

Is the customer always right? Yes, she is

By Jonathan Birchall in New York

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Any recovery is likely to be consumer-led, so retailers in particular are becoming the focus for signs of new trends in what the customer wants.

As *Women Want More* points out, the majority of consumer spending in the US is controlled by women, and the authors of this new book predict that the purchasing power of women around the world will continue to grow. They also suggest that the expansion of women's spending will help lead the way out of the current slump.

This book and another recently published title, *Why She Buys*, go some way to guiding retailers and consumer goods manufacturers on how these increasingly powerful customers think and shop.

In *Why She Buys*, Bridget Brennan begins with a traumatic afternoon at a car showroom. The author and her husband are contemplating buying a BMW 540i model. They are impressed by the smooth test drive and the teutonic engineering. But then Brennan notices the inadequate cupholders.

The salesman's dismissive response that Europeans don't drink coffee in the car fails to save the deal from Brennan's veto - proof, she argues, that manufacturers and retailers must ask themselves if they are addressing women's demands, even in the manly world of the car showroom.

Brennan, head of Female Factor, a consultancy, delivers an often entertaining and bullet-point rich account of some of what she sees as the ocean of untapped opportunities. She includes some instructive success stories, including a Lexus car dealership in Chicago that offers customers free car washes, and hints on selling to women face to face (make eye contact, let her speak).

Fun and anecdotal, *Why She Buys* would probably encourage some self-examination at the average local home improvement store or bank.

Women Want More, meanwhile, is the latest title from Michael Silverstein, a senior partner at Boston Consulting Group, whose Trading Up and Treasure Hunt investigated dominant pre-recession consumer trends.

According to Silverstein and his BCG co-author Kate Sayre, women control 72 per cent of purchasing and consumption spending in the US, and about \$20,000bn of consumer spending globally. Their global earnings are expected to increase from about \$12,000bn to as much as \$18,000bn by 2013, and the earnings gap with men is expected to narrow further as the number of women being educated grows at a faster rate than men.

Many retailers and consumer goods companies already theoretically acknowledge that women are in charge of shopping and households: executives at Wal-Mart, Tesco and Procter & Gamble talk about customers as "she", rather than "he". But the top management ranks of the consumer industry remain predominantly male, even amid signs that some companies have worked out where the money is.

Ikea, the Swedish home furnishing retailer, provides a child-minding room. Best Buy, seller of electronics toys for boys, has been promoting more female staff and trying to make stores more appealing to women.

Silverstein and Sayre, as befits BCG consultants, offer an ambitious and systematic view of the opportunities, based on a study of 12,000 women in 21 countries from the US and Sweden to Saudi Arabia via China, Mexico and India. They construct six sometimes overlapping archetypal female consumers, from "Fast tracker" to "Making ends meet", illustrating each with case studies. The research also asked the open question of what a "dream day" would comprise, delivering some insight into the universe of unmet wants.

Some strong themes and interesting statistics emerge. "Demands on time" are the top challenge for 47 per cent of respondents; 72 per cent say their mother is the dominant person in their lives; 42 per cent are made extremely happy by pets but only 27 per cent by sex.

Overall, the book argues that consumer companies, still predominantly run by men, need to listen to female customers, and that politicians might be well served by listening too.

Home Depot, the US home improvement retailer, seems to agree - or perhaps it has taken on board some of the tips offered by Brennan. As it strives to increase sales in a moribund market, the über-male DIY store has launched a range of home products by Martha Stewart.