

BENlabs

ENGAGING LATINX CONSUMERS

Building Authentic Connections
Through Entertainment Partnerships





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ENGAGING LATINX CONSUMERS:

Building Authentic Connections Through Entertainment Partnerships

Latinx consumers account for the second-largest segment of the United States population. As a group comprising more than 66.5 million people in 2023 and buying power in excess of \$2 trillion, these consumers already represent a vital community that brands must connect with to thrive¹. What's more, Latinx buying power is growing at double the rate of their non-Latino White counterparts, meaning the community's importance in setting market leadership continues to expand². What does this mean for brands? The opportunity to build market share and outpace

competitors depends on the ability to create and increase affinity among Latinx consumers now. The challenge for marketers continues to be how to create messaging that resonates with this key audience. 53% say they feel their ethnicity is portrayed stereotypically in advertisements according to research from Adobe³. If marketer's attempts at showing off products and services are not only falling flat but, in fact, are resulting in turning consumers off, what avenues remain to drive affinity and purchase intent?

THE US LATINX MARKET

BY THE NUMBERS¹

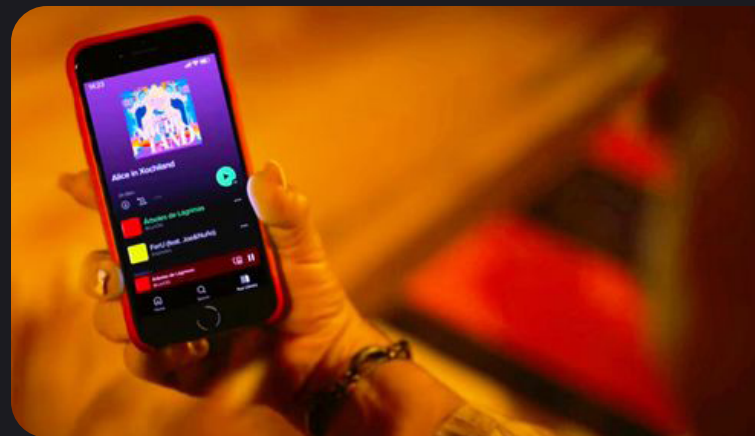
66.5 million consumers

\$2 trillion buying power

2x expected buying power growth vs non-latino whites

THE CHALLENGE FOR MARKETERS

53% feel advertisers portray them stereotypically³



1. Nielsen- Claritas, The 2022 Hispanic Market Report

2. McKinsey, The Economic State of Latinos in the US: Determined to thrive, November 2022

3. Adobe, Diversity in Advertising Survey, 2019

REACHING LATINX AUDIENCES WHERE THEY ARE:

Entertainment Is Already a Part of Culture

The good news for brands struggling to create authentic connections with consumers is that entertainment has already done the work for you. This is key to remember when looking to supplement and scale campaigns. It's potentially even more important to remember when looking to reach consumers in places where ads can't go or when they have a history of missing the mark. As with general market consumers, Latinx audiences are heavily invested in music, movies, and to a somewhat lesser extent, television. All of these mediums present an opportunity for brands when tactics are switched from surrounding content to getting inside of it.

THE US LATINX ENTERTAINMENT MARKET

BY THE NUMBERS

32 hours a week spent with music⁴

23% of all moviegoers while only 19% of the population⁵

15 hours a week watching television⁶

THE OPPORTUNITY FOR MARKETERS

Support diverse creators

Integrate in content with diverse characters and stories

4. Nielsen "The online Beat drives LatinX Lives" Nielsen.com, Sept 2018

5. MPA, 2021 Theme Report

6. Nielsen, "Latino-led content and viewers: The building blocks for streamings success" Sept 2022

MUSIC

Latinx consumers spend 32 hours each week on average listening to music⁴. They're not only listening via streaming platforms, their digital libraries, and different radio formats, they're also huge consumers of music videos.

MOVIES

Latinx consumers accounted for 19% of the U.S. population in 2020 but accounted for 23% of movie tickets sold that year according to a study by the Motion Picture Association⁵.

TELEVISION

While Latinx audiences spend only slightly less time watching television than general market consumers, the rise of streaming platforms has led to greater Latinx viewership for one very basic reason, representation. Nearly half of the television content consumed by the audience is on streaming platforms. Research by Nielsen has shown that as these platforms have created stories that resonate with this audience and have cast more Latinx actors, viewership has subsequently gone up⁶.

The message for marketers is clear: align with creators who empower and support a community, and in turn, consumers will support you and your brands.



CREATING AUTHENTIC MOMENTS

Consumers Choose Brands That Genuinely Support Them

The Latinx community in the United States responds positively to brands that are featured in authentic and respectful integration alignments with Latinx talent, characters and storylines both in Spanish and in English. While audiences do connect with characters that they can relate to, portraying stereotypical characters and storylines to simply “check” the inclusion box is a critical mistake. Knowing your audience is key to delivering your messaging in the most effective and meaningful way.



Product placement is a proven way for brands to successfully connect with the Latinx community.

Gente-fied, a Netflix series that follows the lives of three Latinx cousins, made eating Cheetos with chopsticks a widely known “thing.” The product placement drew media attention for the brand and was seen as a win for the Latinx community. As a website dedicated to the diversity of the U.S. Latina experience, *HipLatina* highlighted how the show’s chopsticks and Cheetos moment made Latinas feel “seen,” noting that “never has snack time felt so relevant.”⁹ Cheetos isn’t the only brand recognizing the importance of authentic product placement.

Rather than utilizing Spanish-language ads or dedicated Latinx social platforms, Buick employs product integration as the sole means to connect with U.S. consumers in Spanish and to stay relevant in the Latinx community. “We see branded entertainment product placement as a great channel for that – being able to hone in on and anticipate what our audiences will be watching, align with characters that we feel are good representation, and align with the brand.” said Sam Gentry, assistant advertising manager at Buick, in an interview with BENlabs. Research reaffirms the positive effects resulting from brand integrations.

THE US LATINX COMMUNITY AND REPRESENTATION

BY THE NUMBERS

79% were more likely to feel under-represented in content⁷

53% said they would be more likely to watch inclusive content⁷

40% stopped supporting a brand due to a lack of representation³

49% of Latinx viewers said they’re more likely to buy from brands that advertise during inclusive content⁸

7. Nielsen Attitudes on Representation on TV Study, April 2022 (79% & 53%)

8. 2022 Hollywood Latino Data Report (49%)

9. hiplatina.com/gentefied-made-us-feel-seen/

SPANISH-LANGUAGE INTEGRATIONS IMPACT

FRITO-LAY¹⁰

Spanish-language integrations had a strong recall and improved opinions amongst audiences after viewing

62% had a more positive opinion of Frito-Lay

67% recall seeing the brand unaided



BUICK¹¹

Viewers who saw Buick's integrations on Spanish-language properties *Como Sobrevivir Soltero* (Amazon) and *Who Killed Sara?* (Netflix) responded favorably

12% lift in positive brand momentum for Buick

10% lift in the brand image statement “has attractive styling” and “is forward looking”



BENJAMIN MOORE¹²

Benjamin Moore leveraged the popular Latinx series *Rebelde* to tap into the millennial audiences to increase brand salience

69% said they would “definitely consider” or “probably consider” using Benjamin Moore

10% lift in the brand image statement “is a brand I want to be associated with”



10. BENlabs Frito-Lay brand lift study September 2022

11. BENlabs Buick brand lift study March 2023

12. BENlabs Benjamin Moore brand lift study August 2022



THE GLOBAL PERSPECTIVE –

Importance of the Worldwide Latinx Market

Latin America is the second-fastest growing streaming market in the world, with all major streamers now in Latin American regions committing to sizable local content investments. Mexico & Brazil are the biggest markets with 72% of the TV/Film streaming market share¹³.

And Spanish-language content has global appeal. *Who Killed Sara?* was Netflix's most popular non-English language title ever with 55M subscribers tuning in the first 28 days¹⁴. It was in the US top 10 for over a month. 23 million households watched Netflix's Spanish-language dramedy, *Madre Sólo hay Dos*, and it was in the top 10 most watched series on Netflix in 32 countries¹⁵. Additionally, *Oscuro Deseo* amassed 35 million global viewers in its first 28 days, and it spent 17 days in the top 10 most-watched on Netflix and more than 100 days in several Asian and European countries¹⁶. *Selena: The Series* was watched by 25 million households around the world in the first 28 days¹⁷.



Just knowing you have these big international streamers that have a presence both in the U.S., Mexico, and other Latinx markets, helps us collaborate on the placements themselves. Something that's produced in Mexico may ultimately get as much or more viewership in the U.S. from the Spanish speaking audience than it would in the country where it was produced."



- Sam Gentry, Assistant Advertising Manager at Buick

Music is another opportunity for brands to connect with the Latinx community. Starting in the 90s, more Latinx stars were incredibly popular in the U.S. mainstream. Artists like Ricky Martin, Marc Anthony, and Enrique Iglesias were household names, and don't forget Jennifer Lopez and Christina Aguilera, who dominated in the 90s and early 2000s. Daddy Yankee's hit "Gasolina" cemented reggaeton's presence worldwide, laying the groundwork for Latinx artists to mold the Latinx music industry into what it is today.

Much like the 90s, Latinx music is having a resurgence, but today Latinx artists rise to "mainstream" status in the U.S. without even crossing over to English-language content. Bad Bunny and Karol G are household names in the U.S. In fact, Bad Bunny, Karol G recently headlined Coachella, along with Rebecca Marie Gomez, professionally known as "Becky G." Other Latinx artists such as Jhayco, Luis Miguel, Rosalia and Sofia Reyes are also mainstream, making it crystal clear that Latinx music's "hot streak" is lighting up. In fact, Bad Bunny's "Un Verano Sin Ti" became the first non-English language album to ever top the Billboard 200.

Music videos, in particular, are incredibly important for reaching the Latinx community. Maria Camila "Maca" Litman, who is head of Latinx music partnerships for WMA, told BENlabs that music videos are the "number one way Latinos consume music in Latin America."

Through content integrations, brands can reach the Latinx community everywhere.

13. E-Marketer: Worldwide Subscription OTT Users Forecast 2022

14. Deadline: April 20, 2021

15. Netflix Entertainment Report: 22, February 2021

16. Netflix Queue on X: Aug 19, 2020

17. New York Daily News: June 11, 2021

THE GLOBAL LATINX ENTERTAINMENT MARKET

BY THE NUMBERS

42% of the most bingeable content in 2022 featured Latino talent either behind or in front of the camera¹¹

Two-thirds of Latinx audiences watch international content¹⁸

38% of Latinx households subscribe only to streaming and not traditional television—the biggest platforms are Netflix (which is almost 50% of the market share), Disney+, Max (formerly HBO Max), Paramount+, Amazon, and Vix+¹⁸



LATIN MUSIC INFLUENCE

BY THE NUMBERS¹⁹

Surpassed \$1 billion in U.S. recorded music revenue in 2022

8% market share by streaming revenue

Total retail revenue generated by Latin recorded music in the U.S. **increased of 23.8%** over a year

“ Latin music has gone mainstream in the U.S., and it is having a huge creative and commercial impact. Latin artists will continue to account for an increasing proportion of global hits, driven by high streaming numbers in the region and by winning new fans around the world.”

- Alejandro Duque, president of Warner Music Latin America¹⁸



18. Horwitz Research July 2022: Media Companies Expanding Spanish Language Content for Growing LatinX Audiences

19. Music Business Worldwide: April 12, 2023

KEY TAKEAWAYS

The U.S. Latinx community is a significant market for brands to pay attention to, and their buying power and influence in both the TV and music industry will only continue to grow. Representation and inclusion matters. The most important concepts for marketers to understand are that authenticity can't be faked, reaching consumers through product placement is preferred over advertisements, and the content brands place themselves in should be representative, diverse, and spotlight

accurate cultural nuances that reflect the consumers they are trying to reach. Brands and marketers shouldn't be deterred by language barriers and should understand that the entire world enjoys global content, giving brands the opportunity to reach the Latinx community everywhere. Latinx audiences are proud of their culture and who they are—they want to see more content that spotlights this and more brands that support it.

THE U.S. LATINX MARKET

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\$2 trillion buying power¹

2x expected buying power growth vs non-latino whites²

THE U.S. LATINX COMMUNITY AND REPRESENTATION

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49% of Latinx viewers say they're more likely to buy from brands that advertise during inclusive content⁸

THE GLOBAL LATINX ENTERTAINMENT MARKET

42% of the most bingeable streaming programs on 2023 featured on-camera representation and Latinx talent⁸

Two-thirds of Latinx audiences watch international content¹⁸

LATIN MUSIC INFLUENCE

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Total retail revenues generated by Latin recorded music in the U.S. **increased of 23.8%** over a year¹⁹

42%

OF THE MOST BINGEABLE STREAMING
PROGRAMS ON 2023 FEATURED
ON-CAMERA REPRESENTATION
AND LATINX TALENT

2/3

OF LATINX AUDIENCES WATCH
INTERNATIONAL CONTENT



BENlabs



READY TO GET STARTED?

Make your brand stand out. Get matched with the right content and feel confident your brand is reaching the right audience authentically with the help of BENlabs.

LETS TALK