

## Buying power gets noticed San Antonio Express-News

08/02/2011

Retail industry leaders are seeking better ways to lure the Latino dollar as Hispanic purchasing power grows apace.

More than 400 retail industry leaders gathered at a conference held by the International Council of Shopping Centers this week in San Antonio to learn how to tap into the growing Hispanic consumer base. The conference, at The Westin La Cantera Resort, ended Tuesday.

ICSC Chairman David Henry said major retailers, shopping center developers and investors historically have not appreciated the purchasing power of Latinos.

"Landlords and other developers have ignored this at their own peril, but that is starting to change," Henry said. "There are over 400 people at this event today, and that is testimony that this is on everybody's radar screen."

There are obstacles for retail industry leaders wishing to invest in Hispanic communities, said Arturo Sneider, the event's primary organizer. Among them is uncertainty about immigration laws.

"People were afraid for a long time that there would be a change in immigration policy after investing millions of dollars into Latino communities," Sneider said.

In Arizona, for example, The Perryman Group, a Waco-based financial analysis firm, has estimated the state would suffer a \$26.4 billion loss in economic activity if all undocumented immigrants were removed from the state.

Alexis Suarez with Arizona Partners, a commercial real estate firm based in Scottsdale, Ariz., warned conference attendees that the state is headed in that direction because of a law known as SB 1070, which requires immigrants to obtain or carry registration papers and calls for police, while enforcing other laws, to question people's immigration status if there is a reasonable suspicion they are in the country illegally. Another hurdle is a lack of focus and understanding of how to serve Latino communities across the United States, Sneider said. The Hispanic market is diverse and has stark intergenerational differences.

Small Hispanic-oriented grocers such as La Michoacana and Fiesta attract first- and second-generation Mexican Americans in Texas, while big-box retailers including H-E-B, Walmart and Publix have store formats that attract more assimilated consumers with their Hispanic format stores: H-E-B Mi Tienda, Supermercado de Walmart and Publix Sabor.

"We don't sell meat, we sell nostalgia," said Rodrigo Amaré, CEO of Pinto America Growth Fund, which operates La Michoacana meat markets in Texas and Oklahoma. "For first-generation immigrants, the music, the smells and the food makes it feel like being at home."

According to recent Census data, Latinos accounted for more than half of the nation's growth since 2000, and it is projected that by 2050 the Hispanic population will more than double. Lewis W. Stirling III, executive vice president of Louisiana-based Stirling Properties, said the average Hispanic consumer is about 28 years old, shops with family, and spends about 50 percent more time shopping than regular consumers.

Reesa Tansey, a sales associate with Colliers International in Oakland, Calif., hoped that meeting with other retail experts would help her understand how to serve underrepresented Hispanic populations.

"As one generation moves forward, how do you develop a balance?" Tansey said.

Former San Antonio Mayor Henry Cisneros, the keynote speaker for the closing event Tuesday afternoon, said that in the "Hispanization" of America, Latinos will start to be more visible in the overall real estate market. Along with the traditional office, retail and industrial markets, Cisneros said, the potency of the Latino consumer will drive culturally themed subdivisions and retail centers, and not just cities with large Hispanic populations.

"The time has now arrived," Cisneros said. "We're right on the button, right at the center of the bull's-eye of what the market will sustain and what Latinos will be pioneers for."

Express-News Business Writer Valentino Lucio contributed to this report.

Copyright © 2011 San Antonio Express-News