



DIRECTORIO *en Español*

Phoenix: Strong Hispanic market changes Ad agencies

February 2007

Source: Latino Perspectives Magazine

The growing Latino population, buying power and participation in state and national politics are driving Latino agencies to develop public affairs skills to help their clients connect with the Hispanic market.

Latino agency heads say that the Arizona market has evolved into the general market, versus being a "specialty niche."



Swelling, complex Arizona Latino demographics are challenging local Latino-owned ad agencies to compete with bigger, non-Latino firms, and to venture into the new ground of public affairs.

To compete with Latino agencies, some of the bigger non Latino agencies in the Phoenix market are forming their own "Hispanic" divisions - with varying degrees of success. This process also enables them to compete for Hispanic-oriented advertising campaigns representing lucrative accounts. Riester Robb Advertising Agency recently acquired Grupo Ñ, one of the top Latino-led firms in the Phoenix market.

Christina Borrega, director of public relations for Phoenix-based Riester Robb, says the agency has been adding more Hispanic PR specialists to its 55-person shop in Phoenix to work the Latino market. Riester, which also has offices in Los Angeles, Denver, and Salt Lake City is developing a division called Riester Robb Multicultural.

"As the general market evolves, what seems to be emerging is more of a blend of markets. So our work force should be a blended work force as well, so that we can truly meet the needs of clients and of this very dynamic audience," Borrega says. "To not do that is a disadvantage."

Ray Arvizu, head of Arvizu Advertising & Promotions, a marketing pioneer who helped define the Phoenix Hispanic ad market. Now he and other Latino agencies compete in the general market against those agencies.

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"Now we are competing with agencies we formerly partnered with," says Nereyda López, a principal with Phoenix agency Molina-López.

In 2005, Arvizu had capitalized ad billings of \$98.8 million, and a staff of 65. He has offices in Denver and Las Vegas. In January, the Phoenix Business Journal rated his firm at No. 1 among all Phoenix ad firms; Hispanic Business ranked Arvizu No. 3 nationally among all Latino agencies.

Recently Arvizu has made a strategic decision to expand into the public affairs market. Ruben Ramos, formerly a regional director with Bank One and JPMorgan Chase Bank, was hired as the agency's first director of public affairs.

Corporations, governments, non profits, universities and political candidates pay millions annually to public affairs agencies and specialists to promote their interests in public policy and politics.

These agencies are also working to help Latinos aspiring to political office: Michael Nowakowski, a Latino candidate for Phoenix City Council for District 7, has hired Riester to develop strategy for his campaign.

"Images, issues and advocacy" is merging with products and services branding as a need for corporations and governmental entities wanting to work the Hispanic market, says Alfredo Gutiérrez. Gutiérrez was a former principal in Jamison Gutiérrez PR agency, a lobbying firm he says "billed in the millions" until sold in 2001.

Now Gutiérrez has formed Tequida & Gutiérrez with Rosa Tequida, a former journalist. Ex-Legislator John Loredo recently joined the firm.

"There is much more complexity in the Phoenix Hispanic market now," Arvizu says.