

MIGHTY

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Mighty Capital Presents:

**Creating Meaningful
Products for Latino
Audiences with Canela
Media**

Foreword by Canela Media CEO & Founder Isabel Rafferty



Building a product and putting it on the market is a difficult task that doesn't always end with success. Building a winning product requires a well-thought-out strategy and purpose to be certain that the intended audience benefits from that product. As a Founder, I have worked tirelessly to create meaningful products for Latino audiences as I have always felt that the market itself was underserved and underrepresented in the United States.

In this series you will hear from heads of product and strategy about how they developed and launched products for Latino audiences. They will talk about what worked and what didn't and how their strategy differed based on the intended audience. From TV to music to Children's content you will learn from the experts about developing and launching a winning product.

Isabel Rafferty

Canela Media CEO and Founder

01

Canela Media COO on Prioritizing Spanish-language Media Content



This inaugural season of the Mighty Capital podcast features the CEOs from Mighty Capital's portfolio companies as hosts and is produced in partnership with Products That Count and Foley & Lardner, LLP. Together, we feature these CEOs in conversation with their guests on topics that showcase how winning products drive revenue, increase productivity, and reduce costs for their customers. Learn more at productsthatcount.com and foley.com.

To kick off their series on what it takes to create meaningful products and strategies for Latino audiences, Canela Media founder and CEO, Isabel Rafferty, sat down with Canela Media COO, Michael Rafferty, to discuss how they founded and built Canela Media to stand apart in the crowded streaming industry. Michael is a partner to Isabel in business and life, and has been in the media industry since 2005, working in various roles in newspapers and, more recently, in streaming. At Canela Media, he focuses on content, product, technology, the back end, and how all of it fits together.

You can listen to the full episode on Apple Podcasts or Spotify. The highlights of this episode are detailed below:

● On the Spanish-language media market potential

At the time of the inception of Canela Media, streaming was already big business. However, when it came to HBOmax, Netflix, and Roku, Spanish language content was not the priority. It was just about the last option on the menu. The Raffertys knew the market potential and that the Spanish-language market was ripe for advertising-based free models.

"We knew the ad tech side and ad server integration. We needed to find the delivery systems, the front end, the back end, and the content management systems. They all need to be able to talk to our ad server to make this successful."

● On maintaining the flexibility of a startup

Like any great product-led business, Michael's thought is first and foremost on the product itself. This is critical to the growth of a company and the adoption of its users. You need a great product organization to execute this.

“On the product side, we have to keep our eyes and ears on the market, looking at what is the best way to innovate. We can analyze and decide on product features for areas of growth and opportunity, and make decisions quicker than any of our competitors. There are no massive committees that have to do an analysis, so we are quick at making assessments and moving forward. What keeps me up the most is maintaining that flexible, innovative startup experience in the culture and making sure that the people that we are bringing into the company share that same passion and vision.”

● On finding product inspiration

There are two places where Michael looks for inspiration on how to build a market-leading product. The first is the Canela Media audience. An understanding of what their customers are passionate about helps to fuel their growth.

The other place they look for what else is possible is a common question for many companies looking to add new features and products, which is build vs. buy. This helps a company know what is possible given their current resources and need to be speedy in their growth.

“We look at offerings that target our market as a whole and focus on their passion points. Launching Canela TV, we knew that that would be a fantastic product that would serve the broad general Latino space.

“When you’re bootstrapping a company, you have to look at all options. You have to see what is off the shelf, where you can integrate for what your needs are as a business, where the pain points are, and where things are not readily available out in the marketplace. The more we play, the more we test, the more we analyze the market, there are quite a few things that are out there that we still need to work on and need some investment in and customization. Ultimately, it will be a full new suite of custom development that is going to be better utilized to find those little gaps that we’re seeing in the current infrastructure.”

● On what’s next for Canela Media

With revenue and an audience in place, it’s time for Canela media to push the boundaries for what is possible. They know they can’t get complacent, and that they’ll need to meet their audience where they will be five years from now.

“Many people don’t understand this, but U.S. Hispanics are early adopters of most technology. So they’ve got the biggest, newest phones. They are very interested in new technologies and are quick to adopt things in the market. We’re agile, passionate, and determined enough to meet them where they’re headed.”

02

Canela Music VP on Bringing a Niche Product to the Mainstream



Continuing their series on what it takes to create meaningful products and strategies for Latino audiences, Canela Media founder and CEO, Isabel Rafferty, sat down with Canela Music VP Mario Torres, to discuss how they're bringing a niche product to the mainstream – namely, Latin music. Mario Torres has 18+ years of experience in developing marketing strategies across major brands, music labels, and editorial platforms with a focus on the digital and TV Hispanic space.

You can listen to the full episode on Apple Podcasts or Spotify. The highlights of this episode are detailed below:

● On Latin music crossing to a global audience

Music, like any other product, has the potential to go from a niche market to a global audience. It helps to have a winning product that speaks to a wider audience, but the distribution of that product also plays a big role.

“Ricky Martin took over at the Grammys. People called it a Latin music explosion back then, but there was no social media. It was hard for a movement to really stay and grow. If people stopped talking about it on TV, it became a moment that fizzled.

“‘Despacito’ came out at the right time, because YouTube was very popular. That song came in and took Latin music to the next level. All of a sudden, a large portion of the audience were not who you’d expect to be consuming Latin music. That trickles down to other artists.”

● On making Canela Music stand apart

According to Mario, it’s a two-part equation to make Canela Music a market leader: product and content. The first part was designing and building a product that could create a better Latin music listening experience than existing platforms like YouTube or Spotify. Beyond that, it was delivering content that was compelling to their audience.

“In terms of original content, we’re giving artists who have not had the spotlight before a space to tell their story. Not just to talk about their music, but how they’ve impacted Latin music culture. It’s amazing. For emerging artists, we have the stories of how they came to be and what shaped them. In the 80s, it was different in the way you’d market yourself versus the artists now. I want to showcase that difference with our content.”

● On creating a human experience in a world of algorithms

Existing music platforms do have algorithms to serve up music to its listeners, but that doesn't necessarily account for the flow from song to song and what the audience wants in a given moment.

"Music has to be human. I'm creating an algorithm in the platform with music videos, because nothing like that exists right now. But it's all human. We are watching the music videos, we're tagging the music videos, we are understanding and learning where music videos are being shot, and who's being featured in the music video. All these things happen, but at a human level."

● On the biggest challenge in launching a new platform

For a platform like Canela Music, the challenge is in the content whether it's existing content or original content.

"The catalog was the first challenge, because we were launching with seven music channels and 25 playlists. We launched with about 700-800 videos, now we're up to almost 5000. It's been a big focus not only to launch with a certain amount of content, but where do we go from here? And how do we get there?"

"The second challenge has been the original content. How can we create content that the audience will like, but also that stands out from other platforms? Finding that formula has been a little bit tricky, but with research and preparation comes the best result."

03

Canela Media Director, Kids Strategy on Expanding into the Children's Media Market



Continuing their series on what it takes to create meaningful products and strategies for Latino audiences, Canela Media founder and CEO, Isabel Rafferty, sat down with Canela Media Director of Kids Strategy for US Hispanic/LatAm, Maggie Salas-Amaro, to discuss building Canela Kids and how they will stand apart in the children's media market thanks to their unique perspective. Maggie Salas-Amaro is a multi-platform strategist with expertise in the broadcast, cable, and streaming industries. She is an accomplished and versatile leader with vast knowledge and experience in the US general market/ US Hispanic/Latin America and Brazil markets.

You can listen to the full episode on Apple Podcasts or Spotify. The highlights of this episode are detailed below:

● On the draw of building a product for kids

According to Maggie her passion for children's programming is the dedicated, loyal, and curious audience. However, that also comes with high demand and expectations. What makes children's programming great makes it all worth it, though.

"I like the storytelling within kids stories. It's all about dealing with friends, family, and their stories. There's always a lesson at the end of each episode. As humans living on planet Earth, we need more of that."

● On what to expect from Canela Kids

There is quite a bit that Maggie and the team are cooking up for Canela Kids. In fact, she sees what they're building right now as an opportunity to gain an audience for life that can graduate from the Kids programming into the rest of Canela's offerings.

"We are identifying those properties that stand out in the market in terms of quality. Animation, 2D, 3D, CGI, live action, etc. We're focused on content from around the world. There will be brand new Canela Originals, and we are premiering things for the US Hispanic and LatAm markets.

“There will be specific content that has unique storytelling and features diversity in the kids that it has with a family background. We’re looking at a couple of shows that have the grandparents at the center, the father who’s a super agent, and the kids who want to follow in his footsteps. It’s all about engaging the audience, but it’s also entertaining, having humor, and adventure. At the end of every story, I like to see that there’s a lesson too.”

● On understanding their audience

Canela Media exemplifies their mission in every product they build. They are Latino entrepreneurs building products for a Latin audience. This gives them a unique perspective into their audience. That said, they’re also listening to their customer base.

“We have read so much and done research and attended focus groups throughout our careers. Latinos, even those that come from Latin America to come to the US, are in search of a better life to raise their kids. They care about health care access, education, and they like the content that is here. Sometimes, we don’t see content specifically that has Latino kids in it.

“I’ve never been prouder to work at a company that celebrates not only women, but so much diversity and inclusion. I feel that our content for kids is going to reflect that. We are going to be not just another streamer that has a kids offering, but the streaming service that offers both parents and kids this unique experience to sit down together and watch the show.”

● On standing apart in the market

Maggie is one of Canela’s best cheerleaders and spends part of her job showcasing how Canela Kids is unlike anything else out there today. While there are other kids-focused offerings from streamers, there is nothing like Canela Kids in the market today. They will cater to every age group with top quality content from around the world.

“It’s about caring about the curation of what we’re bringing to our audience. That’s what makes me excited to wake up every day. I ask myself how can I make this even better as we take it to market? I know there’s nothing else like Canela Kids in the market right now.”

04

2bLatam CEO & Development Head on Going Global with a YouTube Channel from Ecuador



Continuing [their series](#) on what it takes to create meaningful products and strategies for Latino audiences, Canela Media founder and CEO, [Isabel Rafferty](#), sat down with 2bLatam CEO & Head of Development, [Arturo Yepez](#), to discuss going global with a YouTube channel from Ecuador. Arturo Yepez was named by Variety as one of the 10 Rising Stars in Latin American Talents” and has been involved in some of the most successful Spanish-language productions of the past couple decades.

You can listen to the full episode on Apple Podcasts or Spotify. The highlights of this episode are detailed below:

● On going global with a YouTube channel from Ecuador

Laughter has proven to be an international language. 2bLatam has helped Enchufetv grow into the global hit it is today, with a massive following.

“Enchufetv started in 2011 from scratch. They started uploading one sketch per week. Two years later, they had 10 million subscribers on YouTube. Today, we have the biggest Spanish speaking channel of comedy sketches on YouTube in the world with 25.5 million subscribers and we have 27 million followers across social media.

“At the beginning of the project, people started to think that this could be a very local, successful program. Suddenly, it started to travel a lot because the kind of comedy we do is more identifying. We subtitle it, and it’s very interesting, because now we are in China. Subtitles in Chinese are very successful.”

● On 2bLatam’s role in the marketplace

2bLatam is the recent rebrand of Touché Films. Arturo was brought into the company after his work as an independent producer. Within six months, he’d been named CEO of the company.

“We created 2bLatam, which is a network, where we have a production studio, we develop IP, and create content. We have a talent network and digital creators, and we have 2bLatam Originals, which is the brand that we create for our premium content.”

● On the opportunity for LatAm content

A 20-year producing career enlightened Arturo to the challenges that exist for LatAm content. Too often, he'd struggle with funding and distribution. However, the tides are turning.

"Making people laugh is much harder than making people cry. What we did with 2bLatam Originals is try to explode that into long-form content. The amount of platforms that are growing in the industry is amazing. Everybody's looking for content, and people are paying attention to the Latin, Latin X and Hispanic cultures. That gives us a huge advantage."

● On what's next for 2bLatam

Arturo knows that the sky's the limit for 2bLatam. Working with Canela Media is just one of many things his company will be working on in the coming months and years.

"We are in deep conversations with different platforms. We are talking to Warner media and setting up a deal that is soon to be announced to make content for Latin America. Soon to be announced is another series that we are co-producing with a company in Mexico for another major platform. It's going to be led by a big Mexican comedy actor."

CANELA MEDIA Podcast Series



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