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Hispanics and direct marketing advertising

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Abstract *Investigates the purchase behavior, attitudes, and beliefs of Hispanic consumers toward direct marketing advertising. As both direct marketing advertising (DMA) and the size of the Hispanic market have grown remarkably, it is surprising how little published research exists documenting DMA's evaluation by this large and growing ethnic market. Also seeks to understand the differences, if any, between assimilated and less assimilated Hispanics. Implications for advertisers are discussed.*

Consumer attitudes and beliefs

Although the study of consumer attitudes and beliefs toward advertising in general has received some attention, the issue of direct response advertising remains largely unexplored. The lack of attention notwithstanding, direct response advertising is both highly visible and monetarily significant. In fact, direct response advertising is said to account for 58 percent of total advertising outlays (Direct Marketing Association, 1997).

In addition, few studies have investigated the media habits of Hispanic consumers (e.g. Guernica and Kasperuk, 1982), and little is known about how they view direct marketing advertising (DMA). Traditionally, direct marketers have perceived Hispanics as a low income group with little education and lacking in credit instruments. However, this perception may be changing, and with good reason. Published reports from companies that have ventured into this market, as well as recent changes in demographics, suggest that Hispanics are a segment direct marketers can no longer afford to overlook (*Advertising Age*, 1997; Whitefield, 1996).

Today, the Hispanic market numbers about 30 million people in size (Holmes, 1998) with around $350 billion in spending power (Fest, 1997). Moreover, the Hispanic population is growing about six times faster than the general market (*Direct Marketing*, 1991). Given their size and the dynamics, Hispanic minorities have redefined several aspects of American society (Slater, 1986). Thus, the importance of the Hispanic market to advertisers is obvious.

Hispanics' view of DMA

The present study was undertaken to fill the gap in the literature on Hispanics' view of DMA. The aims of our study are twofold: first, to study Hispanic consumers' beliefs, attitudes, and past purchase behaviors in response to direct marketing advertising, and second, to compare differences among subgroups of the Hispanic market, which we label "assimilated" and "less assimilated", in their beliefs, attitude and behavior towards DMA.

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These two issues are important given the vitality of both the Hispanic market and the direct marketing industry in the total US economy.

Literature

Direct marketing advertising and Hispanic consumers

Past published literature in the area of Hispanic marketing has explored a variety of topics. For example, studies have investigated the effects of language (i.e. English vs. Spanish) in advertising to Hispanics, brand loyalty, preference for shopping at neighborhood stores, and the propensity to purchase prestigious brands (Hernandez and Newman, 1992; Segal and Sosa, 1983).

Published studies

As stated before, however, little published research exists on either how much Hispanics like or dislike DMA or about their past purchase behavior from direct marketing sources. In order to better understand the issues, we reviewed the past published studies investigating consumers' beliefs and attitudes toward advertising in general. Bauer and Greyser (1968), in their seminal study of consumer evaluation of advertising, identified two dimensions: economic and social. Subsequent studies used variations of Bauer and Greyser's two-factor model (e.g. Dubinsky and Hensel, 1984; Muehling, 1987).

However, more recent research in the area suggests a multi-factor model may be the most appropriate. For example, studies by Alwitt and Prabhakar (1992) and Mittal (1994) on consumer evaluation of TV advertising incorporate six and ten dimensions respectively. A study by Pollay and Mittal (1993) on consumer evaluation of advertising in general (as opposed to media specific TV or radio advertising) suggests a seven-dimensional model.

The current study draws heavily from Pollay and Mittal's (1993) study and applies it to DMA. The choice of Pollay and Mittal's study as a basis for the study of DMA was governed by four factors: first, it deals with advertising in general rather than specific medium-oriented advertising – similar to the current study's investigation of beliefs and attitudes toward direct marketing in general as opposed to a specific direct marketing method (telemarketing, direct mail, etc.); second, the scale designed by Pollay and Mittal is reported to be reliable and valid; third, the constructs are theory based and drawn from the past literature in the area; finally, it is easy to read and administer, thereby minimizing the possibility of bias during translation into Spanish as well as its adaptability to DMA. The scales reported by other published studies were specific to a particular medium, not validated, or lacking in comprehensive conceptualization. A brief description of Pollay and Mittal's seven-factor model in relation to DMA is shown in the Appendix.

Past studies

A few past studies on Hispanic attitudes reflect that they feel favorably toward advertising in general (Deshpande *et al*., 1986; Valencia, 1985; and Yankelovich, Skelly and White Inc., 1981). For example, Webster (1991) found that Hispanic consumers value advertising as an important source of information. Yankelovich, Skelly and White Inc. (1981) report that Hispanics rely significantly on commercial sources of information including advertising. It has also been suggested that Hispanics value the most frequently advertised brands and see materialism positively (Bellenger and Valencia, 1982). Finally, studies by Fones (1981) and Webster (1992) suggest that Hispanic consumers are positively influenced by advertising in radio, magazines, and brochures.

Subcultural differences

It is important to recognize that the Hispanic market does not constitute a single, homogeneous market (Valdes, 1991). As Hispanics have been coming to the USA for more than a century from many different areas and cultures, the Hispanic market comprises of several subgroups. These subgroups can be identified in many ways: country-of-origin; reasons for emigrating to the USA (e.g. political, economic, to join family, etc.); and, lastly, how well assimilated they are in US society. For the purpose of this study we have chosen to study the Hispanic subculture based on their assimilation experience.

Literature in marketing

Literature in marketing and other areas suggests that assimilation experience can be useful in understanding differences between subcultures. As suggested by Segal and Sosa (1983), the key to identifying and understanding Hispanic subgroups may lie in the degree of acculturation. Acculturation is frequently defined as:

> the culture exchange that is initiated by the conjunction of two or more autonomous cultural systems; it may be the consequences of direct cultural transmission, it may be derived from noncultural causes, such as ecological or demographic modifications induced by an impinging culture, it may be delayed, as with internal adjustments following the acceptance of alien traits or patterns, or it may be a reactive adaptation of traditional modes of life (Social Science Research Council, 1954, p. 974).

This definition has been employed in many past studies of ethnic cultures in marketing and other disciplines, as well as in the development of three distinct acculturation paradigms: assimilation, affirmation, and overshooting (Yinger, 1981).

Assimilation, perhaps the oldest of the three acculturation paradigms, is the focus of the ''melting pot'' literature in many studies. The assimilated group is expected to submerge the distinct cultural traits and exhibit or adopt the new (majority) culture's traits and values. Affirmation occurs when the ethnic group chooses to retain their original values and reject behaviors of the majority (Glazer and Moynihan, 1963; Triandis *et al*., 1986). This is sometimes termed the ''salad bowl'' theory, i.e. participation without assimilation. Finally, overshooting occurs when the behavior of the group becomes more extreme than that of the majority, thus ''overshooting'' the dominant values and behaviors in the society.

Studies by Berry (1980), Stayman and Deshpande (1989), and Penaloza (1994) suggest that the greater the pressure felt by the ethnic group, the higher the perceived benefit of adaptation, and thus the greater dissociation from its own culture. The experienced pressure heightens the possibility of ''overshooting'' behavior.

Assimilation

This research uses how well Hispanics are assimilated into US society to lend insight into their acculturation. As past published research in marketing and the social sciences suggests, while ancestry is not a variable that differentiates aspects of Hispanic life, the degree of assimilation in US society does. For example, a study by Sabogal *et al*. (1987) found that Cubans, Central Americans, and Mexican-Americans do not differ in their perceptions, understanding, nor importance of familialism as a cultural value. More important in discerning across the individual groups was the assimilation level of the study participants. Additional studies in marketing by Webster (1991, 1992, 1994), Deshpande *et al*. (1986), and Segal and Sosa (1983) also suggest that the key to identifying and understanding Hispanic

subgroups may lie in the degree of assimilation. Studies suggesting significant attitudinal differences between strong and weakly assimilated Hispanics include Valencia (1985), with behavioral differences between Hispanic subgroups reported by Donthu and Cherian (1994), Webster (1992), Schlosberg (1988), and Schwartz (1992).

The studies on acculturation also suggest that acculturation can be understood by studying three interrelated components of culture. These components are objects (symbols, rituals, etc.); values (beliefs, attitudes, etc.), and actions (habits, styles, etc.). The current study investigates the latter two dimensions (beliefs and attitudes) as well as past behavior as related to DMA. We believe that the aforementioned previously studied acculturation perspectives will improve our understanding of both how much and what Hispanics like or dislike about DMA.

Method

Sample

Probabilistic samples

As noted by many scholars in the area, the ability to select and administer probabilistic samples is truly difficult in the investigation of ethnic studies (see especially Martin and Martin, 1991). Sampling for this project was particularly difficult given that Hispanics tend to be more wary of participating in survey research than other ethnic groups for a variety of reasons. Concerns about participating are accentuated because of the fears that personal information could be used against them by immigration authorities, as well as fears that unethical businesses will use the information to exploit them (e.g. Franco *et al*., 1984).

Hence, following recommendations that surveys of Hispanic populations be conducted by persons familiar with the community and/or of similar background characteristics, including ethnicity, in a personal face-to-face situation (Martin and Martin, 1991), data for the study were collected via personal interviews of 425 consumers in the southeastern part of the USA by interviewers fluent in both English and Spanish.

The sample was drawn from a metropolitan area with a population of about 1.25 million people. The area has one major Spanish and two major English newspapers, as well as two Spanish and three English TV stations. Surveys were conducted in seven geographical areas to capture the diversity in socioeconomic background of the region. The surveys were conducted at approximately the same time in all locations, with subjects contacted at home.

Sample respondents

The interviewers were instructed to sample respondents as randomly as possible, and to spread the surveys over different days of the week and different times of the day. In this research the interviewer would explain the objectives of the study and then give the respondent an option of a self-administered English or Spanish language questionnaire to fill out. The surveys were first translated from English to Spanish by bilingual individuals. Several iterations between English to Spanish and Spanish to English were made to assure the exactness of meaning between the two versions of the survey.

Table I describes the characteristics of the respondents. The demographic characteristics of the sample were then compared with those of the population from which they were sampled. The exact comparisons were difficult due to lack of data or lack of data with similar qualifiers. The comparisons with the 1990 Census of Population and Housing suggested that our sample was well

Characteristic	No.	%
Sex		
Male	246	58.3
Female	176	41.7
Age		
< 20 years	21	5.0
20-30 years	176	42.2
31-40 years	119	28.5
41-50 years	60	14.4
51-60 years	29	7.0
> 60 years	12	2.9
Education		
High school	60	14.4
Trade school	35	8.4
Some college	177	42.3
College graduate	115	27.5
Postgraduate	31	7.4
Occupation		
Unskilled labor	25	7.6
Clerical	74	22.4
Skilled	29	8.8
Supervisor	39	11.8
Sales	8	2.4
Technical	11	3.3
Managerial	84	25.4
Professional	61	18.4
Annual household income		
Under $20,000	93	22.6
$20,000-$40,000	185	45.0
$40,001-$60,000	76	18.5
$60,001-$80,000	35	8.5
$80,001-$100,000	12	2.9
Over $100,000	10	2.4
Years lived in the USA		
1-10 years	103	24.2
11-20 years	126	29.6
21-30 years	118	27.8
> 30 years	78	18.4
Country of birth		
USA	109	26.8
Other	297	73.2

*Table I. Demographic profile of study sample (*N = *425)*

represented in terms of occupation and income. However, it was more skewed in favor of college graduates (27.5 percent vs. 10 percent).

Measurement of variables

Direct marketing purchasing behavior

Direct marketing purchasing behavior

Past direct marketing purchase behavior was based on three measures. First, direct marketing spending last year was measured on a six-point scale of (1) less than $20 to (6) $200 or more; second, the number of direct marketing orders last year was measured on a six-point scale of (1) one to two times to (6) 11 or more times; and third, the media used to order merchandise directly from a minimum of zero to a maximum of six (four print and two broadcast media) was also measured. The operationalization is similar to the measurement used by the Direct Marketing Association (1994).

Direct marketing advertising beliefs and attitudes

As stated previously, this study measured the seven dimensions of beliefs and attitudes toward DMA by adopting Pollay and Mittal's (1993) scale to direct marketing. Several steps were taken to ensure the successful adaptation of these measures. First, to ensure a common frame of reference among the respondents, the concept DMA was defined as "an interactive system of marketing which uses one or more advertising media to effect measurable response and/or transaction at any location" (Direct Marketing Association, 1985).

The respondents were further told that direct marketing advertising invites consumers to directly contact an advertiser to buy a product/service, or to seek out information about a product/service. Second, each of Pollay and Mittal's seven-scale dimensions (product information, social role and image, hedonic pleasure, value corruption, falsity/no sense, good for the economy, and materialism) was operationalized in terms of three or four items regarding DMA. For each item, respondents were asked to indicate the extent to which they agreed or disagreed with it.

Assimilation

Operationalizing assimilation

Various measures have been used by researchers for operationalizing assimilation. For example, Hirschman's (1981) research on American Jewish ethnicity investigated the self-perceived strength of assimilation by asking the respondents to rate themselves on a single item scale. Deshpande *et al*. (1986) investigated assimilation of Hispanics by asking self-perceived intensity of ethnic affiliation. Other researchers have used factors such as age, intermarriage, income, religion, and neighborhood (e.g. Szapocznik *et al*., 1978; Martin *et al*., 1987). As some work was criticized for employing single item scales, attempts were made to devise multi-item scales (Valencia, 1985). For example, Burnam *et al*. (1987) reported a three factor structure for assimilation. However, high intercorrelation among the factors forced the authors to argue in support of a unidimensional scale.

Importantly, the recent literature continues to consistently show "language proficiency" as the best and most widely used indicator of the assimilation construct (Burnam *et al*., 1987; Caetano, 1987; Cuellar *et al*., 1980; Delgado *et al*., 1990). In marketing literature, Webster (1992, 1994) operationalized assimilation by asking consumers to rate themselves on a single item scale of language spoken.

Language proficiency

A recent study on the validity of language proficiency continues to provide a strong support for single item scales (Norris *et al*., 1996). Hence, in line with current practice we operationalized the assimilation construct by asking the respondents to rate themselves on the survey statement: "Would you say you speak English...?" A response of (1) "very well" designated one as assimilated, while responses of (2-5) "well" to "not at all" designated one as less assimilated. Although some Hispanics are bilingual (that is speak Spanish at home, and English outside home), it is the self-reported English proficiency that determines assimilation status. A similar operationalization of subgroups has been used by Webster (1992) and Norris *et al*. (1996) in the investigation of Hispanic assimilation status.

Of the total sample of 425 Hispanic respondents, 237 (55.8 percent) respondents were classified as assimilated Hispanics, and the remaining 188 (44.2 percent) respondents comprised the less assimilated Hispanics.

Results and discussion

In this section, a discussion of the results of analyses of Hispanic consumers' direct marketing purchase behaviors, DMA beliefs, and overall attitude is presented. Next, the Hispanic subsample comparisons are presented and discussed.

Results

Direct marketing purchases

Table II presents the results of the sample Hispanic consumers' direct marketing purchase behavior in the past 12 months. The results indicate that almost two-thirds of the sample ordered at least three times from DMA sources in the last 12 months, with over 40 percent spending more than $20. Additionally, over one quarter (25.8 percent) of the sample ordered at least seven times last year, with almost 20 percent spending over $50. Regarding direct marketing media used, three-quarters of the sample ordered from at least one print source, and 30.9 percent of the sample ordered from at least one electronic source of DMA.

Summary of the means

DMA beliefs and attitude

Table III provides a summary of the means, standard deviations, and coefficient alphas of the items for the overall attitude and seven beliefs constructs evaluating DMA. The alphas in our study range from 0.572 to 0.656, and are very similar to those reported by Pollay and Mittal (1993, p. 108) ranging from 0.47 to 0.78. We stand by the conceptual soundness of these measures as discussed earlier, and believe employing them

Direct marketing Purchases (12 months)	Total sample[a] No.	%
Number of times ordered		
1-2 times	93	21.9
3-4 times	106	24.9
5-6 times	65	15.3
7-8 times	24	5.6
9-10 times	24	5.6
11 or more times	62	14.6
Total dollar amount spent		
Less than $20	194	45.6
$20 to $49	102	24.0
$50 to $99	26	6.1
$100 to $149	21	4.9
$150 to $199	16	3.8
$200 or more	16	3.8
Merchandise ordered using print media[b]		
0 source	104	24.5
1 source	254	59.8
2 sources	43	10.1
3 sources	14	3.3
4 sources	5	1.2
Broadcast media[c]		
0 source	289	68.0
1 source	118	27.8
2 sources	13	3.1

Notes:
[a] $N = 425$; [b] catalogs, magazines, direct mail pieces, newpapers; [c] television, radio

Table II. Direct marketing purchase behavior of study sample

Construct/measures[a]	Mean	S.D.	Alpha
Overall attitude	9.85	1.7	0.656
Direct marketing advertising is essential	3.79	1.0	
Overall, I consider direct marketing advertising a good thing	3.43	1.0	
My gerernal opinion of direct marketing is unfavorable	3.37	1.2	
Product information	11.08	2.4	0.654
Direct marketing advertising is a valuable source of information about local sales	3.83	1.0	
Direct marketing advertising tells me which brands have features I am looking for	3.53	1.0	
Direct marketing advertising helps me keep up-to-date about products/services available in the marketplace	3.69	1.1	
Hedonic pleasure	9.83	2.5	0.584
Quite often direct marketing advertising is amusing and entertaining	3.46	1.1	
Sometimes I take pleasure in thinking about what I read or heard or saw in direct marketing advertisements	3.12	1.2	
Sometimes direct marketing advertisements are even more enjoyable than other media contents	3.25	1.1	
Social role and image	9.04	2.6	0.622
From direct marketing advertising I learn about fashions and about what to buy to impress others	3.08	1.3	
Direct marketing advertising tell me what people with lifestyles similar to mine are buying and using	3.06	1.1	
Direct marketing advertising helps me know which products will or will not reflect the sort of person I am	2.90	1.2	
Good for the economy	12.97	3.1	0.581
Direct marketing advertising helps our standard of living	2.79	1.2	
Direct marketing advertising results in better products for the public	3.22	1.2	
In general, direct marketing advertising helps our nation's economy	3.31	1.2	
In general, direct marketing advertising promotes competition, which benefits the consumer	3.67	1.0	
Materialism	9.69	2.6	0.572
Direct marketing advertising is making us a materialistic society, overly interested in buying and owning things	3.21	1.2	
Direct marketing makes people buy unaffordable products to show off	3.02	1.2	
Because of direct marketing advertising, people buy a lot of things they do not really need	3.47	1.1	
Falsity/no sense	11.37	3.3	0.632
In general, direct marketing advertising is misleading	2.94	1.2	
Most direct marketing advertising insults the intelligence of the average consumer	2.88	1.3	
Some products/services promoted in direct marketing advertising are bad for our society	2.89	1.1	
I consider direct marketing advertisements an intrusion of privacy	2.70	1.2	
Value corruption	8.66	2.7	0.648
Direct marketing advertising promotes undesirable values in our society	2.78	1.1	
Most direct marketing advertising distorts the values of our youth	2.91	1.2	
Direct marketing advertising makes people live in a world of fantasy	2.97	1.2	

Note: [a] On a 5-point scale with 1 = ''Strongly disagreee'' and 5 = ''Strongly agree''

Table III. Summary of results: direct marketing constructs

significantly aids in developing our knowledge about consumers' beliefs with regard to advertising. In the present context the measures have more than satisfactory reliability, especially given the complexity of translated statements.

Attitude toward DMA. Overall, the survey respondents hold mixed attitudes towards DMA. For example, on a scale of 1 to 5, with 5 being ''strongly agree'', the mean response to the statement that direct marketing advertising is essential was 3.79. At the same time, however, there was general agreement with the statement ''my general opinion of direct marketing advertising is unfavorable'' as well, with a mean response of 3.37. The mixed evaluation of DMA suggests the possibility of subgroups holding divergent attitudes.

Product information. There is a strong belief in the sample that DMA does provide useful product information. The type of information provided by DMA is believed to be most useful in terms of local sales (mean = 3.83) as well as marketplace availability (mean = 3.69) and feature oriented information (mean = 3.53).

DMA

Hedonic pleasure. The respondents do not think of DMA as a major source of entertainment, as shown by their mild agreement with the statement, ''Quite often direct marketing is amusing and entertaining'' (mean = 3.46). Similarly, respondents barely find DMA content to be pleasurable, as shown by the response (mean = 3.25) to the statement ''Sometimes direct marketing advertisements are even more enjoyable than other media contents''.

Social role and image. Most respondents do not believe that DMA is useful in helping them in their social role as consumers. For example, respondents' mean response for the value of DMA in telling them what people similar to them were buying and using was close to the scale midpoint (3.08). In fact, all three items of this dimension were closer to neutral than for any of the seven dimensions.

Good for economy. The respondents have mixed beliefs about the contributions of DMA to our economy. For example, respondents disagreed that DMA helps raise our standard of living (mean = 2.79). However, there is general agreement that DMA benefits consumers by promoting competition (mean = 3.67), results in better products for the public (mean = 3.22), and helps the economy (3.31). Overall, then, DMA's role in improving the economy is seen as indirect (promoting competition) rather than direct.

Materialism. There is only minor agreement with the belief that DMA promotes materialism. While there is some evidence that respondents agree that DMA makes consumers buy things they do not really need (mean = 3.47), agreement with the statements measuring other aspects of materialism reflect a less benign view. For example, the mean of the statement, ''Direct marketing advertising makes people buy unaffordable products just to show off'' is 3.02.

Consumer privacy

Falsity/no sense. Most respondents disagree that DMA is misleading and/or invades their privacy. Although, consumer privacy has been frequently discussed as a major issue facing the direct marketing industry, the mean response to the statement, ''I consider direct marketing advertisements an intrusion of privacy'' is only 2.70 (the lowest value of any scale). Respondents also seem to disagree regarding the statement, ''In general, direct marketing advertising is misleading'' (2.94), or that DMA insults their intelligence (mean = 2.89). These findings are encouraging in view of the

fact that the respondents' beliefs are substantially different from the most common criticisms of direct marketing advertising.

Value corruption. Finally, most respondents mildly disagree that DMA leads to corruption or distortion of their values. For example, respondents disagreed with the statement, ''Direct marketing advertising promotes undesirable values in our society'' (mean = 2.78). In addition, respondents had little belief that DMA distorts the value of our youth (mean = 2.91). This, once again, is very encouraging given the past criticisms of advertising in general.

In summary, the results indicate that the majority of respondents:

- have ambivalent attitudes toward direct marketing advertising;
- believe that direct marketing advertising provides useful information;
- do not believe that direct marketing advertising promotes misleading information and/or invades their privacy;
- do not believe that direct marketing advertising has a corrupting influence in shaping their moral values;
- do not believe that direct marketing advertising makes or contributes toward promoting their materialism;
- do not believe that direct marketing advertising is useful in assisting them in their social role as consumers; and finally
- have ambiguous feelings about the role of DMA in shaping the economy directly.

Hispanic population

As the Hispanic population continues to grow, the need to understand this market becomes even more important. Although a few past studies have examined advertising related issues pertaining to this market, none of them has dealt specifically with DMA. According to Albonetti and Dominguez (1984) many marketers use Spanish language advertising based on intuitive feelings rather than systematic information analysis.

Similarly, marketing efforts to Hispanics are often product-driven rather than based on the understanding of the needs of this market. The results of this study, thus far, indicate that Hispanics generally have a favorable predisposition toward DMA, and that this medium should continue to be important in reaching this growing market.

Hispanic consumer subgroup differences

Validation of assimilation measure

The second major portion of this study presents profile comparisons of two Hispanic subgroups in terms of demographics, direct marketing purchase behavior, and direct marketing advertising beliefs and attitude. As mentioned earlier, in order to investigate potential subgroup differences, the sample was divided into two groups in response to the survey statement: ''Would you say you speak English...?''. A response of ''very well'' designated one as assimilated; while, a response of ''well'' to ''not at all'' designated one as less assimilated. Table IV presents the results of comparisons on demographic characteristics of age, education, and language spoken at home, country of birth, and number of years lived in the USA.

Assimilated Hispanics

Past studies have suggested that assimilated Hispanics are more likely to be younger, more educated, more likely to be born in the USA, and have maintained US residency longer than less assimilated Hispanics. Our

Characteristic	Assimilated[a] No.	%	Less assimilated[b] No.	%	Differences in subsamples X^2	df	p
Sex					0.05	1	0.98
Male	138	58.2	105	58.3			
Female	99	41.8	75	41.7			
Age					40.35	5	0.00
< 20 years	10	4.3	11	6.1			
20-30 years	127	54.7	47	26.1			
31-40 years	59	25.4	59	32.8			
41-50 years	25	10.8	35	19.4			
51-60 years	9	3.9	20	11.1			
> 60 years	2	0.9	8	4.4			
Education					12.95	4	0.01
High school	24	10.2	35	19.7			
Trade school	14	5.9	55	30.9			
Some college	109	46.2	66	37.1			
College graduate	71	30.1	44	24.7			
Postgraduate	18	7.6	13	7.3			
Occupation					17.36	7	0.02
Unskilled labor	10	5.1	14	10.9			
Clerical	50	25.4	23	17.8			
Skilled	10	5.1	19	14.7			
Supervisor	25	12.7	13	10.1			
Sales	3	1.5	5	3.9			
Technical	7	3.6	4	3.1			
Managerial	52	26.4	32	24.8			
Professional	40	20.3	19	14.7			
Annual household income					4.06	5	0.54
Under $20,000	55	24.0	34	19.2			
$20,000-$40,000	97	42.4	88	49.7			
$40,001-$60,000	41	17.9	35	19.8			
$60,001-$80,000	23	10.0	12	6.8			
$80,001-$100,000	7	3.1	5	2.8			
Over $100,000	6	2.6	3	1.7			
Years lived in the USA					25.82	3	0.00
1-10 years	42	17.7	60	32.8			
11-20 years	62	26.2	64	35.0			
21-30 years	83	35.0	33	18.0			
> 30 years	50	21.1	26	14.2			
Country of birth					31.67	1	0.00
USA	85	37.1	21	12.1			
Other	144	62.9	152	87.9			

Notes: [a] $n = 237$, [b] $n = 188$

Table IV. Demographic profile of study subsamples

analysis confirmed that the two groups were significantly different ($p < 0.05$ or better) on each of these five characteristics, and in the direction expected. This finding alone validates our identification of the two subgroups using the single-item language criteria. As will be seen next, additional differences emerged between the assimilated and less assimilated groups. Additional validation of the single-item assimilation measure is provided through analysis of six questions measuring the influence of varied advertising sources (Spanish/English television commercials, Spanish/English radio ads, and Spanish/English newspaper ads). Four items showed significantly different means ($p < 0.05$), with the other two (English TV commercials and English newspaper ads) significantly different ($p < 0.10$) between the assimilated and less assimilated groups. Thus, after validating the assimilation measure we analyzed the data for the two subsamples.

Differences in direct marketing purchases

Results of comparisons

Table V presents the results of comparisons of the two Hispanic subsample consumers' direct marketing purchase behavior in the past 12 months.

The results indicate that the two subgroups did not differ in the number of times ordered in the past 12 months, total dollar amount spent in the past 12 months, nor in the use of broadcast media for ordering merchandise directly. However, significant differences are noted in terms of purchasing directly from the print media as discussed below.

DMA media

Ordering from print media. There is a significant difference ($p < 0.05$) in the use of print DMA media by the two groups. The assimilated Hispanics are more likely to order from a variety of print media (catalogs, magazine or newspaper ads, and direct mail) than their more ethnically inclined counterparts (with 17.3 percent of the assimilated Hispanics versus only 11.5 percent of the less assimilated Hispanics ordering from two or more print sources). This is consistent with the findings of the American Management Association (1987) that English speaking Hispanics are more likely to use print media than Spanish speaking Hispanics. It is possible that the differences could be due to the paucity of Spanish language print solicitation as well as the lack of English language proficiency.

Categories

Although not investigated in this study, past studies indicate that Hispanics spend more than non-Hispanic consumers in several categories. The most

Direct marketing purchases (12 months)	Assimilated[a] No.	%	Less assimilated[b] No.	%	Differences in subsamples X^2	df	*p*
Number of times ordered					8.54	5	0.13
1-2 times	61	28.1	32	20.4			
3-4 times	60	27.7	46	29.3			
5-6 times	35	16.1	30	10.1			
7-8 times	14	6.4	10	6.4			
9-10 times	13	6.0	11	7.0			
11 or more times	34	15.7	28	17.8			
Total dollar amount spent					3.15	5	0.68
Less than $20	117	53.9	77	48.7			
$20 to $49	57	26.3	45	28.5			
$50 to $99	15	6.9	11	7.0			
$100 to $149	14	6.5	7	4.4			
$150 to $199	4	1.8	12	7.6			
$200 or more	10	4.6	6	3.8			
Merchandise ordered using print media[c]					11.46	4	0.02
0 source	56	23.2	49	20.8			
1 source	141	59.5	113	61.7			
2 sources	24	10.1	19	10.4			
3 sources	14	5.9	0	0.0			
4 sources	3	1.3	2	1.1			
Broadcast media[d]					0.63	2	0.73
0 source	163	68.8	126	68.9			
1 source	68	28.7	50	28.3			
2 sources	6	2.5	7	3.8			

Notes:
[a] $n = 237$; [b] $n = 188$; [c] catalogs, magazines, direct mail pieces, newspapers; [d] television, radio

Table V. Direct marketing purchase bahavior of study subsamples

frequently noted categories include higher amounts spent on food consumed at home, rental housing, clothing, personal care products, personal insurance etc. (Valdes and Sadane, 1995, p. 36). Thus direct marketers of products and services in the aforementioned categories could benefit from targeting less assimilated Hispanic consumers as a viable segment to be reached via DMA.

Differences in DMA beliefs and attitude

Table VI provides a summary of the means, standard deviations, and coefficient alphas of the items for the overall attitude and seven belief constructs evaluating DMA for the two subsamples. Once again, study alphas are well within the range of those reported by Pollay and Mittal (1993).

The differences between the two subgroups were investigated for each of the seven beliefs and overall attitude toward DMA using ANOVA and ANCOVA. Past literature suggests the possibility of differences among subgroups arising from the demographic characteristics of the respondents (Bauer and Greyser, 1968; Mittal, 1994; Pollay and Mittal, 1993). Therefore, in addition to income as a covariate in the present analysis, education, age, and years in the USA were also utilized as covariates to control for respective effects. Table VII presents a summary of these results.

The results

The results indicate significant differences in attitude ($p < 0.05$), product information ($p < 0.01$), good for the economy ($p < 0.05$), materialism ($p < 0.10$), and hedonic/pleasure ($p < 0.05$). No significant differences were found between the two subgroups in terms of social role, falsity/no sense, value corruption, or, as stated previously, the frequency or amount of ordering. The following section discusses in detail the differences between the two subgroups for those variables that were statistically significant.

Attitude toward DMA. The assimilated Hispanics are more positive about DMA than the less assimilated group. They are more prone to agree with the statement that DMA is essential and that it is a good thing.

Product information. The assimilated Hispanics believe more strongly that DMA is a valuable source of information as well as helpful in keeping up to date about the availability of products/services. The value of DMA as a useful information source as viewed by the assimilated group is further reflected in its agreement with the statement, ‘‘DMA tells me which brands have the features I am looking for’’.

Hedonic pleasure. Again, assimilated Hispanic consumers are more likely to agree that DMA is pleasurable, entertaining, and enjoyable.

Good for the economy. Assimilated Hispanics are more likely to agree that DMA results in better products, and that direct marketing advertising helps the nation’s economy.

Materialism

Materialism. The assimilated Hispanics are more likely to agree that DMA makes us a materialistic society, encouraging people to buy products/services they do not need.

Summarizing the differences between assimilated and less assimilated Hispanics, we find that assimilated Hispanics are:

- more prone to order items from print media
- more positive regarding DMA overall

Construct/measures[a]	Assimilated Mean	S.D.	Alpha	Less assimilated Mean	S.D.	Alpha
Overall attitude	9.99	1.6	0.691	9.63	1.9	0.613
Direct marketing advertising is essential	3.89	1.0		3.63	1.1	
Overall, I consider direct marketing advertising a good thing	3.46	1.0		3.37	1.1	
My general opinion of direct marketing is unfavorable	3.36	1.2		3.37	1.2	
Product information	11.46	2.4	0.716	10.60	2.3	0.551
Direct marketing advertising is a valuable source of information about local sales	3.97	1.0		3.64	1.0	
Direct marketing advertising tells me which brands have the features I am looking for	3.59	1.0		3.45	1.1	
Direct marketing advertising helps me keep up-to-date about product/services available in the marketplace	3.82	1.0		3.49	1.1	
Hedonic pleasure	10.05	2.4	0.532	9.47	2.6	0.616
Quite often direct marketing advertising is amusing and entertaining	3.53	1.0		3.36	1.2	
Sometimes I take pleasure in thinking about what I read or heard or saw in direct marketing advertisements	3.20	1.2		2.98	1.1	
Sometimes direct marketing advertisements are even more enjoyable than other media contents	3.32	1.0		3.13	1.1	
Social role and image	9.19	2.6	0.656	8.83	2.64	0.592
From direct marketing advertising I learn about fashions and about what to buy to impress others	3.14	1.3		3.01	1.3	
Direct marketing advertising tell me what people with lifestyles similar to mine are buying and using	3.16	1.0		2.90	1.1	
Direct marketing advertising helps me know which products will or will not reflect the sort of person I am	2.89	1.1		2.91	1.2	
Good for the economy	13.21	3.1	0.629	12.59	2.9	0.493
Direct marketing advertising helps our standard of living	2.86	1.2		2.70	1.2	
Direct marketing advertising results in better products for the public	3.28	1.1		3.12	1.2	
In general, direct marketing advertising helps our nation's economy	3.34	1.2		3.24	1.2	
In general, direct marketing advertising promotes competition, which benefits the consumer	3.72	1.0		3.59	1.1	
Materialism	9.89	2.4	0.584	9.40	2.7	0.558
Direct marketing advertising is making us a materialistic society, overly interested in buying and owning things	3.29	1.1		3.07	1.2	
Direct marketing makes people buy unaffordable products to show off	3.11	1.1		2.87	1.3	
Because of direct marketing advertising, people buy a lot of things they do not really need	3.51	1.1		3.43	1.2	
Falsity/no sense	11.50	3.3	0.632	11.15	3.4	0.636
In general, direct marketing advertising is misleading	2.99	1.1		2.87	1.2	
Most direct marketing advertising insults the intelligence of the average consumer	2.89	1.3		2.83	1.3	
Some products/services promoted in direct marketing advertising are bad for society	2.93	1.1		2.84	1.2	
I consider direct marketing advertisements an intrusion of privacy	2.72	1.2		2.68	1.3	
Value corruption	8.65	2.7	0.670	8.64	2.8	0.619
Direct marketing advertising promotes undesirable values in our society	2.78	1.1		2.76	1.2	
Most direct marketing advertising distorts the values of our youth	2.92	1.2		2.88	1.3	
Direct marketing advertising makes people live in a world of fantasy	2.96	1.1		2.97	1.2	

Note: [a] On a 5-point scale with 1 = "Strongly disagree" and 5 = "Strongly agree"

Table VI. Summary of results: direct marketing constructs of subsamples

Direct marketing constructs	ANOVA F-ratio	ANOVA *p*	Covariates: Income F-ratio	Income *p*	Education F-ratio	Education *p*	Age F-ratio	Age *p*	Years in USA F-ratio	Years in USA *p*
Overall attitude	4.48	0.035	5.51	0.019	4.90	0.027	4.30	0.039	4.27	0.039
Direct marketing beliefs										
Product information	11.51	0.001	12.33	0.001	11.20	0.000	10.92	0.001	10.52	0.001
Hedonic pleasure	5.47	0.020	4.08	0.044	5.61	0.018	4.70	0.031	5.20	0.023
Social role and image	1.83	0.177	1.61	0.205	2.01	0.157	1.52	0.218	1.62	0.204
Good for the economy	4.15	0.042	4.40	0.037	3.45	0.064	3.49	0.062	3.54	0.061
Materialism	3.59	0.059	3.00	0.084	4.49	0.035	3.34	0.069	3.19	0.075
Falsity/no sense	1.10	0.295	0.26	0.611	1.06	0.304	0.65	0.422	1.01	0.315
Value corruption	0.01	0.983	0.03	0.872	0.01	0.974	0.01	0.971	0.01	0.973

Table VII. Difference in direct marketing attitude and beliefs between subsamples: summary of ANOVA and ANCOVA results

- more likely to find DMA useful as well as enjoyable
- more likely to believe that DMA promotes materialism and helps the nation's economy.

ANCOVA results, as presented in Table VII, indicate that the effect of covariates do not appear to have much impact on overall direct marketing attitude and beliefs of the two subgroups. The differences are generally due to assimilation rather than individual demographic variables. In a few cases, however, differences in overall attitude, product information, good for the economy, hedonic pleasure, and materialism, are actually enhanced by removal of income and education effects.

The differences between the groups also suggests that English dominant Hispanics could be successfully reached via traditional DMA. At the same time, the use of Spanish to reach the less assimilated Hispanics is also viable. Obviously, direct marketers targeting both segments are encouraged to use both English and Spanish in their advertising.

Summary and conclusion

American culture

In summary, although the Hispanic market can be segmented based on gender, age, income, etc., this study further validates the findings of the past: the degree of assimilation into mainstream American culture is a critical factor in segmenting Hispanic markets. Such language based segmentation will assist direct marketers in understanding the values, beliefs, usage, and norms relating to product/service offerings as viewed by the two different groups. This knowledge will facilitate the development of marketing programs that actually work.

Guernica and Kasperuck (1982) state that, in the practice of direct marketing, 50 percent increases in sales in non-Hispanic markets is unrealistic, but fairly common in Hispanic markets. Although several reasons account for such dramatic differences between the Hispanic and non-Hispanic direct marketing experience, one of the most common reasons is likely the lack of competitive, well executed and well understood marketing programs, particularly programs in Spanish which could successfully vie for this market. Given the absence of published work in direct marketing and its relation to Hispanic markets, it is difficult to develop an understanding of this market relative to the direct marketing industry. This study is designed to contribute by filling this void in the literature.

Hispanic market

The Hispanic market in the USA continues to grow. By the beginning of the next century, the number of Hispanics in the USA will approximate the

current size of the population of Canada. However, little published work is available regarding Hispanic views of DMA. This study shows that Hispanic consumers generally hold positive overall attitudes toward DMA. However, they are also ambivalent in their beliefs toward DMA – they have some positive and some negative beliefs towards it. Significant differences were found between those Hispanics who are assimilated, and those who more closely maintain their ethnic affiliation. These differences in DMA beliefs and overall attitude were not mitigated by the introduction of individuals' demographic variables such as income, education, age, or years lived in the USA in the analyses.

Strategic error

The present study addresses important issues facing direct marketers venturing into growing Hispanic markets. While some consumers may feel as if they are inundated by DMA, Hispanic consumers tend to be ignored by direct marketers. For example, one study (Whitefield, 1996) reports that Hispanic consumers receive just 35 pieces of DMA per year compared with around 200 pieces for the rest of the population. It is quite clear from this study that ignoring the Hispanic market is a significant tactical, as well as strategic error given both the size of the market and the favorable disposition of Hispanics toward DMA.

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Appendix

Dimensions of DMA beliefs based on Pollay and Mittal (1993)

Product information. Advocates of advertising point out that advertising serves an important information role – thereby stimulating competition, encouraging new product/brand entry, and facilitating consumer shopping. Thus, the role of direct marketing advertising in this regard is positive. For example, direct marketing advertising allows consumers to gain access to product information, particularly by those who are ''locked'' in, live in non-urban areas, or face ''poverty'' of time.

Social role and image. A major proportion of direct marketing advertising is directed at promoting social and lifestyle images for products/services. In other words, direct marketing advertising plays a major role in helping create brand images. It also helps consumers associate prestige or status with the ownership of given products/services. An example, of this is the success merchandisers such as Eddie Bauer and Sharper Image have in projecting prestige/status images for their products.

Hedonic/pleasure. Many direct marketing advertisements are funny, humorous, and enjoyable given the sentimental or optimistic nature of the messages. To the extent that consumers share these characteristics of advertising messages, advertisers could benefit through increased product patronage. As Pollay and Mittal (1993) have observed, the humor/pleasure aspects of advertisements influence consumers' attitudes toward advertising.

Good for the economy. Proponents of direct marketing advertising argue that its economic benefits outweigh its costs. For example, direct marketing advertising makes possible inexpensive products. It also enables consumers to shop for products in a hassle-free environment from their homes or offices. Furthermore, direct marketing advertising saves consumers time and makes it possible for them to choose from a wide assortment of merchandise. Direct marketing advertising is also useful to businesses in that it facilitates the introduction of new products as well as helping them establish contact with target customers.

Materialism. Because of the zeal with which direct marketers advertise their products, they are often charged with promoting materialism. Critics argue that consumers' interest in material objects is not the result of a natural state of mind but one created by advertising. In other words, advertising creates superficial and false wants. With the increased industry competition, direct marketers rely on advertising as the main vehicle to promote their offerings. It is

reported, therefore, that the overload of consumers with direct marketing solicitations is an average of 41 pounds per adult.

Value corruption. Critics of direct marketing charge that direct marketing advertising helps create ''sinful'' values which result in ''cultural pollution''. An example is the use of messages of greed in direct marketing advertisements with the industry often accused of deceptive practices involving ''get rich quick schemes''.

Falsity/no sense. The substance of direct marketing advertising is often portrayed as deceptive or trivial. They are also often accused of violating consumers' privacy or creating ''junk mail''. The explosion of telephone marketing has angered many citizens who object to ''junk phone calls''. The indiscriminate and poorly targeted nature of such direct marketing advertising effort is often equated with false/nonsensical promotion. The use of gimmicks such as ''look alike'' envelopes resembling government documents or fake awards also detracts from the credibility of direct marketing advertising.

This summary has been provided to allow managers and executives a rapid appreciation of the content of this article. Those with a particular interest in the topic covered may then read the article* in toto *to take advantage of the more comprehensive description of the research undertaken and its results to get the full benefit of the material present

Executive summary and implications for managers and executives

Mail order – a great way to reach minority groups

Direct marketing and mail order are an integral part of American culture. Mail order has its roots in the distribution of widely flung farmsteads, mining communities and ranches in that vast country. Not only is mail order a massive business but, as the number of catalogues filling mail boxes across the USA would indicate, an industry that brings out the best and worst in the US consumer.

However, unlike mail order businesses in the UK and Europe, the US mail order industry does not target low-income groups. The roots of the UK's mail order industry lie in its ability to offer easy credit terms to families that had no other source of credit.

If the US mail order business is to maintain its strength then it has to flow with the changes in US society. And the significance of the "Hispanic" minority – especially in Florida and the SouthWestern states – presents a challenge to direct marketers.

Korgaonkar et al. *observe that, in the past, "...direct marketers have perceived Hispanics as a low income group with little education and lacking in credit instruments." In short as an unresponsive and risky audience compared to the majority of the white population. However, as is apparent from other areas of business and from politics, the Hispanic-American population is becoming more like the rest of the USA in its demographics and especially in its income and education profile.*

So are Hispanics like the rest of the population – at least in their attitude to mail order?

Korgaonker et al.*'s findings indicate that, in most respects, the attitudes of the Hispanic population are comparable to attitudes within the population at large. However, within the Hispanic group the degree of assimilation into US culture has a profound influence over attitudes.*

The "love/hate" relationship with direct marketing and mail order – it's a useful source of good product information but is seen as risky – can be seen throughout the USA. Indeed, these same attitudes can be found in the UK and Europe. However, the findings here suggest that the main criticisms of direct marketing (mostly from ill-informed consumer lobbies) have made less of an impact with the Hispanic consumer.

We could spend a great deal of time defending mail order from the accusation that it invades privacy (compared to the Government it's a pussy cat in this respect). Similarly, we can argue that, in the main, direct marketing does not mislead and does not promote materialism any more than other forms of retailing. These are the attitudes that emanate from up-scale, so-called liberal elements that are, as Korgaonkar et al. *show, out of touch with prevailing attitudes in society at large.*

Should we target Hispanics as an ethnic group?

Ethnicity has tended to create a blind spot for marketers. We forget that an individual's ethnic origin or association is but one factor in determining their behaviour as a consumer. Age, gender, social class, level of education and income will all have a profound affect on consumption. If we let ethnicity dominate our thinking and swamp our targeting we miss out on the opportunities presented by good targeting.

Yet, despite the self-evident truth of this statement, marketers still let themselves believe that all these Spanish-speaking folk are the same. We need to appreciate the extent to which people are assimilated into the wider culture. As Korgaonkar et al. *point out "...the degree of assimilation into mainstream American culture is a critical factor in segmenting Hispanic markets".*

Such a requirement has, at least partly, a practical element to it because of the language issue. Many recent immigrants are less comfortable with spoken English even though their level of education and attitudes are suited to mail order targeting.

Direct marketers looking to expand their market by targeting Hispanics need to appreciate the implications of culture differences and the degree of cultural assimilation. But they are wrong to let such factors dominate their analysis and selection of targets. Other targeting factors need to be brought to bear as well if the marketing activity is to succeed.

Culture and direct marketing – unlikely bedfellows

Direct marketing is often seen as a somewhat tacky form of business. And, despite the evidence that e-commerce can learn a great deal from the experience of mail order, many see mail order as one of the dinosaurs of US retailing. Yet direct marketers are able to incorporate cultural differences into their segmentation and targeting strategies making direct marketing perhaps the best way of reaching immigrant and ethnic minority markets.

The impact of new technologies is such that this targeting becomes easier. Not just in the selection of prospective customers but in the creation of bespoke communications for different groups. Despite the endless worries about privacy and the ethics of direct marketing it seems that Hispanics appreciate what direct marketing provides – an accessible, personal and flexible way of shopping that suits a whole range of lifestyles and cultures.

(A précis of the article "Hispanics and direct marketing advertising". Supplied by Marketing Consultants for MCB University Press.)