Marketing Airlines to Hispanics
A State of the Art Report

Rachel Smiley
Rachel.Smiley@gmail.com
Florida State University
Hispanic Marketing Communication
April 2006
Introduction

The importance of targeting the Hispanic population is made clear in the sheer number of Hispanics that are living in the United States. According to the 2004 Hispanic Market Report over 40,000 Hispanics live in the United States, and by the year 2020 the population will surpass 80 million, which will account for at least 20% of the entire U.S. population (Synovate, 2004). According to Korzenny and Korzenny (2005), the purchasing power of this group cannot be ignored with the Selig Center for Economic Growth placing Hispanic purchasing power in 2004 at approximately 700 billion dollars (Korzenny & Korzenny, 2005). As more Hispanics make a name for themselves in the United States more will have disposable income to spend on higher expensive items such as airline travel. According to “The Minority Traveler,” a report issued by the Travel Industry Association of America in 2004, Hispanic travel increased twenty percent between 2002 and 2003 from 64.1 million to 77.1 million (Flores, 2005). The total amount spent by minority travelers during 2002-2003 was approximately $90 billion with Hispanics making up the majority of the travelers (Flores, 2005).

In 2005 the Scarborough reports confirmed that Hispanics are heavy foreign travelers with an over-index rate that reached 131 for those having traveled outside the U.S. more than five times in the last three years (Bromley/Manning Selvage & Lee, 2005). A reason for this might be Hispanic consumer’s ties to their country of origin. “The Minority Traveler” reported that 77 percent of Hispanic trips are for leisure with visiting friends and relatives making up 43 percent of all trips (Flores, 2005). These numbers illustrate how important it is for the airline industry to cater and market their services to the Hispanic traveler to tap into this very large market. Over the past couple years many airlines have been making strategic marketing efforts to obtain Hispanic sales, and some are depending on Hispanic travelers to increase sales after losses in the past couple years.
Company Focus

To understand what is going on in the Airline industry concerning marketing to Hispanics the researcher has been broken some of the top airlines into company profiles. These profiles were completed with the information available at the time of this report, and cannot be complete without proprietary information that is confidential to each company.

Southwest Airlines

Southwest Airlines have been trying to speak to the Hispanic consumer for a number of years from grassroots efforts to marketing campaigns. In September 2003, the airline started to take baby steps to speak to the Hispanic passengers by offering a culturally relevant editorial in each issue of their in-flight magazine, Spirit magazine (hispanicad.com). The articles focused on a range of topics highlighting the contributions of outstanding Latinos. The articles first started in English and then in September 2004 moved to bilingual content (hispanic.ad.com).

Southwest started the trend to offer services to customers in Spanish in June 2004 with an online Spanish booking engine called “vámonos” (PR Newswire, June 30, 2004). On the website customers can get information about Southwest’s policies, travel tips, airport information, a route map, fare rules and restrictions, company information, and a monthly newsletter from Southwest’s president (PR Newswire, June 30, 2004). Southwest turned to Ion Global San Francisco, an Internet professional services firm specializing in building multilingual web sites, for the Spanish web site (PR Newswire, June 30, 2004). At the same time they launched the website Southwest also launched their Spanish language toll-free number at 1-800-VAMONOS (PR Newswire, June 30, 2004).

Southwest turned to Ion Global San Francisco, an Internet professional services firm specializing in building multilingual web sites, for the Spanish web site (PR Newswire, June 30, 2004). At the same time they launched the website Southwest also launched their Spanish language toll-free number at 1-800-VAMONOS (PR Newswire, June 30, 2004). Southwest turned to Ion Global San Francisco, an Internet professional services firm specializing in building multilingual web sites, for the Spanish web site (PR Newswire, June 30, 2004). At the same time they launched the website Southwest also launched their Spanish language toll-free number at 1-800-VAMONOS (PR Newswire, June 30, 2004). Southwest turned to Ion Global San Francisco, an Internet professional services firm specializing in building multilingual web sites, for the Spanish web site (PR Newswire, June 30, 2004). At the same time they launched the website Southwest also launched their Spanish language toll-free number at 1-800-VAMONOS (PR Newswire, June 30, 2004).

Southwest started the trend to offer services to customers in Spanish in June 2004 with an online Spanish booking engine called “vámonos” (PR Newswire, June 30, 2004). On the website customers can get information about Southwest’s policies, travel tips, airport information, a route map, fare rules and restrictions, company information, and a monthly newsletter from Southwest’s president (PR Newswire, June 30, 2004). Southwest turned to Ion Global San Francisco, an Internet professional services firm specializing in building multilingual web sites, for the Spanish web site (PR Newswire, June 30, 2004). At the same time they launched the website Southwest also launched their Spanish language toll-free number at 1-800-VAMONOS (PR Newswire, June 30, 2004). Southwest turned to Ion Global San Francisco, an Internet professional services firm specializing in building multilingual web sites, for the Spanish web site (PR Newswire, June 30, 2004). At the same time they launched the website Southwest also launched their Spanish language toll-free number at 1-800-VAMONOS (PR Newswire, June 30, 2004). Southwest turned to Ion Global San Francisco, an Internet professional services firm specializing in building multilingual web sites, for the Spanish web site (PR Newswire, June 30, 2004). At the same time they launched the website Southwest also launched their Spanish language toll-free number at 1-800-VAMONOS (PR Newswire, June 30, 2004). Southwest turned to Ion Global San Francisco, an Internet professional services firm specializing in building multilingual web sites, for the Spanish web site (PR Newswire, June 30, 2004). At the same time they launched the website Southwest also launched their Spanish language toll-free number at 1-800-VAMONOS (PR Newswire, June 30, 2004).

Southwest continued its partnership with Dieste Harmel & Partners with their 2006 campaign that is pushing the envelope by making fun of traditional images of Hispanics (BusinessWeek Online, March 2006). The Hispanic ads are the same strategy as the airline’s English language ads that depict people in embarrassing situations, then use the punch line “Want to get away?” followed by the cheap fare price (BusinessWeek Online, March 2006). One that makes fun of the image of Latin masculinity depicts a young Hispanic man on rollerblades admires himself in a reflection of a parked car window. The window rolls down to reveal two men in the car admiring him right back (BusinessWeek Online, March 2006). According to BusinessWeek Online, the ads are
standing out from the traditional Hispanic ads that center around family dinners and soccer (BusinessWeek Online, March 2006).

In January 2006 Southwest was one of the few companies that spent more than two million dollars a year on Spanish Language Media reported Darrel Rhea of Cheskin (Rhea, January 2006).

Southwest also has tried to target the Hispanics through community efforts such as grassroots promotional efforts, national, and local event sponsorships (PR Newswire, June 2004). Southwest also sponsors a number of Hispanic groups including: the National Hispanic Cultural Center, Hispanic Heritage Awards Foundation, League of United Latin American Citizens, United State Hispanic Chamber of Commerce, and the National Council of La Raza (PR Newswire, June 2004).

The airline also gained attention from Hispanic Magazine for over eight years as part of their Hispanic Corporate 100, the Top 25 Vendor Programs for Latinos, and the Top 25 Recruitment Programs (PR Newswire, June 2004). Southwest was awarded the Hispanic Corporate 100 award for providing opportunities for Hispanics and for supporting scholarships, minority vendor programs, recruitment, and Hispanic organizations (PR Newswire, June 2004).

In August 2005, Southwest gained community support through their sponsorship of a travel reward program called “Dándole Alas a Tu éxito/Giving Flight to Your Success” (PR Newswire, August 2005). In partnership with the Hispanic Association of Colleges and Universities (HACU) Southwest provided airline tickets to Hispanic college students with socio-economic need who go to school far away from their families (PR Newswire, August 2005). This essay contest, that was geared to keep students close to their families, was run through Southwest’s Hispanic Community Affairs department (PR Newswire, August 2005).

Currently, Southwest Airlines is the Official Airline of the Hispanic Heritage Youth Awards that will air on September 23, 2006 on NBC and Telemundo (PR Newswire January 30, 2006). The airline will also sponsor an award, called the Hispanic Heritage Youth Award for Education, for students interested in becoming teachers that will be presented at the ceremony along with eight other awards (PR Newswire January 30, 2006).

Continental Airlines

Continental Airlines has been working to target Hispanic consumers with a Latinization program, which started in 1998 to enhance customer service for Latin American and U.S. Spanish speaking passengers (Lloyd, 2006).

Like Southwest, Continental Airlines has a Spanish-language website. The site was developed in 2003, but only in December 2005 did the airlines add the capability to allow customers to book flights and manage reservations in Spanish (PR Newswire, December 2005). Customers can access the Spanish language site by surfing the web in Spanish and by clicking the Español link at the top or the bottom of continental.com’s homepage (PR Newswire, December 2005). To speed the launch of the program Continental partnered with Idiom Technologies, an independent provider of scalable software solution for speeding and optimizing globalization initiatives (Lloyd, 2006).

Continental has also made their services more accessible to Hispanics on their website by allowing customers to pay in credit card, debit card, or cash paid at the airport through
Western Union (PR Newswire, December 2005).
The airline also provides other Spanish-language services including bilingual flight
attendants, bilingual airport personnel, bilingual reservation agents and signage (PR
Newswire, December 2005). Continental also provides a toll free Spanish reservation
line (PR Newswire, December 2005).
To serve the high demand of Hispanic dominate U.S. areas of Los Angeles and Laredo,
Texas Continental airlines began daily nonstop routes to Aguascalientes, Guanajuato,
Morelia, and Mexico City in December 2004 (PR Newswire December 16, 2004). At
the time Continental was the only airline offering daily nonstop service between Laredo
and Mexico City, and had the most Mexican nonstop destinations from the U.S. than any
other airline. (PR Newswire, December 16, 2004).
Continental began to target its Houston services to Mexico at other airports throughout
the U.S. including Chattanooga Metropolitan Airport in Dalton, GA, which they placed
two all –Spanish and five English billboards for $250,000 (Pare, 2005). Continental
spokesman said they wanted to promote their services to Mexico in Dalton, because of
the city’s “large influx of immigrants” (Pare, 2005).
In New York demand for Continental’s service to Latin America is growing rapidly with
and 11% jump in passenger revenue on the flights during the fourth quarter of 2005 over
the same period the previous year (Fernandez, 2006).
Continental promotes itself as a friend to the Hispanic community by sponsoring
community projects. Continental is the official airline of Amigos de las Americas, which
is a Houston based non-profit that provides leadership training and service opportunities
in the United States and Latin America (PR Newswire, July 2005).
Also, in January 2006 Continental announced its partnership with the National
Association of Hispanic Publications (NAHP), which will give them “Official Airline”
status (PR Newswire, January 2006). The NAHP is a nonprofit trade advocacy
organization that represents the majority of Hispanic publications in the United States
(PR Newswire, January 2006).
Recently, Continental gained “Official Airline” status with another Hispanic organization
called the Houston Association of Hispanic Media Professionals (HAHMP) (Business
Wire, March 2006). HAHMP helps young Hispanic journalists reach their dreams
through education, scholarships, and networking (Business Wire, March 2006).
Continental, like Southwest, has also gained recognition through Hispanic Magazines list
of “100 Best Companies for Hispanics,” which they have been on from 1998-2005 (PR
Newswire, January 2006).

American Airlines
American Airlines has also been targeting Hispanic consumers in recent years. In
October 2003 the airline unveiled Spanish language versions of its “I Fly” advertising
campaign (hispanicad.com, October 2003). The ads, developed by Zubi Advertising of
Miami, used testimony of Hispanic business and leisure customers who fly American
(hispanicad.com, October 2003). The testimonials ran nationally on Sábado Gigante on
Univisión, Sports Wrap-Up on Telemundo, and spot television advertising on both
networks in New York, Chicago, Boston, Washington, D.C., and Miami (hispanicad.com,
October 2003). The advertisements also had print and radio versions (hispanicad.com,
October 2003).
American followed up the “I Fly” campaign in September 2004 with the “We know why you fly” campaign (hispanicad.com, September 2004). The new brand position included an integrated, bilingual marketing program with ads online, television, radio, and print in both English and Spanish (hispanicad.com, September 2004). The Spanish-language ads appeared on television stations and in newspapers in Boston, New York City, Miami, Los Angeles and Washington, D.C (hispanicad.com, September 2004). The ads will also be on Univisión nationally, Spanish language radio in key marketing, and a dozen national magazines including People en Español, National Geographic, Hispanic and Hispanic Business (hispanicad.com, September 2004).

The Spanish version of the ads, created by Zubi Advertising services, use nostalgic vignettes of families, friends and lovers instead of the humor found in the English version of the ads (adweek.com, September 2004). The associate creative director at Zubi, Hector Prado, said the ads are, “effective in demonstrating the intense emotion of traveling back home for Hispanics” (adweek.com, September 2004). The goals of the campaign were to increase leisure and business travel among Hispanics, “warm” the American brand, and “battle current price perception” (adweek.com, September 2004). American spent $60 million on the combined English and Spanish campaign (adweek.com, September 2004).

In November 2005, American Airlines partnered with Western Union to entice Hispanics to fly with them by allowing airline tickets to be reserved online and paid for in cash at Western Union locations throughout the country for a $14.95 fee (Bruno-Britz, 2005). The American Airlines Spanish language version website does not have a link on the homepage of the general market website, but it can be accessed by search engines. Also, on the brand awareness website aa.com/whyyoufly does not feature the Spanish language advertisements.

American Airlines also gained attention through sponsorship of Hispanic events. Since 1980, American has worked with the Cardenas Marketing Network to reach the Hispanic market through music (Cobo, October 2005). According to Cardenas American sponsors 90% of his tours including the Lo McXimo tour, Vives, Daddy Yankee, and Ana Gabriel (Cobo, October 2005).

The airlines sponsored the Communications Careers for Latinos, Inc.’s 5th Annual Media, Information Communications Technology, and Corporate Social Responsibility Conference in March 2005 (PR Newswire, December 2004). American also gained recognition through awards in the Hispanic community including the Hewitt’s 25 Best Employers in Latin America 2005 (PR Newswire, November 2005), selected as the best airline in Latin America and the Caribbean by the Airports Council International (PR Newswire, November 17, 2005), and Hispanic Magazine’s Top 100 Corporate list 2006 (hispanicad.com, February 2006).

**Delta Airlines**

Delta seems to have only taken limited steps to target Hispanic consumers. There isn’t a link to a Spanish language website off their main website, and one doesn’t come up in any search engines either.

Delta did promote its nonstop daily flights to Santo Domingo, Dominican Republic from JFK in New York with a Hispanic advertising campaign in June 2004 (M2 Presswire, June 2004). The campaign focused on the idea of duality of home and what each home has to offer with print, radio, and out of door advertising (M2 Presswire, June 2004). The
ads, which said things like “We take you from hip hop to merengue twice a day,” were developed by Miami-based Diego+heymann+partners (M2 Presswire, June 2004). The print campaign ran in the U.S. version of Dominican Times and La Prensa (M2 Presswire, June 2004).

In June 2004 Delta gained attention from its promotion of Jorge Fernandez to vice president of International and Alliances (PR Newswire, June 2004). Part of the reason given for his promotion was his understanding of cultural and business side of Delta (PR Newswire, June 2004). Fernandez was named by Hispanic Business Magazine as one of the “100 Most Influential Hispanics” in the U.S. in 2003 (PR Newswire, June 2004). Delta also has been working grassroots initiatives to touch Hispanic consumers through sponsorship of Hispanic foundations, but doesn’t advertise this well on their own websites and press releases. Delta partnered with Girl Scouts of America to work on the White House Initiative on Educational Excellence for Hispanic Americans (girlscouts.org). “This collaboration brings together the nation's leading Hispanic organizations and corporate leaders to improve education for Hispanic Americans,” reports the Girl Scouts (www.girlscouts.org). Delta held “Official Airline” status for the Fourth National Latina Conference in Savannah, Georgia, in 2004 and the 2005 conference in Nassau, New York (www.girlscouts.org).

JetBlue Airlines

Even though JetBlue is a newer airline it has been targeting Hispanic consumers in much the same ways its bigger competitors have been. JetBlue has a Spanish language website that is linked off their general market homepage, but this Spanish language site is limited. A lot of the functions are not available in Spanish such as the main menu on the top of the page, which is in English. Also, Spanish language customers cannot book flights in Spanish.

JetBlue opened flight options that are enticing to Hispanics such as its daily nonstop service from Newark to San Juan, Puerto Rico (PrimeZone Media Network, November 2005).

JetBlue also is active in the Hispanic community with its sponsorship of Hispanic organizations such as the Hispanic Heritage Committee of Newark, which organizes festivals and events that celebrate Hispanic culture (PrimeZone Media Network, November 2005). This sponsorship encouraged Hispanics in Newark to fly with JetBlue on its nonstop Puerto Rico flight (PrimeZone Media Network, November 2005).

US Airways

US Airways has been making efforts in the past two years to target Hispanic consumers.

US Airways sponsors a number of Hispanic groups including Communication Careers For Latino’s 5th Annual Media, Information Communications Technology (ICT), and Corporate Social Responsibility Conference (Pr Newswire, December 2004), the Hispanic Scholarship Fund (usairways.com), and the Hispanic Women’s Corporation. US Airways launched its Spanish-language website in February 2005 (usairways.com, February 2005). The website has Spanish language instructions on how to search for flights, make reservations, and check in online (usairways.com, February 2005). But Spanish speakers cannot make the reservations in Spanish unless they call a Spanish-
speaking reservationist (usairways.com, February 2005). The Spanish-language site is linked off their general market site.


In 2003 US Airways total ad spending was $16 million with $54,700 spent on Hispanic print and TV (Marcano, January 2005). By the third quarter in 2004 they had spend overall $13 million with $23,900 on Hispanic ads (Marcano, January 2005).

In February 2005 US Airways expanded their Latin America flights from Fort Lauderdale to include many daily non-stop flights such as Guatemala City, San Jose, San Salvador, Panama City, and Cancun (usairways.com, February 2005).

United Airlines

United Airlines has a Spanish language website linked off of their general market website that is very extensive in the Spanish language.

United Airlines in February 2006 announced a partnership with TACA GROUP, which is the leading airline group in Latin America, so that they can use their combined flight networks to accommodate those wanting to fly to or from Latin America (PR Newswire, February 2006).
Major Trends and Findings

After examining the airline industry company by company some major trends have shown to be occurring in the industry to market to Hispanic consumers.

Bilingual Services

Bilingual services are increasingly being developed at individual airlines with toll free numbers with Spanish speaking agents, bilingual stewards, and signage. Continental has done an excellent job with these services, and others should follow their lead in this trend.

United uses the Spanish language number to make up for deficiencies in their Spanish-language website, which does not allow booking of flights in Spanish. Southwest also offers a Spanish language number that ties into their Vámanos marketing plan. These services allow Hispanic consumers to feel more welcome at the airline, since they are catering to their needs in the language of their choice.

Spanish-language websites

Through online research of each companies websites nine out of the top twelve Fortune 500 2006 airlines have some kind of Spanish language website. Eight out of those nine have a link off their general market website to the Spanish-language website. The extent of the development of these Spanish language websites varies greatly from company to company. Some are unique websites to the Hispanic customer others are translations of the general market website. The extent at which the Spanish language site is accessible from the general market website also varies from a small link on the bottom of the page to a colorful logo at the top of the page (as in the case of Southwest). Also, the website services that are available in the Spanish language also vary with some functions not accessible in Spanish such as making reservations online.

Southwest has done an amazing job in branding their Spanish–language online services with their “vámonos” website. The website is culturally unique, offers full services in Spanish from company information to booking flights, and is easily accessible off the general market website.

In 2003 comScore reported that travel was the largest category of online spending among the U.S. Hispanic population, and is growing at a faster rate than the general internet population (mediapost.com, August 2003). If this trend continues the importance of having a website that is able to book flights in the Spanish-language will be essential.

Sponsorship of Hispanic Events/ Sponsorships of Hispanic Community Efforts

Sponsoring Hispanic Events is a way that the airline industry has been reaching more Hispanic consumers.

Some of the national events that airlines have sponsored include:

- Copa American Soccer Championship
- Latin Grammy Awards
Cardenas Marketing Network Musical Events: Lo McXimo tour, Vives, Daddy Yankee, and Ana Gabriel

Grassroots and community efforts airlines have sponsored include:
- National Hispanic Cultural Center
- Hispanic Heritage Awards Foundation
- League of United Latin American Citizens
- United State Hispanic Chamber of Commerce
- National Council of La Raza
- Hispanic Heritage Youth Awards
- Hispanic Association of Colleges and Universities (HACU)
- Amigos de las Americas
- National Association of Hispanic Publications (NAHP)
- Houston Association of Hispanic Media Professionals (HAHMP)
- Communications Careers for Latinos, Inc.’s 5th Annual Media, Information Communications Technology, and Corporate Social Responsibility Conference
- White House Initiative on Educational Excellence for Hispanic Americans
- Hispanic Heritage Committee of Newark

Through these events the airline industry has increased awareness and brand loyalty among U.S. Hispanics. Many of the spokespeople for these organizations praise their airline sponsors for the charity work and their services to Hispanics.

Hispanic Awards
Many of the airlines have been advertising the awards they have won from the Hispanic community either for their business practices, services or involvement in the Hispanic community. These awards show acceptance of the Hispanic community for the airline’s practices and gain clout with Hispanic consumers.

Some of the awards that are advertised include:
- Hispanic Magazine’s Hispanic Corporate 100
- Hispanic Magazine’s Top 25 Vendor Programs for Latinos
- Hispanic Magazine’s Top 25 Recruitment Programs
- Hispanic Business Magazine’s 100 Most Influential Hispanics
- Hewitt’s 25 Best Employers in Latin America 2005

Hispanic Advertising Campaigns with Spot Advertising
Hispanic focused advertising campaigns to promote new Spanish language functions, new flights, or brand awareness campaigns have been a trend in marketing to the Hispanic community. Southwest Airlines is one of the top spenders on Hispanic media of all companies not just airline companies according to Darrel Rhea of Cheskin (Rhea, January 2006).

Airlines have begun to target their advertising to markets where there is a large number of Hispanics in the population. Some of the targeted areas have included:
- Los Angeles
- Laredo, TX
- Houston, TX
The media used included internet, newspapers, television, magazines, outdoor and radio. The main television stations used by airlines in the past have been Univisión and Telemundo, but this may change as more options are available to those targeting the Hispanic population.

Print outlets have included:
- People en Español
- National Geographic
- Hispanic
- Hispanic Business
- U.S. version of Dominican Times
- La Prensa

**Cash Payment Options**

Many airlines have started to cater to Hispanics that don’t have credit cards with their cash payment options. Customers can pay cash at the airline or book online and pay at Western Unions that will pay the airline for a $14.95 fee. This allows air travel to be accessible to the Hispanic population that doesn’t yet trust U.S. financial institutions.

**Increased Flights to Latin America**

Airlines have started to offer more and more flights to Latin America and Caribbean locations to cater to the needs of U.S. Hispanics. Many make daily non-stop flights to places like Mexico City, Dominican Republic, and Puerto Rico. This has encouraged more Hispanics to fly more often since it is more accessible and there are more options as far as carriers and flight times.

The Scarborough reports confirm the need for foreign flights with Hispanics having an over-index rate of 131 for those having traveled outside of the U.S. more than five times in the last three years (Bromley/Manning Selvage & Lee, June 2005).
Conclusions and Recommendations

The airline industry is just starting to realize the potential Hispanics have to greatly increase their business. With a large amount of Hispanics entering the business world needing to travel for business, increased leisure travel, and the strong ties Hispanics have to their families it seems the marketing of airline services will continue to grow.

Currently, some of the widely used methods to market to Hispanics include: Bilingual Services, Spanish-language websites, Sponsorship of Hispanic Events, Sponsorships of Hispanic Community Efforts, Hispanic Advertising Campaigns with Spot Advertising, Hispanic Awards, Cash Payment Options, and Increased Flights to Latin America.

The companies that seem to have the most success in marketing to Hispanics are those with a more integrated approach such as Southwest Airlines whose advertising, website, and toll-free number are all connected under the “Vámonos” theme. Other companies market their services in Spanish, but offer limited services for Spanish speakers on the web and on their planes. A need for consistent service is going to be imperative for an airline that wants to break into the Hispanic market.

The importance of market research will also grow as more Hispanics use airline services and more airline companies enter the mix. As we have seen in other market segments the image of Hispanics with their families is being overdone and to rise above among other competitors it will begin to become important to have a unique but culturally significant message. Southwest has started to do this with their humorous campaigns.
References


Hispanicad.com (2003, September 02). High Flying Hispanic Initiative at Southwest Airlines.


Youth Award for Education. Retrieved from LexisNexis Academic.


Synovate 2004 U.S. Hispanic Market Report
