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## Guest Editorial

# Tapping the Hispanic Market an Opportunity to Boost Dairy Sales

## Fastest-growing Population a Core Target for Dairy



■ LYNN STACHURA

Hispanic consumers are fast becoming a force to be reckoned with at retail. With a commanding \$951 billion in purchasing power and some shoppers who already outspend the general population at grocery stores, this market represents an important opportunity to raise dairy department sales.

A new white paper by the Innovation Center for U.S. Dairy finds dairy to be highly important to this population. It breaks the Hispanic market into three segments and identifies the least acculturated as the primary target to grow sales. Appealing to their unique traditions, while recognizing that new behaviors develop, provides an opportunity to maintain and grow dairy sales overall.

It also identifies several areas that are influential to this market's consumption behaviors:

- 1. FRESH:** 20 percent of Hispanic consumers' routine shopping trips are for products they'll use that day, versus about zero for the general population. This also helps drive a preference for whole blocks of cheese over shreds and sliced varieties.
- 2. AUTHENTIC:** As these consumers become more ingrained in U.S. culture, they will gradually adopt American-style cheeses, but they hold on

to their preference for the cheeses authentic to their homelands.

- 3. HEALTHFUL:** Hispanic consumers seek out low-carbohydrate, low-sugar and low-fat labels, and are likely to check for preservatives or additives.
- 4. KID-FRIENDLY:** Hispanic children are influential shoppers, accompanying their parents to the grocery store more often than the general population. Children of foreign-born consumers are often the bridge between parents and U.S. trends and customs.
- 5. TROPICAL:** Yogurt flavors such as guava, mango and strawberry-banana are more enticing to this population segment than blueberry, peach or vanilla.
- 6. WHOLE:** Fuller-fat varieties tend to win favor over low-fat milk because many Hispanic consumers mistakenly believe that low-fat doesn't offer the same nutrients.
- 7. BRANDED:** This market is brand-loyal and is most likely to purchase branded milk (though

they look to buy it in bulk when it's on special).

Grocery retailers can implement additional strategies in-store to help incent purchase.

Spotlighting dairy's nutrition information in the department may help strengthen a store's health and wellness connection. Leveraging stronger freshness cues is another opportunity to help build Hispanic dairy consumption. Lastly, sharing samples of American-style cheese may help familiarize this segment with their options and accelerate adoption.

From helping guide how to fill shelf space, to providing insight for dairy department communication messages and sampling, a better understanding of the Hispanic market provides an added opportunity to fully leverage this brand-loyal consumer segment and grow dairy sales. To obtain a copy of the white paper "Understanding the Dairy Opportunity among Hispanics," visit [USDairy.com](http://USDairy.com).

*LYNN STACHURA is senior vice president of strategic insights with Dairy Management Inc. The Innovation Center for U.S. Dairy is supported and staffed by DMI and provides a forum for the dairy industry to work pre-competitively to achieve innovation and sales growth.*