



LISTEN UP:

HISPANIC CONSUMERS AND MUSIC

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AN UNCOMMON SENSE
OF THE CONSUMER™

HISPANIC CONSUMERS AND MUSIC

Music is a key component of Hispanic life and Hispanics are among the most enthusiastic consumers of music across a variety of genres regardless of acculturation level. Having roots in Mexico and various countries across Central America, South America and the Caribbean, Hispanics are diverse, speak multiple languages, and straddle multiple cultures. There is no single narrative that applies to those who identify themselves as Hispanic. Some are recent immigrants who speak only Spanish, some are descendants of families who immigrated generations ago and speak only English, and some speak Spanish and English with equal ease. One thing that binds Hispanics together is a passion for music.

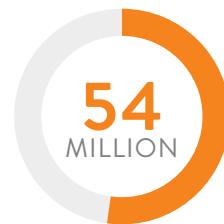


HISPANICS SPEND **20** HOURS A WEEK LISTENING TO MUSIC



HISPANICS SAY THEY LISTEN TO MUSIC AT LEAST ONCE A WEEK³

COMPARED TO **94%** FOR THE POPULATION AS A WHOLE



HISPANICS ARE THE LARGEST SELF-IDENTIFYING ETHNIC GROUP IN THE UNITED STATES¹



HISPANICS CONSTITUTE ONE OF THE FASTEST-GROWING ETHNIC GROUPS IN THE COUNTRY

REPRESENTING **17%** OF THE TOTAL US POPULATION

59% OF HISPANICS ARE UNDER THE AGE OF 35.²

THE SHEER POWER OF HISPANIC INFLUENCE ON THE MUSIC INDUSTRY IS EVIDENCED BY THE NOVEMBER 2013 LATIN GRAMMY'S, WHICH ATTRACTED 9.8 MILLION VIEWERS AND MADE UNIVISION THE #2 BROADCAST NETWORK FOR THE EVENING AMONG ADULTS 18-34.

¹Source: U.S. Census Bureau 2014

²Source: U.S. Census Bureau

³Source: Nielsen Music 360: This report is a comprehensive in-depth survey of consumer interaction with music in the U.S. Data was collected online from survey respondents age 13+ and based on self-reported recall on past actions, spending, and current feelings.

SPENDING TRENDS

Hispanics are immensely important to the financial health of the music industry. The average Hispanic spends \$135 per year on music, considerably more than the average consumer, who spends \$105 per year. Much of this difference is explained by Hispanics' love of live music and a cultural tradition that values communal celebration. The one area where Hispanics spend less than the population as a whole is in satellite radio. As Latinos are voracious consumers of musical content, satellite radio providers have a considerable opportunity to capitalize on this rapidly growing segment by customizing product offerings to include Spanish-language content and specific home-country genre favorites.



\$72

Hispanics spend \$72 per year on concerts, festivals and on cover charges at small music venues, compared to \$48 spent by the average consumer.



\$14

Hispanics spend \$14 per year on CDs, which is about average.



\$13

On average Hispanics spend \$13 per year on digital albums; \$6 higher than the average consumer.



\$8

The average Hispanic spends \$8 per year on satellite radio, compared to \$12 a year for the average consumer.⁴

⁴Source: Nielsen Music 360 report

DIGITAL

Families remain the dominant social unit in the Hispanic community and listening to music as a family remains an important bonding experience. Increasingly, online music is replacing traditional ways of listening to music. For some Hispanics, smartphones are a primary connection to the Internet, so it is not surprising that mobile devices are an important way to experience music.⁵ While CDs are still a relevant option, online forms of music are steadily expanding including songs from personal music libraries (41%), online music videos (40%) and streaming radio (34%).⁶ Hispanics significantly outpace the total population with these activities.

⁵Source: Nielsen Mobile Insight Study, Q4 2012

⁶Source: Nielsen Music 360

 54%

of Hispanics share music through social profiles, email and other platforms – far above the 37% of the total population that does so.

 52%

of Hispanics say they “like” Facebook posts from musical artists and bands (compared to 42% of the total population).

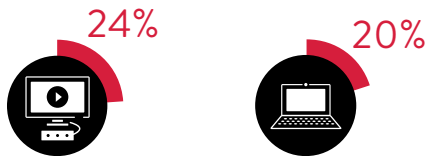
 41%

of Hispanics say they comment on Facebook posts from artists and band (compared to 29% of the population).

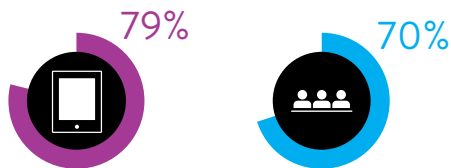


HISPANICS ARE AVID CONSUMERS OF MUSIC VIDEOS AND OTHER DIGITAL FORMATS, AND ACTIVELY USE SOCIAL MEDIA TO FOLLOW AND SHARE INFORMATION ABOUT THEIR FAVORITE SONGS AND ARTISTS WITH FAMILY, FRIENDS AND FELLOW FANS.

ACCESSING MUSIC DIGITALLY



24% OF HISPANICS USE A PC DESKTOP AND **20%** USE A LAPTOP



79% OF HISPANICS OWN SMARTPHONES, COMPARED TO **70%** OF THE TOTAL POPULATION⁷



MOST HISPANICS USE ANDROID PHONES **38%** VERSUS IPHONES **26%**

Source: Nielsen Music 360 report

⁷Source: Cross Platform Report Q4 2013

POPULAR MUSIC STREAMING SERVICES



PANDORA IS THE NUMBER ONE SERVICE, WITH 39% OF HISPANICS LISTENING IN A TYPICAL WEEK.



YOUTUBE IS NUMBER TWO, WITH 35.7% OF HISPANICS VIEWING AND LISTENING IT IN A NORMAL WEEK (COMPARED TO ONLY 26.2% OF THE TOTAL POPULATION).



RADIO

Radio is an integral part of the Hispanic lifestyle and shows no sign of abating. The Hispanic radio audience has increased by more than 500,000 listeners over the past year. Over 40 million Hispanics use the radio every week and unlike other ethnic groups, the Hispanic audience skews male, with men representing 53% of all Hispanic radio listeners.



12 HOURS



AT HOME



AT WORK



IN CAR

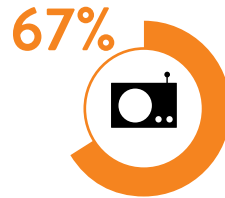
HISPANICS LISTEN TO MORE THAN 12 HOURS OF RADIO PER WEEK AND THE MOST POPULAR DAYPART IS MID-DAY BETWEEN 10 A.M. AND 3 P.M.

Source: RADAR 120, March 2014, M-SU 6AM-MID. RADAR Methodology captures demographic information in all Nielsen PPM and Diary markets, as well as County Coverage survey areas.

93.5%

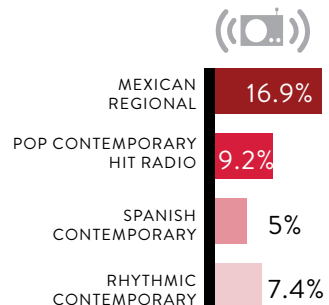


RADIO HAS A HIGH PENETRATION AMONG HISPANICS, WITH 93.5% OF ALL HISPANICS REACHED WEEKLY.



67% OF ALL HISPANIC RADIO LISTENING OCCURS OUTSIDE THE HOME. MAJOR GAINS ARE HAPPENING IN THE MORNING DRIVE DAYPART (6AM-10AM) ADDING ROUGHLY 450,000 NEW LATINO LISTENERS IN THE LAST YEAR.

POPULAR RADIO FORMATS



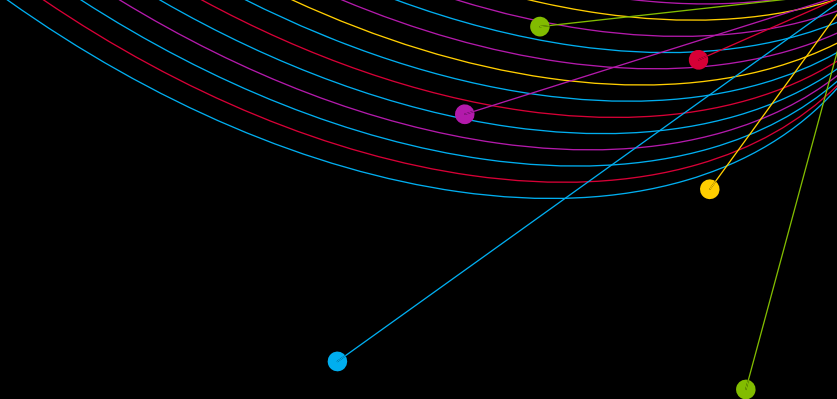
CONCLUSION

The music preferences of Hispanic consumers highlight a dynamic experience and place in American culture. For Latino Americans, there is no clear preference in a single genre, but rather the higher spending trends of Hispanics compared to the average consumer demonstrate an enthusiasm for music in general, and the ability for music to connect cultures. Hispanics take advantage of online radio, smartphones, and other digital music forms for ability to customize different playlists to not only fit individual preferences, but the preferences of family and friends as well.

Marketers are wise to take advantage of the role music plays in uniting America's largest ethnic group by incorporating diverse music forms in campaigns, like multilingual remixes or using snippets of more than one genre. Additionally, Hispanics spend significantly more on live music than the average American, and are savvy users of social media as a way to share musical taste and information, giving an opportunity for brands to connect to Hispanic consumers via these outlets.

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