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# NIELSEN SHARE OF WALLET **LITE**

A Look at Hispanic Spending on  
Consumer Packaged Goods

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# NIELSEN SHARE OF WALLET [LITE]

## Free Sample

This 'Lite' version of the Share of Wallet Study provides a look at Hispanic spending on Consumer Package Goods and a taste of the deeper insights available in the full report.

For the full report, please contact Cheryl Jean Claude at [Cheryl.JeanClaude@nielsen.com](mailto:Cheryl.JeanClaude@nielsen.com)



# HISPANICS AND CONSUMER PACKAGED GOODS

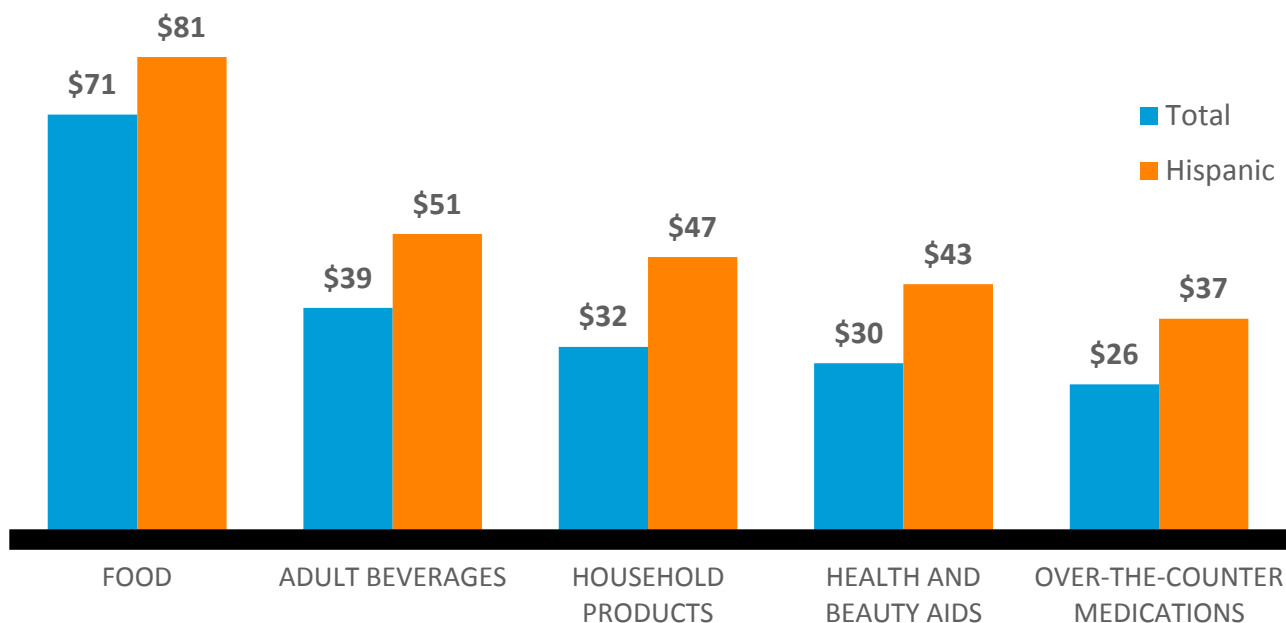
## Insights from the Nielsen Share of Wallet Study

With the buying power of the U.S. Hispanic market now eclipsing \$1 trillion annually, marketers are more focused than ever on attracting this lucrative segment to their brands. But understanding the “how” in consumer spending is just as important as the “how much”. As the number of payment options available increases, the connection between purchase and payment has far-reaching implications: from how marketing should be planned, to how products are distributed, and even how sales are forecasted and measured.

Hispanics in particular differ greatly from other ethnic groups in their purchasing habits and preferred methods of payment. The Nielsen Share of Wallet Study is one of the industry’s most in-depth assessments of this evolution of buyer behavior and its impact on all stakeholders. The survey, fielded between September and November 2014, was conducted online and via phone across a demographically representative sample of Hispanic, African-American, Asian-American and Non-Hispanic White respondents.

According to the survey, Hispanics spend at least \$10 more per visit than the total market (Hispanic and Non-Hispanic combined) on all forms of consumer packaged goods (CPG). Food such as frozen dinners, cereal, etc. is the biggest CPG expenditure at \$81 per visit for Hispanics, compared to \$71 overall. Hispanics also spend \$51 per visit on adult beverages (such as beer, wine and liquor), \$47 on household products (such as paper towels and toilet paper), \$43 on health and beauty aids (such as cosmetics and hair care products) and \$37 on over-the-counter medications (such as allergy medicine and pain relief medication).

### Average Spend per Visit on Consumer Packaged Goods



Source: Nielsen Share of Wallet Study, US, 18+, November 2014

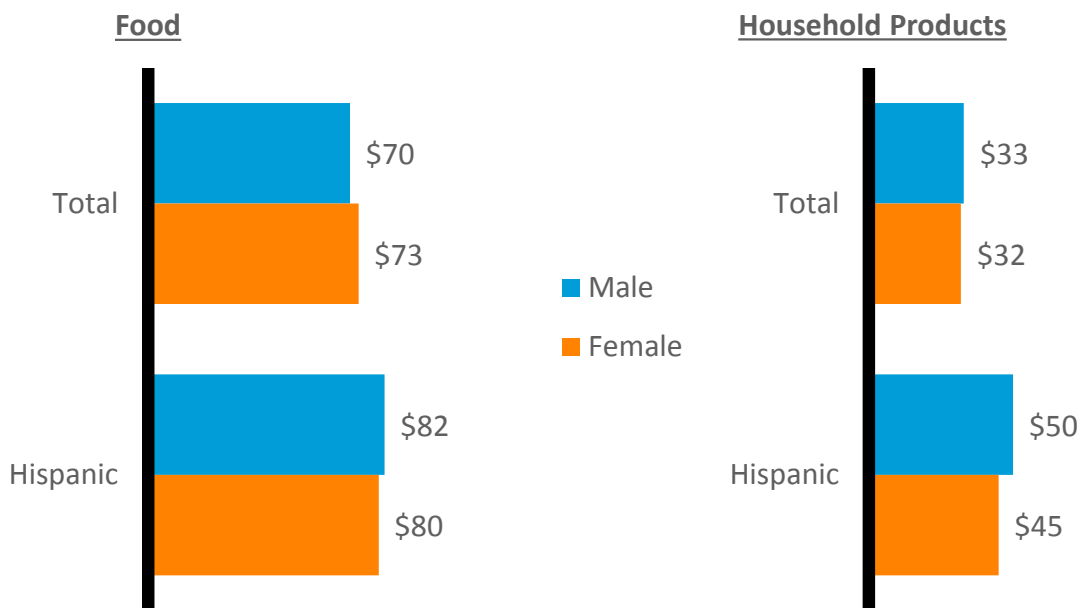
Hispanic consumers are spending more money per visit on average while making as many – if not more – shopping trips per month. This shows that not only are Hispanics frequent shoppers, but their total spend on CPG exceeds the national average.

### Average Visits per Month to Purchase CPG

	FOOD	HOUSEHOLD PRODUCTS	ADULT BEVERAGES	HEALTH AND BEAUTY AIDS	OVER THE COUNTER MEDICATIONS
TOTAL	5.1	2.2	1.6	1.5	1.1
HISPANIC	4.5	2.6	1.9	1.8	1.3

When it comes to buying food and household products, females tend to slightly outspend their male counterparts. However, among Hispanics males are the higher spenders. They average 82 dollars per visit on food and 50 dollars on household products, compared to \$80 and \$45 for Hispanic females. Hispanic males and females outspend their respective national averages in both categories though.

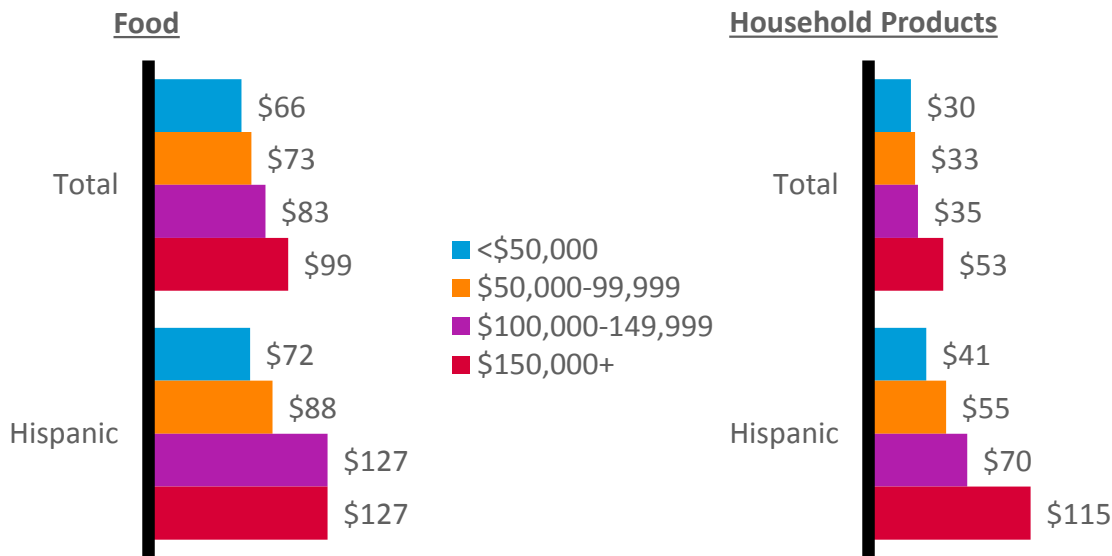
### Average Spend per Visit on CPG by Gender



Source: Nielsen Share of Wallet Study, US, 18+, November 2014

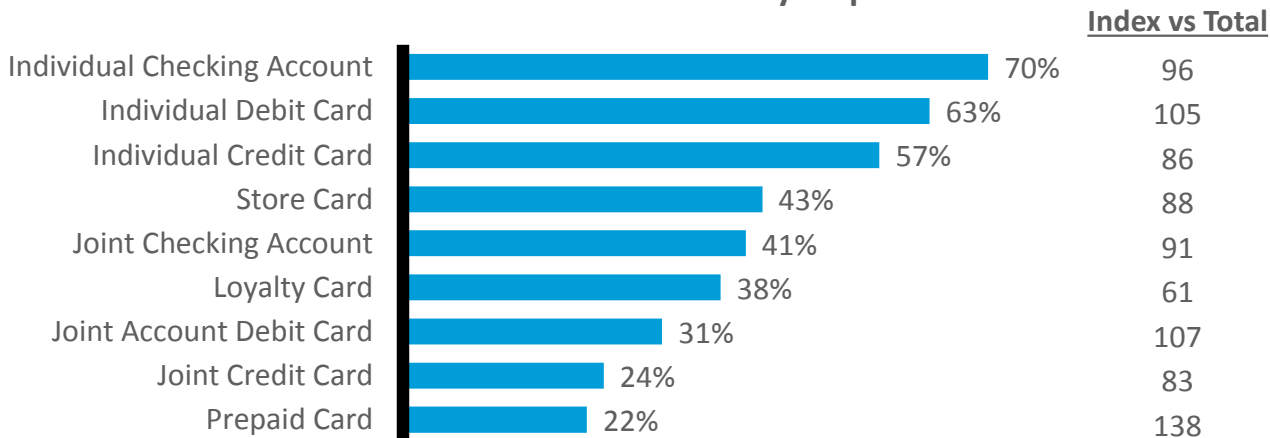
Not only do Hispanics spend more on food and household products, but that amount spent increases along with their annual income. Hispanics earning greater than \$150,000 spend \$127 per visit on food and \$115 on household products, compared to \$99 and \$53 nationally.

### Average Spend per Visit on CPG by Household Income



Hispanics spend more money than average on CPG, but they also differ in the way they make purchases and utilize financial tools. Hispanics are more likely to own debit cards and prepaid cards. 70% have an individual checking account, while 57% have an individual credit card. Hispanics are also less likely to own store-specific cards or loyalty cards, so while they are very desirable customers due to their propensity to spend on CPG, retailers must constantly work to retain their business.

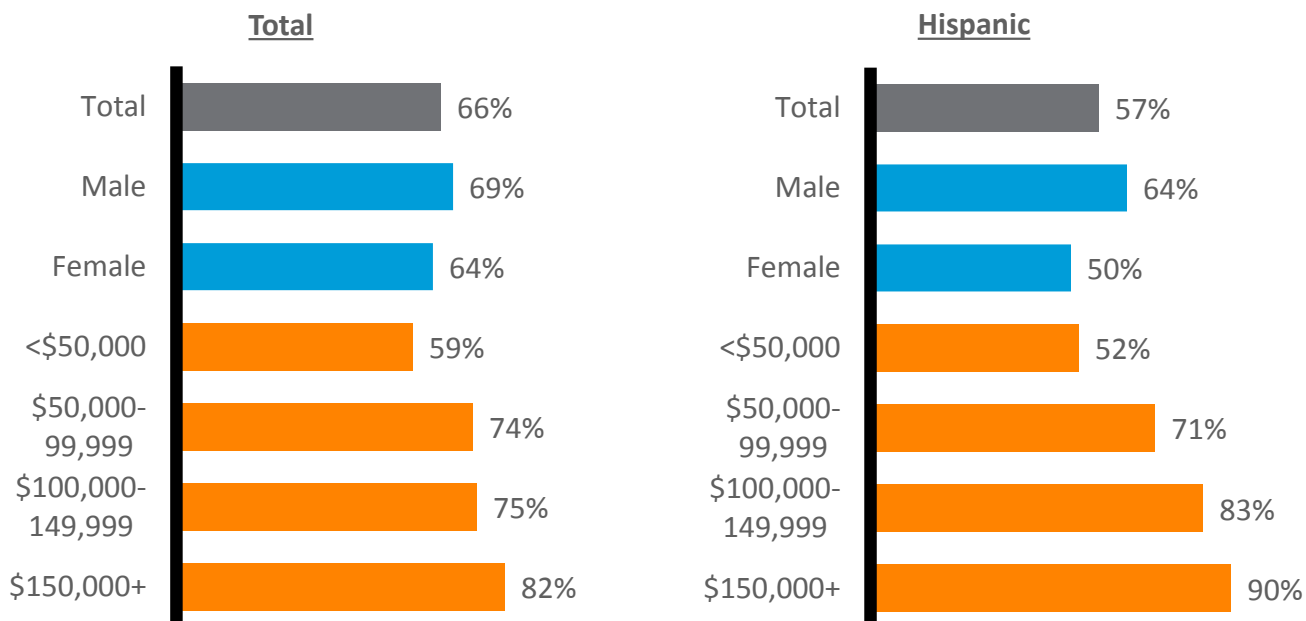
### Financial Products Owned by Hispanics



Source: Nielsen Share of Wallet Study, US, 18+, November 2014

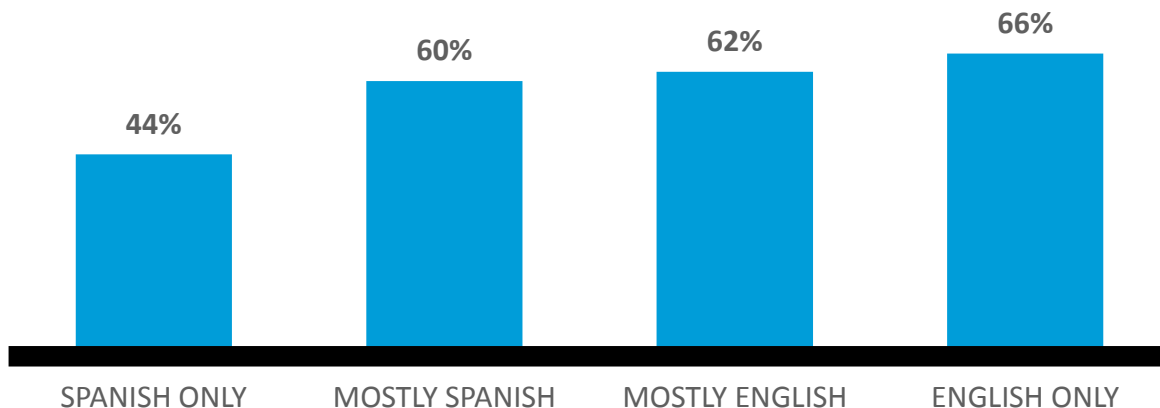
While overall credit card ownership among Hispanics is slightly lower than the US average of 66%, higher income Hispanics are actually more likely to be credit card owners. Penetration is 83% among those with \$100,000-149,999 household income and 90% at \$150,000 and up.

### Individual Credit Card Ownership Penetration



When analyzing Hispanics by primary language spoken in the home, the ownership of credit cards ranges from 66% for English-only speakers to 44% for Spanish-only. The percentage of Hispanics who speak English only and have an individual credit card is equal to the national average, and ownership among all Hispanics who speak at least some English is over 60%.

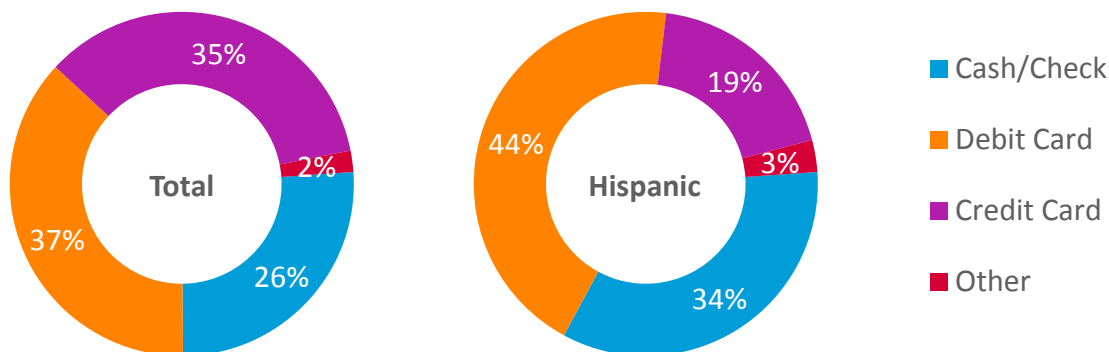
### Hispanic Individual Credit Card Ownership by Language



Source: Nielsen Share of Wallet Study, US, 18+, November 2014

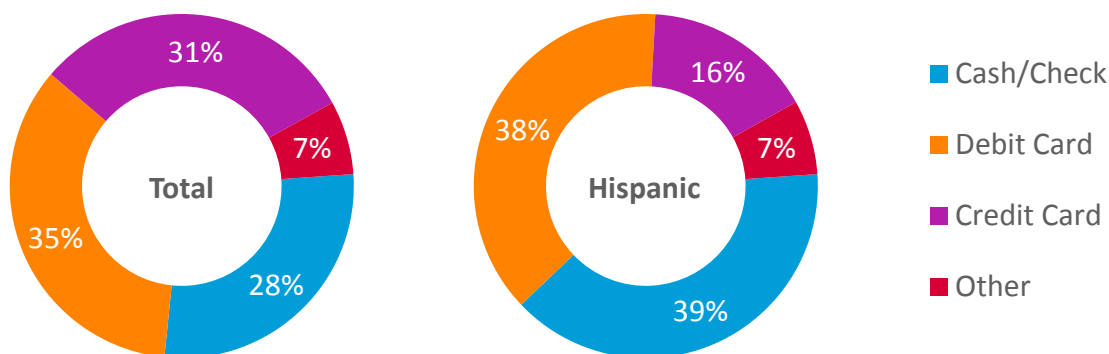
Hispanics do differ from the national average somewhat when it comes to actual usage of their financial instruments. 44% use debit cards most often, while another 34% prefer cash or check. Only 19% use credit cards most often, compared to 35% nationally. Only 19% use credit cards most often, compared to 35% nationally.

### Payment Used Most Often – All Purchases



When purchasing food Hispanics are even more reliant upon paying with cash and checks (39%). Nearly an equal amount use debit cards most often, while only 16% use credit cards. Hispanics are spending more money on food, but far fewer rely on credit to do so.

### Payment Used Most Often – Food Purchases



Hispanics spend more money per visit on CPG than any other race or ethnicity. While they tend to rely more upon cash and checks to make these purchases, primarily English-speaking Hispanics in particular have access to a variety of payment methods. The challenge going forward will be for retailers, advertisers, agencies, and networks to adapt to and address the needs of this unique and influential market segment across the entire path to purchase.

# About the Nielsen Share of Wallet Study

The Nielsen Share of Wallet Study was designed to put questions around “who spends what, and where, and with what payment method” across ethnic groups on a solid empirical grounding. As the U.S. population grows and becomes more diverse and, at the same time, the methods of paying for purchases become more varied, it is increasingly important to clearly understand how that money is being spent. Specifically, when do shoppers use credit cards? When do they use cash? And when do they employ other vehicles like debit cards? In addition, it is critical to know the average amounts spent with each payment method: do shoppers spend more per trip when they can use a credit card versus paying in cash?

Results of the survey are reported in terms of ethnic diversity (Non-Hispanic White, African-American, Hispanic, and Asian-American) as well as on the basis of the verticals analyzed: Retail/Specialty Retail, Telecom/Financial, Restaurant (Fast Food/Quick-Serve Restaurants and Casual Dining), Consumer Packaged Goods (CPG), and Travel/Entertainment.

## Methodology

### *Stage I:*

Nielsen administered an online English language survey between September and November 2014 to a general population sample of 5,028 respondents 18 years or older, weighted by gender, age, and race.

### *Stage II:*

Oversamples were conducted of 1,442 Asian-American respondents, 1,499 African-American respondents, and 1,568 Hispanic respondents 18 years or older. The Asian-American and African-American oversamples were conducted entirely online and in English. They were then weighted together with the African-American and Asian-American respondents from the general population sample by age and gender.

For the Hispanic oversamples, in order to reach a more representative population, Nielsen conducted a portion of the survey using a CATI (computer-assisted telephone interviewing) system. Both mobile-only respondents and those with a landline were contacted using this method. With these respondents, the questionnaire was adapted to be more telephone-friendly.

- Example of adaptation for telephone survey: on questions asking respondents to break down their spending method by percent, instead of forcing them to have their answers add up to 100, Nielsen accepted the responses they gave, and then normalized them to a 100-point scale.

For both the online and CATI portion, Nielsen gave respondents the option of taking the survey in either English or Spanish. In translating both the online questionnaire and the CATI questionnaire into Spanish, Nielsen partnered with a well-established company specializing in region-neutral Spanish translations. The combined (general population + oversample) Hispanic sample was then weighted by age, gender, language spoken at home, and Hispanic descent.



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