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Tip of the Month
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ARE YOU SEEING NEW FACES?

YOUR HISTORICAL CUSTOMERS ARE AGING. ATTRACTING THE NEXT GENERATIONS IS KEY.

By Jay Jacobowitz

A shrinking generation of original natural products shoppers is a problem for independents.

In its third-quarter conference call in August, Starbucks CEO Howard Schultz, returning to lead the company for the third time, pondered, “I would add one other thing that hasn’t come up yet, and that is the relevancy that Starbucks has with young people...One of the metrics for me personally has always been trying to understand on an annual basis, is our customer getting older or younger? And we don’t want to be in a business where our customer base is aging, and we have a less relevant situation with younger people. We have never been, in our history, more relevant than we are today to Gen Z...and the loyalty is just building.”

You have little hope of attracting Starbucks’ Generation Z, born between 1997 and 2012, the oldest being 25 years today. But the next-oldest generations: Millennials, born 1980 to 1996, and now in their early 40s; and Gen X, born 1966 to 1979, and now in their mid-50s, are ripe candidates for the health products you’ve specialized in for decades.

The pandemic offers the chance for a multi-generation expansion of your natural products customer base beyond the founding Baby Boomers. This is because conventional supermarkets massively increased their wellness programs in response to Covid-driven customer demand, adding healthy cooking classes and menus, store tours, self-care initiatives, mental and physical wellbeing benefits, and on-site skilled nursing medical clinics.

This unprecedented increase in wellness marketing through supermarkets has awakened 50 million prime-age American adults and their children who we believe hadn’t previously considered natural products.

It’s worth remembering, during the early days of the natural products industry in the late 1970s and early ‘80s—when you could not get yogurt in a supermarket—as conventional grocers added natural products, sales at nearby independent natural products retailers *increased*. Natural products in supermarkets whetted shoppers’ desire for personalized nutritional advice and a more comprehensive product selection, driving them to seek natural products specialists.

Reaching new generations

You have good options beyond social media to reach new customers. Because social media is overcrowded—and expensive if you’re buying online advertising—other ways to communicate may be more efficient.

Communities that correlate with health include birthing centers; diabetes, weight and diet support groups; exercise, self-help, yoga, tennis, running and cycling clubs; even grief counseling groups that need to manage stress. Place your store newsletter at your local pharmacy and in your doctor’s office. Many natural retailers get referrals from pharmacists and doctors, including “prescriptions” for products such as CoQ10 for those taking statins. You can also give lectures at your local hospital and—let’s not ignore the boomers!—at adult-community homeowners associations. Your store can also sponsor a little league or soccer team.

Because these analog methods are less “noisy” than the internet, your message is much more likely to hit home with some of the millions of newly Covid-sensitive customers now keenly interested in natural immunity. Carpe diem! **JJ**