



The Latino Link: Connecting Online with the Growing Hispanic Market

By [Nancy Pekala](#)

When it comes to making connections on the social Web, there is perhaps no more lucrative segment than the Latino link. It's estimated that by 2014, there will be 39.2 million Hispanics who are Internet users representing 70% of the Hispanic population.

Moreover, the buying power of U.S. Hispanics will reach \$1.3 billion in 2014, growing two times as fast as the general market according to *The Multicultural Economy 2009* from the Selig Center for Economic Growth.

To learn how marketers can effectively tap into this online buying power of Hispanics, *Marketing Researchers* talked exclusively with [Joe Kutchera](#), a leading speaker and advisor on reaching Hispanics, multicultural Americans and Latin Americans online. He is also author of a new book, "[Latino Link: Building Brands Online with Hispanic Communities and Content](#)", published by Paramount Books."



Marketing Researchers: *What are some key mistakes marketers make when connecting to Latinos online?*

Joe Kutchera: One of the things we've seen is some marketers have started investing in this space and then pulled back which sends a message that they're not committed to that audience. For example, Home Depot launched an e-commerce website in Spanish selling their products but after discovering a lot of Latin Americans visited the site, they ended up closing the site down. In contrast, [Best Buy](#) discovered something similar but also found a lot of Hispanics used the site to do research on products and then purchase them online or in-store. As a result, they were able to provide and improve very good customer service because of that Spanish language website. Ultimately, Best Buy created an opportunity by discovering an audience while Home Depot ended up really turning the potential US Hispanic market off because they made the investment and then pulled back.

A second mistake is insufficient attention paid to translation which results in funny or awkward translation mistakes. You should always have a paid speaker on staff to check things, even text in all images.

Finally, as with any niche community you're targeting, it's all about developing online relationships, producing targeted marketing messages and listening to your audience, using their comments and feedback as an extended focus group.

MR: *One of the issues marketers are struggling with is whether to integrate Spanish language content into their main brand site or develop a separate site to target Latinos. What are your thoughts on this issue?*

Kutchera: It depends and may depend on the brand. One company that's done an amazing job of reaching Latinos is Johnson & Johnson's Baby Center. It developed a Spanish language site for U.S. Hispanic moms because they had a lot of requests from advertisers and because Johnson and Johnson brands were interested in targeting expecting moms. They received a lot of positive feedback when they launched the Spanish language site. Visitors voiced their appreciation that the company so obviously took their perspective into account. They even expanded the site by offering English language sections and editorial on the site for English-preferring moms. In the case of Baby Center, Spanish-preferring moms may connect with other moms across the world whereas some products may be very local in nature so it depends on products and services you offer.

MR: *Not only is Latino segment growing by leaps and bounds, it's not a one size fits all market. How do you approach the issue of universal or local translation on your site?*

Kutchera: When you talk to a translation company, they will ask you what kind of Spanish do you want. Spanish can vary by country. Mexican Spanish is a little bit different than Argentinean Spanish. Spain has different forms of the plural "you" than the rest of Latin America. You may want to apply universal Spanish on your site to cover all Latin American countries or implement country-specific Spanish which is more expensive because it requires the most customization. It's a question of budget. I'd suggest most companies may want to utilize universal Spanish on their site to cover all Latin American countries but offer customer reviews or comments which enables visitors to use their own version of Spanish. That can offer a nice balance between having a more formal translation and then offering some customization through user-generated content.

MR: *In what ways is connecting with Latinos via social media and online communities different than strategies undertaken to reach other audience segments?*

Kutchera: Historically, people who use the Internet have been more acculturated and English-preferring and more savvy with technology. However, looking forward, we're going to see something really different as computer prices continue to fall and mobile phones become more sophisticated. You're going to see people coming online who might not even have a computer or land line but who have a Smartphone. These people will be more likely to use their phone for researching products before they come in the store and are savvier about making e-commerce purchases. This means brands will have to create a better customer service experience and provide better information about their product online. A number of sociologists have indicated that Latino cultures seem to be more collectivistic. As Hispanics become the majority population in the United States by 2050, it will be important to keep an eye on how they will share reviews and comments about products online using the social media platform.

MR: *Your book outlines some valuable case studies of big brands, such as Best Buy, which are doing a great job of connecting with Latinos online. What steps can small to medium-sized brands take to begin to engage Latinos via social media and the Web?*

Kutchera: It's important to demonstrate that your company is really making an effort to speak the language of its audience. Translation services such as Google Translate and dubder.com help organizations provide translated versions of their site or portions of their site if they can't afford to employ a professional translator.

But it's also important to provide a really great Spanish language experience throughout all your platforms—online, in-store and by telephone. Companies should make sure they have staff in-store who can provide a quality customer service experience for Spanish-speaking customers. In addition, small businesses should recruit their own customers to provide product reviews, know-how and explanations of how their product works.

MR: *In your book, you provide some insightful research on Latino e-commerce trends, including shopping patterns and behaviors of the Latino market. How should these specific shopping behaviors figure in a marketer's online strategy for a brand?*

Kutchera: I write about how Mexicans use Spanish-language websites in the U.S. and how because some of the monopolistic companies in Mexico tend to charge a lot more and taxes are much higher on everything from laptops to clothing to furniture, shopping online can save them up to 50% on their purchases. In fact, it's estimated that Mexicans spend \$20-30 billion in the U.S. annually. I profile some younger Mexicans that use the Internet to plan shopping trips in the United States and how that can be a huge market for expanding one's business. Generally speaking, the newer Hispanic users are newer to the Internet so they are using the medium for research. Mexicans who shop in the U.S. tend to be upper to middle class Mexicans who have the ability to fly to the U.S. and shop here. These trends definitely warrant an investment in Hispanic e-commerce.

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