

# Hispanic Consumer Preferences: Relationships with Acculturation and Materialism

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## Abstract

The objective of this study is to examine Hispanic consumers in the U.S. – specifically to examine the effect that acculturation, years in the U.S., and materialism may have on their store environment preferences. A sample of 160 Hispanic individuals in the U.S. responded to a questionnaire at a Hispanic festival. The findings indicate that the preferences of Hispanic individuals residing in the U.S. for store environments previously identified as being favored by the Hispanic market are affected by their level of acculturation and by their level of materialism, but not by the number of years they have lived in the U.S.

## Introduction

Immigration into the United States is presently at record levels. Consequently, immigrants in the U.S. are receiving increasing attention from numerous sources. From a retail perspective, immigration is especially important given the additional diversity it introduces into the marketplace. At present, the largest group of immigrants to the U.S. originates from Hispanic cultures. Indeed, individuals of Hispanic origin now represent the largest minority group in the U.S. (Gonzalez, 2003). Since the Hispanic population in the U.S. is growing at more than ten times the rate experienced by the general population (Vence, 2006), their influence in the marketplace will continue to increase. Despite the size and buying power of this growing market segment, relatively little research has examined the shopping behaviors and preferences of Hispanic consumers in the U.S.

Research suggests that the shopping behavior and the store environment preferences of Hispanic consumers differ significantly from the general population (e.g., Gardyn & Fetto, 2003) and likely serves as an effective market segmentation base (Donthu & Cherian, 1994). Differences in shopping behavior and preferences across varying ethnic groups suggest that an individual's ethnic character may be especially important to retailers (Mulhern & Williams, 1994). To effectively target ethnic markets, retailers must understand these differences (Perkins, 2004).

The store environment preferences of immigrant populations tend to differ by the degree that the individuals in those populations have acculturated to the norms of the dominant culture. Dedeoğlu and Üstündağlı (2011) examined immigrants' acculturation to a new culture and observed the existence of important differences between the consumer orientation and activities

of immigrants and the dominant culture. Acculturation, therefore, seems to warrant attention if the store environment preferences of Hispanic consumers in the U.S. are to be understood.

An additional difference that has not received research attention is degree to which Hispanic consumers are materialistic and how their materialism relates to their shopping behavior and preferences. Although the materialism of individuals in the dominant culture in the U.S. has been studied extensively, materialism in the lives of individuals in ethnic subcultures, such as the Hispanic subculture, has not received the same amount of attention. Conway Dato-on, Burns, Manolis, and Hanvanich (2007) examined the materialism of an immigrant subculture and noted differences in materialism in that subculture and the dominant culture. Hence, overlooking the materialism of Hispanic consumers in the U.S. appears to be shortsighted.

The objective of this study, therefore, is to examine Hispanic consumers in the U.S. – specifically to examine the effect that acculturation, years in the U.S., and materialism may have on their store environment preferences. First, the Hispanic market will be surveyed. Second, acculturation will be explored. Third, materialism will be examined. Fourth, store environment will be examined. Lastly, research hypotheses are posed, and results are reported and conclusions drawn.

## **The Hispanic Market**

The Hispanic market is growing in both size and buying power. Indeed, the Hispanic segment represents the fastest growing segment of the U.S. population (Fowler, Wesley, & Vazquez., 2005). The 2010 U.S. Census reported that Hispanic individuals now account for 16% of the total U.S. population. Furthermore, more than half of the growth in the total population of the U.S. between 2000 and 2010 was due to the increase in the Hispanic population. This rise in population corresponds to an increase in buying power, which is estimated to rise from \$1 trillion in 2010 to \$1.5 trillion in 2015, or approximately 11% of the nation's overall buying power (Fahmy, 2010). As can be expected, advertising spending targeted towards Hispanic consumers has also been on the rise. From 2009 to 2010, for instance, the total advertising spending in Hispanic media increased 8.4% (AdAge, 2011).

When Hispanic consumers have been studied, the focus tends to be on interaction of consumers with products and advertising as opposed to their interaction with retail environments. For example, research has examined Hispanic consumer brand choice (e.g., Chattaraman, Lennon, & Rudd, 2010), brand loyalty (e.g., Palumbo & Teich, 2004), price sensitivity (e.g., Mulhern & Williams, 1994), advertising response (e.g., Vicdan, Chapa, & De los Santos, 2007), coupon usage (e.g., Villarreal & Peterson, 2009), national brand preference (e.g., Deshpande, Hoyer, & Donhu, 1986), and advertising preferences (e.g., Pieraccini, Hernandez, & Alligood, 2010). Although some research has examined the in-store behavior of Hispanic consumers (e.g., Maldonado & Tansuhaj, 2002; Peñaloza, 1994; 1995; Peñaloza & Gilly, 1999), much of the research is exploratory and qualitative in nature.

An issue which potentially limits the value and applicability of past research on the shopping preferences and behavior of Hispanic consumers is the diversity existing within the Hispanic market. One source of the diversity observed in the Hispanic market is identification differences,

or differences in the degree to which one associates with a particular culture (Donthu & Cherian, 1994). Indeed, studies of Hispanic individuals in the U.S. have found two types of cultural identification; 1) *episodic*, which involves feelings of identification which arise from cultural events (Stayman & Despande, 1989), and 2) *enduring*, which involves ongoing feelings toward a parent culture (Donthu & Cherian, 1994). Enduring identification is of special interest to retailers since this form of identification likely affects ongoing purchases. Enduring identification can be viewed as the extent to which one has or has not acculturated to the dominant U.S. culture. The degree of enduring identification, or the extent to which one has acculturated, can logically be expected to affect the degree to which one's consumer preferences and behavior correspond with those of the dominant culture. Acculturation, therefore, seems to warrant attention if Hispanic consumers in the U.S. are to be understood.

## **Acculturation**

Acculturation involves "the changes that occur when groups of individuals having different cultures come into continuous first-hand contact" (Maldonado & Tansuhaj, 1998, p. 253). Specifically, it involves the acquisition of the attitudes, values, and behaviors of the dominant culture by members of a minority culture (Ueltschy, 2002). In the context of Hispanic individuals in the U.S., it involves the embracing of the attitudes, values, and behaviors that dominate U.S. culture. Hirschman (1981) notes that degree of acculturation determines the degree of one's commitment to the norms and behavior associated with one's home culture – the greater the acculturation, the lesser the commitment to one's home culture. The importance of acculturation as a means to better understand consumer wants and needs is widely accepted (Hernandez, Cohen, & Garcia, 2000). Consequently, several have observed that acculturation can be used to successfully segment immigrant markets (e.g., Gentry, Jun, & Tansuhaj, 1995).

Acculturation is not synonymous with the length of time one has spent in the U.S. Indeed, one's level of acculturation is likely a better indicator of degree of commitment to one's home culture than years spent in the U.S. Furthermore, one's acculturation appears to be affected by several factors, including demographics. Kara (1996), for instance, observed that Hispanic consumers who are more acculturated tend to be younger, whereas those who are less acculturated tend to be older and demonstrate behavior patterns different from the dominant U.S. culture. This observation is not surprising since younger individuals have been shown to be more willing to change (Tyler & Schuller, 1991) and are typically more concerned with fitting-in (DeArmond et al., 2006) than older individuals. As would be expected, Donthu and Cherian (1994) observed that U.S. Hispanic consumers exhibiting greater acculturation are less likely to value Hispanic vendors as well as consumer attitudes, opinions, and behavior associated with Hispanic culture than are less acculturated Hispanic consumers. It seems, therefore, that acculturation is an issue of primary importance when examining the shopping preferences and behaviors of individuals belonging to minority ethnic groups.

## **Materialism**

Traditionally, the shopping behavior of individuals has been viewed as a means to fill utilitarian needs (Babin, Darden, & Griffin, 1994). Indeed, the prototypical "consumer decision-making process" included in most marketing and retailing textbooks is reflective of this belief. An

examination of the purchases, however, raises the question whether most shopping behavior actually arises from utilitarian needs. Purchases of many products, such as \$500 purses, pet rocks, and collectables (e.g., Pandora charms or American Girl dolls) most often arise not from consumers attempting to satisfy physical needs, but instead from attempts by consumers to satisfy hedonically based needs, such as needs for love, companionship, or self-esteem (e.g., Cooper, McLoughlin, & Keating, 2005; Ferguson, 1992). This is the basis of materialism in the marketplace.

Materialism is the belief that possessions play important and necessary roles in individuals' lives – much more than merely the fulfillment of utilitarian needs, possessions are viewed as a means to satisfy hedonically based non-physical needs (Larsen, Sirgy, & Wright, 1999). Within a consumer culture, materialism is a pervasive belief. Indeed, possessions occupy central positions in individuals' lives and are regarded as the greatest source of satisfaction (Richins, 1987). Richins and Dawson (1992) identified three themes commonly occurring in materialism: acquisition *centrality*, acquisition as the pursuit of *happiness*, and acquisition as the measure of *success*. Each of these themes will be briefly explored.

For highly materialistic individuals, physical possessions are the primary focus of life (Fitzmaurice & Conegys, 2006; Richins, 2004). The importance of possessions surpasses virtually anything else, including interpersonal relationships, for these individuals (Burns, 2008). Consequently, the primary pursuit of highly materialistic individuals is the acquisition of products – everything in life, from employment (as a means to obtain the funds necessary to buy desired products) to leisure activities (which for some has become little more than extended shopping trips), are centered on products and their acquisition. Materialism provides meaning to the lives of individuals with high materialistic tendencies and, in essence, creates a lifestyle for these individuals – “we live to consume” (Daun, 1983).

Another common theme in materialism is the pursuit of happiness through product acquisition – physical possessions are viewed as the primary source of happiness and satisfaction (Deckop, Jurkiewicz, & Giacalone, 2010; Roberts & Clement, 2007). “Possessions assume a central place in a person's life and are believed to provide the greatest sources of satisfaction and dissatisfaction” (Belk, 1984, p. 291). For highly materialistic individuals, the primary, if not the only, route to happiness is viewed to be through products and their acquisition – the adage, “money (and the possessions they allow) brings happiness,” becomes their life theme. This viewpoint is based on the reality discussed earlier that materialists often view possessions as a means to satisfy not only one's physical needs, but one's non-physical needs as well. It should be noted, however, that the link between possessions and individual well-being and happiness is not observed in research (Arndt, Solomon, Kasser, & Sheldon, 2004). Indeed, empirical evidence tends to refute this belief (Kasser, 2002). Actually, several authors (e.g. Sirgy et al., 1995; Kasser & Ryan, 1996) report negative relationships between happiness and income. Consequently, the evidence suggests that possessions are unable to deliver the happiness promised (Burroughs & Rindfleisch, 2002).

The final theme found in materialism is the role played by possessions in defining the level of success achieved by individuals. Indeed, the amount and type of one's possessions become the defining factor in determining one's achievements and one's self (Smith, 2007). The idea that

possessions play an integral defining role in the determining of one's self is not new (e.g., James, 1890). In a consumer culture, however, possessions become the primary element that truly defines one's self (Slater, 1997). Possessions are viewed as a means to communicate status (Veblen, 1932) and to establish a desired self (Dittmar, 2005). For highly materialistic individuals, the ultimate goal in life can be summed in the adage "The one who dies with the most toys wins."

Materialism is most commonly conceptualized as an individual trait (Belk, 1985). Even within a consumer culture, the extent to which individuals ascribe to materialism varies greatly (Belk, 1985). The manifestation of materialism in the marketplace is viewed as being at least partially determined by culture (McKendrick, 1982). Shopping behavior, particularly that originating from hedonic shopping motivations such as materialism, gains its direction from the cultures in which individuals find themselves (Burns, 2008).

Although materialism is ordinarily associated with Western consumer culture, it is not unique to such cultures. Cleveland, Laroche, and Papadopoulos (2009) and Ger and Belk (1996) report that materialism can also be found in cultures not characterized by a consumer culture and Ger and Belk (1996) report that materialism is not related to affluence. An affluent consumer culture, therefore, is not a prerequisite for materialism. Consequently, individuals from less affluent cultures, including Hispanic consumers in the U.S., are not immune from materialism. In a cross-cultural, multinational study, Clarke and Micken (2002), report that residents of the U.S. tend to be more materialistic than residents of Mexico. Residents of the U.S. from Hispanic cultures, therefore, may be less materialistic than the dominant U.S. culture. This difference in materialistic orientation may also indicate that Hispanic consumers in the U.S. may also manifest materialism differently than the dominant culture.

Furthermore, Kilbourne and LaForge (2010) report differences in the level of materialism (and hence, the importance placed on possessions) across differing groups of individuals and Parker, Haytko, & Hermans (2010) report differences across individuals in different cultures. Materialism of individuals in different cultures and subcultures, therefore, appears to be an important area of study. Little research has examined materialism across subcultures in the U.S. The only known study (Conway Dato-on et al., 2007) observed that Hispanic consumers in the U.S. tend to be less materialistic than the dominant culture in the U.S., which is similar to the finding that residents of Mexico are less materialistic than the dominant culture of the U.S. (Clarke & Micken, 2002).

## **Store Environment Preferences**

Retail stores offer a unique ability to appeal to customers. Called atmospherics by Kotler (1974), the cues offered by a store's environment can provide stimuli which can affect consumers' senses, thereby influencing the attractiveness of stores and resulting patronage decisions of consumers. Store atmospherics have been shown to affect consumers through multiple channels, including affective (Bakamitsos & Siomkos, 2004), cognitive (Fiore, Yah, & Yoh, 2000), and unconscious (Holland Hendriks, & Aarts, 2005). Atmospherics provide consumers with information about merchandise offered (Zeithaml, 1988) and influence consumers' overall attitude toward a retail store (Zimmer & Golden, 1988). Indeed, a store's environment has the

ability to attract customers, to entice purchases, and to attract customers back to the store for repeated purchases (Aubert-Gamet & Cova, 1999; Sharma & Stafford, 2000).

The way that various atmospheric elements are interpreted is not consistent across consumers. Instead, each element can be interpreted differently by different individuals. Moreover, each element may be interpreted differently by consumers of different ethnic groups (Babin & Darden, 1995; Mattila & Wirtz, 2001). Atmospheric elements, for instance, often possess cultural ties, which lead to different interpretations. There is reason, therefore, to expect that individuals from different cultures or subcultures will interpret atmospheric elements differently, with Hispanic consumers in the U.S. not being an exception.

## **The Study**

As noted previously, limited research has examined the materialism of Hispanic consumers living in the U.S. and their assessment of preferences for various store environments. The objective of the current study is to quantitatively examine the relationships suggested by the preceding literature review. Specifically, the associations between (1) the level of acculturation of Hispanic consumers living in the U.S., (2) the number of years these individuals have been in the U.S., and (3) materialism with their preferences for store environments identified by past research as being characteristic of Hispanic consumers are examined.

The relationship between the degree of acculturation of U.S. Hispanic individuals and their preference for specific atmospheric elements seems straightforward. Hispanic individuals who are less acculturated can logically be expected to prefer store atmospheric elements which are characteristic of Hispanic store environments. There is no theoretical basis, however, for a relationship to exist between the time spent by Hispanic individuals in the U.S. and their preference for a store environment characteristic of Hispanic store environments.

**H1:** The store environment preferences of Hispanic consumers in the U.S. are affected by their level of acculturation – Hispanic individuals who are less acculturated possess stronger preferences for retail features identified as favored by Hispanic individuals than Hispanic individuals who are more acculturated.

**H2:** The store environment preferences of Hispanic consumers in the U.S. are not affected by the length of time spent in the U.S.

The relationship between the materialism of U.S. Hispanic consumers and their preference for specific atmospheric elements appears to be less straightforward. As discussed above, however, a characteristic of highly materialistic individuals is that they look to shopping activities and possessions to fulfill much more than just utilitarian functions, such as non-physical needs. Consequently, more highly materialistic individuals can be expected to be more cognizant of the shopping environment since shopping environment may help fulfill individuals' non-physical needs.

**H3:** The store environment preferences of Hispanic consumers in the U.S. are affected by their level of materialism – Hispanic individuals who are more materialistic possess

stronger preferences for retail features identified as favored by Hispanic individuals than Hispanic individuals who are more acculturated.

## Methodology

### Sample

The sample consisted of Hispanic consumers in the U.S. The sample was chosen from a location where Hispanic individuals represent a relatively small yet distinct minority (in a state where the Hispanic population, although quickly growing, remains a small portion (1.6 percent) of the total population). The sample was gathered from individuals attending a small Hispanic festival which targeted Hispanic individuals. This source is consistent with Vence (2006) who suggests that Hispanic festivals and events represent one of the most effective methods of targeting Hispanic individuals for marketing research (e.g., Maldonado & Tansuhaj, 1998).

The resulting sample consisted of 160 Hispanic individuals. Forty-seven percent of participants were female and respondents averaged 31.6 years old and 10.3 years of education. The participants had lived in the U.S. for an average of just over ten years and of the 148 respondents who shared their country of birth, 90 percent were born outside the U.S. The majority of respondents reported being employed (101 or 63%) and many (114 or 71.3%) reported multiple people employed in their household. The monthly incomes reported show great range (personal monthly income = \$1,219, S.D. = \$996, household monthly income = \$2,425, S.D. = \$1,936 with an average household of four people). The majority of respondents (67%) indicated Mexico as their country of origin, which is reflective of the U.S. as a whole (Palumbo & Teich, 2004). The demographics of the sample closely mirror those found in other studies of the Hispanic population in the region (The Health Foundation of Greater Cincinnati, 2006).

### Instruments

The study utilized a written questionnaire that was available to participants in both English and Spanish. The Spanish version of the questionnaire was translated from English by a professional translator. The translation was checked using back translation conducted by a different translator. The translation process concentrated on the continuity of cultural meanings of the questions consistent with McGorry (2000). All but four of the study participants answered the Spanish version of the questionnaire. The questionnaire included instruments to measure acculturation, years in the U.S., materialism, and store environment preferences. Questions to determine participants' demographics were also included.

Multiple instruments have been utilized to measure degree of acculturation (Conway Dato-on 2000). For this study, the Ethnic Identification Scale (Donthu & Cherian, 1994) was used to measure acculturation given the scale's widespread use. The original scale contained four items. Although the scale showed good reliability in its original use ( $\alpha = 0.79$ ), the reliability in the current study was disappointing ( $\alpha = 0.61$ ). To overcome the low reliability, two significantly correlated items ("I identify strongly with being a Hispanic-Latino" and "My family speaks Spanish at home,"  $r = 0.49, p < 0.001$ ) were retained to develop an abbreviated scale. Higher

acculturation scores, therefore, represent lower levels of acculturation. Time in the U.S. was determined by a direct question (How long have you lived in the U.S.?).

Materialism was measured using the abbreviated form of the Materials Values Scale developed by Richins (2004). The abbreviated form of the Materials Values Scale is a shorter, but valid version of the original Materials Values Scale developed by Richins and Dawson (1992). The scale demonstrates acceptable reliability (coefficient alpha = .786) in the current study. The relatively low mean ( $M = 2.89$ ) in the present study supports that contention that materialism of individuals in differing subcultures may vary and is consistent with the findings of Clarke and Micken (2002) discussed earlier. Indeed, the U.S. culture is more materialistic than the culture found in most Central and South American cultures (the home countries of Hispanic individuals).

To measure the preferences of Hispanic consumers for different store environments, several previous qualitative studies were referenced that identified those store environments viewed to be desired by Hispanic consumers (Peñaloza, 1994; 1995; Peñaloza & Gilly, 1999). Based on an analysis of these previous qualitative studies, respondents were asked to indicate preference for ten environmental conditions (salesperson gender, store music, store color, nature of store, employee availability, socializing while shopping, product origin, eating while shopping, interactions with store employees, and language used by store employees) using a 5-point Likert scale. Also, perceptions of crowding were measured using items from the Human Crowding scale (Machleit, Eroglu, & Mantel, 2000). A factor analysis of the items resulted in a scale comprised of 21 items and 6 factors. The factors were interpreted as; 1) familiarity (music/products), 2) atmosphere (employee presence/store size and pricing), 3) experience (shopping group/store color), 4) crowding, 5) food, and 6) social (interaction with shopping partners/employee). The resulting items and factor structure are displayed in Table 1. These six factors were used in all analyses.



Table 1: Scales Items and Factor Analysis

	Factor					
	1 Famili- arity	2 Atmos- phere	3 Experi- ence	4 Crowd	5 Food	6 Social
When Shopping I prefer to:						
Hear Latino music.	.810					
Hear upbeat music.	.771					
Hear soft, low background music.	.667					
Select products from my home country.	.524					
Work with male salesperson.	.514					
Vendors call out to me & tell me specials/ featured products.		.713				
Store employees located in front of store to greet me upon arrival.		.685				
Bargain over price & payment terms.		.675				
Shop in large stores with large variety of items (e.g., Wal-Mart).		.522				
Shop with same-sex friends my own age.			.868			
Shop with mixed-sex friends my own age.			.827			
Shop in stores with bright, vibrant colors in their displays & walls.			.456			
Shop in stores with soothing colors in their displays & walls.			.449			
It is worth shopping at crowded store if I can save money on things I buy.				.787		
A crowded store doesn't really bother me.				.718		
I am more likely to shop at a store with salespersons who speak Spanish.				.557		
If I buy food/ drink to consume when shopping, I prefer to consume while walking around.					.883	
I buy food or drink to consume while shopping.					.801	
Shop alone.						-.664
Have store employees located inside store offering assistance.						.587
Shop with other family members.						.570

## Results

To test the hypotheses, correlational analyses were conducted. The results of correlational analyses testing the first two hypotheses are displayed in Table 2. Significant (at the .05 level) positive relationships were observed between level of acculturation and five of the six preferences for store environments (familiarity, atmosphere, crowd, food, and social). No significant relationship was observed between acculturation and experience. Since higher scores on the acculturation scale indicate lower levels of acculturation, support was observed for Hypothesis 1. Less acculturated Hispanic consumers were observed to possess stronger preferences for store environments identified as being desired by the Hispanic market than more highly acculturated Hispanic consumers.

Table 2: Relationships between Acculturation & Time in U.S. and Store Environment

	Acculturation		Time in US.	
	Correlation	Level of Significance	Correlation	Level of Significance
Familiarity	<b>.277**</b>	<b>.001</b>	-.005	.953
Atmosphere	<b>.411**</b>	<b>.000</b>	-.159	.069
Experience	.156	.066	-.000	.999
Crowd	<b>.381**</b>	<b>.000</b>	-.153	.084
Food	<b>.190*</b>	<b>.019</b>	-.036	.680
Social	<b>.300**</b>	<b>.000</b>	-.085	.338

\*\* Correlation is significant at the 0.01 level

\* Correlation is significant at the 0.05 level

No significant relationships were observed between years in the U.S. and preferences associated with store environment factors. Support, therefore, was also observed for Hypothesis 2.

The results of correlational analysis testing the third hypothesis are displayed in Table 3. Significant (at the .05 level) positive relationships were observed between materialism and four of the store environment factors (familiarity, atmosphere, crowd, and food). No significant relationship was observed between materialism and experience and social. The results suggest that, with the exception of the experience and social factors, highly materialistic Hispanic individuals in the U.S. may possess stronger desires for store environments regarded as being desired by Hispanic consumers providing support for Hypothesis 3.

Table 3: Relationships between Materialism and Store Environment

	Materialism	
	Correlation	Level of Significance
Familiarity	<b>.241**</b>	<b>.007</b>
Atmosphere	<b>.344**</b>	<b>.000</b>
Experience	.169	.058
Crowd	<b>.343**</b>	<b>.000</b>
Food	<b>.250**</b>	<b>.005</b>
Social	.037	.677

\*\* Correlation is significant at the 0.01 level

\* Correlation is significant at the 0.05 level

### Discussion and Implications

The primary objective of the present research was to better understand store environment preferences within the Hispanic market in the U.S. This understanding augments previous research that has focused on differences between Hispanic and mainstream consumer shopping preferences. Investigating the within market group differences using two different indicators (acculturation level and years of residence) guides retailers and researchers on fruitful segmentation methods. Furthermore, by looking at specific store environment preferences and materialism, preliminary suggestions may be offered as to how retailers can satisfy Hispanic customers and enjoy their continued patronage.

The findings from this study indicate that the preferences of Hispanic individuals residing in the U.S. for store environments identified as being favored by the Hispanic market are affected by their level of acculturation. Acculturation was observed to affect five of the six preferences for store environment factors. Only the third factor, experience (shopping group/ store color), was seemingly *not* affected by level of acculturation. Acculturation, therefore, appears to be a significant issue to retailers who are targeting Hispanic consumers in the U.S. The store environment preferences of Hispanic consumers appear to change significantly as they acculturate. Consequently, retailers must be aware of the level of acculturation experienced by their Hispanic customers if they hope to optimally satisfy them. In other words, Hispanic consumers do not represent a monolith with identical preferences. To the contrary, the results of this study suggest that retailers may be able to segment Hispanic consumers by their level of acculturation. The results suggest that retailers targeting Hispanic consumers who are less acculturated should design their store environments to incorporate features that appeal to Hispanic populations.

When the relationships involving respondents' time in the U.S. are examined, it becomes apparent that time in the U.S. is not synonymous with level of acculturation. No significant relationships were observed between years in the U.S. and the six factors for store environment preferences. Consequently, the ability of time spent in the U.S. to act as a significant

segmentation variable for retailers appears to be limited. Variables tapping deeper, more robust aspects associated with living in the U.S., such as level of acculturation, appear to be better suited to providing meaningful marketing insights.

When examining materialism, the sample appears to be relatively unmaterialistic. This finding is consistent with the observation of Clarke and Micken (2002), who observed that Mexican residents appear to be less materialistic than residents of the U.S. This study suggests that Clarke and Micken's (2002) observations may also be generalizable to Hispanic individuals residing in the U.S.

The findings suggest that the extent to which Hispanic consumers in the U.S. are materialistic may affect their assessments of the environments that they encounter in retail stores. Of the six store environment factors examined, significant, positive relationships with materialism were observed for four of the factors. It appears that the materialism of Hispanic consumers may not affect just their desires for products or for products of a particular type, but materialism also affects their desire for store environment. The findings suggest that more highly materialistic Hispanic consumers seek greater concurrence with retail environments shown to be preferred by Hispanics than Hispanic consumers who are less materialistic. Could it be that these consumers who exhibit a disposition which may be counter-culture to one's home culture, i.e., are more materialistic, seek to compensate for this by seeking environments that are more "traditionally" Hispanic? Retailers targeting highly materialistic Hispanic consumers – who may shop and buy more, should place particular attention on their store environments.

The store environment factors that were not observed to be related to materialism were the social and experience factors. These factors primarily involve direct interface with other individuals. So, the factors with which materialism was observed to be least related were those factors which involve interpersonal relations. This is not surprising and is consistent with the life priorities of individuals pursuing a materialistic lifestyle and previous studies on the importance of family and relationships to the Hispanic community (Fowler et al., 2005; Howell, 2006). A materialistic lifestyle generally involves the substitution of products and possessions for friendship and interaction with other people. Indeed, products and possessions are viewed by highly materialistic individuals as the means by which hedonically based non-physical needs, such as love, companionship, or self-esteem, are satisfied (Cooper et al., 2005).

Retailers targeting more highly materialistic Hispanic consumers – or those motivated to shop for hedonic reasons, therefore, will need to pay particular attention to creating a store environment which explicitly appeals to a Hispanic population.

As a post-hoc analysis, the relationship between acculturation and materialism was examined. A significant (at the .05 level) positive relationship between acculturation and materialism ( $r = .221$ , significance = .012) was observed. In other words, since higher acculturation scores represent lower levels of acculturation, more highly acculturated Hispanic individuals were observed to be less materialistic than individuals who are less acculturated. This finding would seem to suggest that Hispanic individuals in the U.S. may become less materialistic as they acculturate to the dominant culture. This is interesting since residents of the U.S. tend to be more materialistic than in the home countries of Hispanic individuals in the U.S. This is an issue

for future research.

In conclusion, store environment appears to be a way in which retailers may be able to better target specific market segments in the Hispanic market. The Hispanic participants in this study possessed differing preferences for store environments which appeal to a Hispanic market based on their level of acculturation and on their materialism. With this knowledge, retailers may be able to better match the environment of their stores with the desires and preferences of their target market. In addition to making one's stores more attractive to one's target market, by matching store environment with the environment desired by one's customers, retailers can improve the moods and comfort levels of their customers and increase the time that they spend in the store, leading to higher sales per customer visit and higher store loyalty (Turley & Chebat, 2002; Vaccaro, Yucetepe, Torres-Baumgarten, & Lee, 2009).

## Limitations

Limitations of the study may hinder the generalizability of results. First, the sample is non-representative of the overall Hispanic market. The sample is geographically limited in that all participants reside in the same urban area. While the Hispanic population examined in this study possessed relatively low acculturation and represented a small minority of the area's total population, regions of the U.S. that have larger, more entrenched and acculturated Hispanic populations may exhibit different preferences and behaviors. It is worth noting, however, that the Hispanic segment examined in this study (relatively low income with relatively low acculturation) is the fastest growing segment of the Hispanic population in the U.S., both in terms of geography and number and is often the most difficult to access because of concerns surrounding legality of residence. Moreover, the lower income, less-acculturated segment of the U.S. Hispanic population is that which is most likely to possess shopping preferences and behaviors that differ from that of the general U.S. population.

Lastly, the high percentage of Mexican-born respondents (67%), while representative of the region's population and close to national average, prevents an examination of the differences between Hispanic individuals originating from different countries.

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## Biographies



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