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## Anatomy of a shopper

By [Clayton Collins](#) | Staff writer of The Christian Science Monitor

You're just back from a Tuesday-night outing to a new neighborhood Gap store. How nice to have found a call button in the dressing room when you needed a smaller size in those pants you first saw online.

You stopped at Whole Foods on the way home, drawn in by its artful array of offerings. Then you took a detour to a car dealership to look at a hybrid; that's a cost calculation you still need to make.

You bypassed the mall, a place you seldom go anymore, even for the movies. Much simpler to power up your home-theater system and watch what Netflix delivered than to go to the cineplex there.

If some of that sounds familiar, then you're the New American Consumer - or at least one of the dominant baby-boomer strains - and the archetype that most affects marketer and retailer behavior toward anyone with a high-limit credit card or just a crumpled \$20 bill.

Sure, plenty of us still trek to Wal-Mart when the toaster is finally fried or we need a 40-pound bag of birdseed. A hybrid? How about just coaxing a late-'90s minivan to pass inspection one more time. There's retirement to think about.

But a changing economic picture invariably triggers change, broadly speaking, in consumer behavior and in the way retailers and marketers reach out to Americans in their daily lives.

The picture may be changing now. Retail sales leaped 1.4 percent in April, the strongest showing in six months and better than the 0.8 percent gain that had been optimistically expected. And the latest swirl is well under way.

"It's always a convergence of social reactions, the economy, and the competitive retail

environment," says Candace Corlett, a principal at WSL Strategic Retail, a marketing consultancy in New York. "It's always that convergence that makes things bubble up."

Some of what's bubbling up now: A push from two demographic dynamos - boomers buying younger (and with more attention to environmental sustainability), tweens and teens buying older and savvier - that will hold purveyors of goods and services to a new level of performance and accountability, experts say.

There's experiential shopping (where the surroundings are as important as the goods); more local stores and small "express executions" of larger chains; more two-way "pre-shopping" (looking online before heading to stores, or eyeing items in stores and then buying them online).

Malls continue to morph into lifestyle centers - walk-and-talk "festivals of eats and treats," in the words of Marian Salzman, executive vice president of ad agency JWT and a consumer trend-tracker.

Some of this is reflected in changes in the pecking order among retailers that's almost a reversal of the long-noted trend away from neighborhood stores to big-box behemoths. Some experts say more single-person households could begin to hinder another recent phenomenon: warehouse-store sales.

Besides the narrowing of the generation gap where shopping habits are concerned, some observers see power shifting to stores that don't have the national profile or standardized offerings of a Target or Home Depot, but that have developed expertise in reacting to local buying trends.

That means shifting fast. Today's consumers are more interested in customization than ever, says Ms. Salzman. Forget blind brand loyalty. Customer expectations are outpacing many brands' capacity to keep up, according to a late-May study by Brand Keys Inc., a New York-based brand and customer loyalty research consultancy.

The categories showing the largest gaps between what consumers want and what brands actually deliver: long-distance providers and mobile phones. Overall best brand ratings went to companies such as JetBlue, New Balance, Poland Spring, BP, Blackberry, Sony, and Apple.

### **Following the kids' example**

Young buyers, in particular, seek out brands that perform, and graze high- and low-end retail outlets, taking a cherry-picking approach. It is a tactic they share with their parents.

"Moms are often cited by their teen daughters as [being] their greatest shopping pals,"

says Irma Zandl, chief executive of Zandl Group, a marketing consultancy that focuses on youth markets.

In food markets, today's shoppers make short excursions into aisles and rarely even walk an aisle's entire length, according to researchers at the University of Pennsylvania's Wharton School, who recently used RFID (radio frequency identification) technology to track shopping carts' paths.

That in-and-out pattern could imply that shoppers are willing to duck into different stores for slight variations in goods. And that amounts to a big opening for smaller, niche stores that have the flexibility to tweak product offerings in ways that megastores - tied to big-volume suppliers - cannot, experts say.

In both apparel and food, "the most significant growth is happening in the second- or third-tier players," says Paco Underhill, marketing consultant and author of "Why We Buy: The Science of Shopping."

"Some of them are local grocery-store chains, whether it's Publix or HEB in Texas, people who somehow have some sense of local pulse.... Local players can play local, particularly if it's for produce or [other] food products," he says. "They also can provide something that's different."

Consumers appear to be willing to pay for that difference. Price still matters - healthcare, college, and other costs have taken big bites out of many wallets - but it's not as important as it has been.

"There is this other side of a shopper that says it's hard work getting the lowest price every day," says Ms. Corlett. "A surprisingly large minority," 46 percent, of consumers polled by WSL for its recent How America Shops report said that finding the lowest price on goods and groceries was not always a top concern.

The experience often mattered more.

That experience might be "the convenience of being on Main Street or ... the brilliance of mixing general merchandise and groceries at Kowalski's in Minnesota or the wonderful smell of Dunkin' Donuts coffee at Stop & Shop," Corlett says.

"It's all these added values," she says, "that are forming emotional bonds to shoppers."

Boomers have made shopping with cross-purposes a way of life. For retailers, where you build is as important as what you sell.

"The concept of Jiffy Lube crossed with a nail salon is actually not too far-fetched," says Mr. Underhill of the rise of complementary businesses. "I think you'll see it in the

drug store market as people start recognizing that the way a Rite Aid wins out over the local Eckerd may not just be the fact that it's a Rite Aid, but what some of its neighbors are."

## **Home-oriented and holistic**

If consumers are more likely to be drawn out into social-experience shopping, they have not forsaken home, says Milton Pedraza, head of the Luxury Institute, which follows the practices of big-spending consumers.

One aim of such consumers, he says, is to transform their homes into enclaves - turning bathrooms into spas, pursuing quality goods and a rising number of pipe-it-in subscription services such as satellite radio and DVD delivery.

At the very high end they employ a rising number of "advocacy services." (Those are more specialized concierge services that perform research around particular needs - in accounting, for example, or healthcare - and arrange appointments.)

"There is a trend toward relaxation, more holistic living as we get older," Mr. Pedraza says.

For many, holistic living also means buying with an awareness of how their purchases affect others. Some cite the rise of the so-called LOHAS movement - lifestyles of health and sustainability - as a sign that mainstream consumers are exhibiting more of that awareness, choosing to do business with firms that demonstrate an awareness of environmental and fair-labor practices.

Here, too, they are willing to pay more, even when doing so is not easy. The core of this values-driven group is comprised of 35- to 64-year-olds, according to the Natural Marketing Institute. Some 60 percent of them are baby boomers.

"They cannot be characterized as wealthy boomers," says Brent Green, who runs Brent Green and Associates in Denver. "When they say they are willing to pay 20 percent or more because of environmental sustainability, that's not necessarily financially convenient."

Nor do they represent a counterculture fringe. "Not when you're looking at 32 percent of all US adults," says Mr. Green, who adds that adding the consumer subset he calls "nomadics" - inclined toward sustainable purchasing but not fully committed - brings the total to some 100 million Americans.

"You wouldn't describe them as necessarily activist in the sense of 'save the whales,' " says Green, "but rather in their purchasing decisions and in their propensity to influence other people."

They direct their spending to The Body Shop, L.L. Bean, Celestial Seasonings - big companies with little-firm sensibilities. But big companies, too, pay attention to this crowd, another sign that shoppers of all stripes will experience their impact.

"GE is going green," says Green. "I can't say that they're internally aware of LOHAS, but I can say that they're aware of the impact of this market on their future."

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