

# brain training

how not to think pink

WOMEN'S SPENDING power and influence were once neglected by companies doing business in the United States. But no longer. The big news over the past few years has businesses scrambling after the now well-documented larger wallets of women now transforming the marketplace. With trillions of dollars the prize, companies are looking to overcome the biggest obstacle to their success, something we define as “thinking pink”—an often limited and stereotype-driven view of one of the largest marketing opportunities in history.

## What Is Thinking Pink?

The best way to understand thinking pink may be to revisit the quirky 1999 film *Blast from the Past*, a comedy about people emerging from

a thirty-five-year time warp. The movie opens in 1962 at a cocktail party in the home of Calvin and Helen Webber (Christopher Walken and Sissy Spacek), where some of the guests are whispering about how brilliant, but weird, Calvin is. Suddenly President John F. Kennedy appears on TV to announce there are Soviet missiles in Cuba aimed at U.S. targets. Calvin hustles the guests out the door and hurries his pregnant wife into an elevator down to his amazing bomb shelter, where fish grow in breeding tanks and the décor of their aboveground home has been reproduced right down to the lawn furniture.

A brain from Cal Tech, Calvin has been waiting for years for the big one to drop. His prudence is admirable but his luck bad: There's no nuclear war, but a plane crashes onto his house, sending a fireball down the elevator shaft, convincing him the war is on. So he closes the steel doors and informs Helen that the time locks won't open for thirty-five years "to keep us from trying to leave." In the sealed atmosphere of the bomb shelter far below Los Angeles nothing changes. Calvin and Helen watch Kinescopes of old Jackie Gleason programs, with tuna casseroles on the menu. They raise their son Adam in the ideals of their generation.

While the family lives in their time capsule belowground, out in the daylight Los Angeles develops into a radically different society. When their thirty-five-year-old son Adam ventures aboveground for the first time to replenish supplies and scout the war-torn land, he clearly demonstrates a serious case of early 1960s thinking, completely off for the 1990s.

Today, women's roles in society and their effects on the economy have greatly shifted, catching by surprise companies also stuck in a time capsule, doing business as usual. Women have changed. And, the rules have changed too.

When companies work from tired data, assumptions or stereotypes of what women want (thinking pastels, flowers or "lighter" versions of the original), the results are pink products, marketing

campaigns and service offerings that don't connect with today's savvy and empowered women. Pink efforts just scratch the surface of women's desires and often miss the mark altogether.

Business journalist Hillary Chura in *Advertising Age* calls for a more sophisticated approach to women consumers: "Like nervous teenage boys at a junior high dance, marketers haven't figured out how to talk to women, who comprise 51 percent of the U.S. population."<sup>1</sup> With women spending over two trillion dollars each year, enormous growth potential and millions of dollars await companies that do take the time to get it right.

Pink thinking is not a single attitude or action; instead, it is a recipe for weak profits and missed opportunities:

#### **Pink Thinking Recipe**

- One part dated assumptions and information
- Two parts superseded stereotypes
- One part limited staff and budget
- Two parts internal resistance to new ideas
- Three parts fear of turning off men and making expensive mistakes
- A generous dollop of pastels, butterflies, hearts and flowers
- And a double shake of good intentions and sincerity

Do not stir or integrate with other departments. Serve to women customers.

As you can imagine, pink campaigns feel like a patronizing pat on the head for many women. But, don't misunderstand our point: It is not that companies are deliberately setting out to think pink, to underestimate women, or patronize or alienate them. Our own experiences as marketing consultants demonstrate that many, many companies have awakened to the opportunity, yet remain in need of

strategies to respond effectively in order to increase their market share among women.

*Don't Think Pink* was written because the marketplace has changed and we recognize that companies are sincerely looking to better meet the needs of their women customers. This book is designed as a resource and a roadmap to help brands go beyond thinking pink.

### **several cousins of pink thinking**

Where any given market has dramatically shifted, as things have in the women's market, the equivalent of pink thinking can happen. We can recognize similar challenges and opportunities in these other lucrative market segments:

#### **SENIOR DISCOUNT THINKING**

Marketing to the maturing generation means addressing the growing unpopularity of senior discount thinking. As the "forever young" Baby Boomers reach their retirement years, they are reinventing aging and rejecting traditional symbols of growing older. Companies that have created senior programs will need to completely rethink their approach if they hope to capture the loyalty, affection and business of this new breed of grandparents. Kohler, the maker of kitchen and bath fixtures, for example, gets it. They introduced gorgeous new products that take into consideration an aging person's needs—such as higher toilets and more accessible bathtubs—marketing them simply as the latest innovations. There's not even a hint of senior thinking in the hip new products. The result? Aging Boomers have made these new product lines bestsellers.

#### **GRADE SCHOOL THINKING**

Marketing has had to make wholesale changes to keep up with the broad-based changes and sophistication of global

tweens (eight- to fourteen-year olds). It has been easy to underestimate the savvy and highly developed preferences of today's sophisticated tween consumers. For years marketers would draw on their own experiences as children and use outdated research and learning methods to determine the best new products and marketing programs for tweens. This grade school thinking forgets that tweens are one of the most sophisticated group of consumers in the marketplace, and that kids this age have zero tolerance for being treated like children. They just won't be underestimated. While technology companies have honed in on this trend-setting group and pioneered innovations to reach them, the fashion industry is playing catch-up as tweens demand adult fashions in smaller sizes. Slow-changing manufacturers are just waking up to the sophisticated tastes of today's tweens.

#### **CHURCHY THINKING**

Segments of the Christian publishing and gift industry seem to be stuck in a time warp, catering to people's desires for spiritual growth by utilizing marketing approaches and preferences of an aging generation. You might say some segments of this industry suffer from churchy thinking. Gone are the days when a store can be filled with "manna mints" and flowery-covered devotion books alone. Contemporary Christian music is an example of a successful segment of that marketplace that has undergone an aggressive makeover and is striking a resonant chord with believers across the nation. Bands like Jars of Clay, Third Day and DC Talk are marketed with the same relevance and savvy of other popular music bands on the billboard charts.

#### **"JUNE CLEAVER" THINKING**

"June Cleaver" thinking makes today's moms feel like failures and sets up an ideal that women can no longer meet. June Cleaver was the stereotypical mother and housewife in

the 1950s sitcom hit *Leave It to Beaver*. The initial response to June Cleaver thinking was that working women tried to become supermoms, cherishing memories of motherhood in the 1950s, no matter how their own moms did it. All the while these same women were pioneering new opportunities in the workplace. But a twenty-first-century mom's life bears no resemblance to June Cleaver's. Thus, women resent what they know is unattainable and have abandoned June Cleaver aspirations, conducting their lives the way their current environment permits. Advertising campaigns like Dodge Caravan's "What idiot came up with 'stay-at-home moms'?" and AT&T's "Working mom stays connected at the beach" are hitting the right note with today's moms.

## HOW TO MOVE BEYOND THINKING PINK

Pink thinking begins inside an organization and expresses itself in the marketplace through products, advertising and marketing programs aimed at women. The following ten steps detail an inside-out approach to helping companies move beyond pink thinking and into a position of brand leadership. When a company can create a brand that reflects a deep knowledge, commitment and understanding of the community of women they serve, women will reward the authenticity of their efforts at the check-out counter.

### 1. Understand Her Earning Power

Women now earn one trillion dollars a year and their incomes over the past three decades have increased a dramatic 63 percent after inflation, while men's median income has barely budged (+0.6 percent after inflation).<sup>2</sup> This increase in earning power is not the result of one big event but has been fueled by a series of

important changes in the workplace, family and personal lives of women. Here are some of the key factors that may contribute to her thicker wallet:

#### **WAGE GAP SHRINKING**

The wage gap is quickly narrowing to make women's incomes more comparable to those of their male counterparts, with the average full-time working woman now earning 76 cents on each dollar earned by a man. This is particularly so for the younger generation, where there is the least discrepancy between the wages of men and women, to the tune of just a few cents on the dollar. In 1998, women ages 25–34 earned 83 cents on the male dollar; women ages 19–24, 89 cents on the male dollar.<sup>3</sup>

#### **ADVANCED DEGREES**

It's no surprise that college degrees are helping propel women these days into higher paying professions and executive-level positions. The advancement in women's earning power is powerfully illuminated by their taking home the majority of bachelor degrees (57 percent) and pursuing advanced degrees in record numbers—earning 50 percent of law degrees, 40 percent of MBAs and 46 percent of medical degrees.<sup>4</sup>

#### **HOUSEHOLD INCOME**

Women now bring in half or more of the household income in the majority of U.S. households. In the 55 percent of U.S. households made up of married couples, Census Bureau survey data indicates that 48 percent of the working wives provide at least half of household income.<sup>5</sup> But don't forget the influence of the many unmarried women in the United States today. In fact, 27 percent of U.S. households are headed by a single female who brings in the entire household income.<sup>6</sup> One final surprising statistic about women's influence on household income: Among married female executives

with a rank of VP or higher in a Fortune 500 company, 75 percent out-earned their husbands, bringing home on average 68 percent of household income.<sup>7</sup>

#### **BUSINESS OWNERSHIP**

To achieve this noticeable increase in their contribution to household income, more and more women use their college and advanced degrees to start or buy their own businesses. In fact, women own 40 percent of all companies in this country. From 1987 to 1999, the number of women-owned businesses grew 103 percent, about one and a half times the national average. What's more, their employment levels grew 320 percent and the revenues of these women-owned companies grew most of all, up 436 percent. Of course, these strides translate into bigger paychecks and higher overall net worth.

#### **HIGH NET WORTH**

Women head approximately 40 percent of the households with assets of more than \$600,000 and have quietly become the majority asset holders in the United States, controlling 51 percent of the private wealth in this country.<sup>8</sup> In addition, Mature and Baby Boomer women (who statistically will live longer than their male siblings and spouses) will benefit the most from the intergenerational transfer of wealth from their parents. The ranks of affluent women will only increase, and it is estimated by 2010 that two-thirds of all private wealth in the United States will rest in their hands.

## **2. Wake up to Her Spending Power**

Perhaps even more compelling than women's increased earning power is their spending power in their households and workplaces. While women's combined earnings are estimated around \$1 trillion

annually, her spending power overall is estimated at over \$2 trillion each year.<sup>9</sup>

#### **HOUSEHOLD PURCHASING AGENT**

No one could deny, once they've given it any thought at all, that women are responsible for the bulk of consumer purchases. The proof is in the numbers: Women account for roughly 80 percent of all consumer buying. The Center for Women's Business Research indicates that businesswomen (working women and female entrepreneurs) are the primary decision makers in households, making 95 percent of the purchasing decisions. To be more specific and drive home that point: Women are responsible for 70 percent of all travel decisions, 57 percent of all consumer electronics purchases, and they buy 50 percent of all new vehicles (influencing 80 percent of overall automobile sales).<sup>10</sup> Finally, women write an estimated eight out of ten personal checks in the United States, making their financial power even more formidable.<sup>11</sup> Women in most households today not only control the spending of their own paychecks, but a good deal of their husband's as well.

#### **CORPORATE PURCHASING AGENT**

The number of women in business or who own their own business means that the buying power of women extends beyond household spending to corporate spending as well. Business product vendors are noticing that 51 percent of all purchasing managers and agents are women.<sup>12</sup> Furthermore, human resources executives are predominately women, and they make the key decisions for corporate financial services, including lucrative insurance contracts and company retirement plans.

Office managers are the important filters for a company's supplies and services as well. The recent UPS ad campaign "What can Brown do for you?" tapped into the reality that women office managers are the key decision makers who choose and use their services.

## **how women got to be so important to the U.S. economy: societal changes and economic realities**

### **WOMEN TAKE CARE OF BUSINESS**

During World War II, many women entered the workforce for the first time to assist the war effort. Because so many of them discovered they enjoyed working outside the home, a fundamental shift in women's attitudes toward conventional life paths ensued. Then, during the 1960s and 1970s women started to enter the workforce in large numbers, in part because of the newfound sense of freedom they had gained through the various activist movements. The introduction of the birth control pill also had a significant effect on women's role in business, as it gave them a choice of when, and if, they wanted to have children.

### **WOMEN OWN BUSINESSES**

Between 1997 and 2002, sales generated by women-owned firms increased 40 percent nationwide, nearing \$1.5 trillion. And, according to the U.S. Bureau of the Census, women-owned firms employed nearly 9.2 million workers as of 2002. Furthermore, this wealthy growth segment of businesspeople also influences the purchasing of many business-related products and professional services. The U.S. Small Business Administration reports that women-owned businesses generate more than the gross domestic product of most countries, contributing \$2.38 trillion annually in revenues to the U.S. economy! And this trend is no fluke. *Working Mother* magazine predicts these numbers will continue to grow as women-owned businesses open at twice the rate of male-owned enterprises.<sup>13</sup>

### **WOMEN INVEST**

With an increasing number of women investing in the stock market, the women's demographic will create more wealth

in the future. According to the National Association of Securities Dealers, women now comprise 47 percent of investors overall, 50 percent of new and potential shareholders and 35 percent of investors with holdings of more than \$50,000 in mutual funds and stocks. We call this nest egg building, and then some!

#### **SINGLE WOMEN CREATE NEW BUYING DYNAMICS**

Seventy percent of women will be solely responsible for their finances and purchases at some point in their adult life. Factors that contribute to this not-so-surprising trend include a high divorce rate, more women choosing not to marry and women's longer life expectancy (widows outlive their mates by an average of seven years). Along with their growing income, women simply have more years to influence the economy.

#### **TITLE IX INFLUENCES GENDER EQUITY**

Passed in 1972, Title IX was landmark legislation that banned gender discrimination in athletics and that continues to create opportunities for women that their moms and grandmothers never had. In the thirty years since Congress approved this gender-equity law, sports leagues for girls and young women have become increasingly popular at all levels.

Interestingly, an April 2002 article in the *Chicago Tribune* reported that a study linked sports participation with success among women executives. "For women, the road to the boardroom may well lead through the locker room," concluded a survey of 401 women executives conducted by Oppenheimer Funds and its parent company, MassMutual Financial Group. "From the Locker Room to the Boardroom: A Survey on Sports in the Lives of Women Business Executives" provided food for thought, by showing the correlation between women playing sports in their

early years (whether on cross-gender or all-girl teams) and their developing a sense of equality with their peers and a spirit of competition, which led to business successes in later years. Volleyball, soccer, basketball and any other school sport certainly do teach the values of discipline, teamwork and working toward a goal—so the connection to success in business makes good sense.

### 3. Run Your Numbers

Women today comprise a significant majority of customers for most businesses. So, focusing on their preferences is literally big business that can dramatically affect a company's sales, market share and profits.

So what's the point of going into the societal and historic changes that affected women's earning and spending power? It's to prove that the profile of your target market is ever changing (and evergreen) and to convince you to carry out the research (and expend the budget) to find out who is really buying your product or service, and why.

Women's buying power has snuck up on many companies that have historically considered men as their primary market. More than ever before, companies need to run their own numbers to get a solid idea of who actually influences the purchasing of their particular products and, finally, who carries out the cash-register transaction.

According to the manager of one credit union, with 93,000 members and annual revenue of \$1 billion, surveying its member base every three years was well worth the continual effort. The results were always the same until the year 2000, when the typical member changed dramatically from a 53-year-old family man to a 46-year-old single workingwoman.

In his booklet *Women Roar*, marketing guru Tom Peters gives another striking example of a traditionally male-oriented company

waking up to the shift in the gender of its core consumer: After some internal research, an owner of a company that produced and sold riding lawn mowers was shocked to discover that 80 percent of the customers who purchased his products were women, not men.

Given this swing over the past few decades in monetary power from men to women, many companies are still playing catch-up. If this applies to you, this book will help you make the quantum leap in refocusing your marketing efforts on your women customers.

### **BRAND-SPECIFIC AND COMPANY-FRIENDLY NUMBERS**

When presenting your numbers and making your case about changing your company's approach to its customers, remember the importance of having strong research based on facts, not on opinions or assumptions. Keep in mind that you may need to customize your data in order for it to have an impact on your colleagues. Many people trust only data generated by their own people or that is specific to their own industry and brand. In addition, your marketers and salespeople probably need to see the size of the opportunity in a format they are accustomed to, or it won't help your case at all.

Thus, it is important to try putting the women's market opportunity in a familiar format, preferably using in-house data that is split by gender. If your team members are used to numbers and statistics, give them that; but if they respond better to bar graphs, use that imagery. We realize that even with your own data it can be a challenge to track the real economic influence of your female consumers. How often, for example, are women customers carrying out the prepurchase research and then making the purchase, but using their husband's credit card or account name? In general, we suggest reframing statistics to be as relevant as possible to your own brand, and translating the macro-level research into specific strategic observations and action points for your company.

#### 4. Mainstream and Integrate Your Marketing to Women

Spread the knowledge about women's preferences and buying behaviors throughout your organization, rather than limiting yourself to an isolated women-focused marketing department. Yes, you read that right. Just say *no* to the entire concept of "women's initiatives." Women as a group are not a tidy niche. In fact, women constitute a huge market that can be segmented in many different ways. For most companies today, women and their varied buying behaviors are *the* market that can effectively make or break their brand.

A good example of a well-integrated organization is consumer packaged goods company Procter & Gamble. P&G has long been aware that women are its primary customers, and it is leading the industry in innovatively tailoring to women its sampling programs, Web sites and new product designs.

In contrast, historically male-focused industries like financial services, health care and automobile manufacturing may still be scrambling to identify the best methods for integrating their focus on women throughout their organizations. A good example of an effort in this direction is the work of Debra Nichols, senior vice president of Wachovia's women's financial advisory service, who continually audits all the company's departments to assess how well they're connecting with and serving women and how they can improve their efforts. Nichols's executive-level position, backed by the full support and commitment of Wachovia's top leadership, helps ensure that all departments take her division seriously and embrace the company-wide commitment to reach women customers more effectively.

Given her experience in a large, traditionally male-focused industry, Nichols encourages other companies to include the women's angle in their existing objectives, rather than adding a separate business unit to market to women. "There is always an issue when trying to get separate funding for a new women's initiative. I personally struggle with the math to justify it, which is why we use the model

that we do,” she says, adding that with their system implementation costs are not incremental, but integral, to their overall budgets.<sup>14</sup>

While Wachovia’s system has worked well for them, some in the financial services industries have tried this approach with less success because they lacked crucial internal support. In addition, some found that their lack of executive title, budget and staff made them less powerful and effective. These are important factors to consider as companies map out their internal strategies and approaches.

It will be important to continually observe and learn from the best practices of both consumer packaged goods and more traditionally male-focused industries as they shift their marketing focus and dollars onto their women customers.

## 5. Reframe Your Approach

Things have changed. It is true that once upon a time Caucasian males earned the bulk of the nation’s income and made most of the decisions about how to spend it. As a result, most sales campaigns were designed and executed with men in mind. It made as much marketing sense then to follow the money as it does today.

So, how exactly does a company begin today to reframe its approach in order to appeal to women?

Early efforts to reach women were sincere but often lacked the right tone. These campaigns could affectionately be categorized as “pink,” as they translated products, services and marketing materials into feminine or flowery versions of the original. Driven by stereotypes (pastel colors, overly sentimental copy, unrelatable characters and storylines), these early marketing efforts underperformed because they lacked depth of knowledge of what women customers really wanted. According to Vanessa Freytag, president of W-Insight Inc., a Cincinnati-based marketing firm that focuses on women, “Too many companies market to women unsuccessfully and then assume it a not a productive market rather than looking at the fact that *how* they did it might have been the problem.”<sup>15</sup>

It is safe to say these ineffective albeit sincere pink campaigns have instilled a significant fear in the hearts of CEOs, marketers and employees about trying this women-focused thing themselves. In response to the failure of pink campaigns, a gender-neutral approach has arisen, wherein companies conclude that men and women are really not that different from each other—and even if they were, they wouldn't want to be marketed to differently. The gender-neutral marketing contingent feels that campaigns for women are insulting to the people they are trying to reach, and that they also turn off men at the same time.

As you can see, framing a campaign or product launch is probably one of the most confusing and least studied aspects of marketing to women. If you don't want to do a pink campaign yet are convinced that women do want an approach more tailored to their needs, what are your options? We propose a set of approaches that marketers might consider as they evaluate their market: visible, transparent and hybrid.

**VISIBLE CAMPAIGNS**

Some products just demand language and imagery that is unquestionably directed toward women. A few examples of successful visible campaigns include that of the Venus razor by The Gillette Company, or the way Wachovia created an online retirement calculator for women that factored in their longer lives and years outside the workforce. In the next chapter, we discuss how and when visible marketing to women works.

**TRANSPARENT CAMPAIGNS**

A subtle, yet more sophisticated, approach involves tailoring your message to meet women's needs without labeling the product or service exclusively for women. We call this "transparent marketing," a good example of which is the way Home Depot, Lowe's and other home improvement centers have started widening aisles

(women like more room to browse and examine products on the lower shelves) and changing their offerings and displays to appeal to women's interests. While they do not label these efforts "for women" per se, their transparent campaigns differ from being gender neutral in that they acknowledge that women's preferences are different from men's. Home Depot and Lowe's follow transparent guidelines to more fully understand their customers and then develop full-service solutions, tailored services and products to attract a specific group of female do-it-yourselfers. As a bonus, by meeting the high expectations of women in a transparent fashion, they have noticed they are attracting more male customers as well.

There goes the theory that marketing to women is bound to alienate men.

Another example of transparent marketing done well comes from an unexpected source, the Entertainment and Sports Programming Network (ESPN). Clearly marketed to men, ESPN is pitch perfect with humor, tone, imagery and content. The multimedia giant delivers to the interests, preferences and priorities of men without labeling their magazine, TV and radio shows "ESPN sports for men." In chapter 3 we'll examine ESPN further and detail why we see transparency as the brightest future of good marketing to women.

#### **HYBRID CAMPAIGNS**

Thirdly, in a hybrid campaign, the overall marketing effort might remain transparent but certain products or elements are more visibly focused on women and their distinct needs. Home Depot's "Do it Herself" workshops promote a visible element within an overall transparent campaign. And, French Meadow Bakery, a Minneapolis-based company that has baked a line of ultrahealthy breads for years, recently introduced "Woman's Bread," featuring ingredients that specifically address women's health concerns. (Then, due to much demand, they quickly followed up with "Men's Bread.")

Home Depot and French Meadow Bakery both successfully reached out to women, in particular, by changing specific programs or redeveloping recipes, without repositioning their entire brand. You don't need to jump out on the sidewalk with a sandwich board that reads: "Women Shop Here. We Appreciate Women Customers!" Rather, by developing a product and marketing approach—visible, transparent or a hybrid mix of the two—along with delivering a customer experience that clearly demonstrates you know and value your female customers, you will be much more effective in reaching women.

## 6. Get Inside Her Mind

Men and women think differently. Science shows us that there are numerous biological, neurological and behavioral variations between the male and female brains. These gender differences range from how much information women take in and retain when they walk into a room, to their tendency to be more verbal and seek more human connections. When combined, these scientific differences, though sometimes small, can make a big difference in what attracts women to specific brands and makes them head to the checkout aisle.

When shopping, many women have a 360-degree perspective on life and evaluate products and services by how they fit into that bigger picture. More so than men, women are interactive in their shopping style and are more likely to try on, test and sample products before purchasing them; and they tend to imagine and envision how they will interact afterward with the products in their daily lives. Masters of tapping into people as resources, women interact more with sales associates and get more peer and expert opinions for their big-ticket purchases.

With its 24-7 convenience, the Internet has become a tool, a friend and an advisor for women in their daily lives and a time-saving

advocate in their shopping. Women are using the Internet differently than their male peers, and in some cases women online even switch shopping styles with men—behaving in a more purpose-driven, “no time to browse” manner.

By understanding and responding to how women think and shop, marketers can begin to transparently tailor a shopping experience so that it seamlessly delivers on her preferences and eliminates time-gobbling friction (long lines, redundant forms, uninformed sales associates, lack of information). Research shows that companies that elevate their customer services practices based on women’s higher standards not only deliver more intuitive shopping experiences, but increase their appeal and sales to both women and men.

In chapter 4 we will delve into the science underpinning a woman’s mind and learn more about her buying behavior. Chapters 9 and 10 further illuminate women’s online behavior and provide best practices and specific ways to more effectively use this medium to support the sale of your products.

## **7. Segment and Focus to Reveal Lucrative Markets**

Never in history have American women been shaped by such a diverse set of experiences in the workplace. Today’s female consumers are a mix of women with various viewpoints and life experiences. First, there exists a generation of women who grew up prior to the mass exodus away from home. Then, the Baby Boomer generation helped pave the way in the workforce (often at great personal and social expense). Finally, newer generations of women are expanding on these hard-won freedoms of work and career choices.

Each of these women has different perspectives. Even within these generations, there are subsets emerging everyday; for example, career women who decide to stay home and raise children; young women who opt not to marry and have a lot of disposable

income; or unmarried women who decide to adopt children and raise them while working.

Women's opportunities have expanded dramatically over the past fifty years, and the result is a large and powerful market with an incredibly broad range of preferences and attitudes. A woman's specific experiences at home, school and work can affect her confidence with technology and finances as well as her shopping behavior and spending patterns.

The tendency to look at the average income and spending of women as one big group can be misleading and often results in missing a wealth of lucrative growth segments. For example, a company specializing in managing private wealth may consider the average income for women in the United States a modest figure.<sup>16</sup> Except that, further segmentation would reveal that there is a highly affluent group of women who are a great fit for the company's services.

By further examining the confidence level of these affluent women, our fictional company might discern that nearly half of the women are tentative investors who are not being well served by traditional brokerage houses. This information would lay the foundation for a much more tailored approach to their marketing to these affluent women.

Attitude and personal values are key segmenting factors that can also provide new (and often more effective) ways to focus on a market and to position products and services more effectively. For example, moms represent a significant niche for marketers. But the definition of a "mom" no longer refers only to women in their twenties and thirties with working husbands. The mom segment might include young, single mothers in their late teens or early twenties; college-educated women in their early thirties; fully employed women with fully employed husbands; or moms in their early forties who waited longer to start their families. Research has shown that the parenting style of mothers is often the most effective way to segment that group.

In chapters 5 through 9 we will jump-start your segmentation efforts and, we hope, save you hundreds of hours and thousands of dollars in research. We will explore specific data and describe how to make it actionable in relating it to the shaping of generations, life stages and roles, emerging majorities, the confidence question and life transitions.

## **8. Try New Ways of Listening to Women**

While the question of “what women want” is still humorously referred to as the eternal mystery, women can be amazing marketing partners who have an uncanny ability to articulate how a product or service might work better for them. Involving women customers earlier and more fully in the development process can help make your products and services far more compelling, long before they hit the market. Women in casual conversations have the power to help companies solve brand challenges, design more intuitive and relevant products, and create advertising messages that resonate—with humor and common sense that fit your trademark brand.

The antiquated methods of research that many retailers use to determine what their customers want may well be the critical disconnect between the seller and their mostly female buyers. According to Mary Lou Quinlan, CEO of Just Ask a Woman and a leading marketing consultant specializing in women consumers, “It isn’t that retailers don’t try to listen, but they’re listening to 2003 women in 1950s ways. They do focus groups or surveys, but it’s always something with a moderator in the middle that makes the consumer feel as if she’s an experiment. The quickest way a retailer can find out what a woman wants is to stand next to the cash register or listen over the door to the fitting room, something that’s face-to-face. You’ll end up hearing a rundown of what’s going on in their lives and what’s not going on in your store.”<sup>17</sup>

The Internet has also opened up the conversations with women and provided new ways to hear from them directly, using e-mail, tailored quizzes and online discussions. Because online responses are easily accessible, and because it is fairly simple to measure behavior and responses, the Internet can readily provide a wealth of information and insight for marketers.

The biggest advances in connecting with their women customers come when companies enlist them as their marketing partners and create an ongoing dialogue, whether live or in real time online. That's when listening and research truly become powerful and profitable.

## **9. Build in Ways to Measure Return on Investment**

It is critical to build into your marketing programs ways to measure your return on investment (ROI). Often, focusing on women represents a new commitment for a company, and measuring ROI is a credible way to support your business case for increased budgets, staffing power and programming tailored to women's preferences. But, be aware that campaigns and programs targeted to women are frequently expected to produce results far different from comparable programs within the company!

Some marketing programs geared to women are mistakenly measured as if they were sales programs. In reality, your company's efforts in marketing to women should be treated like the rollout of any new service or product. If the process is incomplete and does not go through all the usual tests and procedural steps, it is illogical to expect the program to be successful or to yield the same results as a fully developed initiative.

That said, you should strive to build both traditional and innovative ways into your campaign in order to measure results and strengthen your business case. If possible, measure important indicators such as referrals, word of mouth and customer longevity,

because those are the areas where the power of women customers as your marketing partners will have the most effect. Because a transparent approach will increase your appeal to all customers, be sure to also measure new male customers and the increased spending from men as well.

Let's consider the experience of Wachovia's Debra Nichols again. She created an award-winning "Women's Financial Center" as part of Wachovia's main Web site, which included a dedicated e-mail address (not just a general Wachovia information address) and dedicated 800 numbers. Then, Nichols carefully analyzed the quality and type of calls and e-mails the center received through those channels. She discovered that fully 50 percent of the e-mail correspondence to Wachovia's women's financial center included buying questions that indicated highly qualified prospects! The center received a dramatically higher percentage of qualified prospects than did any other part of the company's Web site and showed a strong return on investment.

In another example, Patti Ross, segment executive of women-owned businesses at IBM, began populating the company database with female small business owners, which led to more accurately measuring women's sales activity against those of the general small business customer—a simple database adjustment with big measurement and market research results.

## **10. Carpe Diem**

When we first started consulting on marketing to women, we almost had to convince prospective clients of the overwhelming and exciting opportunity in connecting with women. We are happy to report that in the past few years there has been a steady, though gradual, growth of marketing efforts focused on reaching women.

"Marketing to women is still something of a frontier, an extreme sport, if you will," reported Lisa Finn, editor of EPM

Communications' newsletter, *Marketing to Women*, based on a November 2002 subscriber survey. The survey pointed to an increasing interest in the women's market, and that "almost a third (31 percent) report that the numbers of people in their organizations who work on women's marketing have increased in the past two years, while 56 percent say the number has stayed the same."<sup>18</sup>

It can be fairly scary to make a bold, wholesale commitment to a market where few seem to know the new rules. In many cases companies genuinely want to respond to women's needs, but their tentative testing of the waters is based on the hope that a small change will suffice, and that a more in-depth change with bigger budgets won't have to be pursued. It's a hopeful, quick-fix attitude, and we can understand it.

Certainly, everyone wants a simple solution so they can feel productive and get on with their lengthy list of to dos. But in the case of marketing to women, these cursory efforts are like piling up sandbags against a hundred-year flood—hoping against hope that a small amount of preparation will hold and do the job.

More than anything, this shift in women's marketing away from pink thinking is your company's opportunity to gain a competitive advantage and spur growth. An assessment of the marketplace shows that most companies are still trying to figure out how they will respond internally, so now is the time to pioneer and lead the charge! This book is about equipping companies and marketers with the tools to go beyond thinking pink and to start serving a bigger slice of today's largest market—women.