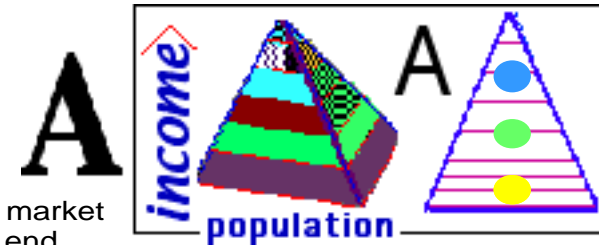
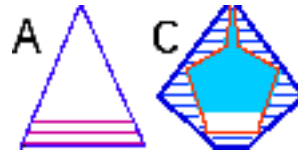


# 1 Geometry and marketing

## *How to go from A to C ?*

To consume differently

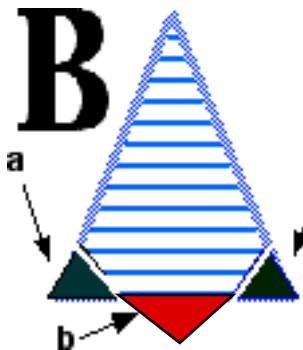


**A** Up to now, at least for the past century, we used to represent our society of market producers and consumers by pyramid (A). This figure has a large base and a sharp end.

- At the base of this pyramid was the poorest but largest class. This class can only offer its muscle and time, but lacks competency, education, training, and know-how. Unfortunately muscle and time have been eliminated by automation and technology.
- At higher levels in the pyramid, we categorize separate strata where the classes are much smaller in size but are wealthier. Specialists, managers, and new graduates form this intermediary middle class.
- At the top is the high-income class, defined as the elite, which dominates the society and manages, controls and sometimes owns empires

In theory, an individual born in a specific class (or level) is supposed to stay there, helped by his patrimonial situation, but he can go up to any higher one if he proves to be successful. That is the American dream. However people can also fall down to the bottom of the pyramid very quickly, especially when there is a downturn of the economy.

Education seems to be one of the keys to progress in this type of society and is supposed to insure at least a certain stability of income. In practice, even if the American society looks pretty flexible, at least more than the European, a certain inertia remains and most people due to their environment and/or personal surroundings could go up or down one or two strata but no more. The rare exceptions are given as examples and prove only useful to fantasize about when pointed out by mass media.

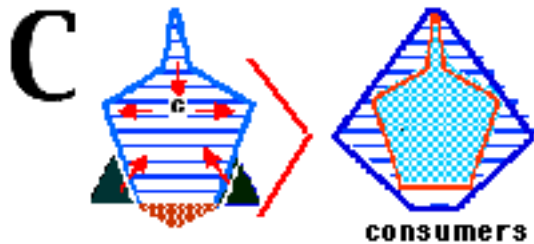


**B** Let's now look at plan B of the pyramid. During recessions, this bottom class cannot consume as before since its future seems so uncertain. Even the constant increase of the minimum wage cannot make up for the precariousness of their life style.

Much more dangerous, we also have seen earlier that two different factors may deeply handicap this same group of people at the lower part. They are either technologically or externally disadvantaged. Consequently the two black lower triangles of **(B)** represent the proportion of permanent unemployment. This unemployment tends to become structural and therefore completely independent of any economic fluctuations. Furthermore and even worse, some people have to exit the pyramid itself, without hope of return; this group includes the homeless. Thus the lower red triangle shows these few individuals for a long period, or possibly forever, put outside of our consumer world. The red section provides a constant reminder that in our society it is possible to fail and to quickly become an outsider. Even during long periods of prosperity, when the unemployment level reaches its slowest ever seen, the above phenomenon persists to a certain extent. Training and short run financial support may be the only way to give them another chance or to avoid more unemployed people becoming discouraged and shutting down any hopes of future success.

*The Marketing is dead*  
*Long life to the Marketing*

( Jean C. Harrari & Nadège Woods ) © 10 - 2001 / ISBN I2-95-07777-4-0

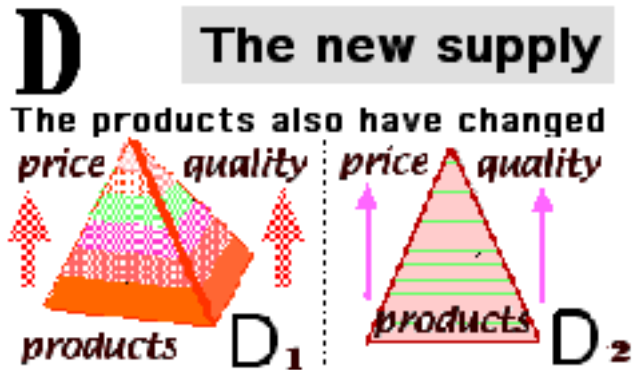


### The new logics.

Let's now summarize the combined and reciprocal effects of :

- 1.imposition of all kinds (progressive income taxes on revenues, on consumption and so on) mainly supported by the middle and upper classes.
- 2 efforts made to convince these specific class to consume.
- 3 helps, social deductions, advantages, grants and all efforts in favour of those being with lower incomes

**Figure C shows that it shrinks the pyramid, which looks more and more like a lozenge.**



At the beginning, quality and price were increasing together almost systematically. Most of the goods were poor or medium quality good and only the wealthiest, the tope of the pyramid, could afford the high quality products.

**Now progress has helped to raise the quality of all products.**

Even basic goods are of decent quality and are appropriate to their supposed use.

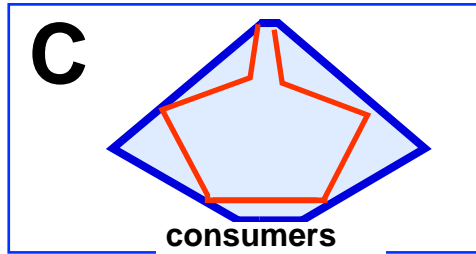
High technology brought mass production of inexpensive and excellent products to the market. Some of them are of even better quality than the hand made expensive ones. Consequently if for each product we have two categories, the expensive luxurious goods and the cheap one, both are generally good.

Yet, the middle price product tends to disappear since it offers neither the luxurious characteristics of a costly product nor the price advantages of a cheap one. That explains the shape of the two triangles in figure E.

For instance, notice the opposition between the Rolex watch and the Swatch. The price difference is huge, but both watches do their job. Even more compelling, a quartz movement is often more accurate than an automatic one. A similar truth holds for the performance of the Mont Blanc and Bic pens.\*

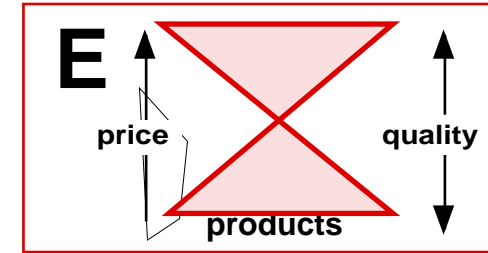
\* The previous brands are just illustrating this concept and we judge neither the value nor the quality of any of the brands listed.





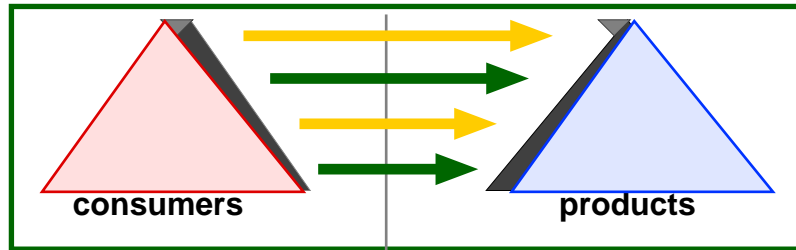
## new relations between demand and supply

*How could we superpose figures C and E ?*



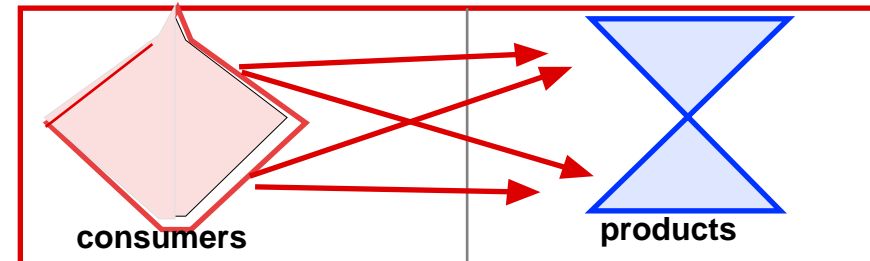
**Former situation** Not that long ago, marketers found it quite easy to superpose consumers and products when both were represented by similar pyramids.

At that time, poor consumers bought cheap products when they could and the rich purchased expensive and better quality goods.



**Nowadays** Nowadays due to the combined evolution of clients and products just explained above, the appearance of a larger “central” group with almost similar financial means but multiple desires, and the parallel appearance of many new low priced products of decent quality, the marketing specials must superpose two dissimilar figures.

In theory everybody can buy cheap and expensive goods, the only difference is that the rich can buy the second more often when the poor can do this only once in a while.



In practice, it means that the wealthiest can buy exactly and as much as what they want: they can simultaneously change their hi-fi system and their cars in the same year, while the lower classes need to choose between one or the other. Hopefully the lower class will be able to satisfy both desires if they are smart shopper

## new poors ————— new wealthy

when they **MUST**  
make **choices**

need to prioritize their desires

when they don't have to make  
choices and can buy  
**everything at once**

**OR / OR**

**and / and**

Could it be said in category  
OR/OR or in category AND/AND  
everybody can now be a  
prospective customer?