

EQUIDAD+AUTHENTICITY: TOWARDS A FAIR REPRESENTATION OF HISPANICS IN ADVERTISING

PRESENTERS

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**FINDINGS FROM LAB42
DEI RESEARCH
NOVEMBER 2022**

OBJECTIVES

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With the US population becoming more multicultural than ever before, we wanted to understand whether **companies and brands understand and represent this diversity in a genuine and authentic way in their ads and marketing efforts.**

This report focuses only on those identifying as **Hispanic/Latino.**

Insights on other groups can be found on our website at **[Lab42.com/resources/Lab42 DEI Reports](https://lab42.com/resources/Lab42%20DEI%20Reports)**



METHODOLOGY

WHO

N=1000 respondents
US National
Age: 13+

QUOTAS

- N=265 African American
- N=197 Hispanic/Latino
- N=154 LGBTQ+
- N=247 Asian
- N=257 White/Caucasian
- N=184 Disabled

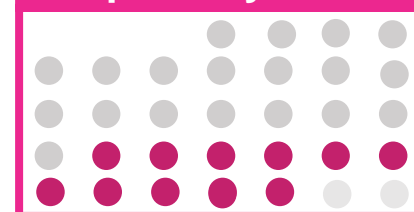
HOW

ONLINE QUANTITATIVE RESEARCH

Lab42 respondents were obtained while interacting with their preferred social networking site, e-commerce site, game, or application and screened in order to determine their qualification for inclusion in the study.

WHEN

April/May 2022



APRIL 25th
- MAY 5th

WHERE

US National



NOTES

Where appropriate significant differences between subgroups are noted at the 95% Confidence Interval.



Hispanics: The least visible, biggest minority group

Hispanic representation in ads

Diversity Inclusive vs. Non-Diversity Inclusive Ads Performance

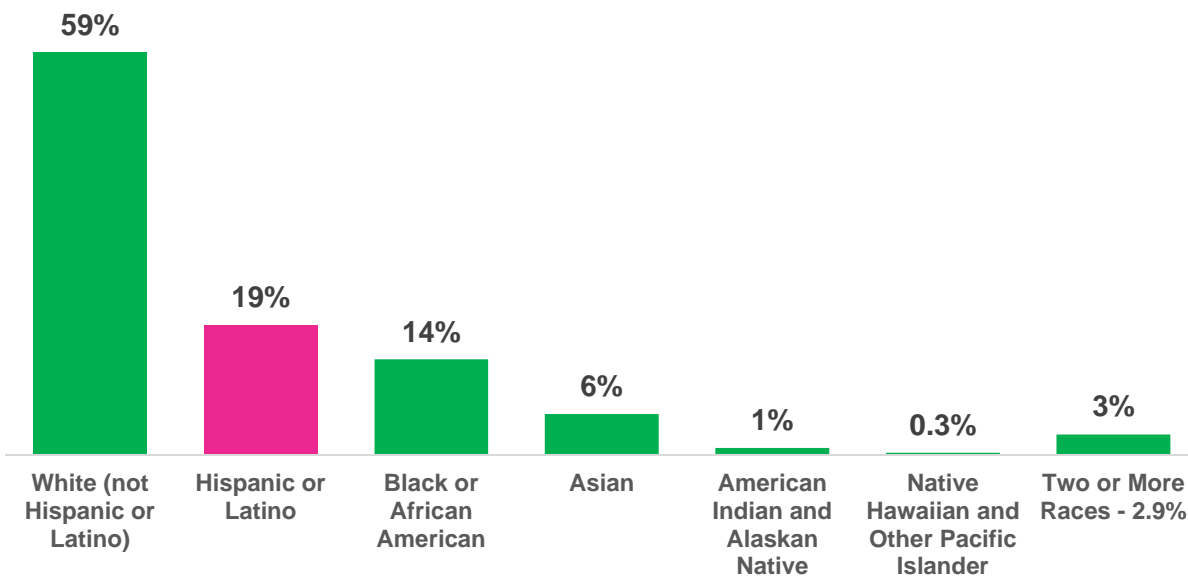
Key Findings and Brand Implications

HISPANICS: THE LEAST VISIBLE BIGGEST MINORITY GROUP

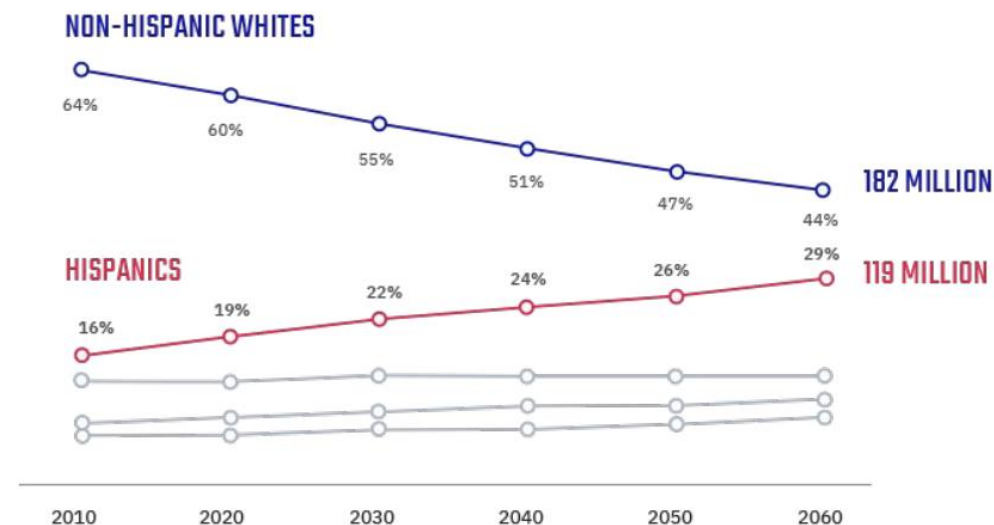
US POPULATION TRENDS

Hispanics currently make up 19% of the US population and are expected to increase to 29% by 2050.

Current US Population 2022

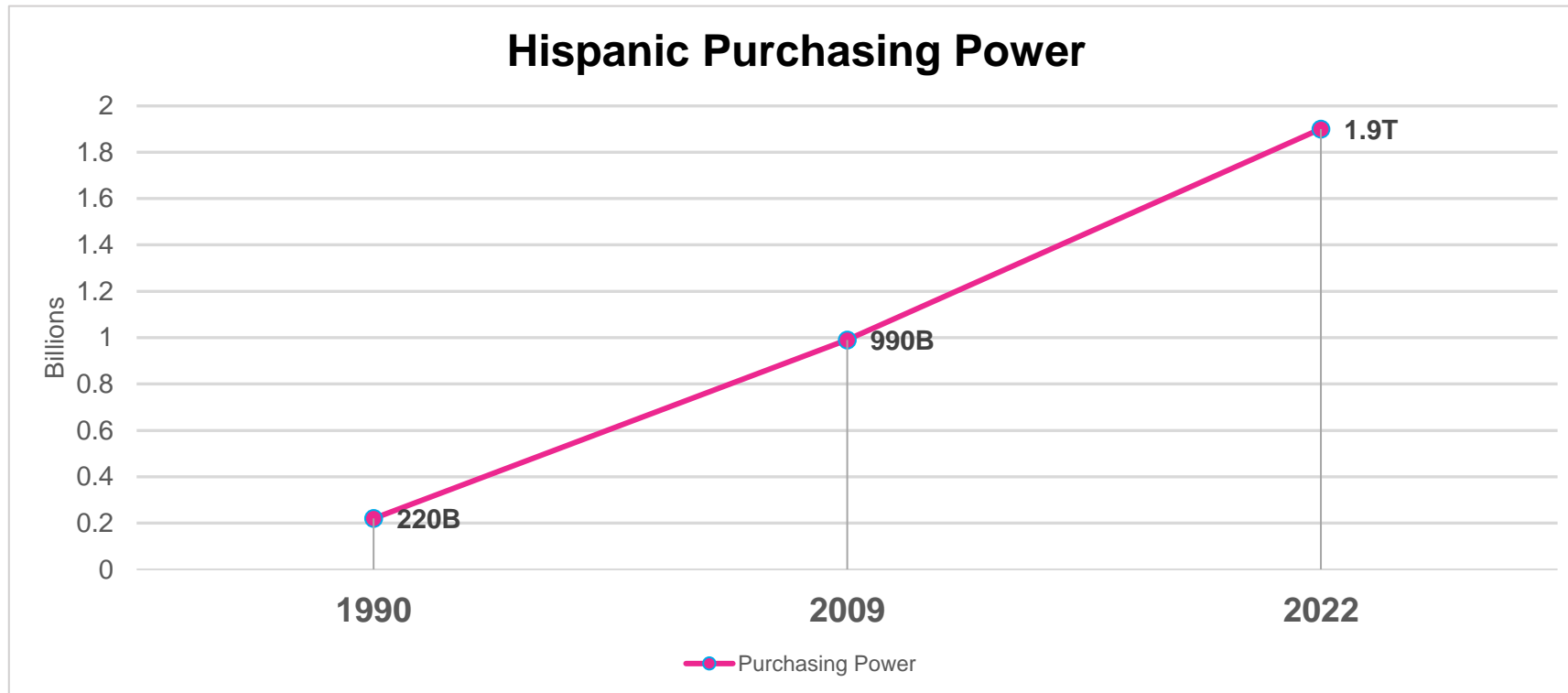


US Population Projections 2050



HISPANIC PURCHASING POWER

Hispanics' purchasing power doubled since 2009 and increased almost 9 times since 1990.



**Stereotyping of Hispanic Americans in US Magazine Advertising-International Journal of Diversity in Organization*

HISPANIC PURCHASING POWER

In 2022, Hispanics' purchasing power is *second only to White/Caucasians*.



**White/Caucasian:
\$14.2 trillion**



**Hispanic/Latino:
\$1.9 trillion**



**Black/African American:
\$1.6 trillion**



**Asian American:
\$1.3 trillion**

REPRESENTATIONS OF HISPANICS IN ADS

With such high purchasing power, *why are they so still so underrepresented?*

Representation	Analysis of magazine ads from selected magazines (1998,2003,2004)	% of US population - 2000	Analysis of Superbowl 2021 TV ads	% of US population - 2022
Hispanic	9%	13%	12%	19%
Black	5%	13%	29%	13%
Asian	1%	4%	6%	6%

SUPER BOWL ADVERTISERS FELL SHORT ON KEY DIVERSITY AND INCLUSION MEASURES, ANALYSIS SHOWS.

The ads got particularly bad scores when it comes to “cultural relevance”, especially from Hispanic audiences, according to a new report from the ANA's diversity arm.

*Stereotyping of Hispanic Americans in US Magazine Advertising-International Journal of Diversity in Organization

**Based on 44 of the 58 SB ads analyzed by AIMM

***AdAge

REPRESENTATIONS OF HISPANICS IN ADS

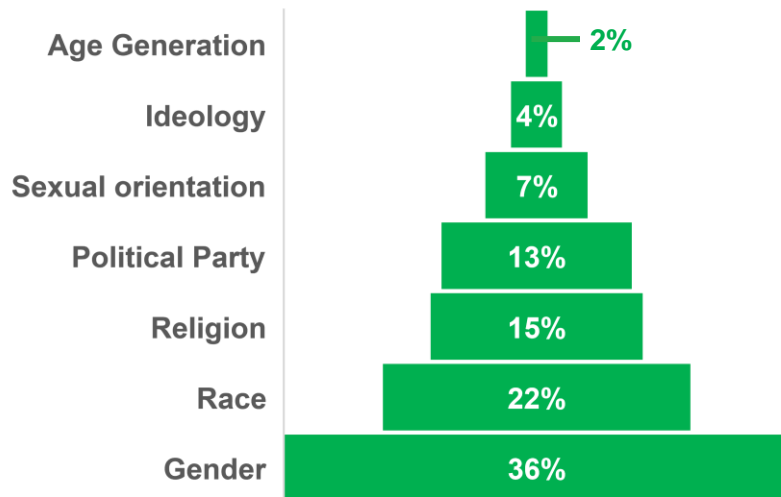
Authentic representation of Hispanics in ads has improved through the years.



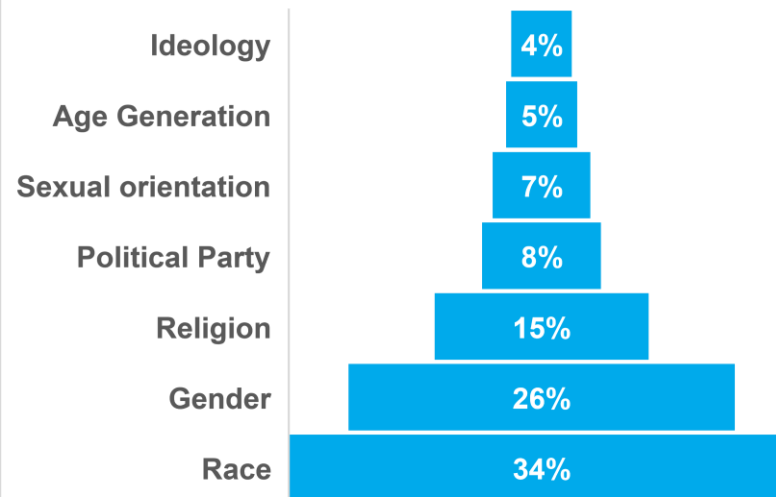
HOW DO YOU DESCRIBE YOURSELF?

Hispanics are likely to describe themselves first in terms of **gender**, then **race**, and finally **religion**.

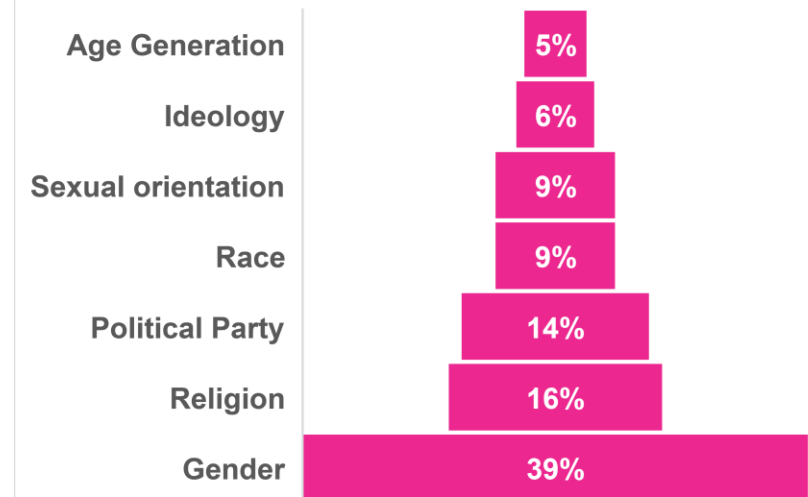
Hispanic/Latino



Other Ethnic Minorities



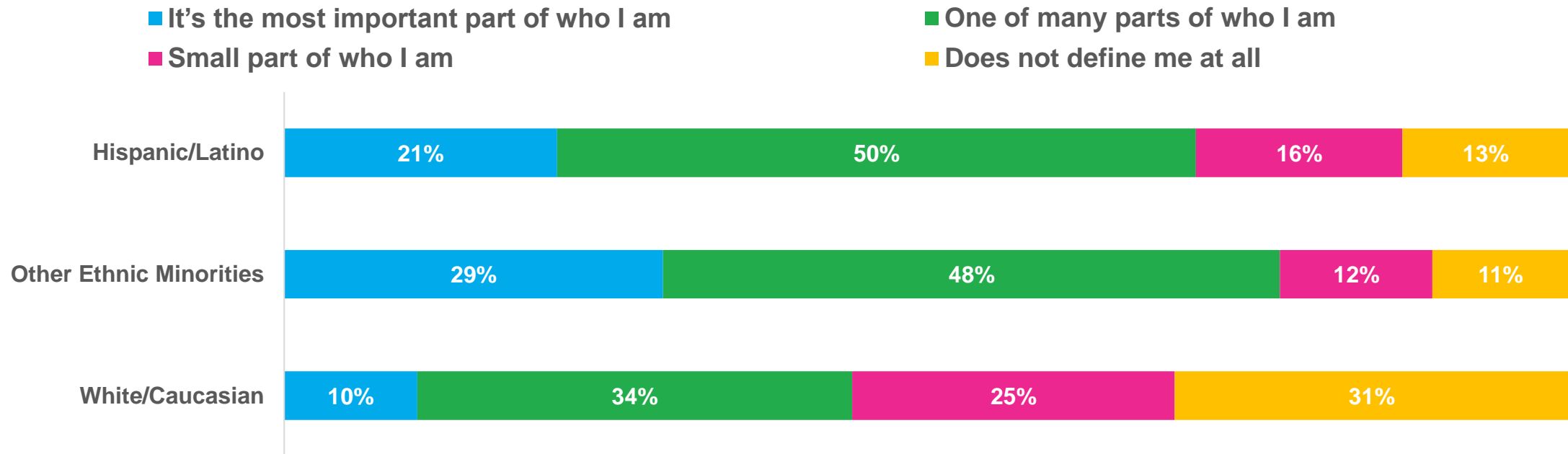
White/Caucasian



IMPORTANCE OF RACIAL IDENTITY

For Hispanics, race is *just one of many parts* of who they are.

Importance of racial identity



SECTION 2

HISPANIC REPRESENTATION IN ADS

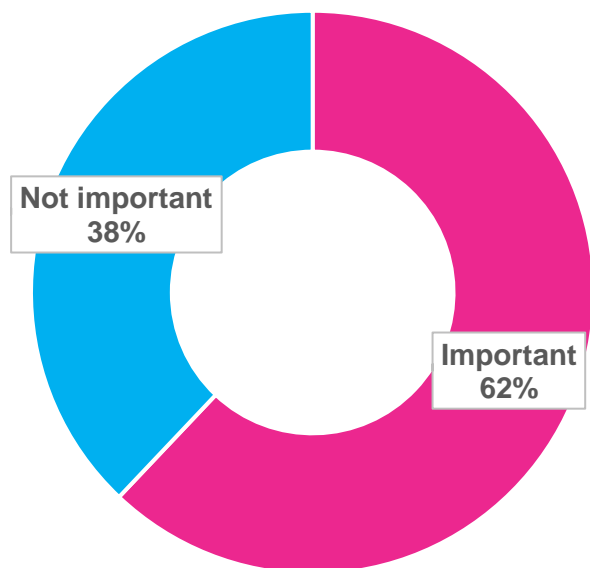
HOW IS DIVERSITY PORTRAYED IN ADS TODAY?



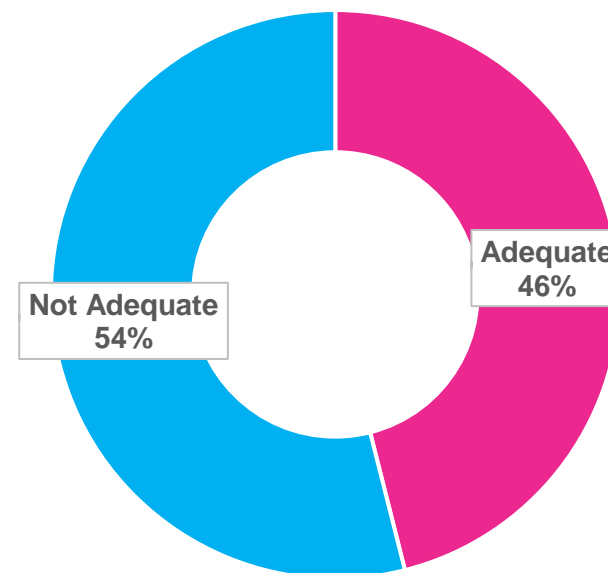
REPRESENTATION IN ADS/MARKETING

Representation is important but most Hispanics *do not think it is adequate*.

Importance of being represented in ads

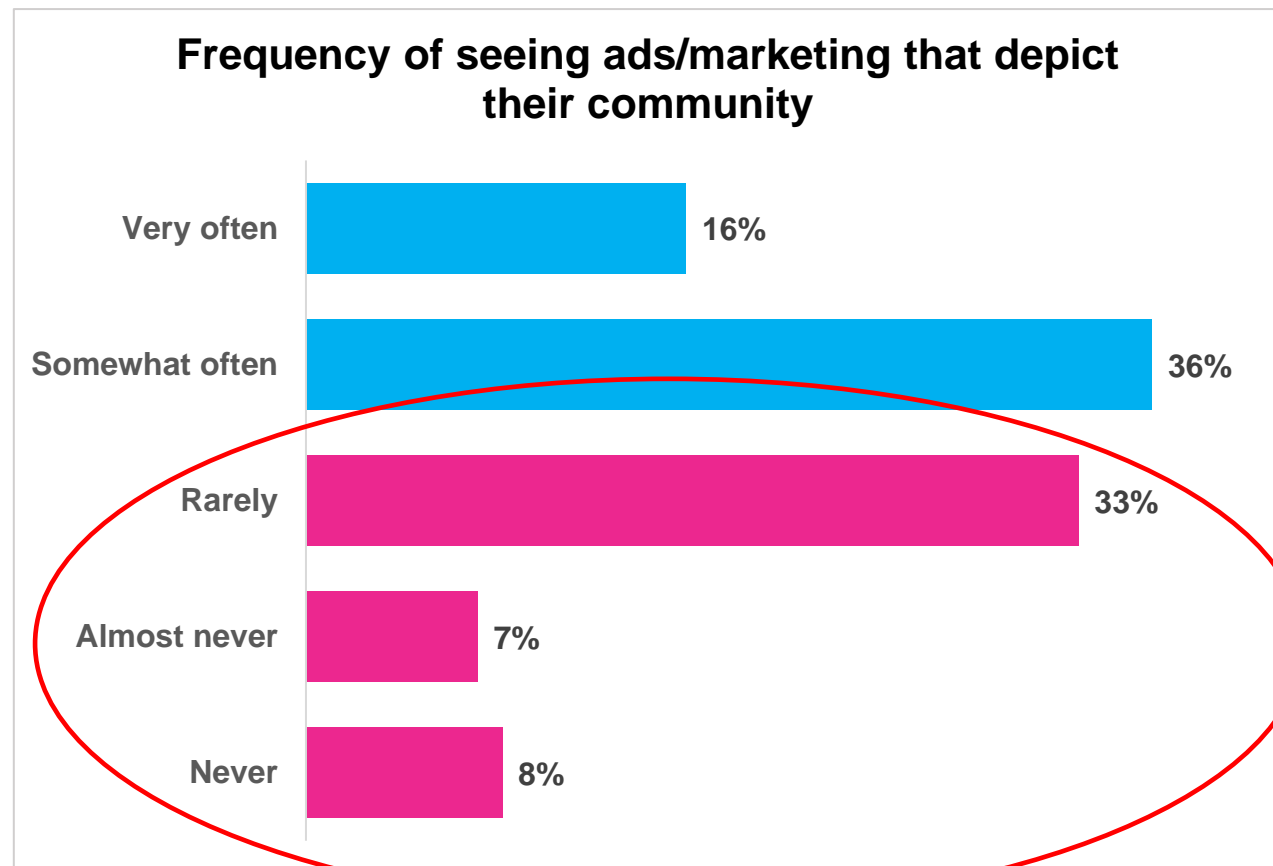


% Think they are adequately represented in ads



FREQUENCY OF REPRESENTATION

Almost half of Hispanics rarely, almost never, or never see ads representing them.



QUANTITY VS. QUALITY

Lack of adequate quantity is only half the problem.
Almost half of the Hispanic respondents *do not think they are accurately represented.*

46%

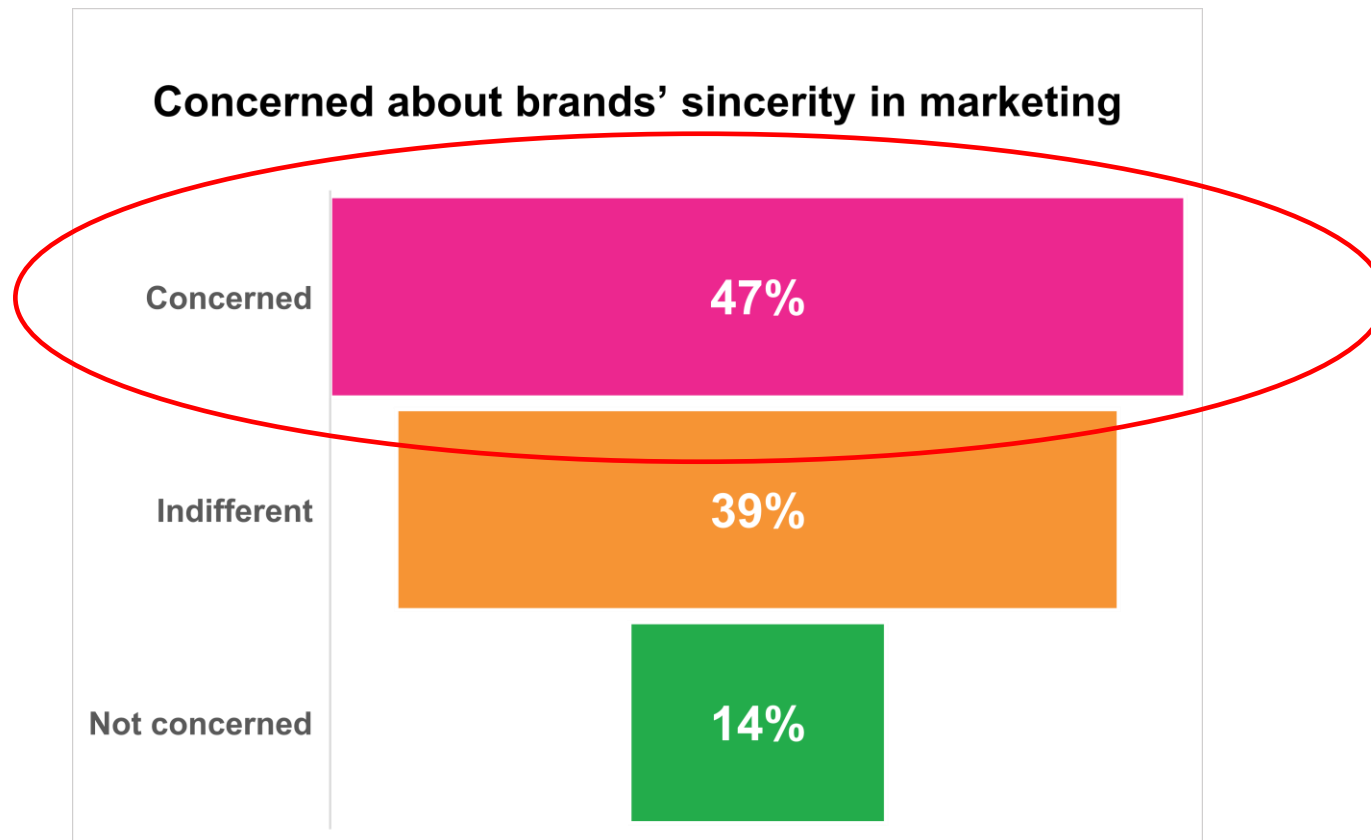
Have not seen ads/marketing depicting their community in the past year

45%

Said ads/marketing seen *not accurately represented* their community

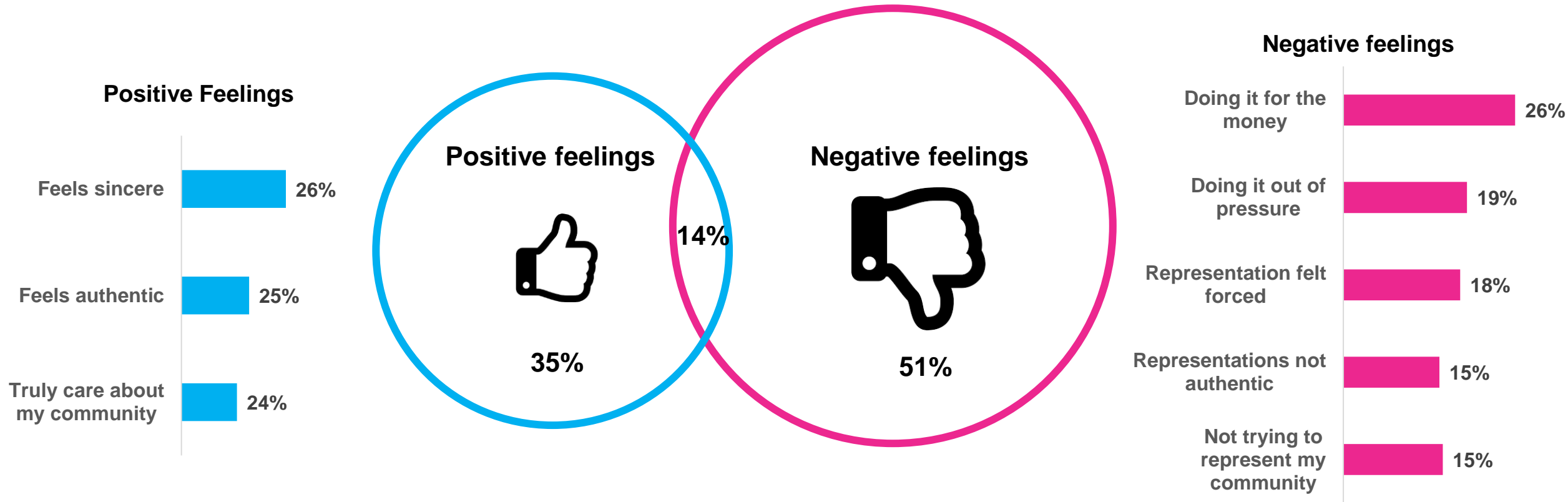
CONCERNS ABOUT QUALITY OF REPRESENTATION

The lack of accurate representation makes Hispanic consumers question the sincerity of brands.



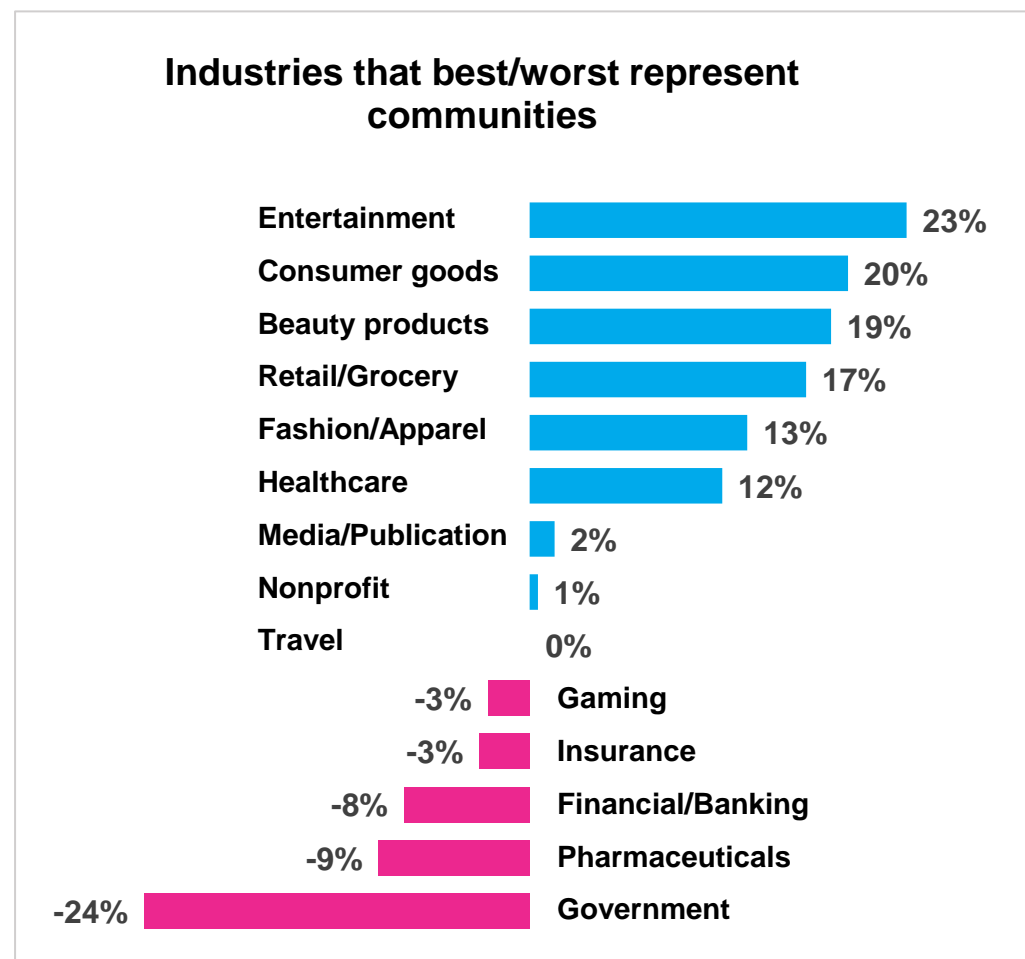
FEELINGS TOWARD BRANDS 'ATTEMPTING' ACCURATE REPRESENTATION

Lack of accurate representation creates negative feelings towards brands.



INDUSTRY SPECIFIC REPRESENTATION

Some industries understand their Hispanic consumers – *others don't.*



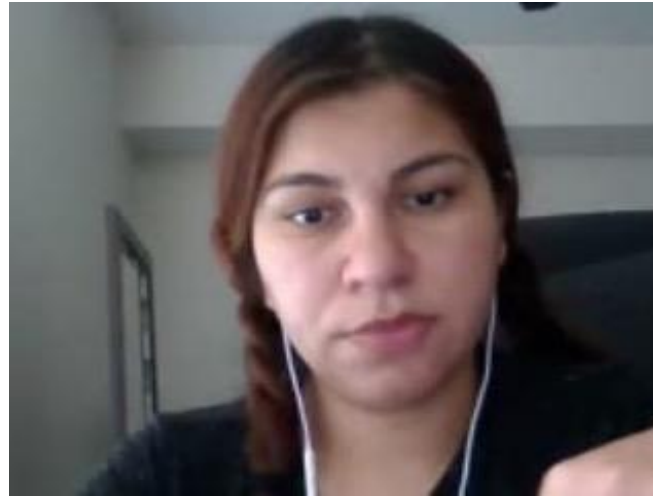
IMPACT OF NOT AUTHENTIC REPRESENTATION

Hispanic consumers will talk with their wallets if brands do not make the effort to *represent them or if representation is perceived as nongenuine or authentic.*

49%

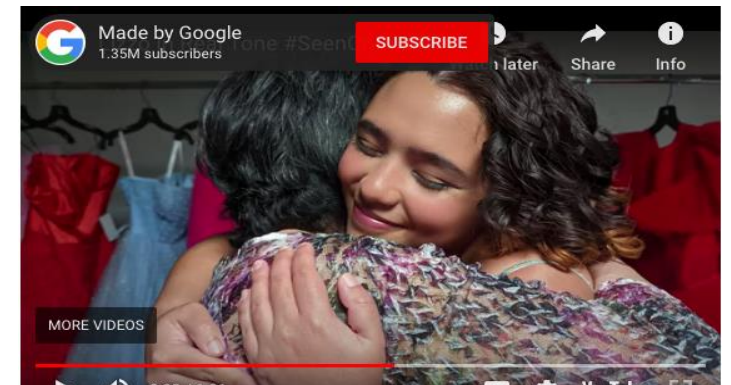
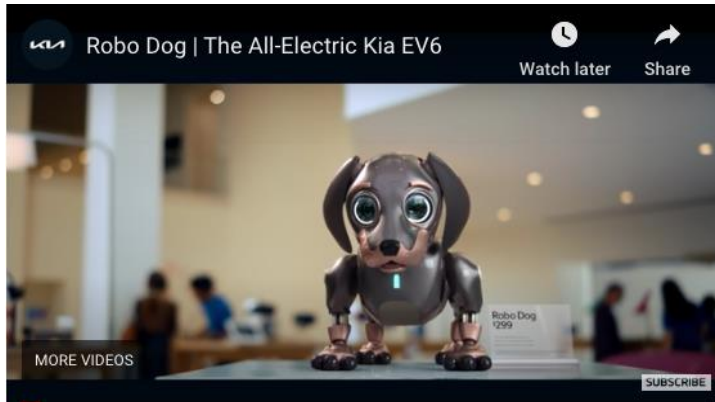
***Avoided purchasing** from a brand either because ads did not speak to them, did not seem sincere, or didn't accurately represent them.*

LISTEN TO THE EXPERTS – WHAT DOES DIVERSITY IN ADVERTISING MEAN TO YOU?



DIVERSITY INCLUSIVE VS. NON-DIVERSITY INCLUSIVE ADS PERFORMANCE

SOME OF THE ADS WE TESTED



DIVERSE & NON-DIVERSE ADS – DIFFERENCES AMONG HISPANICS

Hispanics *relate to diversity of all types.*

Hispanics like both diverse and non-diverse ads similarly, but diverse ads were seen as *more unique* and *more relatable*.

%=Diversity Inclusive ads-Non-Diversity ads

-3%

Ad Likability

+9%

Ad was different

+5%

Ad was relatable

+7%

People were relatable

DIVERSE & NON-DIVERSE ADS – DIFFERENCES AMONG HISPANICS

There was no impact on information relevancy, but diverse ads were perceived as **more motivating**.

%=Diversity Inclusive ads-Non-Diversity ads

-2%

Info was relevant

+11%

Info was believable

+13%

Made brand look different

+7%

Would purchase/use

DIVERSE & NON-DIVERSE ADS – DIFFERENCES AMONG WHITE/CAUCASIANS

Diverse ads were rated as *more motivating among White/Caucasian* respondents as well.

%=Diversity Inclusive ads-Non-Diversity ads

-1%

Ad Likability

+6%

Ad was different

0%

Ad was relatable

-2%

People were relatable

-4%

Info was relevant

+9%

Info was believable

+2%

Made brand look different

+6%

Would purchase/use

KEY TAKEAWAYS

1. For Hispanics, their race is just one part of who they are.
2. Hispanics feel underrepresented and misrepresented in ads.
3. Hispanics see right through efforts to represent them in ads that are not authentic, not genuine, and not culturally relevant.
4. Hispanics will think twice about purchasing brands that try to represent them in a non-authentic way.
5. Diversity of all types in ads resonates and motivates Hispanics if seen as authentic and sincere.

IMPLICATIONS FOR BRANDS

1. **Need for culturally relevant and sincere representation:** Do not assume all Hispanics are the same. They are ethnically diverse and there are cultural nuances among them, so a “they are all the same” strategy or superficial efforts to appeal to all may backfire.
2. **Need to reach them more frequently:** Strengthen efforts to reach out and speak to Hispanic consumers in an authentic and culturally relevant way. Their power continues to grow, and brands will be left behind if they do not establish a relationship with this group.
3. **Diversity is valued:** Hispanics are an integral part of the American society, have the same needs as everybody else and value all types of diversity. Diversity ads, if well-done, are likely to appeal to Hispanics and will not alienate other groups.

ABOUT LAB42

Lab42 is a full-service quantitative market research firm that fills a gap in the industry by combining a highly consultative, professional approach while still being cost effective and nimble. The Company's offerings include a full suite of market research services - from brand equity, PR studies, optimization studies (like ad tests and concept tests) to advanced analytics and infographics.
