

EXPOSURE OF HISPANIC YOUTH TO ALCOHOL ADVERTISING, 2003-2004

“If you’re going to succeed in the beer business, you have to succeed in the Hispanic market.”

— Dow Jones Newswires, quoting Paul Mendieta, Molson Coors Brewing Co. director of Hispanic marketing¹

“The [Hispanic] segment is important not just to us, but to the industry.”

— Henry Dominguez, Anheuser-Busch vice president of Latino marketing²

Executive Summary

In August 2005, the Spanish-language television station WXTV in New York made headlines when it drew more prime-time viewers in the key demographic category of 18- to 49-year-olds than the stations owned by the big three networks of ABC, CBS and NBC.³ Spanish-language TV was the fastest-growing category of advertising spending in the first six months of 2005.⁴ Advertisers are catching up with what the U.S. Census revealed in

2000: Hispanics are the fastest-growing ethnic group in the United States.⁵ And, they are younger than the general population: 40% of Hispanics were under 21 in 2002, compared to only 30% of the general population.⁶

Alcohol producers, like most other consumer product industries, are seeking their share of the Hispanic market. The allure of this market is clear, given one estimate that Hispanic purchasing

power in 2004 reached nearly \$700 billion and will approach \$1 trillion by 2010.⁷ One example of the alcohol industry’s recognition of the importance of Hispanics is the recent move by Anheuser-Busch, makers of Budweiser and the nation’s largest brewer, to create a new vice presidential post to oversee Hispanic marketing in August of 2005.⁸ Dow Jones Newswires reported on other recent marketing initiatives to the Hispanic

¹ G. Edwards, “U.S. Brewers Woo Loyal And Growing Hispanic Drinkers,” *Dow Jones Newswires*, Friday, 16 September 2005.

² *Ibid.*

³ S. Elliot, “A Growing Passion For the Latino Market,” *New York Times*, Wednesday, 31 August 2005, sec. C, p. 8.

⁴ *Ibid.*; K. Bachman, “Nielsen: Spanish, Cable TV Ads Up in 2005,” *Adweek*, 30 August 2005. Available at http://www.adweek.com/aw/national/article_display.jsp?vnu_content_id=1001051092 (cited 20 Sept 2005).

⁵ U.S. Census Bureau, “Table 4: Difference in Population by Race and Hispanic or Latino Origin, for the United States: 1990 to 2000,” in *Population by Race and Hispanic or Latino Origin for the United States: 1990 and 2000 (PHC-T-1)*, 2 April 2001. Available at <http://www.census.gov/population/www/cen2000/phc-t1.html>, (cited 27 Sept 2005).

⁶ U.S. Census Bureau, “Table 1.1: Population by Sex, Age, Hispanic Origin, and Race: March 2002,” March 2002. Available at <http://www.census.gov/population/socdemo/hispanic/pp1-165/tab01-1.txt> (cited 19 Sept 2005).

⁷ HispanTelligence, “Hispanic Purchasing Power Surges to \$700 Billion,” May 2004. Available at <http://www.hispanicbusiness.com/news/newsbyid.asp?id=16041> (cited 11 October 2005).

⁸ “Anheuser-Busch shakes up marketing department,” *Advertising Age*, 8 August 2005, p. 1.

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community by U.S. beer makers:

- In addition to the Anheuser-Busch move, Molson Coors Brewing Co. has named a vice president charged with coordinating sales and marketing to Hispanics.
- SABMiller's Miller Brewing Co. has agreed to a \$100-million advertising package over three years with Spanish-language broadcaster Univision Communications Inc.⁹

In 2003 and 2004, 10 alcohol brands spent close to \$160 million to advertise on Spanish-language television.¹⁰ However, younger Hispanics are more likely to use English- than Spanish-language media.¹¹ The Center on Alcohol Marketing and Youth (CAMY) commissioned Virtual Media Resources (VMR) to analyze the exposure of Hispanic youth, ages 12 to 20, to alcohol advertising in English-language magazines, on English- and Spanish-language radio stations, and on the television programming in both languages

most popular with Hispanic youth in 2003 and 2004. Using standard advertising industry databases, VMR analyzed Hispanic youth exposure to the alcohol advertising in 106 magazines in 2003 and in 114 magazines in 2004; 51,883 radio alcohol ad occurrences in 2003 and 67,404 radio alcohol ad occurrences in 2004 in 104 markets; and alcohol advertising on the 15 television programs most popular with Hispanic youth in November 2003 and November 2004, using a database of 551,689 product advertising occurrences on TV in 2003 and 2004.

The findings from these analyses show that Hispanic youth, like youth in general, are exposed to substantial amounts of alcohol advertising on a per capita basis and that in several instances the exposure of Hispanic youth exceeds that of youth in general on a per capita basis.

- In 2004, compared to all youth, Hispanic youth ages 12 to 20 saw

20% more alcohol advertising per capita in English-language magazines than youth in general.

- For the 10 brands with the most exposure among Hispanic youth in English-language magazines, Hispanic youth saw between 33% and 74% more advertising per capita than did all youth ages 12 to 20.
- In the summer of 2003, in six of the top 20 markets by Hispanic population, Hispanic youth heard more radio alcohol advertising than youth in general. In the summer of 2004, this occurred in seven of the top 20 markets by Hispanic population.
- In those 20 markets in 2004, three brands – Beck's, Budweiser and Coors – exposed Hispanic youth to substantially more radio advertising per capita than youth in general.
- On television, alcohol advertising appeared on 14 of the 15 programs most popular with Hispanic youth in 2003 and 2004, up from 12 programs in 2002.

⁹ G. Edwards, "U.S. Brewers Woo Loyal And Growing Hispanic Drinkers."

¹⁰ TNS Media Intelligence, 2003-2004.

¹¹ See section below on Hispanic youth and the media.