



## **Are you Offering a Safe Haven from the "Tyranny of the Cheap?"**

I recently read the phrase the "tyranny of the cheap." The author of the quote suggested that we are under the oppressive power of cheaply made things. To prove his point, he suggested that we live a generation removed from handmade clothing and handcrafted furniture. In the 1950's, for example, 90% of homes had sewing machines and consumers could go into a clothing store and determine craftsmanship quality because they could compare "store-bought" items to what they could make at home.

Fast forward to today, where we are fed a steady diet of "cheaper and more cheaply made products." That bland diet is creating a level of discontent for many consumers and a growing backlash against the tyranny of the cheap. As such, customers are on the lookout for the handcrafted and the artisan. Don't get me wrong - price is still a factor in decision making. But many consumers are willing to pay a little bit more for "crafting" that offers an escape from the mass produced, and uninspiring "cheap" thing.

To demonstrate the "craving for crafting," let's take the example of the craft beer industry. According to recently released data from the Brewers Association, craft brewers sold an estimated \$14.3 billion in beer in 2013. That is a 20% increase over sales of \$11.9 billion in 2012. Brewers produced nearly 8% more craft beer last year than in 2012. As a result of those sales numbers, craft beer's share of the U.S. beer market grew to more than 14%; that is a 4%

market share increase in the nearly \$100 billion in beer sales industry. Craft beer is soulful and rich in variety/taste when compared to the "cheap" beer alternatives.

While the craft beer example may appeal more to men (since according to Nielsen, 72% of its consumers are men) the desire for craft products cuts across gender and age groups. Staying with craft beers as an example of multi-generational appeal, 36% of consumers are millennials (ages 21-34) and the rest span the age gamut.

So what should you take from this? Probably, it won't be that you open a craft brewery!

I would hope that you will look for a sweet spot across the panoply of your product and service offerings and offer consumers a "safe haven" from the tyranny of the cheap which gives them a chance to experience the "handcrafted" or the "personalized."

### Timeless Wisdom

True leaders don't create followers ... they create more leaders! - J. Sakiya Sandifer

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In addition to their products and services, I am a fan of Zendesk because they openly share pertinent customer experience information. Unlike others who report customer experience results, Zendesk's data is not the byproduct of surveys but instead emerges from customer interactions with over 25,000 businesses in 140 countries. Here are some high level findings from Zendesk's recently released Q2 report: [Read more.](#)



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