

Report seeks to avert drop in Hispanic dairy consumption

By Guy Montague-Jones, 17-Sep-2010

A white paper from the Innovation Center for US Dairy has warned that Hispanic consumption of dairy products could go into decline.

Researchers at the Innovation Center, run by Dairy Management, found that dairy consumption tends to fall significantly as Hispanic consumers become more integrated into US society.

Consumption gap

According to the research, less acculturated Hispanics consume almost 50 per cent more milk, cheese and yoghurt than their more integrated counterparts. This gap means that demographic changes could result in the loss of almost 700 million pounds (320m kg) of fluid milk sales from Hispanics by 2030 as the demographics of the population evolve.

To avoid such a drop-off, the white paper sets out certain strategies to help the dairy industry meet the needs of different Hispanic consumers.

Lynn Stachura, senior VP of strategic insight for Dairy Management, told DairyReporter.com: *"The key to any marketing or communication strategy is to appeal to the unique dairy traditions Hispanic consumers bring to the United States, while also recognising the layering on of new habits."*

Changing preferences

As Hispanics become more integrated into US culture they tend not only to consume less dairy but change their dairy preferences.

Stachura said: *"More acculturated Hispanics have significantly higher usage rates for American style cheeses like Mozzarella, American, Cheddar and Monterey Jack, whereas less acculturated Hispanic consumers tend to gravitate more toward their "authentic cheeses" like Queso Fresco and Queso Blanco."*

Because of these differences, the marketing tactics to be employed in the battle to entice lapsed dairy consumers back to the fold would be different from the strategies needed to persuade less integrated Hispanics to stick with dairy.

But equally there are common features among all Hispanic groups in terms of their shopping habits and product preferences. Similarities include high brand loyalty and a high liking for yoghurt products.

Many of the strategies picked out in the Innovation Center report are therefore very product or habit specific. Stachura said potential demand boosting strategies include innovation to create new products that bridge the gap between home products and US style ones and messaging to accelerate adoption of US style dairy products.

Click [here](#) to view the online version.