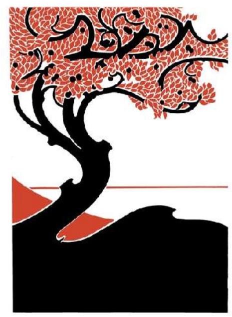
The Hidden Consumer:
A survey of consumers that live an alternative lifestyle.



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I. Introduction

This is the first of a series of reports on the “Hidden Consumer” which we define as individuals who frequently do not fit into traditional consumer profiles and who often remain “hidden” or ill-defined in analyses of consumer types and consumer behavior.

The importance of these unique individuals should not be over overlooked. People who live alternative lifestyles are often the source of inspiration and innovation that produces fads and trends in fashion, music, art, and politics.

This report centers on a type of hidden consumer we call the "metaphysically-minded." The metaphysically-minded are individuals who live a lifestyle which promotes health and growth of mind, body, and spirit and who hold spiritual beliefs which differ from those of mainstream America. Based on the findings of this study and another earlier survey, we believe that this type of consumer is becoming increasingly important in marketing and sales within mainstream markets, the LOHAS (Lifestyles of Health and Sustainability) market and, in particular, the mind, body, spirit segment of the LOHAS arena.

In a January 2002 study of 402 consumers who had previously expressed an interest in "New Age" products and services, we recorded an overall drop in spending on most products. This trend was roughly consistent with media reports describing the economy in that gloom post-September 11th environment. At the same time, we recorded a slight rise in spending on certain products and services which are particularly appealing to the metaphysically-minded consumer and, overall, we found that most differences in spending pre and post-September 11th were only slight. The rise in spending was encouraging and suggests that the metaphysical market is quite resilient and may actually grow in response to social and historical factors which have a negative impact on the mainstream consumer market.

A complete discussion of the complex interaction of social, historical and economic factors which we believe contributed to the slight rise in spending on select products noted above is beyond the scope of this report. The important point is while we saw a drop in spending in many areas, we saw a rise in spending on products which are designed to promote health and growth in mind, body and spirit. The rise in consumer spending, which was more pronounced among respondents from outside the United States, is a significant factor in market growth and helps to explain why, in surveys of retailers and wholesalers who specialize in metaphysical products, most are experiencing slow growth.

On a related note, the LOHAS consumer has received considerable attention in recent years in large part because of the growth reported in that market and positive predictions among industry analysts. In 1996, sociologist Paul Ray published two papers in the Noetic Science Review which suggested that he had identified a large and previously unstudied sub-culture. Ray built on this work and published another paper in 1997 in American Demographics. In 2000, Paul Ray and Sherry Anderson co-authored a book, *The Cultural Creatives: How 50 million people are changing the World* which offered a fuller, more complete picture of the LOHAS consumer. This groundbreaking research has opened up many new questions and opportunities for analysts and businesses. It may also change the face of the mind, body, spirit market as it has now become clear that there is enough money in the market to attract corporate America. According to the LOHAS Journal, LOHAS is an estimated $230 billion marketplace. The Natural Marketing Institute offered a more precise estimate in 2002 of $226.8 billion.

Because of the rapid growth and significant market share which has been identified in the LOHAS market, there has become a greater need for data which can be used to identify new business and branding opportunities. This report, and those that will follow, are designed to contribute to a greater understanding of the LOHAS market and, in particular, those segments of the LOHAS market that tend to be ignored, excluded or misunderstood. We also hope the reports are useful to those who specialize in products specially designed and marketed for people who use alternative spiritual practices and are seeking health and growth in mind, body, and spirit.

II. Methodology

The findings reported here are based on a survey of 299 metaphysically-minded consumers. The survey was conducted online using an interface commonly used for market research.

In May of 2002, a banner inviting people to participate in a survey was placed on a web site which caters to the metaphysically-minded. During that month, a second banner was placed in an e-zine which has been designed to attract and educate the metaphysically-minded on topics of unique interest to them. Email invitations were also sent to individuals who are consumers of metaphysical products and services such as metaphysical jewelry, New Age books and aromatherapy.

III. The demographics of the metaphysically-minded

The demographics reported here are compared and synthesized with demographic data from previously conducted research. The purpose of this approach is to offer a fuller picture of the metaphysically-minded consumer that will assist businesses in developing marketing strategies which represent a "good fit" with this group of consumers.

As reported in figure 3.1, nearly 80% of respondents were 48 or younger and almost half, 47%, were between 34 and 48. The concentration within this age range is roughly consistent with previous research conducted by Here's How Marketing as well as reader survey data provided by magazines that target metaphysically-minded consumers such as *Magical Blend* and *Body and Soul*. A January 2002 survey of consumers that live a holistic and ecologically conscious lifestyle conducted by Here's How Marketing found that 75% of respondents were 49 or younger and that 39% were between 34 and 49. Data reported by *Body and Soul* magazine in 1999 showed that 66% of readers were between 25 and 54 which is significantly less than the concentration within the range: 82.1% of our respondents were between 24 and 53. The 2000 Census of the United States shows that 43.6% of Americans are between the ages of 25 and 54. Based on the data reported here as well as previous research, it is clear that the majority of the metaphysically-minded are mature and at an age where their values are set.

It is also important to note that there is reason to believe that younger consumers who are attracted to alternative beliefs and practices, which form the philosophical heart of the movement, will be seen in greater numbers in the future. In an article on trends in the mind, body, spirit market, LOHAS Journal[1] notes that readers of magazines that target the metaphysically-minded are becoming younger.

[1] Summer issue, 2002 p. 36

Figure 3.1

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Under 18	4	1.3	1.4	1.4
	19-23	20	6.7	6.8	8.2
	24-28	39	13.0	13.3	21.5
	29-33	47	15.7	16.0	37.5
	34-38	39	13.0	13.3	50.9
	39-43	52	17.4	17.7	68.6
	44-48	32	10.7	10.9	79.5
	49-53	32	10.7	10.9	90.4
	54-58	20	6.7	6.8	97.3
	59-63	5	1.7	1.7	99.0
	63+	3	1.0	1.0	100.0
	Total	293	98.0	100.0	
Missing	System	6	2.0		
Total		299	100.0		

The level of formal education among the respondents of this study is slightly lower than what has been recorded in past surveys of the metaphysically-minded, but remains significantly higher than the national average. As reported in figure 3.2, 87.1% of respondents have attended college and 33.3% have a four-year degree or greater. In an earlier study of 402 people who have expressed an interest in New Age products and services, approximately 41% reported having a bachelor's degree, graduate degree or law degree. Reader survey data reported by magazines that target the metaphysically-minded have shown a similarly high level of formal education. The 2000 Census shows that 51.7% of Americans who are 25 or older have attended college and 24.4% of all Americans have a Bachelor's or graduate degree. Given that the level of formal education among the LOHAS consumers is significantly higher than the national average, it's not surprising that they tend to be careful consumers.

Figure 3.2

Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	High school diploma	38	12.7	12.9	12.9
	Some college	113	37.8	38.4	51.4
	Two-year degree	45	15.1	15.3	66.7
	Four-year degree	56	18.7	19.0	85.7
	Graduate or professional degree	42	14.0	14.3	100.0
	Total	294	98.3	100.0	
Missing	System	5	1.7		
Total		299	100.0		

Figure 3.3 shows that nearly half of our respondents, 49.3%, reported having an income between $25,000.00 and $55,000.00 and 38.1% reported an income of $45,000.00 or more. The 2000 Census found that 29.3% of Americans have a household income between $25,000.00 and $49,999.00, that 42% of household incomes are $50,000.00

or greater, and that the median household income in the U.S. during 1999 was $41,994.00. These findings are roughly consistent with earlier research we have conducted with the metaphysically-minded. However, the percentage of respondents in the lower income brackets is somewhat higher than what has been seen in earlier research. This is probably due, at least in part, to the current slump in the economy.

Figure 3.3

Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less that $15,000	35	11.7	13.2	13.2
	$15,001-$25,000	46	15.4	17.3	30.5
	$25,001-$35,000	59	19.7	22.2	52.6
	$35,001-$45,000	25	8.4	9.4	62.0
	$45,001-$55,000	47	15.7	17.7	79.7
	$55,001-$65,000	16	5.4	6.0	85.7
	$65,001-$75,000	10	3.3	3.8	89.5
	$75,001-$85,000	12	4.0	4.5	94.0
	$85,001-$95,000	5	1.7	1.9	95.9
	$95,000-$105,000	5	1.7	1.9	97.7
	$105,000+	6	2.0	2.3	100.0
	Total	266	89.0	100.0	
Missing	System	33	11.0		
Total		299	100.0		

Every study of the metaphysically-minded which we have conducted or reviewed has shown that a clear majority are women. The 2000 Census shows that 50.9% of the U.S. population are women. Reader surveys of the metaphysically-minded and data collected by Here's How Marketing have consistently shown that between 60% and 80% of this group are women. Paul Ray and Sherry Anderson reported that roughly 60% of their Cultural Creatives are women. As reported below in figure 3.4, nearly three quarters of respondents are women. The dominance of women in the gender split may help explain why many of our respondents are engaged in or interested in goddess worship.

Figure 3.4

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	75	25.1	25.7	25.7
	Female	217	72.6	74.3	100.0
	Total	292	97.7	100.0	
Missing	System	7	2.3		
Total		299	100.0		

As seen in figure 3.5, 87.3% of our respondents are from the United States and most of those from other countries come from either Australia, Canada or the United Kingdom. The proportion of respondents who are American is slightly higher than the study conducted by Here's How Marketing in January of 2002. In that study, we found that 81.8% of respondents were from the United States. In spite of the low proportion of respondents from outside the U.S., it is important to note that our January 2002 study showed consumer spending was growing at a faster pace abroad than what we saw among American respondents. Both studies show some concentration of the metaphysically-minded in Australia, Canada and the United Kingdom.

Figure 3.5

Country of residence

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	United States	259	86.6	86.6	86.6
	Australia	11	3.7	3.7	90.3
	Canada	9	3.0	3.0	93.3
	Channel Islands	1	.3	.3	93.6
	Israel	1	.3	.3	94.0
	Malaysia	1	.3	.3	94.3
	New Zealand	1	.3	.3	94.6
	Norway	1	.3	.3	95.0
	Scotland	1	.3	.3	95.3
	United Kingdom	14	4.7	4.7	100.0
	Total	299	100.0	100.0	

Figure 3.6 illustrates the distribution of American respondents by state. We were surprised to find that 18.4% of respondents were from Michigan. This appears to be an aberration that should probably not be relied on for future analysis unless replicated in future studies. California, New York, Texas and Pennsylvania all had fairly high numbers in the respondent pool. This is consistent with our past research on the metaphysically-minded.

In an earlier study of the business to business New Age market, Here's How Marketing, documented a very heavy concentration of retailers that cater to the metaphysically-minded in California. Even with the relatively high concentration of metaphysically-minded in California, the store-to-consumer ratio is much higher in California than it is in other states. In our January 2002 study, we found that 7.3% of American respondents were from California and here we report that 7.5% of American respondents were from California. *New Age Retailer*, a prominent trade journal with a subscriber base that we believe is representative of the national population of retailers who specialize in products for the Metaphysically-minded, reports that 13.2% of their subscribers are in California.

Figure 3.6

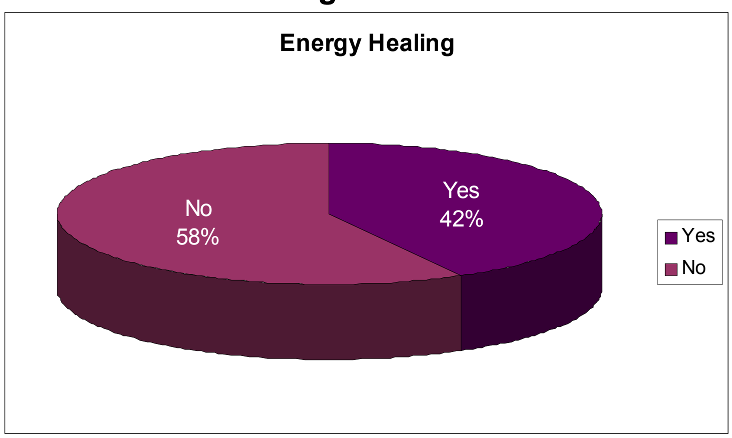
State

		Frequency	Percent	Valid Percent	Cumulative Percent
	Outside U.S. or did not respond to question	45	15.1	15.1	15.1
	Alaska	2	.7	.7	15.7
	Arizona	10	3.3	3.3	19.1
	Arkansas	4	1.3	1.3	20.4
	California	19	6.4	6.4	26.8
	Colorado	3	1.0	1.0	27.8
	Connecticut	3	1.0	1.0	28.8
	Delaware	1	.3	.3	29.1
	Florida	10	3.3	3.3	32.4
	Georgia	6	2.0	2.0	34.4
	Idaho	2	.7	.7	35.1
	Illinois	10	3.3	3.3	38.5
	Indiana	8	2.7	2.7	41.1
	Iowa	1	.3	.3	41.5
	Kansas	4	1.3	1.3	42.8
	Kentucky	1	.3	.3	43.1
	Maine	4	1.3	1.3	44.5
	Maryland	2	.7	.7	45.2
	Massachusetts	3	1.0	1.0	46.2
	Michigan	55	18.4	18.4	64.5
	Minnesota	4	1.3	1.3	65.9
	Mississippi	1	.3	.3	66.2
	Missouri	9	3.0	3.0	69.2
	Nevada	3	1.0	1.0	70.2
	New Hampshire	1	.3	.3	70.6
	New Jersey	2	.7	.7	71.2
	New Mexico	1	.3	.3	71.6
	New York	12	4.0	4.0	75.6
	North Carolina	2	.7	.7	76.3
	Ohio	10	3.3	3.3	79.6
	Oklahoma	1	.3	.3	79.9
	Oregon	3	1.0	1.0	80.9
	Pennsylvania	13	4.3	4.3	85.3
	Puerto Rico	1	.3	.3	85.6
	Rhode Island	1	.3	.3	86.0
	South Carolina	1	.3	.3	86.3
	Tennessee	4	1.3	1.3	87.6
	Texas	13	4.3	4.3	92.0
	Utah	1	.3	.3	92.3
	Virginia	7	2.3	2.3	94.6
	Washington	9	3.0	3.0	97.7
	Wisconsin	4	1.3	1.3	99.0
	Wyoming	3	1.0	1.0	100.0
	Total	299	100.0	100.0	

While the demographics reported above contribute to our understanding of the metaphysically-minded consumer, their values and lifestyles are better predictors of behavior, such as spending habits. In past surveys of the metaphysically-minded, we found that they value peace, altruism, environmentalism and multiculturalism. Many also define themselves as being intellectual and alternative. We also found that many prefer to buy products that are environmentally friendly and are more likely to make a purchase if they know a percentage of the profits are going to a charitable cause that they support. These findings are consistent with research on Cultural Creatives.

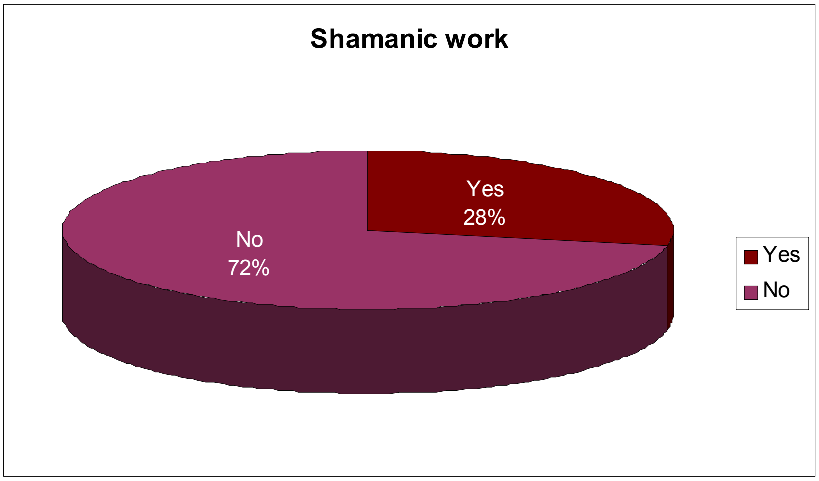
The next three figures are important for understanding the difference between mainstream Cultural Creatives and the metaphysically-minded. They show that many of our respondents are involved in esoteric practices in their spiritual lives, whereas, Ray and Anderson report that Cultural Creatives tend to be more mainstream in their spiritual practices. As seen in figure 3.7, 42% of our respondents reported doing energy healing. Energy healing such as Reiki is a method of moving energy through the body with the goal of healing. It is one of several metaphysical activities which allow the participant to be active in their spirituality. Energy healing integrates mind, body, and spirit and provides a spiritual experience that is more appealing to the metaphysically-minded than the passive participation which is common in mainstream religions.

Figure 3.7



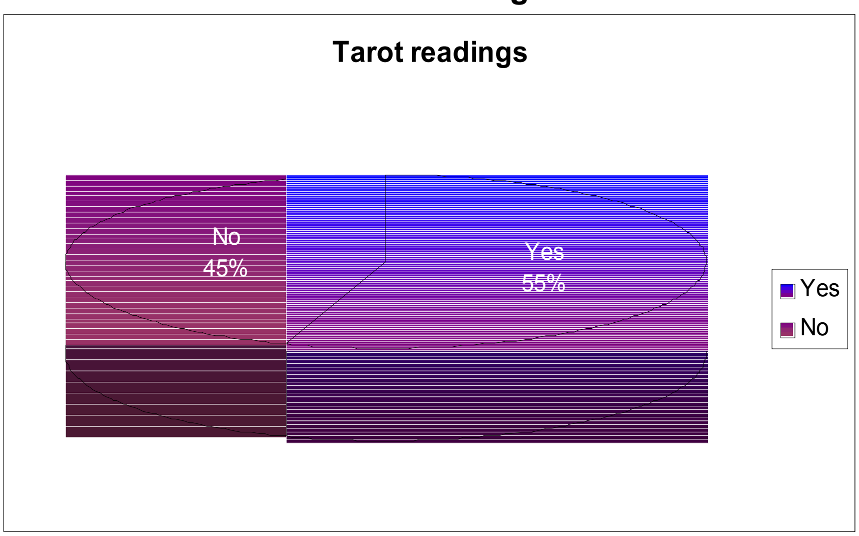
Fewer respondents engage in shamanic practices, but as reported in figure 3.8, over a quarter reported practicing shamanism. Again, the hands on approach to spirituality and the opportunity to engage in spiritual practices that are active rather than passive seems to be important to the metaphysically-minded.

Figure 3.8



Tarot readings are the most common spiritual activity which was examined in this study. As reported below in figure 3.9, over half of our respondents are tarot readers. As we'll see in the next section, this may explain why relatively few respondents purchase tarot readings, preferring instead to do the readings themselves.

Figure 3.9

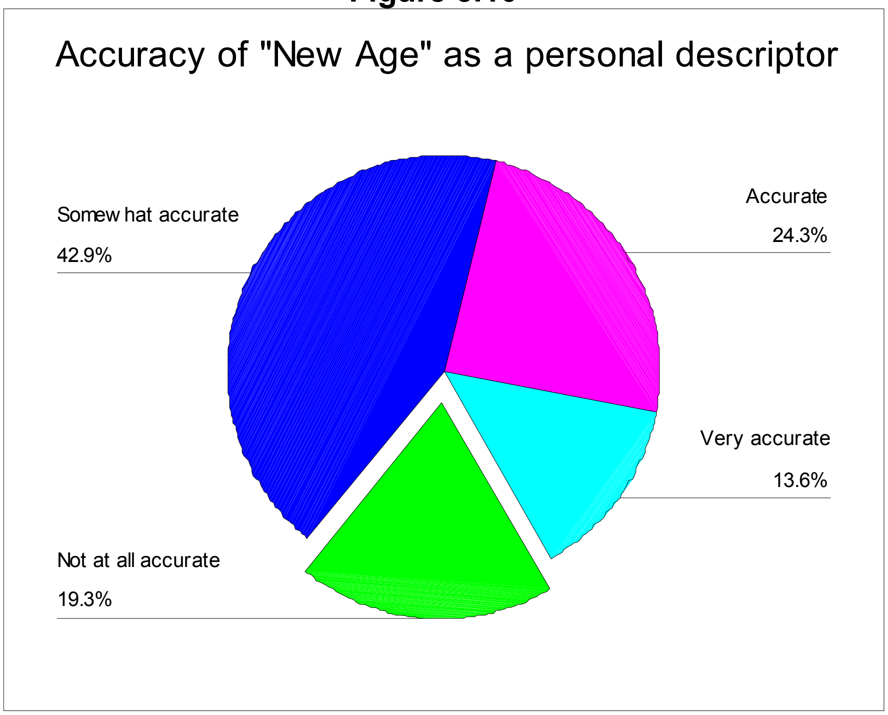


While many of our respondents could probably be stereotyped as "New Age," it is clear that many resist that label. Consistent with our earlier findings, 62.2% of respondents stated that "New Age" did not accurately describe them or was only a "somewhat accurate" description.

Others who work within LOHAS and related markets have reported similar findings and have suggested that businesses avoid the term "New Age." In a interview with the

LOHAS Journal, the Senior Vice President of Marketing for Wisdom Media, a network that emphasizes mind, body, spirit programming, noted that "New Age simply no longer hits anyone's hot button." David Thorne, publisher of *Body and Soul* magazine (formally known as *New Age Journal*) has noted that "the term New Age used to be an adjective indicating new and healthful, but in the category of spiritual practice, it's become much narrower, defining the more eclectic and further out stuff."[2] It seems clear that the term "New Age" may not be advantageous for businesses that are attempting to secure the metaphysical market share.

Figure 3.10



The fact that a majority of our respondents engage in at least one of the three esoteric spiritual practices which we asked respondents about suggests that they may be, in some important ways, different from the average Cultural Creative or what may be viewed as a "mainstream Cultural Creative." The metaphysically-minded and mainstream Cultural Creatives share a commitment to values of health and sustainability but our group is significantly more likely to use alternative spiritual practices.

Although Cultural Creatives and the metaphysically-minded share some important values and attributes, there has been some debate as to whether this group fits within the LOHAS context. Ray and Anderson note that "there are fewer than 5 million New Agers who might qualify as Cultural Creatives" and move on to note that an equal number of "moderns" would qualify as New Age.

Drawing on the work of acclaimed anthropologist, Margaret Mead, Ray and Anderson note that Cultural Creatives are drawn to activities which allow them to engage in the 'whole process.' That is, actions which "allow them to create something from the beginning" (p. 10). Cultural Creatives are active contributors to environmental groups

[2] Quoted from "Searching for the New New Age" by Nancy Nachman-Hunt. Article published in the Summer 2002 issue of LOHAS Journal, page 36.

and other causes generally thought to be “liberal.” Many are also involved in volunteerism which benefits the Earth and those who are less fortunate than the predominately affluent Cultural Creatives. The metaphysically-minded are also active but the nature of the activities appear to be more esoteric. The metaphysically-minded are constructing a spiritual identity “from the ground up” which plays a significant role in their decision making and, in general, their identity. We believe this point will become increasingly more important as analysts and others engage in the difficult task of forecasting growth in the LOHAS market and, in particular, the mind, body, spirit sector of that market.

The lack of dogmatic principles, combined with the appeal of being “alternative” and the ability to “do” spirituality rather than act as passive participants, makes “metaphysical” appealing and may very well result in consistent growth for this movement and the market niche which it sustains.

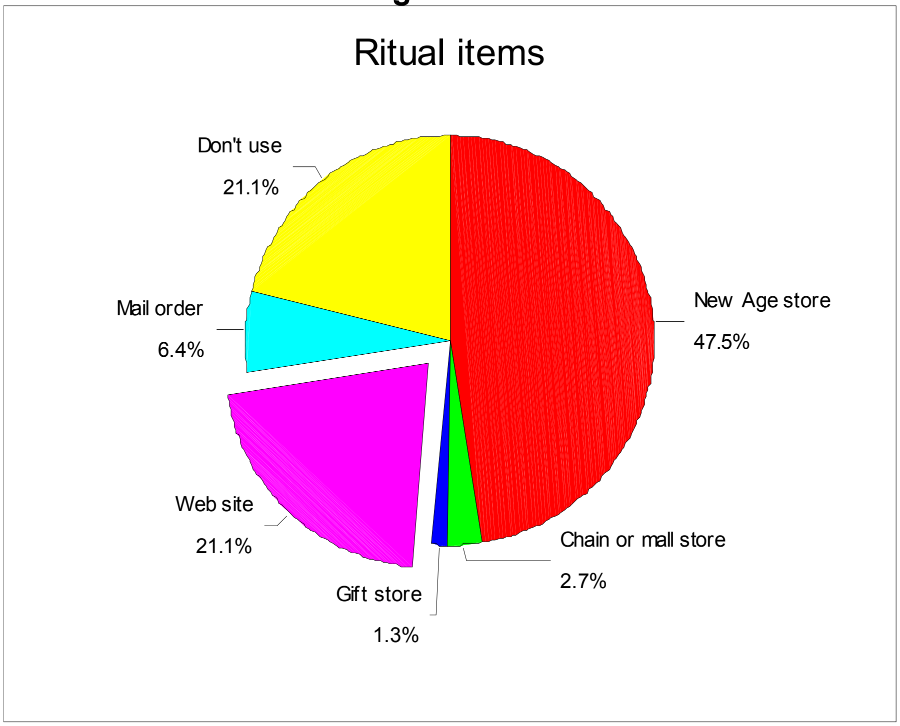
IV. Level of Interest in Metaphysical Products

The next fourteen figures contribute to a fuller understanding as to how the commitment to alternative spiritual practices translates into market growth and revenue. As noted above, we recorded growth in this segment of the LOHAS market through surveys with consumers and retailers that specialize in New Age, metaphysical and holistic products. A pilot study with wholesalers conducted in March of 2002 confirmed that growth is occurring at a moderate and steady pace.

Below, we examine the use of select products among our respondents, most of which have been designed to contribute to or facilitate spiritual growth. We also offer an explanation as to where metaphysical consumers prefer to purchase various products and services. In each of the pie charts that follow we have emphasized the web site slice of the pie because this study was conducted online and is of greatest use to companies who are marketing online to consumers.

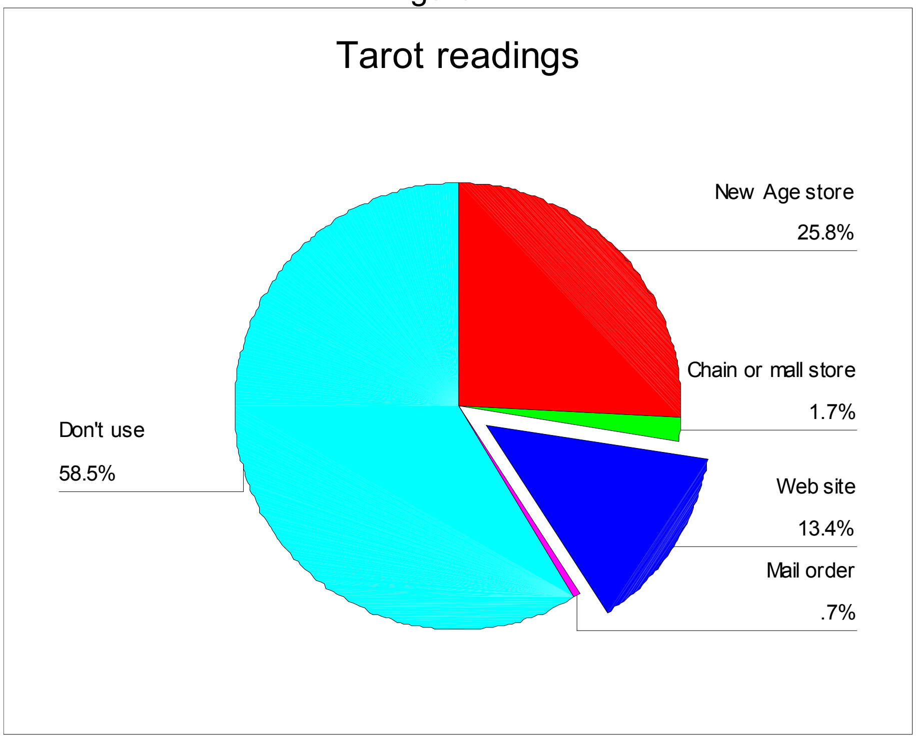
As seen in figure 4.1, 78.9% reported using ritual items and 47.7% said that they prefer to buy these items at specialty “New Age” stores. These types of products play a critical role in the spiritual practices of a majority of the metaphysically-minded and, for that reason, a clear majority report purchasing these products.

Figure 4.1



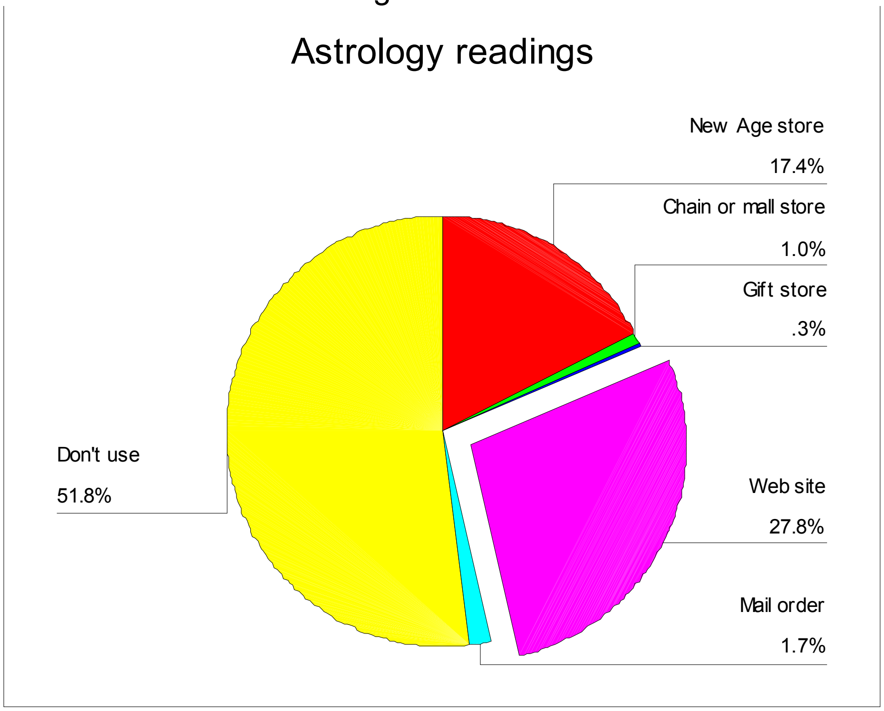
In section 3, we saw that over half of respondents reported that they are tarot readers. It's not surprising, then, that over half say that they never purchase readings. Our question asked respondents to select the location from which they prefer to purchase the selected items. The difference between respondents who answered they "don't use" tarot readings and those who reported being tarot readers may be because respondents do tarot readings for friends and others in informal settings but don't purchase the readings. Some respondents commented that while they use certain products, they do not purchase them. As seen below, the majority of respondents that reported purchasing readings, buy them from specialty stores. Our primary interest in this report is understanding purchasing behavior so we created an item designed to measure purchases rather than simply use. New Age stores are the most popular place to get readings.

Figure 4.2



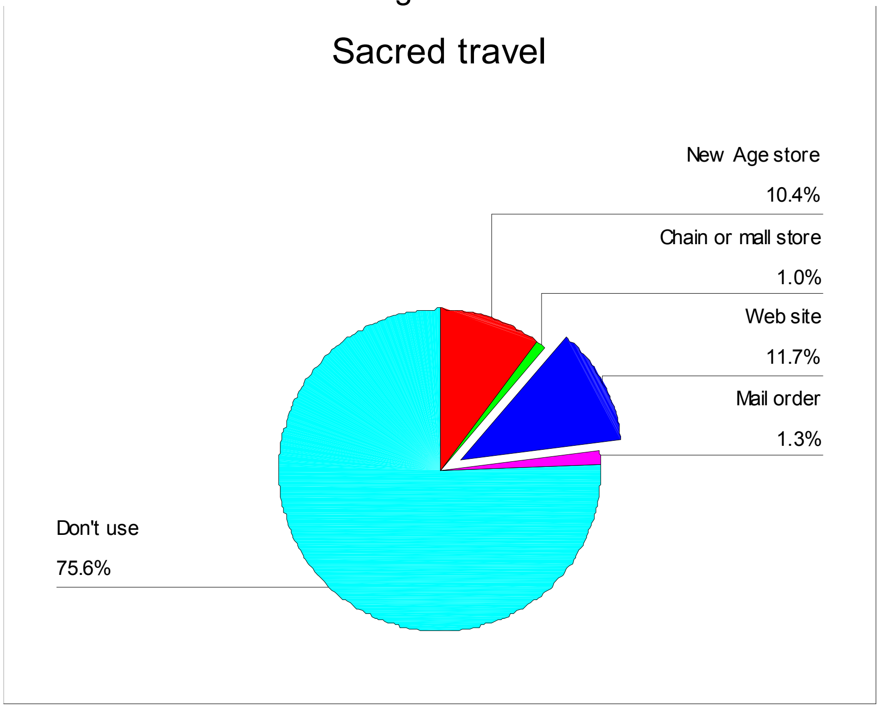
As seen in figure 4.3, nearly half of our respondents reported using astrology readings and 27.8% reported preferring to purchase them through web sites. Simple astrology reports are fairly common on web sites. Such reports probably explain why, among those respondents that reported using astrology readings, a majority preferred to get them from a web site.

Figure 4.3



Sacred travel was the least popular service included in this study. As seen in figure 4.4, only 24.4% of respondents reported using sacred travel. In our January 2002 study, we found that respondents reported an overall drop in travel expenditures since September 11th 2001 and that most American respondents preferred domestic over international travel. The fact that most sacred travel locations are outside of the United States may help to explain why many respondents don't use sacred travel.

Figure 4.4



Jewelry is a staple of the metaphysical market. Not surprisingly as seen in figure 4.5 a clear majority, 78.9%, reported using metaphysical jewelry. Consistent with our earlier findings, respondents prefer to purchase their jewelry from specialty retail stores. Crystals and gemstones are a related staple of the market. As seen in figure 4.6, 83.9% of respondents reported using crystals and gemstones. Such stones are often used to create wands and other ritual tools which are commonly used by the metaphysically-minded.

Figure 4.5

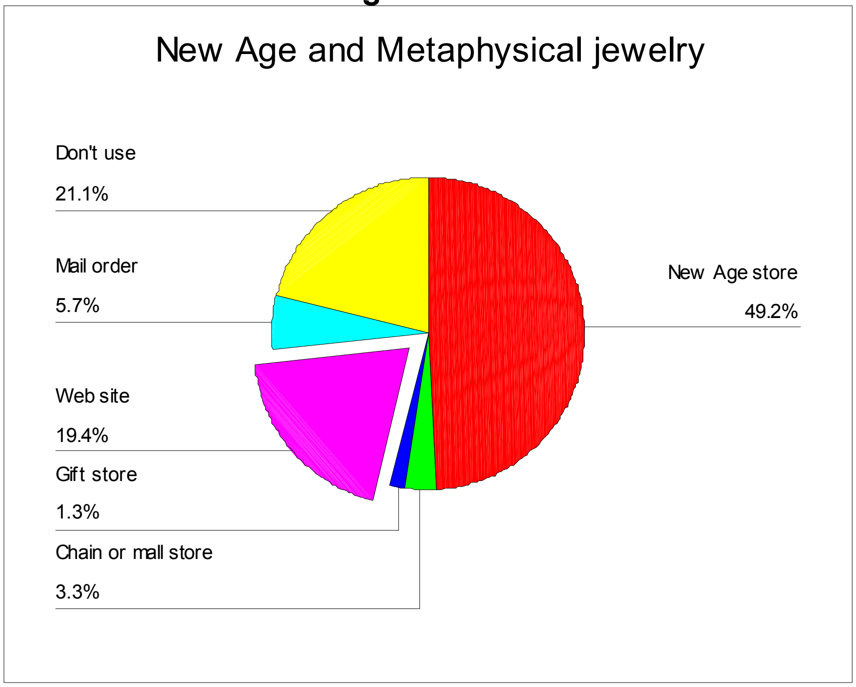
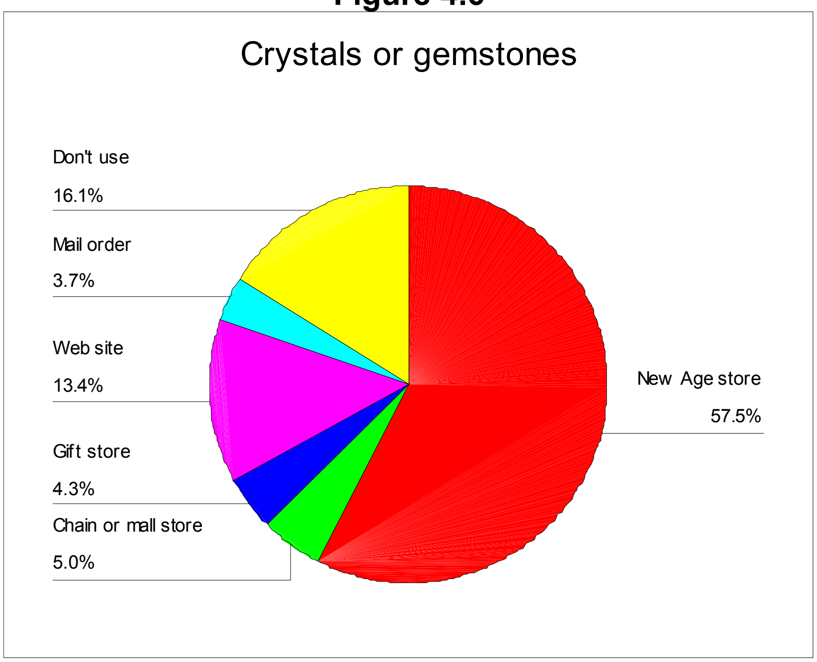
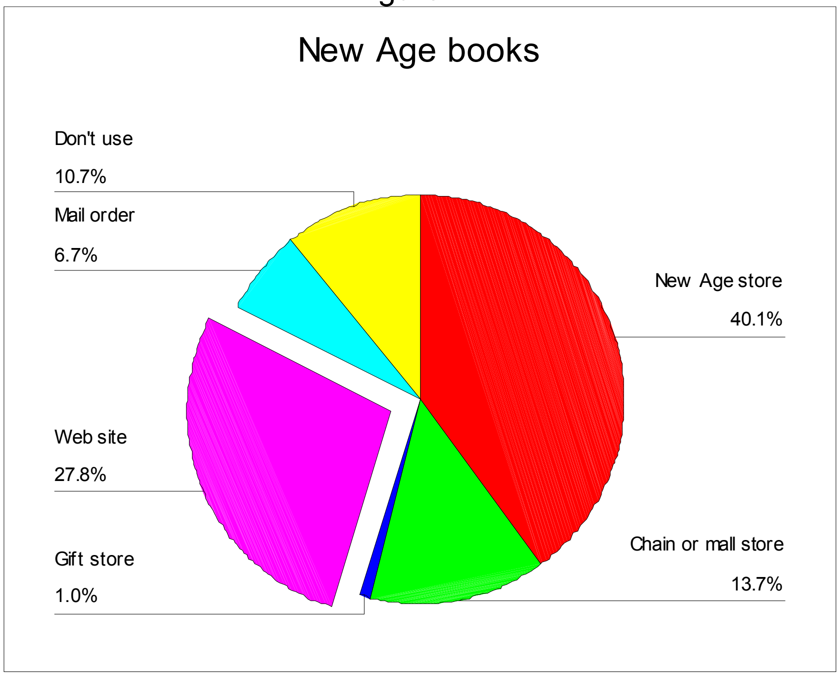


Figure 4.6



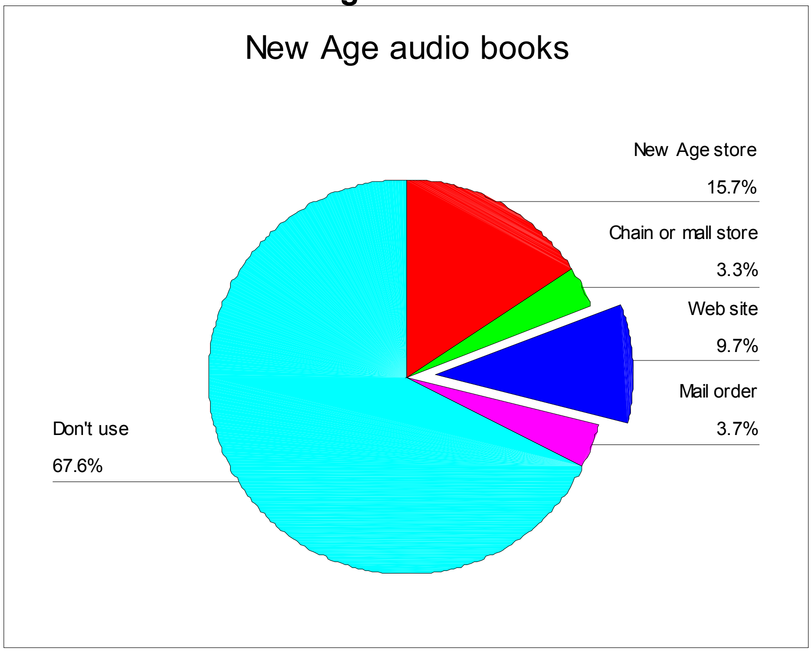
In every study that we have conducted or reviewed on the metaphysically-minded, books have been very popular items . Our respondents, like the mainstream Cultural Creatives, love to learn. As seen in figure 4.7, nearly 90% of respondents reported using "New Age" books and 40.1% prefer to purchase these books in specialty stores. We have found elsewhere that the metaphysically-minded enjoy workshops and seminars that contribute to their understanding of alternative spiritual practices and others which facilitate a union of mind, body, and spirit. Books, workshops, and seminars are all important to the spiritual growth of the metaphysically-minded and, of equal importance, quench the thirst for knowledge.

Figure 4.7



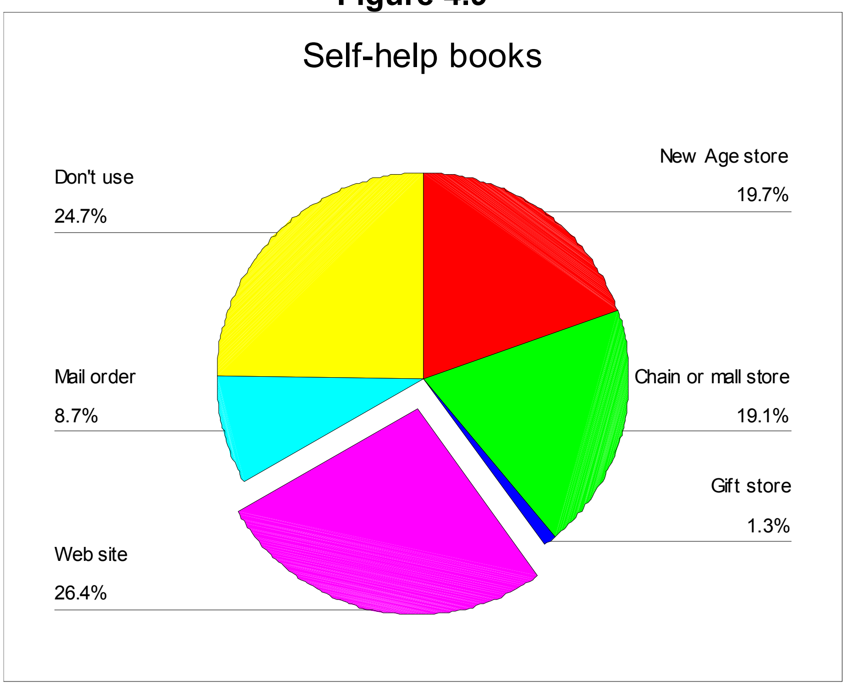
As seen below in figure 4.8, relatively few respondents reported using the hard to find New Age audio books but among those who do use them, many prefer to make their purchases at specialty stores.

Figure 4.8



As seen in figure 4.9, self-help books are used by 75.3% of respondents and are not as popular as New Age books, which are used by 89.7% of respondents. It is noteworthy that self-help books were the only product or service included in the study where web sites were the most popular venue of purchase.

Figure 4.9



Music, like books, jewelry and gemstones, is another staple of the market. Figures 4.9 and 4.10 show the proportion of respondents who purchase New Age and World music. As seen below in figure 4.10, the differences between the proportion who favor specialty stores over web sites begins to narrow with music. Chain and mall stores appear to be getting a significant portion of the market for New Age music.

Figure 4.10

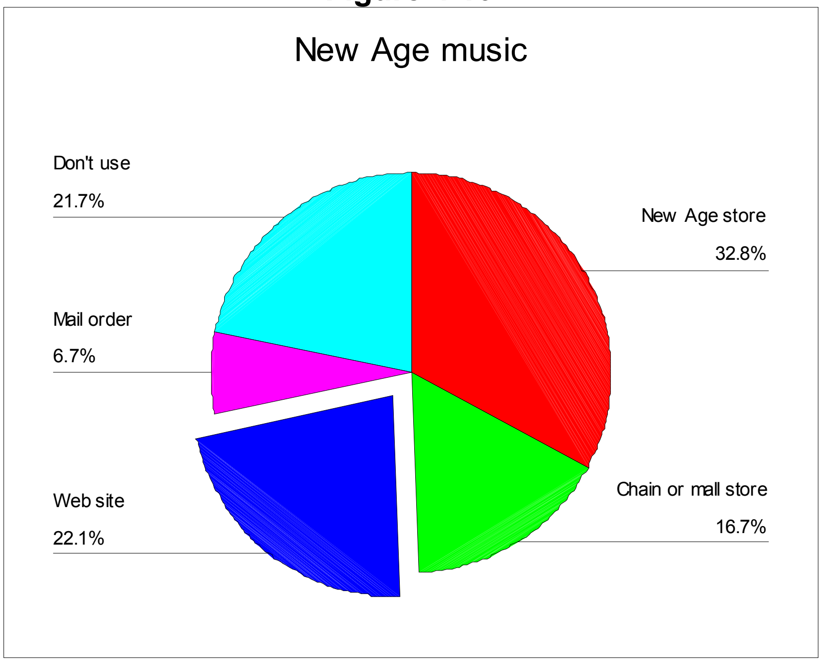
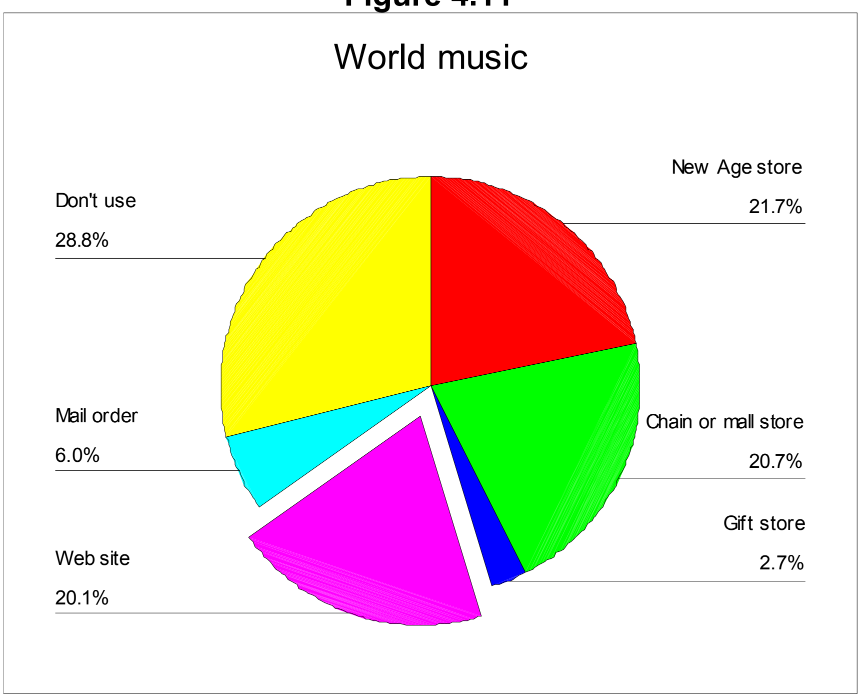


Figure 4.11



As seen below in figure 4.12, a clear majority of respondents reported using aromatherapy, and among those that do use the essences, a majority prefer to make their purchase at specialty retail stores. Incense was similarly popular and, as with aromatherapy, a majority prefer to make their purchases at specialty stores.

Figure 4.12

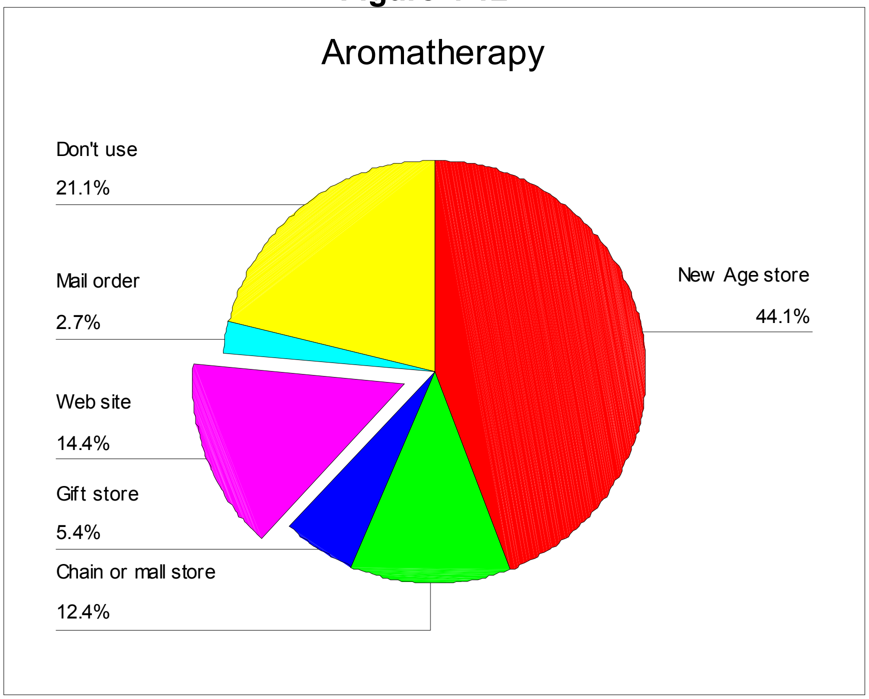
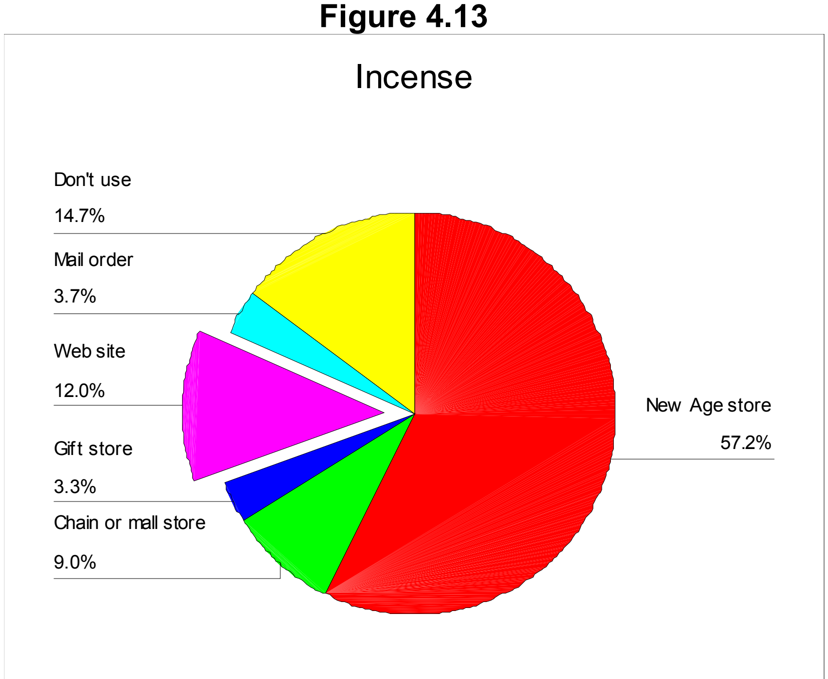
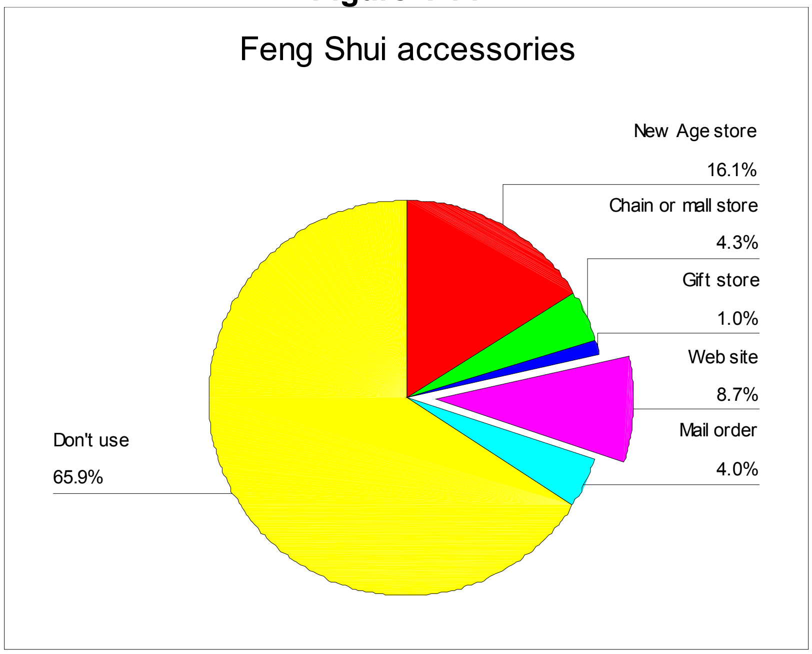


Figure 4.13



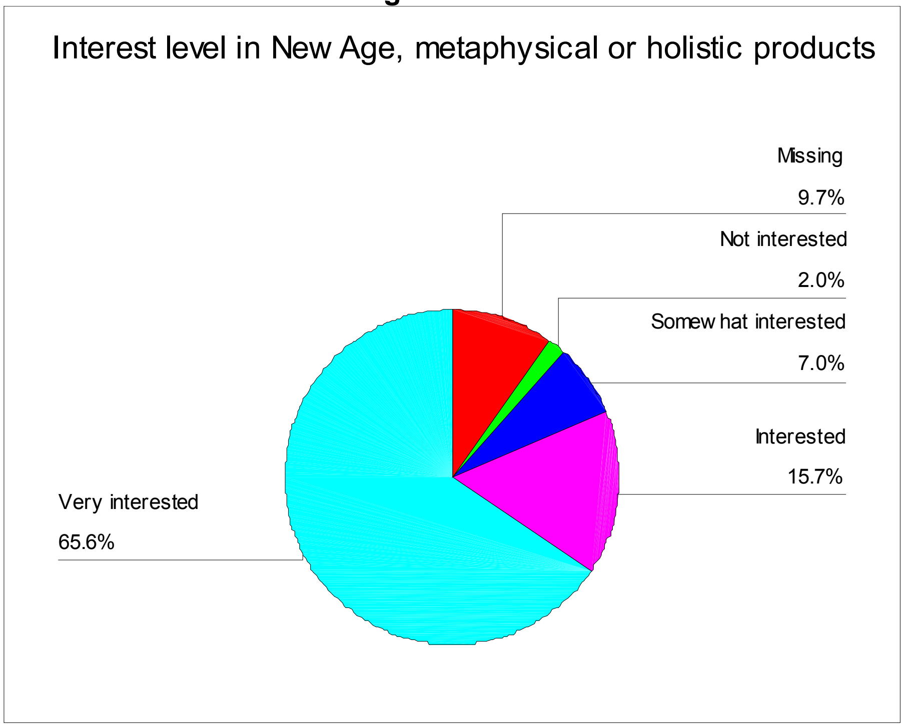
Feng Shui is the ancient Chinese art of mindful placement .The low usage level illustrated in figure 4.14 is consistent with our earlier findings. In our January 2002 survey of respondents, Here's How Marketing found that 44.7% of American respondents reported using Feng Shui products. Among those respondents, there was a slight drop in spending since September 11th 2001. Figure 4.14 shows that 34.1% of the respondents this survey reported using Feng Shui and a majority of those who use the products prefer to purchase at specialty stores.

Figure 4.14



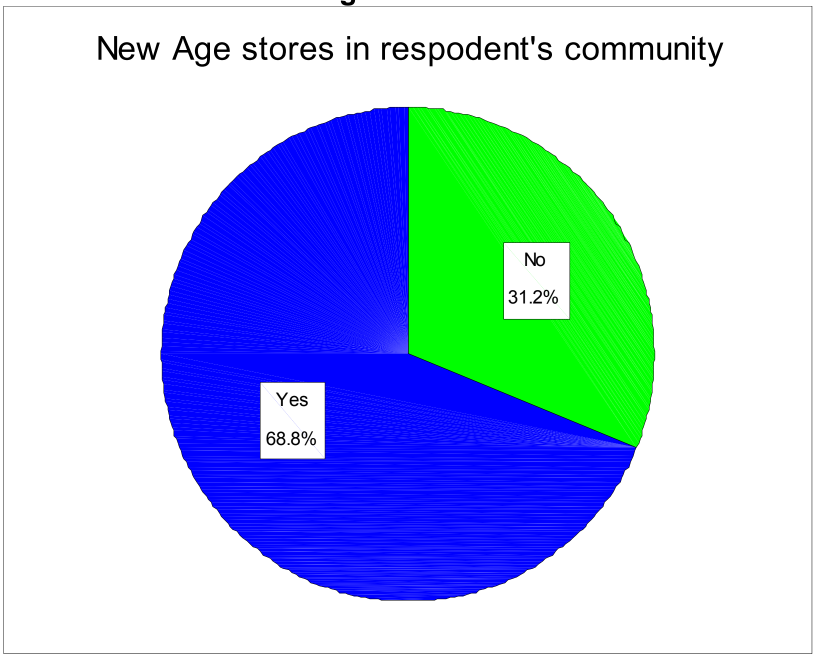
As seen in figure 4.15, our group of respondents have a high to very high level of interest in New Age, metaphysical and holistic products and services. The "missing" category represents the percentage of respondents that did not respond to the item. The minority of respondents who said they were not interested or only somewhat interested may not identify with the terms "New Age, metaphysical or holistic."

Figure 4.15



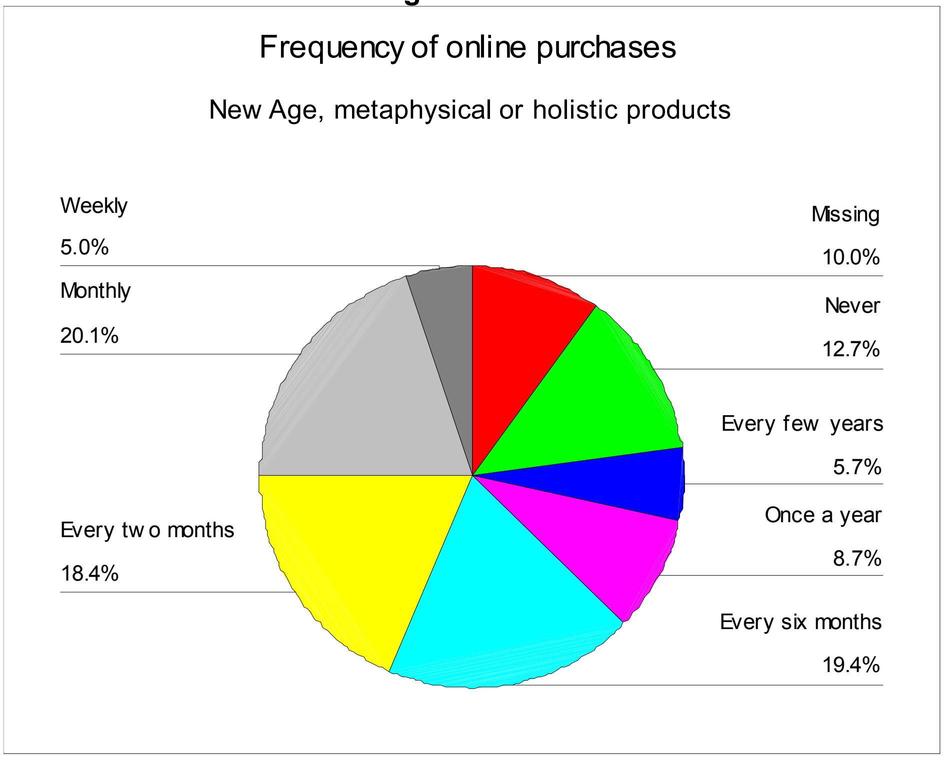
As seen in figure 4.16, specialty stores are located in the majority of respondents' communities. As we reported above, most respondents prefer to shop at specialty stores when purchasing metaphysical products and services. Many of these stores play an integral role in the local community of the metaphysically-minded and so consumers often frequent the stores as a way of networking with their peers.

Figure 4.16



As reported in figure 4.17, with varying frequency, a majority of respondents reported making purchases online. A variety of factors may effect the frequency with which respondents make online purchases. For instance, 31.2% report not having a specialty store in their community. Many metaphysical products are difficult to find in mainstream brick and mortar stores and thus consumers may turn to the Internet when looking for hard-to-find items.

Figure 4.17



Our respondents are regular users of the Internet. When we asked "how many different New Age web sites do you visit per month," we recorded a range of responses between 0 and 100. The mean (average) response was 4.77 and the median response[3] was 3. The median is the appropriate measure of central tendency and thus we conclude that, on average, our respondents visit roughly 3 different "New Age" web sites per month.

We also asked respondents how much they spend in the average transaction on New Age, metaphysical or holistic products and services. The mean response was $48.69 and the median response was $30.00. There were several "outlier" responses which served to increase the mean response. These responses were given by individuals who own small New Age businesses or, for whatever reason, regularly make medium-sized wholesale purchases. Because a handful of responses were much higher than the majority and had a significant effect on the mean, the reader should use the median of $30.00 as a measurement of the amount of an average transaction on New Age, metaphysical and holistic products and services.

V. Recommendations

Marketing to the metaphysically-minded is a unique challenge for many mainstream marketing companies and executives. This section offers several recommendations which will help businesses penetrate this unique market.

<u>1) Don't talk down to consumers</u>.

[3] The "median" is a measure of central tendency which is used to determine what is statistically average with abnormal distributions. It is calculated by ordering all responses from lowest to highest and then selecting the number that falls in the middle.

As reported here and in our earlier report, this population of consumers has significantly more formal education than the average consumer. Many define themselves as “intellectual” and most are avid readers.

2) Make sure your marketing campaign has a feminine side.
Every study that has been conducted on this population has shown that a majority are women. Make sure that your campaign appeals to educated, mature women.

3) Show them that you care about the environment
Our past research showed that respondents prefer to purchase from environmentally friendly businesses and that they are willing to pay more for environmentally friendly products. Make sure consumers know that you care about the environment.

4) Emphasize viral marketing with consumers.
Word-of-mouth or “viral” marketing is a particularly important tool in the metaphysical market. Given that many of the products in this market are designed to promote health and growth in mind, body and spirit it’s not surprisingly that hearing about a product from a friend many be the most effective form of advertising.

5) Get your product into specialty retail stores
Most of our respondents report preferring to purchase products that promote health and growth in mind, body and spirit from stores that specialize in such products. There are an estimated 6,000 such retail stores in the United States, many of which are small and relatively new.

VI. Conclusion

Businesses should not overlook the value and importance of the Hidden Consumer. People that live alternative lifestyles and those who do not fit into traditional consumer profiles are frequently the source of fads and trends which have a significant impact on your market. Analysis of their lifestyles, attitudes and values can be an important part of any effort to predict changes in the market and determine what will be the “latest and greatest” product in the future.