

A Look Inside the Bicultural Consumer: Understanding the Largest Hispanic Consumer Group



Understanding the Hispanic consumer is one of the most difficult challenges facing brand marketers. One proxy to explain consumption differences across Hispanics is to use language preference as a marker for acculturation. Research has shown English-speaking Hispanic consumers to have consumption patterns similar to the general population. Conversely, the more Spanish-dominant Hispanic consumers may diverge from the general population in their consumption decisions. In between these two extremes is a population, often called *bicultural Hispanics*, which manifests a spectrum of language and consumption differences.

Language preference is one piece of a very complicated puzzle. To unravel the other dimensions, Spectra created a consumption-driven acculturation model that uses a combination of nine demographic variables (including age, income, language preference, and more) to identify distinct consumer packaged goods consumer segments within the Hispanic population. The resulting Culture Point ModelSM describes the three segments of the population as follows:

- Least Acculturated Hispanics—have consumption patterns that are most divergent from the general population and are primarily foreign born, with a high percentage of adults with no high school education.
- Most Acculturated Hispanics—reflect consumption patterns that are very similar to the general population, and are primarily at least the second generation to be born in the United States.
- Bicultural Hispanics—of the three segments, bicultural consumers form the largest segment of the Hispanic population (53%), and rather than being an amalgamation

Bicultural Hispanic Consumer Snapshot

- Includes 53% of total Hispanics
- 70% speak mostly Spanish outside of the home
- Just over 15% attended college
- 46% are employed in Blue Collar Occupations

Source: Simmons Hispanic Survey

of most and least acculturated Hispanics, comprise a distinct segment in their own right. Bicultural consumers are the most difficult to describe because they are neither as culturally isolated as the least acculturated Hispanics nor as fully integrated as the most acculturated Hispanics.

Consumption Behavior of Bicultural Hispanics

Unlike the most and least acculturated Hispanics, bicultural Hispanics do not tend toward a simple demographic profile. For instance, many of the most acculturated Hispanics have at least some college education. A majority of the least acculturated Hispanics never completed high school. The bicultural Hispanic education profile is less intuitive: about one-third have a high school degree and another 22% stopped their education before the eighth grade.

As one would expect from such a demographically heterogeneous group, the consumption patterns within the bicultural segment as a whole do not track as neatly as the consumption patterns within the most and least acculturated segments. As a result, a multi-dimensional acculturation model is vital when targeting this consumer base. Within the Spectra Culture Point Model, five urbanization (population density levels) and affluence segments are used to help understand differences in consumption behavior. An urban vs. non-urban split is shown below for high indexing bicultural brands in the breakfast cereal and carbonated beverages categories.

Breakfast Cereal

Bicultural non-urban Hispanics consume over twice as many portions per week of Brand C as do their urban counterparts. In this example, non-urban consumption matches least acculturated Hispanic consumption most closely while bicultural urban and most acculturated Hispanics have relatively low levels of consumption [See chart 1].

Carbonated Beverages

Bicultural urban Hispanics consume almost three times as much Brand A as do bicultural non-urban consumers. In addition, the consumption patterns of the bicultural urban Hispanics are clearly divergent from both the least and most acculturated Hispanics [See chart 2].

Continued on page 34.

Business Tools for Spectra



Spectra HispanIQ™ helps consumer packaged goods manufacturers and retailers capture Hispanic sales by providing in-depth insights to identify high-value Hispanic consumers, uncover new opportunities and execute marketing and sales efforts at the store level.

Business Applications

Address your Hispanic marketing business issues:

- Determine how important Hispanic consumers are to your business.
- Assess the acculturation level of your Hispanic consumer.
- Identify the most effective media to reach your Hispanic consumer.
- Allocate Hispanic marketing funds across accounts/stores.
- Determine which brands could be an opportunity to tie in a partnership or secondary display.
- Determine which stores should have Spanish POS.
- Determine the right product assortment that will meet your Hispanic shopper's needs.
- Identify your major competitors when it comes to attracting Hispanic shoppers and their key differences.

Benefits

Optimize your Hispanic marketing dollars

Uncover important facts about your Hispanic consumers and identify strategies and tactics that will resonate with them.

Effectively execute programs

Execute your marketing, media, merchandising and trade programs at the national, local and store level.

Uncover your Hispanic sales opportunity

Quantify your sales opportunity and allocate your Hispanic marketing funds efficiently and effectively.

 <http://www.spectramarketing.com> or call 1.800.378.7667

Chart 1: Hispanic Adult Breakfast Cereal Consumption— Individual Portions Per Week Per 100 Adults

Brands	Total	Bicultural		Least Acculturated	Most Acculturated
		Non-Urban	Urban		
Brand A	5.90	6.62	3.25	3.03	2.05
Brand B	16.18	14.38	12.69	9.18	5.99
Brand C	8.87	10.84	3.99	8.36	4.16
Brand D	22.35	25.49	11.89	26.61	8.40
Brand E	7.29	7.26	4.93	8.56	2.90

Source: Simmons Hispanic Survey and Spectra Marketing Systems, Inc.

