

LOHAS – the last word in branding

LOHAS: Our survival kit



It's big, it's here, it's up there with terrorism as one of the world's most topical issues. It seems to be impacting every imaginable lifestyle and cultural category; what was once the domain of fringe groups is now mainstream.

It seems that this is a solution for all our branding problems. No more searching for the right target niche, for the right values and attributes, no more convincing the CEOs about the brand core focus and no more analyses of the impact the trends have on our brands. It seems that our work is starting to be easier: After decades of population breakdown into small groups and almost unique individuals, we have, on the other hand, the most coherent, the most uniform and the most complete group of people out there. The Lohasians are here!

Yesterday 20 percent of the US population, today 30 percent of Europeans and tomorrow maybe 40 or even 50 percent of the whole developed world will be Lohasians! The

Eden, the Utopia is almost here. Let's have a green party and enjoy the beauty of our lives and jobs, because we will all save the world from the catastrophe and we will all be rich at the same time because of it.

It seems to be universally accepted that people really care about sustainability.

But is it really so booming or are we a bit blinded by the potential of the Lohas group?



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Let me start with a definition of Lohasians on Wikipedia:

“Lifestyles of Health and Sustainability (LOHAS) are a demographic defining a particular market segment related to sustainable living, "green" ecological initiatives, and generally composed of a relatively upscale and well-educated population segment. Researchers have reported a range of sizes of the LOHAS market segment. For example, Worldwatch Institute reported that the LOHAS market segment in the year 2006 was estimated at \$300 billion, approximately 30% of the U.S. consumer market; and, a study by the Natural Marketing Institute showed that in 2007, 40 million Americans were included within the LOHAS demographic. “

When I discovered the Lohas market segment a few months ago I was positively surprised, while once again I got a proof that my estimations are right many times. A few years ago I worked on a strategy project for a Slovene SPA center. I conducted several studies through

which me and my colleagues wanted to find the right position of this SPA among competitors in our part of Europe (Italy, Austria, Hungary, Tschech Republic and Slovenia). When we connected the values, attributes and personalities with the target group we found out that there was a special type of people that lived the same way of life. When defining this target group we named them “Newagers”, and now that I have read so many articles about Lohasians, I found complete similarity between the two groups.

For me it was surprising that almost all of the articles were enthusiastic about the sheer size of the group. The authors and researchers are talking about 20 to 30 percent of the population which displays the most coherent target group today. Consumer targeting in the last five to ten years, especially for smaller, more or less local or regional brands, was connected to searching for mostly small, very specific target groups taking into account people’s lifestyles and looking for strong connections between brand and customer values.

The leading experience for brand managers was population breakdown into small target groups or, even more radical, almost unique individuals.

And now we have the most coherent, the most uniform and the most complete group of people out there. Even more, studying all the secondary data and different reports shows that the themes of health and sustainability really are THE issues these days. Magazines and newspapers all full of articles about green stories, data shows, for example, that two thirds of the global population is concerned about climate change. And this is no less than 6 billion people!

It sounds like deliverance somehow ...

But when we carried on with the project we found that there were two types of Newagers/Lohasians and quite a big difference between them: the declarative ones (meaning “Yes, I’m green, I live green, I respect the green movement and I’m a supporter of sustainable living”) and the real ones (meaning “I respect and really do all the things that are logical and necessary to support my healthy and sustainable lifestyle”). We got a lot of Lohasians into the SPA and made a lot of interviews, but found that a lot of them were on declarative level only; they seemed to be green, but when we observed their behaviour throughout the day, we found many contradictions: they ate heavy, unhealthy food, drunk (a lot of!) alcohol, throw the garbage

into the wrong containers etc. This did not compromise the success of the project but it gave me a reason to rethink if this target group is really so coherent and if it is really enough to build a brand’s core just on the general New Age or Lohas determination. It seems to me that the Lohasians are not such a coherent target group and that also the branding for this group of people stayed on the same level of planning and creating process. The core brand values, attributes and personality are those element that are the most important filter in brand creation and in brand management.

Then I got the newest research from the BBDO Group “The convenient truth about sustainability and what it means for brands”. My colleagues made a huge research combined with the ethnographic part, online self-documentary part and online expert group discussions. In the ethnographic part the researchers went into people’s homes and filmed their behaviour in everyday situations. They wanted to see firsthand what they were consuming and the little actions they do and don’t do by routine. Later, they showed them the footage and asked them why they did the things they did and why they made respective decisions. In the second part the researchers asked respondents to keep a seven day ‘forced change’ diary. Every day, they set them an eco task that would contribute towards a more ‘sustainable’ lifestyle.

Throughout these periods of change, individuals recorded their thoughts and opinions in a secure online space. This gave access to a series of longer term behaviour patterns. With the online expert group they recruited several experts in the field of sustainability from various markets; people with an informed point of view on the subject. The experts were then invited to further explore key issues by way of an online focus group.

The main conclusions of the study were:

- 1.** In any developed market, people will tell you that they are concerned about the environment, but what we say we do, is very different from what we actually do.
- 2.** We admit that we could be doing more to help the environment, but acting in this direction is not an easy job.
- 3.** Our ideas about what constitutes a green brand are pretty much based on first impressions. People put “a green label” on very different brands because of truly different reasons, such as: One brand got the green status just because they use paper bags, another one because they made PR activities about how they use more “natural light” and efficient equipment so that they reduce electricity consumption, the next one just because their origin is in Norway and another one because they are active in the charity field..

4. Sustainability is more or less connected with something good, important and ... morally right.

5. And the “stuff” connected with our moral is so general and so far away from our personal problems, expectations, wishes and desires, that we, deep inside our soul, do not really care.

We should not forget that what really resonates amidst all of this confusion, uncertainty and negative perception are our values, the driving force behind our actions and reactions; where our beliefs, hopes, fears and expectations connect with the real world. People want to do the right thing by the environment but they won't compromise. And, why would they? We live in a world of conspicuous consumption....getting what we want, whenever we want it; saving the environment is not enough of a motivator to make us sacrifice this. We will only act on the things that connect with our values....the things that really mean something to us.

So the key to communicating sustainability is about addressing a human insight, not an environmental one. In practical brand language this means, that the “Lifestyle of Health and Sustainability” is not a matter of brand strategy and could not be the main brand message; health and sustainability is just the task how to set your business strategy and how to put new elements into your product,

service or whatever you do

The improved power of your brand is still connected with the brand values and brand personality, because people like brands that they think reflect their values. In this case we are still in the same difficult situation that leaves us with no choice but to keep on comparing competitor brand perceptions and searching for the right connection between our brand and our customers. The identification between the brand and the customer still rules!

