

Banks Catering to Hispanics

With Hispanics now ranked as the largest minority group in the United States, banks around the country are working hard to cater to this increasingly affluent market.

Merrill Lynch, Citibank, Bank of America and others are streamlining services to cater to Hispanics in more ways than just offering cheap checking accounts, according to [USA TODAY](#).

Big draws for many Hispanic communities involve programs and services that make wiring money back to their native countries easier.

Bank of America, which is spending \$30 million in Spanish-language advertising this year, launched SafeSend in 2002. SafeSend allows customers to send up to \$1,500 to Mexico for \$10. The money is deposited onto a card that is accessed by ATM.

Citibank is customizing its transfer services for customers of Mexican descent as well, charging a \$5 transaction fee on top of the standard foreign exchange commission to send money to an account in Mexico at Banamex. Citigroup bought Banamex in 2001.

Hispanics send billions of dollars to family members abroad, according to research by the [Pew Hispanic Center](#). The total amount of funds sent from the United States to Mexico and Central America will likely exceed \$180 billion this decade, Pew reported.

“Hispanic-Americans are accumulating significant wealth, and they are facing complex issues related to retirement planning, estate planning and tax planning,” Mario Paredes, director of Hispanic business at Merrill Lynch told *USA TODAY*.

Merrill Lynch has about 350 Hispanic-American financial advisers ready to service the growing Hispanic market.

Many smaller banks have been servicing this growing population for several years.

The Mexican flag is raised along with the U.S. flag every workday at the Second Federal Savings and Loan Association in the predominantly Mexican Little Village on Chicago's West Side.

Mark Doyle, Second Federal's chairman, told the [Chicago Tribune](#) his bank offers citizenship classes for new immigrants and free money orders. And all its tellers must speak Spanish.

"There are big banks, and there are the niche players," Doyle said. "That's us. We try to move quickly and keep our ears to the ground."

With more Hispanics than any other major city in the country except New York and Los Angeles, Chicago has surpassed big Texas cities like Dallas and Houston in its Hispanic growth, according to the U.S. Census Bureau.

Traditionally, Hispanics have used financial products and services less than the general population, according to [Bank Technology News](#). But now the financial opportunities for Hispanics are endless.

With Web sites like DineroNet.com, which serves as a virtual financial supermarket for Latinos, this growing population has entered the world of Internet banking as well.

DineroNet.com was launched to cater to Hispanics who have been in the United States less than 10 years or who are still unsure how to manage their personal finances in this country.

DineroNet.com doesn't have a corner on the online banking services out there for Hispanics. IBolsa Inc. offers online trading for Spanish- and Portuguese-speaking people.

Charles Schwab recently unveiled its own Spanish-language Web-trading

services.

Rosanna Fiske, a spokesperson for Schwab, said combining technology with a strong bricks-and-mortar presence is crucial because this ethnic group expects human contact after arriving in the United States from a region where business is traditionally conducted more personally.

“What makes us unique is we offer clients both service in their own language and culture at the branch and a Web presence in their own language and culture,” Fiske told *Bank Technology News*. “Other brokerage-dealers many times have the client service in Spanish, but don’t have the Web presence in Spanish. We did that particularly because there are cultural and language sensitivities to Latinos compared to non-Hispanics.”

[Jodi Mathews](#) is news writer for *EthicsDaily.com*.