

Tweens: empowered and with money to burn

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Tweens: empowered and with money to burn, by Euromonitor International

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Not only do tweens in the developed World have access to more income than ever before through allowances and gifts, but they also have greater influence on family purchasing decisions. They are starting to develop their sense of identity and are anxious to have products that will cultivate a sophisticated self-image. They are more aware than ever before of what they should or should not look like, how they should behave and what they should listen to. This is partly due to marketing initiatives that force children to grow up quickly, since marketers have discovered that treating tweens like teenagers is a lucrative business.

Demographic trends: tween population declines, spending increases

Falling birth rates in the 1990's, meant that the number of tweens declined between 2000-2005 in much of the world. This resulted from factors such as an increase in the number of working women, advancement of women in the workforce and, of course, more effective birth control. Despite the decline of the tween population, their spending power has grown considerably, as fewer children and more working women means that more money is spent on each child. This trend only holds in the developed world, however. India, for example, has the world's largest tween population, but most of the country's children still live in poverty.

Age compression drives demand for sophisticated “toys”

A key trend driving the spending habits of tweens in Western markets is the “age compression” phenomenon, also known as KGOY (kids getting older, younger). This trend has seen tweens rejecting traditional toys in favour of more grown up products, previously targeted at teenagers, such as mobile phones, video games and music players. This has opened up a host of opportunities for manufacturers of products and services to tap into the tweens market. Tweens' technology-savvy choice in “toys” has also provided an ideal opportunity for manufacturers to spread brand messages and promotional offers via websites and SMS.

This demand for sophisticated toys, as well as the constant introduction of new games consoles, such as the PSP in 2005, has been good news for the video games industry, but has created a challenge for the traditional toys and games industry. In 2004, Euromonitor International's research shows that tweens spent US\$4.3 billion on video games, which accounted for over 13% of total video games sales. This was far more than tweens' spending on traditional toys and games, which stood at £3.1 billion and only 6% of total sales.

Mobile phones have also grabbed the attention of 8-12 year olds. The US was the most developed market in terms of mobile phones developed specifically for tweens. Mattel, in conjunction with its content partner Single Touch Interactive, for example, launched the Barbie My Scene phone nationally in July 2005, which is aimed at girls between the ages of eight and 14. The phone is activated by parents, who can go to a designated website and list chores they want their children to perform to earn extra minutes. At the end of each month, parents can buy extra minutes if their children have behaved. The phone also comes with three interchangeable faceplates, as well as exclusive wallpapers and ring tones. While phones specifically designed for tweens appeal to parents, there is a possibility that tweens will reject these models in favour of “the real thing” – more sophisticated devices such as those used by their older siblings.

Where does their pocket money go?

Despite the growing sophistication of the tween generation, and their aspirations to be like their older siblings, the vast majority of their pocket money still goes to confectionery, carbonated drinks and snacks. Euromonitor International's report reveals that tweens spent some US\$18.2 billion on confectionery in 2004, representing over 17% of total sales in this market. They spent a further US\$8.9 billion and US\$5.0 billion on carbonated drinks and sweet and savoury snacks, respectively.

These products are usually impulse purchases bought through convenience stores on the way to and from school, or from vending machines. However, manufacturers of such products have recently come under fire from parents and nutritionists for encouraging young children to eat unhealthy foods. Indeed, in some countries, lobbyists have been successful in banning so-called “junk food” from vending machines, which has negatively impacted these sectors and

forced manufacturers to re-think their strategies.

Euromonitor International's research shows that the confectionery market has seen a trend away from sugar confectionery towards chocolate. However, within the sugar confectionery sector, child-orientated products have shown particular dynamism in developed markets, notably the US, where novel or interactive sugar confectionery brands, such as Pez, Nerds, Spree and Betty Crocker Fruit Snacks, have enjoyed a steady rise in share because they meet children's demand for food with relatively strong fruit flavours and play value.

In response to rising consumer health awareness, confectionery companies are now involved in developing products that will appeal to the tween generation without compromising their health. For example, at the 2005 Institute of Food Technologists (IFT) Food Expo, ingredients suppliers showcased a range of nutritious products that appeal to tweens aged eight to 12. These included confectionery prototypes such as gummy bears with a sugar substitute, and sugar-free chocolate with inulin (a prebiotic food ingredient derived from the chicory plant, which is said to improve digestive health and increase calcium absorption).

The future of the tweens market

While the number of tweens will gradually decrease in most countries, Euromonitor International's research suggests that they will increasingly become powerful and influential consumers. This will result from greater levels of independence, a general rise in disposable income and increased pampering from parents.

While age compression has its limits, and the attitudes and interests of current tweens are not likely to shift to an even lower age group, tweens will continue to become more empowered, and will become more interested in issues that previously related to teenagers or adults. While they will not mature physically any earlier than they do now, their desire to emulate role models and not be treated like children will develop further as they are exposed to ever more videos, films and a vast array of teenage magazines covering older topics. This is positive for industries such as fashion, cosmetics, music and film, but will put further pressure on industries traditionally targeting children, such as toys.

To be successful, future marketing campaigns aimed at the tween generation must be multidimensional, multichannel and highly interactive. The most important of these channels to the tween audience are TV, music, magazines, friends, stores, the Internet, chat rooms and interactive gaming. If they see something they like, tweens are likely to check it out with friends, in a chat room or on the Internet. Furthermore, tweens will expect to be treated like young adults rather than children, and will not tolerate false promises.

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