

April 2013 - US



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What We Think

Hispanics are distinguished from other ethnic groups by the high population growth rate and relative youth.

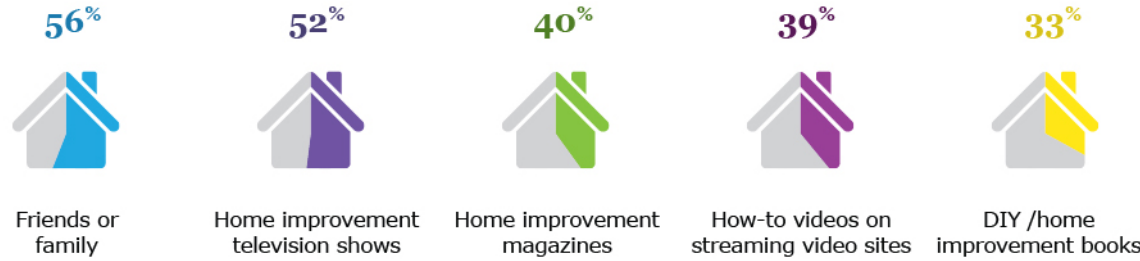
Additionally, Hispanics are the most populous minority group. They are a significant market for virtually any industry and targeting them will become increasingly important. That said, the Hispanic population is fragmented into subsections with distinct nationalities, cultures, preferences, and dialects.

Further, they tend to live clustered in communities according to their nations of origin. Including bilingual language advertisements is a good first step but marketers must be mindful of who they are specifically targeting so to address important cultural distinctions. Family is an important central concept for Hispanics and, considering their heightened tendency to live in large families, DIY home improvement retailers should consider incorporating ideas that promote family activities and address the needs of large households. Painting is the most popular DIY project for this demographic; developing the paint department and incorporating it into cross-promotions with other departments may be beneficial.

Hispanics inspired by friends/family, television shows, and magazines

Nearly three fifths of Hispanic respondents who completed a DIY project in the past 12 months reported that they received inspiration from friends and family, which is consistent with their family oriented values. Home improvement television shows are a popular source of DIY information for Hispanics.

IDEAS AND INSPIRATION FOR DIY HOME IMPROVEMENT PROJECTS, JANUARY 2013



Base: 677 Hispanic adults 18+ with internet access who have participated in a DIY project in the last 12 months
SOURCE: MINTEL

Strong emphasis on knowledgeable store associate assistance

The vast majority of Hispanic DIY participants agree that assistance from store associates and store browsing are great ways to help them find the right items and supplies for DIY projects and good resources in successfully completing DIY projects, which underscore the necessity to employ bilingual in-store associates. In addition, equipment rental allows these shoppers to try out tools before purchase.

ATTITUDES TOWARD DIY HOME IMPROVEMENT PROJECTS, JANUARY 2013

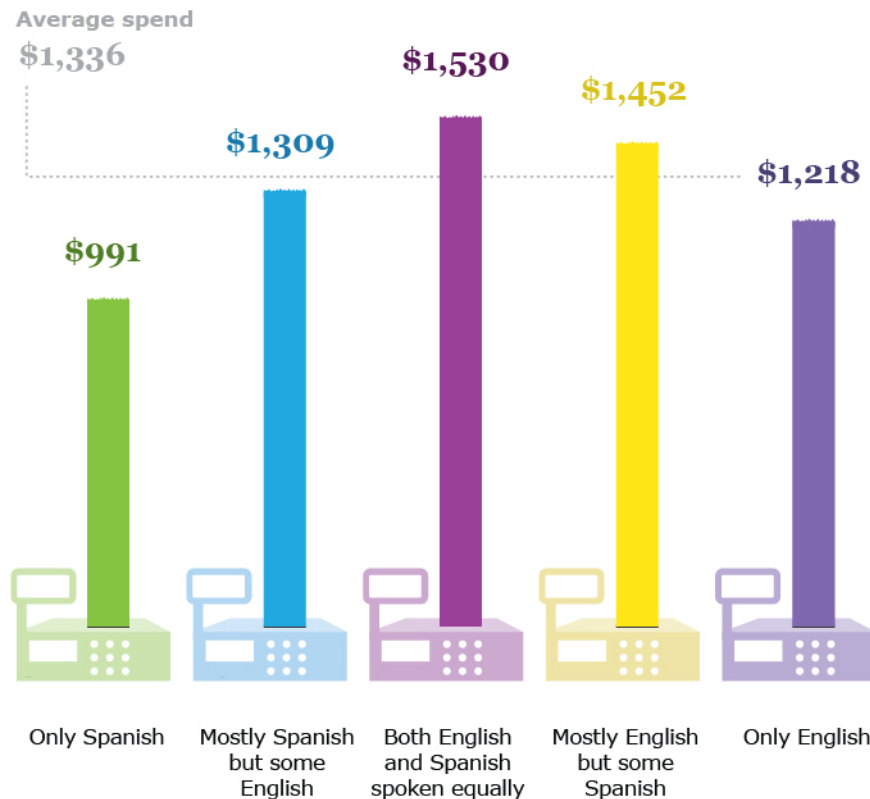


Base: 677 Hispanic adults 18+ with internet access who have participated in a DIY project in the last 12 months
SOURCE: MINTEL

Those speaking English/Spanish equally spend most

Hispanic shoppers who speak English and Spanish equally spend the most (compared to all Hispanics) on home improvement products and supplies. These shoppers spend on average \$194 more than the average Hispanic home improvement shopper. Hispanic shoppers that speak mostly English and some Spanish are second, averaging \$1,452. Spanish-dominant Hispanics spent the least on average for home improvement.

MEAN SPENDING ON HOME IMPROVEMENT PURCHASES, BY LANGUAGE SPOKEN IN HOME, AUGUST 2011-AUGUST 2012



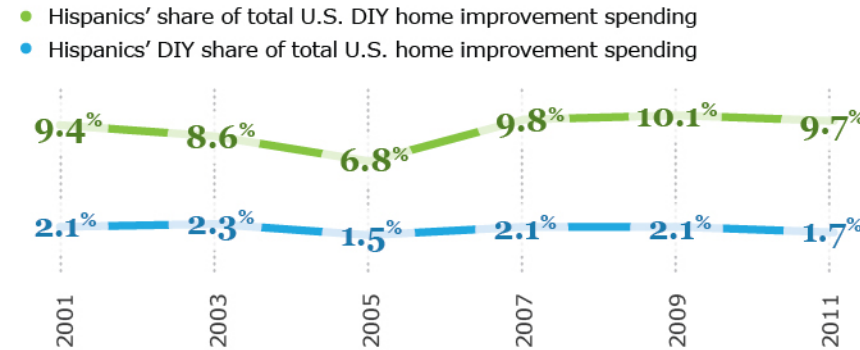
Base: 2,598 Hispanic adults aged 18+ whose household purchased home improvement purchases in the last 12 months
SOURCE: MINTEL/EXPERIAN MARKETING SERVICES, SUMMER 2012
SIMONS NHCS ADULT STUDY 12-MONTH

Homeownership influences DIY home improvement

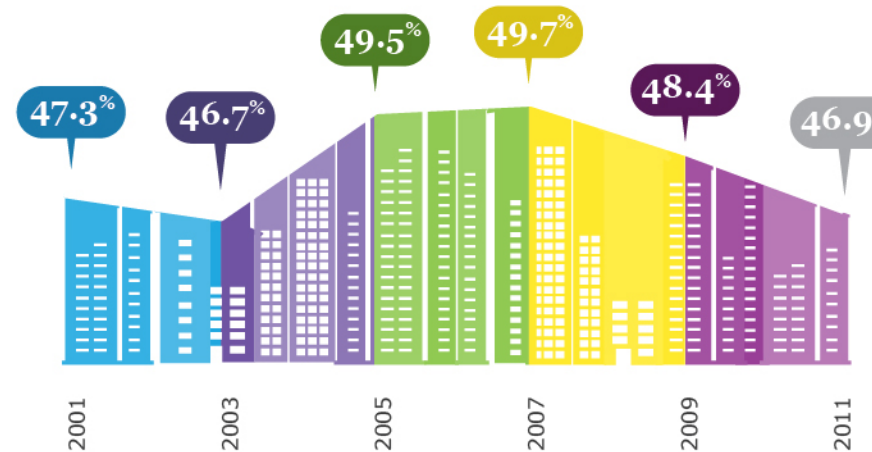
Though the recent foreclosure crisis has caused Hispanics to endure setbacks, the share of Hispanic DIY home improvement spending in relation to the total U.S. DIY market has been relatively consistent from 2001-11.

HISPANIC HOMEOWNERSHIP RATE AND THE HISPANICS' DIY SHARE OF HOME IMPROVEMENT SPENDING SELECTED YEARS 2001-11

DIY share



Hispanic homeownership rate

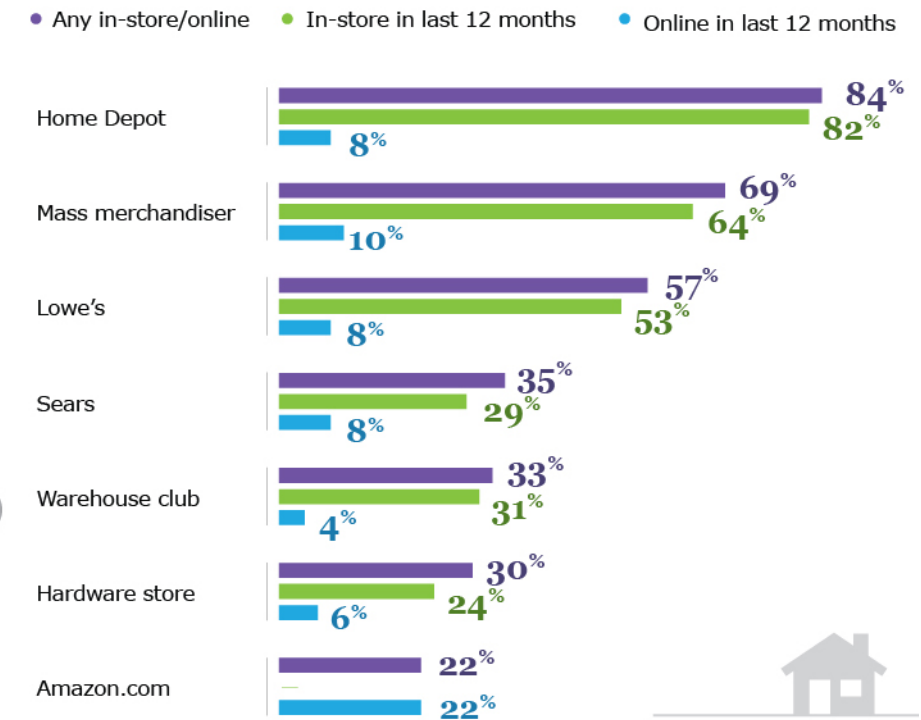


SOURCE: MINTEL/U.S. CENSUS BUREAU, CURRENT POPULATION SURVEY/ JOINT CENTER FOR HOUSING STUDIES OF HARVARD UNIVERSITY

Most shopping for supplies in-store rather than online

Hispanic consumers shop at variety of retail channels for DIY products from traditional home improvement and hardware stores to mass merchandisers, warehouse clubs, supermarkets, and online retailers. Hispanics, as well as the total population, are much more likely to shop for DIY home improvement products in-store as opposed to online, brick and mortar companies should leverage their online presence to attract DIY'ers in researching their projects.

RETAILERS SHOPPED FOR DIY HOME IMPROVEMENT ITEMS, IN-STORE VS. ONLINE, JANUARY 2013



Note: Supermarket/grocery store, other DIY/hardware/building supplies store, Menards, and Other online only retailer categories have been omitted from the above graph, but are included in the full report.

Base: 677 Hispanic adults 18+ with internet access who have participated in a DIY project in the last 12 months
SOURCE: MINTEL

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