

THE NEW AMERICAN VANGUARD

LATINOS 50+: HEALTHY, WEALTHY AND WISE
2015 REPORT



nielsen
.....

AN UNCOMMON SENSE
OF THE CONSUMER™

DIVERSE INTELLIGENCE SERIES

FOREWORD

The **New American Vanguard, Latinos 50+** report explores how the consumption habits of older Hispanics are poised to change the outlook on what it means to live in the “golden years.” Hispanic Baby Boomer (50-64) and Greatest Generation (65+) consumers are redefining retirement by living and working longer, establishing increased wealth potential and bearing the torch as the cultural matriarchs in their families and communities.

While younger Hispanics are commanding wide-spread attention, it's actually older Hispanics who are leading the way, extending a strong cultural influence over their families and their communities at large. At 11 million strong, Hispanics 50+ represent 10% of the total population and are expected to reach 42 million or 24% by 2060, according to the U.S. Census. As more than half of U.S. Hispanics 50+ are foreign born, a strong connection and affinity for Spanish- and Latino-influenced consumer behaviors will continue to drive purchasing behaviors well into the future, representing an opportunity for marketers to cultivate deep relationships with this growing segment.

As the vanguard of their families, older Hispanics play a vital role in their multigenerational households—acclimating to their American identities, while also preserving their cultural heritage and traditions for future generations. Many older Hispanics today are experiencing a role-reversal of sorts. They are often the main decision makers in the home, exerting a heavy influence on the purchasing behaviors and media consumption of family members of all ages.

They will also influence the outcome of the 2016 presidential election. In the 2012 election, 60% of eligible Latinos who were 65 and older voted—the highest voter turnout percentage of all Hispanic adults. The rise in the percentage of 50+ Hispanic voters, along with the increasing diversity of candidates representing both political parties, will ensure that race and ethnicity will continue to play a pivotal role in future U.S. elections.

This report is part of Nielsen's Diverse Intelligence Series—a collection of reports that focus solely on multicultural consumers' unique consumption and purchasing habits.

We would like to thank the members of Nielsen's External Hispanic/Latino Advisory Council, and in particular the Report Subcommittee: Luis Miranda, Jr., President, The MirRam Group, LLC (Council co-chair); Lillian Rodriguez-Lopez, Director, Latin Affairs, The Coca-Cola Company; and Suzanna Valdez, Vice President, The Arsht Center Foundation. All made important contributions to this report. Additional insights on life reimagined after retirement and the role older Hispanics play as stewards of cultural sustainability were also graciously provided by Angela Houghton, Monica Cortes-Torres and Beth Finkel at AARP. We are also grateful to the Hispanic Federation for their aid in disseminating this report to leaders in Hispanic communities across the U.S. We believe this, our third report on Hispanic consumers in the U.S., offers a unique perspective on a growing segment of the population.



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EXECUTIVE SUMMARY

True pioneers, Latinos 50+ were among the first Latinos to enroll in college, the forerunners of a diverse U.S. military, and laid the entrepreneurial groundwork for the booming economic force that the Latino consumer group represents in the U.S. today. *Ganas*, their drive, determination and commitment to building a better life in the U.S. and making a difference in their communities, serves as an inspiration across Latino generations. We frequently hear about Latino youth and Millennials, but the original innovators and unsung influencers of this immense marketplace are the 50+ age segment.

Hispanics 50+ are a fast-growing group in an increasingly multicultural society. They continue to upend outdated stereotypes about aging and retirement while taking the lead in multi-ethnic families and U.S. society by embodying and sustaining Latino values in an increasingly diverse American mainstream.

Hispanics 50+ are influential heads of extended families with significant consumer purchasing power, and they are poised to play an increasingly important role in shaping U.S. society.



A FEW DESCRIPTIVE TERMS PAINT A COMPELLING PICTURE OF LATINOS 50+

In the vanguard. In culture, language and spending, Hispanics 50+ influence not only their extended families, but also their communities, which they have shaped to fit changing Latino needs and preferences.

Wealthy and influential. Hispanics 50+ have enjoyed significant income growth, and hold a leadership role in extended family structures, thus amplifying the reach and depth of their influence on spending, media behavior and many other aspects of everyday life. They are brand-loyal consumers who provide a model for the spending habits of younger generations of Hispanics.

Culture stewards. Hispanics 50+ play a key role in sustaining and passing along cultural ties and Latino values. They communicate often in Spanish, promote the usage of both Spanish- and English-language media, and demonstrate an appreciation of culture that younger Latino generations often adopt as their own.

Fast growing. Similar to Millennials, older Hispanics are the fastest-growing group in the 50+ marketplace.

Important swing voters. Hispanics 50+ could be the decisive swing vote in many local and state elections and they are a growing force in the national electoral populace.

New mainstream. Hispanic elders play a central role in the formation of a new mainstream society that is culturally inclusive as well as rooted in traditional American values of patriotism, hard work, personal optimism and faith in Americans' collective future.

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SECTION I

OLDER LATINOS IN THE NEW MAINSTREAM

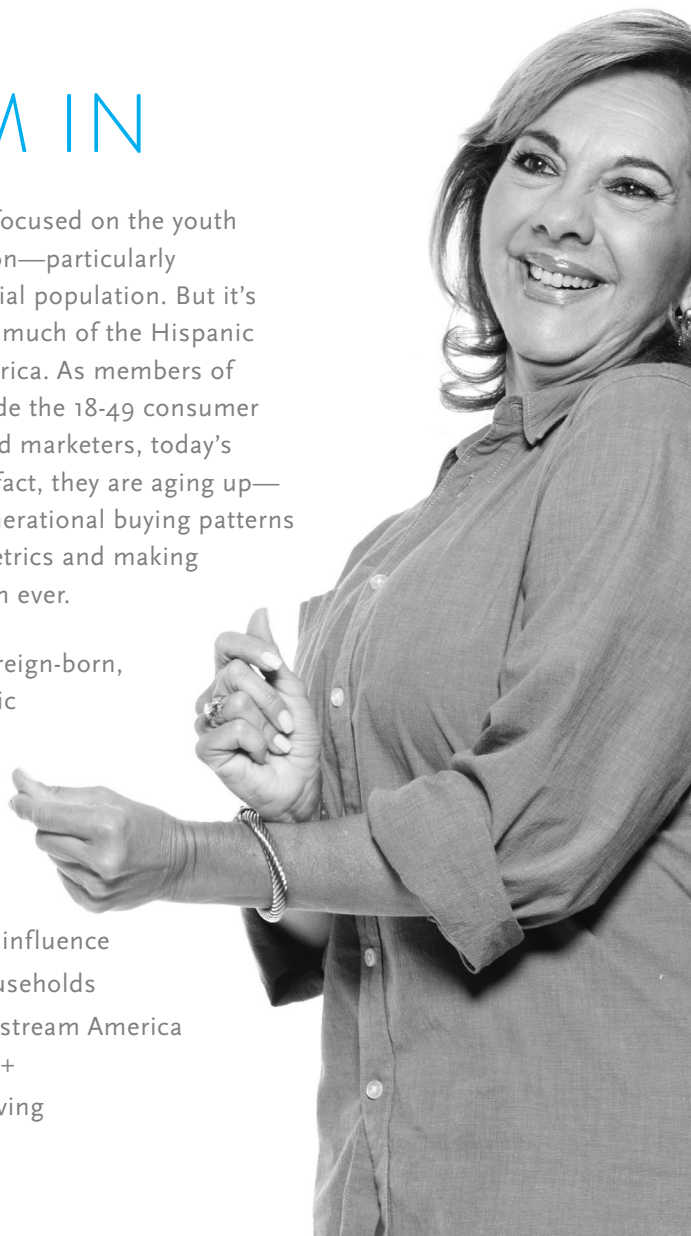
Hispanics 50+ are claiming their place at the core of the evolving U.S. mainstream. Living longer and growing in size, wealth and social influence, this consumer segment is challenging outdated assumptions and redefining preconceived notions of aging and retirement. And their influence will only continue to grow. Advertisers and marketers who understand their attitudes and purchasing preferences have an opportunity to tap into outsized benefits across a wide array of products and services for decades to come.

COUNT THEM IN

The spotlight on Hispanic consumers is often focused on the youth and their increasing share of the U.S. population—particularly Hispanic youth’s 21% share of the U.S. Millennial population. But it’s actually Hispanics 50+ who are responsible for much of the Hispanic population’s influence and power today in America. As members of the Boomer and Greatest Generations who made the 18-49 consumer demographic the “holy grail” for advertisers and marketers, today’s Hispanic 50+ consumers are not aging out. In fact, they are aging up—increasing in numbers and longevity. Cross-generational buying patterns and robust TV and media usage are shifting metrics and making this age group more relevant and desirable than ever.

Today’s older Hispanics, both U.S.-born and foreign-born, stand at the cross-section of major demographic and social trends.

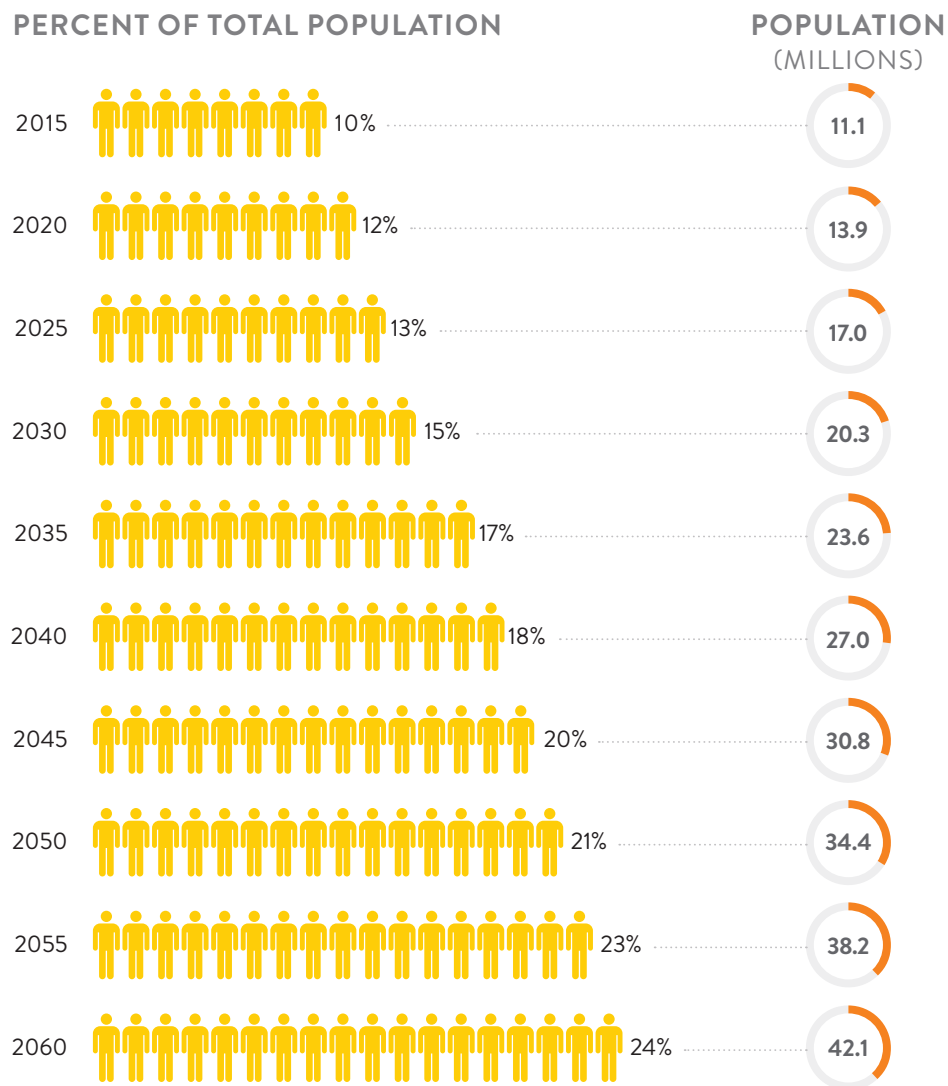
- The aging of the U.S. population
- The increasing size and diversity of the American family
- The rise of U.S. Hispanics in the labor force with longer life expectancies and burgeoning influence
- The intergenerational nature of American households
- The broadening influence of Latinos on mainstream America which can largely be credited to Hispanics 50+
- The growing influence and longevity of a thriving Boomer+ population



LATINOS 50+ POPULATION IS BOOMING

While younger generations are garnering the bulk of media attention, Hispanics 50+ are also on the rise. Eleven million strong, Hispanics 50+ represent 10% of their age cohort in 2015 and are expected to grow to 42 million or 24% by 2060.

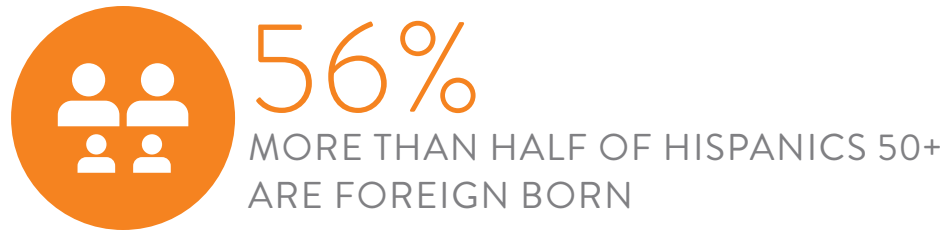
HISPANIC POPULATION AGES 50+



Source: 2014 National Population Projections, U.S. Census Bureau, Projected Population by Single Year of Age, Sex, Race and Hispanic origin for the U.S., 2014 – 2060

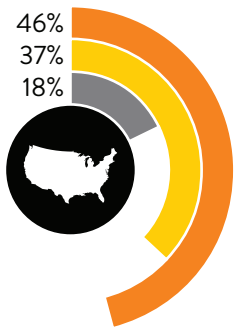
THE TIES THAT BIND

More than half (56%) of Hispanics 50+ are foreign born, which leads to a greater use of Spanish and Latino-influenced media and consumption behaviors. While most foreign-born 50+ Hispanics have lived in the U.S. for a large proportion of their lives, their strong cultural ties and traditional values are what binds Latino generations and makes larger Latino households so vibrant and unique. At the same time, foreign-born 50+ Hispanics are highly appreciative of the benefits of living in the U.S. and most responsive to brands, products and services that speak to them with respect and welcome them into the new American mainstream.

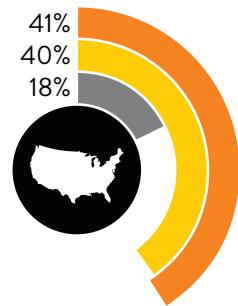


TIME IN THE U.S. AMONG FOREIGN-BORN HISPANICS

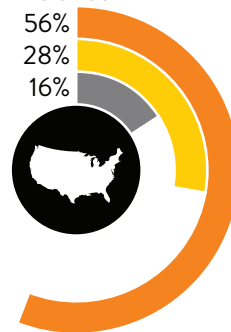
TOTAL HISPANIC ADULTS



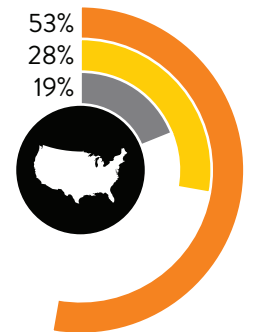
18-49



50-69



70+



- NEWCOMERS IN U.S. 0-24% OF LIFE
- TRANSITIONALS IN U.S. 25-49% OF LIFE
- TRANSPLANTS IN U.S. 50%+ OF LIFE

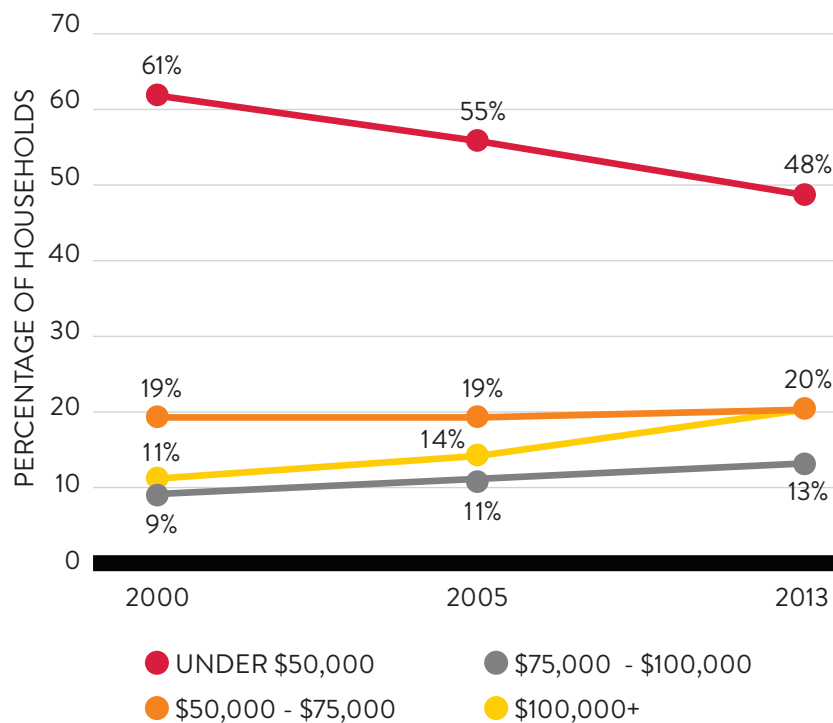
Source: 2013 American Community Survey, PUMS Dataset

GROWING WEALTH

From 2000 to 2013, the percentage of households headed by Hispanics ages 50 to 69 who earned \$75,000 or more saw a sharp increase, showing a CAGR (compound annual growth rate) of 10.2%, compared to 7.6% among younger adult Hispanic heads of household. In fact, all income bands above \$50,000 showed an increase in the 13-year time period, while incomes under \$50,000 decreased.

HOUSEHOLDS HEADED BY HISPANICS AGES 50 - 69 INCOME FROM 2000 - 2013

(NOT ADJUSTED FOR INFLATION)



Source: 2000, 2005 and 2013 American Community Survey PUMS Dataset

LATINO HOUSEHOLDS ARE AT THE EPICENTER OF MULTIGENERATIONAL LIVING

In the post-recession economy, young adults are staying at home longer, a trend even more pronounced among Hispanic households. While 18% of the total population resided in multigenerational households in 2013, about a quarter (25%) of Hispanics lived in family households that contained at least two adult generations or a grandparent and at least one other generation. The percentage rises even higher among older Hispanics. Four in 10 Hispanics aged 55+ lived in multigenerational households, compared with just over a fifth of the total population in that age group.

Latinos 50+ are at the epicenter of the evolving social and cultural reality of several generations living under one roof. Led by older Hispanics, buying and shopping decisions are intrinsically communal ones, often including relatives of other races and ethnicities, strengthening family ties and extending and amplifying shopping habits and choices across a wide spectrum of products and services. There is significant mutual benefit when families share in child care, cooking, transportation and shopping. Greater disposable income, more shared meals and family experiences lead to a unique opportunity for advertisers and marketers to make brand impressions with consumers that span generations and last a lifetime.

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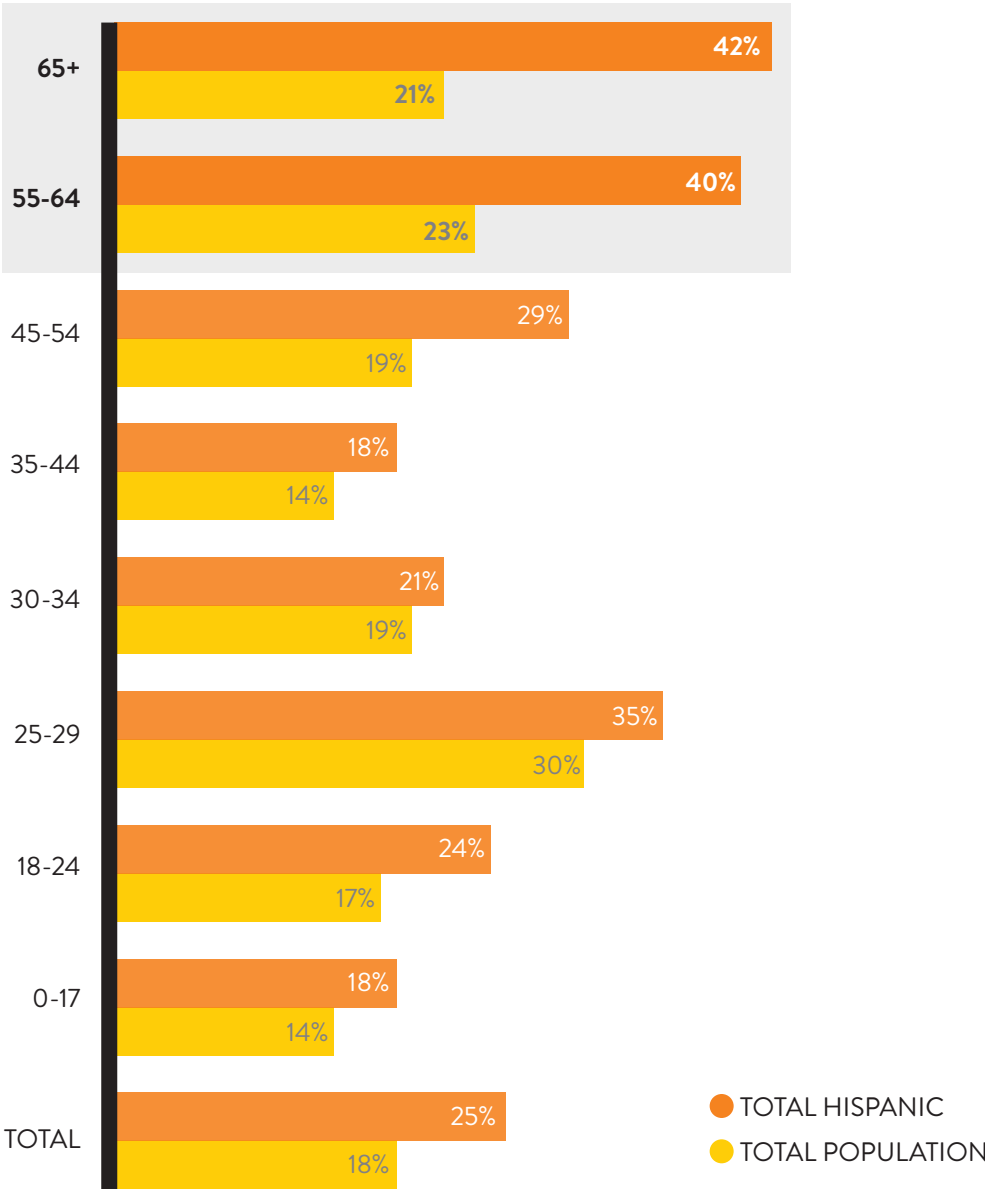


4 in 10

FOUR IN 10 HISPANICS AGED 55+
LIVED IN MULTIGENERATIONAL
HOUSEHOLDS IN 2013

HISPANIC MULTI-GENERATIONAL LIVING INCREASES WITH AGE

SHARE OF POPULATION BY AGE LIVING IN MULTIGENERATIONAL FAMILY HOUSEHOLDS, 2013



Source: EthniFacts Tabulations of the 2013 American Community Survey based on Pew Research Multigenerational Household Definitions

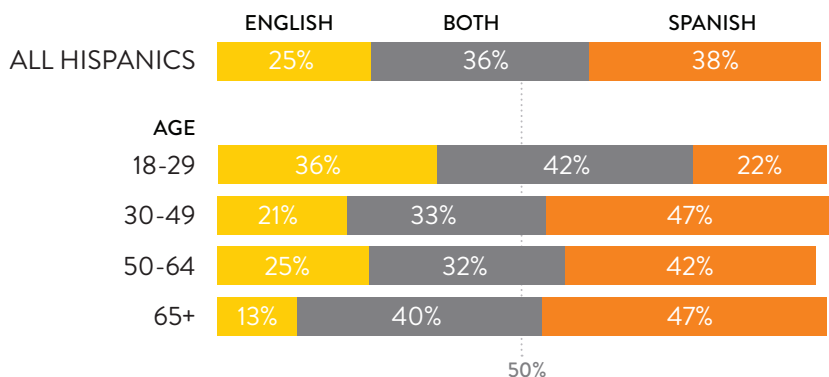
SPANISH: A BOND AND A BRIDGE

Language is not only used by older Hispanics to sustain cultural roots and traditions, it is also used as a bond with younger bilinguals and as a bridge to navigating the English-dominant world around them. Younger and older Hispanics are the most likely to use English and Spanish contextually, which allows them to effortlessly connect with multigenerational family members as well as non-Hispanics or English-speaking friends and relatives.

Hispanics 65+ are the most bilingual of any age group except 18-to-29-year-olds who have a strong tendency to speak English and Spanish with other family members in the household. Hispanics 65+ are also the most Spanish dominant, maintaining the use of Spanish in many households. Marketers and advertisers should be aware of this when planning strategies to reach them.

HISPANICS 65+ ARE MORE BILINGUAL THAN ANY GROUP EXCEPT THOSE 18-29

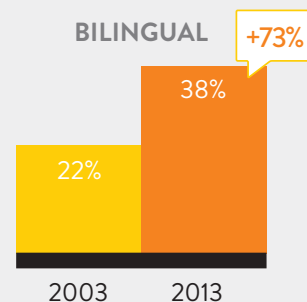
PERCENT OF HISPANIC ADULTS WHO MAINLY USE ENGLISH, SPANISH OR BOTH



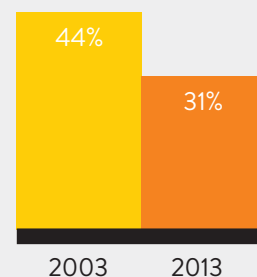
Source: Pew Research Center 2013, National Survey of Latinos

In the last decade, bilingualism among Hispanics has increased by 73%. Over the same period, the incidence of English dominance among Hispanics has decreased from 44% to 31%. The level of Spanish dominance has remained at about a third of the Hispanic population since 2003.

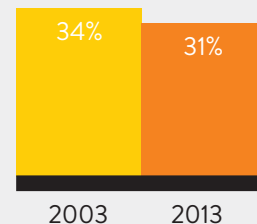
BILINGUAL HISPANICS INCREASED 73% FROM 2003-2013



ENGLISH-DOMINANT



SPANISH-DOMINANT



Source: Nielsen, *Hispanics in the Media Landscape*, May 2015

67%

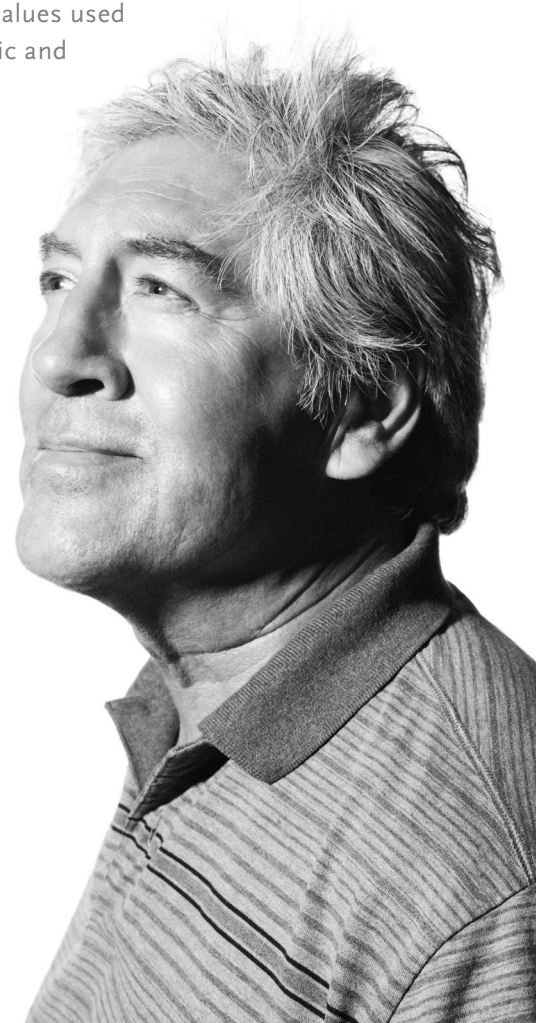
TWO-THIRDS (67%) OF LATINOS 50+ SPEAK AT LEAST SOME SPANISH WHEN SPEAKING TO THEIR CHILDREN—THE SAME PERCENTAGE FOR HISPANIC ADULTS UNDER AGE 50.

Source: EthniFacts 2015 survey of 4,500 national respondents

CHAMPIONS OF VALUES AND TRADITIONS

Latinos are becoming the first major immigrant group to exhibit culture sustainability—successfully integrating into American culture while retaining major elements of Latino culture on a long-term basis. Many distinct factors such as retro-acculturation, borderless connectivity, inexpensive technology, and the sheer size of the community seem to compound and reinforce Hispanics' sense of cultural confidence. In other words, the Hispanic experience and culture in the U.S. may evolve over time and may even influence the creation of a completely new culture, but it will not fade away.

The influence of Hispanics 50+ on younger generations is a major contributor to culture sustainability exhibited by many Hispanics. They actively participate in the growing prevalence of ambiculturalism—the ability to be 100% Latino and American at the same time, effortlessly. They provide a base of traditional customs and values used to mold a fluid personal identity that embraces their Hispanic and American influences with equal passion and conviction.



Both foreign-born and U.S.-born Latinos exhibit a strong sense of maintaining cultural traditions:

- Foreign-born Hispanics 50-64 say they are more connected to their ethnic heritage than their parents were at more than double the rate of non-Hispanic Whites.
- U.S.-born Hispanics 65+ indicate the same at a 48% higher rate.
- Foreign-born Hispanics 50-64 say it's important their children continue the family's cultural traditions at a 21% higher rate and U.S. born Hispanics are at a 16% higher rate.

CULTURAL HERITAGE IS IMPORTANT TO LATINOS 50+

BOOMER AND GREATEST GENERATION HISPANICS' INDEX TO NON-HISPANIC WHITES OF SIMILAR AGE

AGREE COMPLETELY OR AGREE SOMEWHAT	HISPANIC BOOMERS 50-64		HISPANIC GREATEST GENERATION 65+	
	U.S. BORN	FOREIGN BORN	U.S. BORN	FOREIGN BORN
IT'S IMPORTANT TO ME THAT MY CHILDREN CONTINUE MY FAMILY'S CULTURAL TRADITIONS.	113	121	116	107
MY CULTURAL/ETHNIC HERITAGE IS AN IMPORTANT PART OF WHO I AM.	118	126	113	113
I AM MORE CONNECTED TO MY ETHNIC HERITAGE THAN MY PARENTS ARE.	149	206	148	168

Read as: U.S.-born Hispanic Boomers 50-64 are 13% more likely than non-Hispanic Whites of the same age to say it's important that their children continue family cultural traditions.

Source: Nielsen Scarborough Hispanic DST Multi-Market 2015 Release 1 Total, Gfk/MRI Attitudinal Insights, February 2014 – March 2015

LIVING BETTER AND LONGER

With more accumulated wealth than younger Hispanic generations and a tendency to be younger than their non-Hispanic White counterparts when their children reach adulthood and grandchildren are born, older Hispanics have significant influence over family values and behaviors.

Hispanics are living longer and having healthier, more active lives. According to The Center for Disease Control and Prevention, Hispanic life expectancy at birth today is 83.5 years compared with 78.7 years for non-Hispanic Whites. Despite a higher incidence of diabetes, Hispanics have lower mortality rates in seven out of the 10 leading causes of death in the U.S. In the first few years after immigrating to the U.S., Hispanics also tend to have lower smoking rates, better diets and better general health.

Many have attributed this strong better health, especially mental health, in part to family ties and multigenerational living among Latinos. The strong sense of community often present in larger Latino households led by Hispanics 50+ appears to offer tangible benefits that should be considered when assessing the needs of today's Latino consumer.

Adding to the natural optimism and resilience of 50+ Hispanics, social media and sharing economy apps and services are helping these consumers maintain and extend their active income-earning years far longer than previous generations.



83.5 YEARS
 HISPANIC LIFE EXPECTANCY
 TODAY IS 83.5 COMPARED TO 78.7
 FOR NON-HISPANIC WHITES

MARKETPLACE SPOTLIGHT



REDEFINING THE GOLDEN YEARS

AARP® has addressed the changing definitions of retirement and the golden years by creating “Life Reimagined” and the Spanish-language platform, “*La Vida Reinventada*.” With people living longer and redefining traditional notions of aging and retirement, a new life stage has emerged. Today, many people in their 50s, 60s and beyond think of these years as part of middle age rather than as part of a “wind-down stage.”

The evolving definition of active golden years is being addressed by innovative programs such as Life Reimagined’s members being able to earn income as Uber driver-partners and the creation of The Life Reimagined Institute, a first-of-its-kind provider of online and offline experiences to help people reflect, evaluate priorities and take action to live their best life.

AARP® has utilized ambassadors such as Emilio Estefan Jr. to connect with those who are 50+ of all ethnicities. “For me, leaving my country was a time when I had to start over and reimagine life. One of the most important things is when people tell you NO, it’s not possible. That’s when you must become persistent. Do the things that you love. When you love what you are doing, that is when it all works out,” said Emilio Estefan, Jr.



THE AMERICAN VANGUARD TAPPING INTO THE POWER AND INFLUENCE OF OLDER HISPANICS

- The percentage of households headed by Hispanics 50+ that earn incomes above \$75,000 is increasing sharply, offering savvy marketers an opportunity to serve an increasingly wealthy demographic.
- Forty percent of Hispanics ages 55+ live in multigenerational households with attitudes and consumption behaviors reflecting the needs of multiple age ranges. Greater disposable income, more shared meals and family experiences leads to a unique opportunity for advertisers and marketers to make brand impressions with consumers that span generations and last a lifetime.
- Spanish language is not only used by older Hispanics to sustain cultural roots and traditions, it is also a means of bonding with younger bilinguals, who in turn act as a bridge to navigating the English-dominant world around them.
- Hispanics 50+ exhibit strong culture sustainability—the ability to successfully integrate into American culture while retaining major elements of Latino identity on a long-term basis. Older Hispanic households fully embrace a dual culture way of life.
- The longer life expectancy and extended income-earning years of Hispanics 50+ make this segment increasingly attractive.

SECTION II

BUYING BEHAVIORS: UNDERSTANDING THE LATINO 50+ CONSUMER

OLDER LATINOS AS HEADS OF HOUSEHOLDS

Hispanics 50+ are avid shoppers and they influence cooking styles, buying preferences and shopping habits of Hispanics of all ages. Their role as heads of households is reflected in their shopping baskets, which include groceries and other items for the entire family—very often including products intended for children and grandchildren.

Most 50+ Latinos would rather cook at home than eat out and often use Latino recipes, which include popular ingredients such as beans, rice, vegetables and meats, preserving Latino cultural tastes and traditions in the home.



73%

OF HISPANICS 50+ SAY THEY OFTEN COOK AT HOME RATHER THAN EAT OUT, COMPARED WITH 62% OF YOUNGER HISPANIC ADULTS. AND 62% OFTEN USE RECIPES AND COOKING STYLES FROM THEIR COUNTRY OF ORIGIN (VERSUS 53% OF YOUNGER HISPANIC ADULTS)

Source: EthniFacts 2015 survey of 2,500 national respondents

OLDER LATINOS BUY MORE FREQUENTLY

Older Hispanics shop more frequently for fast-moving consumer goods (FMCG) than non-Hispanic White peers, and buy categories that serve all ages within their multigenerational families. While purchase frequency for Hispanic households overall over-index non-Hispanic White households in only two of 11 major fast-moving consumer goods shopping departments measured by Nielsen (health and beauty aids and general merchandise or non-edible items), Hispanic Boomers over-index non-Hispanic White peers in seven of 11 departments, and Greatest Generation consumers over-index in eight of 11 departments.

These older Hispanics are buying more frequently than non-Hispanic White peers in nearly 75% of all major departments. Marketing strategies designed to encourage bulk buying and stocking up are critical. And bear in mind that each time the register rings for these heads of households, other family members' tastes and habits are being influenced.



7 of 11

HISPANIC BOOMERS SHOP MORE
FREQUENTLY THAN NON-HISPANIC
WHITE PEERS IN SEVEN OF 11
FMCG DEPARTMENTS



OLDER HISPANICS BUY MORE FREQUENTLY

ANNUAL PURCHASE FREQUENCY BY DEPARTMENT BOOMERS, GREATEST GENERATION AND TOTAL ADULTS

PRODUCT DEPARTMENT	BOOMERS 50-64			GREATEST GENERATION 65+			TOTAL ADULTS 18+		
	HISPANIC	NON-HISPANIC WHITE	INDEX	HISPANIC	NON-HISPANIC WHITE	INDEX	HISPANIC	NON-HISPANIC WHITE	INDEX
HEALTH AND BEAUTY AIDS	32.0	29.5	108	34.0	30.3	112	30.1	28.3	106
GENERAL MERCHANDISE	21.1	20.6	103	24.9	20.1	124	19.8	19.4	102
NON-EDIBLE GROCERY	40.2	39.4	102	42.2	36.9	114	36.6	36.7	100
PACKAGED MEAT	18.1	17.7	102	17.7	16.2	109	17.1	17.0	100
DRY GROCERY	93.8	91.3	103	106.3	91.6	116	82.4	84.4	98
FRESH MEAT	5.1	5.2	99	4.8	4.3	112	5.1	5.3	98
FRESH PRODUCE	27.2	26.4	103	27.8	27.8	100	24.3	25.2	96
DAIRY	48.1	48.5	99	49	49.7	99	43.5	46.3	94
ALCOHOLIC BEVERAGES	13.9	13.2	105	17.2	12.6	136	10.9	11.6	94
DELI	9.6	9.8	98	9.1	8.9	102	9.1	9.8	93
FROZEN FOOD	31.0	33.1	93	32.2	32.8	98	28.2	31.7	89

Source: Nielsen Homescan, Annual Purchase Frequency per Shopper, Index vs. non-Hispanic Whites at comparable ages, 52 weeks ending December 27, 2014

Importantly, the dollars spent per buyer increases with age at a much higher rate than non-Hispanic Whites.

- Overall, Hispanic households spend more than non-Hispanic White households for total annual dollar spend by department in four of 11 major grocery-related departments (e.g., health and beauty aids, general merchandise, fresh produce and packaged meat). Many over-indexing categories are driven by the youth of the Hispanic population (median age of 27 versus 42 for non-Hispanic Whites). Categories such as health and beauty aids and general merchandise (e.g., cookware, kitchen gadgets, school supplies, etc.) are particularly important in this regard.
- Hispanic 50+ households are spending even more; the Boomer Generation over-indexes in five of 11 departments and the Greatest Generation over-indexes in nine of 11 departments. These departments reflect not only familial buying for necessities, but also an increase in more discretionary purchases, such as alcoholic beverages and general merchandise (non-edible household items).

OLDER HISPANICS SPEND MORE IN MANY DEPARTMENTS

ANNUAL DOLLAR SPEND BY DEPARTMENT

BOOMERS, GREATEST GENERATION AND TOTAL ADULTS

PRODUCT DEPARTMENT	BOOMERS 50-64			GREATEST GENERATION 65+			TOTAL ADULTS 18+		
	HISPANIC	NON-HISPANIC WHITE	INDEX	HISPANIC	NON-HISPANIC WHITE	INDEX	HISPANIC	NON-HISPANIC WHITE	INDEX
HEALTH AND BEAUTY AIDS	\$467	\$410	114	\$463	\$437	106	\$424	\$389	109
GENERAL MERCHANDISE	\$309	\$302	102	\$345	\$266	130	\$281	\$275	102
FRESH PRODUCE	\$160	\$151	106	\$132	\$144	92	\$149	\$147	102
PACKAGED MEAT	\$123	\$121	102	\$102	\$100	102	\$117	\$116	101
DELI	\$69	\$66	106	\$57	\$54	106	\$66	66	99
DAIRY	\$399	\$397	100	\$335	\$347	97	\$394	\$400	98
NON-EDIBLE GROCERY	\$494	\$509	97	\$459	\$416	110	\$452	\$467	97
FRESH MEAT	\$42	\$46	91	\$36	\$33	109	\$45	\$47	95
DRY GROCERY	\$1,515	\$1,569	97	\$1,366	\$1,320	104	\$1,435	\$1,503	95
FROZEN FOOD	\$321	\$341	94	\$294	\$292	101	\$309	\$337	92
ALCOHOLIC BEVERAGES	\$264	\$281	94	\$349	\$258	135	\$203	\$237	86

Source: Nielsen Homescan, Annual Dollar Spend by Department, Index vs. Non-Hispanic Whites at comparable ages, 52 weeks ending December 27, 2014

Hispanic Greatest Generation households have the most varied shopping baskets compared to Hispanic Boomers and total Hispanic shoppers. Among the 20 categories in which Hispanic household spending most over-indexes spending compared to non-Hispanic Whites, the following patterns are notable:

- In eight categories Hispanic households of all ages are show common purchasing trends. These categories are all related to grooming, cooking or water (e.g., vegetables and dried grains, women's fragrances, hair care, men's toiletries, personal soap/bath needs, bottled water, shortening/oil and dried mixes).
- Total Hispanics and Hispanic Boomer households show similar over-indexing performance (e.g., meal starters, eggs, shelf juices, frozen meat/seafood, cosmetics, deodorant, baby food, refrigerated juices and skin care preps).
- Only one over-indexing category is shared by total Hispanics and Hispanic Greatest Generation households: Baby needs, suggesting a propensity for grandparents to buy for their grandchildren.

A GLANCE INTO HISPANICS' SHOPPING CARTS

TOP 20 HIGHEST INDEXING CATEGORIES

BOOMERS, GREATEST GENERATION AND TOTAL HISPANICS

HISPANIC BOOMERS 50-64		HISPANIC GREATEST GENERATION 65+		TOTAL HISPANIC ADULTS 18+	
DRY VEGETABLES & GRAINS	190	FAMILY PLANNING	305	VEGETABLES & GRAINS-DRY	195
MEAL STARTERS-SHELF	176	SPORTS & NOVELTY CARDS	286	WOMEN'S FRAGRANCES	143
SPORTS & NOVELTY CARDS	163	DRY VEGETABLES & GRAINS	239	BABY NEEDS	138
WOMEN'S FRAGRANCES	139	BOTTLED WATER	210	MEAL STARTERS-SHELF	137
HAIR CARE	132	MEN'S TOILETRIES	172	HAIR CARE	136
BABY FOOD	130	PREPARED FOODS-DRY MIXES	168	MEN'S TOILETRIES	132
FRESH EGGS	130	WOMEN'S FRAGRANCES	163	PERSONAL SOAP/BATH NEEDS	130
BOTTLED WATER	128	MAGAZINES (SELECTED TITLES)	157	FRESH EGGS	129
PERSONAL SOAP/BATH NEEDS	125	BEER	153	BOTTLED WATER	126
SHORTENING/OIL	124	CHARCOAL/LOGS/ACCESSORIES	147	JUICES DRINKS-SHELF	124
REFRIGERATED JUICES & DRINKS	123	DIET AIDS	145	SHORTENING/OIL	124
MEN'S TOILETRIES	122	LIQUOR	144	FROZEN UNPREPARED MEAT/SEAFOOD	122
FROZEN UNPREPARED MEAT/SEAFOOD	120	HAIR CARE	143	COSMETICS	122
JUICES DRINKS-SHELF	120	PUDDINGS/DESSERTS (DAIRY)	138	DEODORANT	121
SKIN CARE PREPARATIONS	119	SHORTENING/OIL	138	BABY FOOD	118
PREPARED FOODS-DRY MIXES	119	LAWN AND GARDEN	138	JUICES & DRINKS-REFRIGERATED	118
DETERGENTS	118	OFFICE/SCHOOL SUPPLIES	137	GROOMING AIDS	117
ORAL HYGIENE	117	BABY NEEDS	132	PREPARED FOODS-DRY MIXES	116
DEODORANT	116	PERSONAL SOAP/BATH NEEDS	132	SKIN CARE PREPARATIONS	115
COSMETICS	116	COOKWARE	131	LAUNDRY SUPPLIES	115

AGE GROUP(S) FOR WHICH PRODUCT APPEARS IN TOP 20

- Total Hispanics, Boomers and Greatest Generation
- Total Hispanics and Boomers
- Total Hispanics and Greatest Generation
- Boomers and Greatest Generation
- Unique to Total Hispanics or Either Age Group

Source: Nielsen Homescan, Highest Indexing Categories per Shopper, Hispanic Index versus Non-Hispanic Whites of comparable age group, 52 weeks ending December 27, 2014

MARKETPLACE SPOTLIGHT



SPEAKING THE LANGUAGE OF THE GENERATION

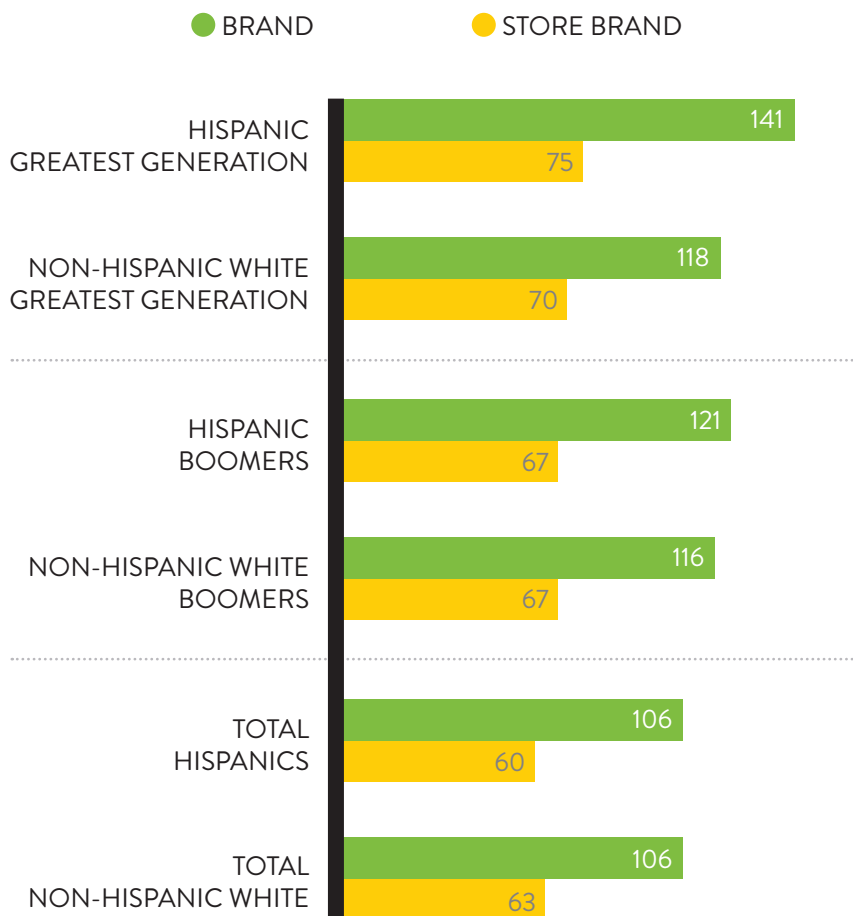
TIDE MULTI-GENERATIONAL BILINGUAL COMMERCIAL

“Mi Tide-Abuela” – Procter & Gamble addressed multiple trends by showing a bicultural, bilingual, Millennial granddaughter translating her grandmother’s reaction to the new Tide. Critical to the ad was the granddaughter’s ability to understand Spanish, even if she was not able to translate it word for word, and the reference to “remedios caseros” or home remedies. This vignette depicts the culture sustainability and interdependence in the multigenerational home.

BRANDS ARE PREFERRED

The preference for branded items over store brands (private label), increases as Hispanics age. While Hispanics overall purchase branded products at a 77% higher rate than store brands, Greatest Generation Hispanics prefer branded products almost 88% over store brands. This strong preference for trusted name brands, which may be from their native country, also influences younger-generation Hispanics.

BRAND VS. STORE BRAND ITEM PURCHASE FREQUENCY
ANNUAL NUMBER OF CATEGORY/DEPARTMENT PURCHASES



Read as: Hispanic Greatest Generation consumers purchase at least one branded item 141 times per year and at least one store brand item 75 times per year.

Source: Nielsen Homescan, Store Brand versus Branded Item per shopper, Hispanics versus non-Hispanic Whites of comparable age group, 52 weeks ending December 27, 2014

LATINOS 50+ PREFER HEALTHY AND ORGANIC FOOD

Just as traditional cooking styles play a role in the households of older Hispanics, so do healthy eating habits. Latinos 50+ are no different from many other Americans in wanting to improve the family diet. But older Hispanics' role as influencers is a white-space opportunity for marketers as they look for ways to appeal the entire family.

The tradition of cooking with fresh, natural ingredients may well have a causal effect on what many refer to as the “Hispanic paradox”—the longer life expectancy of Hispanics compared to non-Hispanic White peers. Consider these facts:

- Both Boomers and Greatest Generation Hispanics, particularly those who are foreign born, say they regularly eat organic foods.
- Foreign-born older Hispanics and U.S. Born Hispanics 50-64 strongly over-index non-Hispanic Whites in saying they will not allow junk food in their home.

OLDER HISPANICS ARE HEALTH CONSCIOUS

BOOMER AND GREATEST GENERATION HISPANICS' INDEX TO NON-HISPANIC WHITES OF SIMILAR AGE

AGREE COMPLETELY OR AGREE SOMEWHAT	HISPANIC BOOMERS 50-64		HISPANIC GREATEST GENERATION 65+	
	U.S. BORN	FOREIGN BORN	U.S. BORN	FOREIGN BORN
I DON'T ALLOW JUNK FOOD IN MY HOME.	118	138	101	135
I REGULARLY EAT ORGANIC FOODS.	112	130	108	132

Read as: U.S.-born Hispanic Boomers 50-64 are 18% more likely than non-Hispanic Whites of the same age not to allow junk food in their homes.
 Source: Nielsen Scarborough Hispanic DST Multi-Market 2015 Release 1 Total, GfK/MRI Attitudinal Insights, February 2014 – March 2015



WHERE LATINOS 50+ ARE SPENDING THEIR DOLLARS

Overall, Hispanic shoppers are big spenders in all retail channels. And that spending becomes greater and purchases more frequent as Hispanic shoppers age. This may seem counterintuitive as aging household sizes typically shrink, but not so in four-in-10 Hispanic households 65+ who live in multigenerational homes.

- The average Hispanic household annual basket ring (average dollar amount spent per household, per year) in all channels is 5% higher than non-Hispanic Whites, increasing to a remarkable 22% higher for Greatest Generation households.
- Older Hispanic shoppers spend more and make more trips in multiple channels: Greatest Generation shoppers spend 51% more and buy 31% more frequently online than non-Hispanic White counterparts.



OLDER HISPANICS SPEND MORE AND SHOP MORE

TOTAL ANNUAL BASKET RING BY CHANNEL

BOOMERS, GREATEST GENERATION AND TOTAL ADULTS

RETAIL CHANNEL	BOOMERS 50-64			GREATEST GENERATION 65+			TOTAL ADULTS 18+		
	HISPANIC	NON-HISPANIC WHITE	INDEX	HISPANIC	NON-HISPANIC WHITE	INDEX	HISPANIC	NON-HISPANIC WHITE	INDEX
WAREHOUSE CLUBS	\$1,676	\$1,310	128	\$1,333	\$1,166	114	\$1,352	\$1,204	112
TOTAL DOLLAR STORES	\$228	\$217	105	\$240	\$189	127	\$223	\$202	110
DEPARTMENT STORES	\$540	\$513	105	\$551	\$459	120	\$498	\$457	109
DRUG STORES	\$363	\$344	106	\$445	\$388	115	\$350	\$327	107
TOTAL OUTLETS	\$7,621	\$7,171	106	\$7,708	\$6,333	122	\$7,062	\$6,698	105
ONLINE	\$488	\$548	89	\$739	\$489	151	\$492	\$514	96
GROCERY STORES	\$2,498	\$2,588	97	\$2,434	\$2,329	105	\$2,335	\$2,479	94

Source: Nielsen Homescan, Total Basket Ring per shopper Hispanic Index versus Non-Hispanic White of comparable age group, 52 weeks ending December 27, 2014

TOTAL ANNUAL TRIPS PER SHOPPER

BOOMERS, GREATEST GENERATION AND TOTAL ADULTS

RETAIL CHANNEL	BOOMERS 50-64			GREATEST GENERATION 65+			TOTAL ADULTS 18+		
	HISPANIC	NON-HISPANIC WHITE	INDEX	HISPANIC	NON-HISPANIC WHITE	INDEX	HISPANIC	NON-HISPANIC WHITE	INDEX
WAREHOUSE CLUBS	17	13	132	15	12	122	13	11	113
DOLLAR STORES	15	14	108	19	14	135	13	13	106
DEPARTMENT STORES	6	6	103	7	6	123	6	5	106
TOTAL OUTLETS	157	149	106	194	160	121	135	136	100
DRUG STORES	13	13	98	17	15	113	12	12	101
GROCERY STORES	58	58	100	71	64	112	49	54	92
ONLINE	7	8	93	11	8	131	7	7	90

Source: Nielsen Homescan, Total Basket Ring per shopper Hispanic Index versus Non-Hispanic White of comparable age group, 52 weeks ending December 27, 2014

SMALL STORES ARE CULTURALLY RELEVANT

While grocery stores are the primary outlet where Hispanics of all ages shop, they index lower relative to non-Hispanics of all ages. This is likely because bodegas are a popular shopping outlet, particularly in urban areas, where older Hispanics make up high percentages of the population.

Bodegas are smaller, typically independent, neighborhood markets that stock many everyday items for cooking, along with traditional ethnic items that used to be difficult to find in other outlets. Bodegas allow Hispanics to reconnect with favorite foods and flavors from their countries of origin. At one time, bodegas were the only source of many native products from home, such as spices and marinated meats and other ethnic specialties, but bodegas' market share has made traditional retailers pay attention to the cultural background of these avid shoppers.

LATINOS 55+ SHOP AT BODEGA CHANNELS

TOTAL U.S. HISPANIC	AGES 55-64			AGES 65+			TOTAL PANEL		
	TOTAL DOLLARS SPENT PER BUYER	TRIPS PER BUYER	DOLLARS PER TRIP	TOTAL DOLLARS SPENT PER BUYER	TRIPS PER BUYER	DOLLARS PER TRIP	TOTAL DOLLARS SPENT PER BUYER	TRIPS PER BUYER	DOLLARS PER TRIP
ALL STORES	\$3,924	126.0	\$31.14	\$3,625	127.7	\$28.38	\$3,621	105.2	\$34.43
BODEGA	\$ 169	9.6	\$17.64	\$182	7.8	\$23.42	\$141	7.6	\$18.45
BODEGA % OF TOTAL	4%	8%	57%	5%	6%	83%	4%	7%	54%

Source: Nielsen Homescan, Expanded Hispanic Panel, Total U.S., 52 weeks ending June 6, 2015



FINANCIAL SECURITY IS A PRIORITY

Achieving financial security for themselves and members of their extended family is a high priority for Hispanics 50+. And the decisions they face today are increasingly becoming a reality for more and more Americans of all races and ethnicities.

- Protecting existing investments and savings and having enough life insurance to protect loved ones are key financial priorities for older Hispanics.
- Hispanics 50+ are more likely to be guided by traditional cultural attitudes to debt and to their responsibilities to relatives living with them in larger, multigenerational households.

Some of these attitudes are no doubt driven by the fact that Hispanics are significantly less likely than non-Hispanic White workers to be covered by an employer-sponsored retirement plan—whether a 401(k) or a defined benefit pension:

- Only 38% of Latino employees ages 25-64 work for an employer that sponsors a retirement plan, compared with 62% of non-Hispanic White employees. These disparities are much more pronounced in the private sector than in the public sector and present a unique challenge in leveraging finances.
- Latinos are 42% less likely than non-Hispanic Whites to have access to a job-based retirement plan in the private sector; those in the public sector are 12% less likely.
- While 24% of White households have a pension through a current job, only 12% of Latino households are covered by a pension plan.

The lack of access to retirement plans is significant and offers opportunities—both for employers that wish to attract Hispanics to their companies, and for sellers of financial products more broadly. And the ability of the Latino community to forge a largely self-reliant financial future is a harbinger of the need that more Americans of all races and ethnicities will be increasingly facing.

38% ONLY 38% OF LATINO EMPLOYEES AGE 25-64 WORK FOR AN EMPLOYER THAT SPONSORS A RETIREMENT PLAN, COMPARED TO 62% OF NON-HISPANIC WHITE EMPLOYEES

INFLUENTIAL AND SOCIALLY CONSCIOUS

Older Hispanics are discriminating shoppers who take advertising and recommendations into account when they purchase:

- Latinos 50+ are much more likely than non-Hispanic Whites to become loyal brand advocates and offer product recommendations to friends and family.
- Larger shares of both U.S.-born and (to an even greater degree) foreign-born Hispanic 50+ consumers say they like to share their opinions about products and services online at a higher rate than non-Hispanic White counterparts:
 - For foreign-born Hispanics, the rate is 44% higher among those aged 50-64 and 54% higher among those who are 65+.
 - For U.S.-born Hispanics, the rates are 16% higher for those aged 50-64 and 18% higher for those 65+.



Hispanics 50+ also say they would pay more for a product that is consistent with an image they want to convey and indicate that they pay attention to advertising when making a purchase decision. It is also critical for marketers to note that older Hispanics also expect the brands they buy to support social causes. Our survey results show 50-to-64-year-old U.S.-born Hispanics are 20% more likely and foreign-born are 49% more likely, to expect the brands they buy to support social causes. Given that Hispanics 50+ are role models to younger generations, marketers and advertisers who want to fully connect with Hispanics should incorporate authentic and socially responsible messaging into their media strategies to better reach these consumers.

ADVERTISING SAVVY AND SOCIALLY CONSCIOUS

BOOMER AND GREATEST GENERATION HISPANICS' INDEX TO NON-HISPANIC WHITES OF SIMILAR AGE

AGREE COMPLETELY OR AGREE SOMEWHAT	HISPANIC BOOMERS 50-64		HISPANIC GREATEST GENERATION 65+	
	U.S. BORN	FOREIGN BORN	U.S. BORN	FOREIGN BORN
I LIKE TO SHARE MY OPINIONS ABOUT PRODUCTS AND SERVICES BY POSTING REVIEWS AND RATINGS ONLINE.	116	144	118	154
I EXPECT THE BRANDS I BUY TO SUPPORT SOCIAL CAUSES.	120	149	122	147
I WOULD PAY EXTRA FOR A PRODUCT THAT IS CONSISTENT WITH THE IMAGE I WANT TO CONVEY.	117	114	116	118

Read as: U.S.-born Hispanic Boomers 50-64 are 16% more likely than non-Hispanic Whites of the same age to share opinions about products and services by posting reviews and ratings online.

Source: Nielsen Scarborough Hispanic DST Multi-Market 2015 Release 1 Total, GfK/MRI Attitudinal Insights, February 2014 – March 2015

LATINOS 50+ ARE HEAVY TRAVEL SPENDERS

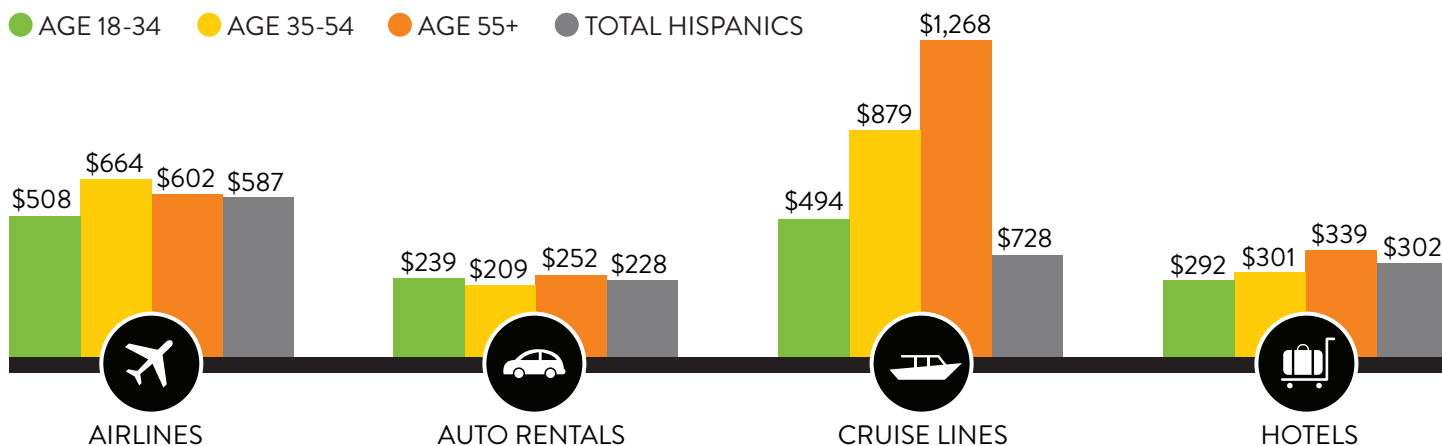
Older Hispanics are more likely than total Hispanics to find the time and money for travel. They are very loyal to the airlines they like, enjoy the process of planning a trip, and will network with others to share ideas and travel tips. Hispanic 50+, particularly foreign born, are heavy consumers of both domestic and international travel.

- Older Hispanics' spending on auto rentals, cruise lines and hotels is substantially higher than younger age cohorts.
- Foreign-born Hispanics ages 50-64 over-index non-Hispanic Whites by 40% for international travel, while those 60+ over-index by 60%. These older Hispanics say they are willing to pay more to travel on their favorite airline and say that people often come to them to ask advice on vacation travel.

Older Hispanics are a driving force in helping to choose familial vacation destinations that appeal to larger multigenerational families, and are hence a key target for relevant marketers.

SPENDING ON TRAVEL IS A PRIORITY AMONG OLDER HISPANICS

AVERAGE AMOUNT SPENT



Source: Nielsen Share of Wallet Study, November 2014



THE AMERICAN VANGUARD UNDERSTANDING AND ACTIVATING THE BUYING BEHAVIORS OF OLDER HISPANICS

- Older Hispanics are buying more frequently than younger Hispanics and non-Hispanic White peers in nearly 75% of all major departments. Consider marketing strategies designed to encourage bulk purchasing and stocking up.
- Buying behaviors of older Hispanics reflect shopping baskets intended for larger multigenerational households, and often include categories and departments intuitively thought of as younger consumer categories (such as baby needs and school supplies).
- Older Hispanics exhibit strong preferences for trusted name brands, which may be familiar from their native country and often influence younger generation Hispanic consumers.
- The tradition of cooking fresh with natural ingredients may have a causal effect on what many refer to as the “Hispanic Paradox”—the longer life expectancy of Hispanics compared to non-Hispanic White peers. The influence of older Hispanics with regard to cooking and buying patterns offers marketers an opportunity to appeal to the entire family.
- Older Hispanics shop in more types of retail channels than non-Hispanic white counterparts, including bodegas. Retailers can tailor product lines to fit particular needs of specialty or small stores, and mainstream channel retailers should be aware of these needs when considering product offerings.
- Hispanics 50+ pay attention to advertising when making purchase decisions and expect brands they buy to support social causes. Given that Hispanics 50+ are role models to younger generations, marketers and advertisers who want to fully connect with Hispanics should incorporate authentic and socially responsible messaging into their media strategies to better reach these consumers.

SECTION III

MEDIA AND DIGITAL BEHAVIORS
OF OLDER LATINOS

Hispanics 50+ display a healthy appetite for both digital media and traditional TV. In fact, older Hispanics, particularly those 65+, watch twice as much live TV as the total Hispanic audience. In today's techno-economy, how marketers and advertisers reach consumers is just as important as the message used to reach them. Accordingly, understanding the media habits of older Hispanics is as important as understanding their buying habits.

HEAVY MEDIA
CONSUMPTION






- Hispanics in the 50 to 64 age range watch 162 hours of traditional TV each month.
- Hispanics 65+ watch a total of 230 hours per month, nearly doubling the average 121 hours of viewing for Hispanics of all ages.
- Even time-shifted TV is consumed at a higher rate for older Hispanics: those 50-64 watch more than 12 hours per month, and 65+ watch 14 hours, with an average of 10 hours for Hispanics of all ages.

Radio also is a favored medium of Hispanics 50+. Those aged 50-64 and 65+ listen to 68 hours and 65 hours, respectively, every month compared with an average of 58 hours for Hispanics of all ages. On a weekly basis, that equals 15 hours for 50-to-64-year-olds and 14 hours for those 65+.

Older Hispanics' media consumption represents a key opportunity for reaching them where they spend the most time.

HISPANICS HAVE A HEALTHY APPETITE FOR DIGITAL AND TRADITIONAL MEDIA

MONTHLY TIME SPENT BY MEDIUM AMONG HISPANICS (HH:MM)

MEDIUM	HISPANIC BOOMERS 50-64	HISPANIC GREATEST GENERATION 65+	TOTAL HISPANICS 2+
 WATCHING TRADITIONAL TV	162:29	230:29	121:11
 WATCHING TIME-SHIFTED TV	12:28	14:03	10:15
 USING A DVD/BLU-RAY DVD DEVICE	3:26	3:13	5:06
 USING A GAME CONSOLE	1:30	0:51	9:19
 USING A MULTIMEDIA DEVICE	0:56	0:33	2:13
 USING THE INTERNET ON A COMPUTER	25:21	16:11	23:39
 WATCHING VIDEO ON THE INTERNET	9:56	3:52	10:44
 USING ANY APP/WEB ON A SMARTPHONE	33:58	—	47:59
 WATCHING VIDEO ON A SMARTPHONE	1:08	—	2:12
 LISTENING TO AM/FM RADIO	68:12	64:53	58:01

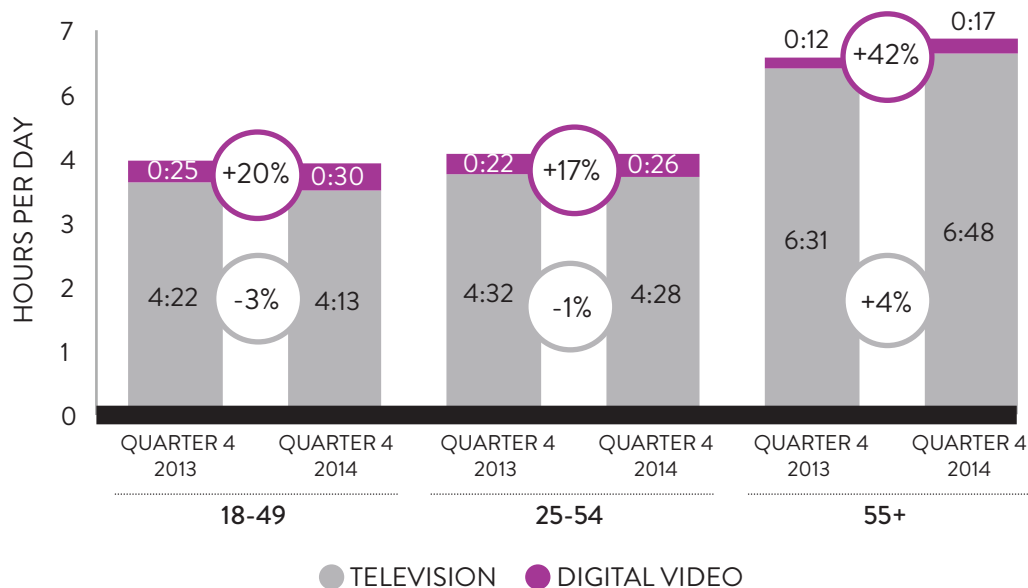
Source: Nielsen, *Hispanics in the Media Landscape*, May 2015

LATINOS 50+ ARE INCREASINGLY DIGITALLY SAVVY

Although traditional media consumption methods are prevalent among older Hispanics, the highest growth rates of newer media such as digital video are found among these older consumers. They are rapidly adopting new technologies, often influenced by the younger generations in their household:

- Live TV viewing decreased among younger Hispanic age cohorts from 2013 to 2014, while increasing modestly among those 55+.
- Digital video viewing increased by 42% among those 55+ compared with an increase of just 17% among Hispanics ages 25-54 over the same period.

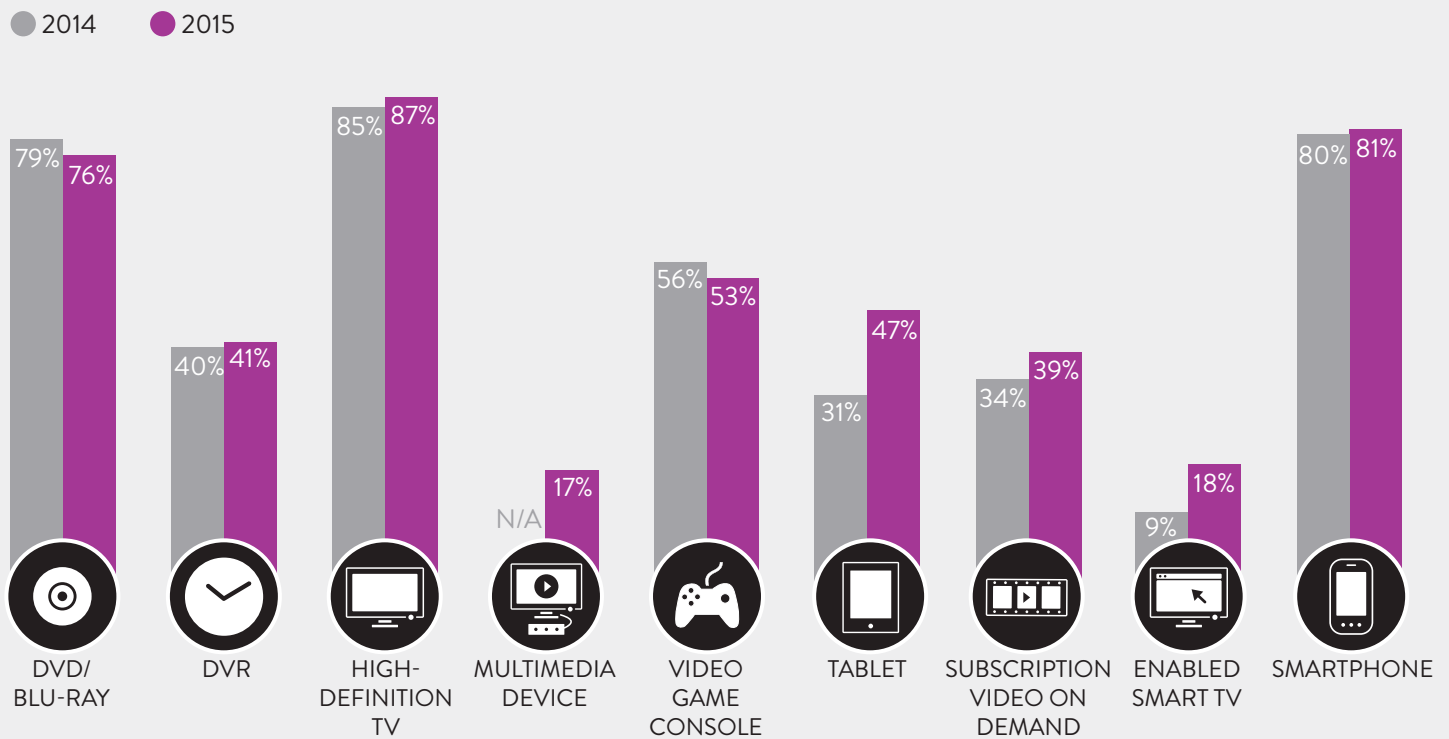
TV VIEWING TIME GROWS AMONG LATINOS 55+; DIGITAL VIEWING TIME INCREASES ACROSS ALL AGES



Source: Nielsen, *Hispanics in the Media Landscape*, May 2015

The data shows that Hispanics as a whole over-index the total population on smartphone usage, videogame console usage and high-definition TV penetration. The first quarter of 2015 saw continued increases. For the total Hispanic population, many devices or services showed some significant increases, compared with the same period in 2014. Content providers have increased offerings of Spanish-language and Latino-focused entertainment which are no doubt helping to drive these significant increases.

DEVICE PENETRATION AMONG ALL HISPANICS



Source: Nielsen, *Hispanics in the Media Landscape*, May 2015

Hispanics 50+ are at the forefront of viewership changes, adopting the latest technologies at levels higher than their non-Hispanic White counterparts.

- U.S.-born Hispanics 50-64 say they are interested in watching live TV on their smartphone at a level 64% above non-Hispanic Whites 50-64. They also are 27% more likely to say they are interested in watching video clips. Increased Latino-focused content could well be driving this trend.

- Foreign-born Hispanics show an even stronger propensity to use their smartphones for entertainment; those 65+ think of their phone for entertainment at a level 52% higher than non-Hispanic White counterparts and are interested in watching live TV and video clips 87% and 63%, respectively, higher than the rate of non-Hispanic Whites in their age group. The smartphone has become a key contributor to culture sustainability.

EMBRACING MOBILE TECHNOLOGY FOR MEDIA CONSUMPTION

BOOMER AND GREATEST GENERATION HISPANICS' INDEX TO NON-HISPANIC WHITES OF SIMILAR AGE

AGREE COMPLETELY OR AGREE SOMEWHAT	HISPANIC BOOMERS 50-64		HISPANIC GREATEST GENERATION 65+	
	U.S. BORN	FOREIGN BORN	U.S. BORN	FOREIGN BORN
I AM INTERESTED IN WATCHING LIVE TV ON MY CELL PHONE.	164	167	195	187
I AM INTERESTED IN WATCHING VIDEO CLIPS ON MY CELL PHONE.	127	128	117	163
I THINK OF MY MOBILE PHONE AS A SOURCE OF ENTERTAINMENT.	131	121	156	152

Read as: U.S.-born Hispanic Boomers 50-64 are 64% more likely than non-Hispanic Whites of the same age are interested in watching live TV on cell phones.

Source: Nielsen Scarborough Hispanic DST Multi-Market 2015 Release 1 Total, GfK/MRI Attitudinal Insights, February 2014 – March 2015

Mobile advertising is a key way to reach Hispanics 50+, as older Hispanics say they are more open to hearing about new products, services and bargains in this way.

Foreign-born Hispanics aged 50-64 agree that mobile-phone advertising provides useful bargain-related information at a rate 108% higher than non-Hispanic White counterparts. And the rate rises to 115% when the question asks whether mobile-phone advertising provides useful mobile information about new products and services.

MOBILE ADVERTISING IS PARAMOUNT

BOOMER AND GREATEST GENERATION HISPANICS' INDEX TO NON-HISPANIC WHITES OF SIMILAR AGE

AGREE COMPLETELY OR AGREE SOMEWHAT	HISPANIC BOOMERS 50-64		HISPANIC GREATEST GENERATION 65+	
	U.S. BORN	FOREIGN BORN	U.S. BORN	FOREIGN BORN
ADVERTISING ON MOBILE PHONES PROVIDES ME WITH USEFUL INFORMATION ABOUT BARGAINS.	171	208	154	196
ADVERTISING ON MOBILE PHONES PROVIDES ME WITH USEFUL INFORMATION ABOUT NEW PRODUCTS AND SERVICES.	173	215	159	179

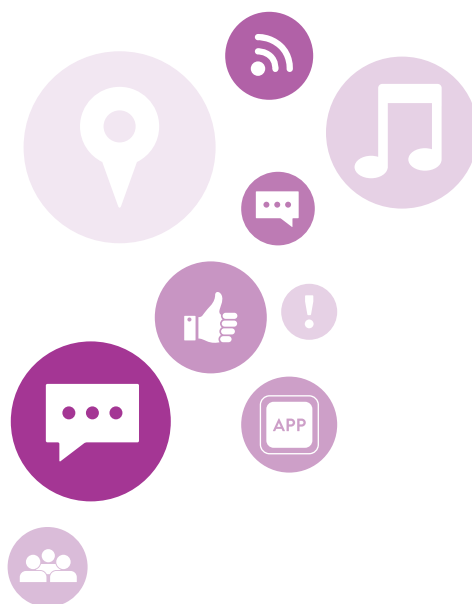
Read as: U.S.-born Hispanic Boomers 50-64 are 71% more likely than non-Hispanic Whites of the same age to agree advertising on mobile phones provides useful information about bargains.

Source: Nielsen Scarborough Hispanic DST Multi-Market 2015 Release 1 Total, GfK/MRI Attitudinal Insights, February 2014 – March 2015

APP PREFERENCES OF LATINOS 50+

Older Hispanics' favorite apps differ from those of younger Hispanics. While Facebook is the No. 1 app for both younger and older Hispanics, those ages 50-64 spend more time on Google Search, Gmail, Pandora and Google+ than those 18-49. Google+ and Pandora are not even in the set of top favorite apps for younger Hispanics, who instead favor Instagram and Apple Music.

Older Hispanics are an active, socially connected audience, as the percentage of older active mobile Hispanics using Facebook apps and Google+ (active reach) is higher for 50-to-64-year-olds year olds than for 18-to-49-year-olds. This may be surprising to marketers and advertisers, but it is an important consideration when deciding how best to reach this cohort.



APP PREFERENCES DIFFER BY AGE

HISPANIC BOOMERS 50-64

MOBILE APP NAME	TIME PER PERSON (HH:MM PER MONTH)	ACTIVE REACH %	SESSIONS PER PERSON	MINUTES PER SESSION
FACEBOOK	11:43	74.03	77.62	9.1
GOOGLE SEARCH	3:36	66.48	48.61	4.5
YOUTUBE	3:02	34.54	19.26	9.5
GMAIL	1:27	36.58	26.40	3.3
PANDORA RADIO	1:22	30.96	7.38	11.1
FACEBOOK MESSENGER	0:52	49.79	17.53	3.0
GOOGLE MAPS	0:50	47.76	6.65	7.7
GOOGLE PLAY	0:26	55.88	17.06	1.5
GOOGLE+	0:13	35.15	4.80	2.7

HISPANIC MILLENNIALS AND GENERATION X 18-49

MOBILE APP NAME	TIME PER PERSON (HH:MM PER MONTH)	ACTIVE REACH %	SESSIONS PER PERSON	MINUTES PER SESSION
FACEBOOK	15:24	70.34	96.00	9.6
APPLE MUSIC	5:58	34.29	51.32	7.0
INSTAGRAM	4:32	47.16	42.67	6.4
YOUTUBE	4:00	47.34	25.64	9.4
FACEBOOK MESSENGER	1:43	56.69	27.67	3.7
GOOGLE SEARCH	1:34	55.09	32.24	2.9
GOOGLE MAPS	1:31	59.88	11.56	7.9
GMAIL	1:13	48.00	36.40	2.0
GOOGLE PLAY	0:35	57.78	19.79	1.8

Source: Nielsen Mobile Netview 3.0, June 2015, Hispanic adults 18+, time spent per month. Nielsen Mobile Netview 3.0 reports results from Nielsen's Electronic Mobile Measurement, which uses passive metering technology on smartphones to track device and application usage by a panel recruited online and in English only.

TV VIEWING IS A FAMILY AFFAIR

Nielsen viewing data shows that 54% of Hispanics view TV with other Hispanics, and 45% of Hispanics view TV with other non-Hispanics. Both English- and Spanish-language dominant Hispanics show similarly high co-viewing percentages for the top co-viewed programs, suggesting it's clearly not about language, but about a shared cultural experience. Marketers and advertisers can reach these highly social Hispanics with cultural insights that guide messaging and content.



54% OF HISPANICS VIEW TV WITH OTHER HISPANICS

.....
45% OF HISPANICS VIEW TV WITH OTHER NON-HISPANICS



2014-2015 BROADCAST SEASON FINDINGS

Ratings for the 2014-2015 television season reveal many similarities between Hispanic age groups in the types of shows that they watch versus the composite TV audience for their respective age groups. There are also some interesting differences in the intensely watched shows by age group.

TV viewing patterns mirror the composition of larger intergenerational families, ranging from large-scale TV sports and music events that the entire family can enjoy as a group to more age-specific niche programming. Older Hispanics are the most likely to overlap with both younger and older viewer preferences, reinforcing their pivotal role as the primary media tastemakers who can shift effortlessly between programs targeted to either end of the generational spectrum.

- In general, the older the Hispanic TV viewing audience, the more intensely they overindex the composite population for watching their favorite genres.
- Sporting events, particularly Mexican national soccer anthologies, world soccer, boxing, and general sports news and commentary overindex for Hispanics versus the composite TV audience for all age groups.
- Telenovelas overindex for all age groups, but much more intensely for older Hispanics.
- Children's shows overindex the composite for the 50-64 year old and 65+ age groups, indicating the prevalence of multigenerational viewing versus the composite TV audience.
- Conversational or dialogue shows overindex the composite for all ages of Hispanics.
- Comedy and variety shows overindex for all ages of Hispanic TV viewers largely driven by long running popular shows such as Sabado Gigante.
- Suspense/Mystery shows overindex for all ages of Hispanics.
- Feature films overindex for all ages of Hispanics, indicating a desire to make movie watching a shared family event.

MOST WATCHED PRIMETIME TELEVISION PROGRAMS BY GENRE

HISPANIC BOOMERS 50-64			HISPANIC GREATEST GENERATION 65+			TOTAL HISPANIC ADULTS 18-49		
PROGRAM GENRE	PROGRAM TYPE	INDEX	PROGRAM GENRE	PROGRAM TYPE	INDEX	PROGRAM GENRE	PROGRAM TYPE	INDEX
SPORTS EVENT	SOCCER - MEXICAN LEAGUE REGULAR SEASON	922	GENERAL DRAMA	NOVELA	1236	GENERAL DRAMA	NOVELA	485
GENERAL DRAMA	NOVELA	916	SPORTS EVENT	SOCCER - MEXICAN LEAGUE REGULAR SEASON	1235	SPORTS EVENT	SOCCER - MEXICAN LEAGUE REGULAR SEASON	485
CONVERSATIONS, COLLOQUIES	VARIOUS	863	CONVERSATIONS, COLLOQUIES	VARIOUS	1162	CONVERSATIONS, COLLOQUIES	VARIOUS	479
SPORTS ANTHOLOGY	SOCCER-ANTHOLOGY	789	SPORTS EVENT	SOCCER	1070	SUSPENSE/MYSTERY	SUSPENSE MYSTERY	463
SPORTS EVENT	SOCCER	754	SPORTS ANTHOLOGY	SOCCER - ANTHOLOGY	1068	SPORTS EVENT	SOCCER	446
NEWS	VARIOUS	718	NEWS	VARIOUS	860	NEWS	VARIOUS	435
SUSPENSE/MYSTERY	SUSPENSE MYSTERY	678	SUSPENSE/MYSTERY	SUSPENSE MYSTERY	745	SPORTS ANTHOLOGY	SOCCER - ANTHOLOGY	390
SPORTS EVENT	INTERNATIONAL/ WORLD SOCCER	537	SPORTS COMMENTARY	SOCCER - COMMENTARIES	647	SPORTS NEWS	NEWS - SPORTS	371
SPORTS COMMENTARY	SOCCER-COMMENTARIES	506	INSTRUCTION, ADVICE	INFO - MEDICAL	612	SPORTS EVENT	INTERNATIONAL/ WORLD SOCCER	330
SPORTS EVENT	BOXING	384	SPORTS EVENT	INTERNATIONAL/ WORLD SOCCER	608	FEATURE FILM	VARIOUS	281
INSTRUCTION, ADVICE	INFO - MEDICAL	301	SPORTS NEWS	NEWS - SPORTS	544	CONCERT MUSIC	VARIOUS	276
CONCERT MUSIC	VARIOUS	282	CONCERT MUSIC	VARIOUS	356	SPORTS EVENT	BOXING	260
FEATURE FILM	VARIOUS	277	SPORTS EVENT	BOXING	343	SPORTS ANTHOLOGY	OTHER SPORTS - ANTHOLOGY	259
SPORTS ANTHOLOGY	OTHER SPORTS-ANTHOLOGY	272	FEATURE FILM	VARIOUS	314	SPORTS COMMENTARY	SOCCER - COMMENTARIES	252
SPORTS NEWS	NEWS - SPORTS	261	SPORTS EVENT	MLS - REGULAR SEASON	287	INSTRUCTION, ADVICE	INFO - MEDICAL	213
SPORTS EVENT	MLS - REGULAR SEASON	234	GENERAL VARIETY	VARIOUS	286	GENERAL VARIETY	VARIOUS	194
GENERAL VARIETY	VARIOUS	199	COMEDY VARIETY	COMEDY - OTHER	271	SPORTS EVENT	WRESTLING	182
COMEDY VARIETY	COMEDY - OTHER	162	SPORTS EVENT	WRESTLING	238	SPORTS EVENT	MLS - REGULAR SEASON	180
GENERAL DRAMA	VARIOUS	157	CHILD MULTI-WEEKLY	CHILDREN - SERIES/ANIMATED	205	GENERAL DRAMA	VARIOUS	176
CHILD MULTI-WEEKLY	CHILDREN - SERIES/OTHER	148	SPORTS ANTHOLOGY	OTHER SPORTS-ANTHOLOGY	186	COMEDY VARIETY	VARIOUS	144

Read as: Hispanic Boomers (50-64) watch soccer programs 822% more than the total population.

Source: Nielsen NPOWER, Persons 18-49, 50-64 and 65+; September 22, 2014 – June 14, 2015, Primetime Shows by Genre among English and Spanish-preferred Hispanic viewers.



THE AMERICAN VANGUARD MEDIA STRATEGIES TO CONNECT WITH OLDER HISPANICS

Marketers have a multitude of ways to expand reach and connect with Hispanics 50+ at home or on the go:

- Older Hispanics are heavy consumers of both live and time shifted TV and of AM/FM radio.
- Hispanics 50+ are rapidly adopting new technologies, often influenced by the younger generations in their household. Content providers offering Spanish-language and Latino-focused entertainment offerings are no doubt helping to drive these significant increases.
- Smartphone penetration; DVR, smart TV, tablet usage; and video on demand showed significant increases in Q1 2015, compared with the same period in 2014.
- Older Hispanics are increasingly more open to hearing about new products, services and bargains through mobile advertising than non-Hispanic White counterparts.
- Older Hispanics are an active, socially connected audience. The percentage of active mobile Hispanics using Facebook apps and Google+ (active reach) is higher for 50-to-64-year-olds year olds than it is for 18-to-49-year-olds.
- Co-viewing of TV shows is high for both English- and Spanish-language dominant older Hispanics, suggesting that TV viewing for them is less about language and more about a shared cultural experience, very often with family.

SECTION IV

CULTURAL AND POLITICAL INFLUENCE

PATRIOTIC SWING VOTERS

Older Hispanics, many of whom have served with distinction in the U.S. armed forces, are stalwart defenders and supporters of the American dream. The top issues in order of importance for registered Hispanic voters are education, jobs/the economy and health care, but 73% consider immigration very important or extremely important. Hispanic voters expect political parties and politicians to address their concerns in respectful and constructive ways that speak to their core values of optimism, tolerance and self-reliance.

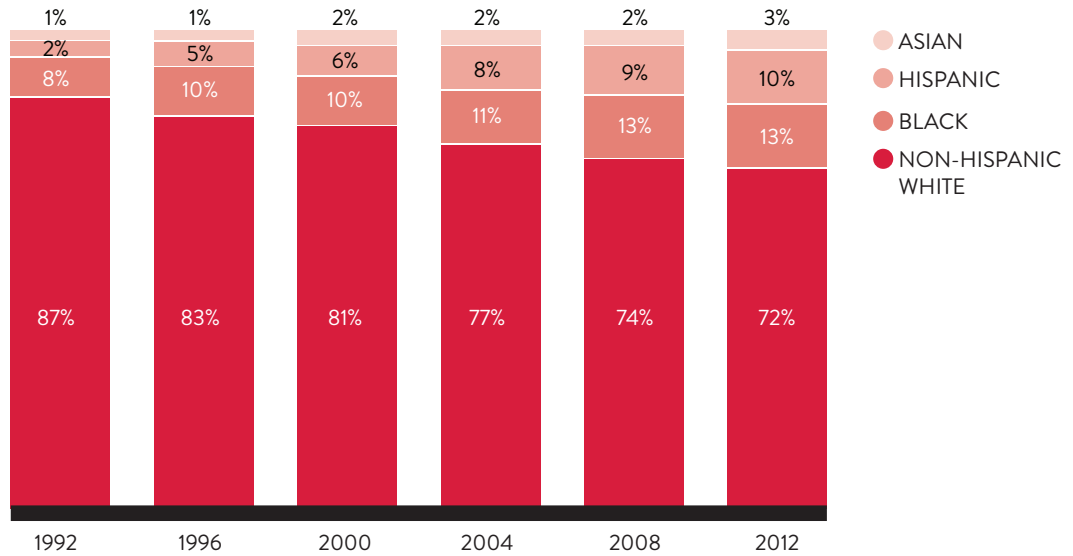
The older Hispanic population is concentrated in four states: California, Texas, Florida and New York, with 55, 38, 29 and 29 electoral votes, respectively. Hispanics 50+, who share the tendency of older people to be more likely to vote, will see their political clout increase in future elections as the size of the Hispanic population grows.

During the 2012 presidential election, a sizable turnout by Hispanic, Asian and African-American voters helped to secure victory for Barack Obama—despite the fact that a majority of non-Hispanic Whites voted for Mitt Romney. The rise in the percentage of 50+ Hispanic voters, along with the increasing diversity of candidates representing both political parties, will ensure that race and ethnicity will continue to play a pivotal role in future U.S. elections.



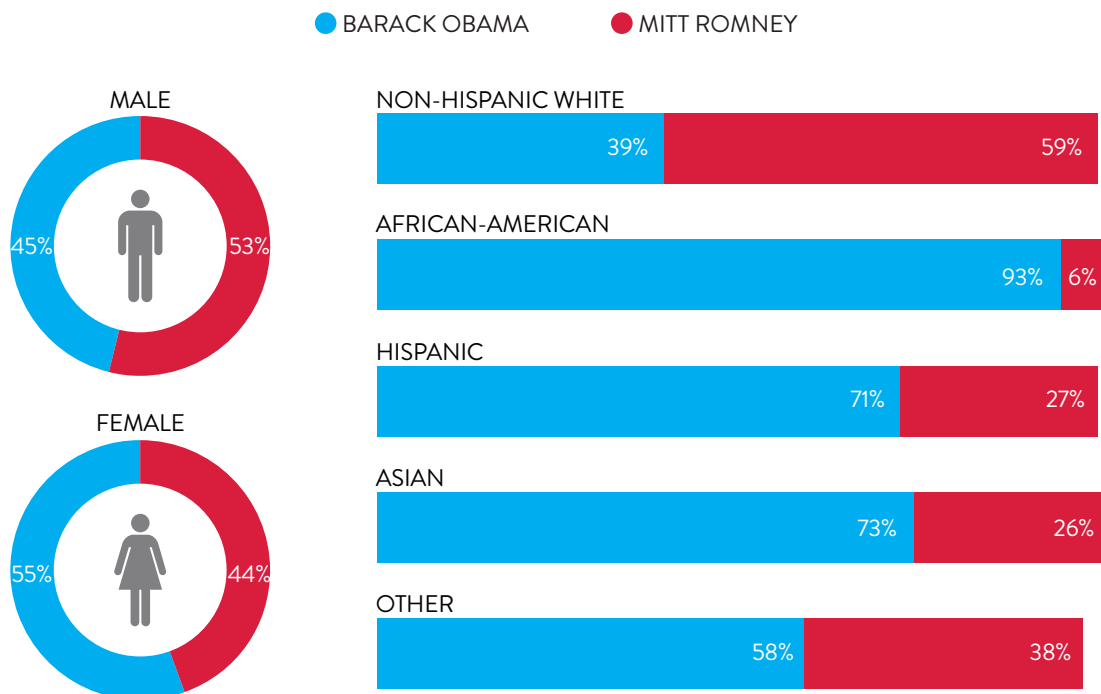
INCREASING DIVERSITY AMONG VOTERS AND CANDIDATES

PRESIDENTIAL ELECTION DEMOGRAPHIC COMPOSITION OF VOTERS: 1992-2012



Source: U.S. Census, 2012

DIVERSE POPULATIONS DECIDED THE 2012 PRESIDENTIAL ELECTION



Source: CNN/FOX/MSNBC Exit Poll (N=26,565)

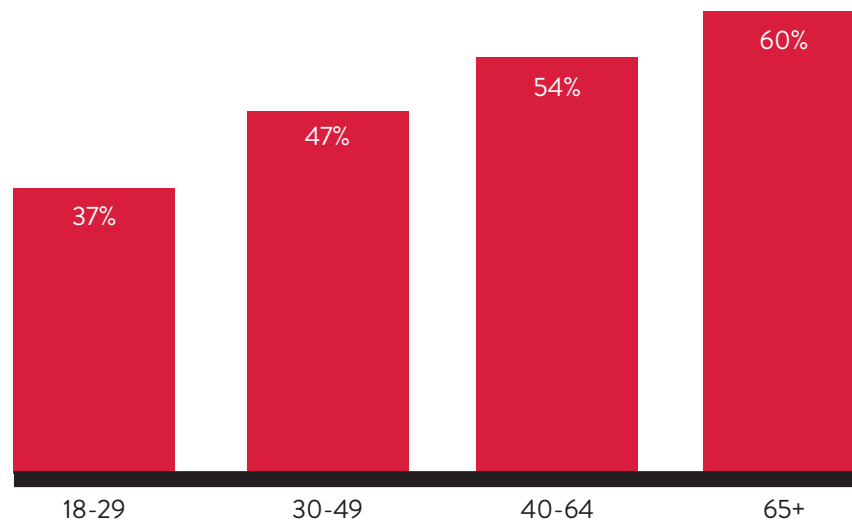


60%

OF ELIGIBLE LATINOS AGES 65+ VOTED IN THE 2012 ELECTION

The 2012 election saw eligible Latino voters turn out in higher percentages as age increased, with 60% of eligible Latinos ages 65+ turning out to vote. As the numbers of older Hispanics continue to increase and voter turnout percentages rise, older Latino voters will exert even more influence on the nation's future.

VOTER TURNOUT RATES AMONG LATINO ELIGIBLE VOTERS BY AGE 2012 PRESIDENTIAL ELECTION



Source: U.S. Census, 2012

LEAVING A LEGACY

As “cabeza de la familia,” the older Hispanic has an important influence over product categories chosen by Latino families, their media consumption and culture sustainability. Younger and older Hispanics enjoy a co-existence rooted in a strong cultural connection, which means that they often view programs together, shop together, vacation together, cook meals together and live together or close-by. Older Hispanics, who are at the core of this communal, extended family mindset, are key decision makers for the family as a whole across a wide swath of consumer choices and preferences.

For anyone selling goods, creating content or seeking votes, it's clear that Hispanics 50+ are a crucial segment to consider. As their numbers increase from 9 million to 35 million by 2050, as their growing cultural confidence translates into greater influence on younger Hispanics and indeed Americans in general, measuring and understanding the aspirations of older Latinos will be indispensable to success.

Traditionally, older generations have not been a central focus of marketing strategies, but Hispanics are upending those outdated notions. Corporations, social institutions, and politicians need to “count them in.” Building a relationship with older Hispanics—and by proxy their extended families, as well as the many other consumers that they influence—is key to any growth strategy for a successful and profitable future.





THE AMERICAN VANGUARD INCREASING POLITICAL AND CULTURAL CLOUT

- Older Hispanics, who are more likely to vote than younger Hispanics, will continue to increase as a percentage of the total electorate. Surveyed Hispanic voters expect political parties and politicians to address their concerns and speak to their core values of optimism, tolerance and self-reliance.
- As Hispanics 50+ increase from 9 million to 35 million by 2050 and their growing cultural confidence translates into greater influence on younger Hispanics and Americans in general, measuring and understanding the aspirations of older Latinos will be indispensable to success.
- The 2012 presidential election demonstrated the vital importance of winning the multicultural vote to win a major national election.

CONCLUSION

Wealthy, Youthful-Minded and Ready to Lead: These terms sum up the important role of older Hispanics. Due to increasing wealth, longer life spans and their growing percentage of the overall U.S. population, Hispanics 50+ are upending outdated assumptions about aging and retirement and taking their place at the forefront of the evolving U.S. mainstream. With more accumulated wealth than younger Hispanic generations and a tendency to be younger than their non-Hispanic White counterparts when their children reach adulthood and grandchildren are born, older Hispanics have significant influence over family values and behaviors and are key decision makers in consumer choices that span generations and entire households.

Older Hispanics are:

- **At the epicenter of the evolving social and cultural lives** of several generations living under one roof. Their households often include relatives of other races, which further extends and amplifies their shopping habits and choices across a wide spectrum of products and services.
- **The first stewards of Latino culture** who tell stories and maintain customs that tighten family bonds and instill cultural pride and confidence in younger generations. At the same time, older Hispanics are proud to be American, are more likely to vote, have strived to establish a bicultural lifestyle and taught their children to embrace one.
- **Voracious consumers of traditional media** (more than double the traditional TV hours and 20% more hours listening to AM/FM radio than Hispanic Millennials). They are also adopting digital media, particularly mobile, at higher rates than their non-Hispanic White peers.
- **Avid users of smartphones and social media**, Hispanics 50+ are using technology innovations to enable cultural sustainability, within and across their families and across national and linguistic borders.
- **Playing an increasingly influential role on the American political landscape.** Voter turnout among eligible Hispanic voters rises with age and as their numbers grow, so will their influence on the outcome of national and local elections. As a growing segment of the U.S. electoral population, Hispanic swing voters could be decisive. Instead of clinging to the past, Hispanics 50+ are helping to redefine the future with traditional cultural values to forge a new social contract that points the way forward for all Americans.
- **Showing a propensity to travel domestically and internationally**, older Hispanics enjoy planning and sharing travel plans and tips with others.
- **Helping Boomer+ Americans to redefine retirement** and the role of older Americans. As a key component of the U.S. labor force, they are setting the pace by discarding stereotypes, living longer, retiring later and working at least part time after retirement.

METHODOLOGIES

Insights used in this report were sourced from the following Nielsen analytical tools and solutions. All tools offer their own representative levels of consumer insights and behavior across Hispanic and non-Hispanic White respondents (based on data collection, survey/panel design and/or fusion approaches).

Homescan Hispanic Panel: The Homescan Hispanic Panel consists of a randomly dispersed sample of households that is intended to be representative of, and projectable to, the Total U.S. market. Panel members use handheld scanners to record items with a UPC code that they purchase from any outlet. Data for this report contains English-preferred, bilingual and door-to-door recruited Spanish-preferred households and is based on Homescan panel data from the following period: 52 weeks ending December 27, 2014. Bodega data derived from Homescan Expanded Hispanic Panel, which contains English-preferred, bilingual and door-to-door recruited Spanish-preferred households, for the following period: 52 weeks ending June 6, 2015.

Nielsen Scarborough Hispanic Multi-Market 2015 Release 1, GfK/MRI Attitudinal Insights Module: (Base: Age of respondent summaries: Adults 18+ - Projected 135,909,196, Respondents: 122,689) By integrating 400+ attitudinal statements and segmentations with Nielsen Scarborough's data set, this analysis reflects consumer psychographics in the studied categories among both English and Spanish-speaking adults.

Nielsen Share of Wallet Study, November 2014: This project was conducted in two stages: First, an online English-language survey was given to a general population sample of 5,028 respondents 18-years-old, weighted by gender, age and race. Second, oversamples were conducted among Asian-American, African-American and Hispanic respondents. The Hispanic oversample included 1,568 respondents 18 years or older using a CATI (computer-assisted telephone interviewing) system, capturing both landline and mobile-only respondents. For both the online and CATI portion, Nielsen gave respondents the option of taking the survey in either English or Spanish. The combined (general population + oversample) Hispanic sample was then weighted by age, gender, language spoken at home, and Hispanic descent. The goal of this study was to see “who spends what and where and with what payment method” on a solid empirical grounding. Verticals analyzed included: Retail/Specialty retail, Telecom/Financial, Restaurant (Fast Food/QSR and Casual Dining, Consumer Packaged Goods and Travel Entertainment).

Nielsen NPOWER: Audience estimates based on a nationally representative panel of people whose televisions are metered with a device called the National People Meter (NPM) that passively detects exposures to codes embedded in content. A comprehensive questionnaire is also collected from the panel and is conducted in both English and Spanish.

Nielsen Electronic Mobile Measurement: Nielsen's Electronic Mobile Measurement (EMM) is an observational, user-centric approach that uses passive metering technology on smartphones to track device and application usage on an opt-in convenience panel, recruited online and in English. Results are then reported out through Nielsen Mobile Netview 3.0.

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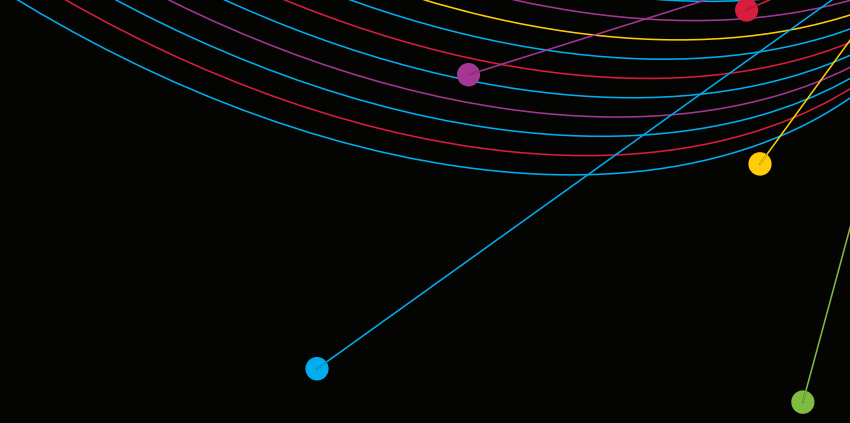
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