

INDUSTRY WITH HEART: JAFRA GOES RED TO SUPPORT HEART HEALTH

Direct Selling *News*

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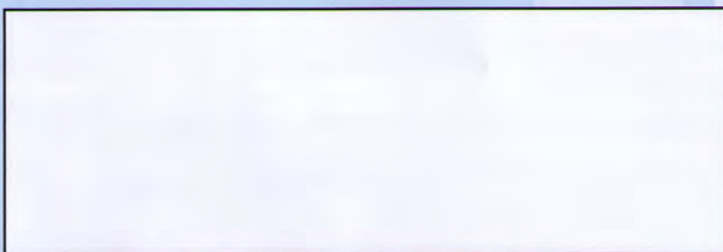
Women & Direct Selling

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Industry News

Women & Direct Selling

by Katherine Ponder

Discerning what women want is an age-old question. Is it beauty? Adoration? Gifts? Friends? Family? Wealth? Yes. And the direct selling industry has mastered most of it.

Women make 83 percent of all purchases in the United States. They are the gift givers of the world and usually purchase for their entire household. For those things they don't purchase directly, they frequently influence the final sale. According to Bridget Brennan, CEO of Female Factor Strategic Consulting, a wife has veto power for most of her husband's purchases. We're not talking small potatoes here, and statistical information gathering by gender is still in relative infancy. Most U.S. companies just began tracking this buying behavior only in the last few years and will devote more resources to capture this information in the coming decade and beyond. The trend is expected to extend around the world as well, but on a slower timetable.

No wonder marketers are starting to pay attention to what women want. But is it really so different from what men want? Certainly. First, women purchase things differently. They want to look at the product, touch it, try it on, smell it, think about it and sometimes come back again for a second look. Men just want to get something that will work and move on. "Women shop and men buy," says Rhonda Shasteen, Senior Vice-President of Marketing of Mary Kay Inc. Second, most women are relatively thrifty. In some cultures, getting the best deal is a measure of how good a wife or mother you are. In the United States, women want to know that they've gotten a good product at a good price, even if they have significant disposable income. Third, women need a reason or some sort of permission to buy a big-ticket item or splurge on themselves for things like candles, skin care, jewelry, clothing—some of the direct selling industry's biggest product sets.



Women also respond to marketing messages differently from men. This causes a problem when advertising executives think they're marketing to a mass audience but are really marketing to their peers—men. "Notice ads in airports are mainly business-focused ads, and they almost always use written words and visual imagery that are very competitive and combative. It's very masculine," says Brennan, who profiles female buying power in her upcoming book, *Hunting the Gatherers*. "This is partly because most of the corporate world, even ad agencies, is still run by men. There's that gender gap there. Well over 90 percent of ad agency creative directors are men." She says that some males in advertising have studied gender differences very well and can expertly focus the messages. The Dove "campaign for real beauty," featuring *real* women instead of ultra-thin models, has been immensely popular with women audiences in the last few years. The campaign was cocreated by a man who honed in on something women crave—approval of their bodies.

She Wants It, Direct Selling's Got It: Products

When it comes to products and how they're sold, the direct selling industry meets women's needs head-on.

Shopping Fun

Women want to have a shopping experience. They bring friends and make a fun, socializing time out of a shopping trip. Party plan companies tap into this beautifully, and the magic of shopping with a friend is that she can give her girlfriend positive encouragement, provide compliments, and tell her that she deserves or *must* have the particular item. Call it group-buying frenzy, but women will give each other that all-important permission to treat themselves. They also give testimonials about how they like whatever they've bought, often providing the final deal-making (or breaking) input. The salesperson can also provide expert guidance. "If I can say to you, 'I have two customers who use that, and they swear by it because their skin is also really dry in the summer,' then I've made a sale," says Kathleen Earle, Executive Director, Avon West. "Even though the representative is not a cosmetologist or a scientist, she can use her customers' stories to help sell the products."

Women are also the world's gift givers, Brennan of Female Factor points out. They will buy holiday and birthday presents months in advance, and even have some "just in case," all-purpose gifts stashed away. Shopping as a group often inspires gift purchases, as other women relate their gift-giving successes. Not only are women buying for their own families, they buy for others all the time. Shasteen of Mary Kay shared that women buy most of the company's men's products for their husbands or other loved ones. Rarely does

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Female Factor Strategic Consulting

a man purchase them for himself, but he'll always appreciate them when they appear on his vanity.

Trust Factor

No surprise that women are all about relationships, which makes the personal aspects of direct selling a significant benefit. Often, women are buying from people they already know. Even if it's from a friend of a friend, there's an implied trust established. They want to know that this person is reliable, the company she's representing will stand behind the product, the customer will be taken care of if there's a problem and the salesperson deserves the sale. "In any one-on-one sales situation, women are evaluating the salesperson as much as the product," Brennan says. "Sometimes a woman is even willing to pay a little more to buy from a great person because they feel really good giving that person business."

This works at Take Shape for Life (TSFL), the healthy-lifestyle company that helps customers achieve healthier weights, minds and finances. Janet Cronstedt, Senior Vice President of Field Development and Support for TSFL, says the business thrives because of women's willingness to rely on each other as they work toward their goals. "Women like to be with other like-minded women," she says. "It cranks up the volume on their dreams."

Value

Women absolutely want value. This has always been true, and it's getting even more important in our current pinched economy. "Today's woman is smarter than she's ever been, and she's looking for value," says Lisa Brandau, Executive Vice President of AtHome America. "She's trying to create that balance in her own home by making sure they can meet their financial needs. She's more responsible for it than she's ever been." Women aren't willing to trade value for quality, however, and Brandau proudly says that her company has both. Avon makes the same statement, with its unconditional guarantee and complete willingness to back up products.

Latest and Greatest

Keeping up with changing times is also a big motivation for female consumers. AtHome America prides itself in constantly measuring consumer preferences and its HomeStyle Specialists' reactions, and the company updates its product line accordingly. "We want to be on trend but not trendy," Brandau says. "Our products have staying power." Over at Avon, staying cutting-edge involves serious science for skin care and cosmetics. "Women are looking for leading-edge technology," Earle says. "Over the last 20 years, the change in our skin care is day and night. We have a new research facility that dedicates itself to developing technology in skin care. Customers want to know what's happening in the cosmetics industry, and they want to get that."

Technology

Cutting-edge technology goes hand-in-hand with convenience, which is another "must have" for women, but not just for technology's sake. "Women will discard technology that doesn't help them be

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