

Chapter One Don't Think Pink

Chapter 1 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 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 biggest 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 decor 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 into 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 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."¹ 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 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 groups 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 trendsetting 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 checkout 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).² 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.³

Advanced Degrees

It's no surprise that college degrees are helping propel women 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.⁴

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.⁵ 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.⁶ 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.⁷

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.⁸ 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.