

CREATING NEW CONSUMER HABITS: PRINCIPLES AND STRATEGIES IN THE MODERN AGE

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ABSTRACT

This study investigates the principles and strategies essential for creating new consumer habits through market development, which emphasizes innovation and renovation to drive category growth. The purpose of the research is to explore effective methodologies for altering existing consumption patterns and establishing new ones. Employing a qualitative analysis of historical and contemporary case studies across various industries, the research identifies key factors contributing to successful habit formation. The findings reveal that consistent consumer education, innovative product offerings, and targeted communication efforts are crucial in overcoming adoption barriers. The study concludes that a multi-year, holistic marketing strategy is imperative for sustained consumer behavior change, providing both brand and category growth. The novelty of this work lies in its comprehensive framework that integrates diverse marketing tactics and adapts them to modern challenges, offering actionable insights for advanced practitioners aiming to navigate the complexities of today's competitive market.

Keywords: Consumer Habits, Market Development, Innovation, Renovation, Consumer Behavior, Marketing Strategy, Education, Product Adoption, Communication, Case Studies.

INTRODUCTION

The contemporary landscape of consumer behavior is characterized by rapid changes and heightened competition, necessitating innovative strategies to foster new consumption patterns. Market development, defined for the purposes of this article as the driving of category or segment growth through innovation and renovation, aims to fundamentally alter existing consumer habits and establish new ones. This strategic approach diverges from transient trends, such as popularity of oil-based haircare products in 2014-2016 or the bonding haircare trend from 2022 onwards and instead focuses on sustained, long-term growth.

The relevance of this topic lies in the increasingly fragmented and competitive marketplace where the share of voice and, more crucially, the share of mind are fiercely contested. With consumers exposed to numerous advertising messages across digital platforms, social media, and in-store environments, capturing and maintaining consumer attention has become more challenging than ever. As a result, companies are compelled to develop systematic and multifaceted marketing programs that not only promote brand growth but also contribute to the overall expansion of their respective categories.

The main goals and objectives of this research are to explore the principles and strategies that underpin successful market development efforts aimed at creating new consumer habits. This involves a detailed examination of case studies across various industries to identify commonalities and best practices. Additionally, the research seeks to provide a framework for understanding the critical factors that drive consumer behavior change and the mechanisms through which these changes can be effectively implemented and sustained.

Our hypothesis posits that the creation of new consumer habits necessitates a comprehensive, multi-year marketing strategy that integrates consistent consumer education, innovative product offerings, and targeted communication efforts. Such a strategy should address and overcome inherent barriers to adoption, thereby fostering a gradual but persistent shift in consumer behavior. By examining historical and contemporary examples of market development, this research aims to elucidate the processes and interventions that have proven effective in driving significant changes in consumer habits, providing actionable insights for practitioners in the field.

MARKET DEVELOPMENT AND CHANGING CONSUMER HABITS

While definitions may vary depending on an industry, a company, or a segment, for the purpose of this article we will define market development as driving category / segment growth by innovation and renovation, aimed to change existing consumer habits, create new consumer habits or consumption patterns. This type of marketing differs from following trends that spark and fade in cyclical nature (for example, ingredient trends – oil-based haircare of 2014 – 2016, bonding in haircare – 2022 – now, etc), or from managing a brand’s core portfolio.

In our daily lives, we often hear that it takes 21 days to build a habit – a notion that has been disproved by a more recent study published in the European Journal of Social Psychology which shifted the goalpost to 66 days on average. Now, let’s imagine what would it take to create a new habit for at least 5% of households in the US or any other market, especially at this day and age when competition for the share of voice, but more importantly – share of mind is increasingly fierce as consumers are facing hundreds of advertising messages in digital, social, in stores with hundreds of SKUs on shelves, across all parts of eco system, when attention spans are shortening and when people grow increasingly skeptical of advertising messaging. Creating new consumer habits requires a systematic approach and a multi-year marketing program that would build, reinforce, prove the need for consumer behavior shift year in and year out, thereby offering not only brand growth, but also category growth for customers and markets, so it’s a high commitment – high reward strategy, yet it’s not the fastest one to yield results. Just like exercise in our daily lives, market development requires commitment and consistency, more often than not, it does not bring results the very next day (in our case – the very next month post launch), however, with consistency, progress-over-perfection mindset and discipline, as well as ability to pivot and adjust messaging, companies can drive it and drive not only brand growth, but also long-term category growth (Table 1).

Looking at consumer habits and ways to drive change, we can identify 3 different goals that would require differentiated approaches and strategies:

- 1) Driving Penetration of a new format / a new product.
- 2) Driving Frequency of use of a format / product by creating new usage occasions.
- 3) Driving Premiumization – this one, arguably, is more linked to a brand growth and category value, however we will review it in the context of this article as a way to stimulate consumer spending.

	Define Opportunity	Relevant Insights	Relevant Marketing strategy
Driving Penetration	De-average relevant consumer groups to define your target (social demographic status, income, geographic location, urban / rural, media consumption habits,	Define Underlying Beliefs and Attitudes towards your category / segment / product Focus on Triggers and	Convince to try your product by Educate consumers on a meaningful benefit that would stem from a change in their behavior, while addressing and changing underlying beliefs and

	psychological patters, behaviors and attitudes towards the category, shopping habits and channels)	Barriers to behavior change 1. Do they use this product now? If not – why? 2. If yes, how do they use your products / similar products now? When? How do they apply them / consume them? 3. What are the main pain points? 4. What is the main benefit they're seeking?	attitudes, overcoming main barriers to use.
Driving Frequency	Understand category usage occasions De-average relevant consumer groups Analyze current market and pricing structure (lead competitor, market fragmentation, proxy products that may be used)	Analyze Consumption habits on days of “using” the product vs non-using, and Barriers to more frequent usage now	Overcome Barriers to current usage & “unlock the magic moment” to seamlessly integrate your product in more days / occasions
Driving Premiumization	De-average relevant consumer groups to define your target Define Channel X Price X Consumer group white spaces (market fragmentation, channel fragmentation and growth, price segments and competition within each segment)	Create a superior way to deliver on a category benefit and offer additional / satellite benefits	De-commoditize the market by De-Averaging Functional or Emotional delivery

DRIVING NEW FORMAT / SEGMENT PENETRATION CASE STUDIES AND PRE-REQUISITES FOR SUCCESS

Changing consumer habits to drive adoption of a new format / product offers potentially the biggest size of prize (a traditional “*penetration gap*” and % of HH penetration calculation will show that any market with less than 10% penetration of a format offers a significant size of prize) but conversely, it can become one of the most challenging to execute as it requires multi-year consistency and dedication, which can be a challenge in the context of conflicting business priorities and limited resources to spend on promotion.

At different times in history and across the globe we witnessed category-wide efforts at creating new consumer habits, for instance: sunscreen, mouth wash in oral care; iPhone revolutionizing the cell phone market (it’s the case of both driving Penetration and Premiumization); re-emergence of dry shampoo, or hair conditioners penetration.

Let’s look at selective timelines and principles in more detail:

Sunscreen (SPF) adoption. While store shelves are now lined with an assortment of sunscreens with a variety of active ingredients and vehicle formulations, aimed to please everyone from the outdoorsman to the beauty conscious shopper, commercial sunscreen adoption is a market development and consumer education process about 80 years in the making. In the interest of this article, let's look at commercial sunscreen timeline:

- 1946: Swiss chemist Franz Greiter develops and commercializes the first modern sunscreen, known as “*Gletscher Crème*,” or Glacier Cream. He names his brand Piz Buin in honor of the mountain he climbed.¹⁶ The brand still exists today with more effective variations of Glacier Cream (Finklea, 2015).
- 1962: Greiter is credited with inventing the sun protection factor (SPF) rating¹⁶; the original Gletscher Crème has an SPF rating of 2 (Svarc, 2015).
- 1967: Formulators begin to develop water-resistant sunscreens (Svarc, 2015).
- 1978: The US Food and Drug Administration (FDA) begins to regulate the booming sunscreen market.² UV tanning beds also start to appear in the US (Chien, Jacobe, 2019).

In the interest of this article, we will omit further formulation development milestones, and focus on consumer behavior change. What needed to be true to encourage consumers to protect their skin from the sun? If we start from an underlying consumer behavior and main barrier to adoption, then it would be low awareness of a reason-to-be for the format (“*I don’t need it*” perception). Which, in turn, necessitated following strategies?

Educating consumers to make it relevant, i.e establishing a reason for sun-protection:

- Cosmetic / beauty focused (focused on UV-induced ageing through before / after comparison and striking demos)
- Health-related (raising awareness of a risk of skin cancer) – supported by wide-spread education campaigns undertaken by all leading brands in partnership with Dermatology associations, experts and researches.
- Consistently over years, brands are trying to expand education campaigns – beyond TV, magazines and digital, we’re witnessing sunscreen brands integrating their educational campaigns into cultural tentpoles and events (La Roche Posay and U.S. Open, Neutrogena and Coachella, etc.)

Overcoming additional barriers to adoption. already spoke about awareness earlier in the education section, but additional barriers included:

- White cast (relevant to mineral, zinc-based sunscreens)
- Sticky feel (creating the need for lighter formulas), etc.
- Application or reapplication-related inconvenience (creating a need for on-the-go formats such as sticks or aerosol sunscreens)

Making it widely accessible:

- Expanding distribution channels, moving from pharmacies to drug stores
- Creating offerings across price points / pack sizes
- Expanding usage occasions (water-resistant sunscreen, face sunscreen, under-makeup sunscreen, on the go sunscreen stick)

Still to this day, while commercial sunscreen has been around for more than 80 years, only 13% of Americans say they use sunscreen on their body most or all of the time, while 53% says they use it sometimes, and 34% rarely or never put on sunscreen. Nearly 2 in 5 men (39%) rarely or never use sunscreen, compared to 28% of women (Advanced Dermatology, 2022), which means that there is a huge opportunity for growth in the category and further driving education.

Second example, which is part of category I work in, is driving penetration of Hair Conditioners in certain geographies. A rinse-off conditioner is a product applied after shampoo to ease detangling, protect hair from breakage, frizz, and improve manageability. Adoption of conditioners varies depending on a market: varying from India (penetration below 9%, contribution to market sales also below 9%), Indonesia (22% penetration, yet contribution to total market sales approx. 5%) and going into high 70% in Brazil, Philippines, Argentina, Japan (Allied Market Research Data, 2021), (Zion Market Research Data, 2022).

A classic case of building a new habit is a market development campaigns lead by Creamsilk in Philippines - a conditioner-only focused brand launched 30+ years ago with a mission to develop conditioners penetration in Philippines, and it did it – current 70%+ penetration is to a large extent a result of market development work done by Creamsilk (Cream silk 30 years), (Blanquera Study-Background).

So what did they do right?

Consistently Educating consumers to overcome Barriers to usage (main barrier “*shampoo is enough*”) – they did it with 30+ years of consistent messaging (including full 360* campaign with TV and multiple digital campaigns built on “*seeing is believing*” principle” - half-head tests showcasing that shampoo alone is not enough and only with conditioners one can achieve beautiful, frizz and tangle-free hair.

Sharpening approach to target audience and ways to engage with them across all touch points (the brand identified a target group, more likely open to adopting a new format – in this particular case, the brand was appealing to young women, 18 – 25 y.o., usually students) and created multiple below the line campaigns, focused specifically on them, for instance, BTL “*hair challenge*” campaign, sampling on campuses, etc).

Extending portfolio across price points and sizes.

Over the course of market development campaign, the brand moved from “*driving penetration*” when a reasonable goal was reach, to “*driving frequency*” focusing on encouraging women to use conditioner with every wash – this campaign resulted in driving weekly conditioners usage frequency up to 50% in 13 years (from 30% n 2005) (Technavio, 2015).

In summary, for this type of habit change task, usually the most effective marketing promotion strategies tend to focus on:

Education + “*seeing is believing*” strategy (Before / After Demos, side-by-side comparison to prove / show added benefit).

Focus on building entry format / size and driving trial (massive sampling, protecting entry price points in portfolio).

Consistency of messaging over the years.

DRIVING FREQUENCY: CASE STUDIES AND PRE-REQUISITES FOR SUCCESS

Usually driving frequency of use is a logical second stage of driving penetration, so a lot of examples and references in this part will be similar to what we discussed above. What does *frequency* mean? Using a product on more occasions than before, for instance, as in Creamsilk example – using a conditioner after every shampoo vs occasionally, or, in the case of sunscreen – convincing consumers to wear sunscreen all-year round vs only in summer. Another great example is Lifebuoy Hand Washing Campaigns and education in emerging markets (India, Sub Saharan Africa). It means building a consistent habit, so it also requires multi-year consistent effort on behalf of marketing team.

Presuming we already have an established consumer base that use a product occasionally (let’s call them “*light*” users), we need to look into:

- a) Their routine during usage and non-usage days to see how it fits or disrupts their day, and identify main pain points related to a product, or underlying beliefs.
- b) For instance, if lack of time and or water scarcity is a barrier for using a hair conditioner / using a specific detergent in laundry or dish wash, then brands will focus on:
- c) Fast-action (focus on less time needed to act / see results (hair mask that takes 1 minute to act vs 3-5 minutes, a water-less dry shampoo that takes 1 minute to apply and brush out instead of a traditional wash & dry routine that takes between 10 minutes to a few hours depending on a hair type and geography)
- d) Fast-rinse off

- e) Shorter wash cycles (laundry)
- f) Frequency can be inter-connected with Premiumization. For instance, while working on hair conditioner market development in Philippines (high penetration market) and Thailand, I faced with a combination of two trends:
- g) Concern about the amount of time it takes to apply conditioner and leave it on hair (category average was 3 minutes back in a day)
- h) Rise of leave-on treatment formats instead (leave-on serums, creams, hair leave-on vitamins, etc).

As a result, the marketing team focused proposition development on overcoming the barrier (time) and also offering benefits of a leave-on in a conditioner – resulting Serum-Conditioners concept and mix offered a format that provided benefits in only 1 minute and combined the potency and benefits of both – serum and conditioner. The range brought positive category growth driven by the premium price and more frequent trips.

DRIVING PREMIUMIZATION: CASE STUDIES AND PRE-REQUISITES FOR SUCCESS

Arguably, premiumization doesn't always go hand in hand with consumer behavior change, but for the purposes of this article we will look into cases where it does: for instance, electric toothbrushes (commanding a much higher price point than transitional toothbrushes, but creating a new way to use the product and elevating daily hygiene ritual), Dyson supersonic hairdryer (a product offering a higher order benefit in addition to traditional styling and causing a shift in the industry – a rise in demand for what is colloquially known as “*Dyson dupes*” - as more consumers become aware of heat damage), or new formats of hair treatments, such as “*super*” conditioners / conditioning treatments offering desired benefits in shorter time.

While all rules have exceptions, usually this type of behavior change is happening in markets where “category base” is well-developed in terms of penetration, (i.e. we will be looking into penetration above 50%) and a market is quite saturated. In this case, the marketing task is to De-commoditize an established category by De-Averaging Functional or Emotional delivery. It may entail:

- a) Offering more personalized solutions
- b) Superiority, Scarcity, Status symbols
- c) “*Better for you*” proposition (“*clean*”, organic, health / wellness focused etc)
- d) Efficacy / less time spent
- e) Longer-lasting results

For instance, during my work on Conditioners Market development for LATAM and SEA, I faced the following challenge:

Brazil is one of the most sophisticated and biggest CARE markets globally with a well-developed 3-step hair care routine, which keeps evolving. Consumers keep adopting new formats, while the high pace of innovations is raising expectations of product delivery, claims and new news. Care formats (Conditioners + Treatments) account for more than 50% of Brazilian W&C market and keep growing, mainly via treatments. With an established 80% penetration, Conditioners are perceived as a basic daily format, delivering on benefits such as Detangling, moisturisation, easiness of combing and reduction in volume (Technavio, 2015). While comprehensive care benefits are expected from Treatments, considered the most caring part of the haircare routine. In this case, marketing JTBD was to de-commoditize the conditioner segment. Motivate consumers to trade up through bringing new excitement to the conditioner aisle by offering more benefits.

In this case, given that Brazil is also a market with high Hair Damage incidence (consumers self-identifying as having moderately damaged / damaged/ highly damaged hair),

we developed a mix that offered more personalized solutions for different types of damage, leveraging SPF-inspired concept of Nourishing Factors that are tailored to repair and protect from specific types of damage (Table 2).

Table 2 DEFINING MARKETING MIX FIT TO DRIVE CHANGE IN CONSUMER HABITS	
Proposition	Addresses underlying beliefs and attitudes, most critical triggers and barriers to drive behavior change. (Sharing a new fact with consumers: importance of sunscreen / impact of a hair conditioner on end benefit / importance of scalp for overall hair health; addressing existing myth or consumer belief: “ <i>shampoo alone is not enough</i> ” / “ <i>sunscreen is useful only in summer</i> ”)
Product	Relevant product superiority that they can see / feel Superior product either vs current habit (not using / using homemade products instead, using different formats instead – f.e. hair oils / serums) or vs lead competitor
Pack / Price	Right value, format and design to unlock trial Protect trial size and opening price point
Promotion	Education-focused campaign Drive credibility via relevant partnerships (brand itself / celebrity/ medical authority, i.e. dermatologists, dentists, etc) Consistent, multi-year message across all 360* Leverage tentpole events relevant to your TA to expand reach and build relevance
Place	Availability in right channels (based on consumer shopping patterns), with right pack size and at right price point Leverage educational POSM – disrupt auto-pilot purchase, show added benefit Leverage e-com as education and exploration channel

New Channels and Tools

In the modern world, we have new opportunities and new channels for market development that present a huge opportunity to fast-track some of transitional jobs to be done of market development campaigns:

- 1) **Leverage AI** for before and after, demos, seeing is believing, online diagnostic and education (relevant categories that can benefit: color cosmetics (make-up, nail care), hair colorants, scalp and hair loss treatments)
- 2) **Leverage influencers and social media** to drive word of mouth and social-proof product delivery and results, while leveraging trusted voices in a community and removing the element of skepticism towards traditional advertising (most of cult products that built their fame on social media need to offer immediate or near-immediate efficacy to allow influencers to re-create before and after demo, show dramatic difference in results and create a “thumb stoppable” creative)
- 3) **Leverage e-com as education and communication channel** with growing penetration of omnichannel and e-com (be it Amazon or online stores of Sephora, Walmart, Target, Boots, Watsons, etc), brands are offered the best platform to drive education and conviction – all traditional marketing tools such as before / after demos, detailed information on benefits and usage occasions, endorsement from experts, real results and real time reviews become available and accessible to all. The best part is that we are no longer limited with a 30 sec TV slot, and we allow consumers to learn and do research on their own before buying.

THE ROLE OF BLACK SWAN EVENTS

Obviously, examples and strategies outlined above are relevant for a normal (or new normal) way of doing business. In recent years, we all have witnessed that sometimes outside events can cause seismic category shifts that impact all aspects of our lives – COVID-19 and remote work, for instance, gave a huge boost to penetration and adoption of at-home workout services (Peloton market share price sky-rocketing during the time is a prime example of that), allowed consumers to re-engage with self-care (for instance, such segments as hair

treatments, skincare, masks – all saw rise in sales as consumers were confined to their homes and had more time to explore new routines and used beauty-care as a form of self-care), gave time to consumers re-engage with wellness practices. Many of these new behaviors (at home workouts, meditation, elaborate skincare routines and willingness to experiment and research) have sustained, others have faded as the world re-opened, some categories saw a renaissance (resurgent growth of styling products overall as consumers started going out again), but now that the world is back to a new normal, it's up to brands and marketers to define how to maintain these behaviors, how to keep them relevant, easy and superior in their daily lives.

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