

Facing the African Consumer

Gender based marketing: An understanding of the female consumer

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Abstract

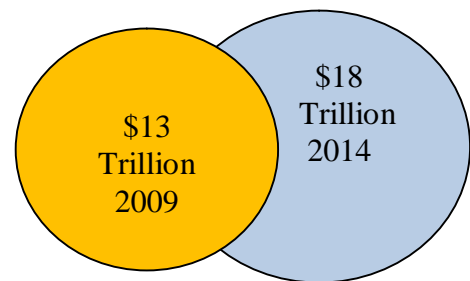
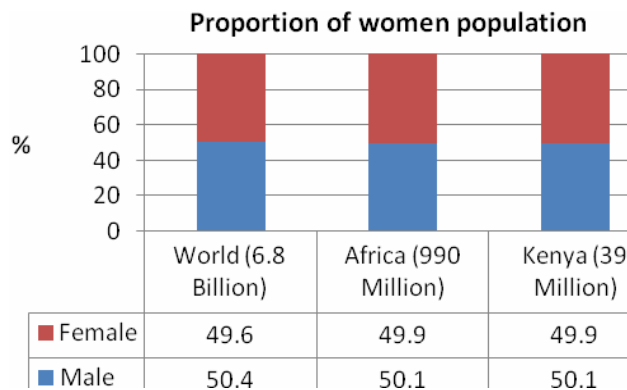
This paper provides insights on how marketers can use a broad-based approach to target female consumers by understanding the correlation between purchase and usage habits of brands in different categories that they purchase.

The paper starts by looking at the landscape from an international perspective and narrows down to the urbanite Nairobi women.

1. Introduction

Today, women represent the largest market opportunity in the world. This is not only because of their size in population but also (and more importantly) the economic power they command.

A global women economy survey conducted recently and part of the findings published in the Harvard Business Review (September 2009 edition) revealed that women have annual earnings estimated at \$13 trillion, a figure projected to rise to \$18trillion by 2014. More to this, women currently control about \$20 trillion globally in annual consumer spending and this figure is also expected to rise to about \$28 trillion in the same period.



Female income growth forecast

Just to put these numbers into perspective, women represent a growth market opportunity twice over that of China (\$4.4 Trillion) and India (\$1.2 Trillion) combined.

It is interesting to note that despite the dominant power that women possess many businesses continue to target mostly men and fail to focus on meeting women's needs.

As women continue being empowered in the society they will increasingly become a driving power in the world economy. Women earn and own today more than at any previous time in recorded history – and their financial power is accelerating. Independent of income and ownership, women control most of the spending in the household. Simply put, women cannot be ignored by any prudent marketer. The population of women in Africa is equivalent to about 15% of all women in the world. The author of 'Marketing to Women' 2nd Edition, Marti Barletta refers to this phenomenon as the 'Power of the Purse'.


The author of ‘Women Want More: How to Capture Your Share of the World's Largest, Fastest-Growing Market’ Michael J Silverstein et al, remarks:


“A Revolutionary Opportunity: A quiet economic and social revolution is taking place. Worldwide, 1 billion women work. More than half of university students world-wide are women. Women control half of the wealth in the United States. The female economy will have a global economic impact greater than the BRIC (Brazil, Russia, India and China). This economy represents the most important commercial opportunity in our lifetime”


Businesses that offer tailored products and services to women –without the “make it pink” syndrome – will be positioned to win.


2. Where the opportunities lie


Global marketers proclaim that the greatest opportunities in targeting women fall into six industries.


Food	
	<p>For years, women have generally been regarded as the “gate-keepers” for family products, and they continue to be primary purchase decision makers for most household goods – including meal preparation. Now marketers are taking cognizance that women not only hold the key to household purchases but also increasing driving big-ticket expenditures for themselves and their families, and, in increasing numbers, they also buy for their businesses. Forward thinking companies are therefore finding ways to capitalize on all three by developing marketing plans that target the multi-faceted lifestyles and by evaluating and retraining existing sales and customer service teams to better women needs and interests.</p>

Fitness	
	<p>There has been growth in the demand for diet food and drinks. In the USA it has been observed the market for diet foods has been growing at between 6%-9%</p>

Beauty	
	Beauty products and services promote a sense of emotional well being in women.

Clothing	
	Clothing and accessories is \$47 billion global industry with still plenty of room to grow

Financial Services	
	<p>This is an industry that has been perceived as less sympathetic to women – it is one industry that holds a lot growth potential if its approach to the women segment can change.</p> <p>It has been accused by women of offering poor advice, being ignorant to their needs, having contradictory policies and a lot of red-tape</p>

Healthcare	
	This is another industry that has also been accused of being less attentive to women’s needs. The opportunities for companies that cater to women are huge.

In summary what this tells us is that there is need for businesses to spend more time and effort in understanding the needs and expectations of the women segment in order to provide more customized solutions that go much further into fulfilling their needs.

I believe there are many ways of going about understanding women. Think about this – a woman’s handbag! These come in all shapes, colours and sizes but what they hold in them is a goldmine of insights about the woman psyche



A woman's handbag provides insight to an individual’s personal style and if well understood, a woman can harness this style to enhance her effectiveness and influence. The handbag is a woman’s most crucial accessory and the easiest (not cheapest), way to make a big fashion statement.

The very idea of women needing a handbag is puzzling. Men of whom women equal in all respects, seem to be well served by their back pockets or sleek little man purses. Yet women have to carry lipstick, pressed powder, sunglasses, perfume, sunscreen, wipes, address book, keys, (recently) broadband modems, mobile phone, gossip magazines/novels, female products, painkillers and a wallet containing a cheque book, ATM cards, pictures of children, and membership cards.

The modern woman sees a handbag as both practical and an aesthetic accessory. Women are also known to have intimate connection to their handbags and would thus feel uncomfortable if someone they knew looked into their bag.

We don’t have to snoop into the woman’s handbag we just face them and ask them what is in it!

SBO Research recently conducted a survey among women in Nairobi aimed at understanding the concept ‘handbag’ and its purpose in a woman’s life or livelihood and the various “purse-onalities” of women. Further to this we were able to establish what items women carry in their handbags and the brands specifically.

On average women own 5 bags for their use but interestingly on about 31% claim to make use of all the bags they possess.

We have established there are varying reasons that determine the type of a bag a woman buys to carry around. The key factors considered are size, colour and the cost.

Factors determining type of bag purchased	N=150
Size	88%
Colour	86%
Price/cost	78%
Durability of the handbag	67%
Type/colour of one's outfit	55%
Occasion	41%
Design	38%
Origin	25%
<i>Source: SBO Research</i>	

What is even more fascinating was the type of items that women carry around in their bags. We have observed that the size of the bag doesn't necessarily dictate the number of items in the there, as some tiny bags had loads of items in them – how they fit in is another matter all together.

We identified the top 15 items that women in Nairobi tend to carry in their handbags as follows:

Top 15 items carried in a handbag	N=150
Phone	100%
Money	98%
Wallet	86%
Lotion	80%
ATM Card	78%
Pocket tissue	75%
Petroleum jelly	65%
Sanitary Towels/pads	65%
Lip balm/Lip gloss	63%
Painkillers	63%
Perfume	59%
Face cream	49%
Chewing gum	49%
Wet wipes	47%

Supermarket loyalty cards	41%
<i>Source: SBO Research</i>	

There is little variation when it comes to the top 10 most important things carried in the handbag. There is also very little differentiation across the social groups (ABC1 Vs C2D). The variation comes in terms of the quality and the types of brand.

Top 10 most important items in a handbag	N=150
Phone	90%
Money	76%
Wallet	24%
ATM Card	24%
Pocket tissue	12%
Sanitary Towels/pads	8%
Medical cards	6%
Lotion	4%
Lip balm/Lip gloss	4%
Fast food joint cards	4%
<i>Source: SBO Research</i>	

What perhaps is even more important for a marketer to know is what brands (for the various categories) are carried in the handbags. This data is available from SBO Research.

By understanding the product categories women carry with them (and most likely interact with regularly) in their day to day life and the role these play, one can be able to explore how to position their products/service offer.

References

Marti Barletta; **Marketing to Women' 2nd Edition**

Michael J Silverstein et al; **Women Want More: How to Capture Your Share of the World's Largest, Fastest-Growing Market**

Harvard Business Review (September 2010); **The female economy**

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SBO Research (January 2010); **'What in a lady's handbag'**