



Presented by the Advertising Research Foundation

MULTICULTURAL GOLD WINNER Walmart Hispanic Heritage Month Campaign

(2008 & 2009)

1. Background and Business Setup

Hispanic Heritage Month (HHM) was instituted by President Ronald Reagan in 1988 in recognition of Hispanics contribution to the country, and was timed to coincide with the celebrations of independence of many Hispanic countries (September 15 – October 15), and with the discovery of America.

Though the intention was truly noble, the celebration lacked relevance among Hispanics mainly due to the vast differences among the history and culture of diverse Hispanic groups. Consequently, every year during this month, Hispanics were bombarded by product-centric campaigns that lacked meaning and were basically designed to stimulate additional consumption of products Hispanic consumers were already purchasing, such as CPG's, beer, and soft drinks among others.

Hispanics go to Walmart more than to any other retail store (OmniTel Retail Study, March, 2005), and more than 170,000 Hispanics work for the world's largest retailer, making it the largest employer of Hispanics in the country (walmartstores.com 2009). Walmart also understands how crucial this segment is to the country, as they represent the fastest growing population group in the United States (U.S. Census, 2008). Therefore, Walmart had been committed for many years to continuously support the Hispanic community. However, awareness of Walmart's community involvement was minimal among Hispanics, due to the lack of communications focused on social responsibility initiatives.

The 2008 HHM campaign represented an ideal opportunity to develop a uniquely focused program that would communicate to Hispanics that Walmart truly cares and truly understands them. Walmart wanted to support a unifying and relevant cause for Hispanics that would naturally fit in with HHM. In order to do so, the company needed to understand what was the unifying meaning and overall relevance of this month for the Hispanic community.

2. Objectives

BUSINESS SITUATION AND CAMPAIGN OBJECTIVES

Business Objectives:

- Improve overall brand perception by positively impacting social reputation measures

- Increase overall sales

Overall Campaign Objectives:

- Acknowledge the importance of Hispanics to Walmart as a customer, employee and as a vital component in the future of the U.S.
- Increase awareness of Walmart's long-term commitment to the Hispanic community.
- Deliver a relevant program by shifting the focus from previous product-centric initiatives to truly consumer-centric initiatives.
 - Identify a unifying theme that would:
 - Communicate Walmart's commitment to the Hispanic community by showing its understanding of key drivers of success for the Hispanic target
 - Be intrinsically entwined to the meaning of Heritage for Hispanics in order to generate a strong association with HHM
- Develop an initiative that will comprise a comprehensive multi-platform, multi-departmental effort within Walmart
- Improve consideration, favorability, shopping intent, increase visitation, and loyalty.

3. Preliminary Research, Strategy & Implementation

BACKGROUND RESEARCH

Research was commissioned to gather key consumer insights to substantiate the strategic development of the campaign and to measure the campaign success.

Following LNC and Walmart's proprietary methodology eleven pieces of research were used to create and evaluate the campaign:

- Campaign Development (5)
 - GRA's Nationwide Hispanic Omnibus Study
 - LNC's exploratory
 - LNC's concept development
 - ARS concept testing
 - AcuPOLL concept testing
- Campaign Measurement (6)
 - Global Research Partner
 - Social Quest Brand Anthem
 - Big Research
 - PR Track
 - Walmart's Online Track
 - Walmart's Sales Data

GRA's NATIONWIDE HISPANIC OMNIBUS STUDY

In March 2008, Walmart submitted several questions to be included in Garcia Research Associates' quantitative and quarterly nationwide omnibus study. The research was conducted among Spanish-dominant Hispanic adults. The overall objective was to gather insights for Walmart's seasonal programs. As part of the results, it was found that several initiatives were considered relevant by the target for retailers to support during HHM, among which donating and contributing to the education of Hispanics rose to the top.

Main Implications

The findings were considered relevant and powerful enough for Walmart to commission LNC to conduct further research in order to determine the central idea for the development of the HHM campaign.

QUALITATIVE EXPLORATORY RESEARCH

In April 2008, LNC conducted exploratory focus groups, in three Hispanic markets, among Spanish-dominant Hispanic mothers. The main objectives of the study were to understand the relevance and meaning of HHM, and to identify a single, engaging theme linked to this month that all Hispanics could relate to and support. The study unveiled the following key insights:

- After motherhood, cultural pride is the second key element in participant's self-description
- Education is considered the most essential goal to improve their children's future, and a key measure of their own success in the U.S.
 - Broader meaning of education: academic development as well as cultural heritage
- Higher education for Hispanics is considered the most relevant cause for corporate support, but not "owned" by any company
- Low awareness of Walmart's community involvement and prior support for education
- Low awareness, inconsistent meaning and lack of relevance of HHM
- No identifiable category purchase pattern or impact on product consumption during HHM

Main Implications

Based on these research findings, Walmart needed to get further involved with the Hispanic community through a meaningful and unifying initiative. Education was the most engaging idea, since it was considered Hispanic mothers' main priority. Supporting this idea was the fact that Hispanics registered the highest high school dropout rate of any major racial or ethnic group—21% vs. single digit numbers for other minorities (*U.S. National Center for Education Statistics, 2007*); similarly only 11% of the Hispanic population holds a college degree vs. about 1/3 of all non-Hispanics (Simmons Adult Study, 2007). Clearly, even though education was an essential goal for our target the numbers were painting a different reality.

In addition, based on findings, tying in Hispanic education opportunities with HHM seemed like a natural fit for Hispanics. There is an organic symbiosis in the Spanish language and culture between education and cultural heritage. Hispanics look at education in a slightly broader sense than general market. Along with the academic implication, education also means knowledge of language, food, traditions, manners, and values. Thus, a combination of cultural cues led to the campaign's central idea.

As a plus, higher education was a cause not previously owned by any company in the mind of the consumer. It was too, in great alignment with Walmart's values, culture, and existing initiatives. One of these initiatives was the company's well-known commitment to consumers' better quality of living—"Save more. Live better. WalMart". As explained, Hispanics believe that an education is the most direct route for their children to achieve a better life. The other relevant initiative is Walmart's legacy of donating to Hispanics' education. In 2008, Walmart had donated \$67 million to education-focused organizations, but awareness of this commitment was minimal. (Walmartfoundation, 2008)

STRATEGIC DIRECTION

Based on the analysis of key insights, it was concluded that supporting higher education opportunities for Hispanics was the most powerful cause to add unity and meaning to HHM. It was also a cause that Walmart truly believed in, that they could own, and that would most likely have a positive sales and brand impact.

Central Idea

Education unites Hispanics and brings true, concrete, and universal meaning to HHM.

Target Audience

Spanish-dominant Hispanic mothers; 18 to 49 years; with children under 18 living at home; HH Income of \$20K to \$45K.

Strategy

Following the campaign objectives, the strategy was designed to positively impact Hispanic mothers' overall brand perceptions by addressing their rational and emotional needs. Rationally, Walmart was going to reinforce its commitment to Hispanics by offering tangible resources to help them achieve further education opportunities. This initiative was a first step in the right direction to help Hispanics overcome a significant barrier that hindered their development and success. Simultaneously, Walmart was going to further reinforce Hispanic mothers' identification and emotional connection with the company, since it was speaking to two of the most salient elements of their self-identities: good mothers who want to help their kids succeed, and proud Hispanics who want to pass their culture to their kids.

Core Initiatives

Two core initiatives were developed as the heart of an integrated consumer-centric 360° campaign. During HHM, Walmart was going to donate to the Hispanic Scholarship Fund (HSF) to facilitate further education opportunities for young Hispanics. Walmart selected the HSF, since it is the nation's leading Hispanic scholarship organization. In its 34-year history, the HSF has awarded over \$250M in scholarships to more than 90,000 students in need.

Additionally, Walmart wanted to launch the first dedicated Spanish-language website, www.AhorraMasViveMejor.com (AMVM), to address their Hispanic online audience from a true, consumer-centric perspective. The launching of the webpage was scheduled to coincide with HHM, to further reinforce the company's commitment to the Hispanic community. The content of the webpage was going to support the overall campaign message during HHM.

Tagline

The tagline for the campaign came from a popular Hispanic saying, which was spotted during the focus groups: "*La mejor herencia es una buena educación*"SM (*The best inheritance is a good education*). There's an important play on words at work in this phrase. In Spanish, "herencia" means heritage and inheritance. So, the idea and importance of "passing down" an education was firmly communicated and connected with HHM; hence, the message territory that gave meaning to the celebration for all Hispanics was born.

QUALITATIVE CONCEPT DEVELOPMENT

Following the strategy, initial creative concepts that communicated Walmart's initiative to foster Hispanics' higher education were developed. In May 2008, LNC conducted concept development focus groups among Spanish-speaking Hispanic mothers, in two top Hispanic markets. The objective of the study was to gather understanding of consumer interpretations/reactions to the

different creative concepts for the HHM campaign, in order to incorporate key findings into the final executions.

Findings gathered during this study validated the insights from the previous exploratory groups and led to a strong new insight:

- Participants were not familiar with and were intimidated by scholarship/loans/college application processes, especially online. In order to help their kids, they needed access to detailed guidance and simplified information.

Main Implications

The validation of the message relevance and additional positive feedback guided the development of a final execution. It was also decided that, due to the universal nature of education and to the relevance of a HHM initiative focused on fostering Hispanics' higher education, further testing was going to be conducted to understand if the target could be extended to the English-speaking Hispanic target. In addition, the new finding reinforced the need for and guided the strategic development of a consumer-centric 360° campaign. Consequently, the focus of the AMVM website was refined and placed on offering guidance centered on college preparation, planning, and budgeting. The interactive site was going to provide Hispanics information on the necessary steps for pursuing a college education and to address questions typical of the college admission process.

ARS & ACUPOLL QUANTITATIVE PRE-TESTING

The final HHM ad was translated and tested in June 2008, among English-speaking Hispanic mothers, through quantitative research conducted by ARS. The ad was also tested in August 2008, through quantitative research conducted by AcuPoll among Spanish-dominant Hispanic mothers. Both studies were fielded prior to the launch date of the Hispanic HHM campaign. The findings for both studies led to the recommendation of airing the HHM ad in both languages. The ad positively affected most participants' perceptions of Walmart across acculturation segments, strongly reinforcing the target's rational and emotional connection to the brand. The ad persuaded Hispanic mothers that Walmart offers real opportunity for Hispanic communities to get a better education and opportunities for advancement in life. This perception translated into positive goodwill and purchase intent.

ARS 2008 Research Results

Wal-Mart Total Box ARS iPersuasion	"HHM English 30"	Fair Share Benchmark
English-Speaking Hispanic Women	3.1	2
Female English-Speaking Hispanic Shoppers	3.2	2

AcuPoll 2008 Research Results

HHM ad Motivational Impact	tal Panel
Distinctiveness	8.6*
New Information	8.7*
Relevance	8.9*
Likelihood to purchase at Walmart	8.8*

(* 0-10 scale)

CAMPAIGN IMPLEMENTATION

With solid research results in their hands, in September 2008, Walmart launched a 360°HHM campaign elevating the meaning and importance of this month for the Hispanic market. Instead

of promoting culturally relevant products, Walmart made donations to the HSF to promote education as the best inheritance in life.

360° Components

- TV and Print: Main executions showcased testimonials of real recipients of scholarships given by Walmart through the HSF. The testimonials were featured in integrated English and Spanish-language TV executions aired nationally and Spanish-language radio and print ads published nationally and locally. Educational sponsorship vignettes were also shown on popular Spanish-language TV shows.
- In-store/Online: Walmart vendors with existing commitments to education were featured in-store/online. Banners directing to Walmart's "education" webpage were displayed.
- Public Relations: National press release and national radio media tour conducted with a Walmart executive and past scholarship recipients serving as spokespersons.
- Webpage: *AhorraMasViveMejor.com* was launched to coincide with HHM 2008. Walmart's first dedicated Spanish-language website, which made them the first/ largest retailer to address their Hispanic online audience from a true, user-centric perspective. Walmart partnered with nonprofits and governmental agencies to empower Hispanics through an interactive site with tools/ information necessary to successfully pursue a college education.

2008 MEDIA SCHEDULE & BUDGET

Schedule

- TV: Sept 5 – October 19
- Print: Sept- Oct Issues
- Radio: Sept 15 – Oct 12
- Online Banners: Sep 5 – October 13
- Website: Sept 1-Oct13

Budget:

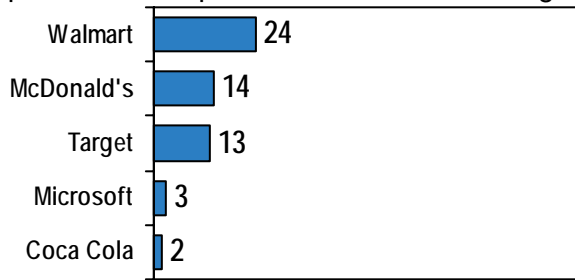
- Media 79%
- TV Production 18%
- Radio Production 1%
- Print Production 2%
- PR 0.5%
- Total = Multimillion-dollar Budget

4. Campaign Results

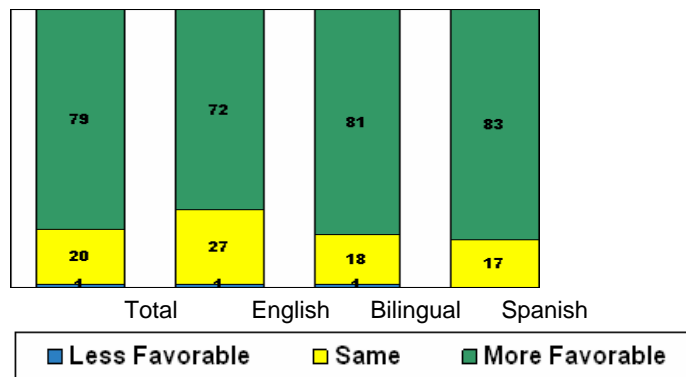
GLOBAL RESEARCH PARTNERS STUDY

In October 2008, online and in-person interviews were conducted by Global Research Partners throughout the U.S. and across Spanish-dominant, bilingual, and English-dominant Hispanic segments. Among the main research objectives were to gauge awareness of Walmart's Hispanic Heritage advertising and determine its impact on people's perceptions of Walmart. Research findings validated the relevance of the education focus of the HHM across segments. By addressing a vital need, Walmart bridged the usual disconnect between the companies' previous HHM messages/programs and their actual impact on the Hispanic communities. Thus, the HHM became Hispanic consumers' top-of-mind brand when thinking of companies that contribute to Hispanics' education, positively impacting brand perception in addition to the highest levels of HHM ad awareness.

Top of Mind Companies with Education Programs



HMM Ad Impact on Walmart's Perception



SOCIAL QUEST BRAND ANTHEM RESEARCH

A Brand Anthem qualitative messaging testing research was conducted for Walmart by Social Quest, in December 2008. Findings were gathered across Spanish-dominant, bilingual and English-dominant Hispanic segments in three top Hispanic markets. Main findings for this study were considered relevant to understand the positive impact that Walmart's HMM campaign had on the brand image.

Key findings showed that the participant Hispanic mothers have developed a relationship of reciprocity with Walmart, which led to a deep and unique rational and emotional connection to the brand. These moms wanted to keep supporting Walmart because the store shares their values and because it is a company in which Hispanics can count on. They equated Walmart with "opportunities," mentioning its commitment to fostering Hispanics' education as a tangible initiative that shows how the company cares about and understands the Hispanic community.

BIG RESEARCH

In November 2009, a national survey was conducted by BIG Research among Spanish-dominant, bilingual and English-dominant Hispanic mothers. The objective of the study was to measure the overall impact of the campaign on participants' perception of Walmart. Based on key findings it can be affirmed that the campaign positively affected consumers' perception of Walmart:

- **Social Responsibility:** Most consumers exposed to the campaign agreed that Walmart supports higher education and cares about Hispanics.
- **Emotional Appeal:** Consumers aware of the campaign tend to further admire, respect and trust the company and feel smarter when shopping at Walmart.
- **Products & Services:** Consumers who were aware of the campaign also had a better perception of Walmart's quality and innovative products and services, low pricing, and one-stop shopping.

HHM Ad Impact on Walmart Perception

FURTHER 2009 TESTING

PR TRACK

The effectiveness of the PR efforts was measured through a standardized tracking and valuation tool for PR (PRTrack). Key findings indicate a 78% increase (vs. '07) in media impressions and an 836% increase (vs. '07) in publicity value.

ONLINE (AMVM WEBPAGE) TRACK

The AMVM Website traffic was measured through Walmart's Omniture Tracking. Results indicate that the HHM initiative significantly drove website traffic (113 index).

WALMART'S SALES DATA

Based on Walmart's proprietary sales data study, the HHM campaign led to a +2.89% sales lift. This is significant in light of Walmart's already high sales volume.

2009 CAMPAIGN EVOLUTION

Due to the success of Walmart's 2008 HHM initiative, it was decided to extend the campaign during 2009. For this year, Walmart kept donating to the HSF as well as to other organizations (ASPIRA and Excelencia in

Education) that promote Hispanic education. The same executions were employed, but adding the mention of the other two organizations. Additional modifications were implemented this year to further reach the target and increase the impact of the campaign: Spanish and English communications were used for all media, the content for the webpage (AMVM) was also available in both languages, and heavy-up bilingual markets were selected for media placement.

CONCLUSIONS

Top Two Boxes	National sample	Diff.
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	Not Aware of HHM Ad (n=412)	Recalled HHM Ad (n=88)	
Social Responsibility			
WM supports higher education	30	53	24
WM supports the Hispanic Community	29	48	19
WM cares about the community	32	49	17
Emotional Appeal			
I admire and respect WM	36	47	10
WM is a company I trust	47	57	9
I feel smart when I shop at WM	29	44	15
Products & Services			
WM sells innovative products	39	59	20
WM has unbeatable prices on brands I trust	53	68	15
I save money one-stop shopping at WM	56	72	16

The HHM campaign represents a very successful story for Walmart. All objectives were achieved and exceeded, since the meaningful positive impact of the 360° initiatives on the Hispanic community reinforced Hispanic mothers' emotional and rational connection to the brand.

Results show a noteworthy improvement in the overall brand perception, due to a positive impact on social reputation measures, as well as a significant sales lift. The successful outcome led to the extension of the campaign during 2009. Walmart's executives were so pleased with the campaign results that the company's government relations

representatives presented the education initiative to the U.S. Congress. Consequently, the HHM campaign positioned Walmart as an industry leader that empowers Hispanics by providing funds for education and a future for Hispanic youth and for the country as a whole