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## 'Hispanic Best Buy' to reinforce mall's Latino focus

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Desert Sky Mall will soon be home to a Los Angeles-based department store that targets Latinos, a deal that mall executives say will reinforce the west Phoenix site's reputation as a premier multicultural shopping destination.

Often referred to as the "Hispanic Best Buy," the La Curacao department-store chain recently signed on to open its ninth store as early as spring. It joins Desert Sky's flagship stores Burlington Coat Factory, Dillard's, Mervyn's and Sears.

"We've been courting them for at least four years, and this is their first store outside of California," said Zeke Valenzuela, Desert Sky's general manager. "So this is big for them and for us."

La Curacao officials say the west Phoenix mall's Latino accent is a natural fit for its latest venture. The mall's clientele - about 72 percent of them Latinos - also appealed to the hard-goods retailer, which often sells products to immigrants here, who then export them to their relatives back home.

"We're extremely excited," said Michael Falkenstein, La Curacao's senior vice president of retail development. "We've had our eye on Arizona for a while because it's such a similar market. We already have growth plans in place to help us expand there and in other states as the Hispanic market continues to grow."

### **By the numbers**

At 12.4 percent, Latinos are the nation's largest minority group, according to the U. S. Census Bureau. It's also the fastest-growing minority group, with economists predicting Latinos' purchasing power will reach \$1 trillion by 2008.

In Arizona, Latinos will wield about \$39 billion by 2010, about 62 percent more than in 2005, says the Selig Center for Economic Growth.

"So it's smart business to go after such a growing market," Falkenstein said, "but

you also have to know how to meet those customers' needs to draw them in."

Retailers seem to be getting the message, as more mainstream malls - including ventures in Atlanta, Salt Lake City, Tulsa, Okla., and Fort Worth, Texas - now target Latinos with bilingual campaigns and specialized products and services.

Still, had mall executives attempted to woo La Curacao when Desert Sky opened in 1981, it likely would have failed, because the then-thriving mall served a predominantly Anglo clientele.

## **Changing demographics**

A decade after the opening, the landscape had shifted, with Anglos accounting for about 24 percent of Desert Sky's clients.

In 2002, the Santa Monica, Calif.-based Macerich Co. bought Westcor, the Arizona mall developer that built the 892,000-square-foot retail venture. But competition from Arrowhead Mall, about 12 minutes north, and demographic shifts had taken their toll.

"It was evident that something needed to be done because we weren't attracting potential customers, which were now overwhelmingly Hispanic," Desert Sky's Valenzuela said.

First came a Spanish-language marketing blitz. Mall executives then headed to Mexico City and several border towns in Texas to study Latino retail trends.

"We learned that if we peppered our mall with some Latino-owned businesses from discount centers and strip malls, that we might be able to turn things around," Valenzuela said.

## **Latino flair**

Today, a stroll through the bustling shopping mall shows bilingual signs, Spanish-speaking sales assistants and Latino-owned specialty shops. The mall's Latino-centric focus has boosted annual sales by 15 percent for the past three years, officials said.

"This push to attract Latino customers was the best thing this mall could've done," said Mia Terry, assistant manager of Desert Sky's Anchor Blue store.

West Valley Spanish-speakers from as far as Avondale and Tolleson now frequent the mall to shop, eat or to visit Cinema Latino, which features first-run Hollywood movies with Spanish subtitles.

Glendale residents Juan and Maria Placencia often shop there. Juan, a U.S. Postal Service letter carrier, recently met his wife for lunch at the multiethnic food court.

"We love this mall, because everybody speaks Spanish and we can get products from Mexico," said Juan, who emigrated from Guadalajara, Mexico.

Still, you don't have to be Hispanic to benefit from the mall's 115 stores - only 18 percent of the mall features Latino specialty shops, Valenzuela said.

"The goal was never to become a full-fledged Mexican mall, so anybody can do their general shopping here," he said.

"But if you want some popcorn with salsa on top, you can get that, too."

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