

Cross-cultural marketing for Hispanics

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With \$546 million worth of buying power annually, the Tri-Cities Hispanic population creates tremendous business opportunities. This means reaching more Hispanics as customers as well as starting new Hispanic-owned businesses. But cross-cultural marketing is more than knowing how to speak your customers' language, attendees learned at a seminar last month on the Columbia Basin College campus in Pasco.

Mucho Dinero 2001, sponsored by Battelle and KONA Radio, was designed to help Hispanic and non-Hispanic business owners expand into each other's markets. Business owners and consultants from the Portland and Seattle areas shared tips on cross-cultural marketing and minority business expansion.

Plan to grow

"Start by getting a mindset of business growth," said Tom Nesby of Nesby + Associates, Inc., a consulting firm in Renton. "Too many minority business owners are still working 60 hours a week but earning a salary equivalent to 30 hours. But it's also true that a third of them are doing at least a million dollars worth of business a year," he said. "If after time you don't increase your earnings, you will have to analyze the way you operate and run your business."

What does it take to move your business to the next level of growth? Nesby advises owners to think of themselves as building wealth and providing solutions that make a difference in their customers' minds.

"Understand your core competency, what you're good at," added Ermelindo Escobedo, also with Nesby + Associates and owner of the consulting firm Diversity Works. "This helps you target how and where you can expand," he said. He used the example of the international retailer, Gap Inc. "The Gap owns BabyGap, Old Navy and Banana Republic. They took their core competency, a merchandising strategy, and expanded it into more venues to add new revenue chains," Escobedo explained.

Partner to build capacity

How can a small, minority-owned business compete with large firms and national franchises? One way to do this is, Nesby said, is to form alliances with other minority-owned businesses to capture market share. "For example, several companies can get together to bid on one contract and share the profits," he said. "But this means getting over the feeling of 'If I share with you, you're going to take something away from me.' After all, what would you rather own, 100 percent of a grape or 20 percent of a watermelon?"

Irene Reyes, another speaker at the event, urged minority businesses to give back to the community when they've achieved success. Her company, Excel

Gloves and Safety Supplies, near Tacoma, serves a national market including U.S. Bank, Raytheon, Nordstrom and the states of Washington and Oregon. "Giving back can take many forms, including mentoring, purchasing from other small businesses and serving on community business boards," she said.

Reyes and the other speakers advised minority businesses to improve their networking by joining organizations such as the Northwest Minority Business Council.

Flex your style

According to Nesby, minority business owners must adjust their marketing and selling strategies to reach other markets, a concept he calls style flexing. For example, he said, many European-Americans maintain direct eye contact and physical distance in business situations, while Latino-Americans tend to use a light handshake and more deferred eye contact, but more physical proximity. "You should approach others in the way they are used to relating," he said.

Escobedo had some specific advice for Hispanics when giving sales pitches to Anglo business executives: "Be on time, don't waste time on small talk and leave printed materials behind."

Link marketing to acculturation

The Hispanic population in the United States is growing seven times faster than the general population, making it an increasingly attractive market for many Anglo businesses, said Mary Young. She is with Larson Northwest Research and Consulting in Portland and owns the advertising firm Latin Media Specialists.

"The average annual household income of Hispanic families in the Tri-Cities and Yakima is \$36,920, the highest in the state," Young noted. But the Hispanic market is not all the same, she said. "You need to understand how acculturated each group is and target them accordingly."

She defined acculturation as the extent to which people have adopted the traits of a new culture. For example, a non-acculturated Hispanic individual may depend on Spanish-language media, often radio and television. They also want to feel welcomed as Latinos. "They will drive by ten car dealers to go to the one that caters to Spanish-speakers," Young said.

A more acculturated Hispanic individual is bilingual, bicultural and is more involved with causes such as Hispanic events and political action. "He or she might respond to English-language advertising that includes Spanish faces," she said.

What if your business has only one or two bilingual employees who are not available all the time to help Spanish-speaking callers? "Use a voice mail

message in Spanish that customers can be switched to when appropriate, which assures callers that someone will respond quickly,” Young advised.

She urged businesses to use as many outreach tools as possible, including promotional events tied to Hispanic cultural occasions and translation firms for important business deals.