

## Understanding our future customers

# The Millennial Connection

by Deb Barrett

One of the seminars I presented last April at IWCE in Chicago was an in-depth look at the custom window treatment market—who we are as window treatment providers, who are customers are and what they're buying. Those who attended that seminar were bombarded with facts and figures, but the one thing that really seemed to stick was that we're *ooold*.

What I mean is that as practitioners, the vast majority of us (74.8%) are over 50 years old. And, considering that the majority of our clients are also aging, (73.4% fall in the 35-54 age range) it's clear that any of us want to be in business even a decade from now, we need to start addressing the needs and desires of a new generation of clients.

For a long time our businesses, and many others in the U.S., have depended on the purchasing habits of the Baby Boomers, those of us born between 1946-1964. As the older boomers have begun to age into retirement, Gen X took their place as prime consumers, but, critically, not as custom window treatment clients. This is an entire demographic group, 39.9 million of them in 2010, aged 35-44, that we lost to readymade tab top panels and similar no-commitment-necessary options.

Now is the time to capture the next group of consumers, called the Millennials (or Gen Y), a group born after 1980 and, as of 2010, there 41.1 million of them, aged 25-34 just ready to come into their prime earning years.

### What Does The New Consumer Want

It doesn't matter much what age group your current clientele fall in, you've surely noticed something different about your projects in the past 5-7 years vs. those completed prior to that. In general consumers are more demanding and better informed than ever.

What that means for our business is both positive and negative. On the negative side, it means price shopping, and, because of the paradox of choice, the inability to commit. Who among us hasn't had a client that wants to see another option, or variation on the design? You're always one step away from closing the deal...but there's just one last thing she wants you

to address. You've already invested this much time, you think, what's one more small revision, or spec'ing a different fabric? And every time you think you're providing excellent customer service, you're really just providing her with one more reason not to make a decision.

Consumers have a lot of general information at their fingertips due to the Internet, but because custom window treatments are such an infrequent and complex product to purchase, they don't have the specifics necessary to make an informed decision. This is where the positive side of the equation comes in. As the professional it is our role to minimize information overwhelm, direct our clients the best possible choices—for their budgets, their needs and their taste—and clarify the long-term value of custom window treatments.

Another piece of good news: Millennials are the driving force behind the "live global, shop local" movement. According to a recent study by the Pew Research Center, 37% of Millennials distrust big business and 40% prefer buying local, even when good or services were more expensive than mass market alternatives.

A recent article in Forbes described how Millennials look for "sensory, sharable shopping experiences" and seek out "niche retailers that are able to create unique buying environments." Those niche businesses need to be us—the independent custom window treatment creators.

### What Are The New Consumers Expectations?

According to a Nielson survey conducted earlier this year, and as shown in the InfoBar in May/June issue, there will be more first time homeowners in 2013-2018 than ever before. For an industry largely dependent on home purchases and renovations this is amazing news. However, unless we find a way to connect with these new consumers and clearly convey the many benefits—both product-based and the design intangibles—of custom window treatments, this new market will slip through our fingers much as Gen X did.

Consider all the marketing positives already mentioned—they prefer to shop local, they prefer small businesses, they

want enjoyable, engaging purchasing experiences. What else? If you following marketing news, you'll recognize that another aspect of Millennials is that they crave authenticity and uniqueness, they want customization and value personal expression. We can do all of that for them—but we need to get custom window treatments on their radar.

We've learned to deal with clients who are now often co-creators with us, now we need to learn to reach a clientele that thinks email is too slow and that the group opinion of strangers is more relevant than any expensive or beautiful marketing piece you can develop. It's a big shift for an industry where many of us still have only the most minimal of websites. But social media and peer-to-peer reviews are rapidly growing aspects of marketing.

A recent Global Trust in Advertising report from Nielsen showed that 92% of respondents say they trust recommendations from friends and family, via social networking comments, above all other forms of marketing. And perhaps more significant, this is an 18% increase since the previous report in 2007. Online consumer reviews, such as the comments on TripAdvisor.com, Yelp.com and others are the second most trusted form of information regarding a business.

As new forms of social networking explode on the scene (Pinterest anyone?) look for how they can be used in your marketing efforts. A recent Pricegrabber.com survey found that 21% of Pinterest users purchased a product after seeing it on the content sharing site, and 30% of those purchases were home decor items.

According to Packaged Facts, an organization that tracks consumer demographic patterns for the financial services category, 43% of Millennials between ages 25-29 believe they will be better off financially in the next 12 months. That's more than twice the rate of Baby Boomers and Gen Xer's in the 45+ age bracket. And of those Millennials age 22-29 with a college degree, the positive financial outlook goes up to 50% expecting an improved financial situation.

So while it may seem like these consumers may not have the finances now to purchase custom window treatments, that will change. As an industry and in our own individual businesses we need to start cultivating a relationship with these potential clients now ... because none of us are getting any younger! **V**

*For those interested in the full report, containing proprietary research into the custom window treatment market conducted by Barrett combined with additional demographic information such as the examples in this article, email [deb@debarrett.com](mailto:deb@debarrett.com).*

*Barrett will also be speaking on this topic at the WFCP live event, October 9, 2012 in Secaucus, NJ. For more information go to [wf-vision.com/Regionals](http://wf-vision.com/Regionals).*

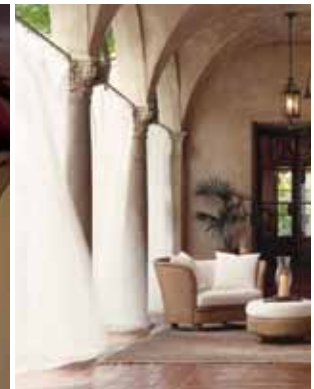
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