



The Fresh Perspective

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Hola! Hispanics Represent Opportunity for Fresh

With a U.S. population nearly 20 percent greater than the entire population of Canada and an estimated growth rate of 200 percent during the next 40 years, the Hispanic population continues to change the portrait of America and represents an important target for the food industry.

According to Nielsen Monitor-Plus, U.S. Latinos go to the grocery store an average of 26 times per month - three times more than the general population - and spend more money per trip. In general, Hispanics have larger families and a greater emphasis on “cooking from scratch”, cooking dinner at home an average of 5.6 times per week, according to IDDBA.

Food marketers are paying more attention to this audience, with its \$1.2 trillion buying power, through new Hispanic-inspired product offerings (e.g., Oreo Dulce de Leche, Kraft Manchego singles, Sargento Chipotle Cheddar shredded cheese), bilingual packaging and increased targeted promotional efforts.

Retailers also are changing strategies to reach this highly sought-after audience with increased Hispanic-focused advertising and customized formats in targeted neighborhoods. Understanding the Hispanic shopper has different buying patterns than mainstream consumers, concepts such as Walmart’s Mas Club Supermercado, Publix Sabor and HEB’s Mi Tienda cater to the Hispanic market with features including new layouts, bilingual signage and employees, and larger selections of Hispanic products integrated with conventional products.

Whether in these new concepts or traditional formats, the Hispanic consumer is a strong perishables consumer. To assist the fresh industry with a better understanding of how this shopper behaves across produce, deli, bakery, seafood and meat, the Perishables Group and The Nielsen Company have partnered to offer the **Hispanic Shopper Perishables Reports**, merging together syndicated sales data with Spectra’s proprietary consumer demographics to understand category and product sales rates across Hispanic and non-Hispanic stores. Because the growing Hispanic population is not homogeneous, the reporting also captures country of origin and levels of acculturation. These reports open the door to developing more strategic marketing efforts toward this growing demographic.

When examining the fresh categories, all departments except deli index higher with Hispanic consumers than the general population. While some report findings are intuitive (Roma tomatoes and shredded beef index in the very high category with Hispanics across all levels of acculturation and especially highly with Mexican country-of-origin), other results are more relevant to food marketers understanding this varied audience.

While Hispanics are generally not strong deli consumers, Hispanic Shopper Perishables Reports show this demographic group indexes in the high category with beef ribs and rib dinners as well as specific sides and soups, driven by Mexican and Cuban consumers. Hispanic cheeses, a rapidly growing category, index very high with all Hispanics except those with Puerto Rican origin.

Hispanics are strong bakery shoppers and interestingly, Cubans index high for cakes, especially dessert cakes and tortes. Crusty specialty rolls index high for those of Cuban and Puerto Rican origin, but not Mexican origin. In the seafood department, snapper indexes high across all levels of acculturation and especially high with Cubans.

Both fresh suppliers and retailers have an opportunity to use Hispanic Shopper Perishables Reports to better understand and segment Hispanic consumer shopping behavior, and more importantly, to create targeted strategies to capture the dramatically growing food dollars of this consumer group.

Which retailer do you think has done the best job of effectively “branding” their private label product line?

Whole Foods: 365
Everyday Value
21%

Walmart: Great Value
10%

Target: Archer Farms
36%

Safeway: O Organics
21%

SUPERVALU:
Culinary Circle
12%