

What women want

With women controlling a larger portion of online spending than men, it's time to learn how to meet their expectations, says Keith Humphreys

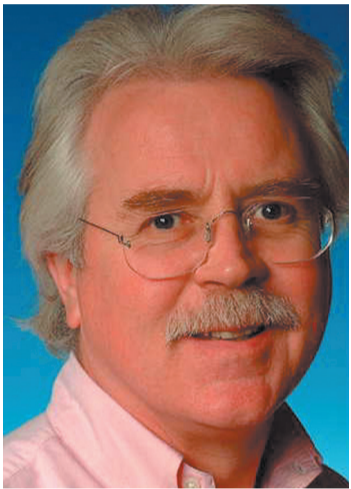
COMPANIES ARE starting to realise that women are no longer a niche market but are now firmly in the mainstream. This explosive growth in the business sector has happened because of the entry of women into the workplace, which started only in the second half of the last century.

In the UK, women in IT are being paid more than ever, according to the Chartered Management Institute (CMI). The CMI's 30th annual national management salary survey reported that female IT managers earn an average of £47,315 a year, and that women achieved higher pay rises than men across all sectors. It also reported that the proportion of female board directors is also on the increase across all sectors. Today, one in seven directors is a woman, compared with just one in 10 five years ago.

Women are controlling larger portions of online spending in both the consumer and business markets. In 2000 it was reported that women became the majority of web users for the first time, albeit by a slim margin of 51 per cent to 49 per cent. These online numbers will grow, and women's comfort level with online shopping will only improve over the next five years.

It is estimated that in the US alone, 2003 saw \$93bn worth of online retail sales, and that this year it will rise to \$144bn. This figure is projected to grow in the next five years to \$316bn. So with over 85 per cent of retail purchases in the US being made by women, we are talking about \$122.4bn being spent online by women this year alone.

We are not talking about just household purchases either. Women are now making or influencing decisions about buying big-ticket items for themselves



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and their families: cars, computers, home electronics, holidays, you name it. And in businesses more and more women have risen to positions of purchase-decision responsibility. Women are buying for themselves, buying for their families, and buying for their businesses.

In the US, women represent a third of the partner management workforce, although men still earn on average much more than women, at \$158,474 to \$111,913. Women-owned businesses employ more people in the US alone than the *Fortune* 500 firms employ worldwide. And, according to figures published by Conde Nast in 1996, women are expected to acquire over 85 per cent of the \$12 trillion growth in US private wealth between 1995 and 2010.

Are firms adjusting marketing and online presence in the light of these trends? In short, a few are but most are not, because many marketing managers are still unaware of the new market.

These marketing managers say: "Our current customer base

is 80 per cent white males, so that is who we are targeting." This ignores the fact that most big-ticket firms have never gone after other markets, so this becomes a self-fulfilling prophecy.

Some fear that adding women to their target definition would require them to double their budgets, or worse still, split them in half. It does neither. The secret? In many respects, women want all the same things as men – and then more. Accordingly, when the higher expectations of women are met, the demands of men are more than fulfilled.

Designing a marketing programme oriented towards women will not only bring in an extra target audience but will over-deliver against men as well. The same budget, directed to a dual audience instead of primarily to men, will yield significantly greater returns.

The reason marketing managers are holding off in designing marketing programmes to encompass women is the additional level of difficulty. Different internal influences, different responses to external marketing contacts and different decision processes show women are possibly more complex creatures than men. The first step is to gain an understanding of the different gender cultures. Then these gender insights must be translated into intelligent marketing action.

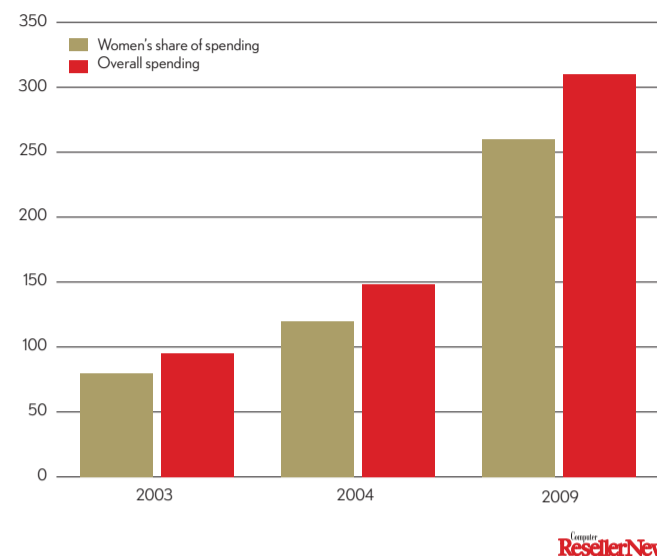
A notable few have tried to appeal to women, but done it wrong, often offending the very targets they are trying to woo.

The lesson to the channel is that business buying decisions are being made by women, and the US trends apply equally to the UK. The channel must ignore the opportunity at its own risk.

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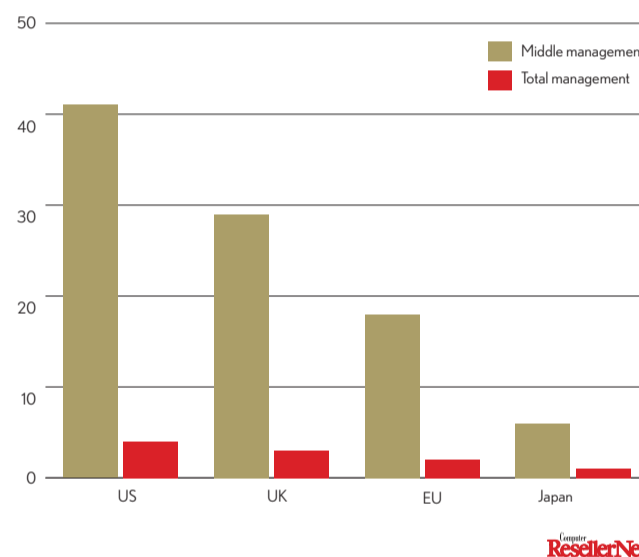
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Online spending (\$bn)



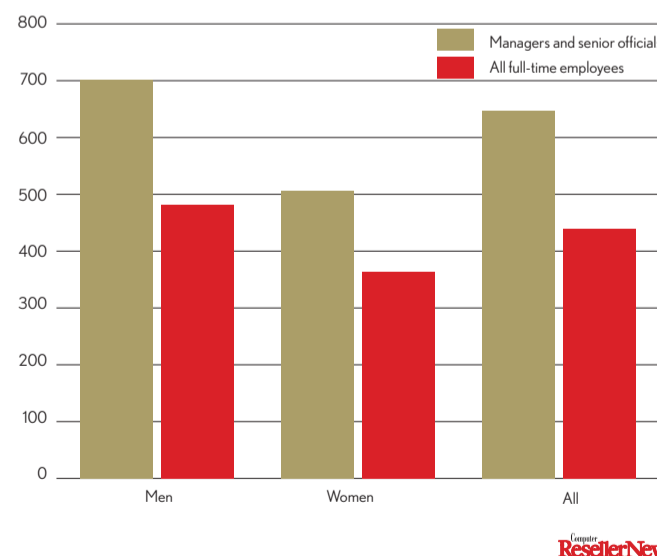
Source: Forrester Research

Women in managerial roles (%)



Source: America's Competitive Secret

Average gross weekly earnings of UK staff winter 2002/2004 (£)



Source: Labour Market Survey Supplement