

# Deep Dive & Evolution Overview

**The Ask:** Pressure-test the existing target consumer to inform the evolution of the existing brand universe and positioning.

**Initial Hypothesis:** The existing target consumer definition is a bit hyperbolic to the consumer's life stage and key occasions. The brand personality currently is a direct "mirror" to the consumer, versus acting in a way that could fill a gap in consumers' lives.

## Methodology:

- Revisited internal consumer data to sketch a more detailed consumer portrait and pinpoint consumer life stage and interests.
- Developed a consumer life stage hypothesis leveraging demographic insights from Generations by Jean M. Twenge PhD, BLS economic data, Pew Research Center Surveys, Consumer Confidence Index reporting, and articles on Millennial Burnout.

# Key Learnings

- **The consumer is a bit older than initially assumed**, as we are seeing Younger Gen X driving significant volume (in addition to Millennials), indicating that **the consumer is moving into mid-life**, where they are balancing family, financial, and career responsibilities.<sup>1</sup>
- When the consumer portrait was developed, Millennial culture was still dominated by the hustle culture narrative of trying to 'win the system,' whereas in recent years Millennials have become increasingly burnt out and more vocal about their disillusionment.<sup>2</sup> As a result, **the brand's current consumer portrait reflects an outdated cultural truth, not the reality of burnout and disillusionment Millennials face today.**
- The brand's consumer faces significant lifestyle inflation and, in response, is **resourceful, taking a strategic approach to consumption and investment that prioritizes value without compromising on quality of life.**<sup>3</sup> This resourcefulness is not reflected in the current consumer insight or portrait.
- The brand's current positioning speaks to the consumer's resourcefulness; however, **the Intrinsic and Extrinsic brand features still reflect the dated victory-focused/hustle culture-influenced cultural norms and need to be updated.**
- Looking at other brands that offer both quality and value, from Trader Joe's to Costco, none of them are aggressive or victory driven – instead, they fall on a spectrum of friendly and fun to more serious and reliable. **To resonate with its consumer, the brand's positioning needs to embody an approachability and hit on quality credentials instead of leaning into a more aggressive space.**

**Key Takeaway:** To resonate and drive relevance with the target consumer is today, the brand needs to move away from its victory-focused consumer portrait. Both the consumer portrait and insight need to acknowledge the challenges of lifestyle inflation and the resourcefulness the consumer has developed to maintain a good quality of life. The brand intrinsics and extrinsics still reflect a hustle culture influence and need to evolve to align with the updated consumer portrait and insight.

Sources: 1. Internal, [Voice Dashboard Marketplace](#), and Resonate Data Pulled 2024; 2. Fortune, "[Feel the burn \(out\) Millennials are aging from bright-eyed 'hustle culture' workers into exhausted middle managers](#)," February 10, 2024, accessed 07.03.24, BuzzFeed.News, "[How Millennials Became The Burnout Generation](#)," January 5, 2019, accessed 07.05.24; 3. United States Bureau of Labor Statistics (BLS), NBC Universal, "[Consumer confidence rises in May but inflation worries remain](#)" Published 05.29.24, accessed 05.29.24, and Associated Press, "[Consumer Confidence Rises in May after Three Months of Declines](#)," Published 05.28.24, accessed 07.03.24

# Where do consumers shop? What brands do they love?

**TRADER JOE'S**

The variety and unique offerings make shopping fun. While the prices are budget-friendly it doesn't feel like I'm sacrificing anything.

**COSTCO**  
**WHOLESALE**

The consistent high quality and unbeatable prices make Costco my go-to for everything from appliances to vacations.

**1=**  
**70** **UNI**  
**QLO**

Uniqlo is my go-to for high quality clothing that is simple and versatile.

  
**target**

Target is my go-to for affordable and stylish everything. I look forward to their designer collabs and when I'm there I don't feel like I have to compromise.



Spotify not only gives me access to all my favorite music but also has a range of audio books available in their subscription too. I love that I can go to one app for everything at a low monthly fee.

**WARBY**  
**PARKER**

I love how this company makes shopping for glasses fun and affordable (it was neither before Warby Parker).

**IKEA**

When I go to Ikea, I know what I'm going to get and know it will be affordable and look good. Plus, there are now a ton of influencers who can show you how to use Ikea to dupe West Elm.

**While these brands have a range of personalities, their brand experiences consistently make the consumer feel like they don't have to compromise to get what they want**

Playful, Fun, Adventurous

**TRADER JOE'S**



Friendly & Sophisticated



Simple & Versatile



High Quality, Reliable



Fun & Light-Hearted

Reliable & Serious

# Why the consumer believes these brands are high quality at a lower price point

Brand	Quality RTB
Costco	Wholesale
Trader Joe's	Private Label
Uniqlo	Uses a limited range of fabrics to bring down prices, Direct Supply Chain
Target	Price Matching and Private Labels combined with Design Partnerships
Spotify	Monthly subscription (vs. paying per song/book)
Warby Parker	Design glasses in house and work directly with consumers
Ikea	Bulk production & purchasing and flat packing

# Consumer's Life Stage & Cultural Drivers

- **Feel behind economically...<sup>1</sup>**
  - High student loan debt always overhead
  - Every penny of income gains have come from women, which means that there's pressure for both parents to be in the workforce to maintain those gains; however, childcare costs have skyrocketed
  - High expectations of adulthood that never materialized, social media comparison making us more cognizant of what we don't have, and the virality on social media of the story of Millennials getting screwed
  - For Younger Gen X, their major life milestones coincided with economic downturns and Older Millennials feel this too even though the economic impact on them was less detrimental<sup>1</sup>
- **...and with inflation, don't know if they'll ever catch up<sup>2</sup>**
- **Disappointed with adulthood because they had high expectations of adult life and themselves as adults, which are hard to live up to. Additionally they are facing: <sup>1</sup>**
  - Increased political polarization and lack of agreement on basic facts
  - Struggles to build community in a world where social interaction takes place online vs. in IRL community institutions
  - Social media changing how they judge their lives
- **After years of trying to hustle and win within Corporate America, they are now burnt out.<sup>3</sup>**
  - They've gone from hustle to disillusionment culture, rating their job satisfaction at a poor 4.6 out of 10 on average
  - They realize that non-stop hustle is not sustainable

Sources: 1. Twenge, Jean M. PhD, Generations: The Real Differences Between Gen Z, Millennials, Gen X, Boomers, and Silents – and What They Mean for America's Future; 2. United States Bureau of Labor Statistics (BLS), NBC Universal, "[Consumer confidence rises in May but inflation worries remain](#)," Published 05.29.24, accessed 05.29.24, and Associated Press, "[Consumer Confidence Rises in May after Three Months of Declines](#)," Published 05.28.24, accessed 07.03.24; 3. Fortune, "[Feel the burn \(out\) Millennials are aging from bright-eyed 'hustle culture' workers into exhausted middle managers](#)," February 10, 2024, accessed 07.03.24, BuzzFeed News, "[How Millennials Became The Burnout Generation](#)," January 5, 2019, accessed 07.05.24

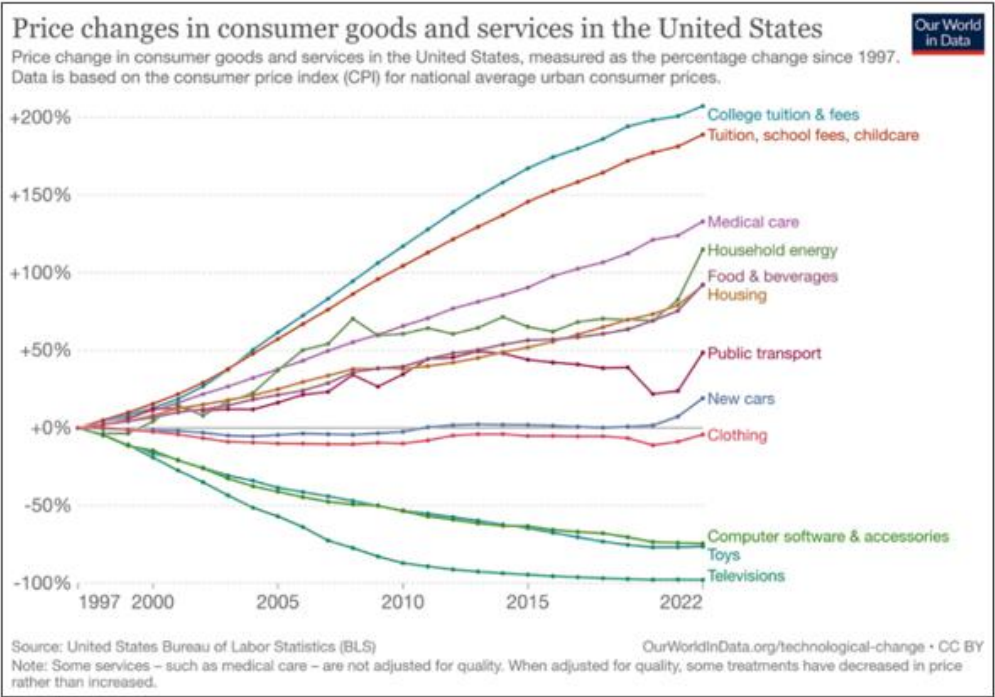
# Of the Life Stage & Cultural Drivers, economic concerns are the most acute influence in Sam's life



Housing +100%

Childcare + 200%

Food & Beverage +100%



## Household costs top Americans' list of economic concerns

% who say they are \_\_\_ concerned about each of the following economic issues in the country today

	Very	Somewhat	NET
The price of food and consumer goods	72	21	94
The cost of housing	64	25	89
The price of gasoline and energy	51	34	85
The stability of banks and financial institutions	27	43	70
People who want to work being unable to find jobs	31	35	66
How the stock market is doing	18	38	56

Source: Survey of U.S. adults conducted Jan. 16-21, 2024.

PEW RESEARCH CENTER

# Evolve the Consumer Portrait From Rooted in Hustle Culture → To One Rooted in Resourceful, Sustainable Progress

## FROM:

### WHAT'S IMPORTANT TO ME

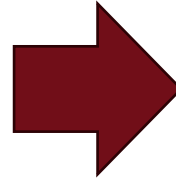
Having the courage to dream big and the strength to turn my dreams into reality.

### WHAT MOTIVATES ME

Challenging convention and defying expectations. I believe that the most rewarding victories are the ones no one else thought possible, and while I've already accomplished a lot, I know I have more wins in front of me.

### HOW I DECIDE WHAT TO BUY

When I'm shopping, I want to make sure I'm being smart. I want a bold product that is a great value.



## TO:

### WHAT'S IMPORTANT TO ME

Being clear on my goals and priorities, while also having the wisdom and resourcefulness to go after them in a way that I can sustain.

### WHAT MOTIVATES ME

Maximizing my talents and what I have to get the most out of life. I feel good about myself when I use my creativity to overcome the unexpected challenges that come my way.

### HOW I DECIDE WHAT TO BUY

When I'm shopping, I know that quality doesn't have to be expensive.



# Consumer Insight Walk

## Recommended

**Consumer Situation:** I thought that if I worked hard enough, progress would follow, but I've learned that *excelling* is about being judicious with my resources so that my progress is sustainable.

**Consumer Tension:** I pride myself on being resourceful, seeking out the best value so that I don't have to compromise quality. *But sometimes I wonder if I'm not settling for second best.*

**Ideal End State:** Belief restored

**Insight:** I need to believe that excellence is always within reach.

## Alt.

**Consumer Situation:** I thought that if I worked hard enough, excellence would follow, but I've learned that *getting what I want* is about being judicious with my resources.

**Consumer Tension:** I pride myself on being resourceful, seeking out the best value so that I don't have to compromise on my quality of life. *But sometimes it can be tiring, and it's difficult not to feel like I'm not lowering my expectations.*

**Ideal End State:** Belief restored

**Insight:** I need to believe that I can get what I want without settling.

# Insight Evolution From → To

**FROM:**

## **CURRENT CONSUMER INSIGHT**

I'm proud of who I am and feel like I've earned the ability to make the choices I want, but real-life pressures sometimes force me to lower my expectations.

### **Interpretation of the Old Consumer Insight**

I'm proud of who I am and feel like I've earned the ability to make the choices I want.



**Pride & Accomplishment**

But real life pressures

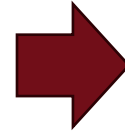


**External Challenges**

Sometimes force me to lower my expectations



**Lower  
Adjusting  
Become resourceful to meet my expectations**



**TO:**

## **NEW CONSUMER INSIGHT**

I need to believe that excellence is always within reach.

### **Rationale**

- Moves away from negative association of lowering expectations and idea that sometimes life makes one buy cheaper products.
- Stronger alignment with positioning.
- Rooted in consumer life stage and cultural truths.