

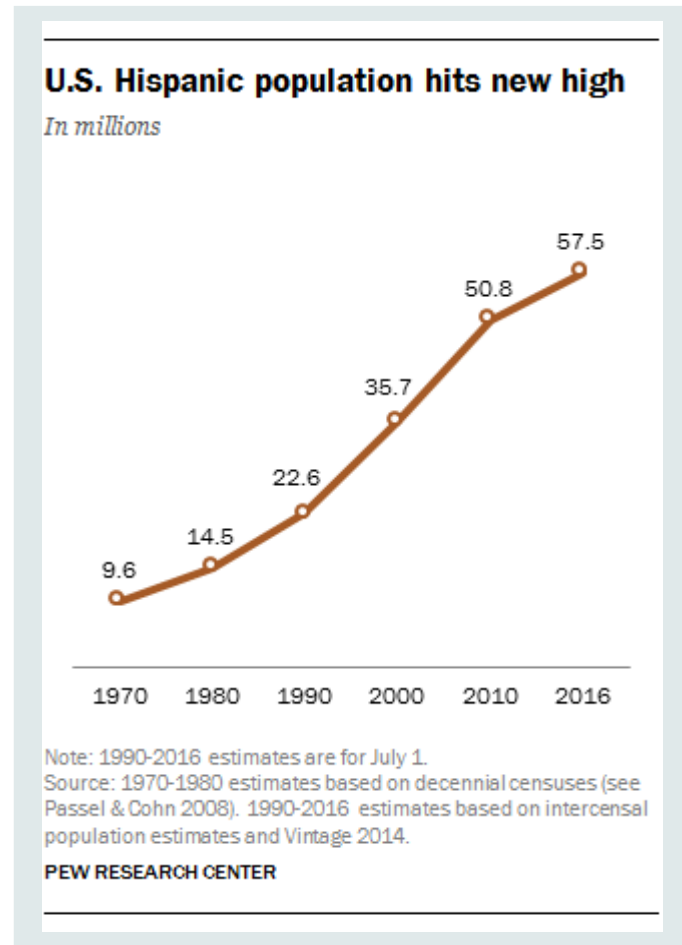


Numerator

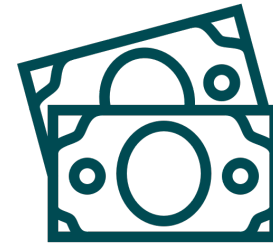
NEW FRONTIERS

Understanding Hispanic Shoppers

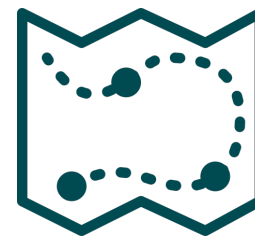
Hispanics are a growing consumer group who are spending more YoY



12.3%
% of Households



\$78B
Projected Sales on Grocery
Both online and in-store
(+\$2B vs YAGO)



215
Trips to Grocery
(+5 Trips vs YAGO)

In general, Hispanic shoppers are younger, less affluent, living in larger urban households with children



AGE

18-44

HHs: 63%, Index: 165



INCOME

Under \$60k

HHs: 59%, Index: 129



IDENTIFICATION

Both – Hispanic & American

HHs: 50%



MARITAL STATUS

Never Married/Living with Partner

HHs: 40%, Index: 151



HOUSEHOLD SIZE

3+ People

HHs: 62%, Index: 142



CHILDREN UNDER 17

Yes

HHs: 46%, Index: 151

64% more likely to be on trip



EDUCATION

Some College or Technical School

HHs: 59%, Index: 122



EMPLOYMENT

Part Time/Student/Homemaker

HHs: 23%, Index: 133



URBANICITY

Urban

HHs: 56%, Index: 161

But by acculturation, the Hispanic profile varies drastically



Acculturated

(40% of Hispanic Shoppers)

- Gen X & Boomers
- High Income (>\$80K)
- 1-2 HH Members
- Rural/Suburban
- Mountain, Pacific, West South Central



Semi-Acculturated

(50% of Hispanic Shoppers)

- **Gen Z & Millennial**
- Low Income (<\$40K)
- 3+ HH Members
- Urban
- Mid-Atlantic, New England, South Atlantic



Unacculturated

(10% of Hispanic Shoppers)

- Boomers & Seniors
- Low Income (<\$40K)
- 5+ HH Members
- Urban
- New England, South Atlantic, East Central

And so does their shopping behavior...



Acculturated

- **Buy Rate: \$4,121**
- Purchase Frequency: 179
- Basket Size: \$38.00



Semi-Acculturated

- **Buy Rate: \$3,788**
- Purchase Frequency: 180
- Basket Size: \$34.50



Unacculturated

- Buy Rate: \$4,105
- **Purchase Frequency: 208**
- Basket Size: \$32.00

The Hispanic household is...

- Multiple generations – Shoppers say they live with spouse/partner, children, and parents
- 41% rent their homes (162 index)
- 28% more likely to live in a multi-unit complex

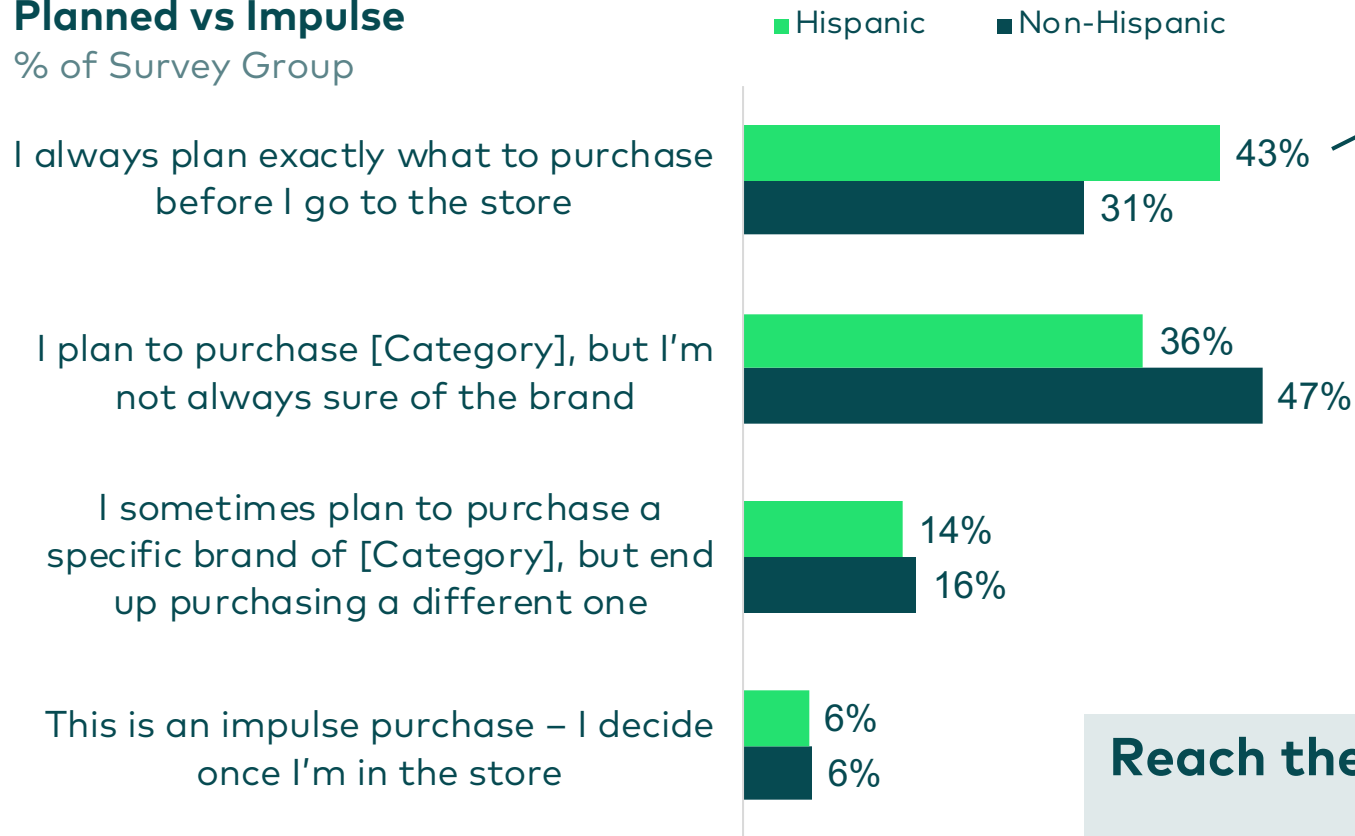


Thinking ahead...
Getting into the Hispanic shopper mindset

Hispanics know exactly what they need – grocery planning is a crucial pre-trip step

Planned vs Impulse

% of Survey Group



Unacculturated shoppers are even *less* impulsive:

55% of Unacc. shoppers make planned Pantry and Produce trips

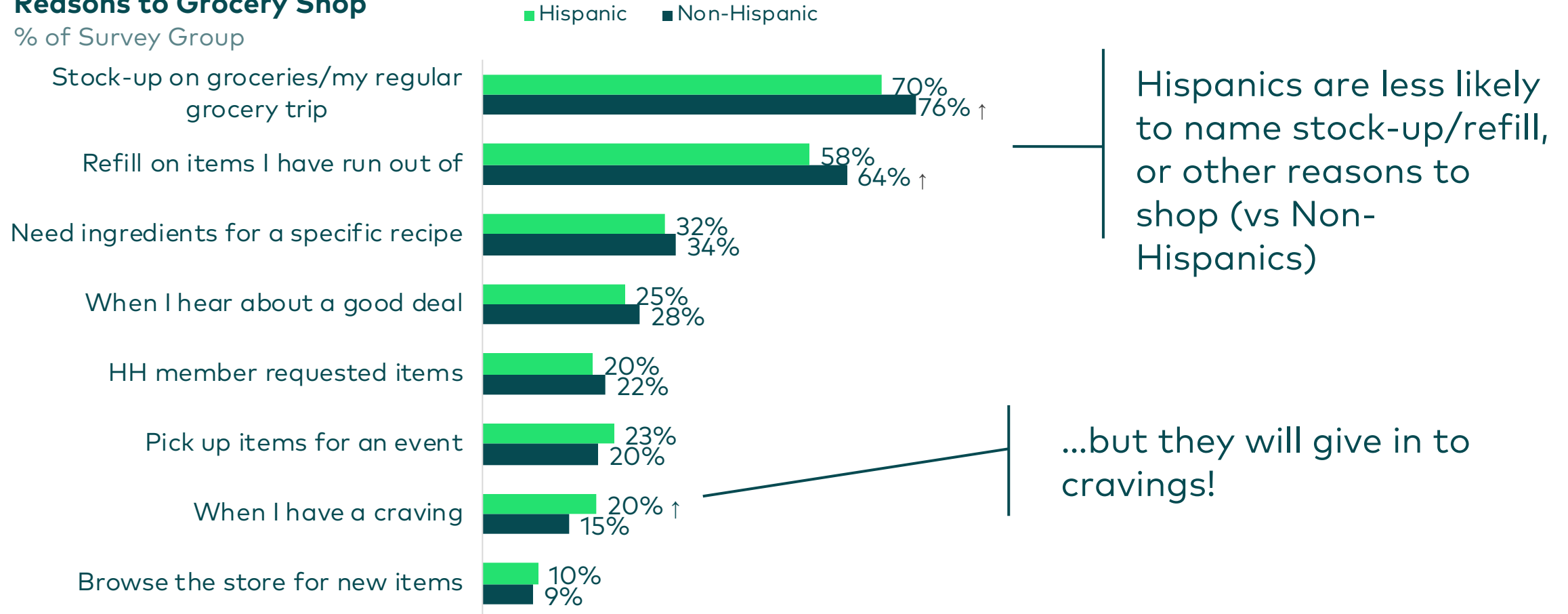
52% of Unacc. shoppers make planned Personal Care trips

Reach the Hispanic shopper *before* they go to the store

However, they're less engaged in grocery shopping overall...

Reasons to Grocery Shop

% of Survey Group



Numerator Insights Custom Survey N= 1,543 Hispanics, N=1,555 Non-Hispanics

↑ = Indicates significance at 95% LOC

Q: What are the top 3 reasons you go to the grocery store?

... Most likely because they dine out often and need help in the kitchen



24%

More likely to **feel guilt-ridden when not cooking**



22%

More likely to **need help in the kitchen**



49%

More likely to **dine out 4 or more times per week**

(Semi-acculturated Hispanics are 29% more likely to dine out 6+ times per week than Acculturated Hispanics)

Top Reasons for dining out:

- 1. Satisfy a craving**
- 2. Try new things**
- 3. Treat my family**

44%

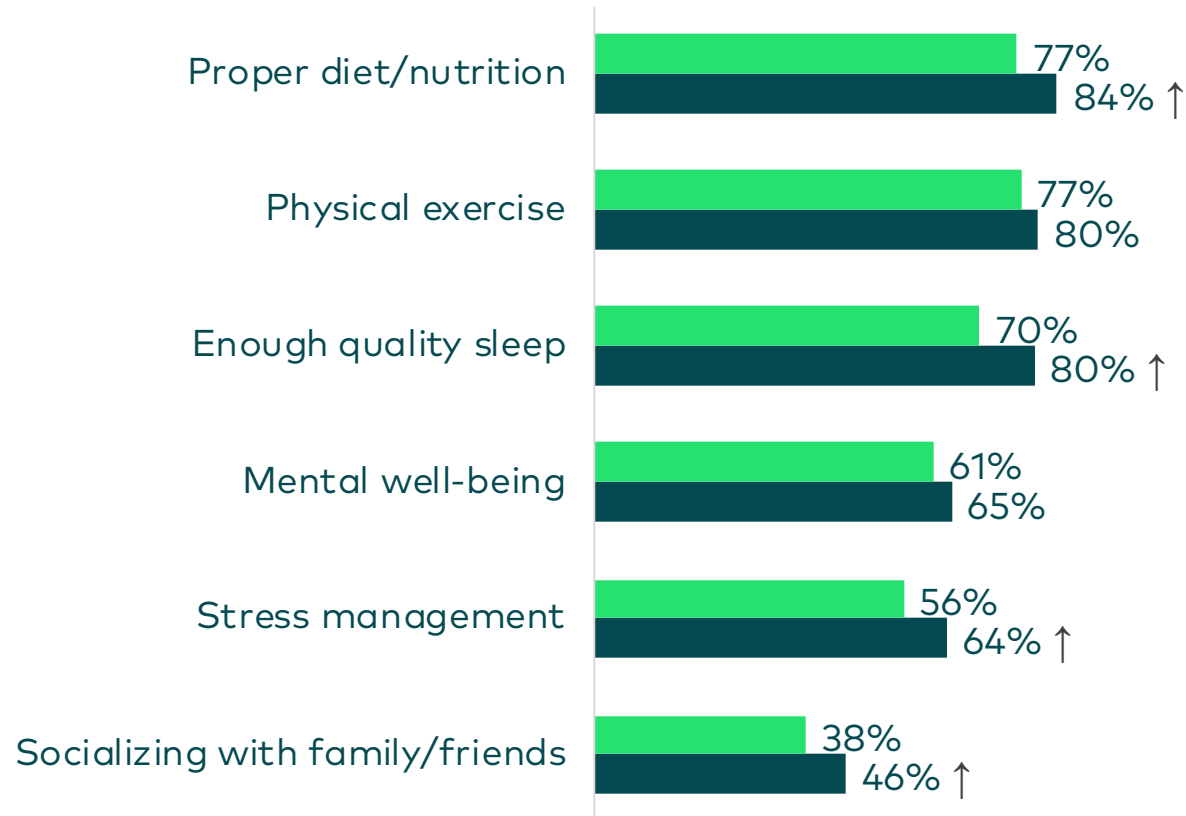
More likely to dine out to **get food for children**

Hispanics share the same idea for "healthy", but are less concerned with enacting a healthy lifestyle

Factors in a Healthy Lifestyle

% of Survey Group

■ Hispanic ■ Non-Hispanic



Important Parts of Healthy Lifestyle (Verbatims)

- “ Eating a well balanced meal and exercising at least 3x a week”
- “ Eating fruits and vegetables and healthy food no fast food restaurant food”
- “ Eating nutritional foods, exercising regularly, good mental health”
- “ Watching what you eat, eating correct portions and healthier. Ensuring veggies are in the meal and exercising”
- “ Healthy, nutritious diet and daily activity”

Numerator Insights Custom Survey N= 1,543 Hispanics, N=1,555 Non-Hispanics

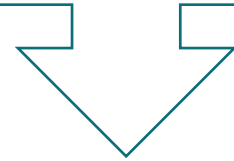
↑ = Indicates significance at 95% LOC

Q: Please select which factors you consider to be most important in a healthy lifestyle

This could be in part because they lack time to take care of themselves

40%

More likely to **not be at all**
or **only slightly concerned**
with eating healthy



27%

Less likely to
review
nutritional labels

30%

Less likely to
watch their diet

36%

Less likely to
take vitamins or
supplements

25%

of HH's believe they
have **no time to take**
care of themselves



1.8x more likely to
not be active at all

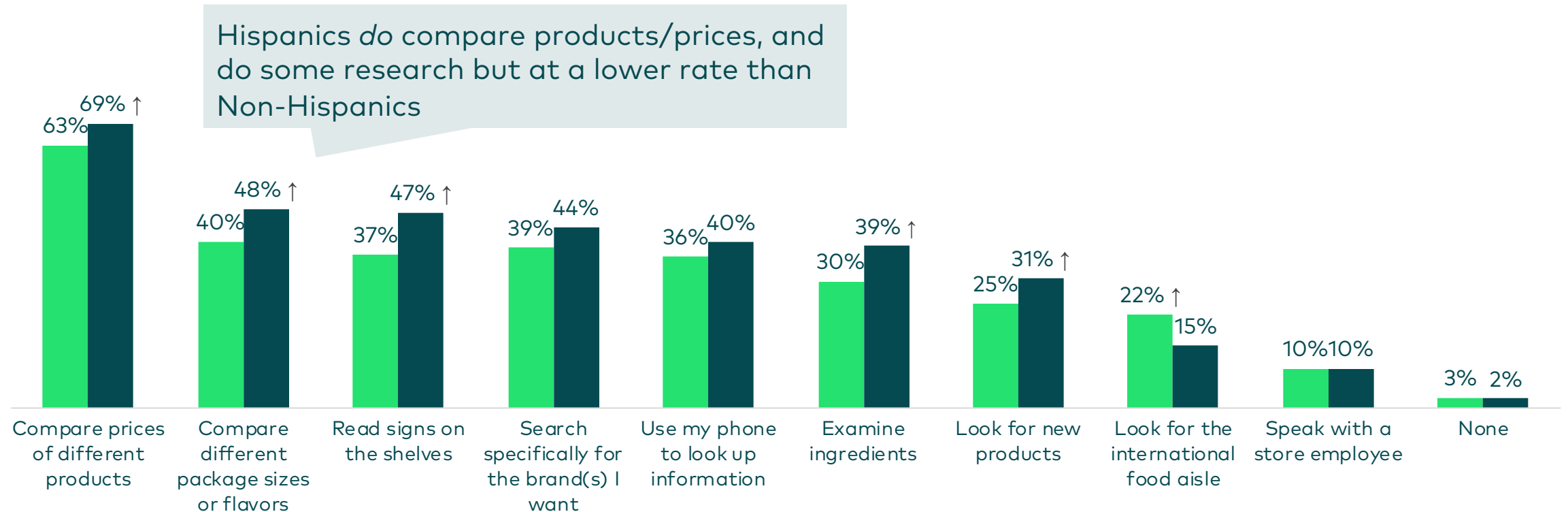
So, what are they buying and where?
Hispanic Grocery "Hot Spots"

Given the planned nature of their trips, Hispanics put less effort into grocery shopping once in the store

Shopping Behaviors in Store

% of Survey Group

■ Hispanic/Latino
■ Non-Hispanic



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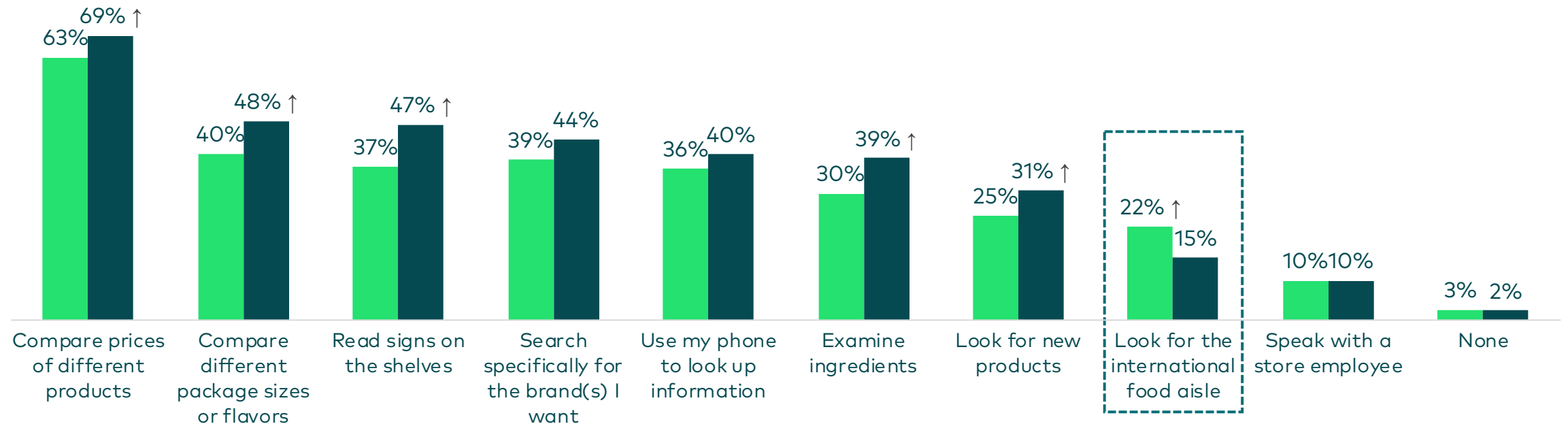
Q: Which of the following do you do while you shop?

...But what they need is often in the international food aisle, and that's where they go!

Shopping Behaviors in Store

% of Survey Group

■ Hispanic/Latino
■ Non-Hispanic



Numerator Insights Custom Survey N= 1,543 Hispanics, N=1,555 Non-Hispanics

↑ = Indicates significance at 95% LOC

Q: Which of the following do you do while you shop?

The majority of Hispanic brands are purchased at Mainstream—not Hispanic—retailers

Ensure distribution of Hispanic brands at mainstream retailers for a one-stop-shop experience

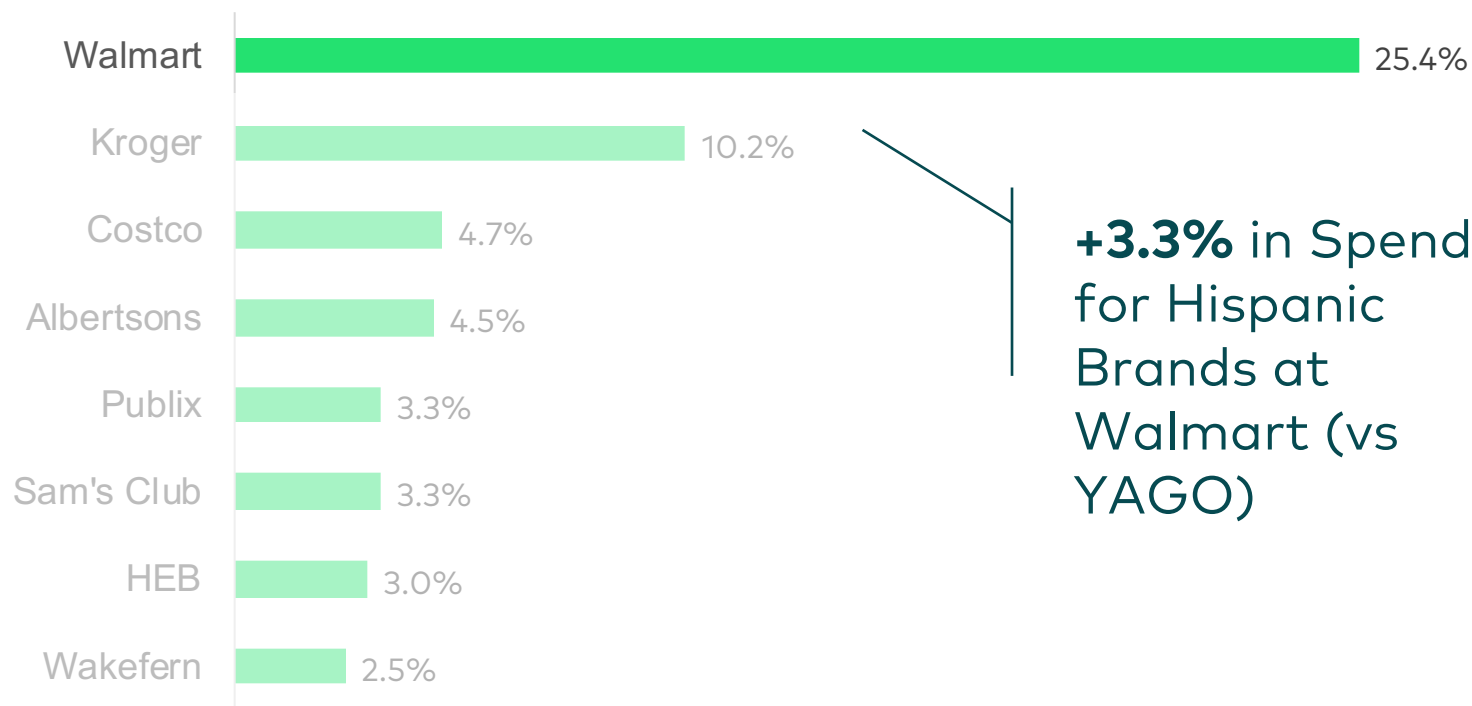


6.2%

Of Spend on Hispanic Brands were at Hispanic retailers
(vs 3.0% of Spend on Total Grocery at Hispanic Retailers)

Retailers Hispanic Brands Purchased, L52W

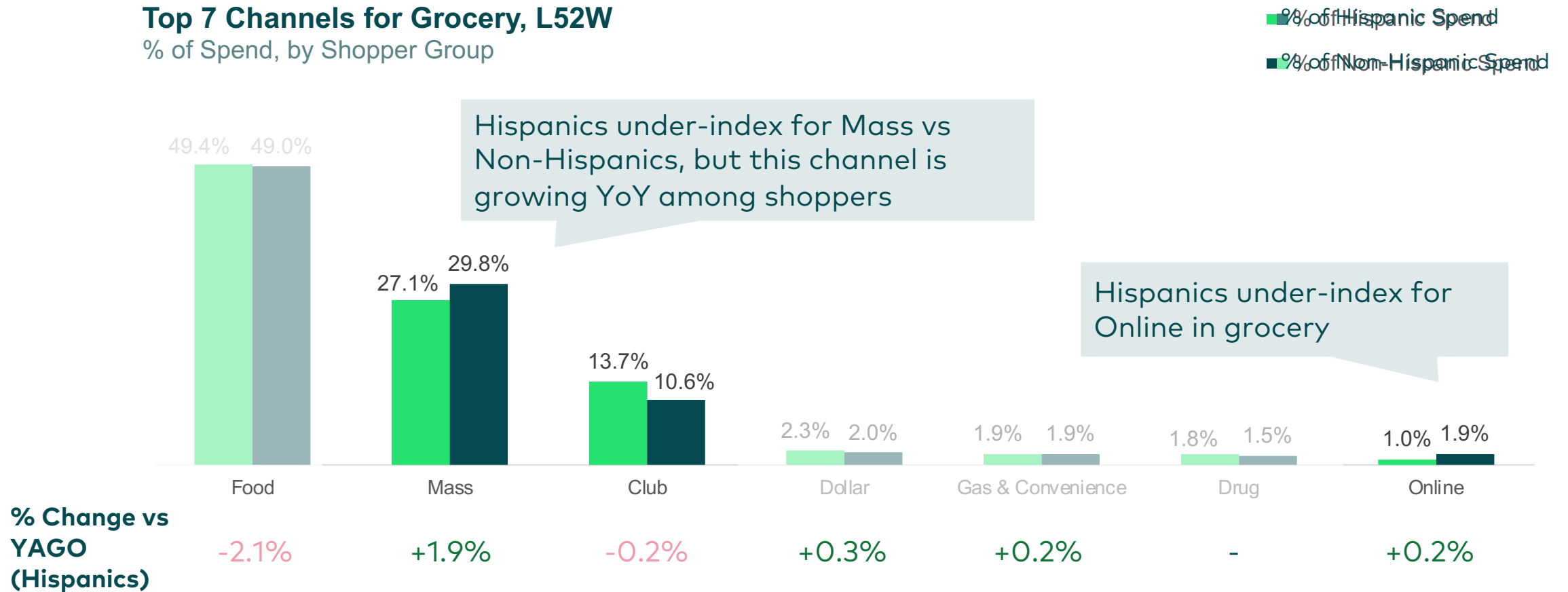
% of Trips, Hispanic Shoppers



+3.3% in Spend for Hispanic Brands at Walmart (vs YAGO)

Hispanic shoppers also over-index for Club, which provides great value when shopping for larger households

Top 7 Channels for Grocery, L52W
% of Spend, by Shopper Group



The Beans & Grains, Bakery, and Seafood departments are especially popular among Hispanic Shoppers

Hispanic Grocery Over-Index, by Department

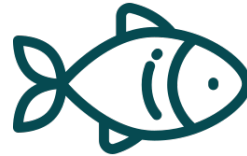
Index of % of Hispanic Spend vs % of Non-Hispanic Spend



**Beans &
Grains**
Index 193



**Bakery &
Bread**
Index 114



**Seafood &
Fish**
Index 111



Produce
Index 111



Meat
Index 107

Cross-promotion with these departments can help capture Hispanic shopper attention

Still, veggies are the most essential part of a “balanced meal” for Hispanics, followed by carbs/starches and meat

“ A meal filled with the appropriate servings of **vegetables**, starches, and carbohydrates.

“ **Vegetables**, carbohydrates and meats

“ Not greasy with lots of **veggies** and usually eat protein grilled

“ The meal has to have a source of protein along with some type of **vegetables** and a starch.

“ Rice beans and meat

“ Fish, **vegetables** and rice
[Pescado verduras y arroz]

“ **Vegetables**, beans, rice, and fruit
[Vegetales, frijoles, arroz y frutas]

“ Eating limited amounts of meat, enough **vegetables**, and some fruit
[Comer carne limitada, suficiente verduras y algo de fruta]

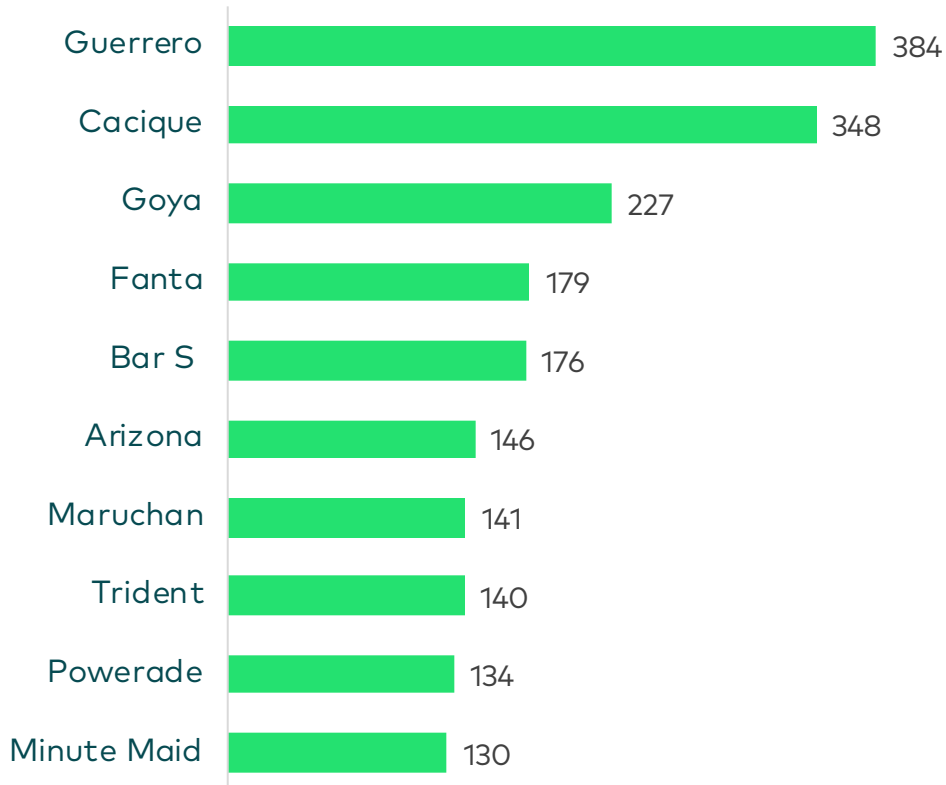
“ A balanced breakfast with milk and oatmeal. Also lunch and dinner with **vegetables**
[Un desayuno balanceado con leche y avena. También un almuerzo y cena con legumbres]

“ Must contain **vegetables**, some good carbs like pasta, and protein like meat or dairy
[debe contener verduras, algo de carbohidratos buenos como alguna pasta, y proteína como carne o algún lácteo]

When choosing a brand, Hispanics trust national brands, which convey quality

Hispanic Over-Indexing Brands in Food

Index of % Hispanic HHs vs % Non-Hispanic HHs



31%

More likely to believe that **brand name indicates quality**

36%

More likely to **rarely consider Private Label**

35%

More likely to trust **advertised brands**

42%

More likely to be **status driven**

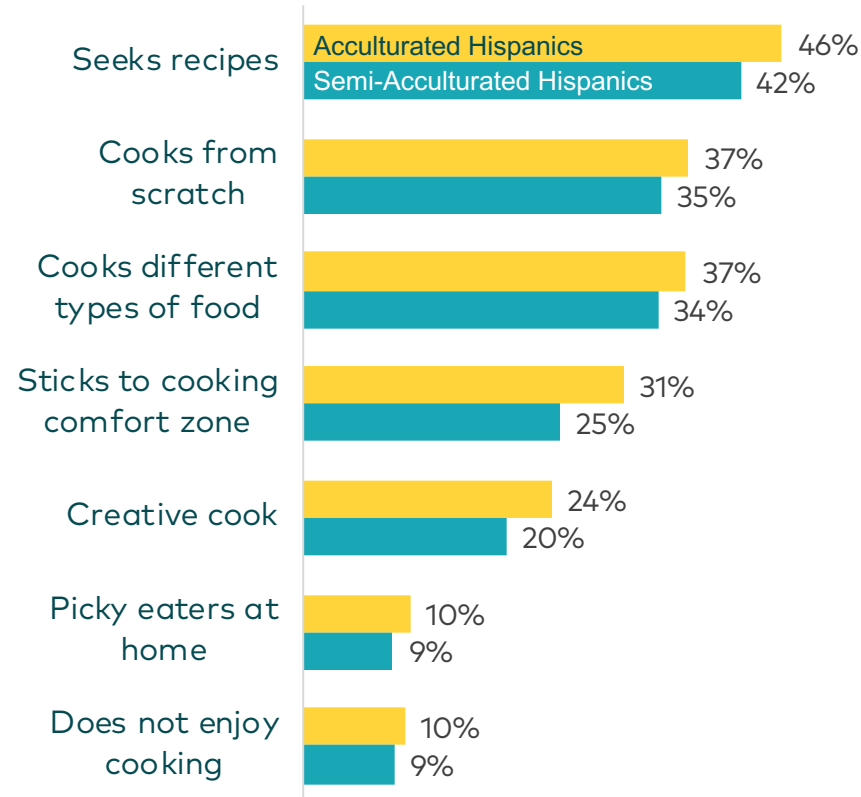
But, are all Hispanic Shoppers the same?
Identity politics in the Hispanic basket

Acculturation levels affect what Hispanic Shoppers buy: Acculturated Hispanics say they prefer to cook



58%
of acculturated
Hispanics are
**the primary
cook or meal
maker**

How do you prepare meals?



12%

More likely to **be a meal planner** than semi-acculturated Hispanics

14%

More likely to **seek quick-and-easy solutions** than semi-acculturated Hispanics

15%

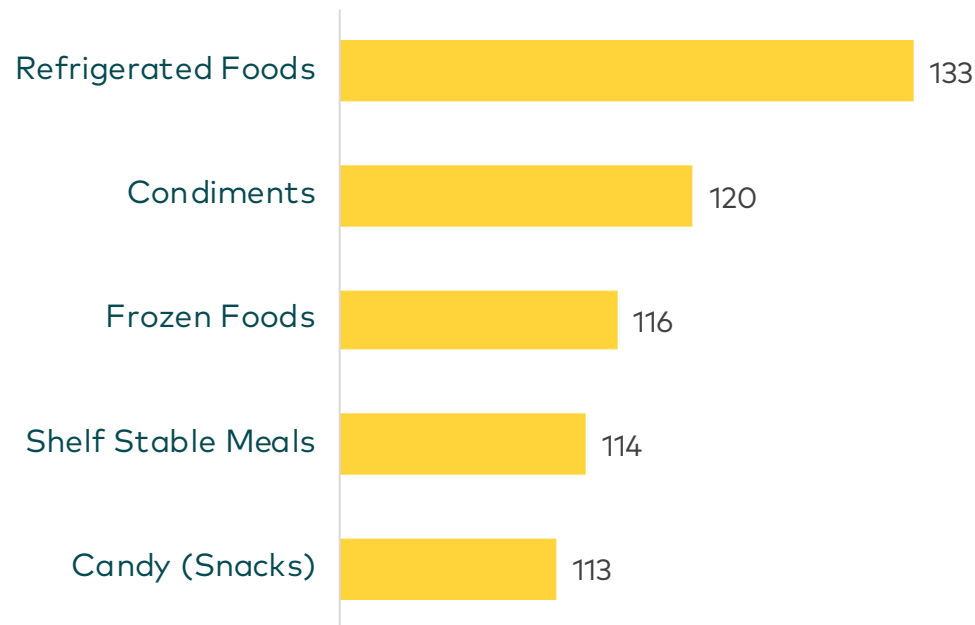
More likely to **review labels/ingredients** than semi-acculturated Hispanics

At the grocery store, Acculturated Hispanics strive for convenience and quick meals and Alcoholic Beverages

This group over-indexes on categories for low effort, pre-prepared food vs. Semi-Acculturated Hispanics

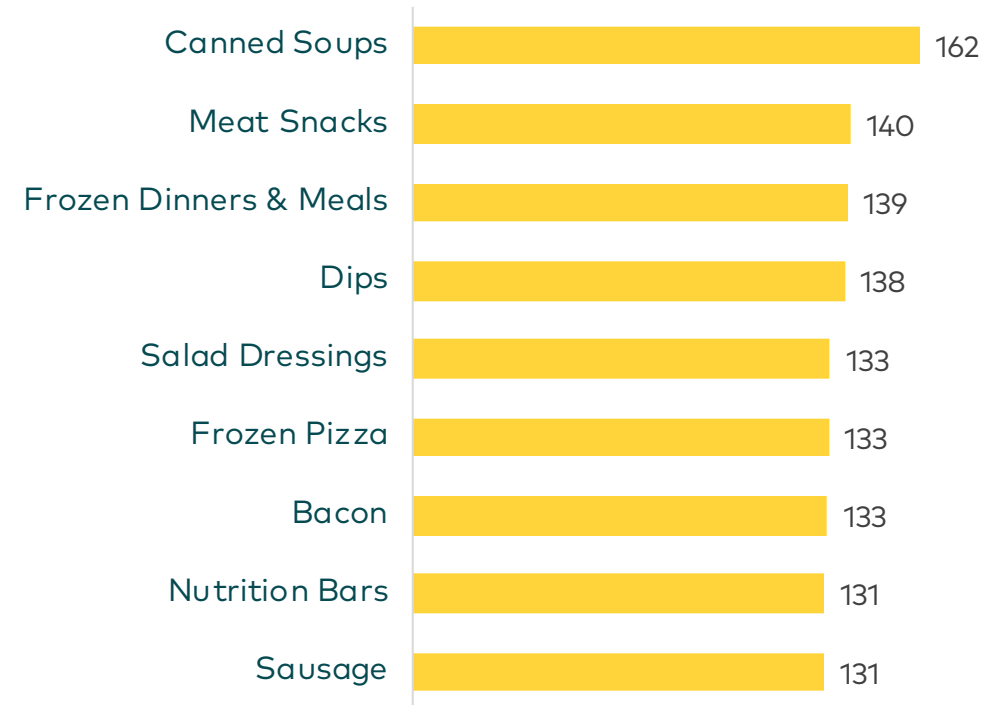
Departments Acc. Hispanics Shop in Food

Index of % of Acc. HHs vs % of Semi-Acc HHs



Top Food Categories for Acc. Hispanics

Index of % of Acc. HHs vs % of Semi-Acc HHs



In contrast, Semi-Acc. Hispanics (who skew younger) are more likely to cook heritage recipes from scratch

They over-index on buying core ingredients for Hispanic recipes such as rice, pork, and tortillas

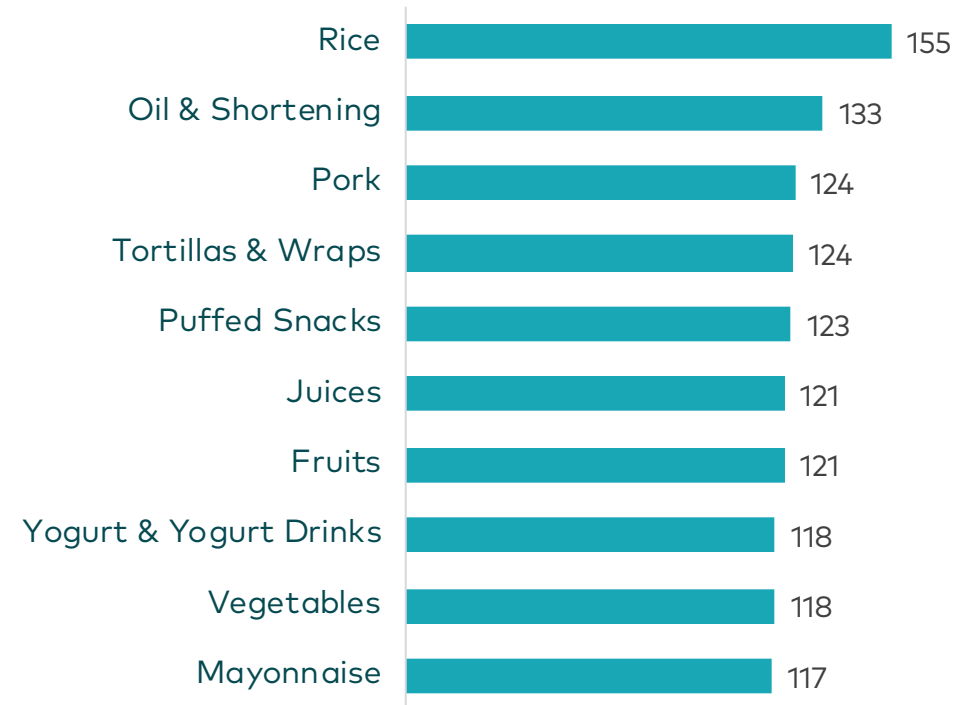
Dept Semi-Acc Hispanics Shop in Food

Index of % of Semi-Acc. Spend vs % of Acc. Spend



Top Food Categories for Semi-Acc. Hispanics

Index of % of Semi-Acc. HHs vs % of Acc HHs



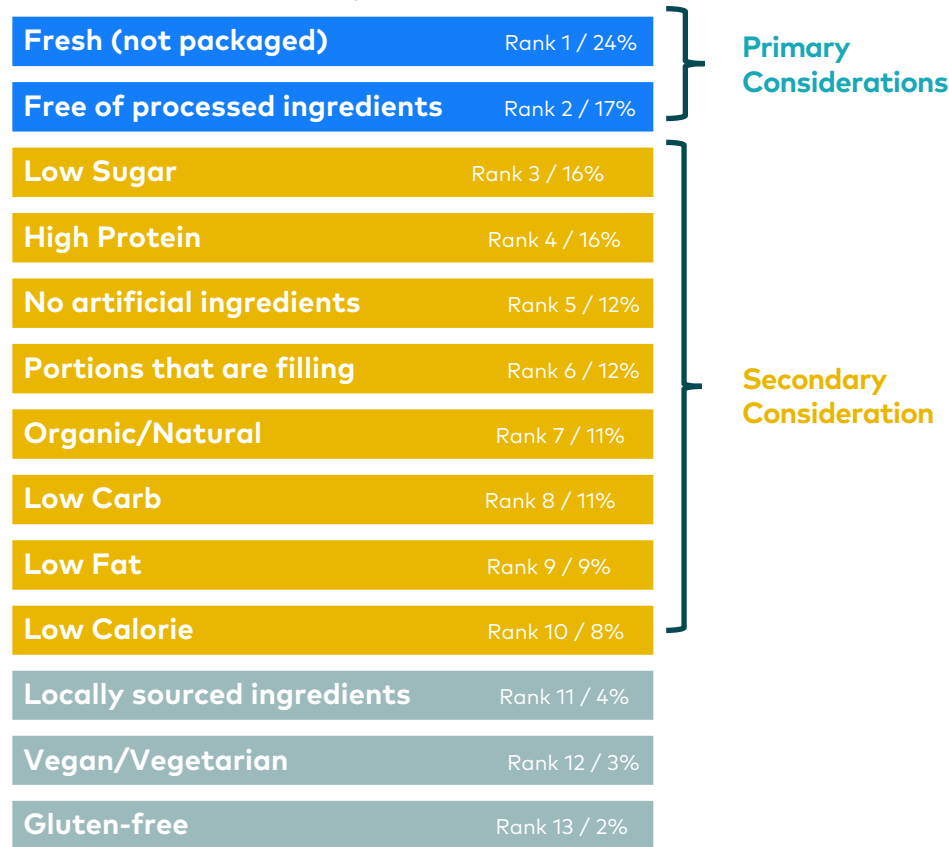
How to get on the Hispanic grocery list

Message "fresh" and "free of processed ingredients", these are attributes Hispanics look for

However, they still value these factors significantly less than the average shopper

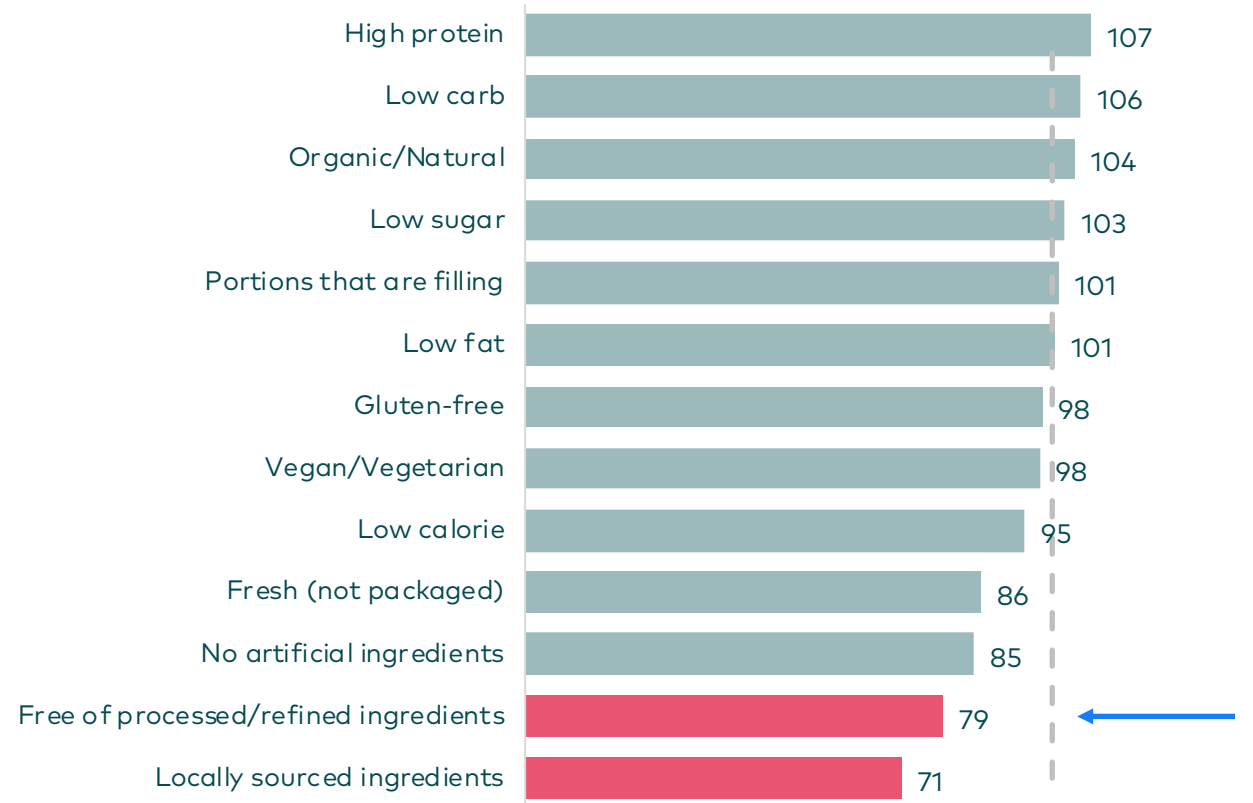
Hispanics Decision Process for Healthy

Rank and Share of Importance (%)



Index to Average

Against Total Average Importance Distribution %



Hispanic Shoppers n=479

● Index ≥ 120 ● Index ≤ 80

Driven by social approval, Hispanics are also committed to organics, and would pay any price for them

18%

of Hispanic HH's are **VERY committed to organic foods and beverages**

(183 index)

21%

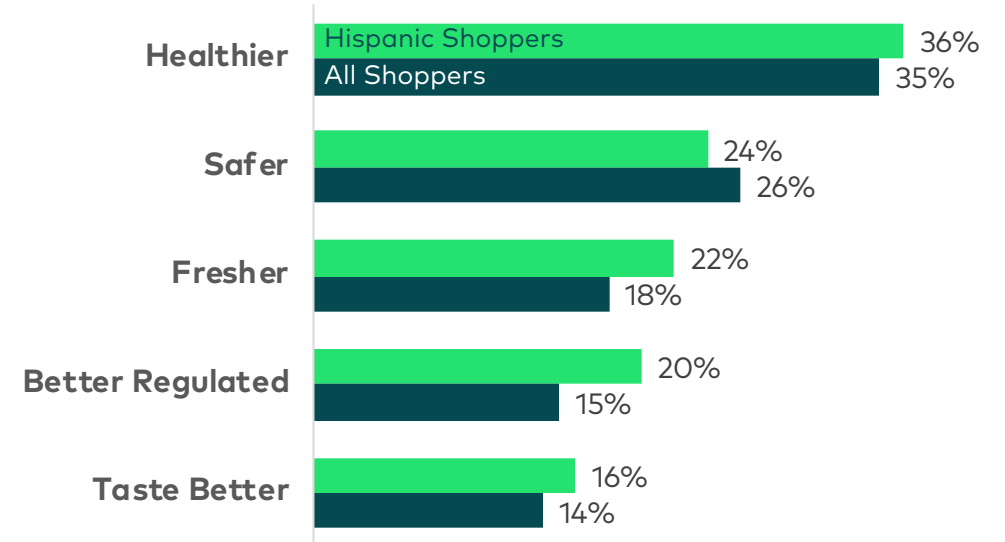
of Hispanic HH's **seek natural and organic foods** when shopping for groceries

(107 index)

2x

More willing to pay **ANY price for organics**

Top reasons for buying organics



29%

More likely to buy organic for **social approval**



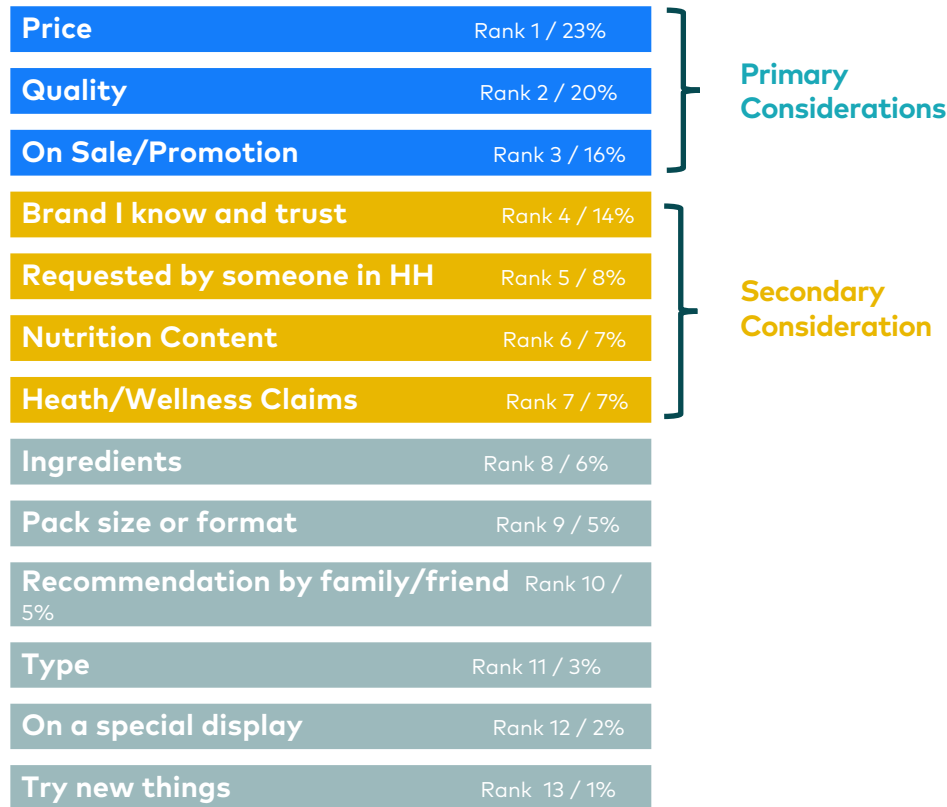
This holds especially true for Semi-acculturated Hispanics

When choosing a brand/product, sales and promotions are a primary consideration for Hispanics

But they value these *less* than the average shopper

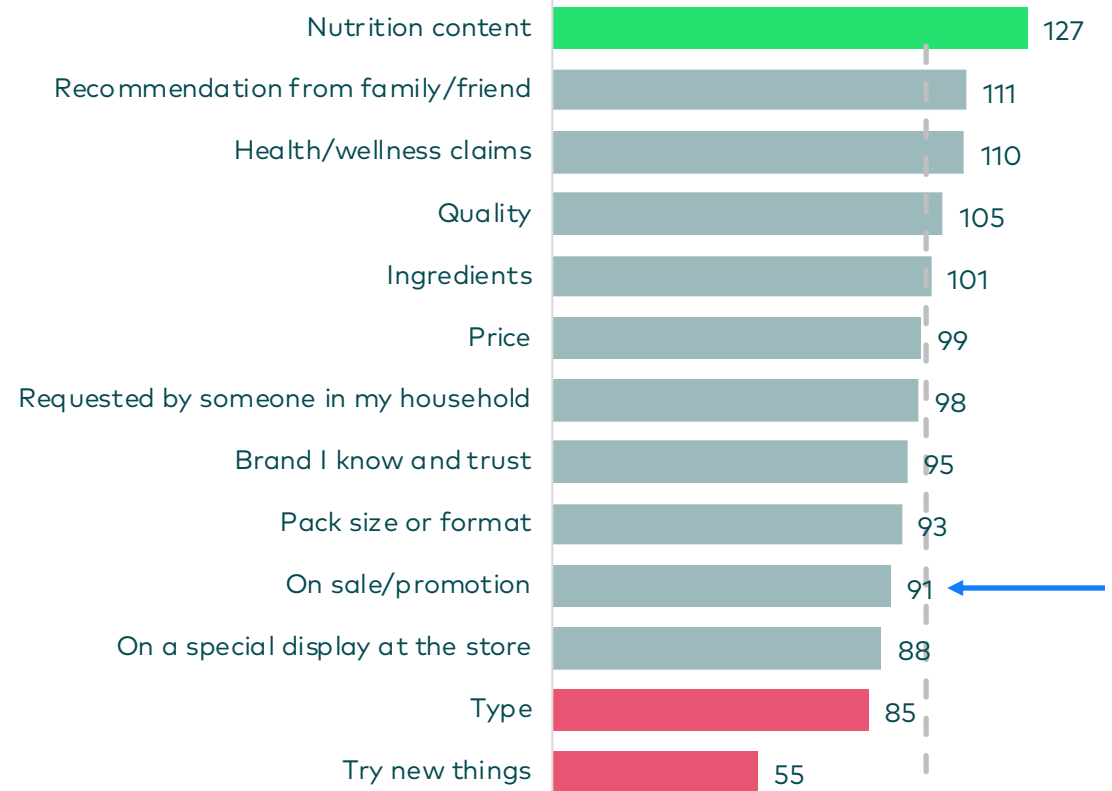
Grocery Decision Tree for Hispanics

Rank and Share of Importance (%)



Index to Average

Against Total Average Importance Distribution %



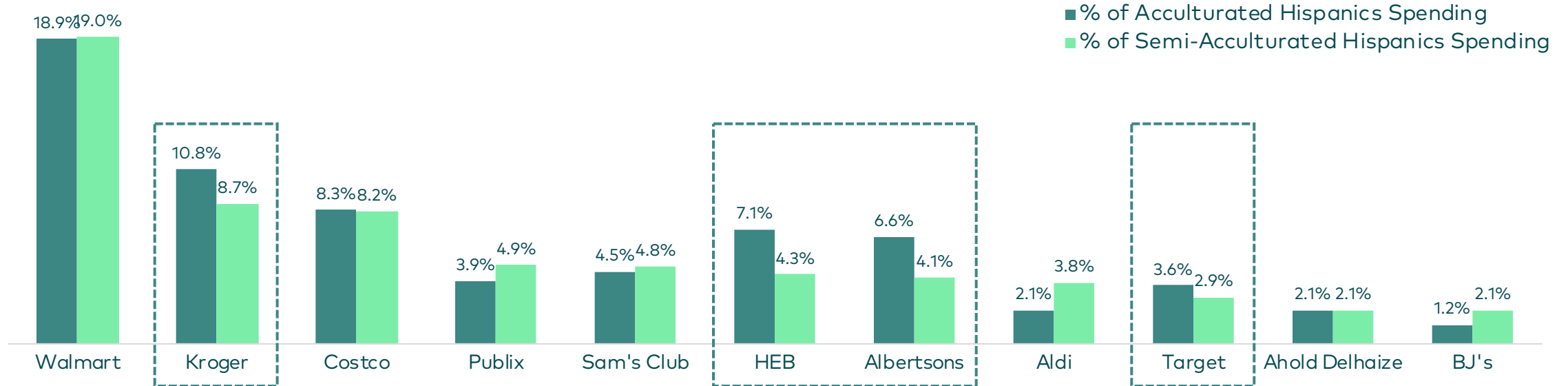
Hispanic Shoppers n=XXX

● Index ≥ 120 ● Index ≤ 80

Specific segments of the Hispanic population are more likely to shop for groceries at certain stores

- Since Hispanics do not look for sales and promotions as much, placement in the store and serving suggestions on labels or shelves (recipes, photos, etc.) can prove more valuable in driving purchase

Store preferences change by acculturation levels



To reach Hispanic audiences, TV, Digital, and Social Media are the most effective ways

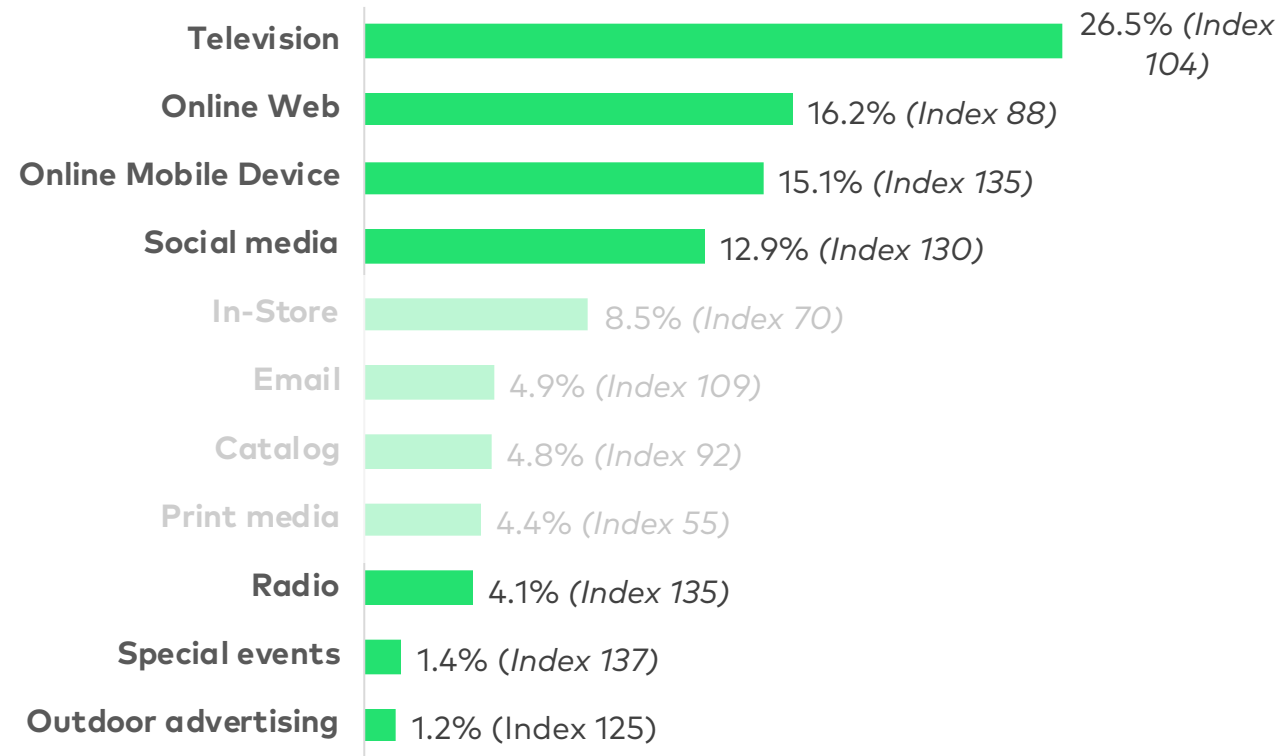
Radio and OOH may also be powerful mediums, as Hispanics over-index on these formats



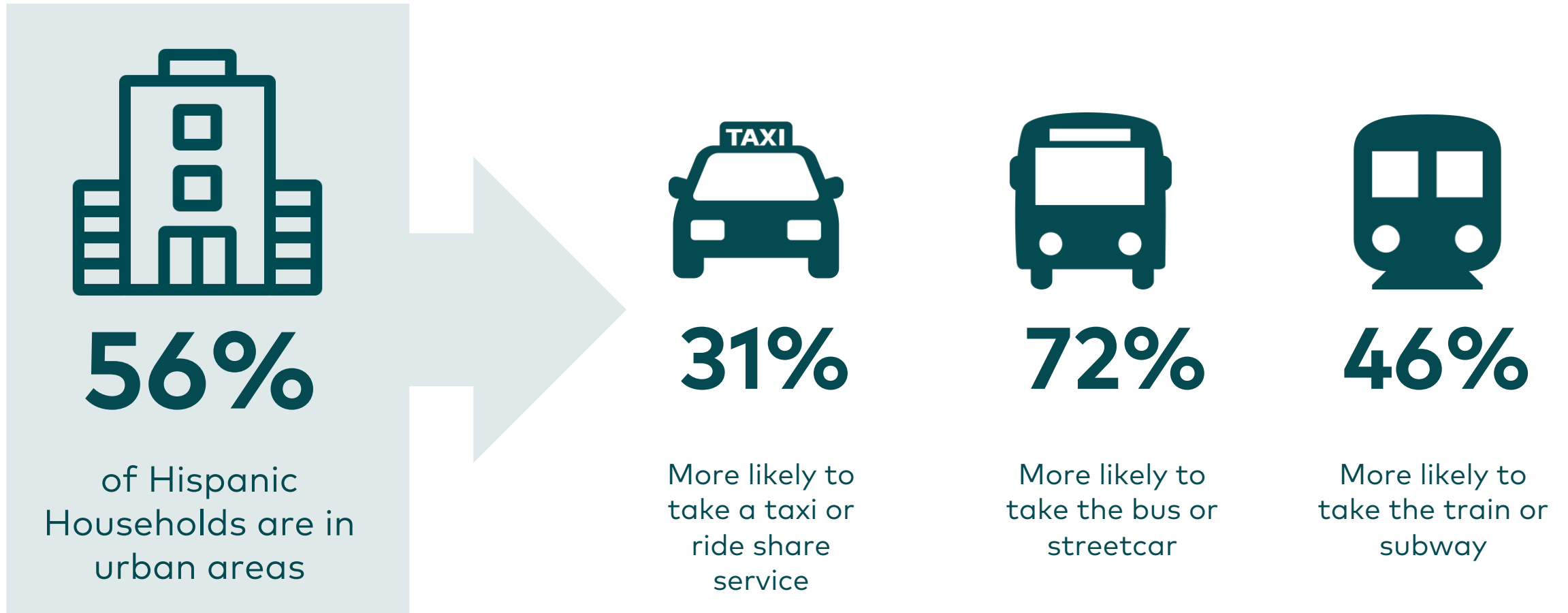
1.4x
More Hispanics trust
advertised brands
(vs All Shoppers)

Most Influential Touchpoints

% Hispanic vs % Non-Hispanics



Since Hispanic HHs skew to urban areas, public transport in cities is a prime place to reach Hispanic Shoppers



Always keep in mind WHO you are targeting...

	Acculturated Hispanics	Semi-Acculturated Hispanics
Language Preference	Spoken – English; TV – English	Spoken – Bilingual; TV – English
Cultural Identification	American – 53% Both American & Hispanic – 43%	Both American & Hispanic – 62% Hispanic/Latino – 25%
Education Level	4-yr college or below – 87%	Some college or more – 65%
Household Income	\$60K & above	Below \$60K
Generations	Gen X, Boomers, Seniors	Gen Z & Millennials
Influential touchpoints	Television; Internet; Social Media; Print media; in-store; special events; promotional emails/texts	Television; Internet; Social Media; Radio; catalogs/brochures;
Online Shopping Preferences	Do not find it as enjoyable, less likely to do research; more likely to buy in bulk, hard-to-find items online; still prefers physical stores and distrust fresh foods online	More likely to enjoy shopping online and do it weekly
Health & Lifestyle	Active or somewhat active but not as concerned with eating healthy; slightly or not at all committed to organics and would mostly buy if they are on sale/cheap; more likely to review nutritional labels, exercise regularly and watch their weight	More likely to stay updated on health trends, be very concerned with eating healthy and be very active; very committed to organics, willing to pay a premium; more likely to have special diets and allergies in the HH;
Financial Situation	More likely to own their single-family home as well as 3+ cars; saves for large expenses, keeps a close eye on the budget, and is uncomfortable with debt	Better than last year, but more likely to be a spender than a saver, putting off savings

What we're seeing

Hispanics plan their grocery trips before getting to the store

Hispanics are not all the same – shopping behavior and product preference vary by acculturation levels

Health is not as high of a priority for the Hispanic shopper

Why it matters to you

Brands need to get in front of the Hispanic shopper before the trip in order to make it into the grocery list

Product development and messaging can be tailored to target specific segments of Hispanic Shoppers

Understanding which complementary attributes resonate with Hispanics can help differentiate your brand

How you can take action

Leverage Psychographics and Media Consumption data to better reach your Hispanic shoppers

People Groups can help you better understand the shopper groups and their behaviors throughout Numerator Insights reports

Purchase-driven surveys can help you better understand your Hispanic shoppers and what they are looking for in a product



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