

# Reaching the Hispanic Market

## The Reasons for Investing in a Bilingual Homebuying Program

By L. Maria Zywiciel

If there is any doubt on whether accessing the Hispanic consumer is a solid business strategy to grow your credit union's market share, then you haven't heard these statistics:

- 13 million of the 17 million projected new households between 2010-2025 will be ethnically diverse, and 40% of these will be Hispanic
- Since 2000, Hispanics have accounted for 52% of the growth in U.S. homeownership



Focusing on the Hispanic segment and Housing industry, NAHREP Consulting Services talks to a lot of credit unions, real estate professionals and others that are part of the homebuying experience.

Most recognize that reaching the Hispanic market is a solid business strategy, but they are still very hesitant to fully engage for a variety of reasons.

At the top of that list is the confusion around whether or not—and how—to use the Spanish language.

Let's be clear, more than three-fourths of U.S. Latinos speak English well or very well. The answer as to whether your company should invest in bilingual language service really lies in how your customers prefer to conduct business.

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### THE HOME PURCHASE TRANSACTION

There is, however, research from a recent NAHREP membership survey that showed half of respondents' clients require Spanish as a main language in the home purchase transaction. You may ask why, if so many people speak English, is Spanish required?

■ It is a matter of *preference* not *ability*. Just as some clients prefer face to face vs. online, or vice versa, when buying homes, that doesn't mean they can't or won't do business other ways. It just means they will gravitate toward the companies that can serve them in the manner they prefer.

■ Language is a power tool in *building trust*. The Goethe Institut, which promotes the study of the German language abroad, has interesting research on this topic. "Those who speak the same language not only can make themselves understood to each other; the capacity of being able to make oneself understood also finds a feeling of belonging."

■ Having professionals speak the language, if asked, and having materials (especially those that are educational in nature) will makes customers more *comfortable*. Let's face it, our industry is a confusing one! Customers need to feel as comfortable as possible in what is likely the biggest investment of their lives.

■ Many Hispanics live in extended family situations, meaning relatives are likely to be in the same household. Because you have multiple generations in the home, the language spectrum is likely to be mixed. Like most purchasing de-

isions, buying a home is a family affair and to be *respectful to the culture* means including the family in the process. Spanish would be a must for newer immigrant members or older generations.

- Finally, somewhat similar to the concept of comfort, having professionals, collateral and other resources available in-language provides *transparency*. A company that demonstrates that it wants its clients to understand the process and to be well informed every step of the way is a company that wants to be transparent. This will lead to a much happier client and one who will refer their friends and family again and again!

Language is one of many cultural elements, but it is probably the most powerful one and the gateway to the other aspects of culture. Hopefully, your credit union will consider language as a way to build rapport with consumers and not as a barrier between you and the consumer.

*NAHREP is the Non-profit Association of Hispanic-American Real Estate Professionals. L. Maria Zywiciel is president of NAHREP Consulting Services, a marketing consulting firm specializing in the Hispanic segment and Housing industry. Visit [www.nahrepconsulting.com](http://www.nahrepconsulting.com) for more information.*

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