

'Americanization' curtails Hispanic dairy consumption

September 20th, 2010

Processors, marketers urged to be innovative

A new Innovation Center for U.S. Dairy study warns dairy product consumption among Hispanic consumers declines as they become more assimilated in American culture. A white paper, "Understanding the Dairy Opportunity Among Hispanic Consumers," analyzes the growing Hispanic market and reveals strategies to more effectively meet the needs of this population and expand dairy sales.

The paper segments Hispanic consumers by level of acculturation – or the process of assimilating into a new culture – which is a strong indicator of consumption patterns. It examines dairy preferences, perceptions and consumption among foreign-born less acculturated immigrants, foreign-born more acculturated immigrants and U.S.-born Hispanic residents.

"Hispanic consumers in the U.S. are a highly diverse group with different beliefs, customs, experiences and behaviors," said Lynn Stachura, vice president of strategic insight with Dairy Management Inc.™ "These cultural differences make it even more important for marketers to understand this audience and develop messaging and programming to meet their unique needs."

The white paper states milk consumption decreases as the acculturation process progresses. In fact, the less acculturated group consumes almost 50% more milk, cheese and yogurt than the most acculturated segment of Hispanic consumers. This gap could result in the loss of 700 million lbs. of fluid milk sales for this segment by 2030.

Additionally, there is a vast difference in dairy preferences between the less acculturated and more acculturated consumers. Whole milk penetration is almost 14% higher among foreign-born Hispanics, compared with the U.S.-born segment, while drinkable yogurt penetration is almost double, and Hispanic cheese penetration is nearly four times higher.

“By appealing to the unique traditions of the less acculturated group, while recognizing that new habits get layered on, the dairy industry will be better able to maintain dairy consumption and help curb the drop-off,” Stachura said.

The white paper also pinpoints specific recommendations to help meet the challenge of creating demand by addressing the traditional needs of these consumers, including messaging, positioning, new product and packaging innovation, and distribution strategies.

“Our research shows that the unique nutrient package found in dairy products is extremely important to Hispanics,” Stachura said. “With the right products and messages, as well as increased distribution where Hispanics shop most, the dairy industry has an opportunity to grow incremental sales.”

To receive a copy of the white paper “Understanding the Dairy Opportunity Among Hispanic Consumers,” visit USDairy.com or e-mail InnovationCenter@USDairy.com.

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