

DRIVING HISPANIC DAIRY SALES

Are your stores doing all they can to meet the needs of the fastest-growing population segment? Here's expert advice.

BY LYNN STACHURA

In just 30 years, the number of Hispanic consumers is expected to more than double from today's 47 million. Already wielding more than \$951 billion in purchasing power, this segment has a strong impact on dairy sales and profits.

New research from the Innovation Center for U.S. Dairy reveals that targeting the segment that retains the strongest ties to its country of origin — the foreign-born, less-acculturated group — provides the best opportunity to grow sales.

GET 'HEALTHY!'

Dairy's nutrient-rich package is extremely important to Hispanics. The research shows they look for low-carbohydrate, low-sugar and low-fat labels and are more likely to check for the amount of preservatives or additives. Strengthening your store's association with health and wellness by spotlighting dairy's nutrition information will help you connect with these shoppers.

Freshness is key — 20% of Hispanics' routine shopping trips are for products they'll use that day, versus

virtually zero for the general market. Adhering to the retail best practice of conveying stronger freshness cues, especially in the dairy department, dovetails nicely with this need.

Kid-friendly products also entice Hispanic consumers, likely because Hispanic moms tend to show their love through food. Plus, children are often the bridge between parents and American tastes and trends. These influential shoppers accompany their parents on grocery trips more frequently than kids from the general population do.

Milk, cheese and yogurt preferences vary greatly depending on how consumers are acculturated. It's best to appeal to the unique dairy traditions Hispanics carry with them to the U.S., while recognizing the layering on of new habits.

Hispanics consume about the same amount of milk per capita as the general population and prefer fuller-fat varieties in part due to misperception of the nutritional benefits of lower-fat milks. (There's an education opportunity here.) Additionally, this group skews higher on branded milk.

Despite their preference for freshness, they tend to buy milk in bulk and on special, sometimes buying more than two gallons per trip.

Hispanic preferences for cheese also vary greatly from the general population, though per capita consumption is about the same. His-

panics hold tight to their affinity for Latin American cheeses throughout acculturation.

Hispanics gradually adopt American-style cheeses, and sampling speeds the process. Despite cheese type, they are more likely to buy block cheese and shred as needed, underscoring the value placed on freshness.

YOGURT TRENDS

Yogurt is a stronger part of Hispanic dietary traditions than for the mainstream U.S. More Hispanic consumers are likely to trade standard cup yogurt for convenient, kid-oriented versions. They prefer tropical flavors like guava, mango and strawberry-banana to blueberry, peach and vanilla. The research reveals that Hispanics make a strong connection between yogurt and digestive health, so you're wise to reinforce this health benefit.

Hispanic consumers are a diverse group with different beliefs, customs and behaviors, and understanding their needs will help drive sales among these loyal customers.

For a copy of the white paper "Understanding the Dairy Opportunity Among Hispanics," visit www.USDairy.com. ■

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6 TIPS YOU CAN USE

1. Recognize the wide diversity within the Hispanic segment.
2. Target the foreign-born for fastest growth.
3. Spotlight dairy's nutrition info to appeal to health-conscious Hispanics.
4. Use as many 'freshness cues' as you can in the department.
5. Educate Hispanic consumers on the nutrient profile of low-fat milk.
6. Sample American-style cheeses to build trial and usage.