



## p-TIPS

## Finding the middle ground (Marketing in an age of mass affluence)

Entrepreneurs and marketing consultants are scratching their heads. How can demand be created when the necessities are available to most and discerning middle-class consumers have access to more product information than ever? Noting that “luxury or lavish goods are being rejected outright,” Paul Nunes and Brian Johnson advocate “seizing the middle ground” and attempting to capture what they refer to as “the moneyed masses” who commute, prepare meals, clean house, and do laundry. In *Mass Affluence: 7 New Rules of Marketing to Today's Consumer* (Harvard Business School Press, 2004) they offer seven tips for creating new customer value while filling market niches.

- 1) Seize the new middle ground. Urban life has room for products that aren't revolutionary but make life more convenient. Individually wrapped cleaning wipes, prewashed and mixed salads, and delivery services are examples.
- 2) Treat some customers more equal than others. Coupons, point cards, and other perks reward repeat customers. They can also create synergies. Sporting goods stores may give coupons for restaurants, and vice versa, to favored clients.
- 3) Find an occasional use. The moneyed masses may spend on items used

sporadically. Remember those enormous pots Grandma used only at Diwali or New Year? Translate the concept into “guest” china, specialized sports shoes, or a dedicated omelet pan (the male cooking boom has been a boon, report kitchenware purveyors).

- 4) Introduce a new math of ownership. Time-shares are old news. Expand the new math into flexible payment plans, innovative leasing, and shorter ownership cycles (but disposables must show environmental respect).
- 5) Grow the return on consumption. Present today's handcrafted items as tomorrow's heirlooms. Alternatively, show how your product or service can increase customers' productivity today and tomorrow.
- 6) Think globally, retail locally. Asian shopping hubs are in city centers, not the suburbs. Smaller store formats with specialized ranges attract customers who know what they want. Store-in-store formats (e.g., coffee bars in bookstores) are another possible growth area.
- 7) Become apropos of everyone. Put your marketing efforts where life puts bottlenecks: in high-rise elevators, at supermarket checkouts, on commuter trains. When temporarily captive, people are desperate for distraction and receptive to informative messages.