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Excerpt:

**WOMEN
BUY
WOMEN
RULE**

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Women **BUY!** Women **RULE!**

This Will Be the Women's Century

*“I speak to you with a feminine voice. It’s the voice of democracy, of equality. I am certain, ladies and gentlemen, that ... **this will be the women’s century**. In the Portuguese language, words such as life, soul, and hope are of the feminine gender, as are other words like courage and sincerity.”—President Dilma Rousseff of Brazil, first woman to keynote the United Nations General Assembly*

“Forget China, India and the Internet: Economic Growth Is Driven by Women.” [Headline.] “Even today in the modern, developed world, surveys show that parents still prefer to have a boy rather than a girl. One longstanding reason boys have been seen as a greater blessing has been that they are expected to become better economic providers for their parents’ old age. Yet it is time for parents to think again. ***Girls may now be a better investment.*** Girls get better grades in school than boys, and in most developed countries more women than men go to university. ***Women will thus be better equipped for the new jobs of the 21st century, in which brains count a lot more than brawn. ... And women are more likely to provide sound advice on investing their parents’ nest egg—e.g.: surveys show that women consistently achieve higher financial returns than men do.*** Furthermore, the increase in female employment in the rich world has been the main driving force of growth in the last couple of decades. *Those women have contributed more to global GDP growth than have either new technology or the new giants, India and China.*”

Source: ***Economist***

$$W > 2X (C + I)*$$

**“Women now drive the global economy. Globally, they control about \$20 trillion in consumer spending, and that figure could climb as high as \$28 trillion in the next five years. Their \$13 trillion in total yearly earnings could reach \$18 trillion in the same period. In aggregate, women represent a growth market bigger than China and India combined—more than twice as big in fact. Given those numbers, it would be foolish to ignore or underestimate the female consumer. And yet many companies do just that—even ones that are confident that they have a winning strategy when it comes to women. ...”*

Source: Michael Silverstein and Kate Sayre, “The Female Economy,”
Harvard Business Review

Women as Decision Makers/Various sources

Home Furnishings ... 94%
Vacations ... 92% (Adventure Travel ... 70%/ \$55B travel equipment)
Houses ... 91%
D.I.Y. (major “home projects”) ... 80%
Consumer Electronics ... 51% (66% home computers)
Cars ... 68% (influence 90%)
All consumer purchases ... 83%.*
Bank Account ... 89%
Household investment decisions ... 67%
Small business loans/biz starts ... 70%
Health Care ... 80%

**In the USA women hold > 50% managerial positions including > 50% purchasing officer positions; hence women also make the majority of commercial purchasing decisions. (Martha Barletta/TrendSight Group)*

*“Women **ARE** the majority market.”*

—Fara Warner/*The Power of the Purse*

“Female users are the unsung heroines behind the most engaging, fastest growing, and valuable consumer internet and e-commerce companies. Especially when it comes to social and shopping, women rule the Internet. In e-commerce, female purchasing power is clear. Sites like Zappos, Groupon, Gilt Groupe, Etsy, and Diapers are all driven by a majority of female customers. According to Gilt Groupe, women are 70% of the customers and 74% of revenue. ... But what’s different now is an exciting new crop of e-commerce companies. One King’s Lane, Plum District, Stella & Dot, Rent the Runway, Modcloth, BirchBox, Shoedazzle, Zazzle, and Shopkick are just a few examples of companies leveraging ‘girl power.’ The majority of these companies were also founded by women, which is also an exciting trend. *And take a look at four of the new ‘horsemen’ of the consumer web—Facebook, Zynga, Groupon, and Twitter. The majority of all four properties’ users are female. Make that ‘horsewomen.’*

“So, if you’re at a consumer web company, how can this insight help you? Would you like to lower your cost of customer acquisition? Or grow revenue faster? Maybe you would benefit from having a larger base of female customers. Do you do enough product and user interface testing with female users? Have you figured out how to truly unleash the shopping and social power of women? *You could also take a look at your team. Do you have women in key positions?*”

—Aileen Lee, Kleiner Perkins Caufield & Byers (05.06.2011)

“One thing is certain: Women’s rise to power, which is linked to the increase in wealth per capita, is happening in all domains and at all levels of society. Women are no longer content to provide efficient labor or to be consumers with rising budgets and more autonomy to spend. ... This is just the beginning. The phenomenon will only grow as girls prove to be more successful than boys in the school system. For a number of observers, we have already entered the age of ‘womenomics,’ the economy as thought out and practiced by a woman.”

Source: “Women Are Drivers of Global Growth,” Aude Zieseniss de Thuin, founder and president of the Women’s Forum for the Economy and Society (*Financial Times*)

Some Suggested **(REQUIRED)** Reading

**Marketing to Women: How to Increase Your Share of the World's Largest Market,*
by Martha Barletta

**The Power of the Purse: How Smart Businesses Are Adapting to the World's Most Important Consumers,* by Fara Warner

**Why She Buys: The New Strategy for Reaching the World's Most Powerful Consumers,*
by Bridget Brennan

**What Women Want: The Global Market Turns Female Friendly,* by Paco Underhill

**The Soccer Mom Myth: Today's Female Consumer, Who She Really Is, Why She Really Buys,* by Michele Miller and Holly Buchanan

**Influence: How Women's Soaring Economic Power Will Transform Our World for the Better,*
by Maddy Dychtwald

**The Female Brain,* by Louann Brizendine, M.D.

“Headline 2020: Women Hold **80** Percent of Management and Professional Jobs”

Source: *The Extreme Future: The Top Trends That Will Reshape the World in the Next 20 Years*, James Canton

AS LEADERS, WOMEN

RULE: *New Studies find that female managers outshine their male counterparts in almost every measure”*

Source: TITLE/Special Report/*BusinessWeek*

Women’s Strengths Match New Economy

Imperatives: Link [rather than rank] workers; *favor interactive-collaborative leadership style [empowerment beats top-down decision making]; sustain fruitful collaborations; comfortable with sharing information; see redistribution of power as victory, not surrender; favor multi-dimensional feedback; value technical & interpersonal skills, individual & group contributions equally; readily accept ambiguity; honor intuition as well as pure “rationality”; inherently flexible; appreciate cultural diversity.*

Source: Judy B. Rosener, *America’s Competitive Secret: Women Managers*

Women's *Negotiating* Strengths

- *Ability to put themselves in their counterparts' shoes**
- *Comprehensive, attentive and detailed communication style**
- *Empathy that facilitates trust-building**
- *Curious and attentive listening**
- *Less competitive attitude**
- *Strong sense of fairness and ability to persuade**
- *Proactive risk manager**
- *Collaborative decision-making**

Source: Horacio Falcao, Cover story/May 2006, *World Business*, "Say It Like a Woman: Why the 21st-century negotiator will need the female touch"

"Power Women 100"/*Forbes* 10.25.10

26 female CEOs of Public Companies:
Vs. Men/Market: +28%* (*Post-appointment)
Vs. Industry: +15%

“McKinsey & Company found that the international companies with more women on their corporate boards far outperformed the average company in return on equity and other measures. Operating profit was 56 percent higher.”

“Research suggests that to succeed, start by promoting women.”

Source: Nicholas Kristof, “Twitter, Women, and Power,” *New York Times*, 10.24.2013

“TAKE THIS QUICK QUIZ: Who manages more things at once? Who puts more effort into their appearance? Who usually takes care of the details? Who finds it easier to meet new people? Who asks more questions in a conversation? Who is a better listener? Who has more interest in communication skills? Who is more inclined to get involved? Who encourages harmony and agreement? Who has better intuition? Who works with a longer ‘to do’ list? Who enjoys a recap to the day’s events? Who is better at keeping in touch with others?”

Source/back cover: ***Selling Is a Woman’s Game: 15 Powerful Reasons Why Women Can Outsell Men***, Nicki Joy & Susan Kane-Benson

“Women Beat Men at Art of Investing” —Headline, *Miami Herald*, reporting on a study by

Profs. Terrance Odean and Brad Barber, UC Davis (Cause: Guys are “in and out” of stocks more often; women choose carefully and hold on for the long term.)

Portrait of a Female Investor

1. Trade less than men do
2. Exhibit less overconfidence—more likely to know what they don't know
3. Shun risk more than male investors do
4. Less optimistic, more realistic than their male counterparts
5. Put in more time and effort researching possible investments—consider details and alternate points of view
6. More immune to peer pressure—tend to make decisions the same way regardless of who's watching
7. Learn from their mistakes
8. Have less testosterone than men do, making them less willing to take extreme risks, which, in turn could lead to less extreme market cycles

Source: *Warren Buffett Invests Like a Girl: And Why You Should Too*, Louann Lofton, Ch 2, “The Science Behind the Girl”

“The growth and success of women-owned businesses is one of the most profound changes taking place in the business world today.”—Margaret Heffernan, *How She Does It*

*U.S. firms owned/controlled by Women: 10.6 million (48% of all firms)

*Growth rate of Women-owned firms vs all firms: 3X

*Rate of jobs created by Women-owned firms vs all firms: 2X

*Ratio: total payroll Women-owned firms vs total F500 firms: > 1.0

*Ratio of likelihood of Women-owned firms staying in business vs all firms: >1.0

*Growth rate of Women-owned companies with revenues of > \$1,000,000 and > 100 employees vs all firms: 2X

Source: Margaret Heffernan, *How She Does It*

*Warren
Buffett
Invests Like a
Girl: And
Why You
Should, Too*

—Book by Louann Lofton

“Girls are the new boys.”

—*The Daily Mail*, 04.25.2007, “Why today’s women want a girl”

“Boys Falling Seven Years Behind Girls

at GCSE Level”—headline, *Weekly Telegraph*, UK, 10.25.2006

“THE NEW GENDER GAP: From kindergarten to grad school, boys are becoming the second sex”—Cover story, *BusinessWeek*

Women < 30 in big USA cities (as of 2005)*: Earnings > Male counterparts. (117%)—Paco Underhill, *What Women Want*

“Investment in girls’ education may well be the highest-return investment available in the developing world.”

—Larry Summers (as chief economist at the World Bank)

“There are countless reasons rescuing girls is the right thing to do. It’s also the smart thing to do. Consider the virtuous circle: An extra year of primary school boosts girls’ eventual wages by 10-20%. An extra year of secondary school adds 15-25%. Girls who stay in school for seven or more years marry four years later and have two fewer children than girls who drop out. Fewer dependents per worker allows for greater economic growth. ... When girls and women earn income, they re-invest 90% in their families. They buy books, medicine, bed nets. For men the figure is more like 30-40%. ‘Investment in girls’ education may well be the highest-return investment available in the developing world,’ Larry Summers wrote when he was chief economist at the World Bank. The benefits are so obvious, you wonder why we haven’t paid attention. Less than two cents of every development dollar goes to girls—and that is a victory compared to a few years ago when it was something like one-half cent. Roughly 9 of 10 youth programs are aimed at boys. ...”

—Nancy Gibbs, “The Best Investment: If you really want to fight poverty, fuel growth and combat extremism, try girl power,” *TIME* (0214.2011)

“Progress is achieved through women.”—Bernard Kouchner, founder, Doctors Without Borders (and French foreign minister)

This Will Be the Women's Century: State of Women in USA Business/Spring 2012

50%+ Percentage of women in non-farm USA workforce.

50%+ Female 1st-line managers; also 50%+ women purchasing managers—i.e., women buy over half of commercial goods, as well as 80%+ consumer goods. (Guys, the likelihood of your next boss being a woman are over 50%! Get used to it. Get over it!! Prepare for it!) (Several recent studies suggest women rank as far better managers than men; also rated as better negotiators than men.)

80% Estimated percentage of female middle managers by 2020. (# of female Fortune500 chiefs appallingly low, but the tsunami approaches; within a decade of women “taking over” the mid ranks—and taking over the economy as a whole, see below—they will necessarily, I believe, effectively assault the top of the pyramid.)

9 out of top 10 Ratio of the predicted future leading job-growth categories that are currently dominated by women.

10 million++ Women-owned businesses USA. Employ > Fortune500 domestic payrolls. Revenues/USA women-owned businesses > German GDP. Women-owned businesses' revenue growth rate > revenue growth rate in same-age male-owned start-ups. Women launching far more businesses than men—% of all businesses that are women-owned leapt from 25% to roughly 40% in recent years. (When assessing women-and-business, I believe we must question our Fortune500 obsession. Giant USA companies employ << 10% of us. Giant company performance wretched: 0 of biggest 1,000 USA enterprises in 1965 outperformed the stockmarket over the next 40 years, through 2005.)

63% Increase in women's average wage, 1970-2000; same period, men's average wage +0.6%. Men's income, age 30-50 with jobs, dropped by 27% from 1969-2009. Urban USA women, age 23-30, out-earn their male cohort by 17%—greatest difference in Atlanta. (*Bloomberg* article: “The Slow Decline of the American Working Man.”)

55%+ Percentage of under-graduate and graduate degrees being granted to USA women. (Boys educational attainment, at end of secondary school, lagging girls by over 5 years in UK; close to same situation elsewhere.) (To my mind, these gaping and accelerating disparities are a bit un-nerving in terms of long-term social stability.)

\$28 TRILLION Estimated women's annual global purchasing power; more than 2X combined GDPs of China and India. USA alone: Women's purchasing power > Japanese GDP. (*Economist* headline: “Forget China, India and the Internet! Economic Growth Is Driven By Women.”)

Women better investors than men. Bushel of hard stats support this. And then there's Louann Lofton's *Warren Buffett Invests Like a Girl: And Why You Should Too*. (Women's share of wealth already very high—and will soar as Baby Boomers inherit \$8 trillion and as boomer men die off, as we do, before their spouses.)

“This will be the women's century.” Dilma Rousseff, President of Brazil, keynote (1st woman keynoter) to UN General Assembly 2011.

(Sources: Numerous/prepared by Tom Peters/27 April 2012/for Bentley Center for Women and Business)