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Do you have the right product for your audience?

The recent International Home + Housewares Show in Chicago ran a series of seminars alongside the exhibition including Work, love, play: Millennials reshaping your business. Sarah Selzer reports

When it comes to it, all consumers regardless of age are impressed by good-looking, practical products and service that treats them as 'a person not a number'. But there are also some fascinating aspects determined by age and experience which are worth considering when it comes to selling a product!

In brief, Millennials are the group of young people (from 19-34) born roughly between 1980 and 2000, joining the other consumer groups of Generation X (35-51) and Baby Boomers (51-69). There are also considered to be three life stages – act 1 (0-30, with a new life stage “emerging adulthood” within that, and where Millennials fit); act 2 (30-60) and act 3 (60-90). It's now accepted that if you make it to 60, you're more likely to make it to 90

which means at 60 you have one third of your adult lifetime ahead.

For several years now the Millennials have been heralded as the risk-takers – passionate and care-free and the early adopters. While that is definitely true about technology, there are some fundamental and surprising differences to what motivates each age group's purchases, as highlighted by Marsha Everton, principal of The AIMsights Group which carried out the research.

AIMsights focuses on analysis, insights and targeted marketing strategies to help companies “get smart” about Millennials and Boomers – and how they influence each other. She was joined in the seminar by Whitney Ryan, a millennial associate at AIMsights who had looked at the different

consumer groups' attitudes to work (and how that then impacts on their purchasing habits). The seminar began with a frank statement about their findings – they were expecting Millennials to come out of this research as a risk-taking non-materialistic group, but in fact they were very cost-conscious, as were the upper end of Generation X (they see this as their prime opportunity to earn good money), while the Boomers (60+) are the ones embarking on the 'entrepreneurial' stage of their lives and are more motivated by ethics and the environment for instance.

Despite what seems to be clear differences between motivators for Millennials and Boomers in terms of money versus passion, there is a real synergy and interdependence between them too,

Marsha Everton explains the background to the whole Millennials versus Boomers scenario and also how can you best use this information to make sure you have the right product for the right audience.

CHAT: Where did this original idea about Millennials being the risk takers come from?

Marsha Everton: Every generation looks at the next generation with some confusion and consternation. The parents of the Baby Boomers certainly thought that we (I am a Boomer) were a bit alien with our culture of “drugs, sex and rock and roll”, war protests and music festivals like Woodstock. It’s actually quite amusing to see the Baby Boomers now look at the Millennials as if they are the aliens.

With the incredible transformative change of the internet and the mobility of that access, there is also the completely human resistance to change. Our AIMsights research shows that about a third of Baby Boomers actively resist the changes associated with these new technologies and are quite vocal about the Millennials being hopelessly devoted or even enslaved to the technology. Negative news is generally much more exciting than positive news, so the perspective of Millennials as clueless risk-takers travels more quickly and more broadly than the reality of their financial conservatism.



The changing drivers through the ages

Millennials (19-24) - #1 money

Millennials (25-29) - #1 money but also passion

Millennials (30-34) - #1 money, passion and benefits ‘a person not a number’

Generation X (35-50) - #1 money, less passion and more desire for job security and benefits

Boomers (51-69) - #1 passion, making a difference

CHAT: The overall view seems to be that the younger Millennials are much more interested in money than passion (contrary

to the held view) but they still want to feel valued, listened to in the workplace and as a consumer. What about Millennials as consumers?

ME: Money is the #1 factor for Millennials in being attracted to a job and choosing to stay in that job. Other factors matter, but money is #1.

In making a purchase, value is very important – and value is defined by more than the cost. It’s also about the quality, how the product or service performs, how it fits in their life and other points like ‘making a difference’. The biggest misunderstanding about Millennials is that many think that the product cost is way down the priority list of factors that they consider – and the truth is that they are VERY cost conscious. They want to do business with “good” companies and buy “good” quality products, but the price must be right – and they will research it, especially with their peers, their parents and on the internet to make sure that they are making a good decision.

Our finding is that these factors are important for ALL generations, not just Millennials, largely because the generations now communicate with each other so easily and rapidly due to technology changes.

CHAT: Who should you choose to target – Millennials or Boomers?

ME: In general, if you design something for the Millennials, it will likely work as well for Boomers. This often also works in reverse (the reason that AIMsights invented the term “ping pong branding”). In particular, if a company designs product that is beautiful and functional for aging Boomers, it will likely also appeal to Millennials. “Form follows function” is still a great design principle for ALL generations. But be careful with the vintage/retro look, though, as Boomers might just think that’s old!

You can find an audio recording of this and the other 20+ presentations from the show on www.housewares.org.

Next year’s show dates: March 18-21

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What Millennials (and ultimately all generations) want from a purchase

- Improve work/life balance
- Trust the quality and leadership
- Enjoy using the product and how fits with life
- Where and how made, how sold
- Authentic, honest and genuine
- Make a difference in the world through this purchase