

# Portada™

TRACKING THE EXPANSION OF PRINT MEDIA FOR SPANISH-SPEAKING AUDIENCES

July, 2003

## PRINT MEDIA BUYERS WANT RESEARCH, MORE REACH AND UNIQUE CONTENT

Print media, including newspapers, magazines and yellow pages, accounts for 35% of overall advertising expenditures in the US, excluding direct mail. That percentage is much lower for Hispanic print media, where print advertising accounts for between 15 and 20%, depending on the study.

According to Lisa Contreras, VP director of multicultural advertising at Carat USA in New York, print takes third place with US Hispanics. "They don't spend a lot of time with print," she notes. Contreras spends approximately 2% of her clients Hispanic advertising budgets on print media ads. Her Pfizer account buys advertising in "health-type" publications such as *Selecciones* and *Prevention en español*, and in the main Hispanic metropolitan dailies in New York, Los Angeles, Miami and, sometimes, in Chicago. The Los Angeles-based agency, La Agencia d'Orci spends 8-9% of its advertising budget on ad space in newspapers and national magazines. Ideas-Cruz Kravetz, also in Los Angeles, has not bought magazine advertising during the last few months because their accounts don't seem to require it.

Despite this low overall allocation to newspapers and magazines, some observers are convinced that print media advertising targeting Hispanics will play a more important role in the near future. "I don't buy the argument that Hispanics are TV oriented just

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## The competition for Spanish-speaking readers

### Border crossings: Long-time champion *El Paso-Times* faces new rivals

Many large US newspaper publishers, such as Gannett and Media News Group, are struggling to adapt their content to the demands of an increasing Hispanic population, without alienating their traditional "white" readers. These problems are exacerbated in the border states of Texas, California, New Mexico and Arizona by new, up-and-coming publishers, mostly Mexican (see "Mexican publishers expand into the Southwestern United States,"

page 1, Portada™ No.2 May/June 2003), who are offering print media to advertisers specifically interested in Hispanics.

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### NEW INITIATIVES

Page 11 Gannett's Hispanic ventures

## PUBLISHER

Carlos Belda

## CORRESPONDENTS

**Josef Kotzrincker**

(USA - New York)

**Tomás Bustigorri**

(USA - Los Angeles)

**Ana Lydia Valdés**

(México)

**Susana Reinoso**

(Southern Cone)

**Mari Pascual**

(Spain)

## COPY-EDITOR

Carrie Barnes

## ADVERTISING

Lindsay Wilson

## DESIGN

dafmediseño | info@dafmedis.com.ar

## PRINTER

Aktion

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## MISSION

Portada™ provides news, analysis and insights to foster the development of the print media sector (newspapers and magazines) for Spanish speaking audiences (US, Latin America and Spain). Portada™ seeks to increase knowledge about Hispanic print media and improve the performance of publishing and marketing professionals, media buyers, journalists, financial analysts, academics and market researchers.

## Media buyers

(continued from page 1)

because they didn't buy magazines in their countries of origin," says Andrew Buchholtz, managing director of merchant bank Veronis, Suhler & Stevenson in New York. Some signs clearly point toward growth. Traditional advertisers such as Procter & Gamble, Pepsi and the automobile makers are increasing their Hispanic print media budgets, and new advertisers like Pfizer, Radio Shack and some financial service companies are beginning to buy more space in magazines and newspapers.

Other analysts point out that it will take a lot of work before print media becomes an attractive advertising platform for companies targeting Hispanics. At a recent Newspaper Association of America-GOLD Conference (Growth Opportunities by Leveraging Diversity), Christine Wood, GOLD project director, said that despite the fact that general interest newspapers do reach Hispanics, and that advertising drives readership and gets valuable attention in these markets, the perception among media buyers is that newspapers are not appropriate vehicles for reaching Hispanic audiences. According to Wood, newspapers need to work on changing the perception of media buyers.

### Low reach...

The low reach of most Hispanic newspapers and magazines is a major disincentive for advertisers. "The reach levels of TV and radio are significant. This can't be said about even the biggest magazines targeting the Hispanic market," said Contreras, who manages the Carat USA accounts for the Hispanic market of Radio Shack, Honda Kia, Alberto Culver and Chivas Regal, among others. According to Contreras, "Hispanic magazines are not as sophisticated yet as general market magazines. Few of the magazines and newspapers have a circulation higher than 100,000. The rest of the outlets have circulations divided into bits and pieces – 20,000 here, 10,000 there."

**"The tools used to judge a media plan are just not available for Hispanic print."**

Contreras also points out that more ad money is being spent on African-American print media, even though Hispanics recently passed African-Americans as the largest minority. "There are many high circulation African-American magazines and there is more research about them," Contreras explains. Magazines targeted to African-Americans such as *Ebony* (circulation 1.9 million) or *Essence* (circ. 1 million) have at least double the circulation of the largest Hispanic magazines. African-American media consumption is easier to analyze. "They watch, hear and read what the general market is watching," Contreras notes.

### ...expensive...

The low reach of Hispanic newspapers makes advertising more expensive. To reach an audience of a thousand readers (CPMs) an advertiser has to spend comparatively more for ads in magazines and newspapers, than on network TV, and much more than on radio. Publishers face a particularly big obstacle when trying to sell ad space to big brand, national advertisers who want a wide reach (distribution) for their advertising message. However, local advertisers are keen on reaching Hispanics in specific areas and might be very interested in advertising in local newspapers, even though local radio stations, generally, offer cheaper CPMs. (see chart)

### ...and fragmented.

According to Sofia Escamilla, media director at La Agencia de Orci & Asociados

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## USA / Newspapers, soon “on the air”

**H**ow has the loosening of newspaper-TV broadcast ownership rules affected Hispanic print media? Will relaxed FCC rules lead TV executives and newspaper publishers to merge more assets in order to cross-promote them to Hispanics? As it turns out, large media groups like **Tribune** and **Belo** already own both newspapers and broadcast stations in the same market (see chart). The recently overwritten FCC rule was instituted in 1970 and granted waivers to companies like Tribune and Belo that had already established cross-ownership in a specific market.

Other companies such as **Knight Ridder**, who owns Miami’s *El Nuevo Herald*, and the twice weekly paper *La Estrella* in Dallas-Fort Worth, as well as the larger English sister papers *The Miami Herald* and *The Dallas-Forth Worth Star Telegram*, might try to increase their clout by buying up TV stations in the Miami or Dallas-Forth Worth markets. However, Anthony Ridder, CEO of Knight Ridder, which does not currently own TV stations, says that he sees no benefits in combining newspaper and TV operations. Other large US newspaper chains, like **Gannett** and **Tribune**, do see economic advantages in merging media platforms..

### TRIBUNE, A POTENTIAL BUYER...

Besides Hispanic dailies in Los Angeles and New York, Tribune also publishes popular weeklies such as *El Sentinel* in Orlando and *¡Éxito!* in Chicago (see page 5). Asked by *Portada*™ about how Tribune will change after the FCC deregulation, Luis Sito, Tribune’s vice president for Hispanic media, said “we are in the process of evaluating what the opportunities are in each of the markets in which we have Spanish-language properties. Once we finish the evaluation process, we will be better positioned to ascertain how to best serve the individual Hispanic communities represented.”

Gannett, who does not currently own any newspapers specifically targeted to Hispanics, is increasing its efforts to reach out to Latinos (see page 11). The largest US newspaper publisher could acquire TV stations as a way to improve the cross-promotion of its content to Hispanics.

### ...IS THE SPANISH TV LEADER INTERESTED?

Univision, leader in US Hispanic broadcast TV, is currently working on acquiring Hispanic Broadcasting Corporation (radio).

## Already quite consolidated

Market	Company	Newspaper	TV / Outdoor
NEW YORK	Entravision	<i>El Diario/La Prensa</i>	4,926 billboards
	Tribune	<i>Hoy</i>	WPIX (11) WB affiliate
LOS ANGELES	Tribune	<i>La Opinion (50%)</i>	KTLA (5) WB affiliate
DALLAS-FT. WORTH	Belo	<i>Al Dia (to be launched)</i>	WFAA (8) ABC affiliate

Is Univision considering an expansion into Hispanic newspaper publishing as well? One potential drawback is that Univision’s broadcast TV and, now, radio business has a high growth rate, while newspaper publishing is traditionally a more stable but low-growth business. Additionally, cross-media partnerships are not limited to properties belonging to the same company. For example, Univision partners with *The San Francisco Chronicle* (Hearst) for news projects, polls, events and cross-promotion. According to an announcement published in late May, the Univision owned and operated station, KDTV-TV, will partner with *The San Francisco Chronicle*.

Another cross-media partnership was recently signed between **Meredith Corp.’s** Las Vegas TV station, KVVU, and *Una Vez Más*. **Una Vez Más** owns KHDF-TV/Channel 19 in Las Vegas, an Azteca América Spanish-language affiliate. KVVU’s sales staff will now market and manage the commercial inventory for *Una Vez Más*.

Azteca America is owned by the Mexican TV company **Televisión Azteca**, Mexico’s second largest media group after **Grupo Televisa**.

### ● AMERICAN MEDIA TO LAUNCH SHAPE EN ESPAÑOL...

American Media did not wait long to launch Spanish versions of the **Weider** titles it acquired last February. David J. Pecker, president and CEO of American Media Inc. (AMI), recently announced the launch of a Spanish version of its women’s magazine, *Shape* (monthly circ. 1.7 million, 76% subscriptions). *Shape en español* will be launched in October with a circulation of 300,000 and a cover price of US \$2.95. Editorial content will be taken from the English version. The magazine will feature original content targeting young Latina women. Women’s magazines specifically targeting

Spanish-speaking audiences have had mixed success so far (See “The big magazine hit for Latinas is yet to come,” page 10, *Portada*™ No. 3 May/June 2003). American Media’s distribution method fits well with Hispanic women’s purchasing habits. The magazine will use the retail network of supermarkets, mass merchandisers and bodegas that AMI built for its Latino celebrity magazine, *Mira* (circ. 100,000). Dalia Sanchez, vice president/group publisher for the AMI Latino Magazine Group, will also be publisher of *Shape en Español*. **Ford** and **Royal Caribbean** have made advertising commitments for the first issue.

### ...AND MEN’S FITNESS EN ESPAÑOL.

American Media also announced that it re-acquired the license to *Men’s Fitness en español* from **Ideas Publishing Group** (IPG is owned by **Conde Nast**). The magazine will launch in the first quarter of 2004. IPG bought the license in 2000 from Weider Publications. Under IPG, *Men’s Fitness en Español* had a total circulation of 207,000, only 10% of which was distributed in the US. The rest was sold in Latin America (35% in Mexico).

“*Men’s Fitness en Español* will follow the same brand extension philosophy as *Shape en Español*”, David Pecker, president and CEO of AMI noted. Dalia Sanchez will also be the publisher of *Men’s Fitness en Español*.



## Correction

In the article “The big magazine hit for Latinas is yet to come” (page 10, *Portada*™ No. 3 May/June 2003) *Latina*’s circulation was incorrectly listed as 100,000. *Latina* currently has a circulation of 300,000.

## ● WHAT'S HOT IN HISPANIC MAGAZINE ADVERTISING?

Automotive and packaged goods, both with growth rates higher than 100%, were the two strongest advertising categories during the first three quarters of 2003, according to a survey of the "Big Three" US Hispanic magazines – *People en español*, *Latina* and *Selecciones Reader's Digest* – done by Portada™. Pharmaceuticals and cosmetics/toiletries took third and fourth place, respectively. Most of the new advertising in Hispanic magazines belongs to these categories.

	ADVERTISING CATEGORY (ranked by growth in sales)	NEW ADVERTISERS GAINED BY AT LEAST ONE OF THE "BIG THREE"
1.	Automotive	Volkswagen, Land Rover
2.	Packaged goods	—
3.	Cosmetics/Toiletry	Revlon, Gillette, Clairol
4.	Pharmaceuticals	New Pfizer brands
5.	Ready-to-wear apparel	Payless
6.	Fashion	Carolina Herrera
7.	Other	American Express, Citizen Watches

**SOURCE**  
Portada™ survey

## ● LATINA TARGETS THE TEEN MARKET...

"According to the latest Census, one in five teens is Hispanic, so we expect that this will be a very good place for *Latina* to be," David Kahn, publisher of *Latina*, told Portada™.

### ...PARTNERS WITH AVON...

*Latina* and Avon are currently evaluating their marketing partnership and looking for new opportunities. "This year we hope to team up with Avon Mark, a new brochure that Avon will debut, specifically targeting the youth market - women ages 16-24. This will represent Avon's major strategic initiative for the fall of 2003. We're very excited about the possibility of this partnership," said Kahn.

### ...AND HOPES TO INCREASE RATE BASE IN FEBRUARY 2004.

*Latina* recently increased its rate base from 250,000 to 300,000. According to Kahn, "it is set to be raised again next February to 350,000." Kahn said that in the first half of 2003, advertising revenues were up 52% according to data submitted to the Publisher's Information Bureau. In June, *Latina* named Raul Martinez as its new creative director. Martinez will oversee all aspects of art, design and photography at the monthly magazine. Martinez has worked in different capacities for magazines such as *Italian Vogue*, *Inside View Magazine*, *American Vogue*, *Harper's Bazaar*, *House & Garden* and *Rolling Stone*.

## ● SAME COMPANY, DIFFERENT STRATEGY

In mid-May *Reader's Digest Association* announced an ad campaign for *Reader's Digest*, the company's flagship magazine. The campaign hopes to draw media buyers' attention to the publication's audience loyalty. **Needleman, Drossman & Partners** created the ad campaign (budget: US \$500,000), which targets media buyers

and planners who have bypassed *Reader's Digest* – which once had a circulation of 18 million and is still the highest circulating magazine worldwide at 11.9 million – in favor of trendier magazines with younger audiences such as *Maxim* and *Cosmopolitan*. *Selecciones Readers Digest*, *Reader's Digest's* Spanish edition, which is published in 10 different countries, decided not to pursue this strategy. "Although we share the same parent company and the same editorial mission – to empower our readers through a general interest format – we often act independently," Elizabeth Bradley, publisher of *Selecciones*, told Portada™, adding that "*Selecciones* has pursued its own trade messaging in order to highlight the power of the Hispanic market and our unique connection to our readers. The campaign focused on our strength of tradition in the market, as well as our dynamic story of growth, both ad and consumer driven."

## ● AND THE NAME IS... AL DÍA

**Belo Corporation** announced the name and date of one of the most awaited Hispanic newspaper launches of the year (see page 3, Portada™ No. 2, March/April 2003). **Belo's** new Hispanic newspaper, *Al Día*, will be launched Monday, September 29. Gilbert Bailon, who has led the project for the last few months, told Portada™ that the paper will be run off the presses of the *Dallas Morning News* in broadsheet format. The 6 day-a-week (Monday-Saturday) paper will be launched with a circulation of 40,000, and will have a retail price of US \$0.25 per issue. The paper's content will be heavily weighted towards local and international news. "Coverage of Latin America will be very important to us," said Bailon.

*Al Día* will also focus on sports and entertainment figures popular among US Hispanics. He added that a large part of *Al Día's* content will be available on the Internet. The newspaper will have its own editorial team, but will share some adminis-

trative, sales and distribution personnel with the *Dallas Morning News*.

## ● YUPIMSN EMPLEOS TO SERVE HISPANIC INTERNET USERS

**CareerBuilder.com** announced that it is operating the recently unveiled **YupiMSN Empleos**, a bilingual career center at **YupiMSN**. **YupiMSN**, a part of the MSN global network, delivers Spanish-language content and services to the United States and Latin America through communities such as *CiudadFutura.com* and *MujerFutura.com*. According to a March 2003 comScore Networks report, more than 12 million Hispanics use the Internet in the U.S., representing about one-third of the US Hispanic population. Amado Izaguirre, vice president of business development for CareerBuilder.com, explained that "Hispanics are relying more and more on the Internet for the latest news and employment information." The strength of many online competitors has led publishers to move more aggressively onto the web.

CareerBuilder.com (see page 3, Portada™ No. 1, January/February 2003) reflects this trend. It combines the distribution power of online and print with the 130 newspapers published by partners **Gannett Co.**, **Tribune Company** and **Knight Ridder**, to help connect job seekers with potential employers. (For more information see Research/Recruitment advertising on page 9.)

## ● NOT PRINT FOCUSED

**Medialink** named Gloria Baca account manager for the newly created Hispanic services division. Baca will be based in New York. Medialink specializes in profiling companies and high executives of companies in the news. It distributes this content mainly through broadcast TV. Print media vehicles are targeted through press releases by news-wire services.

● **¡ÉXITO!, NOW ON A DAILY BASIS?...**

**Tribune Co.**'s free Spanish-language weekly, *¡Éxito!*, is bracing itself for a possible expansion. Several news sources have reported that Tribune is considering turning *¡Éxito!* into a Monday through Friday newspaper. Other sources suggest that the name might be changed to *Hoy*, the name of Tribune's New York Spanish daily.

Luis Sito, the man responsible for launching the New York daily *Hoy* – a spin-off of *Newsday* – in 1998, was named vice-president for Hispanic media at the Chicago based Tribune Co. last February. His main responsibility will be to study and develop new products. *¡Éxito!* is published every Thursday and has a circulation of 87,551. "We are exploring a number of options regarding the expansion of *¡Éxito!*. We have achieved great success with *Hoy* and hope to replicate that kind of success in Chicago and in our other markets," Gary Weitman, media relations manager at Tribune Co, tells Portada™. "As Dennis FitzSimons said at Tribune's annual meeting of shareholders earlier this year, Louie took on additional responsibility as Tribune vice-

president for Hispanic Media, and we've charged him with developing targeted products in other markets with large Hispanic populations", Weitman adds.

...IN THE FIFTH LARGEST HISPANIC MARKET.

Chicago has approximately 400,000 Hispanic households, making up 11.5% of the total number of households. Seventy-five percent of Hispanic households are Mexican and 10% are Puerto Rican. *La Raza*, a Spanish/English weekly which covers the Chicago metropolitan area and reports a circulation of 150,000, is *¡Éxito!*'s main competitor.

● **AOL TARGETS HISPANIC CONSUMERS IN PRINT**

As part of a strategy to increase its Hispanic subscriber base, AOL started a print media campaign in May. AOL will place a monthly page in *People en español*, some inserts in *Nuestra Gente* (Sears Magazine) and make selected buys in major newspapers in connection with specific pro-

motions. AOL is reaching out to a national audience with emphasis on families and entertainment, Mary Ann Donaghy, executive director of marketing strategy and new product development at AOL tells Portada™. The campaign was developed by Irvine (CA)-based advertising agency Casanova Pendrill, which is also in charge of the print media buying. The campaign underlines the interest national advertisers have in reaching Spanish-speaking audiences through magazines and newspapers.

● **A NEW PUBLICATION TARGETING LATINO CAR-BUYERS**

Publishers are increasingly aware of the growing number of automobile companies interested in advertising in Hispanic print media. In September, the first issue of *Sobre Ruedas*, a national Spanish-language magazine focusing on the automotive industry, will be launched. *Sobre Ruedas* is one of a growing number of publications targeting Latino car buyers. The quarterly, *Latinos on Wheels*, was launched in October 2001. ■

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# Mexico / Recoletos looks for local partners...

**S**panish media group **Recoletos Grupo de Comunicación**, 80% owned by British media conglomerate and *Financial Times* publisher, Pearson, has its sights set on the Mexican market. Recoletos is looking for local partners, ideally Mexican partners, who specialize in print media sectors similar to those covered by Recoletos, namely financial and sports newspapers. In Spain, Recoletos publishes the daily sports newspaper *Marca* (circulation 450,000) and *Expansión*, a daily financial newspaper with an approximate circulation of 40,000.

"The experience and know-how we have obtained through our activities in Chile and Argentina, and the mandate of our majority shareholder, Pearson, to grow in Spanish and Portuguese speaking markets, leads our interest in exporting our publishing model to Brazil and Mexico," said Tom Burns Marañón, media relations director at Recoletos. Burns is a former Madrid correspondent for the *Financial Times*.

### ...TO COMPLEMENT ITS PRESENCE IN LATIN AMERICA...

Recoletos has a strong presence in Latin America's Southern Cone countries. In Chile it owns 37.4% of **Ediciones Financieras**, publisher of *Diario Financiero*, Chile's top selling business newspaper, with an average daily circulation of 34,547. **Ediciones Financieras** leads the financial newspaper advertising market with a 56% market share, compared to the 44% share commanded by rival *Estrategia*. Recoletos's local partner in Ediciones Financieras is **Grupo Claro**. The Spanish media group also has interests in Argentina. In 2000, Recoletos purchased the Argentinian financial daily *El Cronista Comercial*, along with specialized marketing and technology magazines.

### ...WITH MORE FINANCIAL NEWSPAPERS IN PINK.

Burns notes that both *Diario Financiero* and *El Cronista Comercial* have been redesigned to closely resemble Recoletos's *Expansión*, the most widely read financial daily in Spain. "To create a similar image, we had to change some of the sections and introduce the pink paper color," said Burns. "We would like to continue doing this by starting projects with new partners in Mexico and Brazil." Mexico already has large circulation financial newspapers such as *El Financiero* and *El Economista*. Despite its relatively low newspaper readership, Mexico's convergence with

the US economy makes it attractive to foreign media groups. The recent liberalization of Mexican financial markets, together with a growing middle class, has increased the demand for financial news. From an advertising sales perspective, Recoletos will try to cross-sell its new Mexican and Brazilian print media vehicles to Spanish advertisers (see "The challenge of selling Latin American ad-space in Spain," page 11, *Portada*™ No. 2 March/April 2003).

### ● NEW DAILY...

Does Mexico City's convoluted newspaper landscape need a new daily? (See "State turns off the tap," page 5, *Portada*™ No. 2 March/April 2003). The publishers of *El Independiente* certainly think so. *El Independiente*, launched at the beginning of June, has a circulation of 40,000 and is distributed nationally. Entrepreneur Carlos Ahumada Kurtz is the main backer of the new venture. Veteran journalist Raimundo Riva Palacio is the chief editor and Javier Solorzano acts as the paper's business director. The new daily is supported by approximately 150 journalists.

### ...TARGETING DECISION MAKERS WITH QUALITY CONTENT.

*El Independiente* aims to be a quality paper read by decision makers in business, politics and culture. It considers itself the product of a "heterogeneous society which is constantly in change." According to Editor Raimundo Riva Palacio, investigative journalism will be its main focus. The newspaper seeks to offer more than just raw news by contextualizing information and putting it into perspective. *El Independiente* has an auditing board which oversees the quality of the newspaper, and enforces the newspaper's Code of Ethics.

### ● MORE TRAVEL MAGAZINES?

The Madrid based subsidiary of **Gruner + Jahr**, owned by German media group **Bertelsmann**, is debating about whether or not to launch a Mexican edition of *Geo*. A Spanish version of the German magazine *Geo* is already published in Spain (circulation 52,000), and distributed in some Latin American countries. *Geo-Spain* covers mostly travel and science through feature articles and ample photographic material. A major focus of the magazine is on travel within Spain, which would obviously be less

appealing to the general Mexican market.

### ● MAGAZINES CONTENT ON ESMÁS.COM

**Editorial Televisa** recently decided to publish content from many of its magazines on Televisa's website Esmás.com. This way, Editorial Televisa promotes its magazines on a popular Mexican Internet site and, at the same time, reduces the substantial costs Televisa incurred when Esmás.com had its own journalists producing content for the website.

### ● MAXIM EN ESPAÑOL, A TALE OF TWO CITIES

**Editorial Televisa's** *Maxim en Español* is now being published out of two cities. Until recently, the magazine had been based in Miami. Now the vice director of the magazine, and half of the newsroom, will be based in Televisa's headquarters in Mexico City. The magazine's director will remain in Miami, along with one reporter, and make trips to Mexico every two weeks for the deadline of the new issue. It is the first time Editorial Televisa has published a magazine out of two cities. The director of *Maxim en Español*, a Colombian national, has a close relationship with Eduardo Michelsen, Editorial Televisa's CEO, who is also Colombian.

### ● NEW TITLE IN THE LUXURY MAGAZINE CATEGORY

**Editorial Televisa** launched *Ocean Drive Mexico* in April. Miami based **Ocean Drive Inc**, publisher of *Ocean Drive* and *Ocean Drive en español* (see "Wealthy Floridians, a tantalizing audience for Latin-American and US publishers," page 13, *Portada*™ No. 3 May/June 2003), gets a 7-10% revenue share in exchange for the Mexican rights to the brand and some of its content. Luxury goods advertisers now have a wide selection of print media platforms that they can use to reach high purchasing power individuals in Mexico. In addition to *Ocean Drive Mexico*, Editorial Televisa also publishes the high-society gossip magazine *Caras*, launched in December 2002, which targets the same demographic. **Editorial Expansion** publishes *Quién*, a magazine featuring actors and other celebrities from the Mexican entertainment and cultural world. ■

# Panregional / Dominican government seizes control of newspapers...

**O**n May 15th, Dominican government officials, with the help of police forces, took over the country's main media outlets, including four TV channels, several radio stations and four newspapers – *Listín Diario*, *Última Hora*, *El Expreso* and *El Financiero*. All of the media outlets were owned by entrepreneur Ramón Báez Figueroa whose bank, Banco Intercontinental, is under investigation for financial fraud. The District Attorney (Fiscalía del Distrito Nacional) selected new administrators for each of the media companies in order to clear relationships with other companies also owned by entrepreneur Ramón Báez Figueroa. The journalists and publishers of *Listín Diario* (Miguel Franjul), *El Expreso* (Oswaldo Santana), *Última Hora* (Virgilio Alcántara) and *El Financiero* (Frank Marino Hernández) have spoken out against the occupation, considering it a violation of free speech. Analysts objected to the take over because the action took place before the judge had issued an order to seize Báez Figueroa's companies.

*Listín Diario*, the Dominican Republic's largest newspaper, with a circulation of 96,000, publishes *The Wall Street Journal Special Edition* and a *New York Times Weekly Supplement* in Spanish (see "The Gray Lady expands into Latin America," page 10, Portada™ No. 2 March/April 2003).

## ...AND INTERROGATES CRITICAL JOURNALIST.

On June 11, state security officials in the Dominican Republic interrogated journalist Marino Zapete Corniel and accused him of insulting President Hipólito Mejía in a series of recent articles. This event added further friction to an already tense relationship between the Government and the media. According to Zapete, four officials from the National Department of Investigations (DNI) and an assistant prosecutor arrived at his home in the capital, Santo Domingo, and asked him to come with them to DNI headquarters. Zapete was released after more than five hours of questioning. Zapete works for the Miami-based online newspaper *Los Nuevos Tiempos Digital* and the local weekly *Primicias*. During the last two months, he wrote a series of articles that appeared in both publications criticizing President Mejía for his handling of the financial collapse of Banco Intercontinental (Baninter), one of the country's largest

banks, saying that its collapse would not have been possible if the government's Banking Supervision Agency had done its job. In two of the articles, Zapete claimed that President Mejía was building two mansions in the country using public funds. President Mejía has said that he will file a lawsuit against Zapete.

## METRO OBTAINS NEEDED CASH INJECTION

**Metro International**, the Swedish publisher of 25 free dailies in 16 different countries (Chile, U.S. and Spain among them), raised US \$32 million in a share sale on June 10th. In order to avoid running out of cash, the company converted another US \$146 million of debt into equity. Metro publishes free dailies in Boston, Philadelphia, Santiago de Chile, Madrid and Barcelona. Metro International, after expanding throughout Europe and into markets as distant as the U.S., Canada and Chile has slowed new launches in order to focus on becoming profitable and solving its financial woes.

## PAN-AMERICAN RADIO PROGRAM MAKES HISTORY

On May 11th the new radio program "Latitud 40" aired simultaneously in Colombia, Costa Rica, Chile, Panama, Mexico and Miami (USA), offering two and a half hours of the top music from each of the six countries. Additional programming included music and entertainment news and exclusives, and interviews with music stars. It was the first time in the history of Latin American radio that a program was offered simultaneously in these countries.

"Latitud 40" is broadcast weekly on the radio stations and programs of "Los 40 Principales," a Latin American youth radio station that **Grupo Latino de Radio** (GLR) is developing. The program is modeled after "Los 40 Principales," a popular music program for youth broadcast by **Grupo Prisa's** Cadena SER. GLR has 400 member stations in the U.S. and Latin America and an audience of 15 million. **Caracol Radio** (Colombia), **Consortio Radial Chileno** (Chile), **W Radio** (México), **GLR Costa Rica**, **Caracol-Miami** and **Caracol-Panamá** are all part of this network. GLR owner Grupo Prisa publishes newspapers in *Spain* (*El País*, *Cinco Dias*, *As*, *Rolling Stones*)

and has investments in Latin American newspaper publishing (Bolivia) and book publishing (Editorial Santillana, most of the region).

## NEW NAME FOR GRUPO CORREO-PRENSA ESPAÑOLA

Spanish media group **Grupo Correo-Prensa Española** has changed its name to **Vocento**, as a result of a merger which started in 2001 with the acquisition of **Prensa Española** (publisher of the daily *ABC*) by **Grupo Correo** (owner of a regional newspaper chain and other holdings in TV, radio and print media distribution). The company claims that the new brand and the new corporate image emphasize the group's international orientation and its leadership position in the Spanish media market. Vocento owns more than 100 companies and 80 brands, and employs more than 3,000 professionals. In Argentina, Vocento has a stake in regional newspapers *La Voz del Interior* (Córdoba) and *Los Andes* (Mendoza). In 2002, Vocento had earnings of 64.8 million euros (US \$76.5 million), an increase of 93.7% compared to the prior year. Its revenues were 625 million euros (US \$738 million), 48% were advertising revenues, an increase of 50.6% from 2001. Despite weak national advertising in newspapers, the company was able to substantially increase its revenues through acquisitions and higher revenues from regional newspaper, TV and radio advertising.

## ROLLING IN SPAIN

**Grupo Prisa**, the Spanish franchisee of *Rolling Stone* magazine, owned by US publisher **Wenner**, has made some changes in the leadership of *Rolling Stone's* Spanish edition.

Juan Antonio Carbajo, who was director of *Dominical*, will now be director of *Rolling Stone*. Andrés Rodríguez will be in charge of *Dominical*, a weekend supplement in 27 Spanish dailies, started by Grupo Prisa and **Grupo Zeta** in September 2002.

## EXPANSIÓN NURTURES AULA ABIERTA PROJECT

Business daily *Expansion*, owned by **Grupo Recoletos**, recently published the 21<sup>st</sup>

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## News and Trends

issue of *Aula Abierta* ("open classroom" in Spanish). The 8-page weekly paper is distributed to business, economics, law and communication students in Madrid. Pilar Cambra, project coordinator, explains that their goal is to attract new, younger readers who wouldn't normally read a financial newspaper. "We try to open the door to the use of the newspaper as a work tool," says Cambra. Recoletos followed a similar strategy with *Diario Médico*, a trade publication for General Practitioners. *Diario Médico's* first issues were distributed free to medical students.

### ● HEINRICH BAUER SELLS SPANISH MAGAZINES

Spanish magazine publisher **America Iberica** bought two books from German publisher Heinrich Bauer Ediciones – the quarterlies *El Mundo de los Astros* (circulation 22,407) and *Dietas* (circulation 29,304). America Iberica currently publishes similar magazines, like *Tu Suerte*, and pseudoscientific pubs *Año Cero* and *Enigmas*. The transaction also includes Portuguese editions of *El Mundo de los Astros* and *Dietas*. After the sale, *Bravo por Ti* will be the only magazine Heinrich Bauer publishes in the Spanish market.

### ● NEW MAGS FOR TWENTY AND THIRTY-SOMETHINGS

Madrid based **Grupo Zeta** launched two new publications aimed at young Spaniards.

The monthly *Fortuna Sports & Life* targets men and women between the ages of 18 and 30. The 130-page magazine was launched in May with an initial circulation of 200,000 copies. The single copy price will be 2 euros (approx. US \$2.40). *Decoración Woman* (circ. 120,000) will be published on a quarterly basis together with the women's magazine *Woman* (circ. 126,000). The 100-page magazine will feature different styles of home decor, photos of homes, and practical decorating ideas.

Additionally, the men's monthly magazine, *Man*, (press run 95,000, circ. 57,000) will increase its page count with coverage of science and technology, as well as business, health/fitness and travel. **Ediciones Reunidas**, the Grupo Zeta subsidiary responsible for publishing the new magazines, plans to spend 4.2 million euros (approx. US \$5 million) in an advertising campaign to promote the magazines.

### ...AND DIGITAL VIDEO MAGAZINE...

To take advantage of the digital video boom in Spain, Grupo Zeta launched *Digital Video Magazine*, a new publication for amateurs and professionals in the digital video field. The 100-page book evaluates new equipment and provides lots of information about how to take maximum advantage of digital video equipment. The magazine is led by Luis Jorge García.

### ...BUT ISN'T READY TO HIT THE US MARKET.

Grupo Zeta, publisher of widely-read

general interest magazines such as *Tiempo* (circ. 69,000) and *Interviú* (140,000), is not very active in the US-Hispanic or Latin American markets. Gema Arcas, director of International Advertising at Grupo Zeta, told Portada™ that Grupo Zeta has been distributing some magazines through local publishing houses in Argentina and Mexico, but not in the US. However, **Ediciones B**, Grupo Zeta's book publishing unit, has a strong presence in the Latin American and US-Hispanic markets.

### ● STRONG NEWSPAPER READERSHIP...

Consumption of Spanish newspapers increased by 1.7 percentage points to 38.8% during the first quarter of 2003, while magazine and weekend supplement consumption remained stable at 50.7% and 29.4%, respectively. The increase in newspaper readership, probably connected to the strong demand for both print and radio news during the conflict in Iraq, is also reflected in rising moving average trends.

### ...BUT LOW EXPECTATIONS FOR PRINT MEDIA ADVERTISING.

According to the Zoom Vigía panel of advertising executives, 2003 will not be a great year for print media advertising in Spain. The survey, conducted by **Zenith Media**, shows a negative growth in newspaper advertising of -0.4% in 2003, -1% for magazines, and -2.5% for weekend supplements. Free newspapers are the big winners, with an expected increase of 19.9%. ■

## Newspaper classifieds / Recruitment advertising in print and ...online

**T**he recruitment advertising market is a very interesting market for Hispanic newspaper publishers for a compelling reason: they target a growing demographic group whose average age is much younger than the general population and, therefore, is more active in the labour market. One of the reasons for Belo Corporation to launch *Al Día*, a new Hispanic daily in Dallas/Fort Worth this autumn (see page 4) is that there is no newspaper in this city offering employment recruitment ads targeted to Hispanics on a daily basis. Gilbert Bailon, president of *Al Día*, notes that classifieds will be posted both in print and on the Internet. Bruce Murray founder and CEO of Corzen Inc. tells Portada™ that the main task for Hispanic publishers should be to “build an audience for the newspaper and offer advertising to employers who are seeking to reach those readers”.

### THE THREAT OF THE INTERNET ...

Newspaper publishers face huge competition from pure Internet companies such as Monster.com or HotJobs (Yahoo!) in the US \$6 billion recruitment ad category (approximately 15% of overall newspaper advertising revenues). The strength of these online competitors has led many publishers to move more aggressively onto the web. According to research by Corzen nearly half of the largest 250 newspapers in the US now offer a web-only, help-wanted advertising option for employers placing recruitment ads. In May 2003, 49% of the nation’s largest 245 newspapers offered a rate card for Internet-only recruitment advertising, up from 32% in the fourth quarter of 2002.

By going online, newspapers try to avoid losing market share versus their online competitors. However, as Murray points out, for many newspapers the Internet recruitment ad price is lower than the price of the same ad in print. “Newspaper publishers might see the same volume of ads, but it is not clear that they will generate the same total revenue,” Murray notes.

### ...AND THE WAY HISPANIC PAPERS FACE IT.

How do Hispanic newspapers fare on this side? Do they offer the capability to place ads both on the Internet and on print? A survey by Portada™ of the largest Hispanic newspapers shows that Hispanic papers tend to trail the national average on the web.

*El Diario/La Prensa* in New York does not offer online recruitment ads. This is also the case of *El Sentinel*, the Spanish language weekly published by *The Orlando Sentinel*. Neither does New York’s *Hoy* have the capability to place recruitment ads on the Internet. However, Los Angeles’ *La Opinion* and *El Nuevo Herald* in Miami do offer online recruitment ads. There is quite a difference between the rates asked for by these newspapers. These differences in re-cruitment ad prices are due to the different market structures this newspapers operate in (size of the market, competition etc...) ■

## Print vs. online... the recruitment ad war...

Newspaper/website	Price
<i>Career Builder.com</i> (30 days)	US \$200
<i>Hotjobs.com</i> (30 days)	US \$275
<i>Monster.com</i> (60 days)	US \$305
Average newspaper Internet only (30 days)	US \$196
Average newspaper print ad (four consecutive Sundays)	US \$138

SOURCE Corzen Inc.

## ...and where Hispanic dailies stand.

Newspaper	Price	Internet
<i>La Opinión</i> (Los Angeles)	US \$244 (4 consecutive Sundays)	Yes
<i>Hoy</i> (New York)	US \$140 (4 consecutive Sundays)	No
<i>el diario/La Prensa</i> (New York)	US \$331.2 (4 consecutive Sundays and Mondays)	No
<i>El Nuevo Herald</i> (Miami)	US \$131.92	Yes (Careerbuilder.com 30 days for US \$399)
<i>El Sentinel</i> (Orlando)	US \$140 (4 consecutive Sundays)	No

SOURCE Portada™

(continued from page 1)

Mexican publisher Osvaldo Rodriguez Borunda publishes *El Diario* in Ciudad Juarez (Mexico). *El Diario* (circulation 87,000) was launched in 1976. It is Chihuahua's largest newspaper and Mexico's fourth largest daily. Sixty thousand copies are distributed daily in Ciudad Juarez, 20,000 additional copies in Chihuahua City and 7,000 across the border in El Paso. Now, Rodriguez Borunda intends to publish a newspaper similar to *El Diario*, in El Paso (Texas), to compete with Gannett owned *El Paso-Times*.

Of its 100 daily publications, Gannett only faces competition in two other cities – Greenbay, Wisconsin and Honolulu, Hawaii. With the publication of *El Diario* in El Paso, Borunda hopes to make it three.

Rodriguez Borunda recently told the *New York Times* that, in his view, *El Paso-Times* only caters to El Paso's white elite, and neglects El Paso's large majority of Hispanics. Seventy-eight percent of El Paso's 670,000 inhabitants are Hispanic (mostly Mexican).

Rodriguez Borunda is also considering a newspaper venture in Tijuana, Mexico, near San Diego, Calif., hoping to sell to an underserved Spanish-speaking audience similar to that of Juarez/El Paso. He is expected to make a decision as early as August.

## El Paso-Times, run by and for English-speaking Hispanics

Mack Quintana, publisher of *El Paso-Times* explained to the *New York Times* that *El Paso-Times* does not want to publish in Spanish, aside from a weekly supplement called *Vecinos* started in 1991, because, in his view, the education level of recent arrivals is "much lower" than the level of existing residents. The newspaper has websites in both English and Spanish, but the English site offers more in-depth content. According to Bruno Larosa, Marketing Director at *El-Paso Times*, there are already two newspapers in Spanish in Ciudad Juarez (*El Diario* and another one called *El Norte*) with relatively low circulations. "The market does not seem ripe for a third one."

*El Paso-Times* was founded in 1881 and joined Gannett in 1972. It has a daily circulation of 75,127, and a circulation of 93,425 on Sundays. It serves residents of far West Texas and southern New Mexico. In 2003, Hispanics made up 61.4% of the *El Paso-Times* newsroom, the largest minority share in any Gannett newspaper and among the top ten US newsrooms ranked by percentage of minorities on their staffs.

## Are national advertisers interested?

According to Bruno Larosa, marketing director at *El Paso-Times*, national advertisers are very interested in reaching Hispanics, but mostly in the five biggest markets (Los Angeles, New York, Puerto Rico, Miami and Chicago). "Even though 80% of El Paso's 700,000 inhabitants are Hispanics, the absolute number of Hispanics is not high enough to attract many national advertisers," Larosa told Portada™.

However, *El Paso-Times* has several initiatives to increase its popularity among Hispanics. It distributes some of its content and advertising daily across the border through a distribu-

tion agreement with *El Norte* in Ciudad Juarez, a competitor of *El Diario*.

## Redesign

Recent changes in readership have led to a redesigned *El Paso-Times*, which premiered January 27, 2003. *Times* executives wanted to appeal to younger El Pasoans, mostly Hispanics, between 18 and 34 years old. "About four of every five people in our market are Hispanic predominately first, second and third generation Mexican-Americans. Our market tends to be several years younger than most and educational attainment and income levels are lower," wrote Carlita Montoya Costello, assistant managing editor of design at *El Paso-Times*, in a paper published by Gannett in April. Median family household income in El Paso is \$31,051, and the median age of the population is 30. While trying to attend to the needs of a younger population, the newspaper had the "challenge of nurturing its core readership, who was looking to get fundamental health, business and lifestyle information from our pages," Montoya Costello added.

## Focus groups comparing newspapers

The redesign recommendations were based on focus groups led by executive editor Bob Moore, with help from marketing experts at the Arizona Republic. "Focus group participants were asked to compare the *El Paso-Times* to two newspapers from neighboring Juarez, Mexico," wrote Montoya Costello. "They asked for more news columns, more color on covers and inside pages, larger headlines, larger color photographs and more entry points. We were also asked for more business/international news and more local sports coverage. Finally, we were asked to remember the time constraints and educational levels of our readers." *El Paso-Times* adapted its content and design (see chart) to most of these demands. Montoya Costello claims that both copy and home delivery sales have increased since the new and improved newspaper was launched. ■

## How to attract Hispanics to newspapers

- Rank stories clearly by importance (headline size)
- Use a functional design, use color and white space to facilitate navigation through the paper
- Simpler newspaper design – More color, large headlines, large color photographs
- Provide many entry points
- Lively graphs
- More coverage of international news – politics and sports (Latin America)
- Increase local coverage
- Write immigrant how-to and survival stories
- Entice impulse buyers through daily rack sales

## SOURCES

*El Paso-Times*, Gannett and Portada™

# Gannett steps up efforts to reach Latino readers

**G**annett, the company that invented the “MacPaper” (*USA Today*), is reaching out to Spanish-speaking audiences. Whether it’s through supplements to educate potential advertisers about the Hispanic consumer, booklets for readers, or special sections, many of Gannett’s papers are focusing on building relationships with Hispanic readers, and the businesses and advertisers who serve them. Gannett recently published documents on some of the outreach projects currently underway.

### ● **Tucson Citizen** (Tucson, Arizona)

In Tucson, located just 60 miles north of the Mexican border, Hispanics make up 40% of the population. Last year, Hispanics spent more than US \$2 billion locally. In order to connect Tucson’s businesses with the demands of the Hispanic population, the *Tucson Citizen*, published six-afternoons a week with a circulation of 38,123, developed *Conexión Tucson: Connecting Businesses with Hispanic Consumers*, a 28-page full color publication. The publication used newspaper marketing information and 2000 Census Bureau Information to educate businesses about Hispanic con-

sumers. “At US \$10 a piece, we sold nearly 1,000 copies,” writes Mike Chihak, publisher and editor of the *Tucson Citizen*. “*Conexión* gave businesses the information they needed to build strategies for capturing more of the Hispanic consumer market,” concluded Chihak.

### ● **Asbury Park Press** (Asbury, New Jersey)

“*The Nuevos Americans* was a 96-page special section that delved into the life and culture of Latino communities on the Jersey Shore,” explained Paul D’Ambrosio, investigations editor at *Asbury Park Press* (circ. 167,149 daily; 227,984 Sundays). *Nuevos Americans* was published on June 30th 2002.

### ● **The Bellingham Herald** (Whatcom County, Washington)

In March 2002, *The Bellingham Herald* (circ. 24,754 daily; 31,348 Sundays) published *Whatcom County’s Latino Connection*, a 12-page special section featuring profiles of people representing a wide spectrum of Whatcom County’s Latino community, its fastest growing ethnic group. Whatcom County borders Canada and

is the most northwesterly county in the continental U.S.

### ● **The Times** (Gainesville, Hall County, Georgia)

In April 2002, *The Times* (circ. 20,343 daily; 24,429 Sundays) launched *Bienvenidos Amigos*, a resource for Hall County’s Latino families, which features newcomers’ essentials, back-to-school-information, holiday traditions, etc. Mickey Johnson, executive editor of *The Times*, said that in 2002 “*Bienvenidos Amigos* was a quarter fold booklet published in Spanish for our Latino neighbors”. In 2003, the publication became a bi-monthly. “*Bienvenidos Amigos* was created because reading *The Times* was not an option for many of our Latino newcomers – fewer than 20% read and speak English. To reach them, we realized that a Spanish-language publication would be necessary,” Johnson explained.

### ● **Home News Tribune** (East Brunswick, New Jersey)

Last month, *Home News Tribune* (circ. 70,162 daily, 77,545 Sundays) launched *Nuestra Comunidad*, a Spanish language newspaper targeting Hispanics in central New Jersey. ■

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# Meximerica Media will launch dailies in Texas

**T**exas is proving to be a tantalizing market for newspaper companies and entrepreneurs interested in publishing for Spanish-speaking audiences.

Meximerica Media is a newly formed company with plans to publish Spanish-language daily newspapers in Texas and elsewhere. Edward Schumacher will become chief executive and editorial director of Meximerica Media. Schumacher is leaving Dow Jones, where for the last nine years he has been the managing editor of *The Wall Street*

*Journal Americas*, an international business-news section published by Dow Jones & Company for partner newspapers throughout Latin America. He will be succeeded by Brazilian journalist, Cristina Aby-Azar.

Meximerica Media is launching Spanish-language dailies in Texas primarily to meet the demands of advertisers who want a print media platform that targets Texas’ burgeoning Hispanic population.

According to research by MRI and the US Census Bureau, Texas has 2 of the

top 10 Hispanic markets ranked by the number of Hispanics. The first is the Houston-Galveston-Brazoria market with 1,349,000 Latino residents or 28.9% of the total population. By 2020, Hispanics will dominate the population of Houston. The other very large Hispanic-Texan market is Dallas-Forth Worth (1,120,350 Latino residents or 21.5% of total population). Retailers Kohl’s and J.C. Penney, who consider the Texan markets to be multiethnic, have been very active in advertising in Spanish-speaking media. ■

# Market profile

**M**iami, more than any other US Hispanic media market, represents a cross-section of Latin America. South Florida is home to Hispanics of all income levels, and from every country in Latin America, from Cuba to Argentina, Colombia, Venezuela, Puerto Rico, Dominican Republic, Mexico, Nicaragua. “*El Nuevo Herald* must meet the needs of the most diverse Hispanic population in the U.S.,” says Kristina Corrales, business development manager, at *El Nuevo Herald*.

The majority of Miami’s Hispanics are Cuban. However, according to Strategy Research Corp., in 1998 Cubans only made up 59% of the Hispanic population. In 2000, that percentage had fallen to 51%. Advertisers are also keeping track of the growth dynamic of the Hispanic population – the total Hispanic population of the market grows about 50 percent faster than the general population.

The market volume of print media advertising in publications *exclusively* targeted to Hispanics was approximately US \$42 million in 2002, according to an estimate by *El Nuevo Herald*. However, the dollar amount of *all* print media advertising targeting Hispanic consumers is much higher. Most of Miami’s citizens are Hispanic – Miami-Dade’s Hispanics make up 57% percent of the county’s 2.1 million residents. Accordingly, a large part of South Florida newspaper advertising buys (local sales for 2000 were US \$504 million according to Strategy Research Corp.) are spent on ads targeting Hispanic consumers.

Miami’s print media advertising market is growing. Knight Ridder, the publisher of *The Miami Herald* and *El Nuevo Herald*, recently noted that, in May, advertising revenue for its Miami papers increased by 4.3% year on year, while overall advertising revenues of Knight Ridder’s newspapers fell by 0.4%. Strong national advertising categories in the Miami Hispanic market were telecom (AT&T Wireless and Verizon) and automotive (Lexus, BMW, Toyota). Airlines and cruise lines also advertised in *Diario de las Americas* (published by The Americas Publishing Company) and *El Nuevo Herald*, Miami’s two Hispanic dailies. Other companies with sizable print media budgets that are targeting Spanish-speaking audiences in Miami are Brandsmart, Macy’s, Bloomingdale’s, JC Penney and K-Mart. South Florida’s tradition as a vacation spot for wealthy Latin American and US citizens makes real estate development ads and condo sales (classified ads) particularly lucrative.

Publishers sometimes compete with company circulars targeting Latinos such as K-mart’s publication *La Vida*, which was launched last September and is heavily distributed in South Florida.

## THE POWER OF SUPPLEMENTS

The heterogeneous Latino population is targeted by a myriad of publications, mostly weeklies and monthlies, which try to appeal to the diverse national and ethnic characteristics of each group. Special supplements published by *Diario de las Americas* and *El Nuevo Herald* compete for a substantial share

## Ways to reach Miami's Spanish Speakers

Newspaper	Year founded	Publisher	Circulation	CPM'S (Weekday, Full-page B&W non contract advertiser)
<i>El Nuevo Herald</i>	1987	Knight Ridder	90,264 (daily) 99,335 (Sunday)	Local US \$76.16 National US \$111.7
<i>Diario Las Americas</i>	1953	The Americas Publishing Company	70,000 (daily) 73,000 (Sunday)	Local US \$37.8 National US \$55.7

# Miami: *Publishing for the Latin Tower of Babel*

of the money advertisers spend to target specific nationalities. "We publish country or topic specific Special Sections such as *Cuba Independence, Colombia, Carnaval Miami (Calle 8), Dominican Republic, Back to School, Hispanic Heritage, bridal issues, El Immigrante en español* (The Immigrant in Spanish)," explains *El Nuevo Herald's* Corrales. Every Friday, *Diario Las Americas* publishes *La Revista del Diario* (circ. 109,000).

Interestingly, *Diario Las Americas* has more women readers -56% of its readers are women- than *El Nuevo Herald* (51%). Luxury advertisers, targeting the Latin American and US Hispanic elite, also have quite a few print media platforms to choose from (see "Wealthy Floridians, a tantalizing audience for Latin American and US Publishers," page 12, *Portada*™ No. 3 May/June 2003).

## A CHALLENGING TASK

Publishing a newspaper specifically targeting Miami's Hispanics can be a financial challenge. The Miami Herald Publishing Company, owned by Knight Ridder, has made no less than three forays into Spanish-language journalism. The first, in 1963, only lasted 6 months. It was a one-page insert


called *The Miami Herald en Español* that appeared in *The Miami Herald* three times a week. On March 30, 1976, *The Miami Herald* launched a Spanish-language supplement called *El Miami Herald*. It was mostly a translation of the English paper. Finally, on Nov. 21, 1987 the Herald succeeded in launching a full-fledged independent Hispanic newspaper, *El Nuevo Herald*. ■

## MIAMI ADVERTISING MARKET FACTS

LOCAL NEWSPAPER ADVERTISING SALES	US \$504 million
SPOT TV	US \$690 million
HISPANIC PRINT MEDIA	US \$42 million (2002)
HISPANIC HOUSEHOLDS	438,000 (56% of total)
HISPANIC HH OF CUBAN ORIGIN	51%
HISPANIC'S MEDIAN INCOME	US \$34,333

SOURCE Nielsen-Monitor Plus 2001, 2000 U.S. Census; *El Nuevo Herald*  
NOTE 2000 figures unless otherwise noted

**The question is not "Who reads El Nuevo Herald?"  
but rather, "Who doesn't?"**



That's because we offer our readers an irresistible mix of news, articles and features that speak directly to a dynamic and diverse community. After all, we're South Florida's only Spanish-language daily with a circulation that's growing as impressively as our Hispanic market.

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9997

# Advertising: Language choice

## What's the right language for print ads?

It's not just about buying ad space. The language an ad is written in makes a big difference in how readers receive product information, or whether the information is received at all. How do advertisers choose the most effective language for print media ads targeting the diverse US Hispanic market?

Asked by Portada™ about the factors an advertiser considers when deciding whether to advertise in Spanish or English, Lauren Kushner of *People en español* said, "That depends on their marketing strategy and whether they are marketing their product to an acculturated consumer, or to the bulk of the Hispanic market, which prefers Spanish language communication."

Generally, products that are more culturally specific to the Latin American or Hispanic population will be advertised in Spanish or Spanglish. David Kahn, publisher of *Latina*, explains that "advertisers use Spanish as a way to touch a chord with the readers...Or Spanglish – the language of choice for young Latinos – to connect culturally with US Hispanic youth. An advertiser such as Twix, for example, uses very youthful Spanish and Spanglish in its ads, and is therefore relevant to our reader." Also, ads for music and movies that are from Latin America or have a specifically Latin American cultural perspective (e.g. HBO Latino) will most likely be written in Spanish. On the other hand, products with a broader target audience and a more general appeal (banking, insurance or technology) will tend to be advertised in English (e.g. New York Life, Verizon Wireless, Microsoft). Some of these companies, like Microsoft, advertise in both Spanish and English, or in Spanish only (AFLAC).

It has to be noted that because Hispanic print media advertising is still in an early stage of development, advertisers

don't always adapt their mainstream market ads for the Hispanic market. There are many ads published in English which, if given a second thought, might have been published in Spanish or Spanglish.

The choice of language has a lot to do with the creative. Image-driven ads make language choice much less relevant. *Latina* publisher David Kahn explains that "fashion and beauty advertising tends to be image-driven and therefore a translation isn't necessary. Beauty ads by companies such as L'Oreal and Estée Lauder are composed of sumptuous images of models or products. Nike is another good example of this. Their ads are almost entirely visual." ■

## Inglés o español?

Advertiser	Sector	Language
HBO-LATINO	Entertainment	Spanish
AFLAC	Financial services	Spanish
TOYOTA	Automobile	Spanish
HONDA	Automobile	Spanglish
MICROSOFT	Technology	Spanglish
TWIX	Food	Spanglish
NEW YORK LIFE	Financial Services	English
VERIZON WIRELESS	Technology	English
PITNEY BOWES	Technology	English
CAPITAL ONE	Financial Services	English
ESTEE LAUDER	Cosmetics	Image-driven
NIKE	Sports	Image-driven
L'OREAL	Cosmetics	Image-driven

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(continued from page 2)

in Los Angeles, “the print media market is becoming more fragmented, we are dealing with more publications.” La Agencia manages accounts for Honda, Verizon and Allstate. Escamilla notes that print media budgets have not kept pace with the large increase in the number of publications targeting Hispanics. However, even with so many publications, it is still difficult to reach Hispanics on a daily basis in the urban-US. “Only Los Angeles, New York and Miami” have large daily newspapers targeting Spanish-speaking audiences. Other cities just have weeklies and monthlies,” Escamilla asserts.

CPMs en español	
Network TV	US \$18-20
Radio	US \$5-10
National magazine	US \$20
Large city dailies	US \$20-30
Local newspapers	US \$10

**SOURCE**  
Industry insiders interviewed  
by Portada™

*Note: Figures are approximates*

### Operating on assumptions

According to Carat USA’s Contreras, “the tools used to judge a media plan in the general US market are just not available for Hispanic print.” Very few magazines are audited and, more importantly, there is almost no third party syndicated research. “In TV there is Nielsen and in radio there is Arbitron, but there is no third party research for Hispanic print,” says Contreras. MRI has not entered the Hispanic market.

“In Hispanic print media, we media buyers operate on assumptions not on facts,” Contreras explains. For the general US print market, you can look at research which tells you which magazines are read by 18-49 year olds with asthma or 18-49 year olds who are planning to buy a car. None of that exists for the Hispanic market.” La Agencia’s Sofia Escamilla

agrees on the need for good research on Hispanic print media. “Often it is old,” she complains. “There is nothing showing if readership has increased or decreased. Research about Hispanic print media should answer questions about who the readers are and what sections in each publication they read.” She adds that because of the lack of research, “we might be missing out on higher income and higher education Hispanics.”

Lack of circulation auditing is a big issue for other media buyers too. A source at Ideas/Cruz Kravetz in Los Angeles says that whether a newspaper is audited or not can determine whether ad space is purchased in that newspaper. “Sometimes if the newspaper is well known but not audited we still might buy,” the source adds.

However, several advertising expenditures reporting and circulation auditing firms are entering the market for Hispanic print media. TNS Media Intelligence/CMR recently announced that it will launch a new service to monitor Hispanic print media advertising expenditures. By November, TNSMI/CMR will have added 40 new print media properties (magazines and newspapers) to the list that it currently tracks (*Latina*, *Nexos*, *People en español*, *RD Selecciones*, *La Opinión*, *Diario Las Americas*, *El Nuevo Herald*).

### Lack of unique content

According to Escamilla, the lack of “unique and specific content written for Hispanics” makes print media less attractive to media buyers. She acknowledges that large circulation magazines like *People en español* or *Selecciones Readers Digest* do have content specifically targeted to Hispanics, but sometimes these magazines use adaptations and just repurpose content from their English counterparts. As examples of magazines with unique content that hasn’t been “translated” from English, she cites *Latina* and *Urban Latino*.

### ...and unified format specs.

Additionally, to design Hispanic print media ads can cost a lot. “The sizes of the different publications require different creative work,” Sofia Escamilla explains. The additional design



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# Media buyers

work means more costs to the advertising agency which, in turn, are passed on to the advertiser and raise the overall cost of Hispanic print media advertising.

## Improve your selling skills...

“Publishers have to do a better job of selling advertising,” notes Sam Verdeja, publisher of *Hispanic Magazine*. Print media consumption by Hispanics has many positive characteristics which have to be highlighted to media buyers. The Readerhip Institute at the Media Management Center at Northwestern University in Chicago found out in its 2000 Impact Study that while whites remain the heaviest readers, time spent reading did not differ significantly between ethnic groups. More importantly, the study concluded that ethnic readers spend significantly more time reading advertisements, and many of those who do read newspapers tend to travel, own personal computers and other electronics, carry credit cards and buy expensive jewelry.

## ...and “speak advertising.”

In order to sell Hispanic print media advertising to mostly

white, English-speaking media buyers, publishers have to learn to speak their language. A good example of the adaptation required can be seen in the recent hiring of Carol Mintz as vice president of advertising at the Los Angeles-based newspaper, *La Opinion*. Mintz acknowledges that she does not speak Spanish well, but says that she was hired because she “speaks advertising.” ■

## Homework for publishers

- Produce better research (accurate and up-to-date)
- Buy more and better third party research
- Audit more publications
- Standardize newspaper sizes (same format)
- Expand reach (footprint, circulation)
- Less fragmentation (Consolidate media outlets)
- Produce specific and unique content (no translations)
- More ad-sales efforts by publishers
- Improve communication with media buyers

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