we are using to define Latino Identity, we are engaging our research partners to develop quantitative methodology to support and validate our findings.

I am pleased to announce that Simmons, the leading provider of research profiling the Hispanic consumer, has agreed to work closely with AHAA and its Hispanic market partners to explore the development of new metrics on Latino culture and identity as well as to refine existing metrics. In consultation with us, Simmons will use its expertise to propose and design the parameters of the proposed research.

We are in similar discussions with Iconoculture and Synovate.

Next, we are taking this message directly to clients beginning with this conference. In the panel discussion right after our first break as well as during tomorrow morning's first panel, we'll get client feedback on this new model of Latino Identity. In November we'll be making this presentation to the multicultural conference of the Association of National Advertisers and to the National Hispanic Corporate Council. We have also been invited to present our model to a CMO symposium being organized in New York by The Fuerte Group and JWT in December and to another in January organized by La Opinión in Los Angeles.

Finally, AHAA's very own Agency Principals Forum will meet in November in New York to discuss how we operationalize this new model of Latino Identity within our agencies.

As you can see, we are doing our part.

Here's what we need you to do:

One. Stop simplifying the Latino consumer by agreeing or acquiescing to the argument that all we need to do is do it in Spanish.

Two. Help us build a new common language of Latino cultural identity by embracing today's model and by integrating it into your own agency's proprietary models.

Three. Insist on permission to be complex and use this model, or aspects of this model, to demonstrate why Latino uniqueness persists.

By shifting the emphasis away from only language and acculturation toward something far more robust, you enhance your understanding of the consumers we are hired to reach, you return to the number one rule of marketing...listen to the customer.... and most important, you join us in affirming the value of specialized Latino agencies.



In closing, I'd like to stress to you that our new model of Latino Identity is not a rejection of the past. It is a natural and fascinating consequence of our growth, sophistication and evolution. This is not about a change of heart; rather it is about the change that is beating deep IN our hearts.

Thank you. Gracias. De todo corazón.

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