

# INSPIRATION CENTRAL

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Retailer Targeting Hispanics in a Virtual Environment  
Tongue-in-cheek clothing sold virtually and in real world

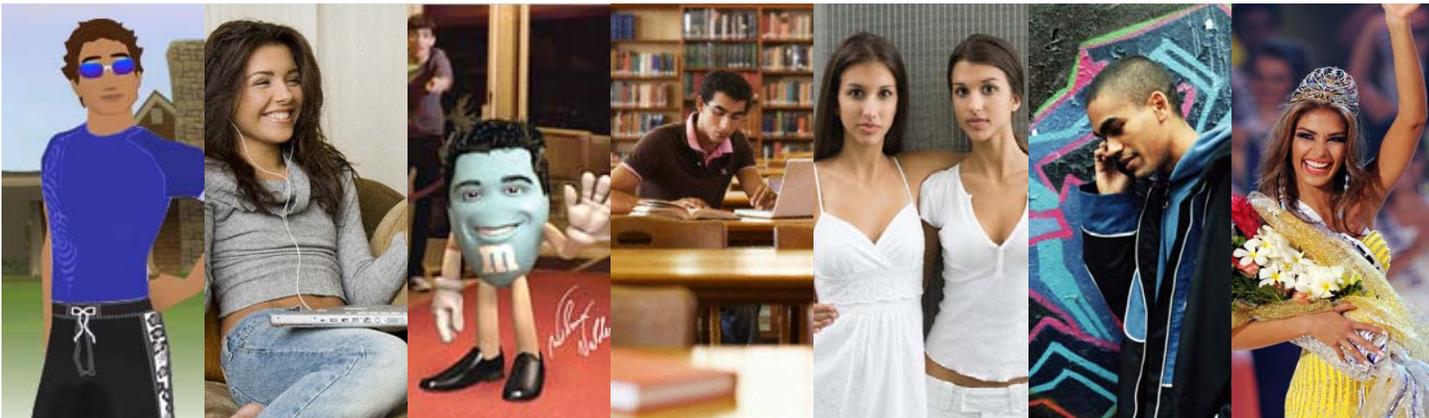


Minorities Dominate Use of New Media

Hispanic media usage varies from other demographics

M&M's® Target Hispanics With "Inner M" Campaign

New print ads feature popular Latin stars



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## Retailer Targeting Hispanics in a Virtual Environment

Tongue-in-cheek clothing now sold virtually and in real world



**M**akena Technologies, creator of the popular social virtual world There.com, recently announced a partnership with NaCo USA, the authentic Latino clothing brand that targets consumers through funny and irreverent bilingual slogans and culturally relevant designs.

There.com is a virtual getaway set in a 3D environment where users can attend and host events, play games, buy and create things, meet and chat with friends, and explore new places through the use of their personally designed avatar (a computer user's graphical representation of themselves).

The partnership aims to reach the 19.5 million U.S. Hispanics online as well as non-U.S. Latin Americans,

many of whom have already started to migrate to There.com.

In Mexican-Spanish, *naco* is a derogatory slang word used to describe tackiness, but NaCo has reinterpreted the term through their clothing to describe a self-assured style that disregards what others think is cool.

NaCo and There.com have created a specialty catalog in-world that will include nine pieces of unique merchandise for members to buy and wear virtually, with the availability to purchase real-world merchandise as well.

“Because of There.com’s demographic mix, the platform is a perfect fit for us to engage and connect with our

target audience. We believe that There.com’s Hispanic audience will understand and appreciate our brand,” said Edoardo Chavarin, NaCo’s founder and chief creative officer.

“Our customers spend a considerable amount of time on social networking sites and we believe that the virtual world is the next evolution for interacting with our customers wherever they may be,” Chavarin added.

The partnership represents a unique opportunity for both NaCo and There.com to target the Hispanic community currently found in the virtual world and to attract additional Hispanic members. A recent comScore study of U.S. Hispanics online estimate the display advertising segment alone may account for around \$140 million.

“The Hispanic population in There.com is growing and comprises a very active segment of our online community. We’ve seen an increase in the areas of our world that showcase this cultural influence and there are currently more than 15 clubs in There.com that cater specifically to Hispanic audiences,” said Michael Wilson, CEO of Makena Technologies.

“With our members focused on both self-expression and socialization, the fun, offbeat messages on NaCo’s clothing offer our audience another unique way to express themselves.”



## Minorities Dominate Use of New Media

Hispanic media usage varies from other demographics

According to BIGresearch's most recent Simultaneous Media Survey, Hispanics, African-Americans, Asians and Whites not only use traditional media differently, their adoption of new media also is quite unique.

When it comes to traditional media, types of TV shows watched as well as radio formats listened to most often differ by consumer group.

Although movies are the most watched type of TV show among all categories, according to the study:

- 63.6% of Hispanics surveyed watch them regularly
- 66% of African Americans are most likely to watch them regularly
- 52.5% of Asians surveyed watch them regularly
- 51.4% of Whites watch them on a regular basis

Dramas and police/detective shows round out the top three for types of shows watched most except for Asians, who would rather catch a sporting event or a cartoon.

There are more differences for radio formats listened to most often:

- Hispanics—Rock, Latin/Hispanic and Hip-Hop
- African-American—R&B, Hip-Hop and Religious
- Asians—Rock, Top 40/Pop and News
- White/Caucasians—Rock, Oldies and Country

Although cell phones are the form of new media used most for all segments, with 57% of Hispanics, 53% of African Americans, 53.9% of Asians and 49.4 of Whites regularly using, the similarities stop there.

According to the analysis, minorities have a higher regular usage of new

media than Whites across all media types. They are more likely to use iPods, text on cell phones, play video games, use video and picture phones, use instant messaging online and watch videos on cell phones.

Media usage by demographic—media used most often:

- Hispanics—Cell phone, iPod/MP3 player, text messaging
- African-Americans—Cell phone, text messaging, video games
- Asians—Cell phone, instant messaging, iPod/MP3 player
- Whites/Caucasian—Cell phone, Tivo/Replay TV/DVR, video games

Gary Drenik, president of BIGresearch, said, "Minorities are now using new media in higher percentages, providing unique opportunities to create specific marketing plans that integrate non-traditional media options into their digital ad strategy."

Differences among the various ethnic groups are also apparent in how they use the Internet for fun and entertainment. Research shows that Hispanics like to check out movie news (42.7%) while they are online; whereas shopping tops the list for the other three groups, African-Americans (40%), Asians (43.7%) and Whites (43.1%).

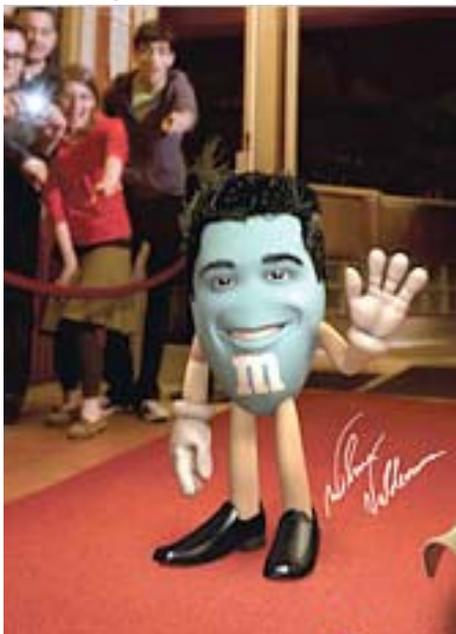
The top 3 online activities for fun and entertainment by demographic are as follows:

- Hispanic—Movie news, shopping and video games
- African-American—Shopping, movie news and TV news
- Asians—Shopping, movie news, and IM or chat
- White/Caucasian—Shopping, checking local weather and viewing photos



# M&M's® Target Hispanics with "Inner M" Campaign

New print ads feature popular Latin stars



**A** popular campaign for M&M's® is taking on a Spanish accent.

The campaign, which carries the theme "There's an M&M® in everyone," presents human beings who assume the looks and characteristics of the walking, talking candies that have sold M&M's® products since 1995.

The Spanish-language ads will offer renderings of celebrities as M&M's® to convey the idea of unleashing one's inner M&M®, tagged with the sentence: "Have fun like a star with M&M's®."

The first Hispanic celebrity to appear in the new ads is Wilmer Valderrama, the young actor known for his role as Fes in the long-running Fox sitcom "That '70s Show." The second will be Cristina Saralegui, the host of the national Spanish-language talk show on Univision, "El Show de Cristina."

The campaign is emblematic of the increasing focus by mainstream marketers on Spanish-speaking consumers. With Hispanics becoming the fastest-growing segment of the American population, brands like

M&M's® are starting to aim messages at them in Spanish or step up efforts to do so.

M&M's® is the second product sold by Mars Snackfood U.S., a division of the giant consumer-products company Mars, to sponsor a Spanish-language campaign in addition to its English ads. The first such campaign, which was introduced in 2006, was for the Snickers candy bar.

In considering Spanish-language ads for its brands, "it's different for each campaign," says Michele Kessler, vice president for marketing at Mars Snackfood, U.S.

"The Spanish ads for Snickers are very different from the English ads," she adds, "while the M&M's® ads in Spanish are adopting the premise of the English-language campaign."

One reason for that may be what Kessler calls the "significant growth" for the M&M's® product line since the start of the English-language campaign early last year.

"We've leveraged it across pretty much everything we've done," Kessler says, including the introduction of ads for M&M's® Dark Chocolate that feature M&M's® versions of the cast members of the TV sitcom "The Addams Family."

Sometimes they appear in character, like the cast of "The Addams Family" and Burt Reynolds, whose M&M's® likeness is as "Bandit," the role he played in the 1977 movie "Smokey and the Bandit."

Other celebrities appear as themselves, that is, their M&M's® are styled after how they look in real life. Among them are the chef Bobby Flay, the race-car driver Kyle Busch and the

mother and daughter TV team of Joan and Melissa Rivers.

The M&M's® candy for Mr. Valderrama is modeled after him rather than any role he plays. A magazine ad shows him standing on a red carpet with photographers and fans in the background. He is smiling and waving a hand.

Having Mr. Valderrama as an endorser is intended "to reach the bi-cultural Hispanic," Kessler says, referring to Hispanics who speak English as well as Spanish and are familiar with mainstream culture along with TV shows, movies, music and media in Spanish. Many of these Hispanics are first or second-generation Americans.

The ad featuring Ms. Saralegui, which will appear in the fall, will be "targeting the Spanish-dominant Univision watchers," referring to Hispanics who are immersed in Spanish all or most of the time.

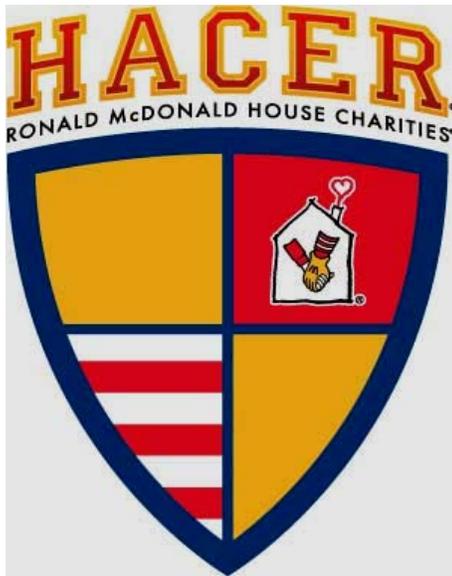
"In fact," says Kessler, the next Hispanic campaign for one of her brands, the Starburst candy line, which begins later this year, "will be targeting acculturated Latinos because of their appeal to a younger consumer audience."

The need to address Hispanics who are Spanish-dominant or bi-cultural is indicative of the challenges that face advertisers entering the market.



# McDonald's Helps Increase Hispanic College Enrollment

Four \$100,000 scholarships are awarded to Latinos



McDonald's recently announced the selection of four Hispanic high school seniors who will each receive a college scholarship of \$100,000 to fulfill their college dreams. The students—selected for their academic achievement, financial need and community service—will be awarded \$25,000 per year for the next four years beginning this fall.

“McDonald's provided the funding for the four national Ronald McDonald House Charities®/Hispanic American Commitment to Education Resources® (RMHC®/HACER®) scholarships this year to build on our 23-year commitment to help Hispanic students achieve their college dreams,” said Cristina Vilella, director of marketing, McDonald's USA.

“We know there are a lot of talented students in our community who are unable to attend college because of financial constraints. We want to support them financially so they can stay focused on their education.”

The four scholarship recipients are:

- Brigitte Morales of Miami, Florida, attending Massachusetts

Institute of Technology (MIT), majoring in Chemical Engineering

- Samuel A. Cruz of Union City, New Jersey, attending Ramapo College majoring in Biochemistry
- Brian Campos of Brooklyn, New York, attending Harvard University majoring in Neurobiology
- Maira Mercado of Riverside, California, attending Claremont McKenna College majoring in Economics and Mathematics

“Now that I have this \$100,000 scholarship, I know I'm going to MIT and I won't have to worry so much about financing my studies. This scholarship is making my dreams come true!” said Brigitte Morales.

Since 1985, RMHC®/HACER® has awarded more than \$17.9 million in scholarships to more than 12,000 Hispanic students in the U.S. RMHC®/HACER® is a program of Ronald McDonald House Charities® and its local chapters, which provides scholarships in several regions of the country.

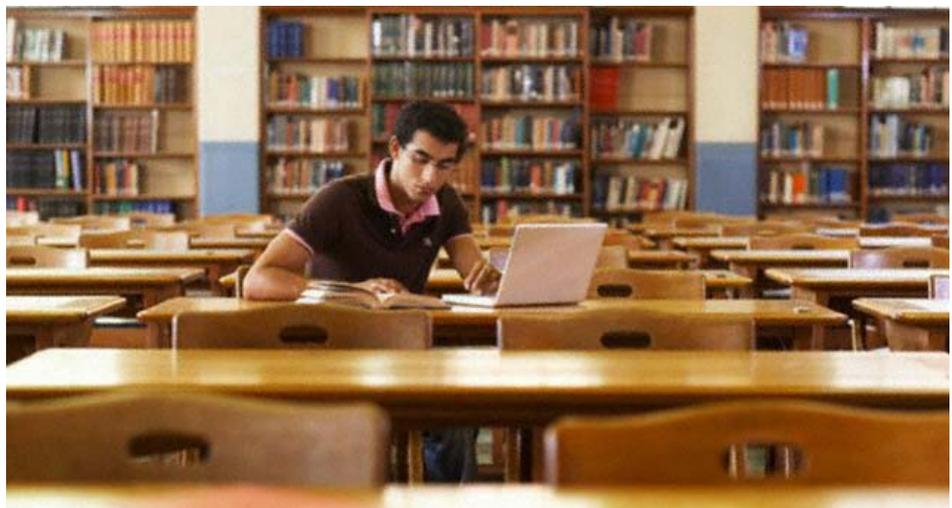
This is the first year the scholarships are awarded to students on a national

level. The program is supported through the efforts of McDonald's owner/operators, local and national community leaders and individual donors. Programs like the HACER® scholarships help strengthen the number of Hispanic students enrolled in college.

Currently Latinos represent 11.4 percent of all higher education institutions and 7.7 percent of bachelor degrees go to Hispanics.

In addition to supporting the scholarship program, McDonald's collaborates with the Hispanic Scholarship Fund to present an annual series of free, bilingual college workshops to provide students and their families with essential college preparation information to help students achieve their educational goals and reduce stress due to the unfamiliarity with college enrollment.

In 2007, 4,000 parents and students participated in these workshops. This year the workshops will be held in the fall in the following cities: Denver, CO; Phoenix, AZ; Atlanta, GA; El Paso, TX; Boston MA; Lynwood, CA; Newark, NJ; Orlando, FL; San Jose, CA; Chicago, IL; and Indianapolis, IN.



## One Individual, Two Identities

Switching languages can also switch personalities among biculturals



“Language can be a cue that activates different culture-specific frames,” - researchers David Luna, Torsten Ringberg, and Laura Peraccio of the “frame-shifting” bicultural study

People who are bicultural and speak two languages may unconsciously alter their personality when they switch languages, according to a U.S. study.

Researchers David Luna from Baruch College and Torsten Ringberg and Laura Peraccio from the University of Wisconsin-Milwaukee studied groups of Hispanic women, all of whom were bilingual, but with varying degrees of cultural identification.

The researchers found significant changes in self perception, or “frame-shifting,” in the bicultural participants studied who were women who participate in both Latino and Anglo culture.

“Language can be a cue that activates different culture-specific frames,” the researchers said in a study published in the “Journal of Consumer Research.”

While frame-shifting has been studied before, they said this research found that people who are bicultural switched frames more quickly and easily than people who are bilingual but living in one culture.

The researchers said the women classified themselves as more assertive when they spoke Spanish than when they spoke English.

“In the Spanish-language sessions, informants perceived females as more self-sufficient and extroverted,” they said.

In one of the studies, a group of bilingual U.S. Hispanic women viewed advertisements that featured women in different scenarios.

The participants saw the ads in one language—English or Spanish—and then, six months later, they viewed the same ads in the other language.

Their perceptions of themselves and of the women in the ads shifted depending on the language.

“One respondent, for example, saw an advertisement’s main character as a risk-taking, independent woman in the Spanish version of the ad, but as a hopeless, lonely, confused woman in the English version of the ad,” said the researchers.

The shift in perception seems to happen unconsciously and may have broad implications for consumer behavior and political choices among bicultural Hispanics when developing bicultural targeted plans.



# Hispanic Culture Influencing Youth Fashion

Brands, spending patterns, and trends influenced by Hispanic teens

trends



Recently updated results from Label Networks' Hispanic Youth Culture Study '07 indicate that the growing demographic of 13-24-year-olds in the United States is influencing the future of fashion in youth culture. This is reflected in terms of top brands, design influences, spending patterns and lifestyle traits.

As the second largest population group in the U.S., and the fastest growing demographic of young people overall, knowing what's taking place within this demographic is important for determining business strategies in the future.

Overall, the spending patterns of this market segment on fashion, as well as denim, T-shirts and footwear represent a new market opportunity and provide a chance for new brands to make headway, as well as older brands to re-invent themselves with fresh, relevant strategies.

One of the first aspects that was discovered in the fashion section

when looking at the Hispanic youth culture as a profile compared with other demographics is that top new brands are unexpectedly considered favorites, and the source for finding out about new brands and styles is greatly influenced from the streets rather than retail stores or magazines.

Stores generally are not often as influential—one reason being that many young people do not think that the stores represent their lifestyle.

In addition, the Internet plays heavily as a main source among younger demographics: 15-17-year-olds have the highest percentages that name the Internet as their key source of finding out about new fashion brands and styles, which then decreases among 18-20-year-olds, and even lower among 21-24-year-olds.

The mix of mainstream brands, authentic older brands, band and music-inspired brands, and top sports and action sports-inspired apparel brands in the most-favorite fashion brand category is interesting

to note, as opposed to a few select brand choices.

As revealed in Label Network's overall North American Youth Culture Study, the association with music and apparel is clearly one of the top influences in favorite brands.

Another interesting note is that top action-sports inspired apparel brands tend to be higher among females than males.

Another finding shows that the brand name is not as influential in terms of buying a specific brand among Hispanic youth culture as aspects such as style, comfort and fit.

By gender, the greatest differences are that females seek original style, quantified by much higher percentages in terms of why a brand is their favorite, compared with males.

Original style among males is important, but important if others members of their group are wearing the "original style" as well.

## Meet Gotham City Mayor Nestor Carbonell

Cuban-American Actor plays Mayor Robert Garcia in box office hit

In Batman's latest installment, the record-breaking blockbuster "The Dark Knight," Cuban-American actor Nestor Carbonell plays a very Latin Mayor Robert Garcia.



"He's a little tough, maybe cynical, and on occasion even arrogant," says Carbonell of his gloomy character. "As an actor, that helped me to work on different facets."

"Mayor Garcia," he adds, "is a man who was very idealistic and principled at the beginning of his career. But then he saw that things in the city didn't work the way he thought, and that he needed to compromise with the different groups fighting in the city."

"The Dark Knight," directed by Christopher Nolan and starring Christian Bale and the late Heath

Ledger, has taken in \$155.34 million to top "Spider-Man 3" for best opening weekend ever at the box office.

Carbonell says he never intended to be an actor when he grew up, but it all started when he took a drama class while he was studying English literature at Harvard, in 1989.

"It was almost by accident," he says. The next year, he made his Off-Broadway debut in "A Silent Thunder," by playwright Eduardo Iván López.

Since then, he's appeared in dozens of movies and TV shows, such as the

sexy photographer Luis Rivera in "Suddenly Susan." But he is probably best known for his "Lost" character Richard Alpert, a mysterious man who never ages.

Carbonell was recently in Hawaii and shot several episodes for the ABC series' fifth season, to be aired next fall. He will also participate in the movie "Killing Pablo," about notorious Colombian drug dealer Pablo Escobar.

His favorite moment of "The Dark Knight" shooting—which took place in Chicago—was a scene with more than 1,200 extras.

"I had to make a speech," he says, "and when I saw myself standing in front of such a big crowd, I felt that maybe in another life I would like to be a politician. I imagined what it would be like to be a real mayor."

## Miss Venezuela Crowned Miss Universe 2008

This year four of the final five contestants were Latin American



Miss Venezuela was crowned Miss Universe 2008 on July 14 in the most watched Spanish-language "Miss Universo 2008" in the time period among key adult and female demos, per the Nielsen Television Index (NTI). The 2008 pageant was held in Nha Trang, Vietnam.

At a news conference after this year's event, a beaming Mendoza said she wasn't yet sure where her upcoming year of whirlwind appearances would take her. But after a quick stop in New York City, she's looking forward to seeing her family again and enjoying some of her mom's home cooking.

In the meantime, Mendoza said, she is simply looking forward to taking off her high-heeled shoes and massaging her feet.

The final five 2008 Miss Universe contestants included four from Latin America: Miss Mexico, Miss Dominican Republic, Miss Colombia and Miss Venezuela. Miss Colombia finished second behind Mendoza.

The NBC show was hosted by talk show star Jerry Springer and Spice Girl Melanie Brown and broadcast live to hundreds of millions of viewers in 170 countries. Contestants competed in three contests before a panel of celebrity judges that included Donald Trump, Jr. and Miss Universe 2004.

# St. Jude's Honors Gloria Estefan

Commitment to help local community recognized

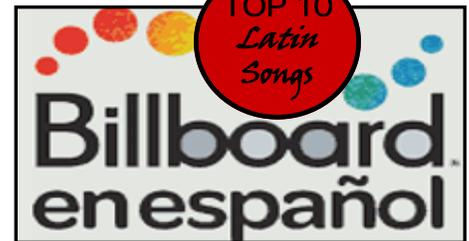


community, as well as the music and entertainment industry.

“It was truly wonderful to see the Hispanic community of South Florida come together to support St. Jude,” said John P. Moses, chief executive officer for ALSAC, the fundraising organization of St. Jude.

“Thanks to the supporters and sponsors of this gala, St. Jude is able to provide hope for sick children and their families from all over the world.” The Estefans joined other top Latin artists and entertainers who have supported the lifesaving mission of St. Jude over the past few years, such as Antonio Banderas, Luis Enrique and Carlos Ponce.

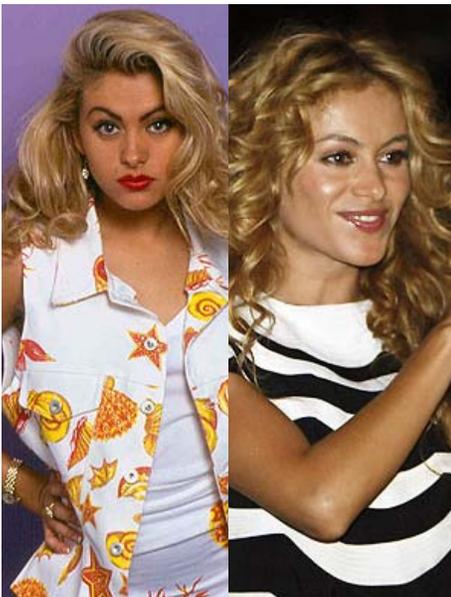
**S**t. Jude Children’s Research Hospital®, the premier pediatric cancer research center, celebrated its sixth annual FedEx/St. Jude Angels & Stars Gala by honoring Emilio and Gloria Estefan for their commitment to international healthcare, the local



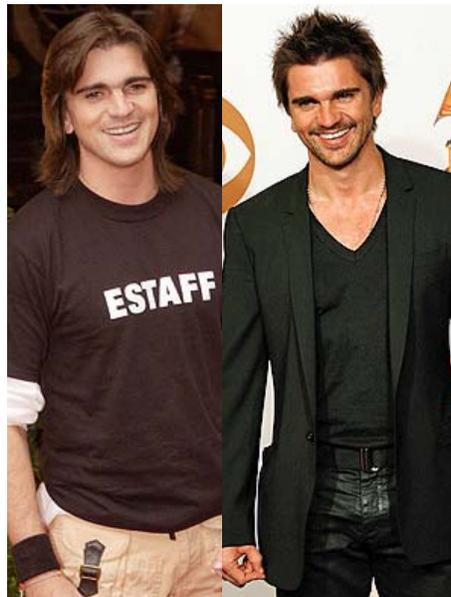
1. Flex “Te quiero”
2. Maná “Si no te hubieras ido”
3. Vicente Fernandez “Para siempre”
4. Dareyes de la Sierra “Hasta el día de hoy”
5. Daddy Yankee “Pose”
6. Luis Fonsi “No me doy por vencido”
7. Baby Boy “Ya no llores”
8. Los Temerarios “Si tú te vas”
9. Intocable “Tu adios no mata”
10. Enrique Ingesias “Donde estás corazón”

marisol's corner

## Latin Celebs Through the Years



Mexican singer Paulina Rubio’s bangs, platinum-dyed hair, and dark eyebrows lend a ‘90s, Madonna-like essence to her look. She looks even more beautiful today, though, stripped down to a more natural look.



When Juanes attended *People en Español’s* 50 Most Beautiful Celebrities Gala five years ago, he sported a baby-face and scruffy skater-boy look. But from homeboy to handsome, the Colombian singer has a revamped slick look today.



When Salma Hayek first started acting as a soap opera star in Mexico, she completely embodied the look of the ‘80s. Today, the “Frida” star’s softer look enhances her natural beauty and sleek, put-together style.

-  The increase in Texas' Hispanic population between July 1, 2006, and July 1, 2007 was 308,000, which led all states. California (268,000) and Florida (131,000) also recorded large increases
-  97% of the population of Starr County, Texas (home of Rio Grande City) is Hispanic as of 2006. Starr County led the nation counties with the highest representation of Hispanics
-  48% of the Hispanic population lives in Texas or California. California is home to 13.2 million Hispanics and Texas is home to 8.6 million
-  Los Angeles County, CA had the largest Hispanic population (4.7 million) in 2006, followed by Harris County, Texas, and Miami-Dade county, FL (1.5 million each)
-  44% of New Mexico's population is Hispanic. This is the highest representation of Hispanics in any state in the U.S.

Source: "U.S. Hispanic Population Surpasses 45 million, Now 15 Percent of Total." Census.gov. May 1, 2008.

- **Retailer Targeting Hispanics in a Virtual Environment.** By: Juan G. Tornoe. HispanicTrending.net. June 26, 2008.
- **Minorities Dominate Use of New Media.** By: Jack Loechner. MediaPost.com. May 28, 2008.
- **Latino Celebs Tap Into Their "Inner M".** By: Stuart Elliott. NewYorkTimes.com. June 30, 2008.
- **McDonald's Increases Hispanic College Enrollment.** HispanicPRWire.com. June 26, 2008.
- **One Individual, Two Identities.** HispanicTrending.net. June 24, 2008.
- **Hispanic Culture Influencing Youth Fashion.** LabelNetworks.com. July 10, 2008.
- **Meet Gotham City Mayor Nestor Carbonell.** By: Virginia Alvarado. NewYorkDailyNews.com. July 23, 2008.
- **Miss Venezuela Crowned Miss Universe 2008.** By: Della de Lafuente. MarketingyMedios.com. July 16, 2008.
- **St. Jude's Honors Gloria Estefan.** HispanicPRWire.com. June 6, 2008.
- **Billboard En Español Top 10 Latino Songs.** BillboardenEspañol.com. July 7, 2008.
- **Latin Celebrities Through the Years.** PeopleenEspañol.com. July 16, 2008.

At iNSPIRE!, we are passionate about connecting with the Latino consumer. We redefine marketing to Latinos by going beyond language and knowledge of the culture to effectively meet our client's marketing needs.