Parallel Path

A PARALLEL PATH CONSUMER MOTIVATION STUDY

Health & Wellness Reimagined

A Guide for Brands to Create Stronger Connections

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Introduction

By John Kadlic

In 2021, the estimated $1.5 trillion Global Wellness industry was forecasted to grow 5-10% annually.* Despite this staggering rise, the health & wellness industry is still steeped in misconceptions about who health & wellness consumers are and what they seek.

Looking beyond the typical health & wellness stereotypes, we know you don’t have to spend excessive amounts of money on green drinks and carry multiple gym memberships to be a health & wellness consumer, but, as marketers, articulating what we do know about these consumers can be challenging, too.

This year, we embarked on a journey with an independent research firm to clarify relationships between health & wellness consumers and brands with new data and insights.

We surveyed 1,859 health & wellness consumers from March to April 2023 to find out how they think about brands, what they look for in a brand relationship, and how they feel about their health and well-being. Our research has a margin of error of +/- 2.2 percentage points at a 95% confidence level, which is an extremely high level of confidence. Here’s what we found:

1. **Consumer Motivations > Demographics**

   While demographics can be helpful in selecting appropriate marketing channels and media opportunities, they are also antiquated when building full-scale brand and marketing strategies in the health & wellness space. Understanding health & wellness consumer motivations and preferences for engaging with brands are crucial to designing experiences that will appeal to your desired audiences.

2. **We don’t all have to be Patagonia**

   Being a purpose-driven brand is extremely compelling to some consumers but certainly not all. In fact, the majority of consumers aren’t motivated to engage with brands solely on their purpose or mission, and in some cases it can become polarizing.

3. **A Wellness Wake-Up Call - Not Just a Niche**

   Health & wellness is stealing wallet share and priority in the lives of consumers. Those who are already engaged with health & wellness brands are prioritizing one if not multiple aspects of their health over other things in their life. And, 25% of them are engaging with health & wellness brands more than they have in previous years.

4. **Drop the Mic to Draw the Audience**

   Across all consumer segments, what brands said about themselves along with consumer opinion are key in consumer decision-making. More than ever, it is critical to empower consumers to be as compelling in telling your brand's story as you are.

In addition to the above, the study also yielded valuable data points to illustrate more about health & wellness consumers and their desired interactions with brands.

1. **Who They Are**: Motivations for health & wellness consumers to engage with brands vary - IF they are motivated to engage at all.
2. **What They Want**: Health & wellness consumers have clear expectations and desires for their brand interactions.
3. **Applying the Insights**: To successfully attract and retain customers, it's critical for brands to ground their behaviors and the experiences they provide in the needs and desires of health & wellness consumers.

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Who They Are

Beyond demographics, health & wellness consumers vary in the types of connection they seek with brands, how they wish to engage with brands, and what roles brands play in their lives.

While brands commonly create demographic personas and segmentation to help increase the effectiveness of channel selection and relevancy of messaging, the motivations for why consumers actually do or don't want to engage with brands are overlooked far too often.

Our research shows that consumers are motivated to engage with health & wellness brands for three reasons.

The brand...

1. Pays a high level of attention to who they are
2. Makes their lives better in some meaningful way
3. Has a compelling mission they can participate in

These motivations match up with the first three segments unearthed in our research. The fourth segment surprised us: consumers who are confused by and disinterested in brand relationships. You'll learn more about those consumers below.

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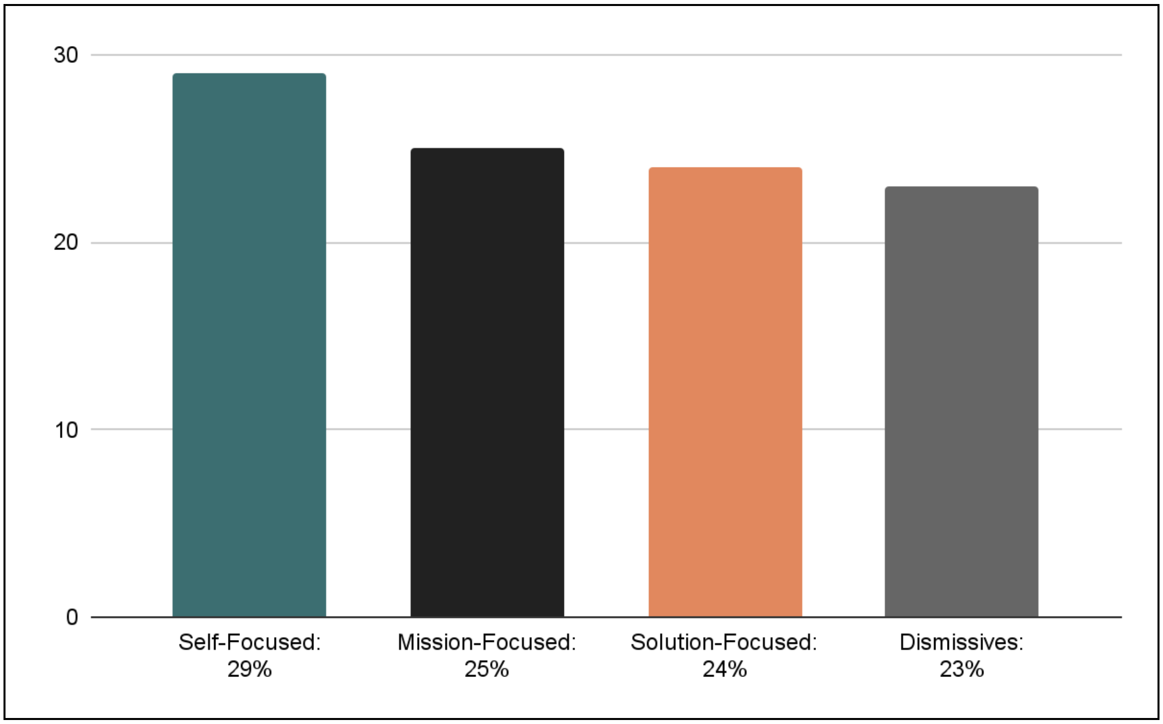
Four Segments of Health & Wellness Consumers



As you read through the segment descriptions, see if you recognize your consumers.

Self-Focused (29%)

Self-Focused consumers represent those who want relationships with brands. They expect brands to understand them, treat them as individuals, nurture a community, and show appreciation for its "fans."

They want brands to show them they know who they are and what they care about through personalized communications and product/service recommendations. They're more likely to buy from or use the services of a brand that seems to really understand them. They believe the brands they choose really care about them as a person.

They also expect brands to reach out to them with helpful information and product/service recommendations. Additionally, they expect brands they've already purchased from to know a lot about them.

These consumers want brands to recognize or reward them for their support.

They spend a lot of time thinking about the brands they like, the products they buy, and the services they use.

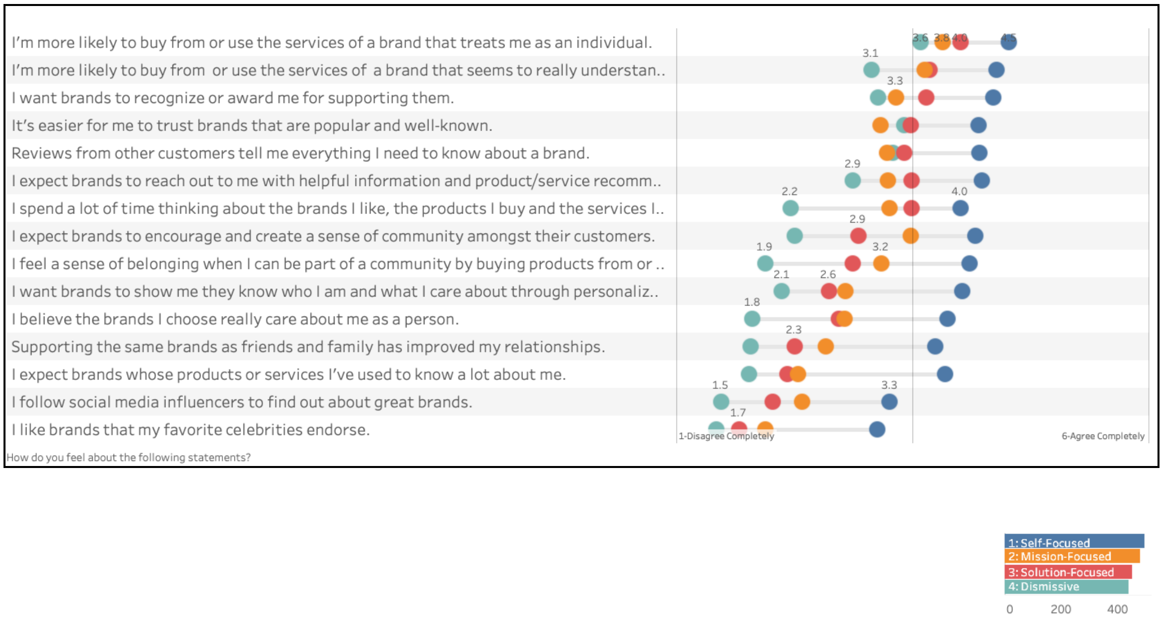
These consumers expect brands to encourage and create a sense of community amongst their customers. They feel a sense of belonging when they can be part of a community by buying products from or using the services of a brand.

Supporting the same brands as friends and family has improved their relationships.

Reviews from other customers tell them everything they need to know about a brand, and it's easier for them to trust popular or well-known brands.

Different than the other segments, Self-Focused consumers stand out from the other segments because they are:

- Significantly more likely to self-describe as men
- Significantly less likely to be white.
- Significantly more likely to be single.
- Significantly less likely to have children over 21 years of age.



Brands should think about engaging with Self-Focused respondents just like they would a relationship. It may be easy to get these consumers to swipe right initially, but getting serious will take work - learning as much as you can about their preferences, earning the approval of their friends and family, and creating channels for feedback to improve their experiences will be critical to maintaining loyalty and your relationship status with this group.

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Mission-Focused (25%)

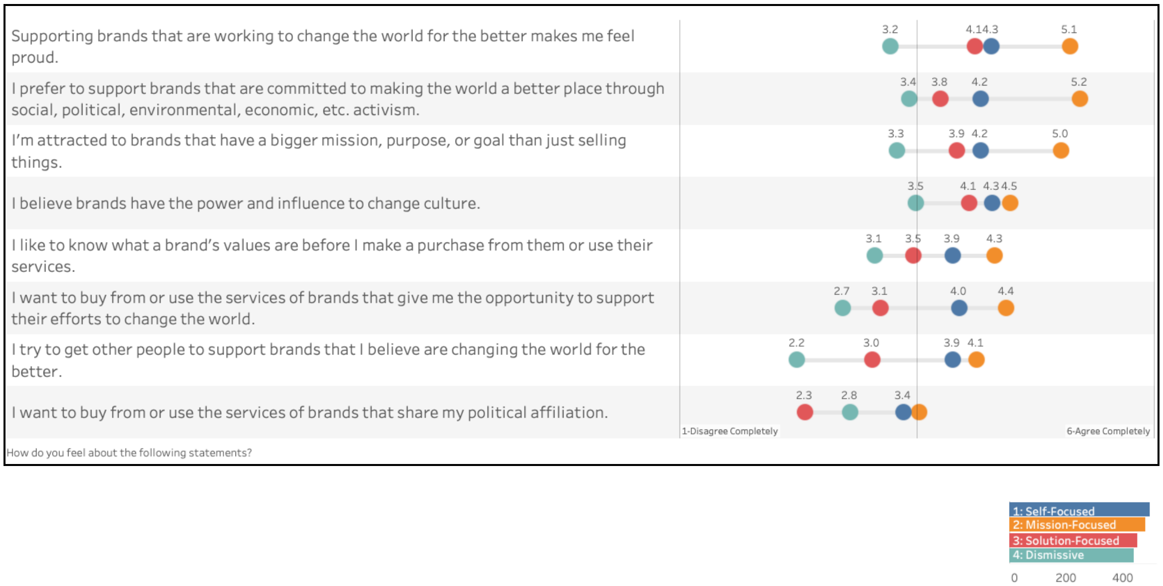
Mission-Focused consumers support brands with strong values that align with theirs, are committed to positive change in the world, and are working to serve a greater purpose.

Mission-Focused consumers believe brands have the power and influence to change culture. They're attracted to brands with a bigger mission, purpose, or goal than just selling things.

These consumers like to know a brand's values before purchasing or using their services. Mission-Focused consumers prefer to support brands committed to making the world a better place through social, political, environmental, economic, etc. activism.

They say supporting brands working to change the world for the better makes them feel proud. These consumers want to buy from or use the services of brands that allow them to support their efforts to change the world.

They also try to get other people to support the brands they believe are changing the world for the better.



While not all consumers are Mission-Driven, this segment will base their brand loyalties off of more than product and price-based attributes. Though this segment will likely be passionate and motivated to align with the brand, the Mission-Driven segment only represented about 25% of our total respondents, a number we believe is proportionate to the broader health & wellness consumer pool. For this reason, purpose-driven brands should be centered around broad causes that affect many and carry mass appeal for support.

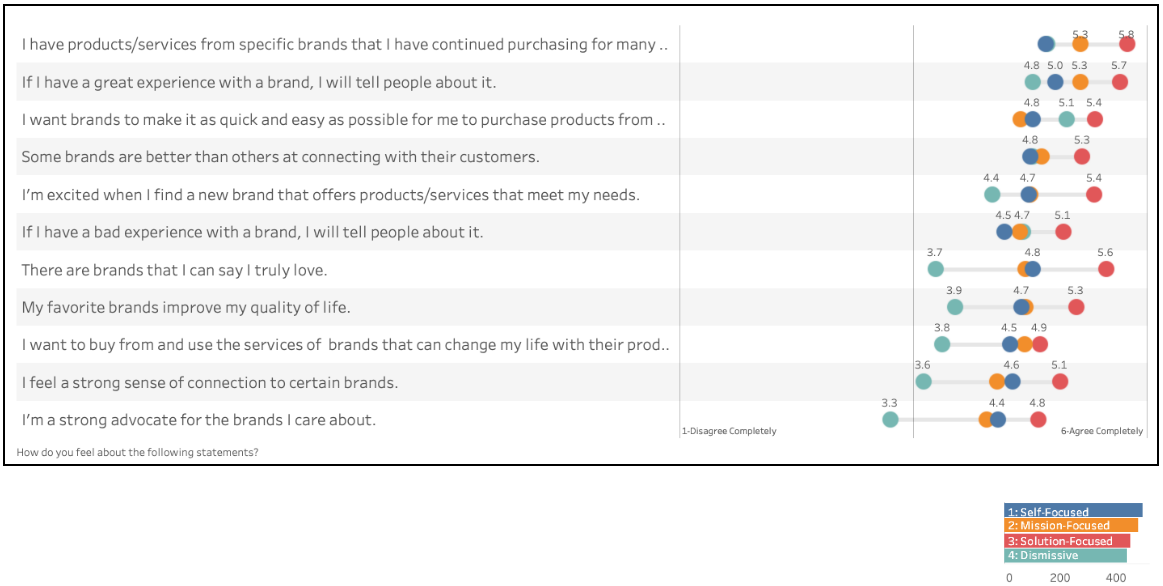
Solution-Focused (24%)

Solution-Focused consumers are passionate about brands because they represent products and services that improve their lives. They appreciate efficiency and ease of purchase and are vocal about their experiences with brands (whether positive or negative).

These consumers have products/services from specific brands that they have continued purchasing for many years. Their favorite brands improve their quality of life, and there are brands they can say they truly love. They're strong advocates for brands they care about.

They want to buy from and use the services of brands that can change their life with their products/services. These consumers are excited when they find a new brand that offers products/services that meet their needs.

Solution-Focused consumers say some brands are better than others at connecting with their customers. These consumers feel a strong sense of connection to certain brands.



You might be wondering how Solution-Focused consumers differ from the Self-Focused segment. The key difference is that Solution-Focused consumers are far more interested in the quality and effectiveness of your products/services from end to end. Simply put, if you are not delivering quality products and user experiences, your branding, marketing, and engagement tactics cannot save you with this group. While they have high expectations for brands, they also have high potential for loyalty, purchase frequency, and advocacy.

Dismissives (23%)

Dismissive consumers find the concept of brand relationships odd, don't engage with brands beyond transactions, and are skeptical of brands' public mission statements.

The concept of having a relationship with a brand is strange to them, and they find it disturbing when brands seem to know a lot about who they are.

Engaging with brands outside of purchasing their products and services isn't a priority for them.

Just because a brand has a mission to change the world doesn't mean they'll buy their products/services. They say brands only adopt bold public mission statements to sell more products/services.

Though it's not a defining attitude for them, Dismissive consumers are less likely than the other segments to research a brand or like to know a brand's reputation before they purchase from them or use their services.

While there may be little interest in marketing to a group that "doesn't want to be marketed to," don't overlook Dismissives. We have no indication that these consumers purchase less than other segments - just that they are less fond of overt marketing efforts and grand gestures to win their wallet share. Dismissives will likely respond better to straight-forward communications with clear claims on both traditional and targeted channels, but don't expend additional resources trying to make things too tailored. This group is easily put-off by personalization and micro-targeting as they are protective of their privacy.

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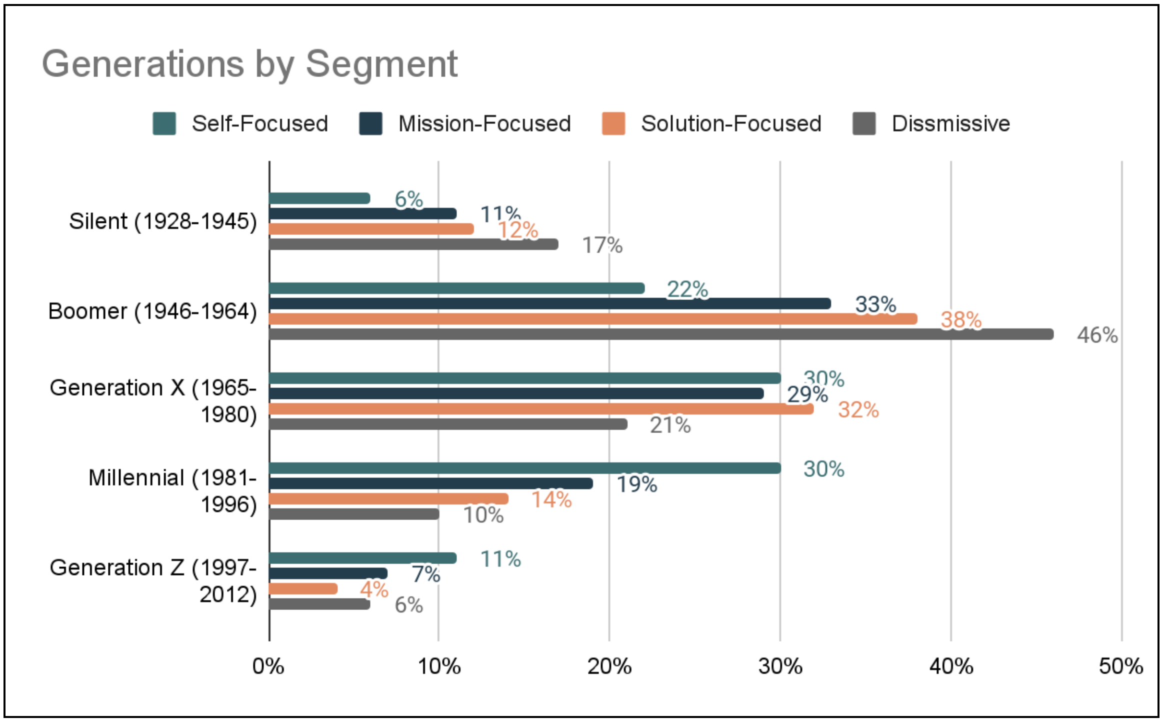
Trends Across Segments

Consumer Demographics

While the heart of our research shows connecting with health & wellness consumers is about MORE than their demographics, a few notable demographic differences enrich our data. First, let's look at age.

Consumers from various generations participated in our study, and we see every segment in each generational category. However, Self-Focused consumers are significantly more likely to be younger (Gen Z and Millennials), and Dismissives are significantly more likely to be older (Boomers and the Silent Generation).



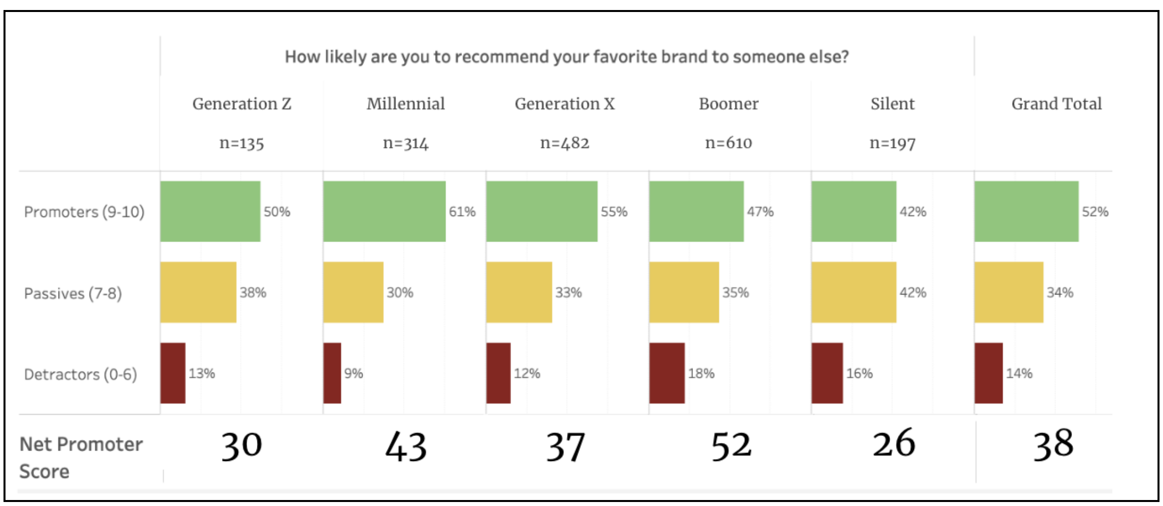
There are no material differences between segments in terms of education level, household income, or the type of community they live in.

Based on the emergence of these four health & wellness consumer segments, it is important for brands to re-evaluate how they approach personas and segmentation. As media platforms become increasingly dependent on artificial intelligence to optimize audience engagement and move away from traditional demographically-based segmentation, marketers should also recognize the similarities and differences among consumers that transcend demographics. Honing in on the motivations of health & wellness consumers versus their age and geography, will allow brands to create deeper alignment with their audiences yielding stronger connections and loyalties.

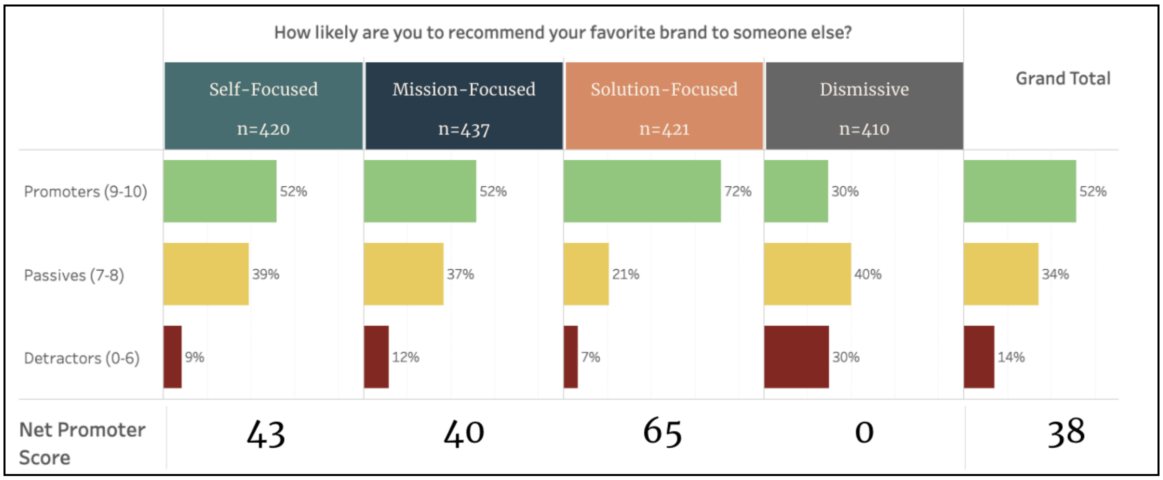
NPS Scores

NPS scores can show us who is most likely to become a brand advocate, and there were interesting results when comparing across demographic generation data and our four segments.

Millennials are most likely to be promoters for their favorite brands compared to other generations while Boomers generate the highest overall NPS scores.



When looking at the segments, Solution-Focused consumers have the highest NPS of all segments, with 72% of these consumers saying they'd recommend their favorite brand to somebody else. On the other hand, Dismissive consumers have an NPS of zero and are the only segment not reflecting a strong net promoter score.

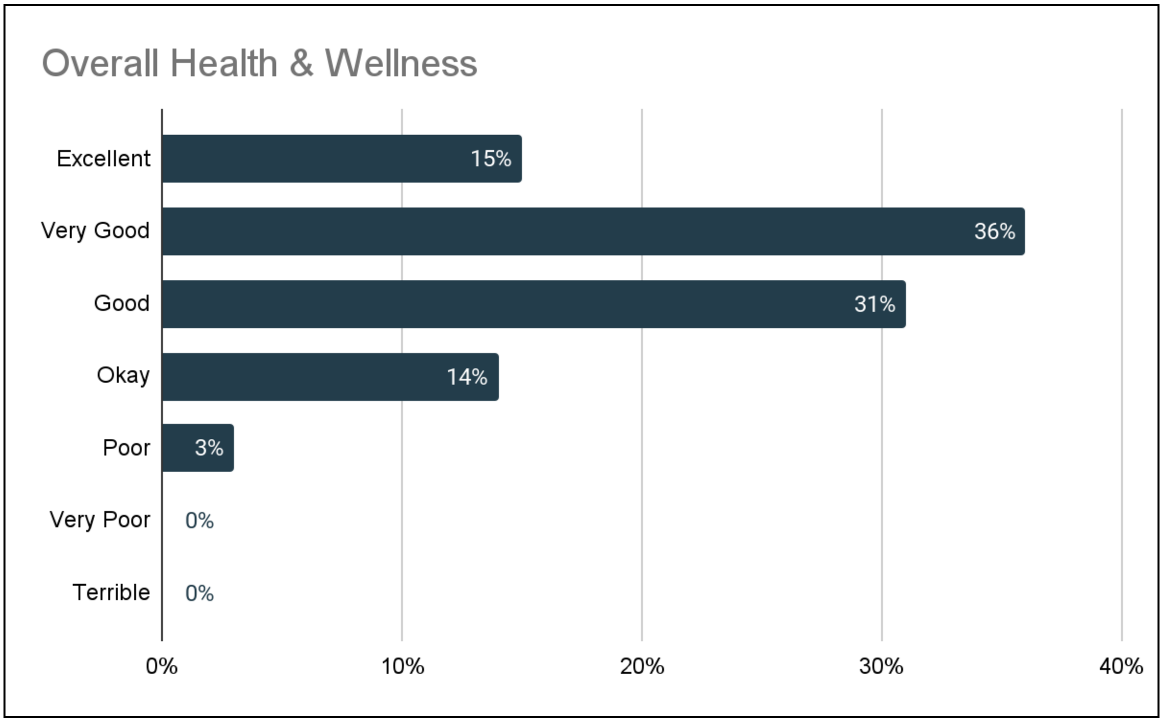


Again, this demonstrates that while demographics can be helpful, brands will find more opportunity in identifying segments grounded in the motivations of their customers to help drive engagements. In this case, Millennials emerge as strong Net Promoters, but Solution-Focused consumers self-report a higher desire to go advocate on behalf of their favorite brands.

Health & Wellness

Last, let's look at what consumers shared with us about health & wellness in their lives. Our research shows that for most consumers, health & wellness is a significant part of their day-to-day lives.

Most consumers (82%) say their health is at least good, if not excellent.



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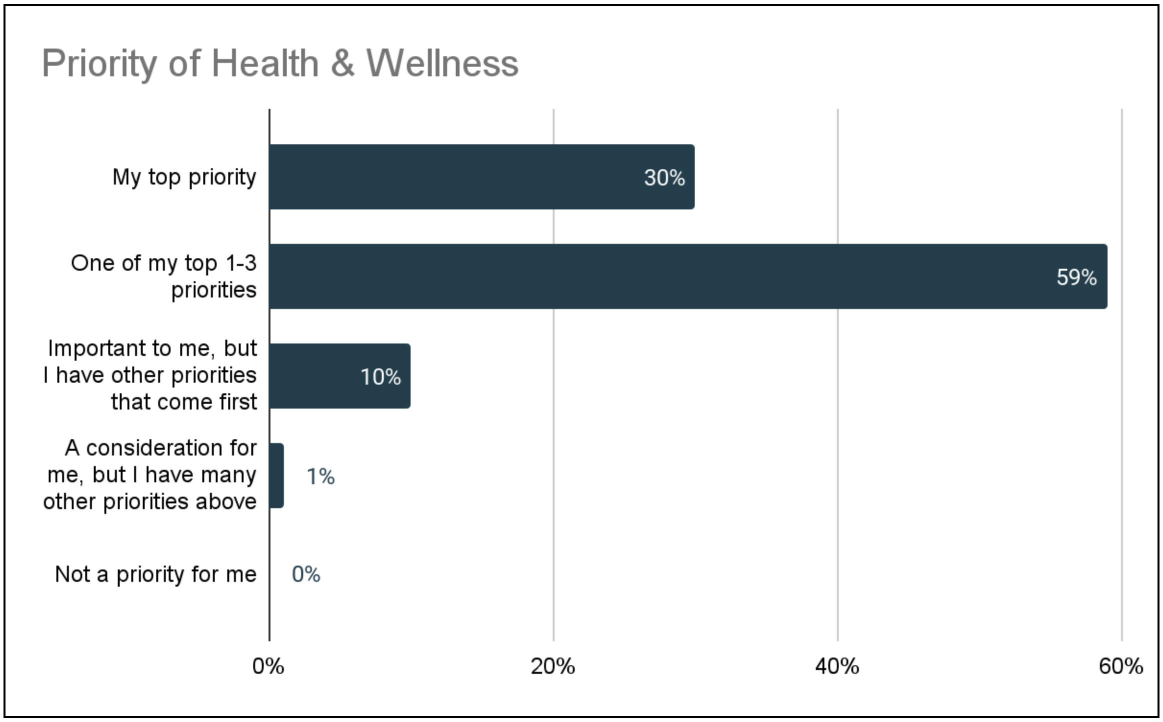
Most consumers (89%) also say health & wellness is one of their top priorities.



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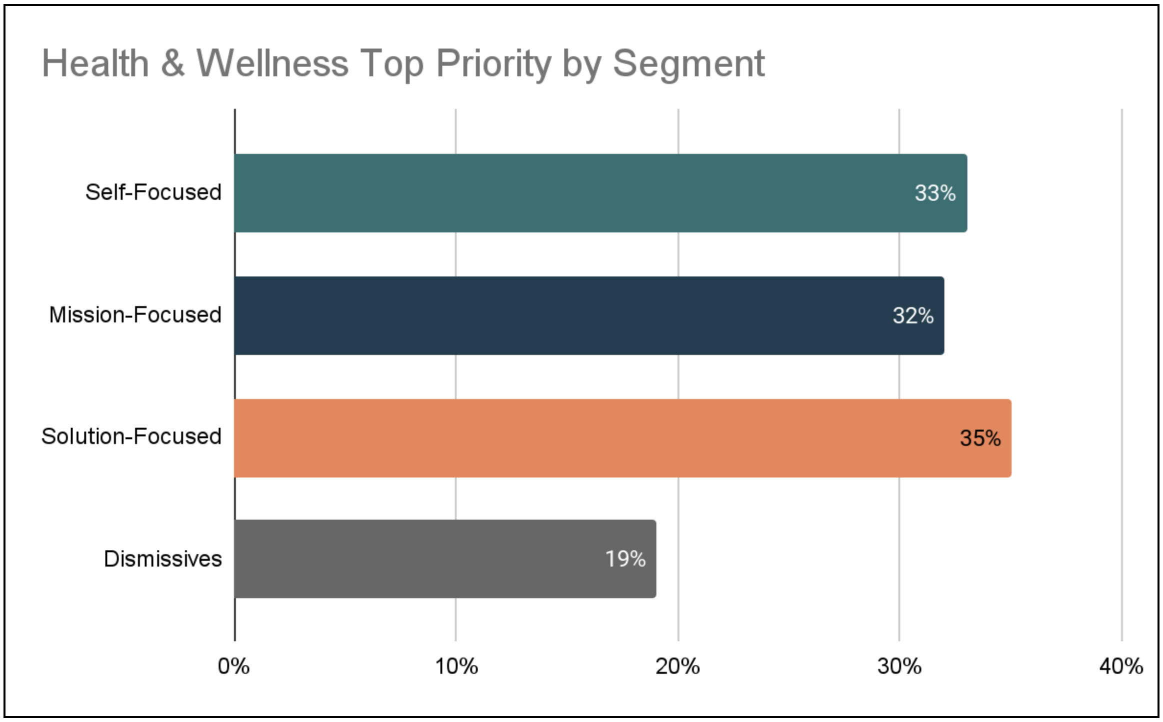
Dismissives are significantly less likely to say health & wellness is their top priority.



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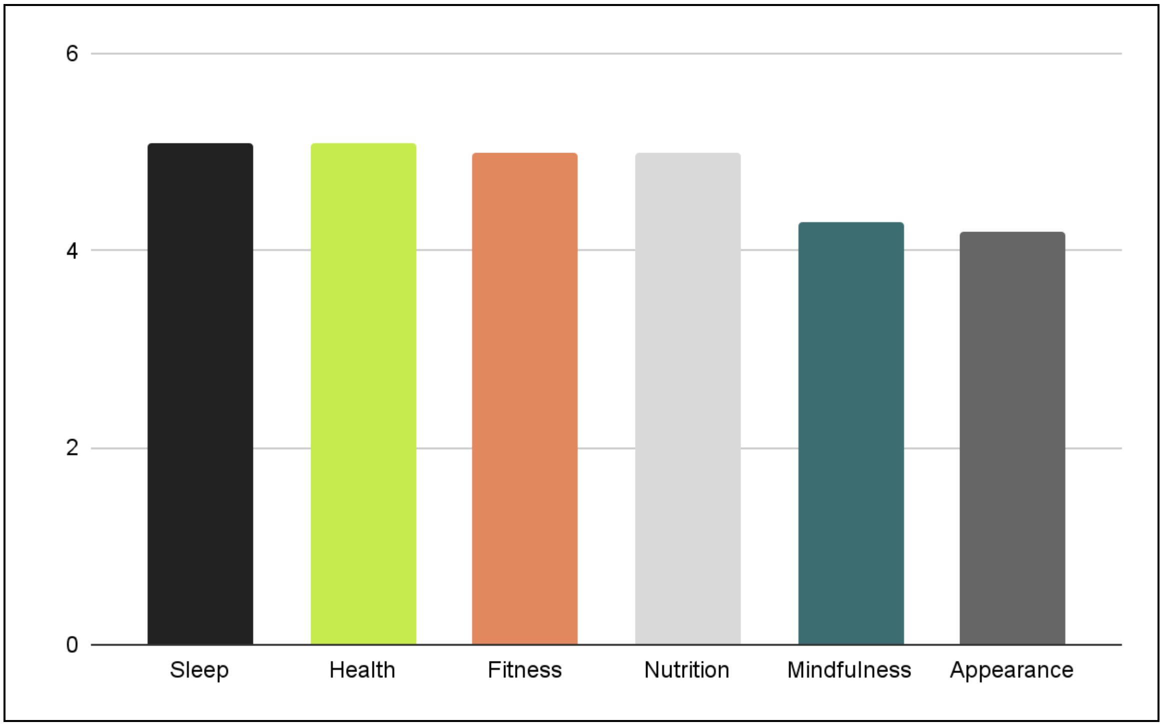
Consumers prioritize sleep, health, fitness, and nutrition over mindfulness and appearance. Though all of these aspects garner consumers' focus.



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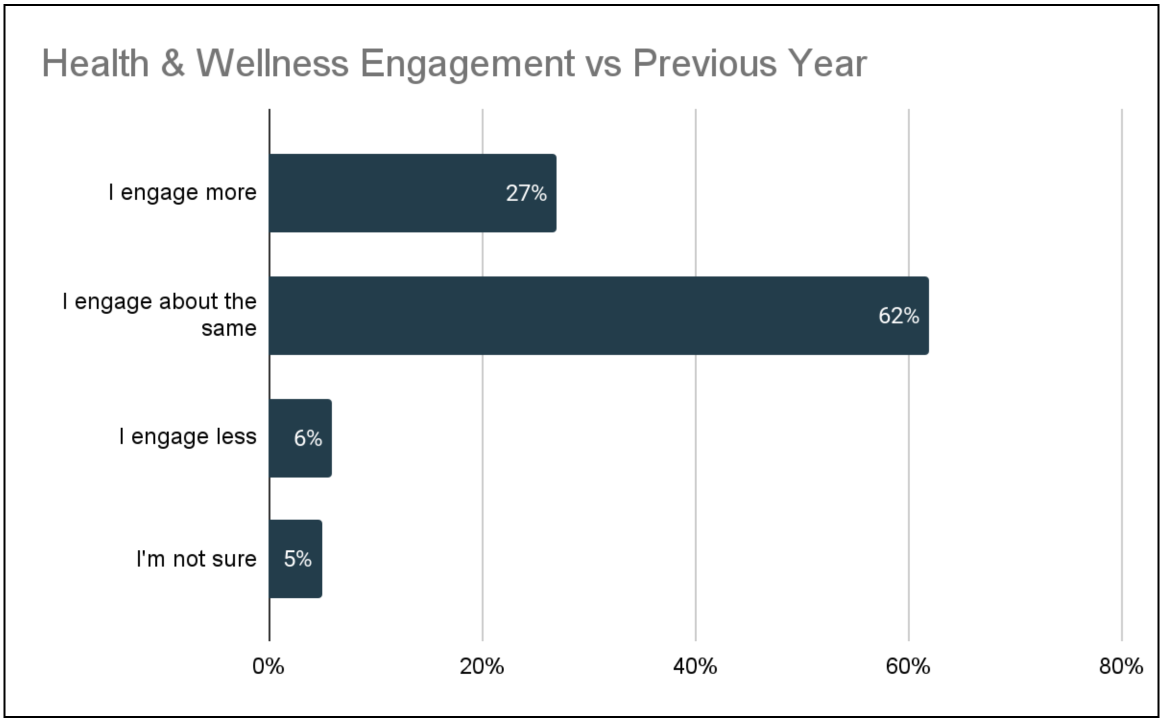
Over one in four consumers say they've engaged with health & wellness brands more in the last year than previously. About two in three say they've engaged about the same .



The data in this section underscores the breadth and the importance of health & wellness. Not only are consumers looking to engage more with brands in this industry, there are well-defined opportunities across segments in key health & wellness categories.

Why It Matters

Unlike standard consumer personas, these segments are grounded in consumer attitudes and mindsets that drive brand perceptions, expectations, and dictate desired (or undesired) brand connections.

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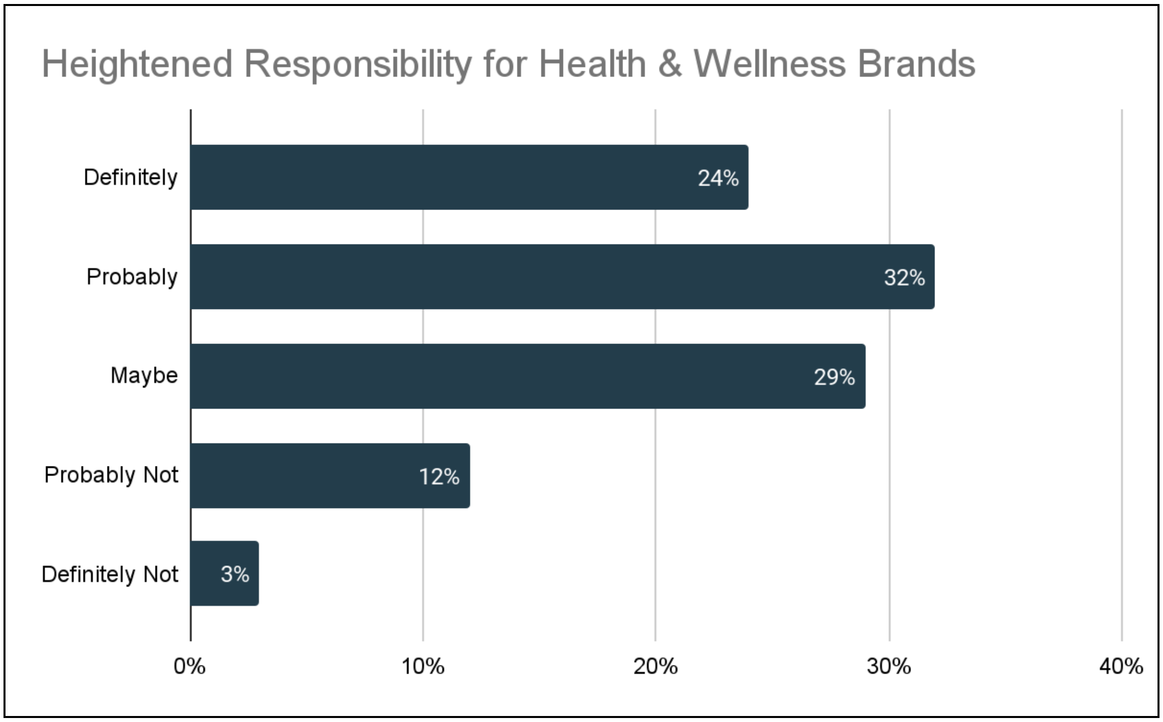
While it's important for brands to have a strong grasp on the demographic make-up of their existing and prospective customers, gaining a deeper understanding of the types of brand interactions a customer desires will allow marketers to optimize their efforts to connect with consumers and increase effectiveness of activation tactics.

What They Want

The expectations to create connections are higher for health & wellness brands.

Over half (56%) of consumers say health & wellness brands probably or definitely have a heightened responsibility to connect with their customers or community on a deeper level than other brands.



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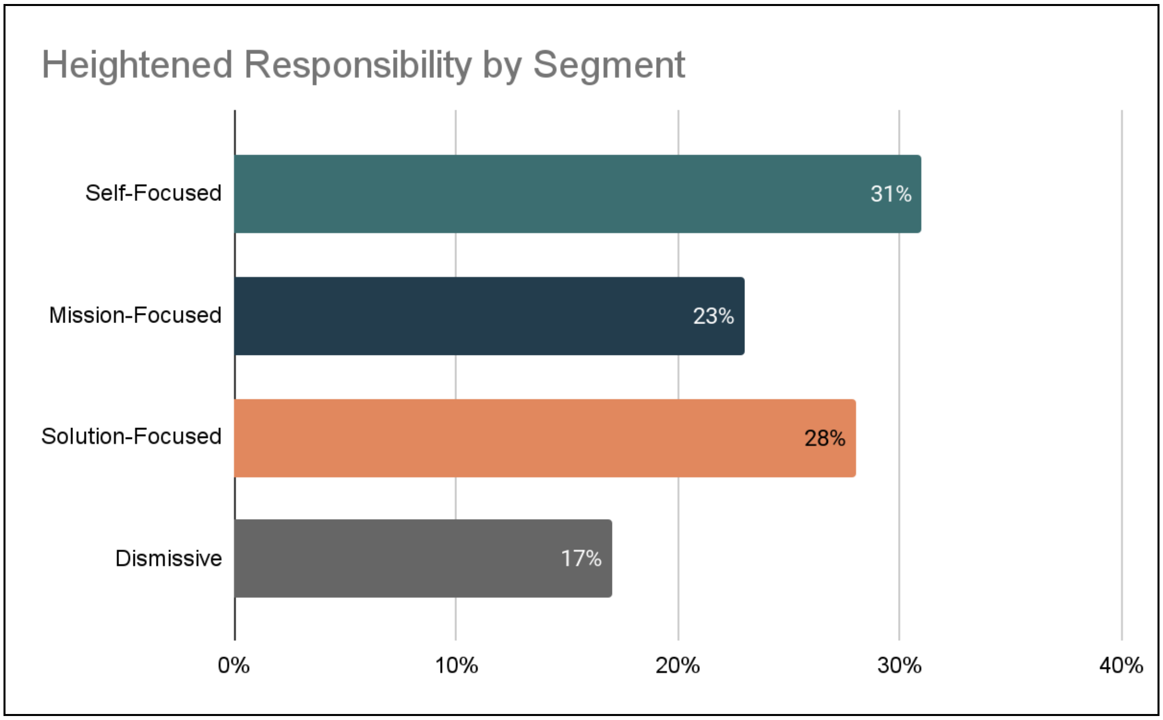
Dismissive consumers are significantly less likely to say health & wellness brands definitely have a heightened responsibility in this regard.

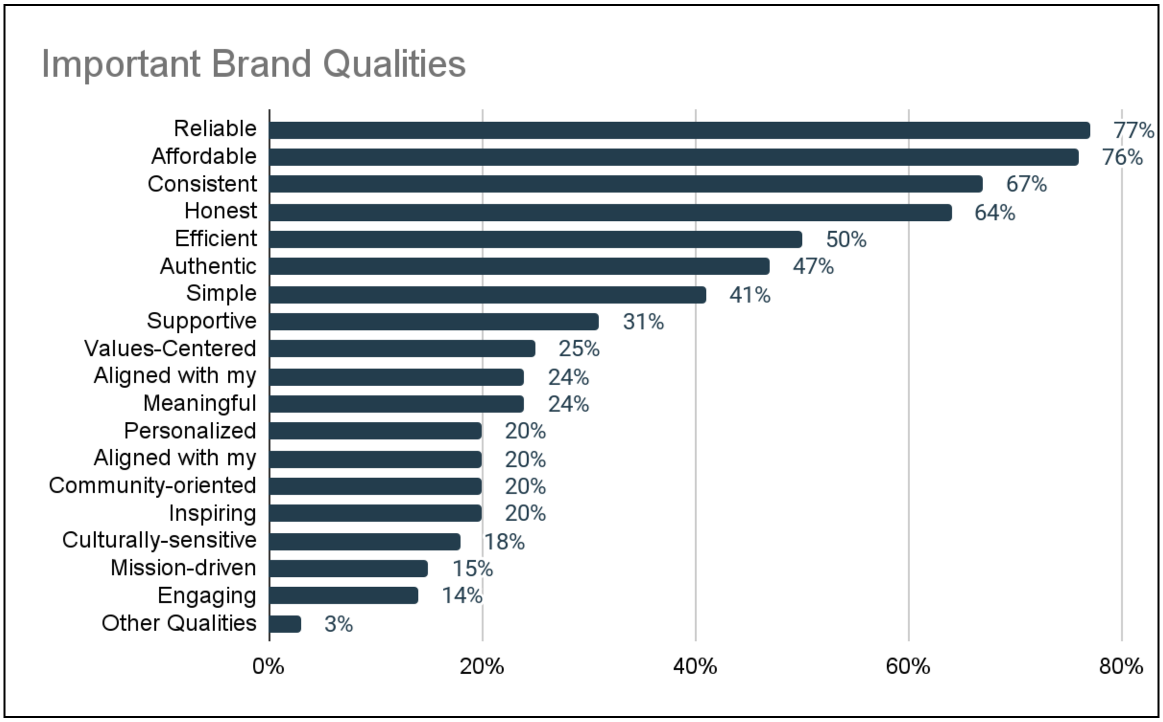


As general consumer expectations continue to rise, health & wellness brands have a higher bar to meet than brands in other categories. Health & wellness consumers expect these brands to not only deliver quality products and transactions, but for brands to align with the general purpose and nature of the health & wellness categories by putting consumer well-being at the forefront. Brand transparency and user experience will be crucial components in earning the trust of health & wellness consumers.

Don’t Overlook the Basics

While health & wellness consumers have high expectations, what they say is most important in products they purchase or services they use is relatively straightforward and consistent with what you may find in other categories.

1. Reliable (77%)
2. Affordable (77%)
3. Consistent (67%)
4. Honest (64%)



At minimum, we can assume these four qualities are a common baseline for all health & wellness consumer segments concluding that products/services and user experiences should be built around these principles.

However, Mission-Focused consumers set a higher bar for brands and expect them to also be values-centered, community-oriented, culturally sensitive, and aligned with their perspective and goals. This is something for purpose-driven brands to keep top of mind as they are likely to carry a higher penetration of Mission-Driven consumers in their customer audiences.

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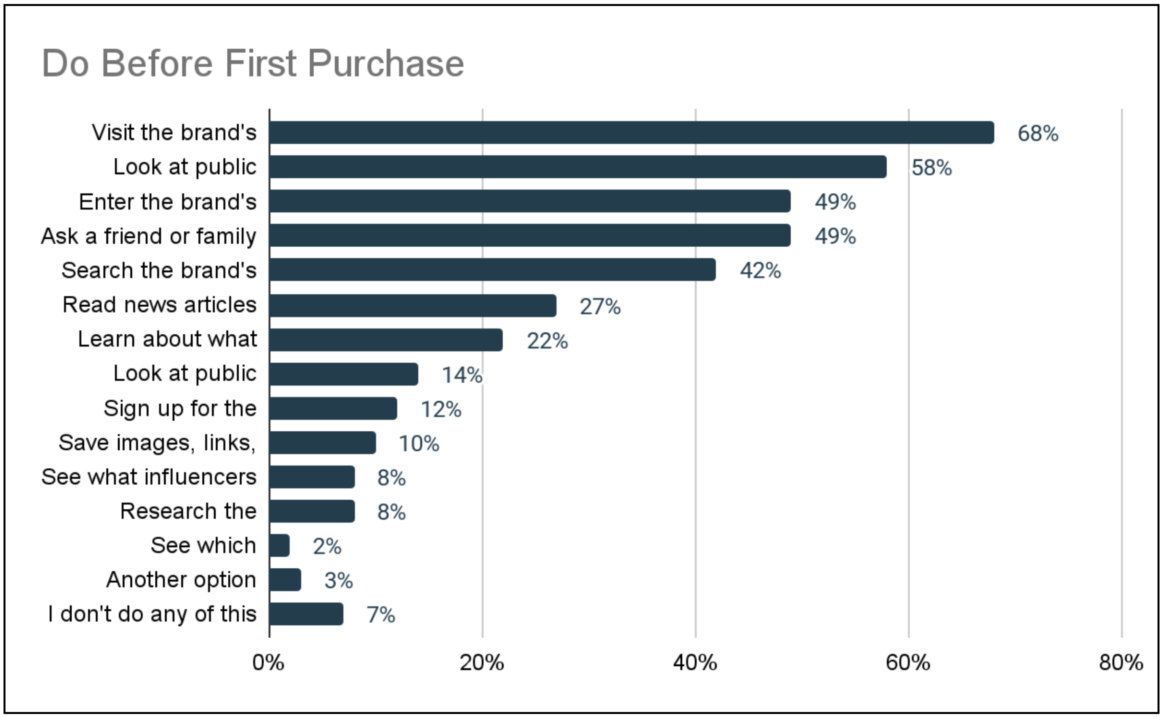
Tell Your Story - and Help Others Tell it For You

While evaluating what resources health & wellness consumers use to evaluate a brand's products and services, many of the leading responses were not surprising to us, but they did validate our assumptions as marketers.

Two in three consumers say they visit a brand's website before they make a purchase (product/service), showing the importance of a resonant, well-functioning website in reaching consumers.

The power of public opinion also reigns supreme, with over half (58%) of consumers saying they look at public reviews for the brand. About half (48%) enter the brand's name in a search engine and look at the results. Few look up the brand's leadership, which celebrities use the brand, or what influencers endorse the brand.



Solutions-Focused and Mission-Focused are more likely to research the brand, so it's important to provide valuable resources if you recognize these segments in your customer base. Unsurprisingly, Dismissives are less likely to do any of these activities.

Consumers want to know what you can do for them, and they often rely on the experiences of others through reviews, searches, personal accounts, and news articles. Creating the means for your brand story and offerings to travel well among peers and consumer communities is key to powering positive public opinion about your brand.

Value Comes in Many Forms

Overall, health & wellness consumers want value from brands in exchange for future loyalty, but that value can come in many forms - traditional vehicles like offers, discounts, and coupons, or in elevated experiences, such as higher quality customer service or exclusive access.

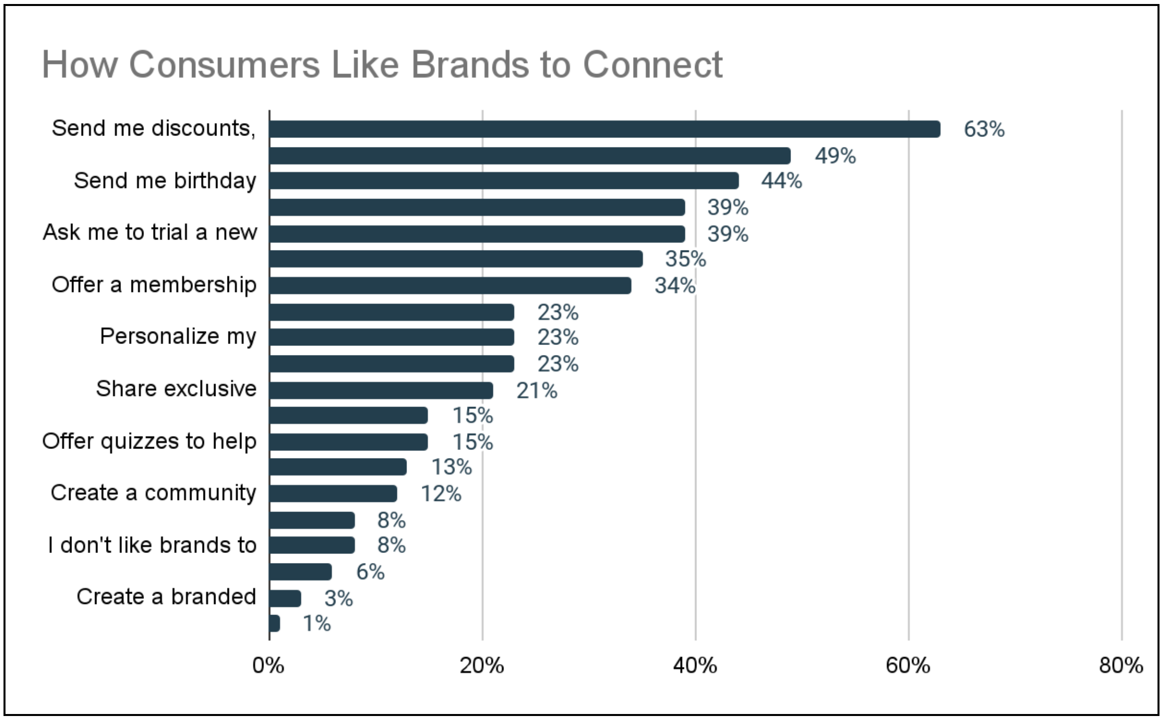
Mission and Solution-Focused consumers are more likely to have higher expectations for brand connections. Conversely, Dismissive consumers are significantly less likely to want any brand connection.

Here are the most popular forms of value and connections provided by respondents.

1. Offers

Nearly two in three consumers want brands to connect with them by sending them discounts, coupon codes, or free product promotions. About half of consumers want brands to staff customer service with actual people instead of automated systems. Just under half (44%) of consumers want birthday gifts (free products, discounts, etc.). Consumers interested in these types of offers are more likely to identify as women.

On this note, health & wellness consumers don’t differ from more general consumer populations. Everyone loves a deal, but it’s important for brands to be intentional about when they are offering this type of value and recognize that as outlined in the following sections, there are many ways to balance monetary value with experiential or purpose-led value propositions.



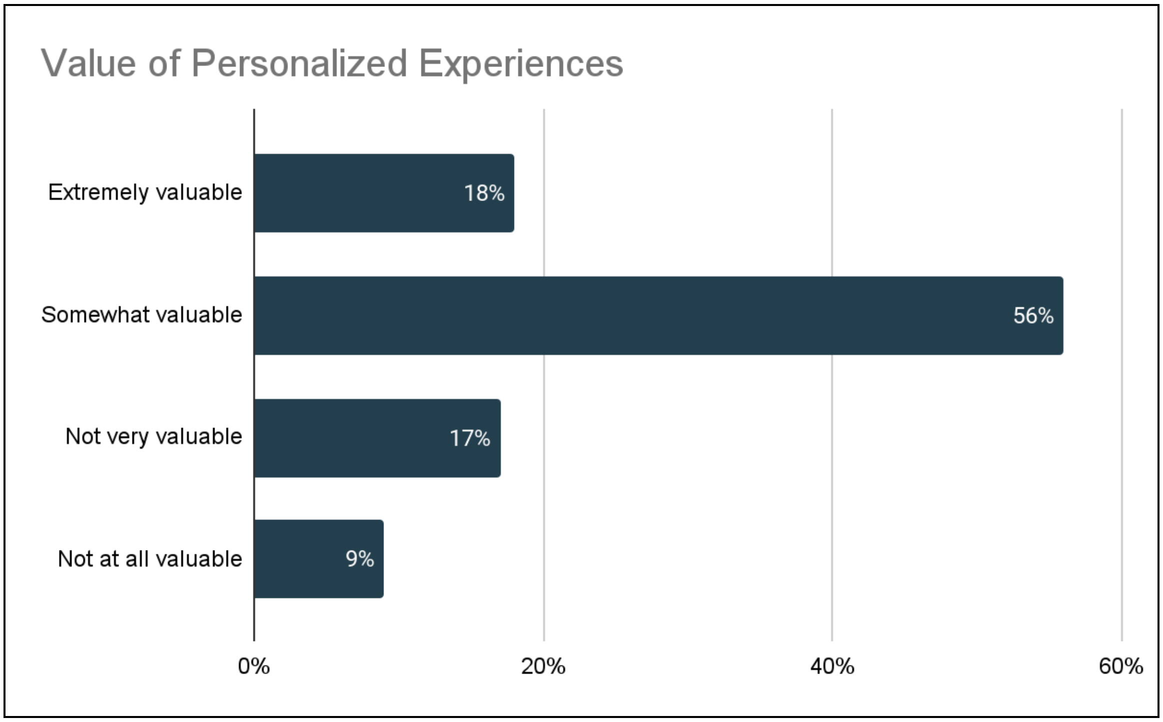
2. Exclusivity

Many consumers are also seeking exclusive opportunities with brands in exchange for loyalty. About a third of consumers would like to try a product before it's available publicly (39%), give their opinion of a new product or service (35%), or have access to a membership program with exclusive benefits (34%). These consumers who are interested in exclusivity are also more likely to be women.

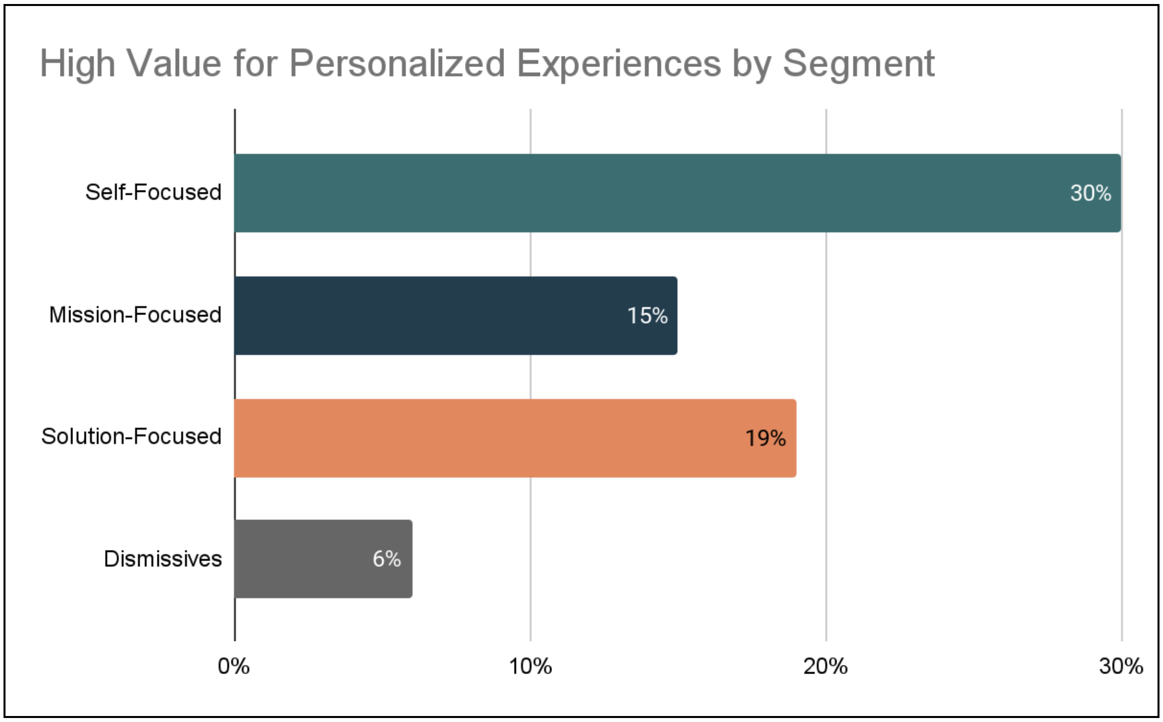
A little access can go a long way with different consumer segments. While Dismissives won't find exclusivity compelling, the other three segments will likely find value in feeling more included in the brand if the access and programs are designed to be tailored to their motivations. For example, giving Self-Focused consumers early access to a product that is adjacent to those they already love, asking Solution-Focused consumers for feedback on recent purchases/experiences, or offering a membership with exclusive access to Mission-Driven consumers would be compelling ways to appeal to consumers beyond discounts and promotions.

3. Personalized Experiences

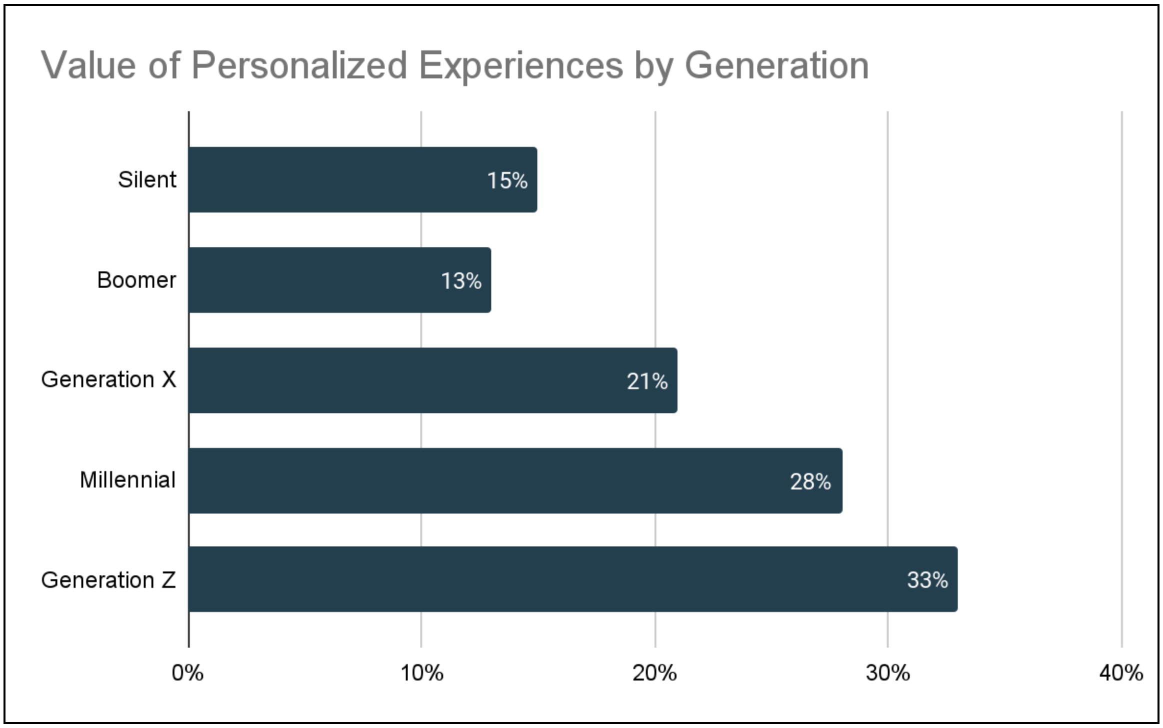
While most consumers say a personalized brand experience is at least somewhat valuable, only 18% say it's extremely valuable.



Out of all segments, Self-Focused consumers are significantly more likely to consider a personalized experience extremely valuable, which is consistent with their attitudes.



Gen Z consumers are significantly more likely than older consumers to expect brands to personalize their engagement. So if you have younger consumers in your target audience, it pays to include personalization in your marketing strategies.



4. Resources for Brand Connections

In addition to understanding more about consumer motivations, we were also curious to learn more about what resources these consumer segments look to during brand/product discovery.

30% of consumers say they use social media to learn about brands, and 22% use social media ads. About half (48%) read news articles.

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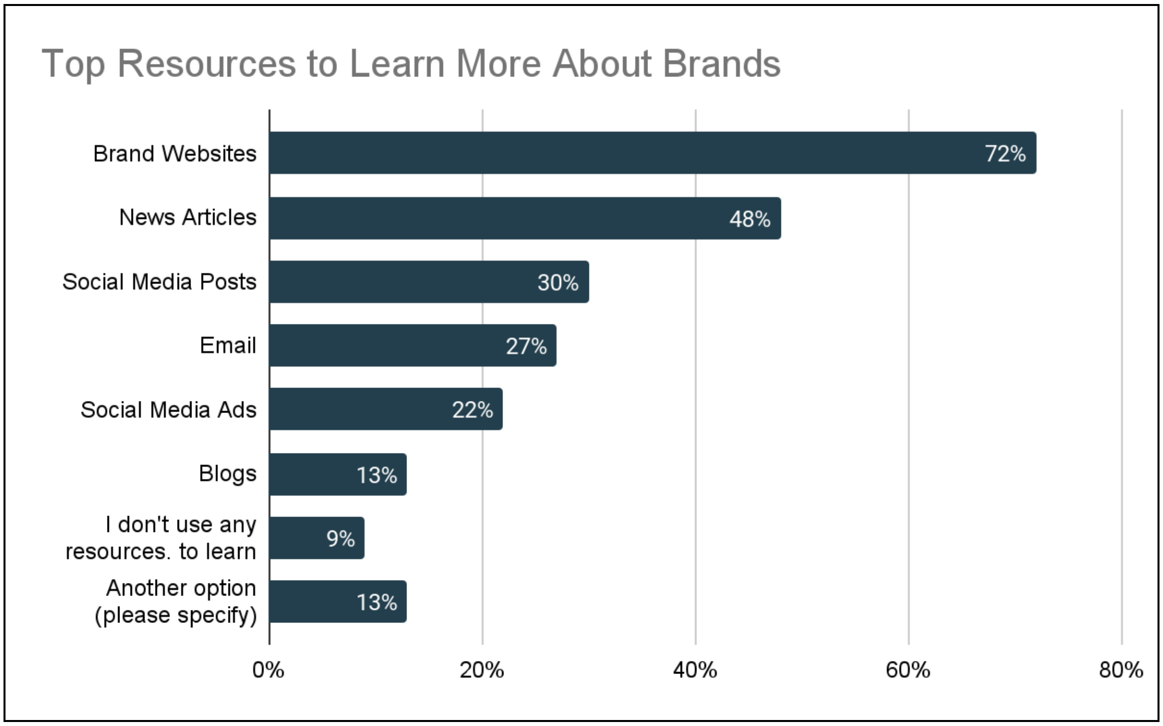

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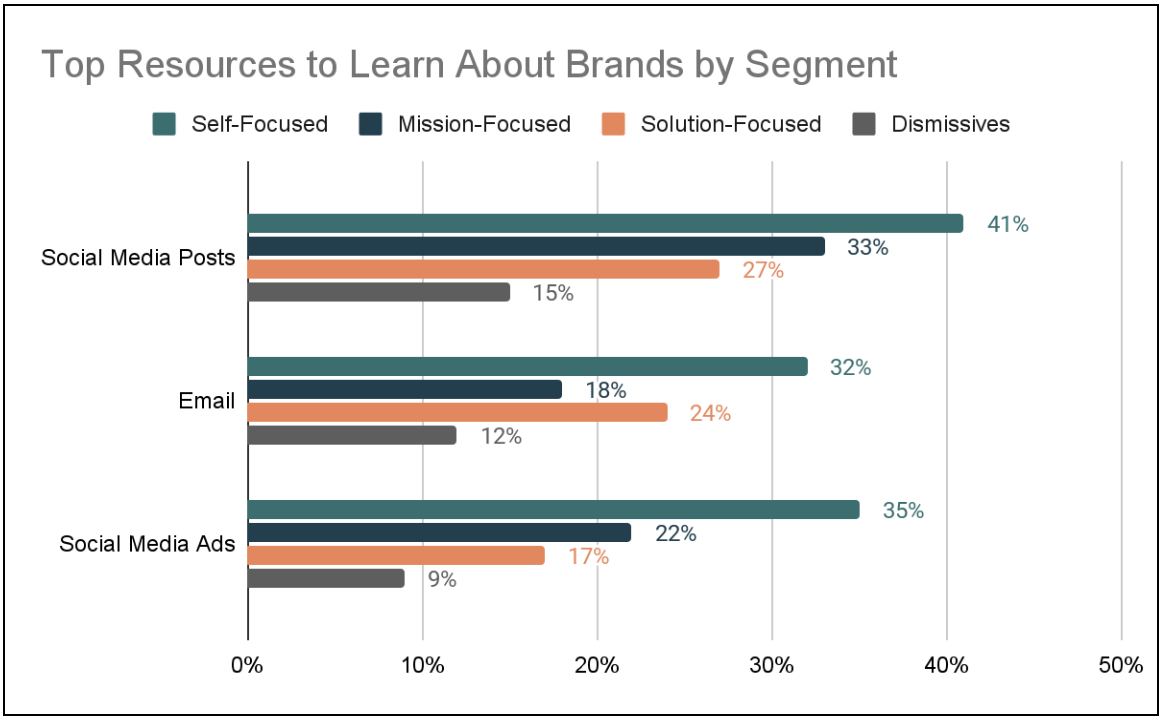
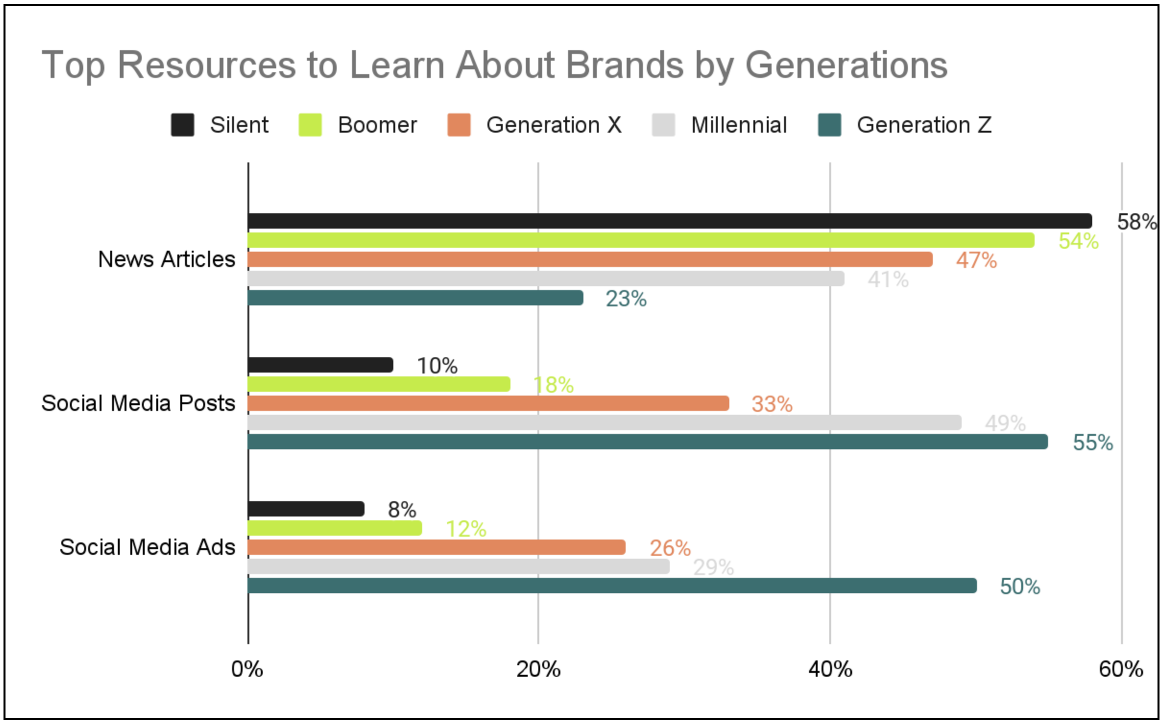
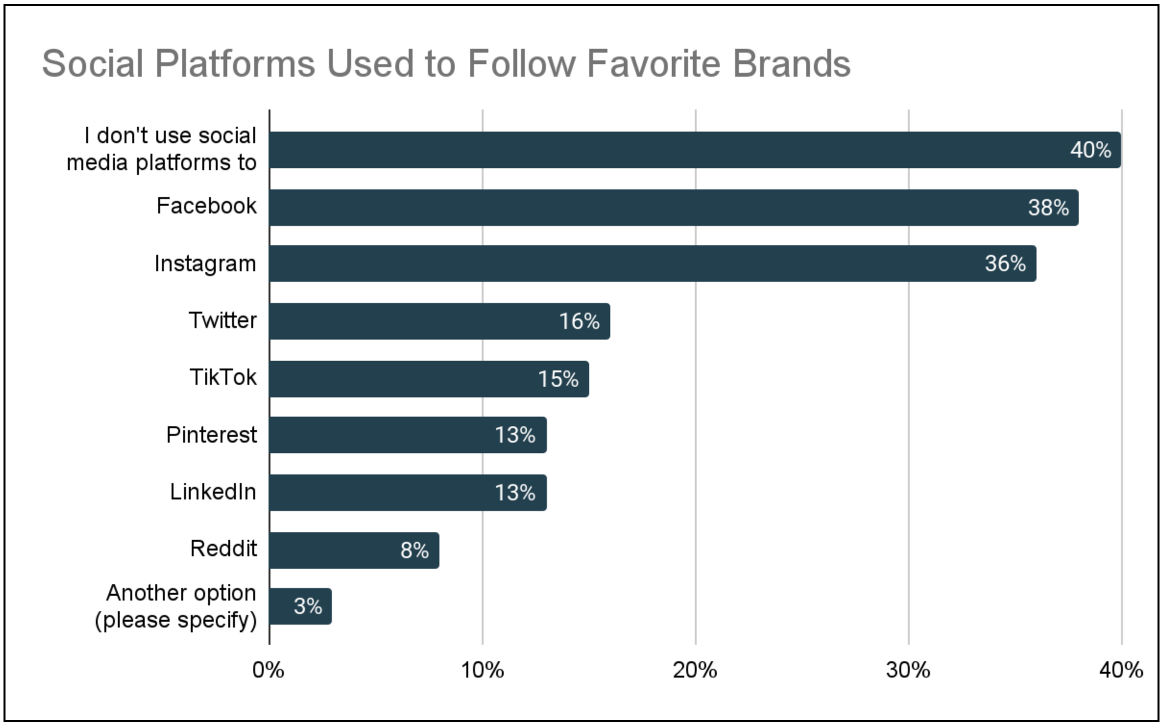
Self-Focused consumers are more likely to use social media posts, social media ads, and email to learn about brands.



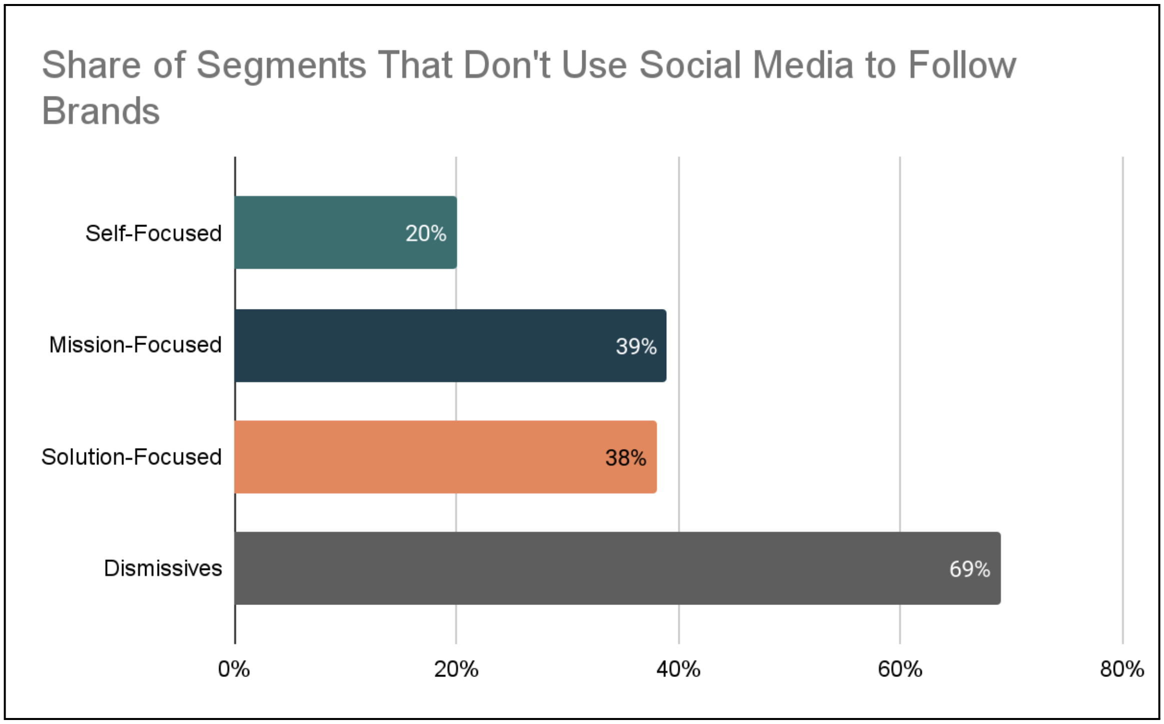
Similarly, Gen Z consumers are significantly more likely to rely on social media (posts and ads) and significantly less likely to rely on news articles to learn about brands.



Yet, many (40%) consumers do not use social media to follow brands, so it's not a catch-all for connecting with these consumers. Those that do use social media favor Facebook (38%) and Instagram (36%).



However, Dismissive consumers are significantly more likely to say they don't use social media to follow brands. Self-Focused consumers are significantly more likely to use any social media platforms to follow brands.



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Despite only 30% of respondents claiming to use social media to learn about brands, we still believe that there are opportunities for brands to create awareness and connection within these platforms.

First, the Self-Focused segment is more likely to leverage social media along with Gen Z as an age - so there are specific pockets that are hand-raising for activity within these channels. Additionally, social media is inarguably a substantial form of media consumption in the average consumer's day-to-day. Though health & wellness consumers may not be looking to follow brands in their social feeds, there is opportunity to leverage paid tactics to create awareness, education, and connection with qualified consumers.

5. Purpose-Driven Brands & Political Affiliations

Mission-Driven consumers emerged as a segment in this study due to specific expectations and motivations for engaging with brands. However, that doesn’t cover the breadth of our total respondents’ reaction to Purpose-Driven brands. While those within the Mission-Driven segment may find stronger connections to brands that are led by purpose, the topic is more nuanced when evaluated more broadly.

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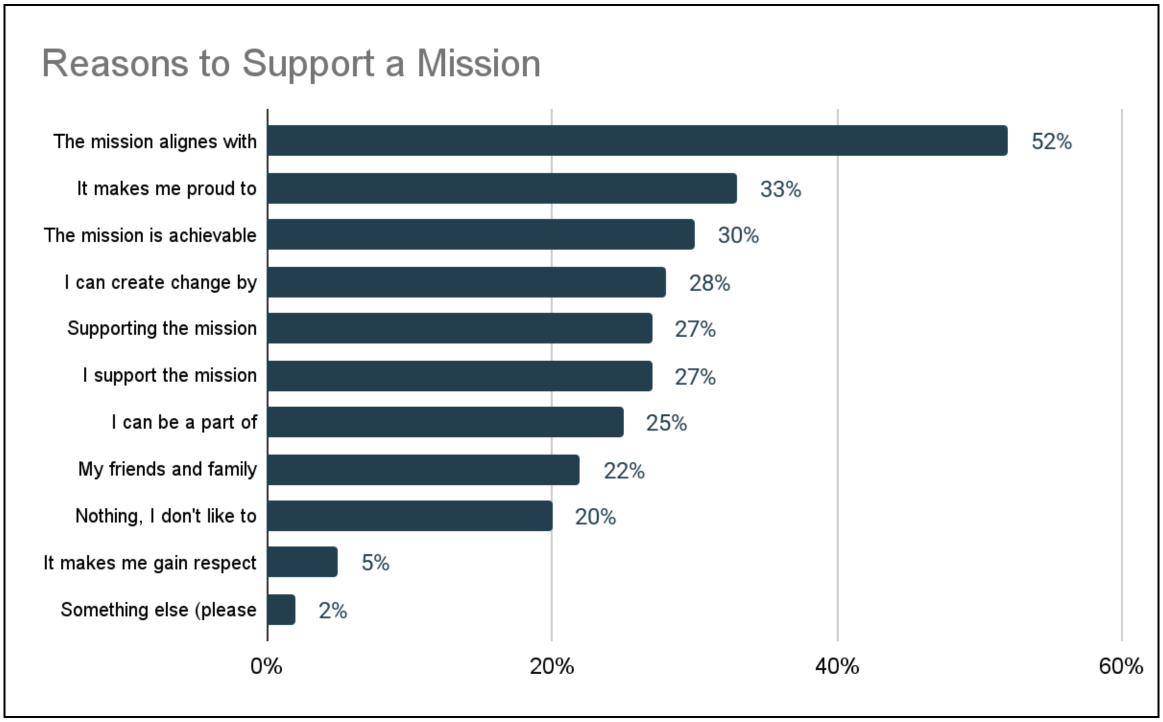
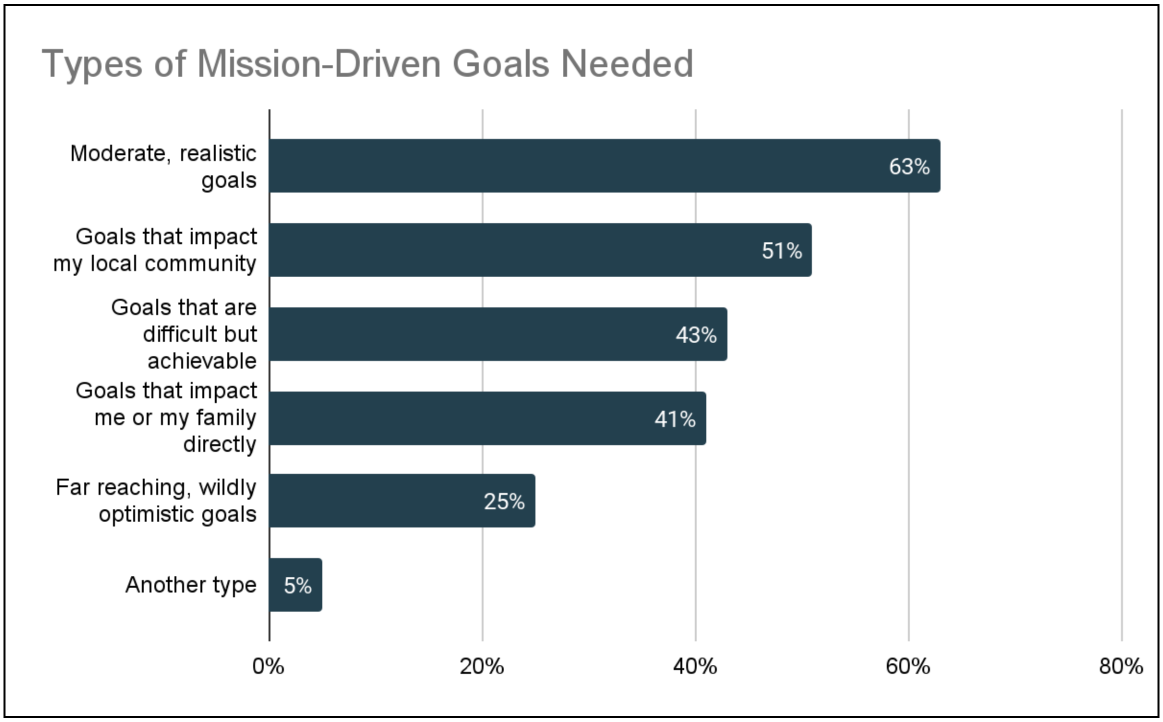
One in two (52%) consumers say a brand's mission needs to align with their values to support a brand with a mission they care about. One in five of all consumers surveyed said they do not support purpose-driven brands.



Mission-Focused consumers are significantly more likely to say any number of reasons would make them interested in supporting mission-driven brands.

Of those willing to support mission-driven brands, nearly two in three consumers want them to have moderate, realistic goals for them to buy their products and use their services. One in two want these brands to have goals that impact their local communities.



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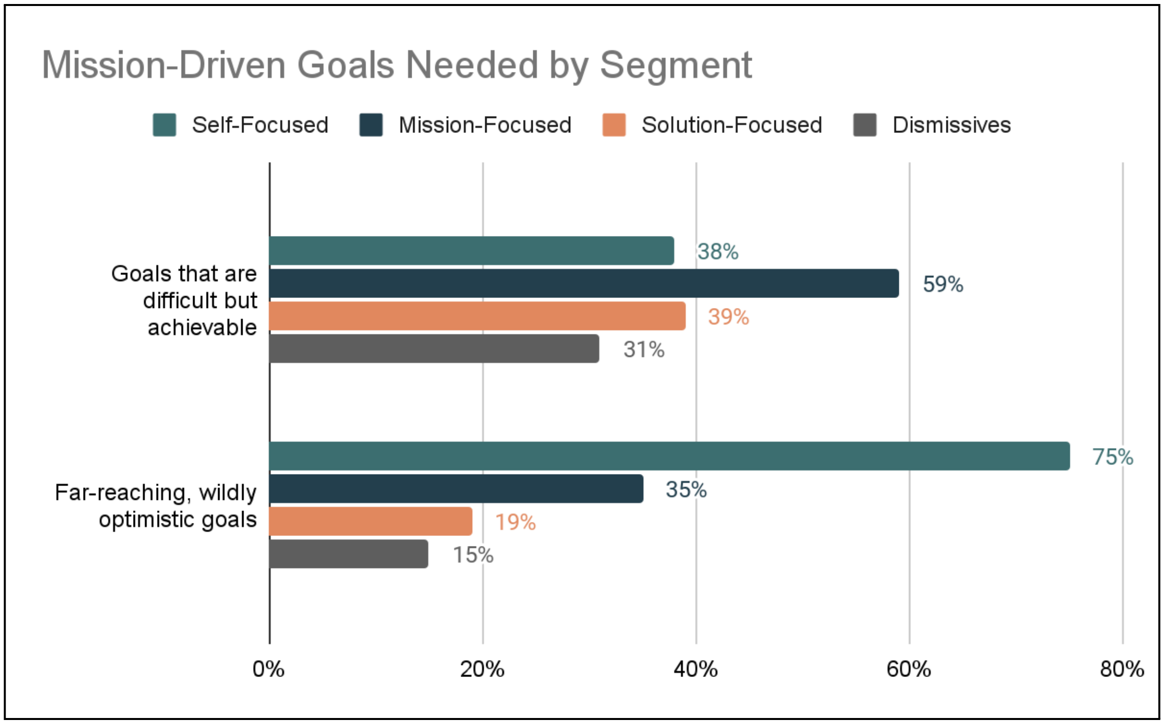
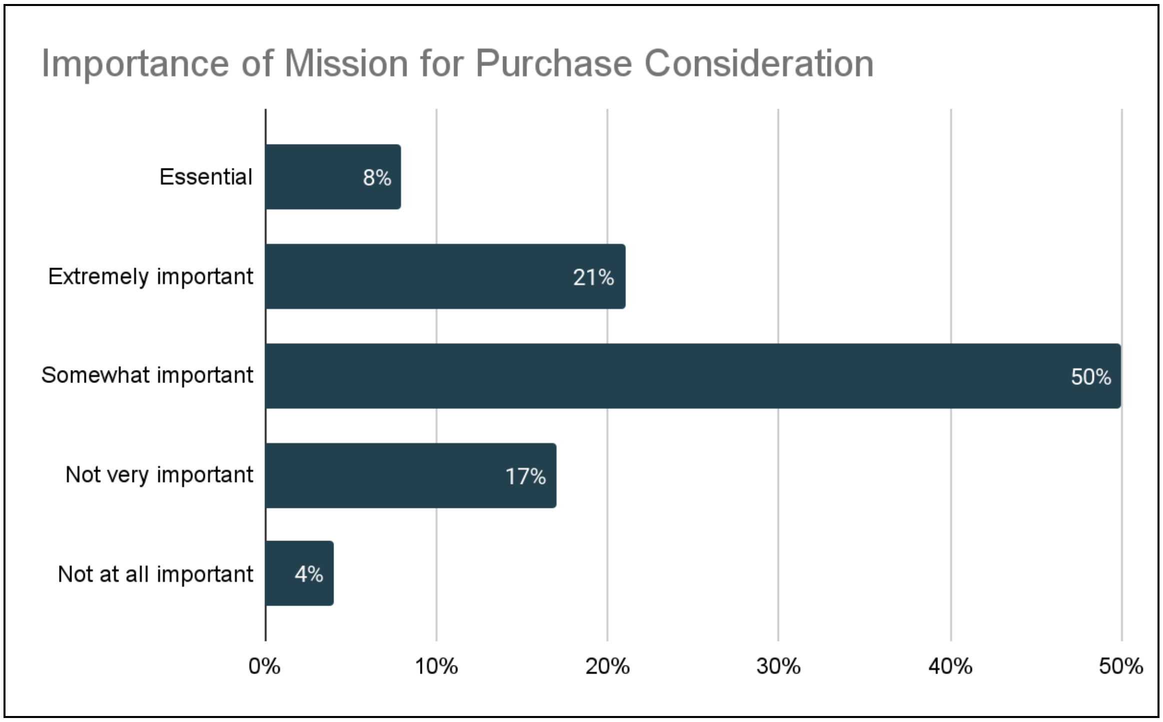
Mission-Focused consumers are significantly more likely to want mission-driven brands to have goals that are difficult but achievable and far-reaching and wildly optimistic for them to buy their products and use their services.



29% of consumers say it's essential or extremely important for brands to be mission-driven for them to purchase from the brand. 50% of respondents say it is somewhat important.



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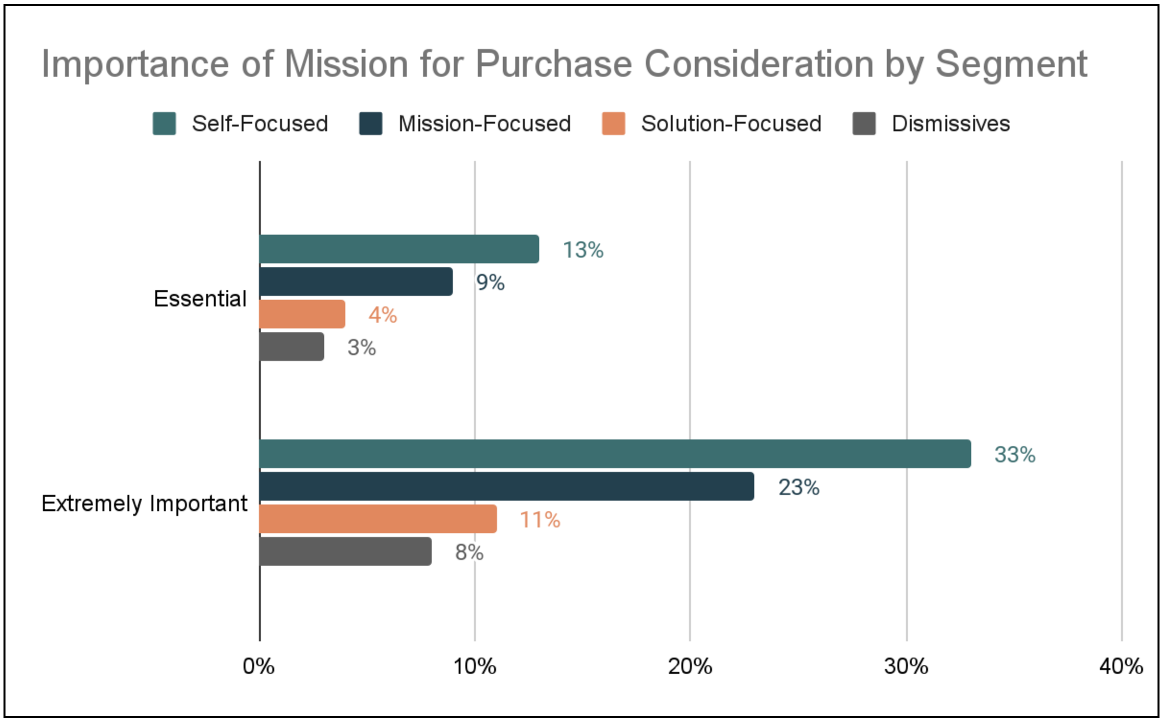
Surprisingly, Self-Focused consumers are more likely to say it's essential or extremely important for brands to be mission-driven. This is likely due to Self-Focused respondents correlating the brands and products that they purchase as a reflection of themselves. Mission-Driven respondents also believe this important but for different reasons as they seek out Mission-Driven brands to create purpose and impact for causes that align with their own.

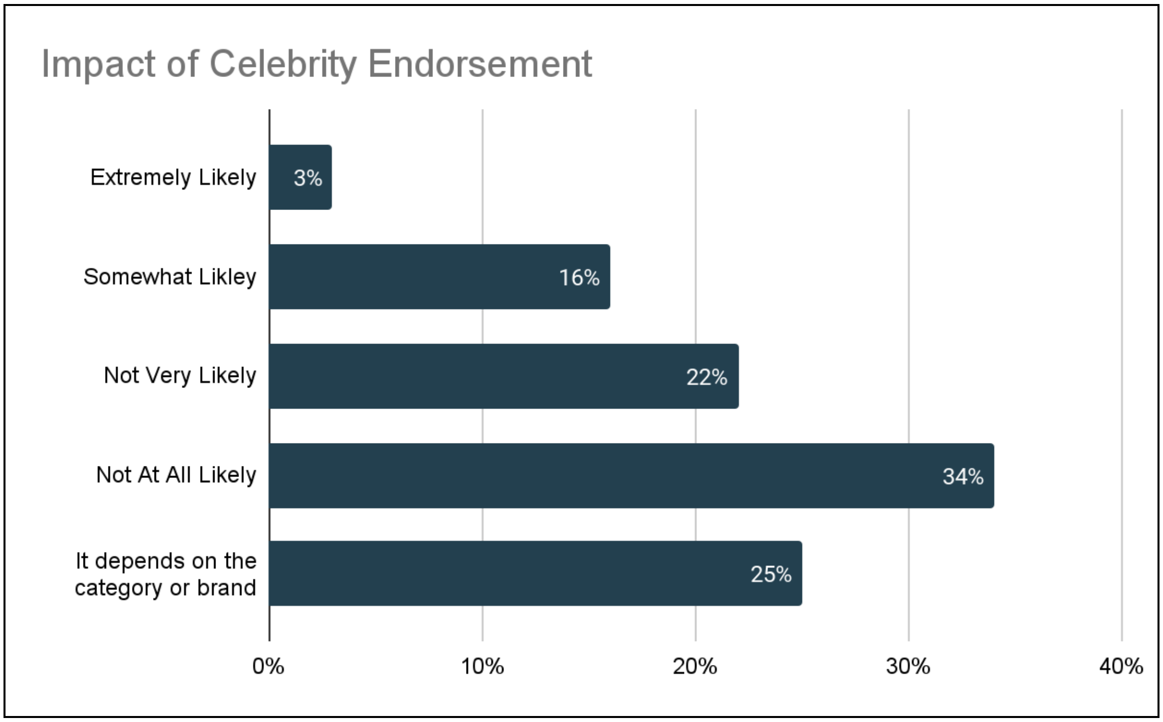


Conversely, all segments show mild agreement that they're less likely to purchase from a brand or use its services if the brand publicly shares its political affiliations or opinions. Despite viral media stories, our consumers seem less influenced by political leanings than you might think.

The takeaway here is to be thoughtful and authentic about your brand purpose and mission. If you genuinely exist to solve for more than a balance sheet, those who are like-minded about that cause will be open and motivated to connect with your brand. Alternatively, if your products/services have little to do with a bigger mission, consumers will likely be turned off and see your alignments as opportunistic.

6. Celebrity Endorsements

Only 3% of consumers say they're extremely likely to buy products or use services from brands with celebrity endorsements, an insight that we viewed with some skepticism. One in four say it depends on the category or brand.



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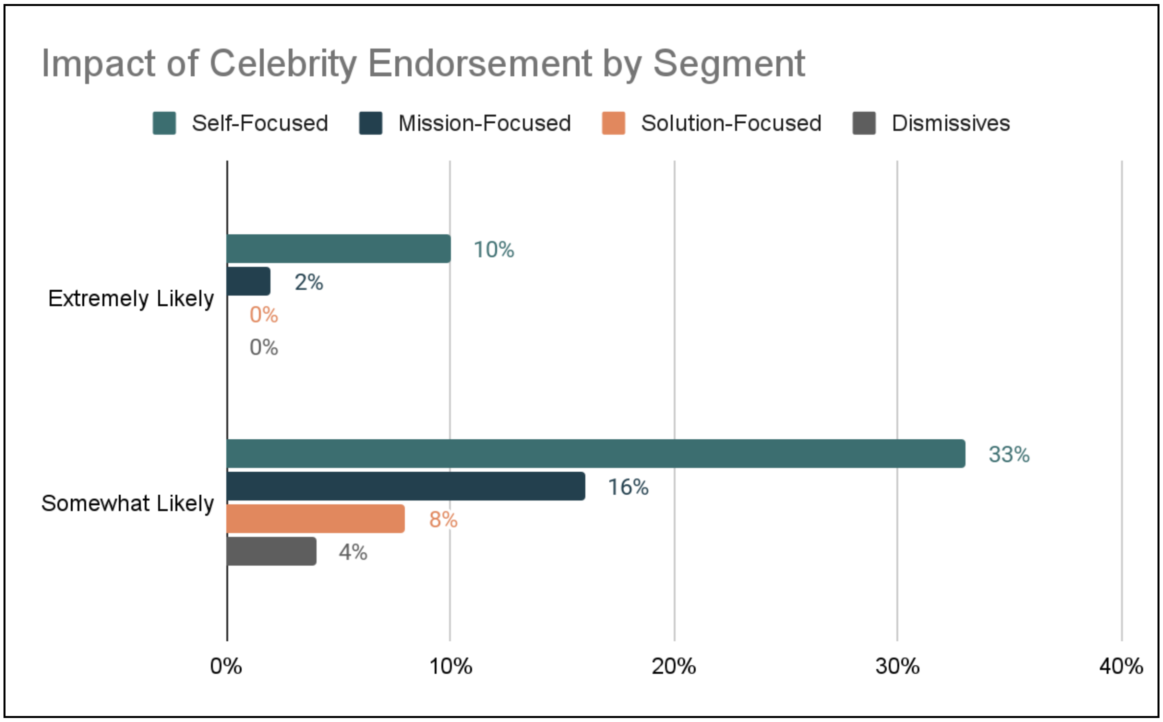
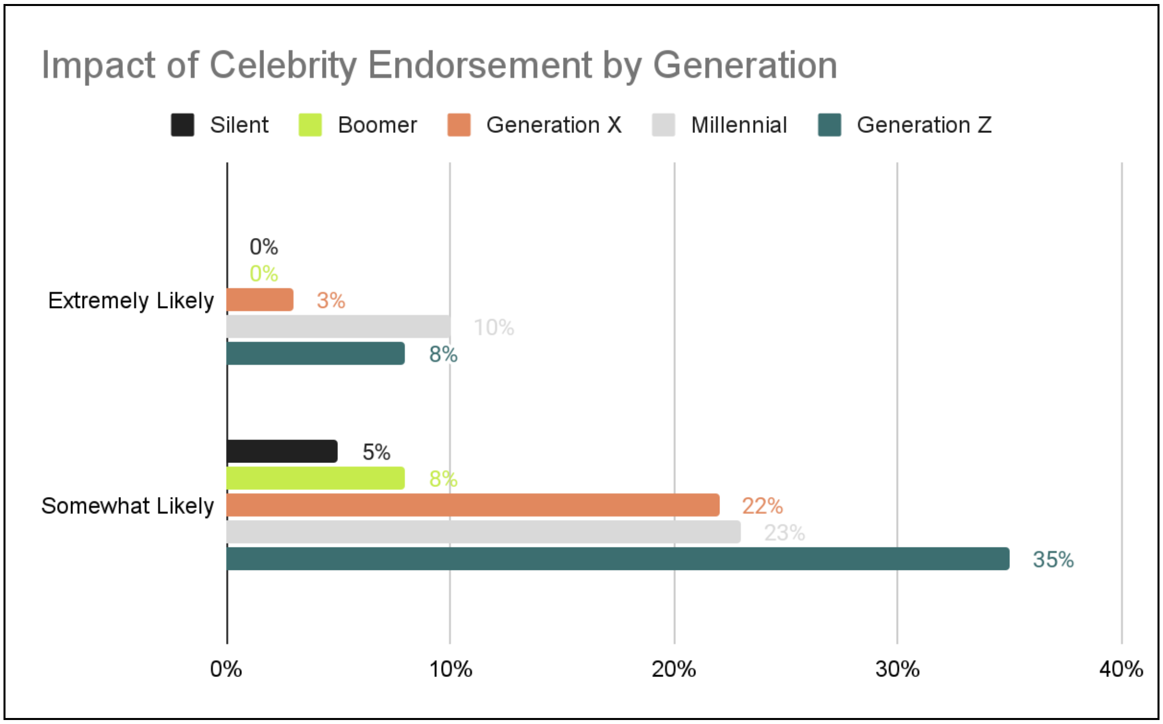
Self-Focused consumers are significantly more likely to say they're extremely or somewhat likely to purchase from brands with celebrity endorsements, which is consistent with their overall attitudes.



Gen Z consumers are also significantly more likely to say they're extremely or somewhat likely to purchase from brands with celebrity endorsements.



Celebrities have gone beyond traditional endorsements deals with brands by snagging tailored C-suite roles, providing financial backings for brands they love and see potential in, and in many cases even developing their own.

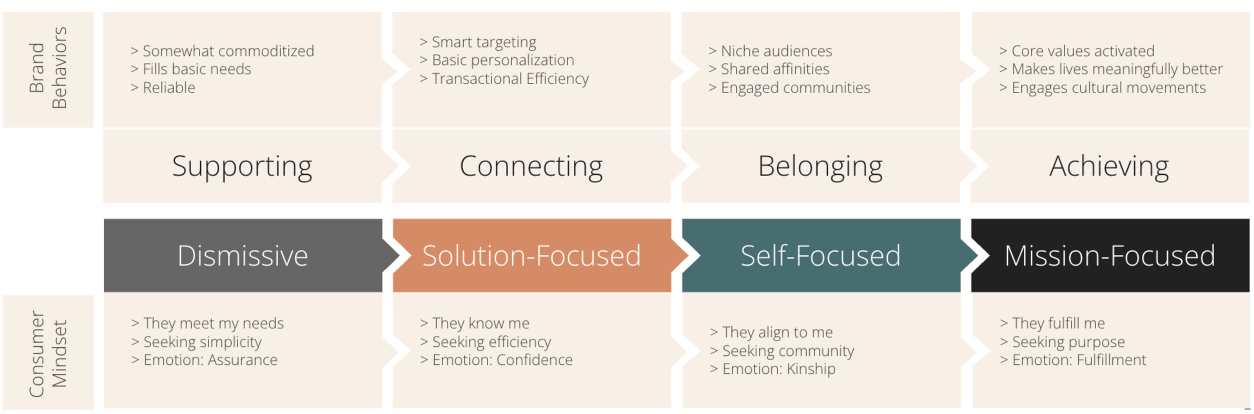
Knowing that celebrities have become an increasingly influential component to brand marketing, we still see this as viable consideration for brands despite the research. For many, it may be unfavorable to admit that a favorite reality star can influence their purchasing habits, but that appears to be less taboo to younger consumers.

Applying the Insights

Now that we know more about how health & wellness consumers view and seek brand interactions, it is important to re-evaluate your brand behaviors based on both your existing consumer audience and those you seek.

To apply these findings it's easiest to break down brand behaviors into four buckets that align with consumers expectations. In doing so, we believe the each brand can classify their behaviors into the following four categories:

1. Supporting Brand
2. Connecting Brand
3. Belonging Brand
4. Achieving Brand



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Supporting Brand Behaviors

These brands exist to fill important, yet basic needs. They are reliable to a consumer and may be somewhat commoditized. If a brand is properly supporting these behaviors, consumers likely see their purchases from this brand as routine and might not even consider the brand is marketing to them or that the marketing is influencing their purchases.

Connecting Brand Behaviors

Creating efficiency and improving the lives of consumers are at the heart of these desired brand behaviors. Smart targeting, basic personalization, and transactional efficiency are all examples of the type of experiences connecting behaviors could provide as these consumers care most about the quality of their interactions when they choose to engage or purchase.

Belonging Brand Behaviors

Beyond reliability and efficiency, some consumers long for a true connection and an ongoing relationship with the brands. Purchasing a product or service becomes a reflection of the consumer's own identity. Therefore, brands who aspire to appeal to these consumers need to show their value for the relationship and interactions through personalization, exclusivity, and a prioritization of community that can allow for like-minded, sometimes niche, audiences to come together.

Achieving Brand Behaviors

Brands taking part in 'achieving' behaviors exist for more than profit. They are seeking consumer audiences that are looking to purchase products and services developed to support core values that are aligned to their own. They expect their purchase to not only fulfill a need but to also to serve a greater purpose or to support a cultural movement. In this instance, the expectation or desire is that a brand and its consumers are achieving a broader goal or purpose TOGETHER.

Determining the appropriate types of brand behaviors for the needs of your consumer audience provides a North Star by which your marketing team can quickly and efficiently make decisions around. Using this framework eliminates the guesswork and distractions and allows for a greater focus on the community you are currently serving and the one you seek to build.

Conclusion

As the global health & wellness industry continues to grow, brands will have to work harder to earn wallet share as they battle competition and higher consumer expectations. In order to create stronger brand positioning and more compelling consumer experiences, brands need to evolve beyond understanding the demographics of their desired audiences and dig deep into the motivations and expectations that define what consumers desire in their interactions with brands. To stop short of this and depend on basic demographic segmentation will leave brands at significant risk for both alienating potential consumers as well as not reaching and resonating with their most valuable audiences.

If you'd like to learn more or discuss how these principles could be applied to your business, please reach out to us.

About Parallel Path

Parallel Path is the proven guide for leading health & wellness brands who are ready to explore inventive and high-performing marketing strategies.

We're dedicated to working with brands who pursue well-being and defy conventions.

About Audience Audit

Audience Audit is a research firm specializing in attitudinal segmentation audience research and strategy. Founded in 2009, the firm has conducted audience research for organizations including Gap, AT&T, Jayco, and many more.

* "Feeling Good: The Future of the $1.5 Trillion Wellness Market" by McKinsey & Company (By Shaun Callaghan, Martin Lösch, Anna Pione, and Warren Teichner)