



Viva La Audiencia

Maximizing Spanish Language Television Advertising
Effectiveness

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Executive Summary

Smart marketers are leveraging both English and Spanish language ads to reach and connect with today's growing US Hispanic market. Ace Metrix analyzed our entire database of Spanish and English language TV ads to provide insights on what creative works best against both Spanish dominant and English dominant US Hispanics.

Key findings to be discussed in this paper include:

US Hispanics are more positively inclined toward TV advertising

On average, the US Hispanic demographic rate TV ads more positively whether the ads are in English and Spanish. In addition, when comparing otherwise identical ad executions in both English and Spanish language versions, the Spanish language ads score higher.

Food and Household goods are top categories for Spanish language ads

Ratings for Casual Dining, Household Goods, Quick Serve Restaurants and Packaged Goods ads were the highest scoring of all categories evaluated. The focus on family meals and home make these categories particularly attractive to US Hispanics.

Spanish language ads perform consistently better among women

For English language ads, women – both Hispanic and non-Hispanic, on average, rate ads more highly than men. However, among Spanish language ads the average Ace Score for women is 50 points higher than it is for men.

Translation can work

On average, Spanish language ads that were identical to English language ads, except for the translated voiceover, performed better in Spanish language dominant households than ads that were similar to English language ads but customized for the Hispanic market. Marketers can quickly and easily test translated ads before release.

Background

According to the US Census, in 2010, 51MM Americans were US Hispanics, a 55% increase since 2000. Today, one in six Americans identify themselves as Hispanic. With \$1.2T in spending power, US Hispanics are an attractive segment for marketers.¹ More than half of US Hispanics are bilingual (55% according to Census data), and consume media in both Spanish and English. According to Nielsen, 2011 Spanish-language advertising expenditures were \$5.7B in the US, with \$4.9B (86%) of that spending going to Spanish language TV.

Spanish language television programming options have increased and improved over the past decade. According to Nielsen, Hispanics are less likely to own DVRs (31% vs. 41% of the general population). However, US Hispanics with DVRs are 2 to 3 times more likely to time shift English programming versus Spanish language programming.²

Top marketers understand this phenomenon. In 2011, Procter & Gamble, McDonald's, AT&T, Verizon and Toyota each spent over \$100M on Spanish language advertising.³ In some cases marketers repurpose existing creative assets for the Spanish language market and in other cases they chose to develop new creative. A key finding in this paper is that both treatments can work but that simple translations actually outperform modified creative.

Over the past year, Ace Metrix has conducted advertising testing for 219 breaking Spanish language TV ads. This study includes a meta-analysis of our insights across ads to help marketers understand how US Hispanics evaluate ads in English and Spanish across categories, as well as some best practices for creating engaging ads for this important segment.

Methodology

Ace Metrix began collecting advertising effectiveness scores in January 2009 into the Ace Metrix LIVE™ database. We have been testing Spanish language ads through our Ace Metric VIVA™ platform since June 2012. As of this writing⁴, we have collected data assessing the performance of more than 24,000 ads in total.

Among English language ads, respondent's ethnicity is gathered in the survey data. Therefore, we are able to look at responses among users who self-identify as US Hispanic compared to the rest of the US population (Non-Hispanic).

¹ Hispanic television in America: Lights, camera, acción!, The Economist, December 15, 2012

² State of the Hispanic Consumer: The Hispanic Market Imperative, Q2, 2012 - Nielsen

³ source: Nielsen Ad*Views, 2011

⁴ Database from January 2009 through March 1, 2013 includes data approximately 24,000 ads.

Our VIVA platform tests each breaking Spanish language ad with a unique, large sample of self identified, Spanish-dominant households – ie: those who speak predominately Spanish at home. The survey is identical to that used for our LIVE platform, but fielded entirely in Spanish.

Ads are generally tested within 48 hours of airing nationally for the first time, or as provided by our LIVE or VIVA clients. Each advertisement is electronically captured and shown alongside a series of no more than five other breaking ads (“a flight”) within an online survey. Survey respondents are asked to view an ad and evaluate the same ad before continuing to the next. Respondents are recruited from an online panel with each ad test exhibiting sample sizes of several hundred respondents with an average of 50% of respondents providing an optional verbatim comment.

After respondent scores are collected, Ace Metrix component scores are computed and assigned to each ad, creating an overall score called the Ace Score®. The Ace Score and Ace Metrix component scores are standardized metrics that allow comparisons to be made between ads. Ace Scores and Ace Metrix component scores range between 1 and 950. Scores for the general population are normally distributed and approximately centered around 530.

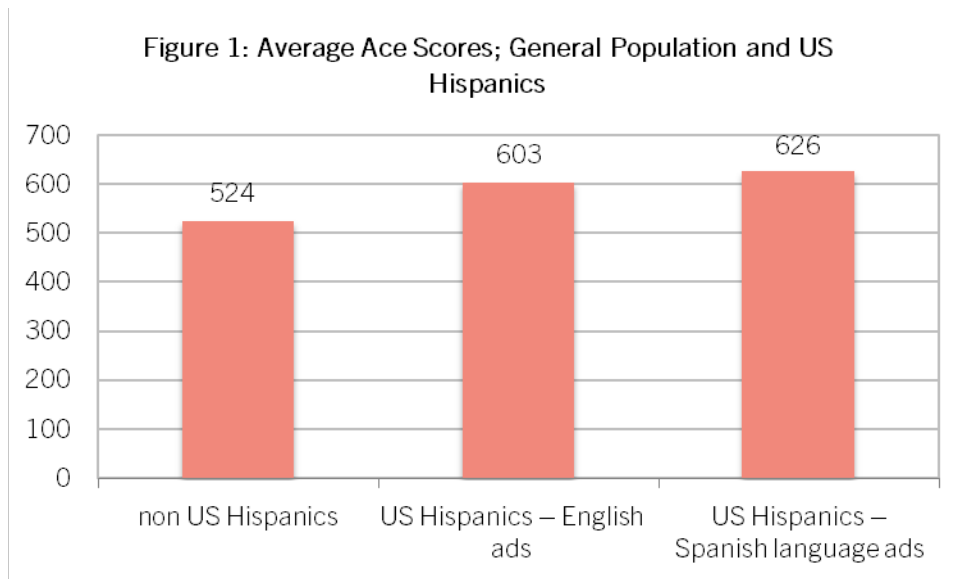
Ace Metrix employs a proprietary algorithm that allows for benchmarking and comparative ad testing.⁵ Since its inception, Ace Metrix has consistently used the same methodology to measure the effectiveness of every ad we have tested. As a result, we are in a unique position in the field of advertising effectiveness to assess relative advertising performance between *any* competitive set of ads imaginable, both across different industries and different time periods.

⁵ See acemetrix.com for detailed information discussing the Ace Score

Key Findings

US Hispanics are more positive about advertising overall, and Spanish language advertising in particular.

Among the general US population, the average Ace Score for the thousands of ads tested over the past year was 524 (on a 1-950 scale). The average Ace Score for those same English language ads tested among only US Hispanics had an average Ace Score of 603. However, among the 219 Spanish language ads that we tested over the past year, the average Ace Score was even higher at 626. (Interestingly, our data shows that African Americans also over-index on Ace Scores – with an average Ace Score of 621).

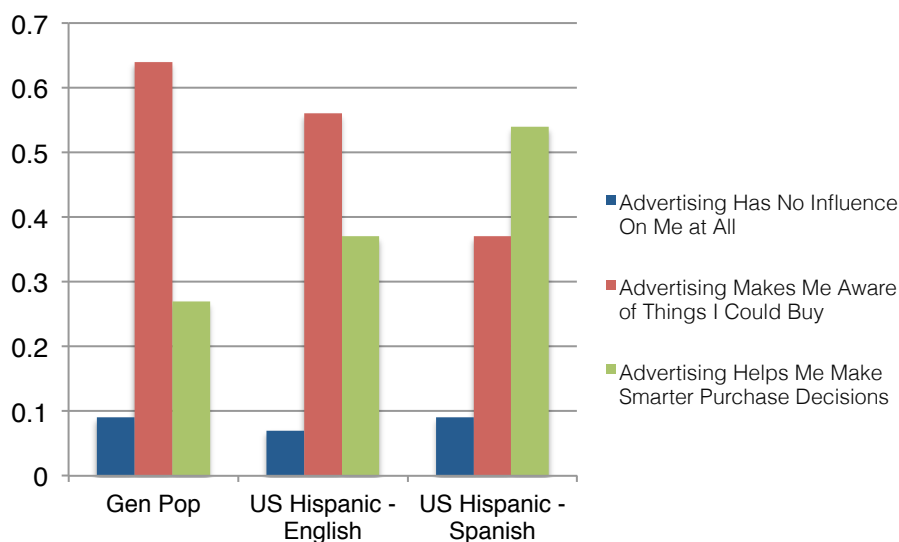


Throughout this paper we will be referencing three distinct segments:

1. Spanish ads – Spanish language TV ads tested among US Spanish language speakers (note: our assumption is that the majority are less acculturated US Hispanics, but there may be a range of acculturation within this group)
2. English ads: US Hispanic – English language TV ads tested among US Hispanics
3. English ads: non-Hispanic – English language TV ads tested among the rest of the US population (Caucasian, Asian, African American and other)

These insights may be due to a social norm among US Hispanics of being more accepting of advertising in general. Ace Metrix includes questions regarding attitudes toward advertising in each survey. Among the general population, two-thirds agree that advertising builds awareness, but only 1 in 4 respondents agree that advertising “helps me make smarter purchase decisions.” Among English speaking US Hispanics, more than 1 in 3 agree with that statement (37%), and among Spanish speaking US Hispanics, over half agree that advertising helps with purchase decisions.

Figure 2: Attitudes Toward Advertising; General Population and US Hispanics



CATEGORY DIFFERENCES

The pattern of Spanish language ads performing best, followed by English ads among US Hispanics and then English ads among non-Hispanics holds across all product categories, although the gap is closer for certain product categories.

For personal care products, Spanish language ads, on average, are rated 27% higher than the average English ad among non-Hispanics. English language ads among US Hispanics are rated 14% higher than those same ads against non-Hispanics. This is not surprising since US Hispanics over-index versus non-Hispanics in average expenditure on personal care products—including cosmetics, fragrances, skin care and hair care.⁶

- For *financial products*, we see a similar ratio for Spanish language ads (25% higher than English language ads among non-Hispanics). Interestingly, English language financial ads are rated at parity among US Hispanics and Non-Hispanics. Financial services advertisers may consider increasing their Spanish language ad budgets to increase their overall impact.

⁶ <http://www.gcimagazine.com/business/marketing/134679633.html>

- *Alcoholic beverage* advertisers see equal impact between both English and Spanish language ads, with an Ace Score 21% higher for both types of ads compared to Non-Hispanics. Cultural acceptance of beer and spirits as part of celebrations may be a more critical factor than language of the ads.
- Similarly, in the *Automotive* category the average ad is rated similarly among US Hispanics in both English and Spanish. US Hispanics take pride in their cars, as well as linkage of car ownership to signs of acculturation, may explain the equal appeal of automotive ads in Spanish and English.
- *Packaged Goods* also rate similarly among *US Hispanics in both English and Spanish*. According to BabyCenter's 21st Century Mom Acculturation Study, 77% of US Hispanics eat dinner with their family every day (versus 65% of the general population). This may explain the appeal of packaged goods advertising.⁷

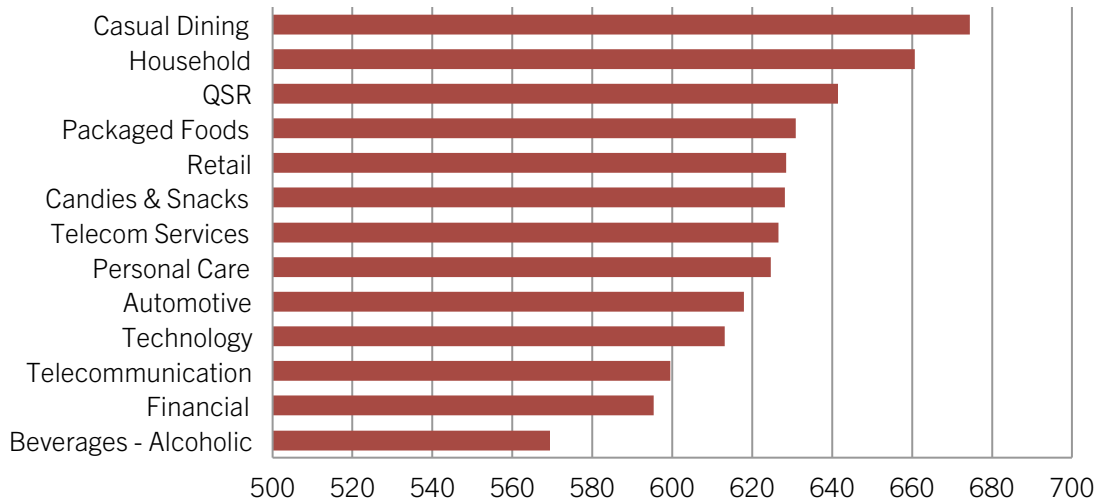
**Table 1: Average Ace Score by Category,
English Language vs. Spanish Language Ads**

Category	Spanish-language ads	English ads, US Hispanic	English ads Non-Hispanic	Ratio Spanish ads /English ads Non-Hispani	Ratio English ads, US Hispanic /English ads, Non-Hispanic
Personal Care	625	561	491	1.27	1.14
Financial	595	477	478	1.25	1.00
Retail	629	597	509	1.23	1.17
Telecom Services	627	578	515	1.22	1.12
Beverages - Alcoholic	569	573	472	1.21	1.21
Household	661	635	555	1.19	1.14
Automotive	618	617	527	1.17	1.17
Technology	613	592	526	1.17	1.13
Casual Dining	674	658	577	1.17	1.14
Telecommunication	600	578	515	1.16	1.12
Packaged Foods	631	630	547	1.15	1.15
QSR	641	613	559	1.14	1.11
Candies & Snacks	628	604	553	1.14	1.09
Average				1.19	1.13

Across the 13 categories of ads tracked, Spanish language ads for casual dining and QSR are two of the top ranked categories. They are similarly highly rated among the general population. However, the fact that US Hispanics are more likely to eat meals together as a family and cook homemade meals may contribute to the appeal of food related ads. Financial services ads and alcoholic beverages had the lowest scores among US Hispanics

⁷ BabyCenter's 21st Century Mom Hispanic Acculturation Study http://www.babycentersolutions.com/research_studies

Figure 2: Average Ace Score by Category, Spanish-language Television Ads



COMPONENTS OF THE ACE SCORE

Ace Metrix standardized questions fall under two major dimensions of TV advertising effectiveness: the persuasive power of an ad's content (Persuasion) and the likelihood of repeat viewing (Watchability). A unique set of factors are measured for each dimension.

The Persuasion dimension includes six components:

- Attention - the extent to which the ad attracts and holds viewers' attention
- Desire - the extent to which the ad generates/increases desire for the product/service in viewers' eyes
- Relevance - the extent to which viewers can relate to ad's content
- Information - the extent to which the ad communicates new information
- Likeability - the extent to which viewers like the ad
- Change - the extent to which the ad causes viewers to sense that the brand is moving in a new direction

Among US Hispanics, all components of Persuasion are higher among English language ads, and even higher among Spanish language ads. There are two dimensions that are equivalent for US Hispanics across both Spanish and English – *Desire and Attention*. We posit that cultural norms make US Hispanics more open to paying attention to ads, and less skeptical about new being receptive to advertising. That said, English speaking acculturated US Hispanics are slightly less likely to find English language ads relevant or providing new information when compared to responses to Spanish language ads from Spanish speakers.

Table 2: Component Scores of Ace Scores

	Non-Hispanic, English Ad	US Hispanic, English Ad	US Hispanic, Spanish Ad
Ace Score	524	603	626
Watchability	578	624	658
Persuasion	583	644	653
Information	570	630	643
Desire	565	633	634
Relevance	569	626	640
Liking	612	668	677
Innovation	597	656	663
Attention	627	676	678

Watchability is comprised of how likely a viewer is to watch an ad when focused on a program or even channel surfing. Again, US Hispanics are more open to viewing ads in any viewing mode. In particular, Watchability is highest among US Hispanics for Spanish language ads. We believe this is due to a cultural norm of US Hispanics being more accepting of advertising. Other research has found similar findings; a 2011 study from Google found that US Hispanics were more likely to click on search ads and remember video ads they had seen online.⁸

DIFFERENCES BY KEY DEMOGRAPHIC GROUPS

When comparing the average Ace Score among different demographic groups, it is clear that there is more variability in terms of Ace Scores among US Hispanics (among both English language and Spanish language ads).

AD EFFECTIVENESS IS MORE POSITIVE AMONG US HISPANIC FEMALES

The average Ace Score among US Hispanic women is 50 points higher than US Hispanic men for Spanish language ads. Among English language ads both Hispanic and non-Hispanic females also rate ads more highly on average. However, the gap is narrower than it is for Spanish language ads.

YOUNGER HISPANICS RATE ADS LOWER

US Hispanics age 21-35 rate both English language and Spanish language ads lower on average than US Hispanics over the age of 35. For Spanish language ads, there is a 58-point

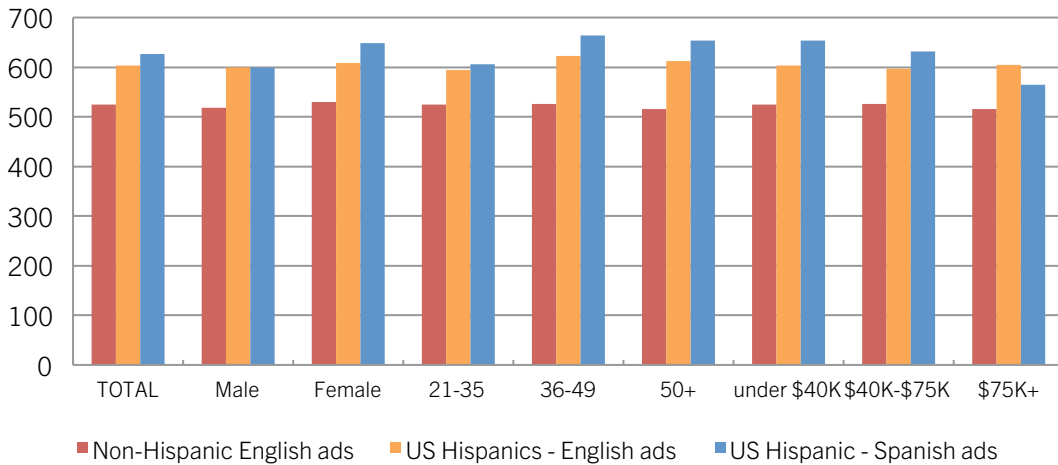
⁸ <http://www.inc.com/news/articles/2011/01/why-digital-is-the-way-to-reach-the-hispanic-population.html>

gap between the average Ace Score for persons 21-35 vs. 36-49. This may be a function of younger US Hispanics being more digitally focused and early mobile adopters (and therefore less focused on TV ads). Nielsen notes that US Hispanics spend 68% more than non-Hispanics watching video on the Internet, and 20% more time watching video on mobile phones (likely driven by this younger demographic)⁹. Interestingly, among non-Hispanics, persons 21-34 and 25-49 on average rate ads very similarly. However, persons 50+ have lower ad ratings – this may be a function of many English language ads targeting an 18-49 demographic.

AD EFFECTIVENESS VARIES BY INCOME AMONG US HISPANICS

Among US Hispanics evaluating Spanish language ads, we see a negative correlation between income and ad effectiveness. The average Ace Score is 653 among respondents with HHI less than \$40K versus only 564 among those with HHI \$75K+. For US Hispanics evaluating English language ads, there is not a material difference by income. Among non-Hispanics evaluating English language ads, those with HHI \$75K+ rate ads 10 points lower on average.

Figure 3: Average Ace Score by Demographic



⁹ State of the Hispanic Consumer: The Hispanic Market Imperative, Q2, 2012 - Nielsen

Table 4: Average Ace Score by Demographic Groups

	Non-Hispanic, English ads	US Hispanics, English ads	US Hispanic, Spanish ads
Male	518	599	599
Female	530	609	648
21-35	525	594	606
36-49	526	623	664
50+	515	612	653
under \$40K	525	603	653
\$40K-\$75K	526	597	632
\$75K+	516	604	564
Total	524	603	626

ENGLISH LANGUAGE VS. SPANISH LANGUAGE ADS

Marketers take several approaches to developing Spanish language ads. In some cases they create unique ads for the Spanish language market. Other times they modify creative executions for the Spanish market, sometimes varying the content to appeal more to the Latino community, or using Hispanic actors. Within our database we have identified 27 Spanish language ads that we have classified as:

- *same ads*: these ads are identical except that the voiceover and bumpers are in Spanish (note: in some cases the voiceover may vary slightly)
- *similar ads*: these ads may have used the same set and assets as the English language ads, but also included different actors or video footage.

The majority of the Spanish language ads that we tested were created specifically for the Spanish television market. We do not include these ads in our pairwise analysis.

On average, *same ads* that were identical except for the language had Ace Scores 20% higher when tested with a Spanish language audience than their English language counterparts (among the general population). In contrast, ads that were *similar*, on average only had a 9% higher Ace Score. One ad (Old Navy's Warm Up) had a lower Ace Score in the Spanish language version.

These results do not suggest that marketers should always repurpose their English language ads in Spanish for the US Hispanic market. There are many examples of Hispanic-centric copy that outperform, however on average, repurposed ads do perform better. What that suggests is that it is critical to pre-test copy to understand how it would perform relative to its counterpart.

**Table 3: Pairwise Comparison: Average Ace Scores
Spanish Language vs. English Language ads – Same ads**

Brand	Ad Title	Spanish Ad	English Ad	Ratio Spanish to English
AutoZone Rewards	Get Stuff Back	540	530	1.02
Burger King	Cinnabon Minibon	618	529	1.17
Burger King	Staring	700	566	1.24
Chevy Malibu	Completely Reimagined	683	533	1.28
Chili's	Chipotle Chicken	707	605	1.17
JCPenney	Comfort And Style	606	499	1.21
Kmart	The Likes	601	411	1.46
Little Caesar's Pizza	Fishing	664	566	1.17
Macy's	Get Ready	634	475	1.34
Macy's	Ted	673	469	1.43
McDonald's	Spread The News	621	542	1.15
Nissan	Bottom Line	613	517	1.19
Old Navy	Little Bold Dress	625	532	1.17
Subway	Party On	675	581	1.16
Target	Dream And Save	692	607	1.14
Target	Dream Big Magic	671	615	1.09
Target	Winter Dream	663	553	1.20
Target	Feeling of Falling	616	525	1.17
Target	Shine Shine Shine	724	500	1.45
Average				1.22

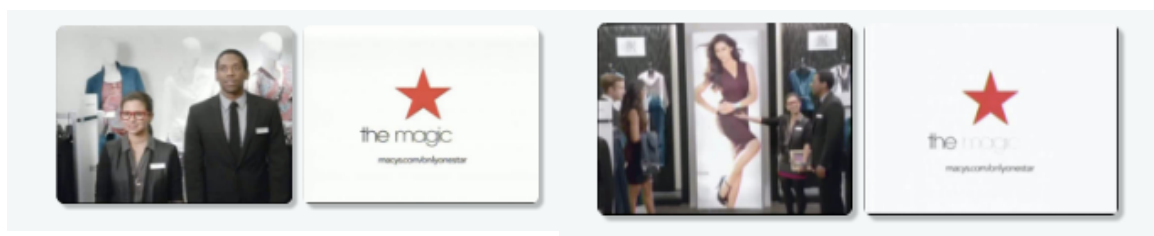
**Table 4: Pairwise Comparison: Average Ace Scores
Spanish Language vs. English Language ads – Similar Ads**

Brand	Ad Title	Spanish Ads	English Ads	Ratio Spanish to English
Carl's Jr.	Memphis Style	601	549	1.1
Ford	Full	606	567	1.07
Honda	More Happiness	607	516	1.18
Old Navy	New Girl	619	547	1.13
Old Navy	Softest Sweaters	588	574	1.02
Old Navy	Warm Up	566	579	0.98
Taco Bell	New Tradition	597	537	1.11
Target	Officially Schooled	724	631	1.15
WalMart	Electronics Nook	583	549	1.06
Average				1.09

SAME PAIRWISE AD INSIGHTS: MACY'S "TED"

Macy's "Ted" ad was an almost identical execution in both English and Spanish. The Spanish language ad had an Ace Score 43% higher than its English language counterpart (673 for Spanish language versus 617 in English among Hispanics and only 469 in English among the general population). In the English language ad, Camila Alvez renders the gawking Ted speechless. In the Spanish language version, Ted speaks to Camila, but his butchering of Spanish prompts his co-worker to quip, "If you are going to speak Spanish, speak it well." Camila Alvez is a Brazilian American model and designer who may be more familiar (and admired) by US Hispanics. Among US Hispanics, the English language version had an Ace Score of 617 (32% higher than the general population).

Key Takeaway: Latino celebrities perform well across both English and Spanish language ads



among US Hispanics.

SIMILAR PAIRWISE AD INSIGHTS: OLD NAVY 'SOFTEST SWEATER'

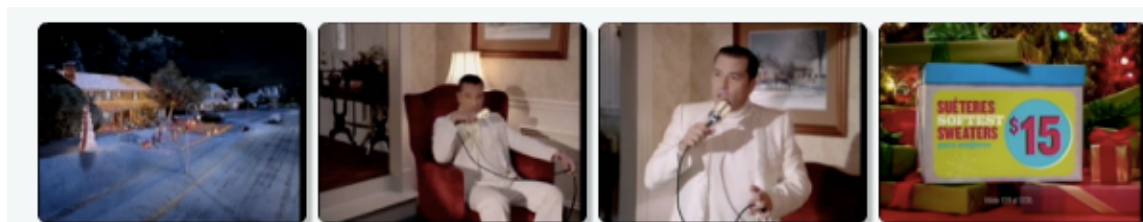
One of the ads that had the lowest ratio of Spanish language to English language was Old Navy's "Softest Sweater". The English language version featured – Chevy Chase and Beverly D'Angelo the parents from *National Lampoons Christmas Vacation*, as well as Johnny Mathis as a "crooner" singing about soft sweaters. This ad performed higher than average among the general population.

In the Spanish language version, the execution was very similar, but celebrities were not cast to play the parents and the singer. The Spanish language execution only performed 2% higher (588 for Spanish language respondents versus 574 for the general population in the English version) well below the lift seen on average.

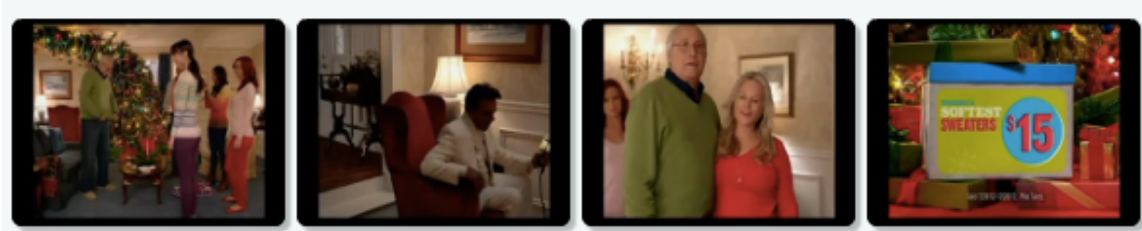
Key Takeaway: An ad featuring a well-known celebrity who are non-Hispanic will not necessarily resonate better among US Hispanics than ads without celebrities.

"I LOVE the Griswold family! I love that it has been incorporated into the holiday commercials."

Spanish language ad: "Softest Sweater"



English language ad: “Softest Sweater”



SIMILAR PAIRWISE AD INSIGHTS: HONDA “MORE HAPPINESS”

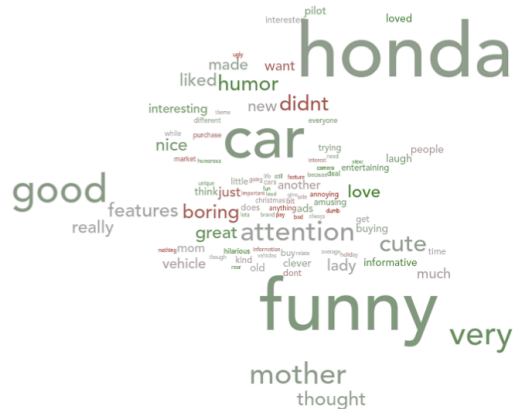
In contrast, Honda’s “More Happiness” has a similar theme, but different execution in Spanish and English. In the English language version, a meddling mother thanks Honda for helping out her son (while not so subtly noting that he is single). In the Spanish language version, the messaging is identical about the blue-tooth, rearview mirror and pricing. However, the Spanish language execution also features a family get together on New Year’s Eve. Our protagonist forgets to bring Rompope (a traditional New Years’ drink) to his in-laws for the celebration and uses his Honda to go pick some up. By customizing this ad for the US Hispanic market, Honda achieved an Ace Score 18% higher than the English language version (607 vs. 518).

Key Takeaway: Leverage key insights about US Hispanic values and lifestyles when customizing ads for the Spanish language market.

Spanish language ad: Honda “More Happiness”



English language ad: Honda “More Happiness”



SIMILAR AND IDENTICAL PAIRWISE INSIGHTS: TARGET “SHINE SHINE SHINE” AND “OFFICIALLY SCHOOLED”

Over the holidays Target ran a corporate campaign about their philanthropic efforts towards education (the company plans to contribute \$1B by 2015). Target took an interesting approach with the general market and ran one identical and one very similar ad:

“Shine Shine Shine” was a Spanish language ad featuring videos that looked like home movies about students being accepted into college. All of the voiceovers and music were in Spanish. However, the ad also included English sub-titles throughout. In the general market, Target ran this identical ad.

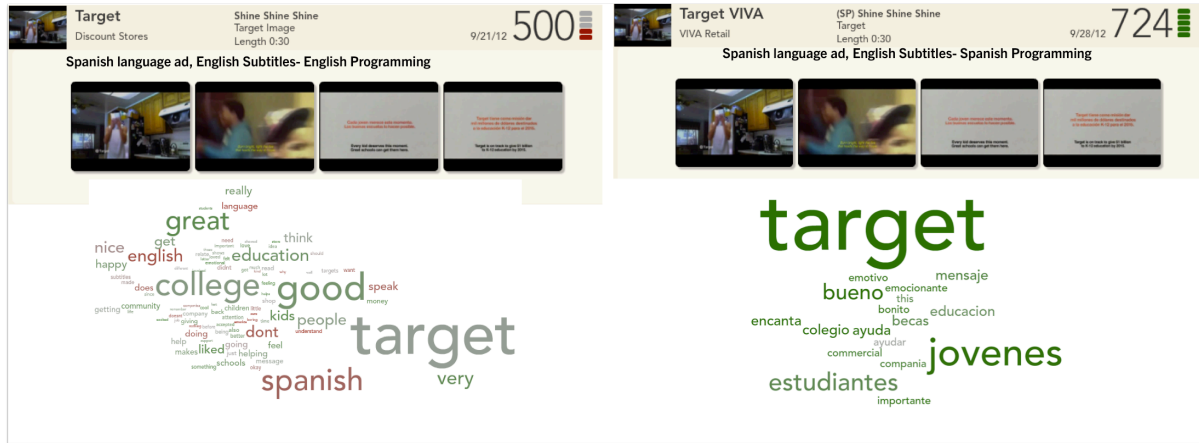
In addition, Target created a very similar execution that featured a variety of ethnicities, but with English speaking actors and music. This ad was entitled “Officially Schooled” and was also one of the top performing English language ads.

As you can see from the summary table below, the Spanish language ad that ran on English language programming had a much *lower* Ace Score among the general population (500 compared to the same ad among Spanish speakers). In fact, many of the verbatims we received were angry at Target for running a Spanish language ad. In contrast, the same message with more diverse ethnicities represented and English language dialogue performed incredibly well (26% higher than “Shine Shine Shine” among the general population).

Key takeaway: Spanish language ads should be concentrated on Spanish language TV or targeted to high concentrations of Spanish speakers on English language programming.

Table 5: “Shine Shine Shine” and “Officially Schooled” Ace Scores

Ad Title	Language of ad	English vs. Spanish programming	Average Ace Score
Shine Shine Shine	Spanish (with English subtitles)	Spanish	724
Shine Shine Shine	Spanish (with English subtitles)	English	500
Officially Schooled	English	English	631



“I think that if Target wants to alienate me from my own country then they are doing a good job with this ad – it is not wise to use a commercial in a foreign language with subtitles.”
Shine, Shine, Shine - Female, 50+, \$40K-\$75K Caucasian from the South

“This was a very touching commercial. Getting that letter of acceptance to college is so memorable, as a mom I can also relate since I kept picturing the day my children get their letters. Also learned more about Target community work.” Shine, Shine, Shine – Female 26-49, \$40K-\$75K Hispanic from the West

Conclusion

Marketers are challenged to place the most effective creative treatment in front of their target audiences- an even greater challenge when multiple languages segment the audience. Understanding how different approaches tend to resonate with each segment can provide insight and direction to advertisers engaging in this type of marketing effort.

With a database of more than 24,000 ads across 23 industries, and 12,000 datapoints per ad, Ace Metrix is in a unique position to mine insights and trends among a plethora of creative attributes and demographic profiles.

The Ace Metrix LIVE platform provides insights to the world's leading brands including detailed analytics that inform better decisions about creative, including the complete competitive landscape, usually within 48 hours of a national ad's debut, weeks before traditional research results arrive.

Ace Metrix VIVA leverages the same methodology and survey used for our general market English language flights- giving actionable data to marketers airing Spanish language creative.

The platform also extends to:

- Ace Metrix KIDS – reaching the 6 -15 year old viewer and their caregiver.
- Ace Metrix POLITICS – assessing the creative impact of political campaign, issues and advocacy advertising.

For more information on the contents of this paper or to inquire about other insights, contact Ace Metrix via acemetrix.com. or call 800.279.7984.