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Market Legitimacy: An Investigation into the Legitimation of Hispanic Cultural Markets

DISSERTATION

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DEDICATION

Dedicado a todos los que luchan por sus sueños…

¡Si Se Puede!
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FIELD OF STUDY

Market Legitimacy and the Hispanic Market
ABSTRACT OF THE DISSERTATION

Market Legitimacy: An Investigation into the Legitimation of Hispanic Cultural Markets

By

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Professor Alladi Venkatesh, Chair

This study explores the processes involved in the evolution of cultural markets as legitimate institutional arrangements in the context of the U.S. Hispanic market. This research consists of a historical analysis of newspaper articles from 1984 to 2010 in the Wall Street Journal and USA Today in order to obtain a view of the processes involved in the evolution of the Hispanic market as a viable entity. The research uncovers the industry, marketing and societal processes which contribute to the legitimacy or illegitimacy of a cultural market and marketers responses towards the market. In understanding what affects market legitimacy and marketers actions towards the market, we can understand the role marketers play in growth and decline of a viable market. The conceptual framework is discussed as well as the contribution of this work to marketing and marketing literatures.
CHAPTER 1: INTRODUCTION

"The greatest strength of America is our diversity. We should revel in it."


The growing cultural diversity of the United States (U.S.) marketplace is hard to ignore. The impact of this diversity is seen from the higher levels of the government to local transactions. The growth and potential profits of these culturally diverse markets are shouted out to the world. Studies exclaim that marketers must adapt to the marketplace or risk getting left behind. Yet even when the data, and sometimes the cultural markets themselves, prove to marketers the potential of the market, some marketers choose to ignore them (Davila 2001; Scaraboto and Fischer 2013; Tharp 2014). The treatment of these diverse markets is as varied as the marketplace itself. Therefore, there must be additional considerations which affect the marketer’s perception of viability of a cultural market, which is what this paper looks to address. Specifically, this paper looks to uncover the processes which contribute to the legitimacy of a cultural market, or more specifically of a Hispanic cultural market, and the subsequent marketer actions taken based on the cultural market’s perceived legitimacy.

The purpose of this research is to examine the theoretical and empirical issues concerning the evolution of cultural markets as legitimate institutional arrangements to marketers, consumers and the larger social sphere. This study addresses the following questions: 1) What are cultural markets? 2) How do cultural markets gain legitimacy as viable markets? 3) What processes influence the institutionalization of the cultural markets perception as a legitimate or illegitimate
market? and 4) How can the Hispanic market be conceptualized as a legitimate cultural market? These questions are addressed in the context of the U.S. Hispanic market.

Since the 1970s, marketers have had to be convinced that the Hispanic market is an important and viable market to target. Even today, in a world where salsa outsells ketchup as the number one condiment and Cinco de Mayo is a larger celebration in the United States than in Mexico, the Hispanic market is the stepchild in the mainstream. Cultural groups such as the Hispanic market which have negative images in the mainstream are dependent on the images portrayed in the media which can either change or maintain these perceptions (Davila 2001). In this analysis, the discourse on the Hispanic market associating it as a poor, low wage, non-English speaking, Mexican market contributed to the sentiments of marketers that the market was not viable for their products. As these associations changed due to the increased collection of information and the market becoming associated with greater and more prestigious market entrants, the characterization of this market changed and along with it, its perception of viability. This research examines the evolution of these changes and what contributes to these perceptions. By understanding how the discourse on the Hispanic market by the industry, marketers, and society changes over time and how the interactions of marketers with this cultural market evolves, this research provides a novel conceptualization of cultural market legitimacy.

Research on cultural markets has focused on understanding the culture and the implications of this on consumption (Bouchet 1995; Burton 2009; Davila 2001; Kozinets 2001; McCracken 1988; Peñaloza 1994; Schouten and McAlexander 1995; Venkatesh 1995, Ruvalcaba and Venkatesh 2015). This study provides and important, alternative understanding of cultural
markets by looking at the institutionalization of cultural markets into the larger social sphere and the implications of such on the perceptions of the market as a legitimate entity. In examining how markets are legitimated in the context of cultural markets, this paper will proceed in the following order. Chapter 2 provides a discussion of the theoretical foundations for this work, specifically legitimation theory and its application to cultural markets. Chapter 3 details the research methodology and data collection and analysis. Chapter 4 presents the findings from the analysis and Chapter 5 provides concluding statements. Lastly, Chapter 6 discusses the limitations of this study and future research directions.

CHAPTER 2: LITERATURE REVIEW

Institutional Theory and the Concept of Legitimacy

Using institutional theory as a basis for this study provides a solid foundation for analysis of the legitimation processes of markets. Institutional theory posits institutions as socially constructed structures and examines the establishment of institutions as legitimate entities (Scott 2008, Dowling and Pfeffer 1975). Scholarly work using institutional theory in marketing to examine legitimacy has been conducted in the areas such as markets, brands, consumers, new ventures, and marketing (Humphreys 2010a; Kates 2004; Scaraboto and Fischer 2013; Rao et al. 2008; Coskuner-Bali 2013; Handelman and Arnold 1999). This work looks to add another dimension to the previous work by examining the legitimacy of a cultural market, specifically the Hispanic market.
In order to examine how a cultural market gains legitimacy as a viable market, legitimacy itself must first be understood. Legitimacy is “a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions” (Suchman 1995, p. 574). Legitimation is the process by which cultural structures are created, transformed, and shared among the larger social system (Berger et al. 1998); a form of semiosis linking social values to specific actions (Richardson 1985). Institutionalization of these sociocultural structures leads them to take on a rule-like status within an institution (Meyer and Rowan 1977), so it is necessary to understand the process which institutionalizes these perceptions of legitimacy. In order to obtain legitimacy, markets must be incorporated into the dominant institutions of society (Humphreys 2010b) and become socially, culturally and politically accepted (Humphrey 2010a). But how does a cultural market gain or lose this social, cultural and political acceptance and what contributes to these perceptions is yet to be discovered.

In the context of markets, the concept of legitimacy is important because legitimacy justifies an entity’s existence (Dowling and Pfeffer 1975) and its role in the social system (Ashford and Gibbs 1990). Therefore a market’s acceptance depends on its perceived degree of fit with current marketplace norms. These norms shape the scripts of legitimacy within which the cultural market is perceived. The market’s legitimacy is not dichotomous- legitimate or illegitimate- but “varies along a continuum” (Stillman 1974 p. 43). Thus at the same point in time, one might find a market to be discussed as both legitimate and illegitimate to some degree.
Obtaining legitimacy is a social process (Johnson et al. 2006), as legitimacy is constructed through the negotiation of meanings among the actors involved, whether it is a community, an organization, or a cultural market (Kates 2004). The actors involved will internalize and interpret, maintain or modify, and disseminate these meanings through their actions. Legitimate meanings are those that are found to be congruent with the “value patterns of the relevant system” (Stillman 1974) or institution. Legitimate markets are those recognized as viable, socially-fit entities (Dowling and Pfeffer 1975; Grewal and Dharwadkar 2002) and acted upon as such. As a social process, the construction of legitimate meanings requires a depth understanding of the actors involved and their role in the creation and institutionalization of these meanings. This research explores this process to obtain an understanding of the actors involved in the construction of the perception of the Hispanic market and the dissemination of these conceptions within the overall institution.

Institutional theory groups legitimacy into the three categories, or pillars, of regulative, normative and cultural-cognitive legitimacy (Scott 2008; Suchman 1995), which form the base of distinction. Regulative legitimacy is concerned with compliance of stated rules or maxims, where “legitimate organizations are those established by and operating in accordance with relevant legal or quasi-legal requirements” (Scott 2008 p. 61). It is the degree to which an organization’s activities adhere to the regulative processes of the superordinate system (Dowling and Pfeffer 1975). In regards to markets, regulative legitimacy is gained as processes are made into formal rules of action. Discovering the actions which lead to an official set of procedures towards the market will lead to an understating of the ways in which a cultural market gains regulative acceptance as a viable market.
Normative legitimacy is concerned with “the degree to which an organization adheres to the norms and values in the social environment” (Humphreys 2010a, p. 4). Its focus is on what is morally desirable instead of the legality of organizational activities (Johnson et al. 2006). Norms are considered valid when they are adopted at a set of rules for behavior or action. The greater the visibility of adoption of a set of norms, the more valid they become (Johnson et al, 2006). In the legitimation of a cultural market, the adoption of a set of norms of engagement towards the market will give it greater normative legitimacy, thus validating it as a normative structure for action.

Cultural-cognitive legitimacy is based on comprehensibility and taken-for-grantedness (Suchman 1995). In order for actors to distinguish one organization from another they arrange their understanding of the organization’s activities into cultural-cognitive schemas (Scott 2008; Suchman 1995). Cultural-cognitive legitimacy is the degree to which an organization fits within these conceptions (Humphreys 2010a). The cognitive understandings of a cultural market shape the set of associations which are congruent to the image of the market. As the market evolves in the social sphere, the inscribed set of relationships between the market and the social, cultural and political environment also evolve, thus restructuring the conceptions of the market. Setting the market or associating it in an incongruent atmosphere goes against the cognitive understandings of the market and thus its acceptance. Understanding how these associations are formed will provide an understanding as to the structures which influence the cultural-cognitive conception of the cultural market.
The boundaries of legitimate actions within each pillar are in a constant flux as the basis of legitimacy (social norms, values, beliefs and expectations) is constantly changing. As a collective construction of social reality (Johnson et al. 2006), these constitutive beliefs are what determine how an organization operates and how it is evaluated (Suchman 1995). Scott (2008) tells us that “cultural-cognitive legitimacy recognizes that “internal” interpretive processes are shaped by “external” cultural frameworks” and “we should ‘treat cultural categories as the cognitive containers in which social interests are defined and classified, argued, negotiated, and fought out’” (p. 57). Cultural categories are theoretical concepts derived from an understanding of a culture’s current practices and the socio-historical context in which it is situated (Venkatesh 1995; Meamber and Venkatesh 2000). As an evolving system, any changes in culture alter the categories that constitute the culture (Meamber and Venkatesh 2000) and thus those that constitute its conception. This work looks to identify the processes which contribute to these shifts in the system.

The challenge in obtaining legitimacy is due to the variety of entities which contribute to the perception of legitimacy, such as the government, society, and the mass media (Merelman 1966; Dowling and Pfeffer 1975; Humphreys 2010b). Additionally, the perception of legitimacy is dependent on the measures used in its assessment by those doing the evaluating (Ruef and Scott 1998). What is considered legitimate in the social sphere is constantly changing as institutions adapt to the changing social landscape (Dowling and Pfeffer 1975). Markets must display congruence with social norms, values, beliefs and expectations in order to obtain cultural support as legitimate entities (Dowling and Pfeffer 1975; Ashforth and Gibbs 1990; Suchman 1995; Humphreys 2010b). This is difficult to obtain since the actors in the legitimacy process have
different expectations as to what it means to be legitimate, thus the defining factors in a particular organization’s legitimacy are often dynamic, vague, and conflicting (Elsbach and Sutton 1992). Therefore one must identify the actors and the specific processes which influence legitimacy in order to influence the cultural-cognitive perceptions of congruence.

The key in understanding the evolution of a market’s legitimacy is in the cultural-cognitive conceptions of the market. Cultural-cognitive elements are “shared conceptions that constitute the nature of social reality and the frames through which meaning is made” (Scott 2008, p. 57). They are the structure on which regulative and normative conceptions are built upon (Ruef and Scott 1998). As these conceptions are institutionalized, so is “the generational uniformity of cultural understandings” (Zucker 1977, p. 742). Legitimate meanings are socially constructed and inscribed with legitimate frames reinforcing the cultural cognition (Kates 2004). These structures dictate marketers’ interpretation and dissemination of information and thus their resulting actions (Scott 2008). Their actions reinforce these perceptions and thus impact the legitimate boundaries of action towards the market. As the legitimacy of the market increases, so too will the actions deemed legitimate by market participants towards the market.

In evaluating a market’s legitimacy, marketers assess the market and its fit within the marketer’s conceptions of a viable market. Critical in this process is the marketers understanding and evaluation of the organization’s own legitimate positioning. In evaluating a cultural market for viability, it is necessary to evaluate this market’s impact its own on legitimacy. Should the market be deemed a threat to the marketer’s legitimacy, the marketer will avoid the cultural market even if it is viable (Scaraboto and Fischer 2013). For example, early on in the
legitimation process the gambling industry would not do business with anyone that had any negative associations for fear of it affecting their own legitimacy (Humphreys 2010a). Similarly we see marketers avoiding markets which could threaten their legitimacy with their current customers or threaten their brand image, such as the plus-size market in the fashion industry. Therefore it is even more vital to change the conceptions of the cultural market as illegitimate or threatening to the marketer’s legitimacy.

The concept of legitimacy has been studied in a variety of contexts in marketing literature including new markets (Humphreys 2010a), consumption practices (Humphreys 2010b; Kozinets 2001), retailer legitimation (Arnold, Kozinets and Handelman 2001), brand legitimation (Holt 2004; Kates 2004), electronic markets (Grewal et al. 2001) and marketing channels (Grewal and Dharwadker 2002). For example, Humphreys (2010a) examines the role of social and cultural factors in the legitimation of new markets and examines the strategies used by managers to manipulate the cognitive understandings of the market. She specifically examines the processes which contributed to regulative, normative and cultural cognitive legitimacy of the casino gambling industry and the influence of the media in shaping the conceptions of the industry.

Kates (2004) also used institutional theory in his analysis of how marketers work to achieve legitimacy of their brands within the gay community. He specifically looks at how legitimate brand meanings are cocreated and inscribed on a brand, leading it to be reassessed for legitimate fit. Those that are perceived as legitimate are rewarded, while those that are seen as illegitimate are ignored or even punished by continually reinforcing its illegitimate status in order to achieve its delegitimization - loss of support and acceptance (Berger et al. 1998). More recently,
Scaraboto and Fischer (2013) provide an in depth look at an illegitimate market’s pursuit of legitimacy. They examined how plus-size consumers who are marginalized by the fashion industry seek to change their illegitimate status. Humphreys (2010a), Kates (2004) and Scaraboto and Fischer (2013) examined how the scripts of legitimacy for the industry, brand, or consumer (respectively) evolves. In each case there were a set of actors and actions which were vital to reassessment or reinforcement of the prevailing script of legitimacy. The actions taken by the key actors influenced the conception of legitimacy of that entity. This research looks to add another dimension to the previous works by examining how the scripts of legitimacy for a cultural market changes in order to uncover the key actors and actions which control legitimacy for the market.

These studies shed light on the many issues of legitimacy in marketing theory and practice. Similar to these studies, in the context of cultural markets, perceptions, or scripts, of legitimacy or illegitimacy of the market will be influenced by the type of actions taken towards the market. Actions are inherently symbolic and send off a set of meanings out to the social world. Cultural markets are dependent on these meanings as it will determine if the prevailing script about the cultural market will be reassessed or reinforced. Uncovering who the main actors in this realm are and what actions influence the scripts of a cultural market’s legitimacy is the purpose of this work.

Legitimacy affects all aspects of business, including industry, brands, consumption, markets, and more importantly, marketing practice. Therefore it is important to understand the process of institutionalization of legitimate conceptions into the larger social sphere in order to understand
how these conceptions are shaped by the actors involved. In doing so, one can look to influence the process and shape the current conceptions of the cultural market.

**Institutions and Institutionalization**

Market conceptions become institutionalized when they fall within the boundaries of the institution. “Institutions are comprised of regulative, normative and cultural-cognitive elements that, together with associated activities and resources, provide stability and meaning to social life” (Scott 2008, p. 48). They are socially constructed rules which define the boundaries of legitimate actions, created both by and for the actors within. Institutionalization is “the process by which individual actors transmit what is socially defined as real and, at the same time, at any point in the process the meaning of an act can be defined as more or less a taken-for-granted part of this social reality” (Zucker 1977, p. 728). Institutionalization occurs when these social constructions become habitualized actions or beliefs (Berger and Luckmann 1967) that come to take on a rule-like status among members of a social group (Meyer and Rowan 1977). Once institutionalized, they are legitimate cultural-cognitive conceptions to be transmitted in the social sphere. Thus legitimacy and institutionalization are not mutually exclusive, as institutions define the boundaries of legitimacy.

“The institutional environment refers to the cultural meanings, ideals, and accepted social norms associated with a given society or community” (Kates 2004, p. 456). As these conceptions spread they are not only institutionalized as norms within the social community, but spread out to the larger social sphere as legitimate beliefs. Institutions restrict the opportunities and alternatives which can be “rationally” perceived, but this rationality can be challenged,
influenced or modified (Barley and Tolbert 1997). The degree of institutionalization varies, as does the persistence of an institution (Zucker 1977). The persistence of established ideals is conditioned upon the relationship with other social phenomena (Hughes 1936). Institutions which have a longer history of establishment are of greater difficulty to challenge or influence. In order to understand the institutionalization of legitimate or illegitimate ideals of a market, it is necessary to study it within the social context in which it is embedded.

Institutionalization of existing ideals can either create barriers or help to overcome them. The signs and symbols representing a cultural market and the representation of the cultural market’s value orientations structure the relations between markets within the marketplace. The characterization of these signs and symbols in the marketplace signal the boundaries between cultures, thus structuring their interaction (Barth 1998). The institutionalization of conceptions of the cultural market as legitimate into the mainstream indicates a decrease in the boundaries between markets, thus an increased level of acceptance of the cultural market. As a socially established set of ideals (Hughes 1936), it is necessary to understand this process of institutionalization further and, more specifically, what contributes to the rise and fall of these social constructions.

“Social knowledge, once institutionalized exists as a fact” (Zucker 1977, p. 727), thus it is important to understand how conceptions of a market’s legitimacy are institutionalized into the mainstream. Day (1994) emphasizes the importance of understanding mental models and their influence on market decisions. Mental models, or scripts, provide a guideline for defining the cultural market which can be detrimental when these definitions become taken-for-granted
assumptions. A change in the scripts relating to the current conceptions about the cultural market will alter the institutional environment and its boundaries of action (Barley and Tolbert 1997). As the scripts about the cultural market are challenged due to the changing environment and actions by key influencers or change agents, the prevailing conceptions of legitimacy are shifted. The way that this information is framed affects how it is used in subsequent evaluation (Humphreys 2010b). So as markets change it is vital for organizations to reevaluate the current scripts and subsequent assumptions of a particular market.

Cultural Markets and the Marketplace

Markets are culturally constituted entities (Peñaloza and Venkatesh 2006) which change as the social sphere changes, where new markets are added and others fade away (Humphreys 2010b). These culturally constituted markets can be defined by any number of shared cultural characteristics such as ethnicity, race, social class, lifestyle, gender, age, and sexuality (Peñaloza 2004). Cultural categories are used to distinguish between the numerous cultural markets which make up the mainstream (Burton 2009), for example the Hispanic market, the plus-size market and the LGBTQ market (Tharp 2014). As the marketplace changes, marketers adapt to the changing social landscape and adjust their processes to target these markets (Davila 2001).

The market is the terrain where the relationships between cultures are negotiated (Peñaloza 2004). The marketplace and marketing give visibility and legitimacy to the cultural market. Marketplace actions institutionalize the conceptions of the market by sanctioning certain activities over others. As cultural brokers, marketplace actors are the gatekeepers to the institutionalized perceptions of the market (Cook 2004). Market processes construe and
construct the market as they are an interpretation of and by the mainstream. What may appear to be everyday practices are “guiding the themes of life” (Firat and Venkatesh 1995, p. 249) acting as agents in this modern society of the signified. These conceptions of control govern the interactions in the market by providing the structure of interpretation of the market, in the market (Fligstein 2002).

This market’s legitimacy lies in the “value it creates for the producer, the consumer, and various intermediaries” (Venkatesh et al. 2006, p. 255). Beyond exchange, this value is symbolic and communicated through the signs and symbols represented and communicated within the market and out to the larger social sphere. Marketers play a key role in the legitimation of these values and thus that of the cultural market and their culture (Cook 2004; Peñaloza 1995). Culture is no longer an external factor to be left aside, but rather plays an integrative role (Slater and Tonkiss 2001), thus marketers “must learn to negotiate the shifting surface of cultural knowledge” (Venkatesh et al. 2006, p. 259). In doing so, marketers can impact the direction of the cultural shift. Focusing on markets and the processes that shape them provides a better perspective of how marketing impacts these processes.

Marketers produce cultural meanings though discourse and practices (Peñaloza 2000). Culture is a dynamic system of ideology which is constructed by individuals yet also constitutes the world around them (McCracken 1988). Culture is the blueprint for interpreting actions and conveying what are acceptable mannerisms by members of the culture (Burton 2009). Individuals make up membership in a variety of cultures (Firat 1995). These cultures are sustained by consumption through the goods consumed. These goods serve as carriers and communicators of the cultural
meaning that is constructed in the market (McCracken 1988). The products and services marketers offer to consumers are a symbolic reflection of the marketer’s cultural perception of the market. Postmodern society emphasizes the symbolic over the material (Bouchet 1995). Firat (1995) argues that one must recognize the importance of the “symbolic and the cultural over the material and the economic as the engine(s) of society” (p. 109), as it is the symbols exchanged in the cultural interaction that give value to market since market value is constructed through the meanings infused in its representation.

Cultural transformations are the result of a two-way learning process involving all players in the market (i.e. marketers, firms, consumers, marketplace and society) (Burton 2009). As individuals within these markets transform and adapt to the cultural market system so too does the market. Cultural adaptation occurs as a result of market interactions (Peñaloza and Gilly 1999). The market is where new ideas are diffused among members of the culture (Venkatesh 1995; Ruvalcaba and Venkatesh 2015); thus it is these interactions and the symbols shared in the interactions that determine legitimacy. The marketer’s perception of the cultural market shapes the form of interaction with the market, therefore determining the level of adaptation to the cultural market and acting as a barrier to its legitimacy.

It is important for marketers to gain a deeper understanding of these interaction processes and the forces at stake (Bouchet 1995). Marketers must not only be aware of the impact of their actions on the legitimacy of the market, but also those of the market on themselves. In groundbreaking work on marketer acculturation, Peñaloza and Gilly (1999) examined marketer learning and adaptation to a local cultural market. Their model is based on the interaction of marketer and
consumer cultures in the marketplace and the influence of this interaction. They find that cultural transmission is not only from marketers to consumers but from consumers to marketers as well. In adapting to the cultural market, marketers are also incorporating this culture into their own and thus not only being the changer but becoming the changed.

This work continues in the discussion of market adaptation in exploring the processes which lead to market legitimacy. As marketers adapt to the changing environment they must acknowledge the cultural markets which make up the marketplace or risk being left behind. The growth of cultural markets in the U.S. is a golden opportunity for those who take hold of it. As the largest minority market, the endurance of the Hispanic market is unquestionable.

The Hispanic Market and Marketing

The Hispanic market in the United States has a long history of establishment. Pre 1848, the western states of California, New Mexico, Nevada, and parts of Arizona and Texas were all territories belonging to Mexico. Mexico relinquished these lands to the United States in the Treaty of Guadalupe, but many of the inhabitants of the land stayed in place. This and the close proximity to the U.S.-Mexico border explain the history of concentration of Hispanics of Mexican descent in the west. Whereas the eastern part of the United States has a history of greater concentration of Hispanics of Puerto Rican, Cuban and Dominican descent. Many Hispanics fled their country of origin due to poverty, famine, wars, and political unrest (Gonzalez 2011).
Today, individuals of Hispanic descent are spread out throughout the United States. The Hispanic market has grown substantially, becoming the largest minority in the U.S., and will continue to grow. According to research firm Nielsen’s 2012 State of the Hispanic Consumer report, the future U.S. economy will depend on this market, as will companies wanting to do business in the United States if they want to grow. Thus building a relationship with the Hispanic market is vital for marketers, whether they see it or not.

Though the Hispanic market has always been a part of the United States, the relationship between marketers and the Hispanic market is more recent. Targeting market segments as a marketing strategy did not come into focus until the late 1950s, when Wendell Smith (1956) and Pierre Martineau (1958) published their seminal work on market segmentation in the Journal of Marketing. As market segmentation grew in the 1960s and 1970s, marketers focused on divisions in cultural characteristics such as gender, age, and ethnicity, focusing solely on the Black market. The attractiveness of these markets, and assertiveness in the marketplace, granted them legitimacy as viable segments (Cohen 2003).

The 1970 census was the first time Hispanics were counted as a separate category of peoples in the United States (Cohn 2010). Although this categorization gave visibility to this “new” cultural market, it was not until the 1980s, and more significantly the 1990s, that interest in this market would surge. The challenge was, and still is, the marketers understanding of the market and its purchasing preferences and abilities (Korzenny and Korzenny 2005). Even today, the majority of marketers have yet to take advantage of the opportunity the Hispanic market in the U.S. brings. Most companies which do target the Hispanic market invest a significantly less
amount in their marketing efforts towards the Hispanic market, yet expect comparable results as their other efforts. Many of those that do not target the Hispanic market will bypass it due to negative assumptions about the market.

The portrayal of the Hispanic market in the media further reinforces these images. Hispanic representations in the media are limited to ways which “simultaneously reinforces their inferior status while denying that it exists” through exclusion or stereotypical imagery which supports the institutionalized perceptions of the market (Larson 2006, p. 57). Hispanics are more likely than any other cultural group to be underrepresented and portrayed negatively in mainstream media. News coverage is distorted as reporter’s framing of the market portrays it as an outsider. These images not only influence the mainstream’s perception of the market but also the marketer who is looking for legitimate groups to target. The difficult task of convincing marketers otherwise tends to fall on Hispanic advertising agencies, but with limited resources this proves to be a significant challenge (Chavez 2012).

There have been many advances and setbacks for the Hispanic market and their image of viability. The image of the Hispanic market has been developed through historical, political, and industrial processes. More often than not, the representations of this market are “often in complicity with – rather than as a response or challenge to- dominant hierarchies of race, culture and nationality” (Davila 2001, p.5). Thus the image of the Hispanic market is determined by how it is framed in relation to the dominant market.
The Hispanic market in the United States has a history of being marginalized by marketers due to any number of factors including the marketer’s inability to target this market or their unwillingness to do so. As for those that do, the methods used signal the cultural market’s legitimacy or illegitimacy to the mainstream. For example, using specialized Hispanic media to advertise to Hispanics further isolates the market from the mainstream since the Hispanic market is not included in mainstream discourse. Additionally, the proliferation of stereotypical imagery and association of the market with poverty and criminal activity contributes to the illegitimate image of the market. On the other hand, factors like the establishment of Hispanic organizations such as the Association of Hispanic Advertising Agencies, and the institutionalization of Hispanic culture with events such as Hispanic Heritage Month have contributed to the legitimacy of the market (Davila 2001).

Marketers have the power to shape the conceptions in the mainstream through their discourse and actions. The representations made in the media provide the content from which the mainstream bases their perceptions of legitimacy. Marketers act based on these perceptions of legitimacy in the mainstream, thus bringing it back full circle. Newspapers are a reflection of the mainstream, so the discourse in newspaper articles, especially of the newspapers with the largest circulation, will reflect the sentiments portrayed in the market, by the market, and through marketers. Therefore, this research analyzes newspaper discourse on the Hispanic market in order to obtain an understanding of the processes which contribute to the perception of legitimacy or illegitimacy of the Hispanic market.
CHAPTER 3: RESEARCH METHODOLOGY

This study examines the processes which contribute to the legitimacy of a cultural market and the actions taken by marketers in targeting the market. In order to obtain an understanding of the markets progression of legitimacy, the author conducted a historical analysis of archival data. To assess legitimacy, Dowling and Pfeffer (1975) suggest examining a society’s norms and values which are “reflected in the writing and communication of a society at a point in time” and thus “visible in the communications of a culture” (p.124). “Cultural practices have origins and histories that cannot be evaluated purely on the basis of current practices” (Venkatesh 1995, p. 50). Therefore researchers must not only look at the current economic, political and social environment but also consider a culture’s particular history (Burton 2009). In analyzing the discourse surrounding a particular market one can observe the changes over time which have contributed to the growth or decline of a particular market’s legitimacy.

Data Collection

This study used archival documents to conduct a historical analysis of market legitimacy. Historical analysis is a process of investigation, synthesis and interpretation (Smith and Lux 1993). First one must identify and evaluate the appropriate sources of information. Then the information is analyzed for common themes and synthesized into smaller groupings. Lastly, these themes are evaluated and interpreted in an iterative process going between the data and the literature (Golder 2000; Smith and Lux 1993). Using a historical method to study marketing phenomena is not new (Golder 2000; Savitt 1980; Smith and Lux 1993; Humphreys 2010a). Analyzing archival documents is a way to understand patterns of change (Smith and Lux 1993).
The discourse about a market provides evidence as to its authenticity and viability (Davila 1999); therefore changes in public discourse should be considered when studying the legitimation process (Humphreys 2010b). The media is the “primary source of information about the world outside of our immediate surroundings” (Larson 2006, p. 14). It is the vehicle through which social actors acquire meanings from the representation of cultural values, norms and ideologies (Hirschman 1998). These representations have the power to shape the boundaries between markets and transform the dominant ideology. The representations of cultural markets in the media also shape the interaction between marketers and the market. Often times, what is presented in the media are constructed in compliance with current norms, rather than as a response to the changing marketplace. Authentic or not, these conceptualizations produce a cultural identity that is reproduced, without question, throughout the social sphere (Davila 2001). Therefore the legitimacy of the market is played out in these representations which affect its perceived viability for large-scale action (Cook 2004).

To study the cultural market legitimation processes, this study focused on the Hispanic market in the United States. The history of existence of the Hispanic market in the U.S. makes it an interesting case of cultural market legitimacy. Throughout time there have been markets that were originally not recognized as essential to target but who are now vital to an institution’s survival (Cohen 2003). Thirty years ago the Hispanic market was not recognized as important, but now, it is crucial to an organization’s continued existence and a key market for the US economy.
The media serves as both “an indicator of legitimation by society-at-large and as a source of legitimacy in their own stead,” (Deeptune and Suchman 2008, p. 8). Thus the discourse in the media is influential on the social perceptions of a market, whether the market is constructed of women, children, blacks, LGBTQ, or in this case, Hispanics. As economic institutions which shape the American marketplace (Tharp 2014), it is vital to understanding the rise of cultural markets in the cultural context in which they are situated, and more specifically, the role of marketers in this process.

In accordance with prior studies on legitimacy, this study looked at the historical discourse about the Hispanic market in order to gain an understanding of the evolution of its legitimacy. Historical documents are symbolic representations of “something that was once real” (Gottschalk 1950, p.42). Newspapers are the most reliable public source (Gottschalk 1950) and the most relevant as a reflection and influence of public perception (Humphreys 2010a). Therefore newspaper articles were chosen for the analysis.

This study analyzed newspaper articles from two newspapers which are among the top in nationwide circulation in the United States, The Wall Street Journal and USA Today. These newspapers were chosen due to their circulation and broad coverage of information. Using the LexisNexis and ProQuest database, the author reviewed newspaper articles from 1984 to 2010 which contained both the words “Hispanic” and “Market” within the title or text. The initial search resulted in over 1700 articles. After a cursory read of the articles, those which did not
discuss the Hispanic market, for example those discussing issues of policy and immigration, were discarded. This left the final data set at over 700\(^1\) articles.

**Data Analysis**

The 700+ articles were copied over to the Dedoose database for analysis. Dedoose is a qualitative and mixed methods data analysis software developed by academics at the University of California Los Angeles. The software provides all the features necessary to qualitatively code and analyze data and write memos, as is customary when conducting grounded theory. The Dedoose database was used to code the articles with one or more of the 104 applicable codes and write over 70 memos based on the insights from the coding. These codes were used over 10,000 times to identify data from over 3,000 excerpts highlighted in the data.

The articles were analyzed using the grounded theory methodology as specified by Corbin and Strauss (2008). Grounded theory is a methodology for theoretical development which is grounded in the data in order to capture meanings and processes, and develop concepts. Conducting analysis that is grounded in the data allows the researcher to examine the formation and implications of cultural meanings and processes within the larger sociocultural context.

Grounded theory analysis is the deconstruction of raw data and then the reconstruction of that data into theoretical insight. It involves identifying relevant documents, conducting open, axial, and theoretical coding, writing memos, and constructing theory from the analysis (Corbin and Strauss 2008; Charmaz 2006). This is an iterative process in which the researcher must

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\(^1\) Exact counts of the final number of articles and excerpts coded cannot be given due to a technological error by the Dedoose corporation which removed the exact numbers from the database.
continuously move between the literature and the data in order to obtain theoretical interpretation.

Using grounded theory to analyze the historical data was the best way to interpret the discourse and achieve insight into the processes, and more specifically the actions, which contribute to the legitimacy or illegitimacy of the Hispanic market. The initial process begins with identifying and gathering rich data. Of course there are limitations to any type of data collected and newspapers are no exception as these are media written by an individual for a pre-determined audience. Nonetheless, as mentioned above the use of newspaper discourse as a viable, rich source of data reflecting public perception is widely documented. Therefore, the adoption of this data source is valid and follows along the lines of previous studies of legitimacy.

Grounded theory analysis of data requires segmenting the data into meaningful categories or codes (Charmaz 2006). “Coding means categorizing segments of data with a short name that simultaneously summarizes and accounts for each piece of data” (Charmaz 2006 p.43). Coding is conducted in order to assist in analytic interpretations of the data. Once the data is collected it is analyzed through three levels of coding: open, axial, and theoretical.

Open coding is the initial labeling of the data by categorizing the data in precise terms. It entails a thorough line-by-line reading of the text in which any actions are coded at a basic level to reflect what is happening in the data. In doing so, the researcher is the instrument of interpretation, asking oneself “what is happening here?” and grounding those interpretations in the data. These initial codes are meant to be as close to the data as possible. Below you see an excerpt from one
the articles on the Hispanic market, and the particular codes applied to describe what was discussed in segmented categories.

Here is the original excerpt from the data:

“Last year when Campbell Soup Co. launched a major assault on the Hispanic market, it used three different ad campaigns on Spanish-language television: one aimed at Hispanics of Caribbean origin, another for Mexican-Americans, and a third that mixed elements from the other two.” (Wall Street Journal, February 18, 1988)

The following codes can be applied to provide a better description of what is going on in the data. Many of the codes are sub-codes of a larger categorization.

- Segmenting within the Hispanic Market (sub-category under Strategy, under the category Targeting the Hispanic Market)
- Spanish Advertising (sub-category under Strategy, under the category Targeting the Hispanic Market)
- Using “Hispanic” Elements in Targeting (sub-category under Hispanic Advertising)
- Diversity of the Hispanic Market (sub-category under Description of the Hispanic Market, under the category Hispanic Market)
- Growth of Hispanic Targeting (sub-category under Hispanic Advertising)
The codes can be applied to the previous excerpt in the following manner:

“Last year when Campbell Soup Co. launched a major assault on the Hispanic market, it used three different ad campaigns on Spanish-language television: one aimed at Hispanics of Caribbean origin, another for Mexican-Americans, and a third that mixed elements from the other two.”

This excerpt gives insight into what will later be more specific categorizations of the data. Throughout the coding process, the researcher develops ideas for interpreting and analyzing segments of data. As themes begin to appear there is a larger categorization of the codes as relationships between the concepts begin to form, which is considered axial coding (Corbin and Strauss 2008). Axial coding entails the categorization of the data into broader concepts. In this process the relationship between concepts and categories is investigated further. Open and axial coding go hand-in-hand as the researcher is moving through the data and making the connections while coding. Lastly theoretical coding is the final interpretation of the relationship between categories of data into a theoretical understanding. While open and axial coding breaks the data apart into individual categories, theoretical coding brings them back together to weave the story in the data (Charmaz 2006).
For example, the growth of Hispanic targeting can be conceptualized in terms of the type of actions marketers take. Segmenting marketing strategies show an identification of the Hispanic market as heterogeneous market instead of the more generally accepted homogeneous “Hispanic” market. Connecting this with the literature, it is discussed that the identification of the Hispanic market as one market has been a large issue in targeting this market, not only for marketers, but also for the Hispanic market and its legitimacy. The representations in advertising campaigns have characterized the Hispanic market as one homogeneous market and these images are reproduced over and over again in the media and society. This is an issue for the Hispanic market’s legitimacy, when their image in the media is a misrepresentation which is being reproduced over and over again (Davila 2001). Therefore, the use of heterogeneous marketing strategy towards the Hispanic market not only provides a sense of change in the industry, but gives visibility to a more accurate representation of the market, contributing to the legitimacy of this representation of the Hispanic market. But for this excerpt in particular, the strategy was used exclusively in Spanish-language television which prevented this evolved image of the Hispanic market from being seen by the mainstream market.

The analysis of codes and excerpts such as this one led to the identification in this research of the importance of the marketing processes of Marketing Communication and Communication Media to the cultural market’s legitimacy. The portrayal of the Hispanic market in the media represents an image which is portrayed as legitimate in the mainstream. As marketers learn more about the market and adjust their methodology, they have the ability to change the currently established image. But if the mainstream is not exposed to the evolved images, the cultural market will
continue to be portrayed as the established representations. Thus the only legitimate images in the market will be those in the mainstream.

As this and other processes which impact the script of legitimacy for the cultural market were identified, a greater categorization was achieved which distinguished the level of impact: industry, market and societal. At the industry level, a set of processes were identified as those which change the structure of the industry actions towards the cultural market. These processes help to shift the current state of the industry into a reformulated one, indicating a paradigmatic shift in the institution, where the industry does not return to its previous state. This is seen, for example, in the opening up of industries to new markets. In this case, industries must be restructured to accommodate the additions, a change which becomes institutionalized as the new definition of the industry, thus the old becoming obsolete.

A second set of processes were identified as having impact at the marketing level, where marketer actions in particular are the agents of change. In this case, marketing actions give shape and visibility to the institutionalized scripts of legitimacy which are then transmitted, interpreted, and reproduced throughout. Like a pebble in a pond, individual action has implications and consequences, many of which marketers have control over. For example, the imagery produced in and by marketing actions delineates the legitimacy of the cultural market to the industry, marketers and to society.

Lastly, a third set of processes which influenced the legitimacy of the market were found at the societal level. This level dealt with the normative conceptions of the cultural market and its
integration as a member of society. The acceptance of the cultural market as a participant in societal norms as well as the adoption of cultural market factors as a societal norm indicate a level of integration of the market as a legitimate entity in society. The discussion below details each of these processes and the actions in particular which contribute to the legitimacy of the cultural market.

CHAPTER 4: FINDINGS

INDUSTRY, MARKETING, AND SOCIETAL LEGITIMATION PROCESSES

Through the analysis of the data an understanding was developed as to the legitimation of the cultural market. In the general market, the cultural market is legitimized through a combination of industry, marketing and societal legitimation practices which shape the perceptions of the market, practices towards the market, and discourse about the market (see Figure 1 in Appendix A). Industry processes reflect a change in the structure of practices towards the market, marketing processes reflect a change in the actions towards the market, and societal processes reflect a change in the normative understanding of the market. By understanding these processes, a marketer can look for ways to contribute to the legitimacy of the market in each area of practice. Table 1 in Appendix B provides a breakdown of each of the processes discussed below.

Legitimation by the Industry

An industry is “a population of organizations operating in the same domain as indicated by the similarity of their services of products” (Scott 2008, p. 86). The industry gives legitimacy to the cultural market as it changes the structure of institutionalized practices towards the market.
There are several practices an industry adopts which contribute to the perceptions of the market as a legitimate or illegitimate institution. These are not mutually exclusive and in fact may go hand-in-hand.

*Recognition by the Industry.* The first step in conveying the viability of a cultural market is acknowledging its existence. Industry participation gives the cultural market visibility to the industry, to marketers, and to society. As industry participation increases, so does the validity of the market as a legitimate entity (Cook 2004). Industry acknowledgement of the market includes the addition of a new industry practice which was previously not deemed viable. An excellent example of this is the addition of specialized magazines for the cultural market by the publishing industry. The excerpt below from a 1997 article in USA Today discusses this change in the industry.

“After years of hesitation, several major publishers have launched (minority targeted) magazines. In the past, target marketing in the magazine industry pursued other niches, mostly interests such as computers, golf or home decorating.

Experts say the rising numbers and corresponding buying power of black and Latino consumers has spurred a push to target those markets in magazines, marking a major turnabout in the publishing industry. The market for Asian-oriented publications also is strong.
The trend is demonstrated with titles such as Moderna, Latina and Latina Style, aimed at Hispanic women, a long-ignored but growing segment of the U.S. consumer market.

"Historically, print advertising has been the stepsister of Spanish marketing, which was dominated by TV," says Alfredo Estrada, chairman of Hispanic Publishing, which launched Moderna this year. "Ten years ago it was missionary work; there was a lot of resistance to it. The new magazines give the market a seal of approval, but the ad budgets aren't going to rise that quickly to meet the supply." - (USA Today, May 22, 1997)

This excerpt highlights the change in the industry due to the growth and visibility of the Hispanic market. This was a practice not previously considered viable, as seen by the hesitation of major publishers to enter this market. But the significant visibility of the Hispanic market’s growth and reports of its purchasing power are hard to ignore not only by the publishing industry, but also such industries such as real estate, entertainment, education, and financial. A 1994 article in the Wall Street Journal discusses the change of the real estate industry from targeting only the mainstream to adding Hispanics as a target market. The saturation of the mainstream housing market had real-estate agents and mortgage lenders looking elsewhere and the allure of the growing Hispanic market was gaining ground in many industries. Jesse Diaz, a Hispanic owner of a real-estate business in Dallas, states, “It all comes down to green,...A lot of people are realizing that there's green money out there in the Hispanic community. And all of a sudden, doors are being opened to us that were closed three years ago” (Wall Street Journal, November
30, 1994). This realization of the Hispanic market as a viable market for real-estate led to a boom in agents and lenders targeting this market. Although it also brought about increased competition, the size of the Hispanic market indicates there is much room for growth of the industry.

The shift in an industry’s focus by entering a new market and creating new avenues to target the cultural market, as the addition of Hispanic targeted magazines by the publishing industry and opening up of the housing market for Hispanics, signals the viability of the market and its legitimacy as a viable target. Once the industry opens up there is a growth of new entrants wanting to cater to this market. It is the initial step which industry leaders are hesitant to take, but once they do it gives the market visibility which can lead to significant growth in that industry. For the marketer, the advantage of opening up this new industry is being on the forefront of this growth.

**Institutionalization of Market Practices.** Formalizing institutional practices is a way to legitimate entities by giving legitimacy to the actions towards the market. The sharing or imitating of practices in an industry opens them up to objectification which normalizes these practices (Berger and Luckmann 1967; Tolbert and Zucker 1983). By incorporating the cultural market into norms of practice, the industry is institutionalizing the practices towards this market and thus the legitimacy of such practices. The formation of professional or trade associations further provides a normative structure of practices for the industry to adhere to. An example of this in the Hispanic market is the formation of the Association of Hispanic Advertising Agencies in 1996. Hispanic advertising agencies formed this group in an effort to “raise their status in the
industry and increase their market share...raise professional standards, expand the use of technology and define the image of Hispanics in advertising” (Wall Street Journal, August 7, 1996). Industry professionals look to these associations for guidance, institutionalizing these practices as legitimate actions towards the market.

Another example of the change in market practices in an industry towards the Hispanic market is in the real estate industry. This realization of the Hispanic market as a viable market for real-estate led to a boom in agents and lenders catering to this market. This also led to a shift in practices used in the industry as lenders adjusted their methods to meet the different needs of this market, such as accepting alternative forms of credit history and proof of income. For example, an article about this change in real estate industry practices states, “Banks have become more flexible in working with Hispanics to qualify them for loans... Now, banks and mortgage lenders are accepting utility bills and rental histories as evidence of good credit....(and) brokers report recent success in convincing some banks to accept letters from employers attesting to steady employment and income” (Wall Street Journal, November 30, 1994). The spread of adoption of these new forms of practices towards the Hispanic market institutionalizes these practices giving them a normative legitimacy. Even the government has influenced the shift in practices by increasing pressure on banks to lend to minorities and providing translated versions of the legal forms used in the industry. By getting involved with the industry practices towards the market, the government is contributing to the regulative legitimacy of these practices. Institutionalizing these practices towards the Hispanic market supports the legitimacy of the market.
As industry practices towards the cultural market grows, formal rules, definitions, and practices towards the market become established as legitimate normative practices. Adjusting current practices or instituting new practices to meet the needs of the cultural market signals the importance of the market for the industry. Institutionalizing these practices towards the market supports the legitimacy of the market as a viable entity.

Specialized Industry Participation. As the industry recognizes the cultural market and institutionalizes practices towards it, there is an increase in interest in targeting this market through dedicated avenues. Specialized industry participation is the formation and/or use of channels specifically made for the cultural market. These do not exclude access by the general market, but in general these are avenues not used by the mainstream market. As this practice grows, the emergence of more targeting avenues is a testament to the industry acknowledging the importance of the cultural market, adding to its legitimacy as a viable market for marketers to pursue (Kates 2004).

Broadcast media is a perfect example of this. Radio and television were some of the first industries to target the Hispanic market by creating specialized radio and television stations, albeit on poor reception channels, but none-the-less they were created. As targeting the Hispanic market gained ground, more and better avenues were created in the broadcast industry. The entrance of big players in broadcasting further solidified the legitimacy of the Hispanic market, as exemplified by the following statement from a 1988 article in the Wall Street Journal discussing CNN’s entry into Spanish-language broadcasting. “The entry of Turner Broadcasting System Inc.’s CNN into Spanish-language television is the first by a major English-language
television programmer. It is yet another sign of the coming of age of the U.S. Hispanic market“ (Wall Street Journal, June 2, 1988). This “coming of age” description was used time and time again when discussing the growth of the Hispanic market and, more specifically, the growth of industries targeting this market.

The association between major corporations targeting the market as a symbol of the market’s legitimacy was not only seen in the broadcasting industry. Similar to the changes in broadcast media, publications in Spanish also saw increased participation from large corporations looking to target the growing Hispanic market. Though these changes began several years after broadcast media it expanded quickly as the number of participants in the industry grew. Spanish-language newspapers saw a rise in the launching of new publications targeting this market, as this discussion in USA Today in 1993 illustrates. “Advertisers who target Hispanics have been putting most of their ad dollars into television, "but we’re starting to see some movement in print," says Randy Ransom, vice president of Mendoza Dillon, a Hispanic ad agency in Newport Beach, Calif.... The advent of slick, colorful, professionally printed and written publications by big media companies is bound to boost interest in the Hispanic market, Ransom says. That's why most of the existing independent Spanish-language press - as many as 400 small weeklies and biweeklies and a few dailies - welcome the newcomers. "Some are scared that all the independent Spanish-language media are going to be wiped out by Anglo media giants," says Alejandro J. Aguirre, deputy editor and publisher of Miami’s Diario Las Americas. But he sees the giants lending legitimacy to the Spanish-language market among advertisers” (USA Today, August 31, 1993). This excerpt also makes the assertion that the participation of large corporations in a specialized industry gives legitimacy to that market.
Both examples provide insight into how participating in a specialized industry, in these cases Spanish-language broadcasting and publications, symbolize the growth, maturity, and, most importantly viability of the industry and of the market. The association of large mainstream corporations with these industries provided even greater legitimacy to the market than simply the development of these targeted avenues. Though participation in these avenues contributes to the legitimacy of the cultural market by symbolizing its legitimacy, these specialized avenues have less visibility than mainstream avenues.

*General Industry Participation.* General industry avenues are used when specialized avenues are not enough or not the right fit to target the cultural market. As the cultural market grows and integrates with the mainstream market, using mainstream avenues is necessary in reaching this market. In this case, there is an acculturation (Peñaloza and Gilly 1999) of the industry by accepting that general avenues are acceptable avenues, even if viewed by all market participants. This can get tricky when companies are unsure of the general market’s reaction to marketers targeting this cultural market through these avenues, but it can also be done in ways that reflect the interests of both the mainstream and the cultural market (Kates 2004).

With the growing Hispanic market becoming a greater part of the population in many areas, industries are realizing this is large part of their potential customer base. This is especially important for industries which rely on the local surrounding market for revenue, such as with the sports industry. In an effort to lure Hispanics, sports teams are looking for ways to attract locals to the games by including them in their general market efforts and making changes to meet this market’s needs. The Florida Marlins understand the importance of the changing dynamics of the
marketplace, especially since Miami is more than 50% Hispanic. In 1996, the Marlins acquired four Hispanic players in an effort to not only build a winning team, but in doing so construct “a roster that reflects the Hispanic...diversity of Miami.” Additionally, in an effort to attract Hispanics to the stadium, “Stadium announcements and scoreboard messages also will be made in Spanish this season for the first time...Now, we're 'Latinizing' the whole organization” (USA Today, February 4, 1997). This ‘Latinizing’ of the organization reflects a fundamental change in the philosophy of the organization. The response of this franchise to the changing market dynamics exemplifies its acculturation to the changing market in an effort to attract its consumers by acknowledging the new structure of their target market. Other teams have also acknowledged the importance of the Hispanic market and made changes to their rosters and their interactions with the market. This fundamental change in the way business is done, to the point where the industry must acculturate to meet the needs of the market, reflects the importance of the cultural market and its legitimacy as a viable market.

Industry Exclusion. Lastly, an industry can also contribute to the illegitimacy of the market through its actions, or in some cases inaction. Not including cultural markets as targets in an industry highlights their lack of legitimacy as a viable market (Scaraboto and Fischer 2013). As these images spread and these practices become institutionalized, it becomes more and more difficult for the cultural market to change industry practices, as is illustrated in Scaraboto and Fischer’s 2013 study of the fashion industry’s lack of options for plus-sized consumers.

For the Hispanic market, not targeting this market is something that the financial industry was very adamant about. Their stereotypical perception of this market as “destitute” created a bias
against this market (Davila 2001, p. 46). Lack of targeting by the financial industry resulted in more than just a dearth of options. A report by the National Council of La Raza found that “research comparing Hispanics and whites who had comparable financial profiles found Latino buyers were less likely to receive financing and down-payment assistance, and were more likely to be told they qualified for smaller loans than their white counterparts. As many as half of all subprime borrowers who are Latino actually could have qualified for lower-cost prime credit...and the physical absence of prime lending institutions in Hispanic communities paves the way for unscrupulous lenders to set up shop” (Wall Street Journal, May 25, 2005). The financial industry institutionalized these practices, thus promulgating the image of the market as nonviable. This explains why this practice of exclusion is still being practiced today even though the latest research has uncovered the erroneous misconceptions about this market.

**Legitimation by Marketing**

Marketers contribute to a cultural market’s legitimacy by constructing its image through their actions towards and discourse about the market (Davila 2001). Marketing tactics help to define the image of a market through targeting, market communications, promotions, product offerings, and the communication media used. Also important is the discourse about the cultural market from the marketer, specifically the image marketers generate about the market in order to justify marketing practices. As these actions change there is a change in the perception of the market as legitimate or illegitimate. The following section elaborates on these further.

**Targeting.** First of all, acknowledging the existence of the cultural market signals its viability as a target market to other marketers, to the target market, and to the larger social system.
public recognition by the marketer through its targeting actions not only signals viability, but shapes the perceptions of this viability (Cohen 2003). The greater the number of firms adopting practices towards the cultural market, the greater its legitimacy (Tolbert and Zucker 1983). Similar to celebrity endorsement signaling the legitimacy of a product, credible firms signal the legitimacy of a market. Identifying with legitimate figures, such as brands do with celebrities or organizations do with powerful figures, is one way of increasing legitimacy (Galaskiewicz 1985).

When small, lesser-known companies provide products or services to a cultural market, there is less exposure to marketers so few will pursue the market. When a large firm such as Wal-Mart targets a market, there is greater visibility and therefore a greater perception of legitimacy, so more competitors will enter the market. An example of this is the increase of the “3 Kings Day” celebrations in the United States. Although it is traditionally celebrated in several Latin American countries, Wal-Mart began adopting the Christian tradition for sales promotions in 2007. Kmart also adopted the tradition and Juan Pablo Quevedo, research director for Images USA, a multicultural marketing firm in Atlanta whose clients include Sears and Kmart, says it is expected other “retailers will follow Wal-Mart’s lead...With Wal-Mart coming into the scenario, things are going to change” (USA Today, January 2, 2008). This excerpt illustrates the impact of key market influencers, such as large retailers with celebrity status, on marketer’s decision to target a market.

Acknowledging the cultural market as a viable target signals its legitimacy to others in the industry. As the number of market entrants grows, so does this perception of the market, and
even more so when industry leaders enter the market. Giants in the industry, such as Wal-Mart, set the standard for others to follow. Others look to these powerful figures for guidance on market actions. Their legitimacy as an industry leader gives legitimacy to their actions, therefore the decision to target the cultural market and cater to their needs indicates this market is legitimate to target.

*Marketing Communications.* Marketing communications, such as advertising, promotes a market’s viability in certain sectors of the market and its image to the target and general market (Chavez 2012). The image of a cultural market and their viability as a market in marketing communications can be looked at from two dimensions: the portrayal of the market in communications and the inclusion of the market in marketing communication imagery.

The portrayal of cultural markets in marketing communications, and the media in general, has long been a battle. Stereotypical representations of Hispanics, Blacks, LGBTQs, and others are not only abundant, but difficult to change since the persons making the decisions do not accept alternative portrayals (Davila 2001) and will ignore consumer dissent at the portrayals. For example, Taco Bell’s use of a Spanish speaking Chihuahua spokesdog in their advertisements was met with criticism by Hispanics who objected to “being symbolized by a bilingual canine” (*USA Today*, October 22, 1998). Although even prominent Hispanic figures such as Mario Obledo, president of the National Coalition of Hispanic Organizations, objected to the ads, the criticism did not faze Taco Bell who continued with their strategy (*USA Today*, January 11, 1999).
There are also positive portrayals of Hispanics by marketers. In 1989, Coca-Cola produced its first ever image ad that included Hispanics. “The ads feature "role models" talking about their Hispanic heritage. The theme is Descubrimiento ’92: Herencia y Futuro (Discovery ’92: Heritage and Future). It's tied to the 500th anniversary of Columbus discovering America, to be celebrated in 1992. Some of the ads are in English, some in Spanish - and some are bilingual. Unlike product ads, they don't sell Coke soft drinks. Instead, they aim to polish Coke’s image among Hispanics. "It's a salute to 500 years of Hispanic contributions to the (USA’s) discovery, growth and development," says Yvonne "Bonnie" Garcia of Coca-Cola USA. The ads, by Sosa & Associates of San Antonio, will run through ’92” (USA Today, August 3, 1989). In this case, Coca-Cola portrayed the Hispanic market not only as a part of society, but as a contributor to society. This type of portrayal educates the market against the more stereotyped image of Hispanics as a threat to society (Chavez 2008). Communications such as these which portray the Hispanic market in a positive and inclusive light contribute to a positive legitimate image of this market. But this ad is a rarity as this type of portrayal of Hispanics was and still is uncommon. The inclusion of a cultural market in the imagery used in marketing communications validates the market as not only viable but as having favorable characteristics for a company to be aligned with (Scaraboto and Fischer 2013). As cultural markets gain visibility in the marketplace, they are recognized as persons with needs and desires that can be satisfied by marketer’s current products, thus fitting with their perceptions of a viable market. The growth of communications which include imagery of the cultural market helps overcome stereotypes in the mainstream and change the perception of the market to a legitimately viable market. As firms business by the Hispanic market increases they are “pleasantly surprised” to find their perceptions of the market were in fact misconceptions (Wall Street Journal, November 30, 1994). This leads to increased
communications by more market entrants and thus contributes to the image of viability of this market as a legitimate target.

A recent example of this is in the financial industry where communication of products and services using Hispanic imagery is on the rise in an effort to target undocumented Hispanics. This is a segment of the Hispanic market which has negative stereotypical connotations with strong political undertones due to their undocumented status. As the viability of this market becomes clearer, the perceptions of the market change and more businesses use imagery of the Hispanic market in their marketing communications. A 2006 article in *USA Today* discusses this issue of undocumented status and its impact on the perceptions of the market in saying, “Critics may see illegal immigrants as lawbreakers and threats to the U.S. economy. But some banks, health insurers, retailers and other businesses see millions of potential consumers, taxpayers and homeowners.” Additionally, Ernest Bromley of Bromley Communications, an advertising firm in San Antonio, points out, “businesses aren't law enforcement agencies, and it's not illegal to sell products to undocumented immigrants” (*USA Today*, May 11, 2006). The illegality of their undocumented status colors the markets perception of this cultural market, but that image is changing as the power of this market becomes clear. “Rob Paral, a demographics researcher in Chicago, says that, contrary to stereotypes, undocumented immigrants make up "an untapped market of economic actors" who are stable, family-oriented consumers. In a study for the National Association of Hispanic Real Estate Professionals, Paral estimates that 231,000 undocumented immigrant households can afford to buy homes -- a $44 billion economic boon if they had mortgages” (*USA Today*, May 11, 2006). This changing attitude coupled with data which suggests the purchasing power of undocumented Hispanics is on the rise has led to an
increase in marketing communications which include this market in its imagery, thus increasing its perception of viability.

Marketer’s communications about markets and to markets influences the perception of the cultural market as a legitimate market. How the cultural market is portrayed in marketing communications affects its image as a potential consumer of a marketer’s products. The portrayal of stereotyped images in marketing communications reinforces these perceptions of the market where, though erroneous, they appear to exist as fact. The use of positive images and associations of the cultural market in marketing communications combats the ingrained negative perceptions and increases the image of legitimacy of the market. The increase of marketing communications aimed at the cultural market increases the visibility of the market, validating it as a legitimate target for others in the same industry.

Product Offerings. The types of products or services promoted to cultural markets publicize an image of inclusion or exclusion of the market from the mainstream (Davila 2001; Scaraboto and Fischer 2013; Kates 2004). Recognizing cultural markets as consumers of general market products removes stereotyped perceptions of this market. This can be seen, for example, in the rise of sports marketing aimed at the female audience. When a sport that typically thinks of its audience as white males, such as the NFL, targets these non-traditional audiences with their products or services, it increases their viability as consumers of these items and thus as a viable target market.
Industries with products most commonly associated with a certain market with a set of common characteristics have difficulty looking beyond their customers to potential markets. In not doing so, these businesses are not only missing out on an opportunity, but potentially putting themselves at risk of stagnant or negative growth by not changing with the marketplace. A 2004 article in the Wall Street Journal addresses this issue in the ski industry. “For a sport deemed wither than snow, targeting minorities is a revolutionary concept. But after more than two decades of stagnation, the ski industry is starting to realize that it has to go multicultural to grow,” though this change has not been so easy. Roberto Moreno started a nonprofit organization to give minorities better access to snow sports. In trying sell this concept to “an industry used to luring mainly deep-pocketed destination skiers,” he finds “Executives of ski companies initially “looked at me puzzled and rejected the notion that we should become more diverse.” Increased knowledge of the marketplace has changed these views and ski resorts are reaching out to minority populations, especially in areas such as the Mountain High ski resort which is a 75-minute drive away from Los Angeles. “Marketing with messages that resonate with minorities will be vital. The brochure for Mountain High features photos of Latinos, Asians and blacks on the slopes” (Wall Street Journal, December 22, 2004). In offering products to “non-traditional” markets, marketers are not only taking advantage of the opportunity, and thus helping themselves, but giving legitimacy to the market as a viable target for these products. This is especially important in industries where the perceptions of the cultural market are different from the product’s defined target market. Thus targeting this market with the product opens it up to changing the perceptions of it as viable for this and similar products.
Communication Media. Communication media are the most prominent way to give visibility to a market. The use of general targeting media, such as national networks, or specific media, such as targeted television or radio stations, provides marketers with the means to either include the market with its general market communications or focus on specific targeting media. The decision to choose mainstream or specific media is complicated by a variety of factors including marketer’s perceptions of the cultural market and fear of reaction from the mainstream market. As cultural intermediaries, marketers are the bridge between the cultural market and the mainstream (Chronin 2004), therefore their choice of practice will either contribute to or challenge the current perceptions of viability of the cultural market.

One of the most visible formats of communication in the United States is the television. Marketers have been slow to adopt the idea of targeting the Hispanic market on network television channels using Hispanic actors and/or bilingual advertisements. Exceptions include Coke, Pepsi, and Procter & Gamble who have run bilingual ads on network television and featured prominent Hispanic entertainers such as Salma Hayek, Ricky Martin and Shakira. Coca-Cola produced its first bilingual commercial for national television in 2003 and starred Hispanic actress Salma Hayek. A 2003 USA Today article discusses the coke ad as an increasing trend and its impact on the market.

“The ad extends a trend for big-name marketers to incorporate Hispanic messages and personalities into mainstream ads. Recent experience has shown that such commercials have strong appeal to a wide base of consumers.
“When you're talking about Salma Hayek, you're reaching a great portion of the market -- and further validating the Hispanic marketplace,” says Manuel Machado, CEO of Miami-based Machado/Garcia-Serra Publicidad and president-elect of the Association of Hispanic Advertising Agencies. “We're seeing more companies looking at crossover work” (USA Today, September 22, 2003).

As this excerpt exemplifies, marketers that are treading into this new arena are not losing out as was originally thought. The fear of alienating current audiences by communicating to Hispanic audiences through mainstream media was greatly emphasized in several of the articles. This fear was and is not unfounded as the articles and also recent events have proven companies do risk receiving backlash from their current customers when their activities fall outside of the current norms. This excerpt also speaks to a change in the norms where messages using Hispanic images are accepted and even appeal to the mainstream audience. Targeting the Hispanic market through the mainstream has gained normative acceptance in certain industries. As more images such as these infiltrate mainstream messages they will come to be seen as normative of the mainstream, thus granting legitimacy to these actions and in turn to the market.

**Marketing Discourse & Motives.** As a reflection of society, the discourse in newspaper articles is a telling interpretation of marketer’s strategy towards a cultural market. Through these discussions, one can see what factors made the cultural market legitimate for marketer action. These discussions provide a vision of the market and its legitimacy which is broadcasted out to society (Larson 2006). Discussions on reasoning, motivation, influencers and justification for
action (or not) towards the Hispanic market were plenty. From the discussions, there were three specific levels at which marketers validated their actions towards the market: 1) Market-Level Factors, 2) Company-Level Factors, 3) Society-Level Factors.

**Market-Level Factors** include any discussion of the characteristics of the cultural market as motivation for the marketing strategy. As the shift from mass consumption to market segmentation gained ground, characteristics of markets became vital indicators in choosing a marketing strategy. Initially, characteristics such as social class, income, gender and age were the key defining factors, but as knowledge about different market segments grew so did the marketing strategies. For the Hispanic market, the size, growing middle class, buying power and geographical concentration made it an attractive market. Targeting this market ascribes legitimacy on the market by showing its worth (Cohen 2003). Market-level factors give marketers legitimate grounds to justify their actions towards the cultural market, thus giving legitimacy to the viability of the market. For the Hispanic market, these conversations usually revolved around discussions of size of the market, growth of the market, economic disposition of the market, purchasing power of the market, and location of the market.

There was a spike in the focus on these characteristics every time the results of the United States census came out. This discussion in the *Wall Street Journal* in 2001 talks about the impact the census numbers have on Hispanic marketing, especially for companies seeking advertising dollars for the Hispanic market.
“"It's almost as if our industry hired the Census Bureau to do our public relations," says Tom McGarrity, Univision's president of network sales. "Companies can't overlook the Hispanic market now. They can either consciously ignore it and justify their decision to do so, or they must design a plan to address it."

...After the Census Bureau in early March revealed there were three million more Hispanics in the U.S. than the 32 million it had previously estimated, "we sent an e-mail to every client we had," says Warren Harmel, managing partner of Dieste & Partners Publicidad, a Dallas agency. Mr. Harmel's presentations to prospective clients now include the nugget that the Hispanic population grows by 2.5 people every minute.

"This is a wake-up call for corporate America," adds Daisy Exposito, the president of the Bravo Group, a New York-based Latino advertising agency owned by Britain's WPP Group.” (Wall Street Journal, April 24, 2001).

According to the Hispanic entertainment executive and the Hispanic advertising agencies, the data on the characteristics of the Hispanic market are grounds for action. The census data is used to give legitimacy to the Hispanic market as a viable target. The influence of this data in marketing is also currently being seen with the perception of undocumented Hispanics in the U.S. While this market is still perceived through stereotypical ideals with political undertones,
research has uncovered that “contrary to stereotypes, undocumented immigrants make up ‘an untapped market of economic actors’” (USA Today, May 11, 2006).

The perception about the viability of these markets changes as more information is revealed about the characteristics of the cultural market. These characteristics contradict the current normative perceptions of the market and the data yields legitimate proof that these perceptions are incorrect, thus giving legitimacy to a new perception of the market’s viability.

**Company-Level Factors** are those in which the discussion about the cultural market focuses on the value for the company, usually relating to issues of financial necessity and company growth. The growth of the Hispanic market has created new business opportunities for marketers. It has also created a competitive advantage for businesses which embrace the Hispanic market, especially in industries which serve the Hispanic market such as transportation or insurance industries. Companies are finding out that those which do not embrace the Hispanic market are at a significant competitive disadvantage (Navaer 2004). Therefore targeting the market is crucial to the company’s survival. Grounding actions in terms of the benefit for the company provides legitimating factors for targeting the cultural market. Marketing, and in particular advertising spending, grew once marketers acknowledged the impact that targeting (or not) the Hispanic market could have on their companies. For some companies, the realization was that they must either get with change or become obsolete.

Struggling companies with little to no growth, such as brewers, record labels, and sports associations, saw targeting the Hispanic market as a way out of the slump (USA Today, August
A 1988 article discussing the growth of companies targeting the Hispanic market highlights the importance of the Hispanic market to a company’s survival, saying, “...many companies are determined to tap the Hispanic market. For some, in fact, it's become a necessity, as their products have gone out of fashion in other markets. Hispanics, for example, use three to four times as much cooking oil as increasingly health-conscious non-Hispanics. As a result, Hispanics account for over 20% of Mazola's sales. Last year, when ad budgets were tight, CTC International Inc., the Englewood Cliffs, N.J.-based company that makes Mazola, spent more money advertising the oil in the Hispanic market than in the general market, says Michael Lyons, group product manager for Mazola oil and margarine. "One million dollars in the Hispanic market," says Mr. Lyons, "will take you further than $10 million in the general market"” (Wall Street Journal, February 18, 1988). This highlights the importance of understanding where companies can achieve the most return for their investment, and in this case redirecting advertising dollars to the Hispanic market is a bigger payoff than staying with the current market. Such actions validate the legitimacy of the market as a viable target.

The significance of the Hispanic market to achieve company goals is intensified in a down economy. A 2003 study by research firm Global Insight Inc. concluded that “For some businesses, Latino buyers will be practically the only source of expansion in an otherwise bleak market, the survey predicts” (Wall Street Journal, April 18, 2003). As the make-up of the market shifts and the buying power of Hispanics becomes more prominent, they become a key sector to focus on if a company wants to grow. Bank of America’s head of Hispanic initiatives Eusebio Rivera echoes this sentiment in saying, "In the next couple of years, 80% of our growth
will come from the multicultural market, and 60% of that will come from the Hispanic population," (Wall Street Journal, October 23, 2003). Acknowledging the importance of the cultural market for company growth identifies its potential contribution to the industry. As the company grows it becomes a strategic choice for the company to target the cultural market. Recognizing the profitability of the market reinforces its legitimacy as a viable target market.

Societal-Level Factors are those in which the discussion for targeting goes beyond monetary purposes. All markets consume, and as cultural markets arise their needs become visible as they engage with the marketplace (Cook 2004). Additionally, the “Latinization of mainstream America” is difficult to ignore as Hispanic culture is integrated and adopted by the mainstream (Davila 2001, p.54). Therefore some marketers adapt in order to meet the needs of the marketplace (Cohen 2003). In this case, targeting the cultural market becomes a necessity due to the needs of the market and the makeup of society.

Market Needs. As the visibility of a cultural market becomes more prominent, so do their needs. Companies look for ways to meet these needs not only for financial purposes, but out of consideration for these consumers and the hurdles they must go through to meet their needs (Cohen 2003). For example, retailer La Curacao is founded by two Israeli brothers who understand the need to build credit in the United States in order to participate in marketplace activities, and how difficult that can be when an individual is undocumented, as they (the owners) once were. The brothers, “have built a small empire that caters to newcomers who are eager to join the consumer market but sometimes feel alienated from it. What the Azarkmans have grasped is that the poor can be good credit risks, if the retailer gives them reason to be
grateful someone has taken a chance on them.” Retail consultant Felipe Korzenny, who specializes in the Hispanic market, says, “La Curacao developed a model for a segment that the rest of the industry doesn’t understand.” They offer individuals a chance to build their credit even if they are low-income, a characteristic which brings about many denials by other institutions. In doing so, La Curacao is taking a large risk to serve this community "that wants to fulfill the American dream” (Wall Street Journal, August 20, 2004).

Another example is in the financial industry where real estate service firms, such as that owned by Antonio Matarranz, are offering “bilingual home-buying seminars in Hispanic communities in an effort to soothe Hispanics’ fears of approaching agents and asking banks for a loan.” He says, “I make money by educating them first, then selling them a house...If I didn’t teach them how to buy, they would never overcome their fear” (Wall Street Journal, November 30, 1994). Others have adapted their way of doing business in order to assist the undocumented. For example, the Latino Community Credit Union “helps undocumented immigrants apply for a federal tax identification number, which allows them to pay taxes and open interests-bearing accounts” it also “holds classes on how to write checks and use a debit card, and has a loan officer examine cars before approving loans to pay for them, to make sure a potential borrower isn’t overpaying” (Wall Street Journal, May 9, 2003).

Products and services specifically tailored for cultural markets assist the market by providing the tools for them to participate wholly in the mainstream. Providing such services can be risky and requires an investment from the business when there is no guarantee on its return. Seeing this
market as worthy to do so signals the market as a worthy investment and a legitimate market to invest in.

**Societal Integration.** The visibility of a cultural market such as the Hispanic market is not just due to its size, but the clear influence on the mainstream market. As the market becomes institutionalized into the U.S. society, so do many cultural elements of this market (Barth 1998). This goes beyond population growth and includes growth of industries, changing consumer tastes and even influencing at political levels.

For example, in explaining the growth of Cinco-de-Mayo celebrations in the United States, this excerpt from a 2002 article illustrates this influence stating, “it’s no surprise why Cinco is spreading: Latinos are near to being the largest minority in the USA, salsa outsells ketchup, Jennifer Lopez sells millions of records, Spanish-language TV and radio are the highest-rated stations in major markets, and the number of full- and fast-service Mexican restaurants tops 26,000 (up 25% since 1992). Now everybody from company presidents to the American president wants to hang out with Latinos” (USA Today, May 3, 2002). Indeed, the social integration has brought about many changes in the mainstream that marketers cannot ignore. The mainstream consumers tastes are changing as influence of this cultural market becomes integrated into all aspects of U.S. culture. Marketers recognition of this acculturation of the mainstream and integration into their practices is testament to the importance of the cultural market in marketing efforts and their legitimacy in society.
Illegitimate Imagery

What has not been discussed yet is when marketer’s actions contribute to delegitimizing the image of a cultural market. Marketers contribute to the illegitimacy discourse of the market through purposeful exclusion of the market, specifically of marketing actions which would associate it with the market, and discourse which reinforces negative imagery about this market, thus presenting an image of the market as not viable.

Purposeful Exclusion. As information about the cultural market is slowly disseminated, companies form initial impressions of the market and its fit as a viable target market. Often times the image of a cultural market is one which companies do not see fit because they do not see this market’s characteristics as desirable, and/or because they fear retaliation by their current customer base if they associate themselves with this market. Therefore, there is an active effort to deliberately stay away from this market (Chavez 2012; Davila 2001). Markets are the locus of legitimation (Firat 1995), therefore exclusion from markets signals illegitimacy of the market.

This was especially evident in media which provided greater visibility of the companies association with the Hispanic market such as network television and radio. The excerpt below from a 1999 USA Today article discusses the exclusion of minorities in network television and offers an explanation for this trend.

“A medium that grew rich from color should know better than to paint itself head to toe in shades of white. But network television is whitewashing itself nevertheless. Of 26 new series premiering this fall on the four major networks --
ABC, CBS, Fox and NBC -- none features a minority character in a leading role. Based on preview clips and casting announcements, few new shows have any blacks, Hispanics, Asians or Native Americans even in supporting roles.

Entertainment reporters have noted the trend critically for months, and NAACP President Kweisi Mfume catapulted the issue to front pages with a blistering attack Monday. He called for an advertiser boycott. But the racial shift is anything but new. As the networks' share of prime-time audience has slumped – now 50% and falling -- programming increasingly has looked less like the country on the other side of the tube.

The excuse that's offered off the record but rarely discussed openly is that advertisers resist programs about minority characters. They supposedly fear such programs won't attract affluent white audience that merchandisers most want” (USA Today, July 14, 1999).

This fear of not attracting the appropriate audience which brings in the revenue caused these major networks to exclude the Hispanic market from its highly visible medium. This exclusion from mainstream visibility further marginalizes the market from any mainstream marketer actions. A similar practice was found in radio as well. A 1999 study of advertising practices by the Federal Communications Commission called “When Being No. 1 Is Not Enough,” found that several advertisers implemented a “no urban/Hispanic” policy (Wall Street Journal, July 7, 1999) where “advertisers regularly discriminate against minority-owned stations with large
numbers of black and Hispanic listeners, even when those stations have the largest audiences...

These foolish practices are compounded by the attitudes of companies like advertising-space buyer Katz Media Group Inc., which last year advised its employees against purchasing time on black radio stations because "advertisers should want prospects, not suspects." (USA Today, January 19, 1999). This also illustrates the active exclusion of the Hispanic market from marketer actions. Such mandates are disseminated throughout the industry, reproducing the image of the market as illegitimate to target.

The fear of backlash from current customers, or of alienating them, also holds marketers back from targeting cultural markets. Some who do target these markets receive negative responses from their current customers. For example in 1999, car dealership owner Susan Schein ran a Spanish-only TV ad and received overwhelmingly negative responses. “Immediately, I started getting calls from people saying didn't I know this was America” (USA Today, February 22, 2005). More recently, Coca Cola sparked outrage from consumers for an advertisement aired during the 2014 Super Bowl which featured individuals from different cultures singing America the Beautiful in an array of languages. “The inclusion of different languages sparked comments on Coca-Cola’s Facebook page calling the ad a disgrace and unpatriotic” (USA Today, February 4, 2014). These are two from a vast number of examples of companies receiving backlash from current customers when targeting cultural markets. These types of reactions reinforce the fear in marketers, leading to exclusion of the cultural market, as the threat of criticism from current customers is all too real.
Negative Imagery. The discourse surrounding the market can also provide a less desirable image that is broadcasted out to society (Larson 2006). Discussions framed around stereotypical generalizations of a cultural market reinforce the negative imagery of the market, thus impacting its perception of viability. The Hispanic market is at times cast as a market that does not purchase products, mostly in reference to its perceived low-income, and characterized as violent and criminal. These perceptions color marketers image of the market. For example, in discussing why the Hispanic market is undervalued by advertisers, Univision executive Thomas Arnos says it is because "there are still misconceptions out there as to the value of Hispanic consumers -- like Hispanics don't buy new cars, only used ones -- misconceptions based on no research" (Wall Street Journal, June 7, 1995). These misconceptions are reproduced as they become institutionalized in companies and industries. American Airlines even included a set of stereotyped perceptions in its training manual. “The manual says Latin American passengers can become drunk and unruly on flights and may call in a false bomb threat when running late for a plane. The guide also says some Latin American travelers "don't expect to depart on time."” Although apologizing for the language and promising to change the manuals, Rosa Martha Zarte, co-manager of Quetzal Travel, has some concerns, “when we caught them, they supposedly apologize. How many other stereotypical beliefs do they have in place that haven't been revealed?” (USA Today, August 21, 1997). As is seen from these examples, the negative imagery of the Hispanic market not only affects the way the market is viewed, but even the actions deemed appropriate to take with this market. The more these images are ingrained in the industry, the greater the difficulty in changing these perceptions of the cultural market.
Another way negative imagery of a cultural market is reinforced is when the market is discussed in comparison to other markets. Often times, in order to provide an understanding of the Hispanic market, it was discussed in reference to the “opposite” (white) market or seen as similar to the other largest minority market in the United States, blacks. Many discussions grouped the market in the category of “non-whites” when referring to its characteristics, for example saying “non-whites have weak credit histories” (Wall Street Journal, January 25, 1995). When describing target market strategies, the Hispanic market was placed in a category separate from those that are affluent. For example, in discussing Wal-Mart’s targeting strategy, chief executive Mr. Scott says “Wal-Mart is trying to understand customer segments better, and better target merchandise to specific audiences, from women and the affluent to Hispanics” (Wall Street Journal, April 20, 2006). Undocumented Hispanics were even put in the same category as terrorists (USA Today, February 27, 2007).

Not only does negative imagery influence the perception of a cultural market, it also impacts marketers actions towards this market. The result of such imagery on marketer’s evaluation of a market is evident in the following discussion about using the Hispanic network Univision to target consumers: “Some prominent media buyers aren’t so sure. Many attribute Univision’s growth to a constant stream into the U.S. of blue-collar immigrants, who have little education, no English and limited buying power” (Wall Street Journal, May 2, 2005). Another example of how negative imagery affects marketers actions towards the market comes from the retail industry. As a result of the Hispanic markets negative association with crime, large retailers such as “Macy’s refused to advertise on Mega (Spanish language radio) because they said it would increase shoplifting” (Wall Street Journal, September 10, 1998). Through these actions of
exclusion of the market and dissemination of negative imagery of the market, not only are marketers reinforcing their own image of the cultural market as not viable, but they are also reproducing this image of illegitimacy out to the mainstream.

Legitimation by Society

As the visibility of a cultural market grows, so too does the visibility of their inclusion (or exclusion) in the general market. Establishing the cultural market as congruent with societal norms validates its existence as a legitimate market in the larger social sphere (Humphreys 2010b). The research uncovered the processes which reflect a change in the normative perception of the cultural market, specifically the inclusion of the market and the integration of its culture in the mainstream.

Inclusion in Society. The growth of the multicultural marketplace is hard to ignore since cultural markets are as prevalent as ever in mainstream. Societal inclusion of these markets has varied but is evidenced in the discourse about a cultural market, as can be seen with the Hispanic market. As the discourse evolves there is an increase in the addition of Hispanics in business and media targeted at the general market. These communications indicate the incorporation of the cultural market in the mainstream, and thus validate the legitimacy of the market (Peñaloza 2004).

This is most evident in visual media such as film and television, where there is an active effort to include Hispanic actors to reflect the diversity of the market. For example, “While planning the 1997-98 season, NBC executives made a rule: Every pilot would feature at least one minority
actor in the regular cast.” Citing the census report, Carlos Montemayor, president of Montemayor Y Asociados, a San Antonio-based advertising agency says “this is a dollars-and-cents issue.” NBC Entertainment president Warren Littlefield echoes in this sentiment saying, “Reaching out to that audience makes good business sense...We'd be foolish not to put product on the air they'd want to watch” (USA Today, July 29, 1997). The addition of the cultural market in mainstream media projects an image of inclusion out to the general market.

Furthermore, studies by the Screen Actors Guild and the Minority Markets Alert found there is rise in minorities, such as Hispanics, “being depicted as typical consumers in American TV commercials” (Wall Street Journal, November 6, 1996). This change from Hispanics originally casted only to play “exotic” characters, to now being presented as part of the mainstream, shows a significant change in the normative perceptions of the Hispanic market. Including the cultural market in their reflection of the mainstream gives the market legitimacy as a normative member of society.

Acculturation of Society. As the cultural market becomes institutionalized into U.S. society, so does their culture. In being exposed to this market and its cultural elements, the mainstream acculturates to the new culture, redefining the cultural norms of the mainstream and its consumption (Burton 2009). Examples of how entrenched Hispanic culture is in U.S. society are especially apparent in discussions of food and entertainment. The following discussion with Santiago Pozo, a top marketing consultant, highlights this change in society.
“Pozo has seen signs that the times are adapting. Last summer's street-racing sleeper The Fast and the Furious with its no-name multi-ethnic cast took in a surprising $144.5 million at the box office, an indication that U.S. audiences are expanding their tastes.

"Something has changed in America," he says. "We can look at ourselves without being afraid. Ten or 20 years ago, it would have been unthinkable to open a movie like The Fast and the Furious and gross $40 million the first weekend."

Already in this country, food, literature and especially music have absorbed Latin flavors.

"Music has been way out front of this opportunity," says Marc Shmuger, Universal vice chairman. "Latin music is not just an explosive genre, but also influential in fashion and sounds. It's influencing the culture at large" (USA Today, February 13, 2002).

An even more telling story of the acculturation of U.S. society is the statistic that more salsa is now sold than ketchup. Salsa outselling ketchup in the U.S. proves it is no longer a "Hispanic" food, but rather part of the American culture. Similarly, the nation-wide celebrations of Hispanic history and culture during National Hispanic Heritage Month and even the Americanized Cinco-de-Mayo celebrations demonstrate the incorporation of Hispanic culture by the general market.
The integration of cultural elements into norms of the mainstream culture is the ultimate testament to the legitimacy of a cultural market (Berger and Luckmann 1967).

*Exclusion by Society.* The exclusion of a market in sociocultural norms of practice indicates the social illegitimacy of the market. This is particularly seen with groups that are socially stigmatized due to any number of cultural factors which do not fit with the cultural norms of the mainstream (Scaraboto and Fischer 2013; Tharp 2014). In this case the Hispanic market was seen as a threat to societal norms, thus discussion revolved around the exclusion and rejection of the Hispanic market and its culture.

As the Hispanic market gained visibility, so too did their differences from the general market, or more specifically the Anglo market. Targeting the Hispanic market through general market media using methods that were different from the mainstream threatened the dominant cultural norms. Adding to this concern was the latest data saying Hispanics were not assimilating into the mainstream as previous cultures did before. Linda Chavez, chairman of the Center for Equal Opportunity and author of books on Hispanic Assimilation, discusses this sentiment in a 2007 article in the *Wall Street Journal*, saying “For more than 200 years the United States has been the great assimilation machine, churning Germans, Swedes, Italians, Poles, Greeks, Russians, Lebanese, Chinese, Indians, Pakistanis, and myriad others into Americans. There are many Americans today who believe, or worry, that the largest group of recent immigrants—the nearly 20 million Hispanics who have come here in the last several decades—are unwilling or unable to do the same. In his 2004 book, “Who Are We? The Challenges to National Identity,” Harvard political scientist Samuel P. Huntington warned that “Mexican immigration is leading toward
the demographic reconquista of areas Americans took from Mexico by force in the 1830s and 1840s, a sentiment I hear echoed frequently in the debate over immigration reform. Others warn that the country is paying host to a burgeoning new underclass of poorly educated, welfare-dependent Hispanics who will overwhelm us with social pathologies” (Wall Street Journal, June 5, 2007). This excerpt illustrates the concern over the Hispanic market not only affecting the cultural norms of society, but as inferior in the current social structure.

Sentiments such as these are not uncommon in the mainstream. The “Latino threat” is debated especially in the political arena with the issue of public resources and immigration. The image of the Hispanic market as “poorly educated” and “welfare dependent” has, in large part, been created and reproduced by the media. The images portrayed in the media influence society’s image of the cultural market. For example, Hispanics have often been cast in minor roles and usually as stereotypical characters. Men are cast as villains, criminals, drug dealers and illegal aliens, and women are cast as sexualized, hot and aggressive or passive and frivolous (Larson 2006). Research conducted by market-research firm Garcia Research Associates inc. confirms the effect of such images in saying, “many Anglos view Latinos as exploitable, loud and sentimental, and see their men as macho drunks, and their women as servile and usually pregnant” (Wall Street Journal, February 14, 1996). Images such as these explain why the Anglo market is much less accepting of products or services associated with the Hispanic market, and sometimes of the market itself, thus they are rejected or categorized as lower-class. These images lead the cultural market to seen less as a contributor to society and more as an outsider of society.
Implications

What are the processes which contribute to the legitimacy or illegitimacy of a cultural market? The processes were distinguished into those which impact the industry level, the marketing level, and the societal level. At the industry level there are several practices which affect the structure of the industry and industry practices towards the market. Recognition by the industry, institutionalization of market practices, specialized industry participation, general industry participation, and industry exclusion are all actions which impact the institutionalized scripts of legitimacy of the cultural market. At the marketing level, specific action decisions taken by marketers regarding targeting, marketing communications, product offerings, communication media, marketing discourse, and illegitimate imagery affect the institutionalized scripts of legitimacy of the cultural market by either confirming or challenging the current perceptions. Lastly, at the societal level the actions taken towards the cultural market such as its inclusion in society, the acculturation of society, and the markets exclusion by society impact the perceived legitimacy of the market. These actions lead to the maintenance or modification of the institutionalized scripts about the cultural market.

Prior research in marketing has investigated legitimacy in a variety of contexts including industry, brands, and consumers. In investigating consumer’s quest for legitimacy, Scaraboto and Fischer (2013) uncover the actions the cultural market itself will take in order to increase its legitimacy and change the conceptions of the market as illegitimate not only in the marketplace, but in society. This work looks at the other end of the spectrum by investigating the actions marketers themselves can take to increase the legitimacy of the cultural market and change the current institutionalized conceptualizations of the market. Why would marketers want to do
this? The institutionalized scripts of a cultural market influence how a marketer will act upon that market and also how the mainstream will react towards marketing efforts (Scaraboto and Fischer 2013). If marketer’s actions are outside the realm of the legitimate scripts, the marketer risks its own legitimacy with its current consumers. Increasing the legitimacy of the cultural market opens up the path for marketers to target the market and take advantage of this growing opportunity, especially with a growing market such as the Hispanic market, without damaging their own legitimacy in the process. Therefore it is to the benefit of the marketer to change the institutionalized perceptions of the cultural market’s legitimacy.

Methods for influencing the current scripts of legitimacy have long been studied in the organizational and sociological literature, for example in regards to how organizations or social movements can gain legitimacy. Humphreys (2010a) work in the field of marketing examines how marketers themselves have the capability to influence their own legitimacy using a framing strategy to legitimate industry practices. Marketers must also look at their actions towards a cultural market as a framing strategy, but in this case one which frames the legitimacy of the cultural market to the industry, other marketers, and to society. Marketers are creators, communicators and disseminators of their own cultural interpretations, much of which is based on the marketer’s interaction with the market, the marketplace, and society (Peñaloza and Gilly 1999, Davila 2001). Therefore, through their actions they hold the power to influence the scripts of legitimacy of the cultural market. Framing the market as a viable, socially fit entity is not only a strategy to attract the cultural market’s eyes to the marketer’s product or service, it is also a way to display that this market carries these favorable characteristics.
The benefits of aligning oneself and gaining legitimacy with a cultural market are abundant. Not only does the marketer get to tap into a new market, but in doing so has the potential to gain loyal consumers by standing by their side. Kates (2004) examined how brands are developed as legitimate entities which fit within a cultural community. Beyond obtaining loyal consumers, this legitimacy has a reciprocity effect. Brands forming solidarity with the cultural community not only gain legitimacy among the cultural community, but also confer social legitimacy by targeting this community, especially if the brands are powerful global brands. In this research, it is not only the brand but marketer’s actions which can not only generate legitimacy among the Hispanic community for their products or services, but also impart legitimacy to the market simply through its marketing efforts. But additionally, marketer’s efforts may in fact decrease the cultural market’s legitimacy while at the same time gaining legitimacy with the cultural market. Thus a positive effort to engage with the cultural market may have negative effects on that market.

Similarly, Peñaloza and Gilly (1999) point out in their study of marketer acculturation that marketer’s adaption to the cultural market benefits the market in several ways including helping to socially validate it. The current research adds to this by identifying the specific marketer processes which marketers use in adapting to the market which help validate it, as well as those which in fact can convey invalidity. Though used in good faith, marketer’s use of actions targeting the market could harm the market by reinforcing the institutionalized scripts of the market. Marketers develop the image of the cultural market in the marketplace by producing and reinforcing the scripts about the market in the mainstream.
This work also contributes to the research conversation on the relationship between marketers and the Hispanic market in the U.S. (Peñaloza 1994; Peñaloza and Gilly 1999; Davila 2001). Davila (2001) examined how the Hispanic market has been portrayed in the media and how that has affected the advertising industry and overall imagery of the Hispanic market. This research extends Davila’s work by showing how these actions contribute to not only the image of the Hispanic market, but its perception of legitimacy to the industry, marketers, and society.

As marketers become exposed to the cultural market they begin to see the potential in the market and adapt their methods (Peñaloza and Gilly 1999). There is no one approach as the market, and marketer’s understanding of the market is constantly evolving. Marketers have to acclimate to the changing cultures. Indeed, as the strategy changes and as marketers become more involved with the market, so does the increase in risk and reward for both the marketer and the market. The reward for the cultural market is the increased legitimacy as visibility of this market increases and perceptions are formed. For the marketer, the reward is being able to tap into the opportunity of a viable market. As with everything, there are risks and for the marketer these do not come cheap. Marketers must invest in new products or communications which have the potential to fail if the market is not understood, and they also risk affecting their own legitimacy with their current customer base when targeting new markets. For the cultural market, the images portrayed can reinforce stereotypes and decrease the markets legitimacy as a viable market.

By understanding the different processes which contribute to a cultural market’s legitimacy, the marketer can now conduct strategies of action to contribute to the industry, market, and societal
legitimation practices. Therefore, marketers should look to influence the practices which contribute to the legitimacy of a market. In doing so, not only is the marketer contributing to the legitimacy of the market, but also of their own organizational legitimacy in targeting this market. Increasing the legitimacy of the cultural market gives it and practices towards the market normative acceptance, thus decreasing the possibility of an organization losing legitimacy by targeting this market (Davila 2001, Kates 2004, Scaraboto and Fischer 2013).

CHAPTER 5: CONCLUSION

“The responsibility of marketers increases as the importance of other socializing institutions fades. In my opinion, marketers should not satisfy themselves by only looking at the surface of the lake... They should reach a deeper understanding of the forces at stake.”

–Bouchet (1995, 97)

Marketing is the vehicle through which shared understandings are communicated, thus it is important to explore how these understandings come about. Focusing on markets and the processes that shape their conceptions provides a better perspective of how marketing impacts these processes. The social relationships that are created within markets produce local cultures that define the actions that may be legitimately taken within that social sphere (Fligstein 1996). Therefore it is necessary to understand how these conceptions of legitimacy are created and their implication on marketers, consumers, society and the market.
Investigating “how consumers exist in marketers’ minds and materialize through their practices” (Cayla and Peñaloza 2006, p.458) helps us better “understand the boundaries and links between representational paradigms of marketers, consumer researchers, and consumers” (Burton 2009, P. 91). Marketers’ adaptation to the changing social landscape is reflected in their actions (Davila 2001). Breaking down the process of market legitimation provides insight into the factors that influence this process. It is vital for marketers be aware of these influencing factors when prescribing action toward a particular market.

Marketers have a hand in contributing to the socially constructed conceptions of a market (Cohen 2003). The way these conceptions are framed is what gives markets legitimacy as a viable market (Humphreys 2010b), thus these conceptions are both influenced by and influencing marketer decision making. Therefore it is important for marketers to understand their role in the development of these conceptions which are disseminated out to the larger social system.

Over 700 articles were examined in order to investigate the processes which contribute to the scripts of legitimacy for a cultural market. The findings of the analysis illuminate the multiple process of cultural market legitimacy. More importantly, it categorizes these processes into a more coherent set of actions. First of all, the findings identified the different levels of action, and specifically the effects of those actions by categorizing them into either processes that affect the structure of practices towards the market, processes which affect the actions towards the market, and processes which affect the normative understanding of the market. By understanding these different levels of effects, one can understand at what level specific actions are contributing to the legitimacy of the cultural market.
Secondly, the results highlight the specific actions taken within the different levels of processes. This work defines the set of actions within each category which contribute to the legitimacy or illegitimacy of the cultural market. In doing so, it provides a set of strategies of actions in which marketers can contribute to the cultural market’s legitimacy.

Most importantly, by highlighting the connection between marketer actions and cultural market legitimacy, this research highlights the real issue marketers need to address… the effect of their actions beyond marketing metrics. Overall, what the results of the analysis show is that there are ways in which marketers can act to contribute to the legitimacy or illegitimacy of a cultural market. This work provides marketers with knowledge as to the effect of their actions beyond marketing metrics such as ROI. In reflecting upon the results of their actions, marketers can better tailor their strategies of action to contribute to the legitimacy of a cultural market. This work highlights the need for marketers to look beyond marketing metrics to the real effect of their actions on the market.

“The existence of a subculture, even a large one, does not necessarily make its members a viable market for partnerships with business and civic organizations” (Tharp 2014, p. 288). This is the one thing the data over the past 25 years continued to confirm. Even today there are a vast number of examples of cultural markets whose buying power and interests in a product or industry are ignored because they are not seen as legitimately viable. Many of those markets that are not ignored are misrepresented or given secondary status by marketers due to their ambivalence towards embracing that market. For example with the LGBTQ market, “advertisers
have most commonly targeted the gay market through a dual marketing approach, what they call “gay window dressing,” where the ad avoids explicit reference to homosexuality” (Cohen 2003, p. 331).

With the buying power of Hispanics in the U.S. soaring, marketers should not only pay attention to this market, but the rise of other cultural markets for they are where companies will grow and prosper. Marketers have significant power in the marketplace as cultural “teachers” (Tharp 2014). By understanding how they can influence a cultural market’s legitimacy, marketers can take action to contribute to this process by teaching the mainstream about the cultural market through their marketing actions.

This work has both theoretical and empirical implications. Exploring how markets evolve into legitimate institutional arrangements enhances our understanding of the legitimation process and adds to the current discourse on market legitimacy and cultural markets. As detailed in the previous section, this study contributes to the growing literature on market legitimacy by providing a framework for understanding how cultural markets evolve as legitimate institutional arrangements in the social landscape. In doing so, this work adds to the discussion on the methods used to gain legitimacy, the actors in the legitimacy process, and subsequent effects of such actions in creating and maintaining the currently institutionalized scripts of legitimacy of the cultural market. Additionally, this research continues the conversation on the relationship between marketers and the cultural market, thus adding to previous work on marketer acculturation and market imagery by highlighting the power the marketer holds over the cultural market.
Empirically, this work provides an understanding of marketer’s role in a cultural market’s legitimacy. We know that marketplace culture is influenced by the images portrayed in the mainstream. This in turn influences the behavior of marketers who look to the marketplace for clues as to the current standing of the market, which then shapes their subsequent interaction with the cultural market and its portrayal by the marketer. This cycle reinforces the scripts of legitimacy for that market. Thus marketer’s should look to enhance these relationships by developing the perceptions of the cultural market in the mainstream which challenge the institutionalized scripts of the market, changing the scripts to represent the market as a viable, socially fit entity. There is a need to re-think cultural marketing by going beyond meeting the needs of consumers and producers, to the relationship between the cultural market and society.

A sociocultural vision of marketing practices will open up marketer’s strategy to look beyond the immediate results of their actions. Marketers must consider environmental factors external to the direct relationship between the marketer and the cultural market. The appropriate action to take will depend on more than just an understanding of the characteristics of the cultural market. Key will be the knowledge of the external environment surrounding that market, such as the social, legal and political arena in which it is embedded. Doing so will help ensure marketers a place with the cultural market by demonstrating they are an ally of the cultural market. Additionally, it will solidify the cultural market’s place as a viable recipient of marketer actions, thus validating marketer’s viability in doing so. Thus sociocultural marketing practices can help restructure the narratives of the cultural market in the mainstream.
Overall, adapting to the marketplace does provide several advantages to the marketer and the consumer, but the method of adaptation can also hurt the consumer and quite possibly the marketer by limiting its boundaries of action. By understanding what processes contribute to the legitimacy or the illegitimacy of the market, marketers can prescribe certain actions to help contribute to these processes. In doing so, marketers are not only enhancing the legitimacy of the cultural market, but by giving the cultural market visibility and legitimacy it is also securing it will not decrease its own legitimacy in the mainstream.

Given the growing importance of the Hispanic market, it is important that marketers note these findings in planning their next marketing strategy. Ultimately, marketers need to understand that targeting a cultural market has implications for how the cultural market will be subsequently perceived by the industry, marketers and society as a legitimate entity.

As markets grow and change, it is vital for marketers to target new and growing cultural markets in order to secure their own viability. Doing so is difficult when the legitimacy of the cultural market is in question. Therefore working to enhance the legitimacy of the cultural market provides benefits not only for the marketer but for the market, thus opening it up to endless possibilities for social, cultural, and market transactions.

CHAPTER 6: LIMITATIONS AND FUTURE RESEARCH

This research investigates cultural market legitimacy through a historical analysis of 25 years of newspaper data. In doing so it provides a depth look at the discourse in society pertaining to the
Hispanic market as it evolved in the United States. This methodology does not, however, provide an understanding of how other cultural markets have evolved in the social-cultural landscape, such as the LGBTQ market or the Plus-Sized market. Therefore, the extension of this research to other cultural markets is yet to be examined but is a fruitful area of research to extend into.

Another limitation of this study is that the data obtained does not reveal the specific processes by which marketer’s make these decisions, specifically the creation, execution and evaluation of marketing strategies. The data briefly uncovered issues of company mandates in prescribing action towards the Hispanic market, but there is a need to dive in deeper into where these mandates come from, what influences marketer processes, and how do marketers arrive at their decisions for action towards a cultural market.

This study looks to bridge the literature pertaining to legitimacy, cultural markets, and marketers, but there is much more work to be done in this area. In following along the lines of this research stream there are several areas in which to extend into. First of all, this research could be expanded by exploring marketer decision making in more depth by speaking to those on the front lines of marketing decisions. Doing so will provide a better understanding of marketers conceptions of legitimacy, decision making based on legitimate conceptions, and the different influences of market legitimacy across industries.

Secondly, the issue of market legitimacy could benefit from a consumer point of view by exploring the processes involved in legitimation of the market to those who are not a part of that
cultural market. Understanding what impacts a market’s legitimacy to the larger social sphere will give us a better idea of how to navigate the market through the integration of cultural elements into the mainstream culture.

Lastly, it is necessary to take an in-depth look at those markets that are not considered viable to the marketer. This would entail taking a closer look at why those markets do not have a legitimate status for that marketer and how those markets manage their lack of legitimacy with those marketers. This could be done by exploring what methods are used to navigate their lack of legitimacy and how do they construct their own legitimacy within their market.
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APPENDIX A

Figure 1: Conceptual Framework of Industry, Marketing and Societal Legitimation Processes
## APPENDIX B

### Industry, Marketing, and Societal Legitimation Processes

**Legitimation by the Industry:** Industry practices which contribute to the legitimacy or illegitimacy of the cultural market

<table>
<thead>
<tr>
<th>Recognition by the Industry</th>
<th>Description</th>
<th>Legitimation Practice</th>
<th>Example</th>
<th>Examples from Data</th>
</tr>
</thead>
</table>


| Specialized Industry Participation | Formation and/or use of specialized industry media to reach the cultural market | Forming and/or Using Specialized Industry Channels | Addition of specialized avenues such as CNN’s entry into Spanish-language television | 1987 Growth of Hispanic television stations, 1993 Spanish-language publications, 1994 Spanish-language radio, 2001 Software, 2005 Latino Music and Artists |


| Industry Exclusion | Lack of inclusion of the cultural market in industry participation | Excluding the Cultural Market from Industry Practices | Exclusion of the market from the financial industry’s practices | 1999 Exclusion from the Entertainment Industry, 2005 Exclusion by Financial Industry |
### Legitimation by Marketing
Marketing practices which contribute to the legitimacy or illegitimacy of the cultural market.

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<tr>
<th>Description</th>
<th>Legitimation Practice</th>
<th>Example</th>
<th>Examples from Data</th>
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<tbody>
<tr>
<td><strong>Targeting</strong></td>
<td>Acknowledging the existence of the cultural market through the addition of the market into its marketing program</td>
<td>Including the Cultural Market as a Target Market</td>
<td>Addition of companies targeting the market, especially powerful companies such as Walmart.</td>
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<tr>
<td><strong>Marketing Communications</strong></td>
<td>Image portrayed about the market and inclusion of the cultural market in marketing communications.</td>
<td>Inclusion and Portrayal of the Cultural Market in Marketing Communications.</td>
<td>Reinforcing positive or negative images about the cultural market in marketing communications, such as stereotypes, and including the cultural market in marketing communications, such as more recently is being done by financial firms.</td>
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<td><strong>Product Offerings</strong></td>
<td>Targeting cultural markets with mainstream products.</td>
<td>Inclusion or Exclusion of the Cultural Market from Product Offerings.</td>
<td>Including non-traditional audiences, such as cultural markets, as targets for products or services, such as with U.S. sports.</td>
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<td><strong>Communication Media</strong></td>
<td>Communication media used to target the cultural market.</td>
<td>Inclusion or Exclusion of the Cultural Market from Mainstream Communication Media</td>
<td>Using mainstream communication media to target the market as Coke, Pepsi, and Procter &amp; Gamble have done by running bilingual ads on network television</td>
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<td>Marketing Discourse and Motives</td>
<td>Reasons, motivations, influencers, and justification marketers discuss to validate actions towards the cultural market.</td>
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<tr>
<td><strong>Market-Level Factors</strong></td>
<td>Using the characteristics of the cultural market as justification for marketing efforts.</td>
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<td></td>
<td>Validating Marketing Strategy Using Cultural Market Characteristics</td>
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<td></td>
<td>Using data about the characteristics of the Cultural Market, as often reported from sources such as the U.S. Census, to indicate viability.</td>
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<td></td>
<td>1990 Center for Continuing Study of the California Economy</td>
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<td>1990 Hispanic Population &amp; Purchasing Power</td>
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<td>2001 U.S. Census Results</td>
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<td>2003 Hispanic Market Size &amp; Growing Economic Clout</td>
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<td>2003 Market Tracker</td>
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<td>HispanTelligence on Hispanic Spending Power</td>
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<td>2006 Undocumented Hispanics Purchasing Power</td>
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<td>2010 U.S. Census Projections</td>
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<td><strong>Company-Level Factors</strong></td>
<td>Using the value of the cultural market for the company as justification for marketing efforts.</td>
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<td>Validating Marketing Strategy Using Cultural Market Potential Contribution to Company</td>
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<td></td>
<td>Using company needs, such as financial necessity and growth, as validation for targeting. Increased in stagnant industry or during a down economy.</td>
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<td>1990 Value of Hispanic Market for Companies</td>
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<td>2005 Flat Growth in Ski Industry</td>
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<td>2005 Decline in Banking Industry</td>
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<td>2008 Retailers Promoting Cultural Traditions to Extend Shopping Season &amp; Distinguish Themselves from Competition</td>
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<tr>
<td><strong>Societal-Level Factors</strong></td>
<td>Using the needs of the cultural market and their visibility in the mainstream as justification for marketing efforts.</td>
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<td></td>
<td>Validating Marketing Strategy Towards the Cultural Market Using Societal Factors</td>
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<td></td>
<td>Cultural market needs, such as financing and building credit, and visibility in society, such as their influence in the mainstream television and radio, validate targeting efforts.</td>
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<td>2002 Influence on Mainstream Culture</td>
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<td>2005 Meeting Banking Needs of Undocumented Latinos</td>
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<td>2006 Retail, Banking and Health Insurance for Undocumented Latinos</td>
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<td>2007 Financial Services for Undocumented Latinos</td>
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<tr>
<td><strong>Illegitimate Imagery</strong></td>
<td>Excluding the cultural market from marketing actions and reinforcing negative imagery of the market.</td>
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<td></td>
<td>Exclusion and Portrayal of the Cultural Market in Marketing Strategy.</td>
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<td></td>
<td>Instituting practices which exclude the cultural market and reproduce negative imagery, such as has been done with radio and television programs and advertisements</td>
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<td></td>
<td>1995 Exclusion from Mainstream Advertisements</td>
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<td>1999 Exclusion from Network Television</td>
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<td>2006 Images in Movies</td>
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<td>2006 Exclusion of Undocumented Hispanics due to Stereotypes</td>
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<td></td>
<td>2007 Undocumented Latinos as Terrorists &amp; Bad Credit Risks</td>
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</table>
**Legitimation by the Society**: Societal practices which contribute to the legitimacy or illegitimacy of the cultural market.

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<tr>
<th>Description</th>
<th>Legitimation Practice</th>
<th>Example</th>
<th>Examples from Data</th>
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<tbody>
<tr>
<td>Inclusion in society</td>
<td>Validating the cultural market as a member of society thought its inclusion in the mainstream.</td>
<td>Inclusion of cultural market as a representation of the mainstream such as in TV shows and movies.</td>
<td>1989 Media Coverage 1989 Acknowledging Hispanic Market Contributions 1996 Depicting Hispanics as Typical Consumers in Advertisements 1997 Inclusion as Consumers of Mainstream Products 2003 Inclusion in Mainstream Messages 2003 Inclusion of Undocumented as Mainstream Consumers 2006 Mainstream Motion Pictures</td>
</tr>
<tr>
<td>Acculturation of Society</td>
<td>Integration of the cultural market's culture into mainstream society.</td>
<td>Institutionalization of cultural elements of the cultural market by the mainstream, such as with food or cultural celebrations.</td>
<td>1989 Mainstream Adoption of Hispanic Culture 1989, 1999, 2005 Mainstream Adoption of Hispanic Music 1990 &amp; 2009 Adoption of Cultural Celebrations 1991 Incorporation of Cultural Foods into the Mainstream 2001 Anglo Consumers as Targets for Hispanic Cultural Festivals 2001 Incorporation of Cultural Products into the Mainstream 2002 &amp; 2007 Influencing American Culture 2009 Integration into Norms 2010 Widespread Adoption of Hispanic Food</td>
</tr>
<tr>
<td>Exclusion by Society</td>
<td>Lack of inclusion of the cultural market and its culture into mainstream society.</td>
<td>Exclusion of the Cultural Market by the Mainstream Societal practices which exclude the cultural market from mainstream society due to cultural differences.</td>
<td>2000 Non-Acceptance in Mainstream Film 2005 Retaliation by Society 2007 Fear Due to Non-Assimilation of Hispanics</td>
</tr>
</tbody>
</table>
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