

A black and white photograph of a young woman with dark, curly hair, smiling and looking off to the side. She is wearing white earbuds and holding a black smartphone in her hands. The background is blurred, suggesting an outdoor setting.

H | CODE

2021

**HISPANIC
DIGITAL
FACT PACK**



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**AS THE NATION'S LARGEST
MULTICULTURAL SEGMENT, WE SEE
HISPANICS AS THE KEY GROWTH FACTOR
THAT BRANDS NEED TO BE INVESTING IN
FOR 2021 AND BEYOND.**





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Letter from the CEO

With 2020 behind us, it's safe to say that the past year has been challenging. However, despite all of its challenges, we learned to push forward. Often, we found ourselves questioning whether our choices were the right ones and how our daily lives would be affected long-term. More often than not, we turned to data as the single source of truth in being able to validate our decisions. It's with that data that we were able to test out hypotheses, creating the unbiased conclusions needed to press on.

Looking ahead at 2021, we're living in the new normal, and in this new era brands need to make quick, concrete business decisions. We understand just how important it is to be able to pivot at a moment's notice and it's our job to provide the research that brands need to grow. Our H Code Intelligence Center provides a constant pulse on the ever-changing Hispanic sentiments, opinions and habits. As the nation's largest multicultural segment, we see Hispanics as the key growth factor that brands need to be investing in for 2021 and beyond. Favorability in the eyes of U.S.

Hispanics means sustained growth in the years ahead.

Being tapped into the high quality insights and metrics provided by the H Code Intelligence Center will make or break businesses looking to weather the storm and grow. We're excited to share the results of our latest iteration of the **Hispanic Fact Pack** building on last year's knowledge, containing updated insights which highlight just how much this audience craves a tailored approach, especially as brands are building out their monthly, quarterly and yearly plans.

Parker Morse
Parker Morse
CEO & FOUNDER

METHODOLOGY

The 2021 Hispanic Digital Fact Pack was produced by H Code and uses data collected from the H Code Intelligence Center’s 2021 Hispanic Digital Consumption Survey, administered from Dec 14 to Dec 27, 2020. The study surveyed 1,269 Hispanic/Latinx respondents — both English- and Spanish-speaking — and is representative of all main geographical areas of the United States. All data in this report is from the latest Hispanic Digital Consumption Survey unless otherwise stated.



EXECUTIVE SUMMARY

The past year shifted everyone’s lives, from their priorities and mindset to their everyday habits. For U.S. Hispanics and other multicultural audiences, the last year was particularly difficult as these communities were disproportionately affected by the Coronavirus pandemic. In order to provide insight into the nuances, attitudes, and digital consumption habits of the Hispanic consumer market as they are today, H Code delved deep to produce its 2021 Hispanic Digital Fact Pack.

Our learnings reconfirm that Hispanics are an increasingly engaged community online both with loved ones as well as with brands. This audience is adopting new technologies rapidly and are looking to connect with advertisers who not only want to connect with them, but who also understand the importance of culture to the Hispanic consumer. Despite the past year’s challenges, there is still an overwhelming opportunity for the marketing and advertising industry to truly examine this audience and engage with them through the digital channels they love.



KEY TAKEAWAYS

Platforms & Devices

- **The smartphone (89%)** is the most selected device when Hispanics are asked which devices they use to connect to the internet, followed by **laptops (70%)** and **smart TVs (51%)**.
- **Smart TVs** have grown in popularity: In 2020, **42%** of Hispanics connected to the internet through their Smart TVs, demonstrating a growth of almost **20% YOY**.
- Smart TVs have replaced tablets as the third device Hispanics use most when connecting to the internet, showing the impact of the COVID-19 pandemic on consumption as well as device and entertainment preferences.

Entertainment

- **3 in 4** Hispanics agree that the internet is their primary source of entertainment.
- **4 in 5** agree that they like to play video games because it allows them to spend time with friends.

Social Media

- As the pandemic forced Hispanics indoors, and by actively seeking ways of entertaining themselves, YouTube became the preferred social platform, dislodging Facebook from the top. **YouTube** use among the segment increased 8% since last year to **77%**, while **Facebook** fell by 5% to **74%**.

- The use of social platform **TikTok** among U.S. Hispanics has grown by **290%** in just a year. In 2020, only **10%** of our Hispanic respondents were TikTok users. In 2021, that number grew to **39%**, showcasing the platform’s incredible growth over the last 12 months.
- **3 in 5** Hispanics say they are most likely to see digital ads on social media platforms.

Brand Advertising

- **70%** of Hispanics this year do not think brands understand Hispanic/Latinx culture, compared to 59% the year before showing that brands are still missing the mark when resonating with this audience
- **93%** of Hispanic respondents said it was important for brands to be socially responsible.

U.S. Hispanics Today

- **58%** of Hispanics say they prefer to identify as “Hispanic,” followed by “Latino/a” at 25% and “Latinx” at a shockingly low 4%.
- Only **15%** say that language is the most influential factor in getting them to click on an ad.

HISPANICS IN THE U.S.

The Hispanic population is one of the fastest-growing racial or ethnic groups in the United States. Hispanic consumers as they are today are innovative, digital-first, increasingly diverse and bilingual, affluent, and so much more. Although so much can be said of the Hispanic audience beyond demographics, the impact and spending power this powerful consumer market has on American society and business is undeniable.

IN PERSPECTIVE



In the past decade, Hispanics have accounted for **52%** of all U.S. population growth and continue to outpace other non-Hispanic groups

The United States is home to almost 61 MM Hispanics, with a median age of **30**, making them the youngest racial or ethnic groups in the nation



Hispanics account for 18.5% of the U.S. population, meaning: **1 in 5** people in the United States of America is Hispanic

SPENDING POWER

In the last decade, Hispanic consumption grew **133%** faster than non-Hispanic consumption



If U.S. Hispanics were their own country, they would rank as the **8th** largest economy in the world

Hispanics drive the U.S. economy and have a GDP of **\$2.6T**



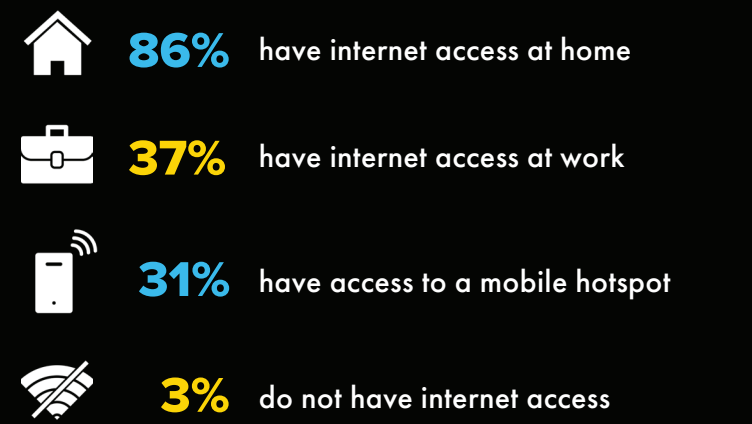
The U.S. Hispanic GDP is growing **72%** faster than the nation's economy overall

INTERNET USAGE

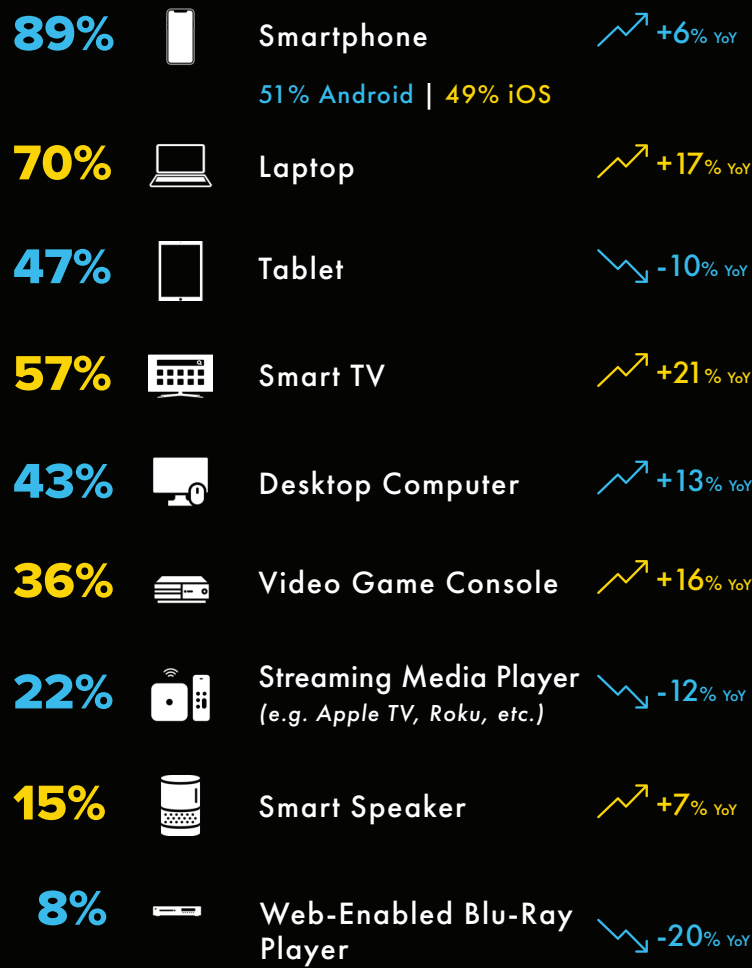
When it comes to internet usage, most U.S. Hispanics access the internet at home through various devices, and smartphones remain the top device of choice for the Hispanic audience, followed by laptop computers. Interestingly enough, this year our findings show that smart TVs — not tablets — are the third most used device among Hispanics when using the internet. This shift can perhaps be attributed to the impact of the pandemic and the increased need for entertainment as Hispanics and those across the nation stay home. In spite of this year's changes, it remains true that the Hispanic community stays constantly connected, leveraging the internet and technology to speak with loved ones, consume content, research products, shop, stream, and so much more.

INTERNET
USAGE

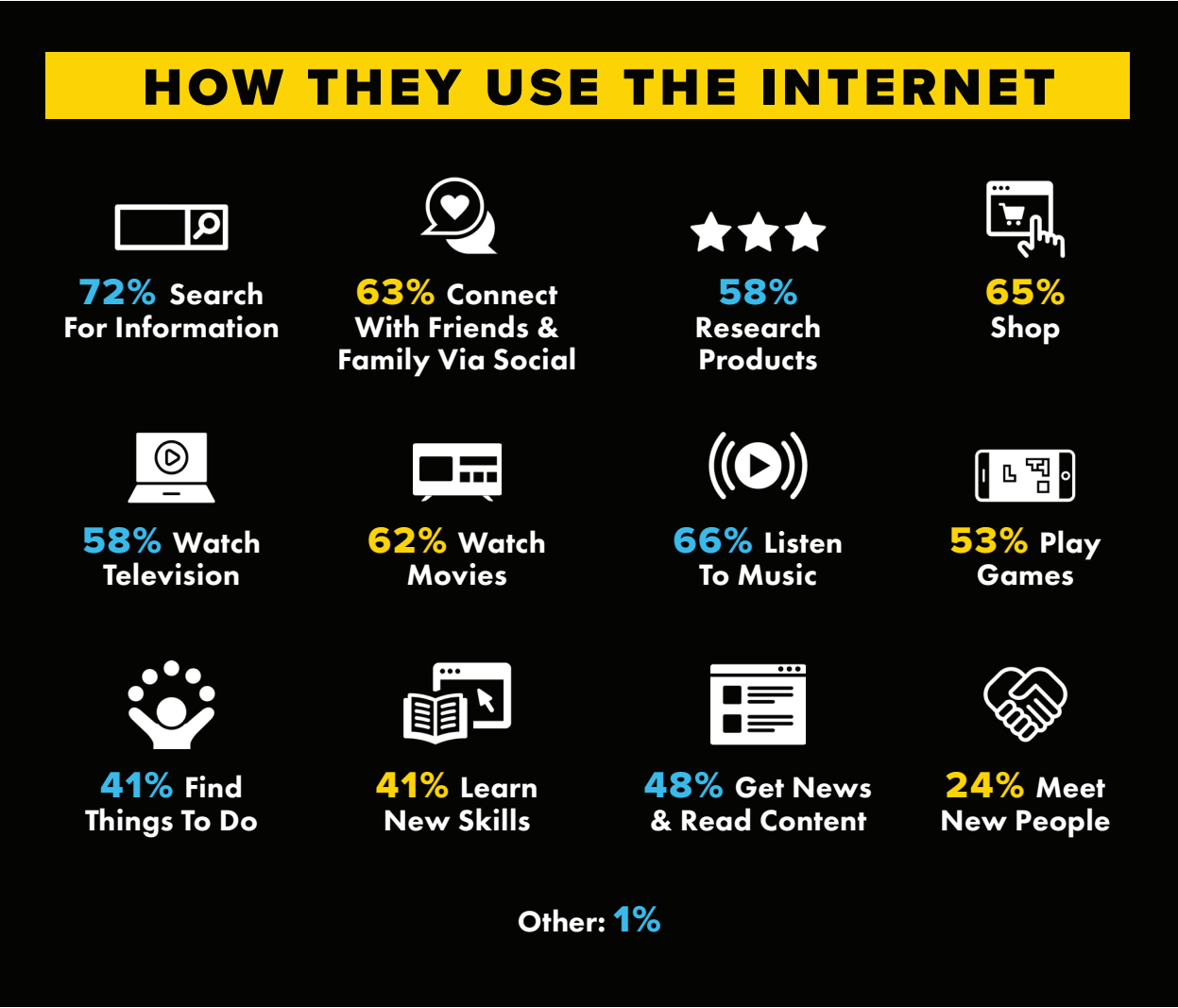
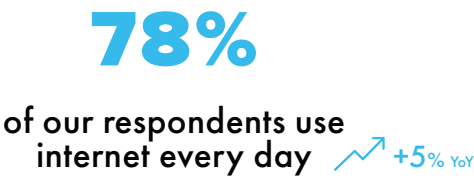
WHERE DO
U.S. HISPANICS
HAVE ACCESS TO
THE INTERNET?



WHICH DEVICES
DO THEY USE TO
CONNECT TO THE
INTERNET?



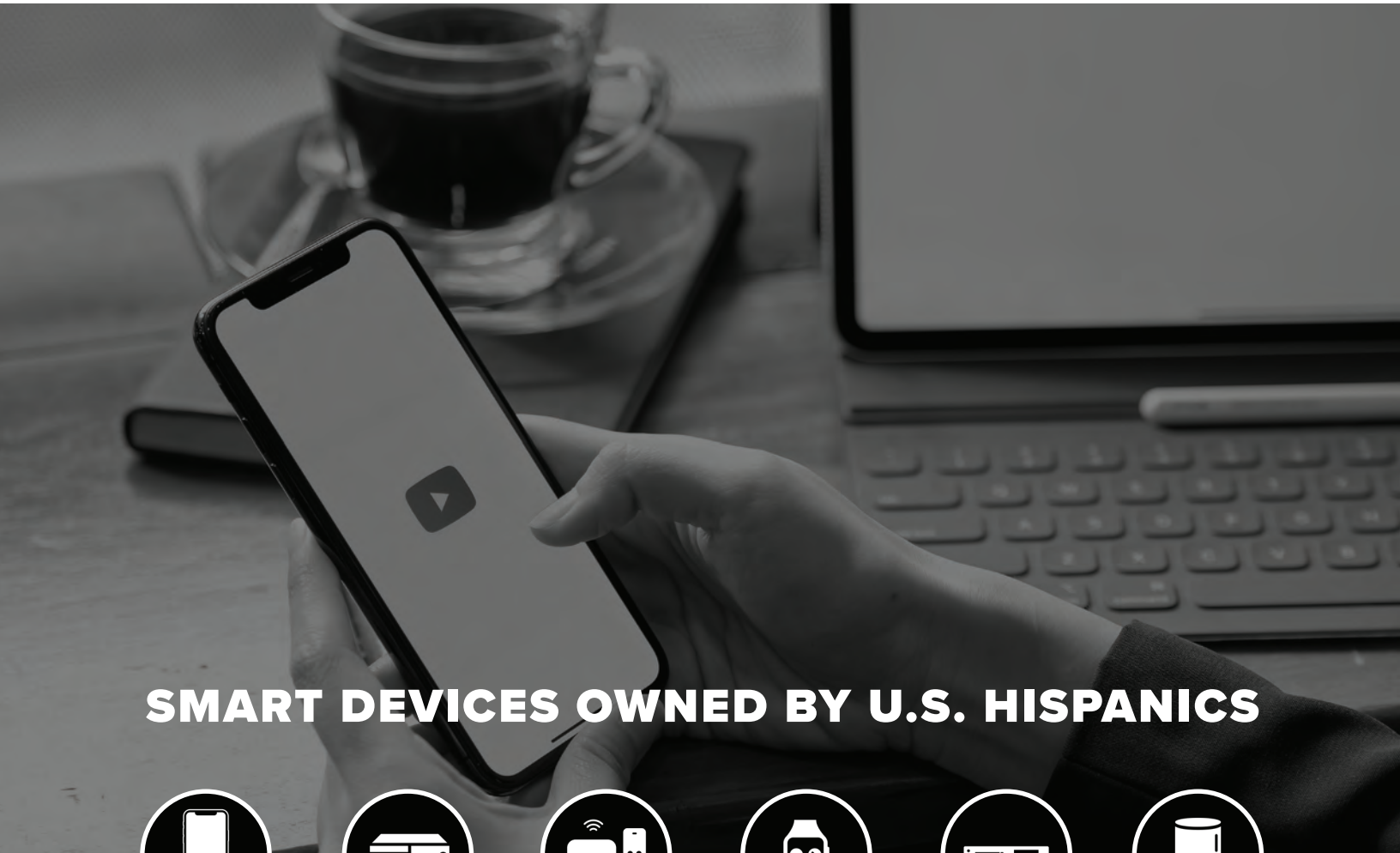
HOW OFTEN DO HISPANICS
USE THE INTERNET?



PLATFORMS & DEVICES

For Hispanics, smartphones are a given when it comes to top platforms & devices, with a significant 95% of our respondents owning a smartphone. In regards to other tech, the Hispanic audience remains forward-thinking, adopting smart technology throughout their life and throughout their household. The vast majority of these consumers stream video and audio content online. And in fact, 1 in 2 Hispanics is a cord cutter and does not have a cable subscription at home. Almost 3 in every 4 Hispanics also own a gaming console and our findings also show that the Hispanic community is more likely to download or play a game if it's recommended by their friends and family. And in actuality, no matter the particular audience segment a brand is trying to reach, targeting this consumer group also presents a huge opportunity for advertisers to leverage word of mouth and engage with a larger connected network of consumers across devices and channels.

PLATFORMS & DEVICES



SMART DEVICES OWNED BY U.S. HISPANICS



96%

Have A Smartphone

+3% YoY



69%

Have A Gaming Console

+10% YoY



48%

Have A Streaming Media Player

+10% YoY



47%

Have A Smartwatch

+9% YoY



33%

Have A Web-Enabled Blu-Ray Player

+18% YoY



53%

Have A Speaker

+77% YoY

HISPANICS & GAMING

50% identify as a gamer



I ALSO USE MY GAMING CONSOLE TO:

53%

Play video games

31%

Browse the Internet

30%

Stream music

28%

Stream movie

21%

Stream television

18%

Play DVD movies

16%

Shop and make purchases

9%

Listen to the CDs

26%

None of these

CONNECTED TV



56% have a cable subscription ↘ -8% YoY

8 IN 10 Hispanics use CTV platforms or services

The most popular streaming services among Hispanics are Netflix, Amazon Prime Video, and Disney+

NETFLIX

prime video

Disney+

DIGITAL AUDIO

83% listen to audio content or music online ↘ -2% YoY

When listening to digital audio platforms, **82%** listen to music, 9% listen to podcasts, 6% to news, and 2% to sports

The most popular digital audio platforms among Hispanics are Spotify, Apple Music, and YouTube Music

Spotify

Apple Music

YouTube Music



SOCIAL MEDIA

1 IN 2 use social media for a minimum of 6+ hours every week  +2% YoY



56% say social is where they are most likely to notice a digital ad

















53% say they usually learn of new brands and products on social media



69% don't mind if an influencer promotes a brand as long as it seems authentic and sincere  -12% YoY

Which social platforms or services do you use?

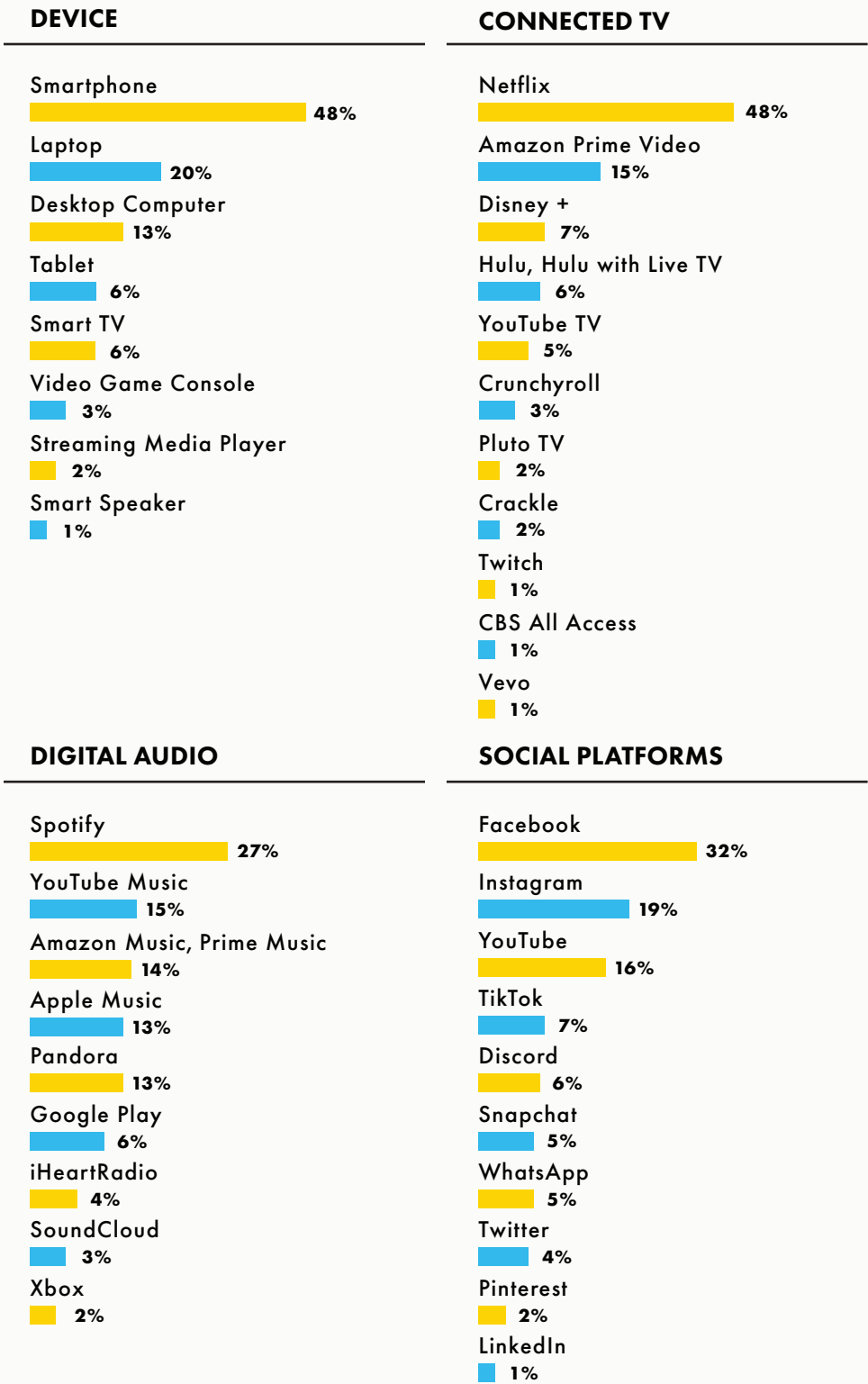
Youtube	77%		+8% YoY
Facebook	74%		-5% YoY
Instagram	67%		+3% YoY
Snapchat	44%		+3% YoY
WhatsApp	38%		-7% YoY
Pinterest	35%		-2% YoY
Twitter	40%		+18% YoY
Tiktok	39%		+290% YoY
Discord	22%		+450% YoY
Reddit	20%		+66% YoY
Linkedin	19%		+5% YoY
Skype	16%		+7% YoY
Taringa	2%		+100% YoY
Other	1%		-75% YoY

ENTERTAINMENT & TIME SPENT

U.S. Hispanics are a tight-knit community, a fact that remains true in everyday life but also online. Especially true this year, the internet is a primary source of entertainment for this audience and also a powerful tool for the digital communities they often create. Hispanics are enthusiastic tech users and consumers of digital content, from articles and social media to digital audio and streaming video. For brands and advertisers, understanding the digital habits of the Hispanic consumer and leveraging the digital channels they use is paramount to really connecting with this audience as they spend time online.

MOST POPULAR

DEVICES & CHANNELS USED MOST BY HISPANICS



TIME SPENT

A TYPICAL WEEK FOR HISPANIC CONSUMERS

AVERAGE TIME SPENT EVERY WEEK...							
	1-2 Hours	3-5 Hours	6-9 Hours	10-15 Hours	16-19 Hours	20+ Hours	N/A
Using The Internet On A Smartphone	12%	17%	17%	17%	11%	20%	7%
Using The Internet On A Tablet	16%	18%	12%	9%	5%	7%	32%
Using The Internet On A Video Game Console	16%	18%	13%	10%	5%	5%	33%
Listening To Music Online	18%	24%	19%	13%	8%	9%	9%
Watching Videos Online	20%	23%	17%	15%	6%	10%	10%
Streaming Television And/Or Movies Online	16%	25%	19%	14%	6%	11%	10%
Watching Cable TV	16%	14%	13%	11%	7%	8%	31%
Playing Video Games	19%	17%	15%	11%	6%	8%	25%
Reading E-books	17%	13%	9%	6%	4%	3%	49%
Messaging Apps	27%	25%	17%	10%	4%	5%	13%
E-mailing	38%	18%	10%	8%	4%	4%	17%
On Social Media	19%	24%	18%	16%	6%	8%	10%
Speaking over the Phone	32%	21%	14%	8%	5%	5%	14%
Texting	30%	26%	14%	9%	5%	8%	9%
Video Chatting	24%	18%	11%	7%	4%	3%	33%

THE IMPACT OF COVID-19 ON THE TIME OF U.S HISPANICS



64% of Hispanics spending more time connected.

How has COVID changed your digital consumption habits?

- I am now spending more time connected **64%**
- I am now spending less time connected **16%**
- I am spending the same amount of time connected as before **20%**

	1 Hour More	2 Hours More	3 Hours More	4 Hours More	5 Hours More	Same	Spend Less Time
Streaming TV/ movies than before the pandemic?	10%	19%	18%	17%	12%	21%	2%
Playing video games than before the pandemic?	11%	13%	17%	11%	13%	25%	9%
Streaming online audio than before the pandemic?	10%	15%	20%	13%	12%	25%	4%

USH BEHAVIOR & OPINIONS

Hispanic culture has contributed and influenced American culture and society in immeasurable ways. For Hispanics, culture is incredibly important and influences various aspects of their lives. Advertising and marketing to Hispanics in the United States requires an understanding of the impact culture has on this powerful demographic and the nuances that exist within that culture and across audience segments, especially as 71% of Hispanics are more likely to think favorably about a brand or purchase products if they make an effort to include elements of their culture. As of late, U.S. Hispanics are also interested in brand values and looking to engage with those who support their community or take the time to understand what matters most to them.

INTERNET

The internet is a powerful tool I use to stay connected with friends and family (83%).

The internet is my primary source of entertainment (74%).

I spend less time listening to the radio or watching TV at home because of the internet (59%).

The internet has changed the way I get information about products and services (82%).

DIGITAL ADS

An ad that shows my culture is more likely to connect with me (64%).

There should be more ads specifically made to resonate with the Hispanic community (57%).

I don't have a preference to the language of digital ads as long they match language of the surrounding content (64%).

There should be more ads specifically made to resonate with the Latinx community (71%).

I take notice of bilingual advertising campaigns because they reflect my own experience (70%).



BRANDS

It's about time that brands recognize the power of the Latinx community (71%).

I do not think brands target Latinxs enough or understand Latinx culture (70%).

If a brand makes an effort to include elements of my culture, I am more likely to think favorable of them or purchase their products. (71%)

Once I find a brand I like, I stay loyal to that brand (71%).

CULTURE

Culture is incredibly important to who I am (68%).

My culture is a mixture of American and Latinx culture (70%)

As I have grown older, my cultural identity has been influenced by other cultures or subcultures (65%).

I am more likely to watch TV programs, movies, or videos that showcase my culture (63%).

I preferred to be adressed as Hispanic (70%).



BRANDS, **COMMUNITY** & VALUES

76%

of our respondents are more likely to shop from a brand that shares their values

24%

of our respondents are less likely to shop from a brand that shares their values

74% are more likely to purchase from a brand that supports their community or causes you care about.



60% are more likely to switch brands to a more expensive one if they share your views on helping the community and the environment

68% say it is important for brands to be socially responsible.



66% use social media to share messages helping the community (sharing stories, rising awareness)






THE U.S. HISPANIC MARKET TODAY

Previous marketing playbooks are no longer relevant, not only because of the effects of the past 12 months but also because today’s Hispanic community is not the same as decades past. The U.S. Hispanic market today contributes significantly to the nation’s economy, culture, and more. And with the fast growth of this evolving consumer market, Hispanic preferences towards entertainment, language, content, etc. have also changed, reinforcing the need for advertisers to look beyond demographics and deeply examine and understand the segment they are trying to reach in order to succeed and create authentic, lasting connections.

ENTERTAINMENT PREFERENCES



66%  -2% YoY
prefer to stream music
via the internet or
mobile applications




40%  +0% YoY
prefer to watch
television programs
online via streaming
platforms like Hulu,
Amazon Prime, etc.



47%  -6% YoY
prefer to watch movies
available via video
streaming platforms like
Netflix, HBO Now, etc.




42%  -2% YoY
like to play video
games by themselves



34%
are more likely to watch
news on Live TV

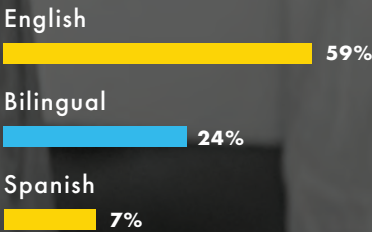


68%  +21% YoY
are more likely to play
a game if they see that
it is popular among
people that share
similar cultural values
or backgrounds as them

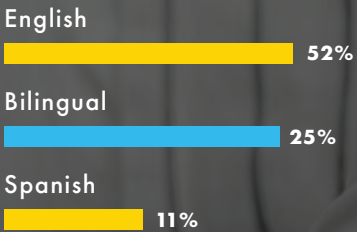
LANGUAGE PREFERENCES

When it comes to the Hispanic market, the audience has shown a preference in English or Bilingual ads, demonstrating that the outdated marketing practice of translation does not ensure success for advertisers and their campaigns. This diverse, engaged community consumes content across languages as well as across interests, mediums, and platforms — an immense opportunity for brands who use data on language preferences and their audience to inform their marketing practices.

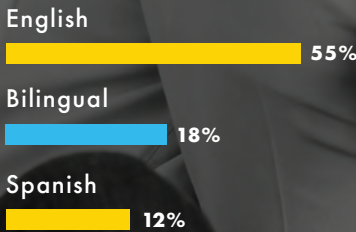
WATCHING MOVIES



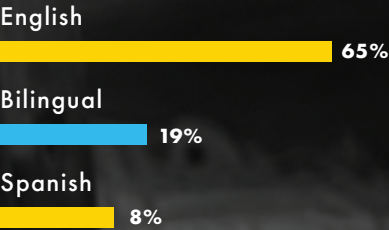
LISTENING TO MUSIC



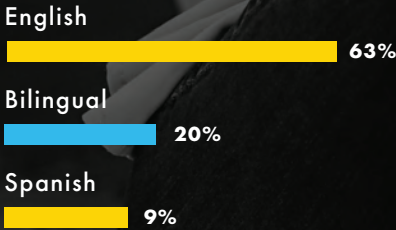
WATCHING SPORTS



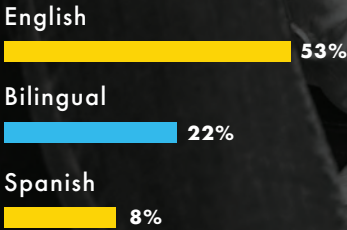
SEARCHING FOR INFO ONLINE



READING



POSTS OF SOCIAL INFLUENCERS



59% of Hispanics prefer ads in English.

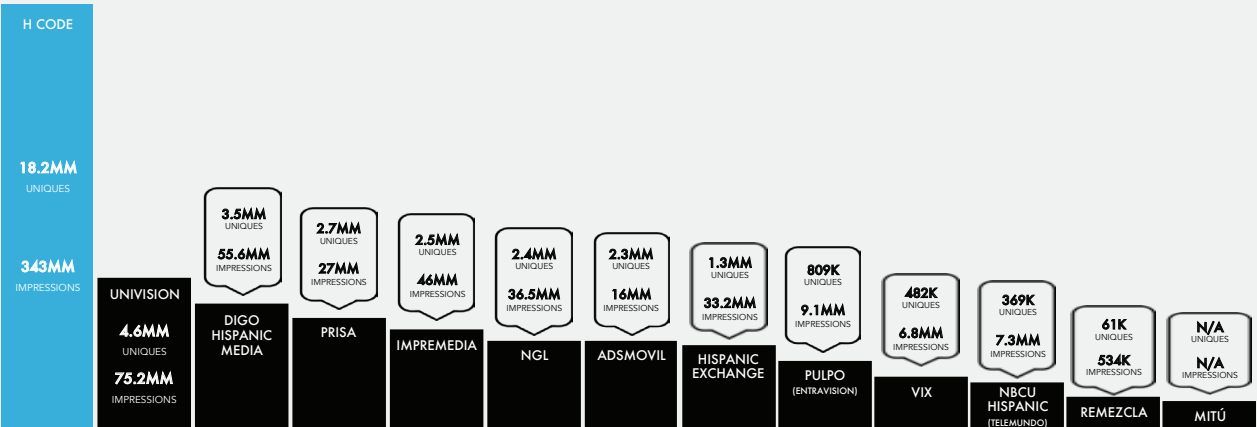
-3% YoY





THE #1 PARTNER FOR HISPANIC REACH

LEADING U.S. HISPANIC ADS.TXT INVENTORY VS. DIGITAL PEER SET (OVER 1 WEEK)



Note: These numbers are not inclusive of Programmatic Guaranteed High Impact which increases available inventory by 2x

About H Code

Founded in 2015, H Code has solidified its place as the largest Hispanic digital media company in the United States. Committed to reaching Hispanic audiences at scale, H Code strives to leverage its learnings, brand equity, and expertise to shape the future of media by unlocking diverse audiences through data and authentic creative and content. Today, H Code’s employee base is 84% multicultural, 65% Hispanic/Latinx, and 49% female across its offices in the U.S. and Latin America.

Named one of the fastest-growing private companies in the nation by multiple outlets, H Code strategically brings together targetable data, exclusive inventory, authentic creative and custom content, and more to influence powerful Hispanic consumers every day through digital and integrated campaigns. Backed by its proprietary intelligence platform that derives insights from a robust influencer network and the largest Hispanic digital panel, H Code delivers the most impactful, data-driven strategies to effectively reach and influence multicultural audiences online with unmatched authenticity.

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