

THE WHY? BEHIND THE BUY™

U.S. Hispanic Shopper Study, 4th Edition



ACOSTA
SALES & MARKETING



About *The Why? Behind The Buy*™

The Why? Behind the Buy™ Hispanic Shopper study from Acosta Sales & Marketing was produced in partnership with Univision Communications Inc. to provide valuable insights into U.S. Hispanic shopper behavior. This study was fielded in Fall 2014. For more information about this report or other strategic insights research, please email thought.leadership@acosta.com.

About Acosta Sales & Marketing

Acosta is the sales and marketing powerhouse behind most of the trusted brands seen in stores every day. The company provides a range of outsourced sales, marketing and retail merchandising services throughout the U.S. and Canada. For more than 85 years, Acosta has led the industry in helping consumer goods companies move products off shelves and into shoppers' baskets. For more information, visit www.acosta.com.

About Univision Communications Inc.

Univision Communications Inc. is the leading media company reaching U.S. Hispanics across the United States. Our powerhouse portfolio includes Television, Radio, and Digital offerings that entertain, inform and empower more Hispanics each day than any other media company in the country. Univision's thought leadership on the U.S. Hispanic consumer spans a broad array of proprietary and syndicated research tools, and our team of seasoned marketing experts offer consultative services to the world's largest consumer goods manufacturers looking to engage U.S. Hispanics, a group that is driving growth across key categories. For more information, visit Univision.net or contact Liz Sanderson at Lsanderson@univision.net.

Already at 57 million strong, U.S. Hispanics are expected to double in population by 2050. When compared to the general U.S. population, U.S. Hispanics are more likely to eat family-focused meals at home, eat more meals, spend more time and money on grocery trips, try more products and be more digitally engaged along the path to purchase. Factor in U.S. Hispanics' \$1+ trillion spending power and it's clear why retailers and consumer brands are courting this growing powerhouse.

Improving Outlook

Hispanic shoppers are more optimistic about their household's finances with 38% indicating that they expect a positive change in their total household income in the coming year, compared to just 23% of total U.S. shoppers.

The Joy of Shopping

For Hispanic shoppers, going to the grocery store is a pleasurable experience. A significant 74% of Hispanic shoppers report they enjoy grocery shopping, 16 percentage points higher than total U.S. shoppers. Cultural differences play a major role in why Hispanics are happy to head to the store – one important reason is that it's typically a social experience. Shopping is an opportunity for the Hispanic consumer to spend time with loved ones. It naturally follows that they're more likely to spend more time doing something they enjoy. The good news for retailers is that Hispanic shoppers are spending more time grocery shopping.



Total Hispanic Shoppers



Total U.S. Shoppers



Hispanic Shoppers w/Kids



Hispanic Millennials ages 25-34



The Influence of Family

Social shopping brings more input about what to buy from a variety of members in the Hispanic household, including children. While the vast majority of product selections are made by the female head of household for total U.S. shoppers, Hispanic heads of household are more likely to share in the decision-making across many more categories.

Who in your household has influence on which specific product you buy?

CEREAL	CHIPS/SNACKS	REFRIG. JUICE/DRINKS
Hispanic Category Buyers 39% 35%	Hispanic Category Buyers 36% 31%	Hispanic Category Buyers 36%
U.S. Category Buyers 24% 20%	U.S. Category Buyers 31% 18%	U.S. Category Buyers 23%
FRESH PRODUCE	YOGURT	SHAMPOO/CONDITIONER
Hispanic Category Buyers 39%	Hispanic Category Buyers 39%	Hispanic Category Buyers 35%
U.S. Category Buyers 24%	U.S. Category Buyers 20%	U.S. Category Buyers 23%

Percent reporting equal influences on selection between both heads of household.

Percent reporting influence by any child.



Product Pioneers

Hispanics take pleasure in the many benefits of shopping, in particular the opportunity to try new products. Hispanic shoppers actively seek out and try new products and flavors, with even more Hispanic Millennials proving to be adventurous when it comes to exploring new product offerings. Hispanic shoppers are also significantly more likely than total U.S. shoppers to feel that it's important that new products should be offered in categories across the grocery store.

HISPANIC SHOPPERS LOOK FOR NEW ITEMS TO TRY

50%

of Hispanic Shoppers say they often try new flavors/products

57%

of Hispanic Millennial Shoppers ages 25-34 say they often try new flavors/products

HISPANICS & MILLENNIAL HISPANICS LOOKING FOR NEW PRODUCT VARIETY

Please tell us how important you feel it is to have new products offered each year (including a new brand, type or size) in the category.

PRODUCT CATEGORY % of Shoppers - Extremely/Very Important	Total U.S. Category Buyers	Total Hispanic Category Buyers	Hispanic Millennial Category Buyers (18-34)
Cereal	31%	56%	46%
Candy	26%	35%	39%
Chips, Pretzels, Salty Snacks	26%	41%	45%
Refrigerated Juice/Drinks	31%	56%	56%
Fresh Meat	32%	64%	67%
Fresh Produce	34%	66%	67%
Yogurt	32%	54%	54%
Household Cleaners	27%	55%	61%
Shampoo/Conditioner	24%	58%	57%

 Indicates significantly higher than Total U.S. Category Buyers at a 95% confidence level.



Meals Matter

The dinner table takes center stage in the Hispanic household. U.S. Hispanic shoppers are more likely than total U.S. shoppers to eat dinner at the table, giving time to reconnect with family. Comparatively, total U.S. shoppers are more likely to eat dinner in the living room or family room (likely in front of the television) than Hispanic shoppers. Making mealtime a priority ultimately translates to Hispanic shopper households averaging more meals each day than total U.S. shopper households.

65% vs. 55%

More Hispanic shoppers ate dinner at the dining table or kitchen counter than total U.S. shoppers.

3.3 vs. 2.8

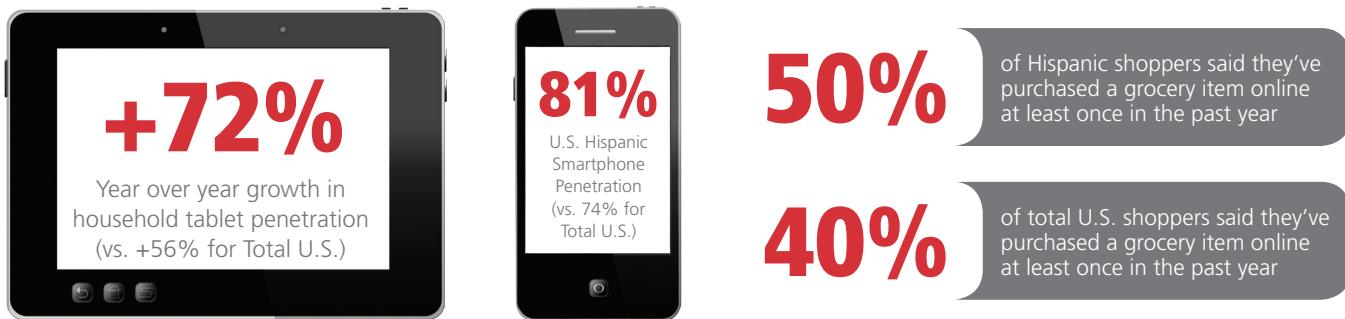
Hispanic shoppers eat more meals a day than total U.S. shoppers — that's an additional 3.5 meal occasions a week

23% vs. 12%

23% of Hispanic shoppers indicated that family requests drove the dinner meals they prepared vs. just 12% of total U.S. shoppers

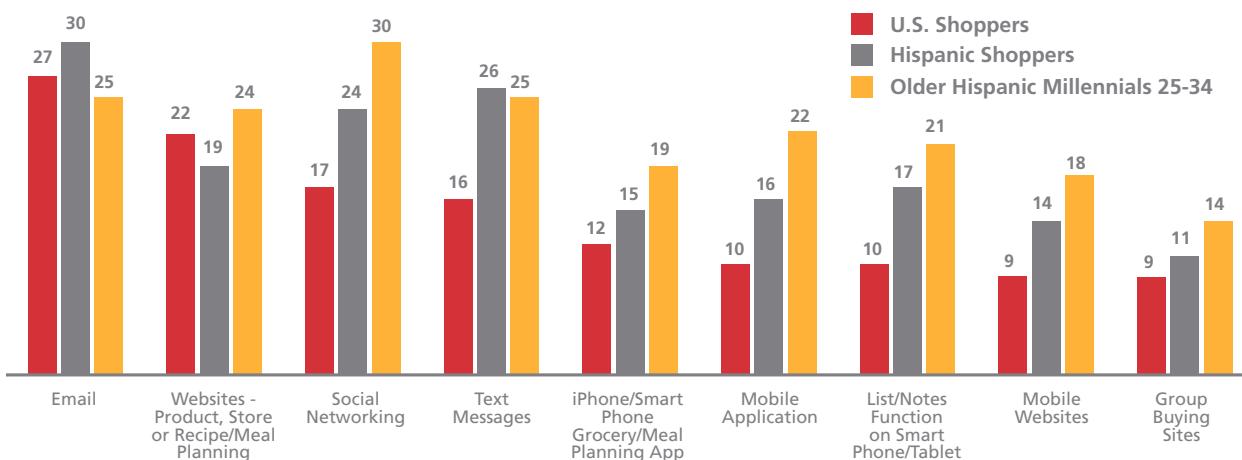
Smart Shopping

Hispanics outpace the general U.S. population when it comes to technology. They are early adopters of new technologies, and significantly more likely to use mobile technology, social media, apps and other digital tools for grocery shopping. Half of Hispanic shoppers indicated they had purchased a grocery item online in the past year, which is 10 percentage points higher than total U.S. shoppers.



Almost three-quarters of Hispanic Shoppers use technology for grocery shopping, compared to just 60% of total U.S. shoppers. Hispanic Millennials are on the leading edge of technology use for grocery shopping – with many even swapping the traditional paper shopping list for a digital list.

What online or interactive tools/sites do you use, at least once a week, for planning your grocery shopping trip and/or which specific products you eventually decide to buy?



Key Insights

Enhance their Joy of Shopping: Find ways to reward and delight Hispanic shoppers by providing a shopping experience that engages all family members and makes it easier for Mom to shop with her kids in tow, and allow larger multigenerational groups to navigate and enjoy the shopping experience.

Focus on the Food and the Experience: Mealtime is a priority in the Hispanic household, and brands can help support Hispanic mealtime with meal solutions that appeal to the whole family. Develop new products that will appeal to Hispanic households who are engaged with trying new products across the store.

Deliver with Digital: Take an omnichannel approach to marketing to best engage with the tech-savvy Hispanic shopper. Mobile and social are the ticket to gaining access to the Hispanic shopper's digital path to purchase. Develop a tech-centric campaign that enhances the Hispanic shopping experience, introduces new products, rewards loyalty, engages family and friends, and empowers these users.