THE GROWTH BLUEPRINT

A **SIMON-KUCHER** PUBLICATION

ISSUE 01

Transforming change into growth opportunities

Uncover strategies, insights, and bold ideas to drive growth. Dive into your guide to smarter, sustainable success.

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Unlocking better growth

Foreword

Welcome to the inaugural issue of The Growth Blueprint. This issue focusses on transforming change into opportunities for growth.

Today's markets are defined by rapid shifts and emerging complexities, but at Simon-Kucher, we're not merely responding, we're actively shaping this evolution. Our journey mirrors those of our clients: from leveraging AI for deeper customer insights to navigating tariffs with strategic agility.

Inside, you'll see how companies across industries are turning complexity into clarity and challenges into measurable growth. Dive in, be inspired, and together let's redefine the path to better growth.

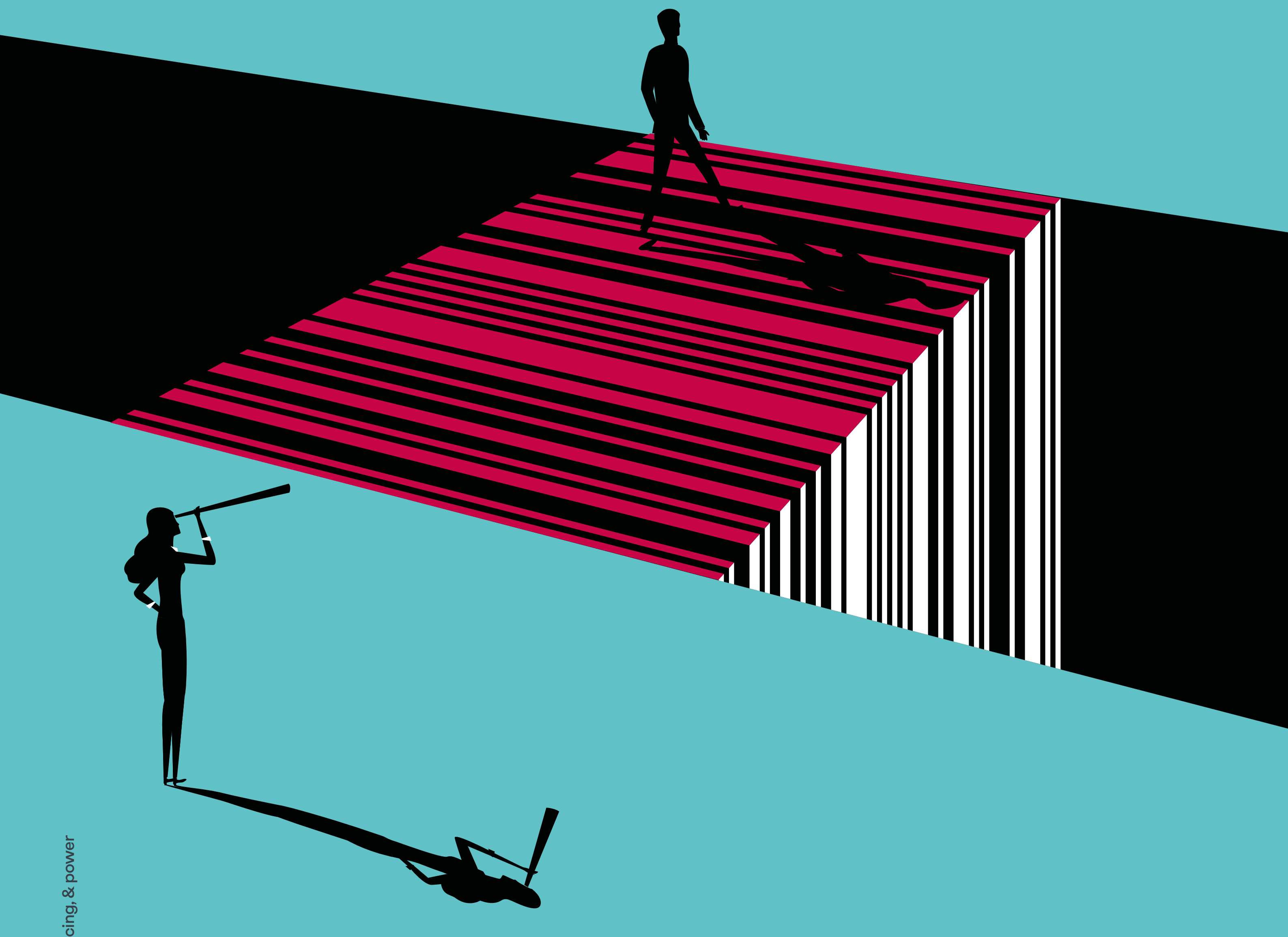
Conrad Heider - COO & Head of Digital

Insights

GenZ won't wait in line at the bank

The home of the future is smaller and smarter

Toys, no longer just for kids



Tariffs, pricing, & power

For many leadership teams, tariffs aren't just a policy problem. They're a moment of truth. A test not of reaction time, but of whether the company truly understands its pricing power, its vulnerabilities, and its ability to adapt without losing control.

The new test of commercial leadership.

The role of a commercial leader is rarely defined by bold, public moves. It plays out behind the scenes, in how companies set prices, weigh margin risk, and recalibrate product portfolios under pressure. Most of the time, this quiet coordination is enough. Customer expectations can be shaped. Currency swings can be hedged. Inflation can be tracked.

But tariffs are different.

They arrive without warning, strike unevenly, and upend entire pricing models overnight.

In 2025, tariff measures have become a defining force in global trade, reignited by geopolitical tensions, supply chain nationalism, and shifts in industrial policy. Businesses are being pulled into a trade environment where cost structures can change overnight. Unlike inflation, which tends to rise predictably across the economy, tariffs hit in targeted, often asymmetric ways – by product, by partner, by region.

Suddenly, price becomes the most exposed part of the business. Categories that once delivered stable margins demand urgent re-evaluation. Competitors respond unpredictably. Customers expect answers before internal alignment has even begun.

For many leadership teams, tariffs aren't just a policy problem. They're a moment of truth. A test not of reaction time, but of whether the company truly understands its pricing power, its vulnerabilities, and its ability to adapt without losing control.

These are the kinds of decisions that don't sit neatly in policy or procurement. They fall squarely within the remit of commercial leadership. And they're increasingly defining the difference between reacting to disruption and leading through it.

Simon-Kucher's recent whitepaper, *Tariffs, pricing, and power*[1] reframes this challenge not as a policy issue, but as a leadership one. The paper's core is built around six questions, each aimed at surfacing blind spots, testing outdated assumptions, and pushing leaders to rethink pricing not as a downstream adjustment, but as a CEO-level concern.

Together, these questions move beyond technical fixes, asking whether companies truly understand where they hold pricing power, whether they are relying on the right approaches, and whether their internal structures can match the speed and complexity of today's volatility. They challenge leadership not just to respond to tariffs, but to use them as a lens to expose deeper strategic vulnerabilities and opportunities.

One of the sharpest insights is how many companies are still reaching for the wrong playbook. **The old definition of pricing power – raising prices without losing volume – no longer holds.** Today, it means the ability to act with precision: to adjust pricing by region, segment, or SKU, backed by real-time insight.

Then there's the question: Do we know our pricing power? It sounds basic, but in volatile markets it becomes foundational. The report argues that pricing power isn't proven in spreadsheets, but rather in market reality. When tariffs hit, the difference between a confident response and a costly misstep often comes down to whether a business knows which products can absorb an increase, which can't, and where flexibility exists to shift value, not just cost.

1. Tariffs, pricing, and power, Simon-Kucher, 2025

Simon-Kucher's most recent work also describes how the most resilient companies are abandoning the binary debate over centralization versus decentralization. Instead, they're building models of coordinated autonomy, where global teams define strategic corridors and local teams act within them, supported by shared data and real-time escalation paths.

Underlying all of this is a final, more fundamental shift: the disconnect between cost, price, and value. In stable markets, those elements perhaps moved somewhat in parallel. But under pressure, they drift apart. **As pricing strategies rooted in cost mechanics lose relevance fast, it's time to treat price as a reflection of customer perception, grounded in value, not spreadsheets.**

For CEOs, this becomes a litmus test: Is pricing anchored in reality, or in habit? Are assumptions being challenged, or carried forward by default? As the report makes clear, **a company that doesn't know where it has pricing power doesn't have a pricing strategy. It has exposure.**

> **"Leadership teams don't need to micromanage pricing. But you do need to lead the right conversation:** Where do we have pricing power? Where are we exposed? How fast can we adapt without losing control"
>
> **Adam Echter**
> Managing Partner Industrials, Simon-Kucher

An in-depth interview with our partners

An in-depth interview with our partners

In a market defined by speed and precision, AI isn't just a tool - it's the new customer compass, guiding businesses to predict needs, personalize experiences, and perform at their best.

Buying decisions are increasingly driven by shifting values and rising expectations. As the margin for error narrows, businesses are looking to artificial intelligence not just to keep pace but to stay ahead.

We spoke with Lisa Jaeger and Ellen Kan to explore how AI is helping companies better understand and serve customers, and why adaptability is now a strategic necessity.

Consumer expectations have changed dramatically in recent years. What are the most important developments you're seeing, and how are businesses adapting?

Lisa Jaeger: What we're seeing is a shift in the way customers engage, with brands, with platforms, with choices. The bar is unquestionably higher. Today's consumers expect brands to understand their values and make every interaction intuitive. They're more informed than ever before and won't hesitate to take their business elsewhere after just one disappointing experience. What this means for companies is clear: waiting to react is no longer an option. The most responsive companies are using real-time data to track emerging preferences – sustainability, personalization, flexibility – and recalibrating their operations accordingly.

Ellen Kan: I see two major factors at work. First, value alignment. People want to feel that the businesses they choose share their commitments. Second, immediacy. They expect relevant offers and support exactly when they need it. Together, these forces create high stakes for businesses, requiring responsive processes underpinned by robust analytical tools.

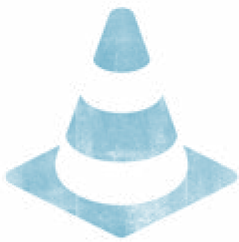
Jaeger: And I'd add a mindset dimension. It's no longer enough to collect feedback after a launch or campaign. The most forward-looking organizations are shifting toward continuous learning – testing, refining, and adapting in real time based on what they observe. **Today's pace of change means staying static, even briefly, can translate into lost market share.**

AI is often discussed as a way to "see around corners" in the market. In practical terms, how does it empower companies to decode consumer intent before it fully crystallizes?

Jaeger: AI is uniquely capable of detecting subtle patterns within vast data sets like social sentiment, purchase histories, and customer interactions, and translating these signals into actionable forecasts. Unlike traditional analytics, which may flag trends once they're already underway, AI can surface early indicators. Subtle shifts in search queries or voice-assistant requests can hint at emerging needs, encouraging companies to adjust pricing or promotions proactively.

Kan: In fast-moving consumer goods, this can be transformative. **AI-powered segmentation is enabling a shift from broad demographic buckets to dynamic, moment-based cohorts.** Imagine an AI model that recognizes when a segment of health-conscious consumers is trending toward plant-based options and then delivers targeted offers based on early signals others might miss. That level of anticipation deepens engagement and drives loyalty.

Jaeger: This proactive capability explains why AI is increasingly integrated not just within analytics but throughout the entire customer experience lifecycle, from personalized marketing and dynamic pricing to tailored recommendations and subscription retention strategies. AI-powered decision engines can rapidly update offers and suggest services, continuously aligning interactions with consumer preferences and strategic business goals.



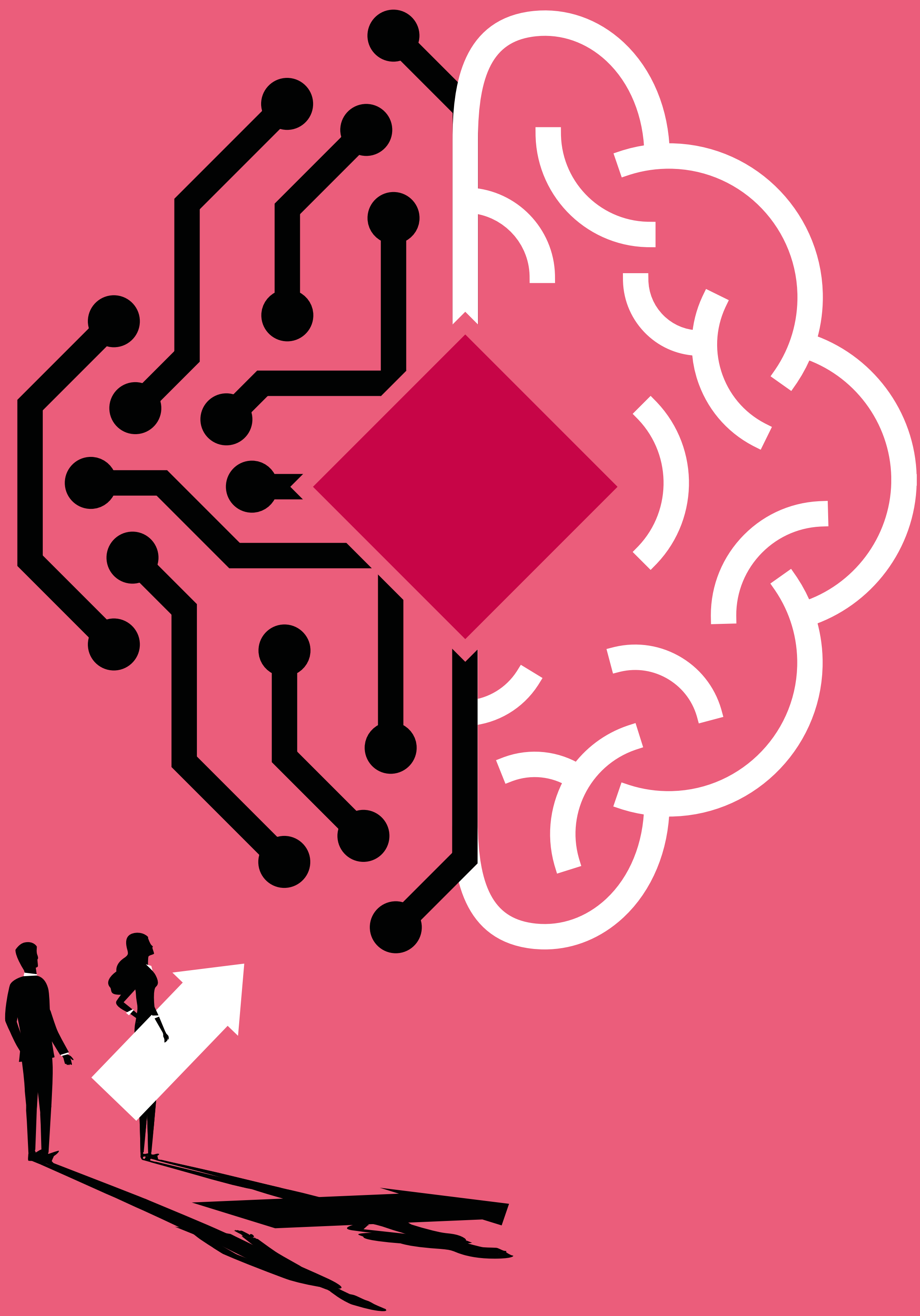
Implementing AI at scale can be challenging. How can businesses address the most common obstacles?

Kan: The biggest hurdle is a narrow focus on technology rather than transformation. Simply purchasing AI tools without aligning them to clear business objectives often leads to disappointing results. AI only delivers real value when it's supported by smarter ways of working and the right expertise. Some of the most effective applications emerge when data scientists collaborate across teams, especially with those closest to product categories and customer experience.

Jaeger: I'd also emphasize data quality. **Garbage in, garbage out still holds. Trustworthy AI doesn't start with the model. It starts with the data.** Consistency, clarity, and quality still make the biggest difference.

Kan: Success requires leaders who champion experimentation, tolerate failure, and build a culture that continuously improves based on AI insights. In organizations where this mindset takes hold, performance improvements tend to last longer and scale more successfully.

> **Success requires leaders who champion experimentation, tolerate failure, and build a culture that continuously improves based on AI insights.**
>
> **Ellen Kan**
> Partner, Simon-Kucher



AI, closing the gap between data & diagnosis

From chatbots fielding symptom queries to machine learning tools reviewing thousands of medical images in seconds, AI is moving from the margins of medicine to its operational core. Behind the shift is a vast accumulation of healthcare data – long siloed, now increasingly connected.

Collecting data builds records. Connecting it saves lives.

A decade ago, artificial intelligence in healthcare was more promise than practice – an idea rooted in predictive models and research pilots, not patient care.

However, even then, the data was already accumulating. Across the healthcare industry, information was being generated at a scale few industries could match, from electronic health records and diagnostic scans to insurance claims and pharmacy transactions.

It was this data that laid the groundwork for the widespread use of AI in medicine today – the result of years of accumulated health records, diagnostic scans, and behavioral patterns finally being structured, accessed, and interpreted at scale. From chatbots fielding late-night symptom queries to machine learning tools reviewing thousands of medical images in seconds, AI is beginning to move from the margins of medicine to its operational core. Not only because the models are more advanced, but because the data is finally being put to use.

Some of the most immediate applications are in diagnosis. The US Food and Drug Administration (FDA) has already authorized more than 1,000 AI- and machine learning-enabled medical devices, with over half approved in just the past three years[1]. Radiology leads the field, with computer-aided detection and diagnosis software experiencing nearly 18% growth during that period.

FDA
Authorised

+1k

AI-and machine learning-enabled medical devices, with over half approved in just the past three years.

18%

Radiology leads the field, with computer-aided detection and diagnosis software experiencing nearly 18% growth during that period.

1. The Rise of AI/ML-Enabled Diagnostics: Are Payers Catching Up? Simon-Kucher, 2025

Hope, hype, and a missing link: data

Radiology's rapid uptake of AI is no surprise. This specialism sits at the intersection of high data volume, diagnostic complexity, and clinical urgency.

Radiologists face a constant battle with time and volume, often reviewing hundreds of scans under pressure. It's a workload that makes the case for assistance, especially from tools that can process information at scale.

AI-powered image recognition can now detect patterns, anomalies, or early disease signals with a level of speed and consistency no human could maintain. Rather than acting alone, these tools operate as a second set of eyes, flagging concerns, reducing errors, and in some cases, prompting earlier interventions.

This isn't the only way AI is becoming a learning partner. Over time, the tools themselves can adapt. As clinicians use AI-assisted platforms to make decisions or review information, their inputs refine the algorithms. In this way, the tools evolve alongside the professionals who use them, not just informing decisions but learning from them.

For patients, the effects of AI are increasingly visible at the front door of the healthcare system. In regions with clinician shortages or high out-of-pocket costs, chatbots and symptom checkers are becoming the first point of contact. AI promises immediacy, anonymity, and accessibility – qualities especially valued by younger, digitally-native populations.

However, the usefulness of tools depends entirely on the quality of their underlying data.

And that's where the optimism meets its limits.

Healthcare may generate more than two zettabytes of data each year[2], but the vast majority remains untapped, locked in incompatible systems, missing key demographic details, or simply never analyzed.

2,000,000,000,000,000,000,000

Bytes

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2. Total data storage capacity compared to the total amount of healthcare data generated in 2020, Statista, 2018

The data gap standing between promise and practice.

No AI system can outperform the information it's built on. If training data under-represents certain groups, omits key variables, or reflects historical biases, the outputs will replicate those flaws.

In healthcare, this isn't a technical glitch, it's a real-world risk. From diagnostic tools trained on homogenous populations to decision-support systems fed incomplete records, the risk of biased or misleading guidance is significant. Addressing this challenge requires not just better data, but deliberate efforts to detect and correct systemic blind spots.

Still, the potential remains compelling, especially when data is treated not just as a record of what happened, but as a resource for what could be anticipated. Imagine a system that draws not only on peer-reviewed studies, but on real-time hospital activity, anonymized electronic health records, and personal data from wearable devices. Imagine that same system learning over time how an individual patient responds to treatment, what symptoms they report, how often they miss appointments. The result could be a healthcare experience that feels less reactive and more personalized, shifting the focus from treatment to prevention.

> **"Personalized medicine results from integrating large amounts of diverse data types from a wide range of sources, going beyond solely the hospital or lab."**
>
> **Dr. Allison Dupuy**
> Senior Partner and Americas Head of Healthcare & Life Sciences

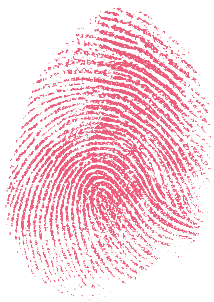
As tools evolve, so must responsibility

The narrative around AI in healthcare has too often focused on displacement and what machines might do instead of humans. But in practice, the most meaningful impact is happening through augmentation. This distinction matters: AI is beginning to act as an extension of clinical judgment, not a substitute for it, enhancing rather than replacing the role of the physician.

Rather than science fiction, it's a future that depends on careful regulation, ethical design, and collaboration between technologists and medical professionals. Guardrails will matter. So will transparency.

Because while AI can help physicians work faster, see more, and miss less, it cannot take responsibility for outcomes.

That still rests with the humans in the room.



Lidl in the morning, Armani in the evening

Lidl in the morning, Armani in the evening

As consumers bounce between bargain buys and luxury splurges, brands are being forced to rethink how they price, segment, and position themselves.

Consumers oscillate between low-cost convenience and premium indulgence.

The middle of the market is being squeezed. That’s the message from Martin Crépy, Managing Partner Consumer at Simon-Kucher, in his recent interview on the *Better Growth Blueprint podcast*[1].

As inflation bites and economic uncertainty lingers, consumers aren’t simply trading down or cutting back. They’re behaving in more complex, segmented ways.

What Crépy calls consumer polarization isn’t a shift in preference so much as a split in purchasing logic. **The same shopper might save on groceries at Lidl in the morning and splurge on a premium fragrance by evening.** “There are no boundaries anymore,” he notes. “Consumers are shopping across price points, across formats, and across value propositions.”

This behavioral split is driving significant changes for brands. Companies can no longer rely on a one-size-fits-all positioning. Instead, they must adapt to a market where value is increasingly contextual: it changes depending on the product, the channel, the day, or even the hour.

1. Lidl in the Morning, Armani in the Evening: The New Consumer Reality, Simon-Kucher, 2024

Split decisions, unified strategy

What emerges is a picture of the modern shopper as highly intentional and deeply segmented, requiring companies to rethink how they define customer segments, tailor pricing strategies, and align portfolios to different purchasing occasions.

Crépy makes a strong case for reinventing revenue growth management (RGM) around this complexity. Pricing and product decisions, he argues, must now be grounded in behavioral data, powered by AI where possible, and built around a dual understanding of both the consumer and the shopper. They're not always the same person, and the distinction matters more than ever.

While the conversation remains grounded in data and insight, it also makes space for urgency. "The customer has changed," Crépy warns, "so don't apply the same old recipe."

In a market defined by polarization, it's the brands that adapt to both ends of the spectrum (and resist treating the middle as the default) that are most likely to grow.

What fills the aisle fills the cart: The rise of private labels

It begins with a small decision at the supermarket shelf. A shopper pauses, compares two nearly identical boxes. One with a familiar brand, the other with the retailer's own label. After a brief glance at the price, they place the store brand into the cart.

It's not a radical choice. It doesn't feel disloyal. In fact, it barely registers. But across millions of baskets in thousands of stores, this moment is reshaping the balance of power in the consumer goods world.

Private labels, once the fallback for tight budgets, have grown up. In 2023, they captured 38% of the grocery market in Europe, and in countries like Spain and Germany, that share has climbed above 40%[2]. In France, the average shopping basket has shrunk, from 12 items to 11, but private labels' share of that smaller basket has grown. One fewer brand, one more private label. The numbers are shifting.

38% Private label share of the grocery market in Europe

+40% In countries like Spain and Germany

2. Private labels on the rise: Consumer trends reshaping the food and drugstore market, Simon-Kucher, 2025

Inflation has changed how people shop, but not how they judge value

The common assumption is that private labels win on cost. And often, they do. But **the most successful retailer-owned brands are no longer just cheaper. They're competitive on quality, and sometimes indistinguishable in form**. They benefit from proximity to the point of sale, a wealth of shopper data, and an ability to adapt quickly to trends. In some ways, they act like well-funded startups with the distribution muscle of multinationals.

However, as private labels scale, they are subject to the same strategic pressures that global brands have faced for years. In a more competitive, more volatile retail landscape, manufacturers behind these labels must sharpen their approach on pricing, product mix, and supply chain resilience.

This puts pricing strategy at the forefront. Cost-plus is no longer enough. Private label manufacturers need to understand exactly what drives willingness to pay in each category, and how their products compare not just on price, but on perceived quality, packaging, and sustainability.

Getting into the cart is just the beginning.
Staying there takes strategy.

> **"You don't just earn shelf space. You defend it daily.** Private labels that want to stay on the shelf must come equipped with more than products. It requires consumer insights, pricing clarity, and a clear understanding of how each item contributes to the overall category"
>
> **Alexander Bilsing**
> Partner, Simon-Kucher

GenZ won't wait in line at the bank

GenZ won’t wait in line at the bank

A few years ago, banking still looked more or less the same. There was a branch. A debit card. An online login. Maybe a relationship manager.

Today, you might still find some of these banking fixtures. But for many customers, the branch is no longer the default.

Your parents had branches. Today's generation has an app.

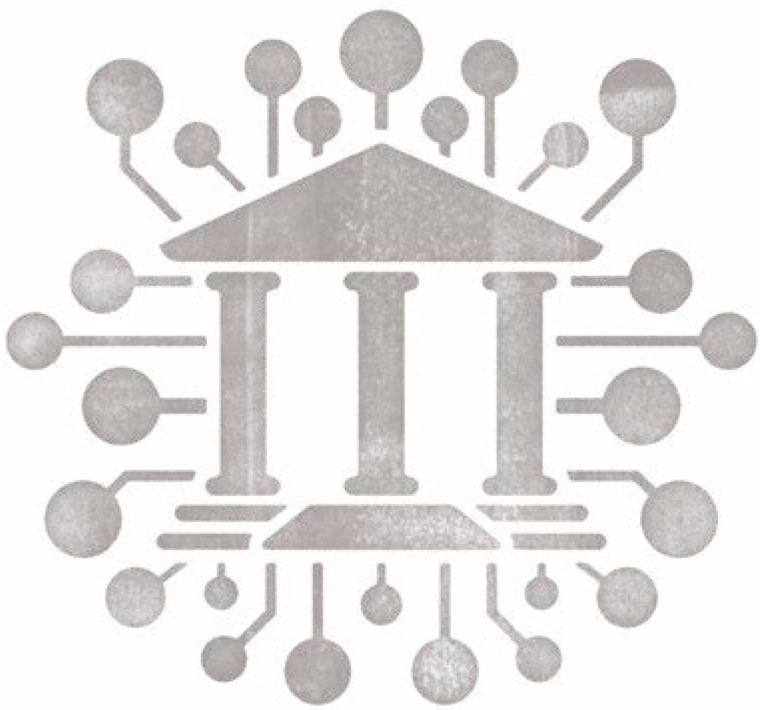
Gen Z isn't rejecting banking altogether. They're just doing it differently.

They no longer see the rationale for waiting in line when a well-designed app can handle the same task, faster and more intuitively. Convenience is measured in clicks, not in service counters. Seamless onboarding, personalized recommendations, and embedded finance have become the standard, borrowed from the platforms the digitally native use to manage everything from deliveries to investments.

Banks are no longer judged solely on their products and services, but on the speed and quality of the experience that surrounds them.

This shift is visible in the numbers. Neobanks and fintech apps have surged in adoption, having crossed the one billionth customer mark in 2023[1], offering everything from budgeting tools to crypto wallets. Meanwhile, traditional banks are under pressure to adapt, not just in appearance, but in how they operate.

> **"Banks don't need to disappear into smartphones, but they do need to fit more naturally into people's financial lives.** And while many institutions still deliver value through face-to-face interactions, the bar for digital engagement has been raised. It's not coming back down."
>
> **Jens Baumgarten**
> Managing Partner Financial Services,
> Simon-Kucher



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1. Future of Neobanking Report, Simon-Kucher, 2023

In a twist of timing, there may be some accidental alignment. Because as GenZ favor digital interactions over a trip to the bank, the industry is facing its own internal brain drain. Experienced professionals are retiring, taking decades of institutional knowledge with them.

Replacing that talent has proven more difficult than expected. Today's graduates aren't necessarily choosing banking over tech. The allure of agile teams, modern tools, and mission-led culture draws them toward fintechs, startups, and platform businesses. Competing for technical and commercial minds now means showing that banks can be places of innovation, purpose, and career momentum.

All of this is unfolding against a backdrop of macroeconomic volatility. Interest rates are unpredictable. Tariff tensions are weighing heavily on trade-exposed sectors. Net interest margins are compressed. Inflation is pinching consumers, squeezing businesses, and increasing credit risk. And in markets where consolidation is accelerating, scale is a survival strategy.

Banks are now tasked with doing something deceptively difficult: growing in an environment where they need to be more efficient and more relevant, both at the same time.

That's why growth today isn't about doing more of the same. It's about doing things differently: serving new segments, rethinking value, and building relevance in a landscape that no longer rewards tradition alone[2].

The banks that grow from here won't be the ones that change the most, but the ones that change with purpose. Otherwise, they risk being last in line for the ever dwindling pool of customers who still want to bank like they did in the past.

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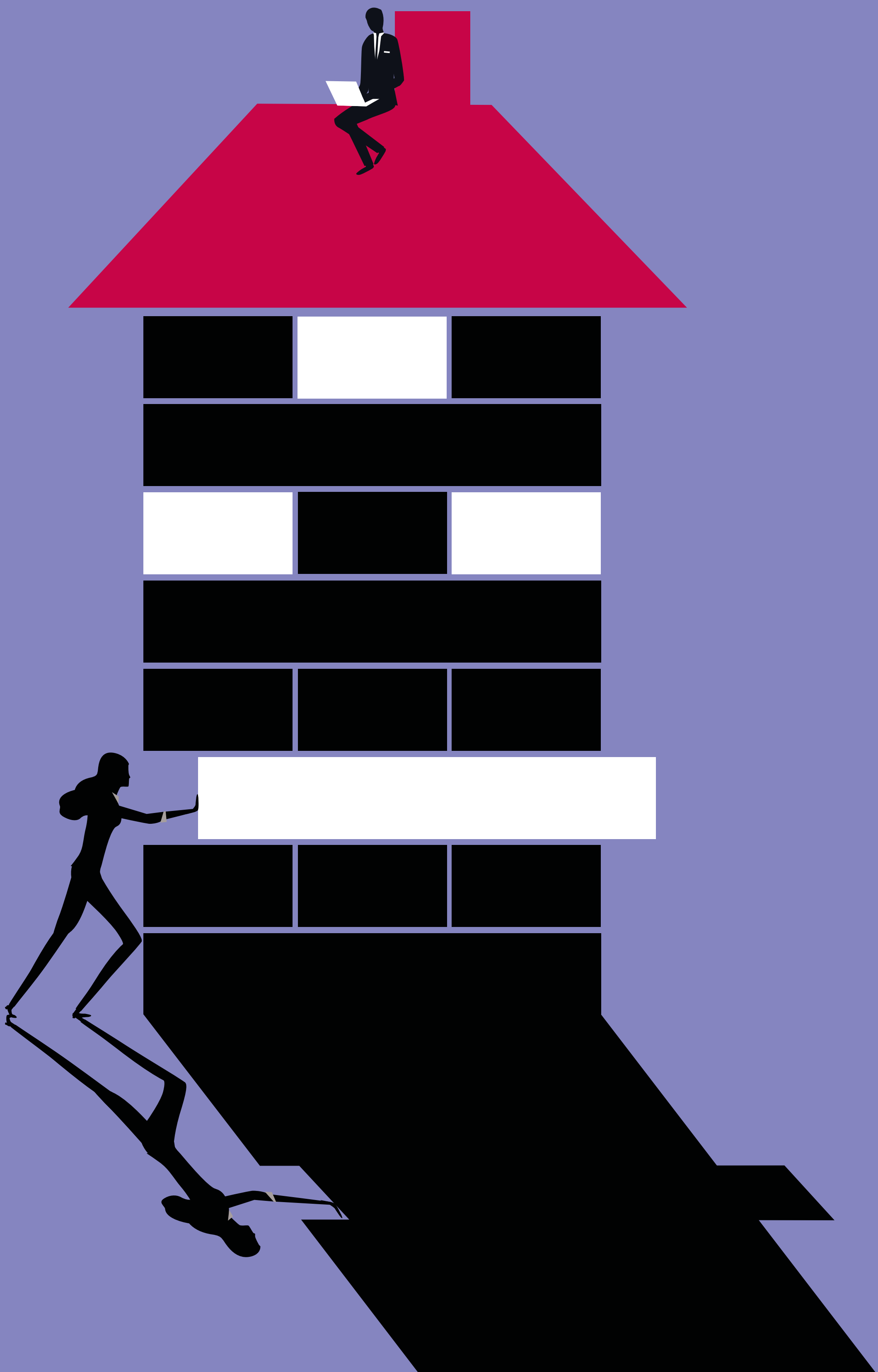
2. Better Growth in Banking Report, Simon-Kucher, 2025



The home of the future is smaller and smarter

The home of the future is smaller and smarter

When things get smaller, growth usually shrinks with them. But in the housing market, that assumption no longer holds. As residential footprints contract, they're giving rise to a new set of demands.

Why shrinking blueprints are creating new opportunities for growth.

This example from the construction industry shows how growth doesn't always come from scale. Sometimes, it comes from transformation, when industries are forced to rethink how they create, deliver, and measure value.

The home construction industry's new growth equation

The future of home construction is not marked by radical architecture or eye-catching concept houses. Instead, it's unfolding in more practical terms: smaller floor plans, more efficient layouts, and increasingly strategic material choices.

This shift goes beyond aesthetic preference. More than 30% of residential builders plan to scale down the homes they construct[1]. The average reduction in square footage among these builders is six percent. Efficiency is becoming the new benchmark, replacing excess as the defining value in home design.

This is less about minimalism and more about survival. The affordability crisis continues to squeeze both buyers and developers, pushing them toward more cost-effective models. In response, builders are reimagining what a home can be. Smaller homes now must carry the same emotional and functional weight as their larger predecessors, meaning every square foot has to earn its keep.

30%

of residential builders plan to scale down the homes they construct

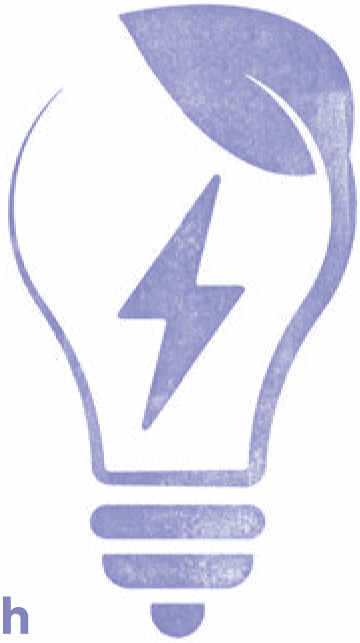
> **"The homes are smaller, but the expectations are not. If a product doesn't add value, it adds pressure. As construction companies reduce square footage, they need suppliers who can help them expand the value they deliver."**
>
> **Will Humsi**
> Partner, Simon-Kucher

1. Winning in 2025: How Building Material Suppliers Can Navigate a Changing Market, Simon-Kucher, 2025

Less space, more strategy

As builders rethink floor plans, they're also rethinking what goes into them. More compact housing requires materials that conserve space without compromising function, which is where building material suppliers come into the frame. As homes shrink, the demand for space-efficient, multi-functional, and aesthetically compelling materials is rising fast.

Compact cabinetry, modular wall systems, high-performance insulation – all are becoming central to how builders deliver value in smaller homes. Building material suppliers who can offer well-designed, space-efficient solutions are more likely to find themselves on the short list as builder priorities evolve.

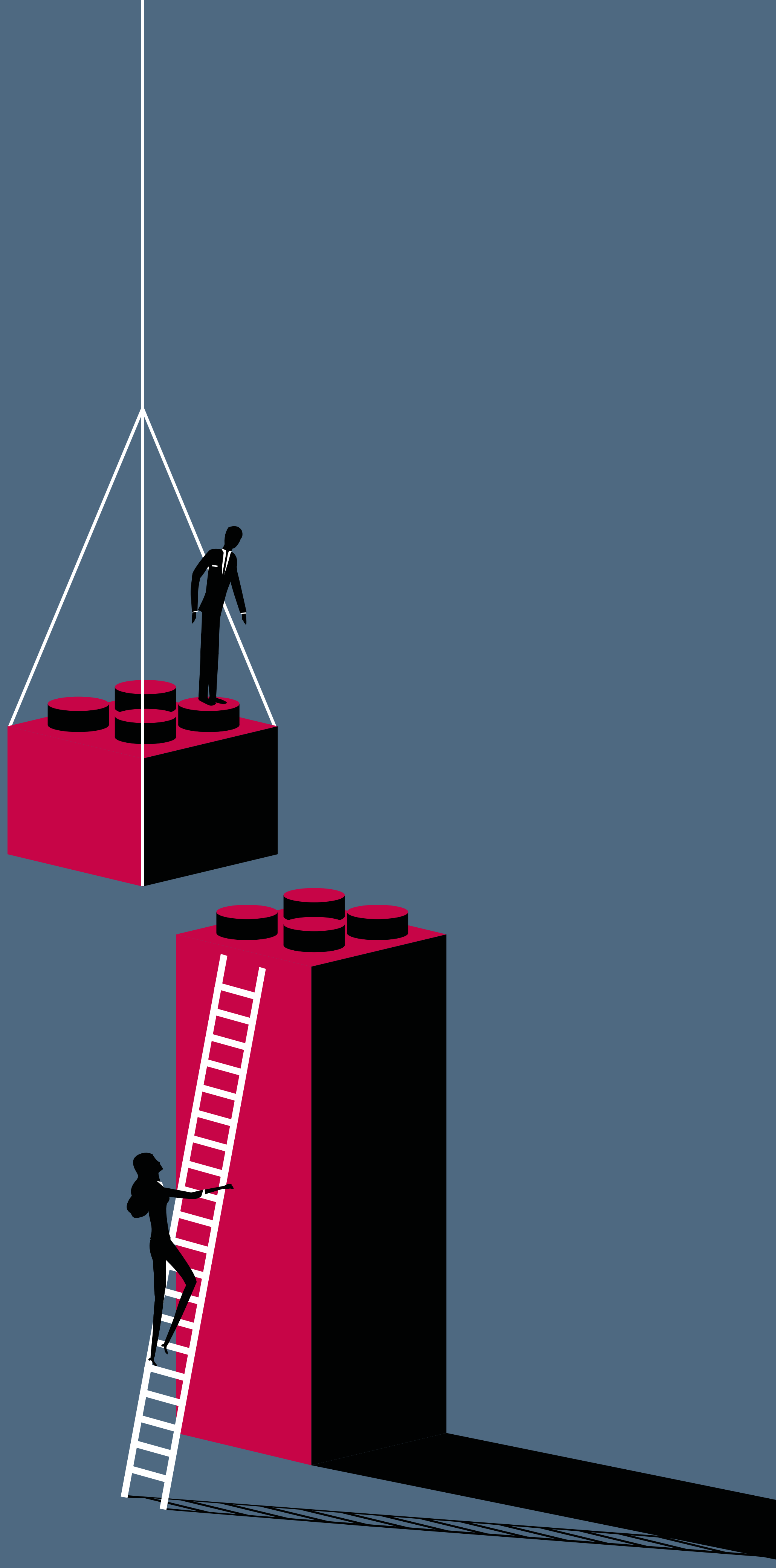


Smaller homes with smaller footprints

Size isn't the only variable in play. **Sustainability, long an aspirational goal, is becoming a pragmatic differentiator.** Nearly half of all residential projects now incorporate sustainable building materials. And while contractors may be slow to adapt, over 84% of builders report sourcing sustainable materials at least occasionally, suggesting a widening gap in priorities, and an opportunity for manufacturers who can bridge it.

The future is compact and clever

So, **rather than the end of expansion for building suppliers, shrinking blueprints mark the start of a smarter kind of growth**. The home of the future won't look like a showroom fantasy, but a cleverer version of what we already know. Smaller, yes. But also more intentional. More efficient. More sustainable, where it matters. And behind the walls and beneath the floors, the materials will tell the real story: one of constraint, ingenuity, and adaptation.



Toys, no longer just for kids

Toys, no longer just for kids

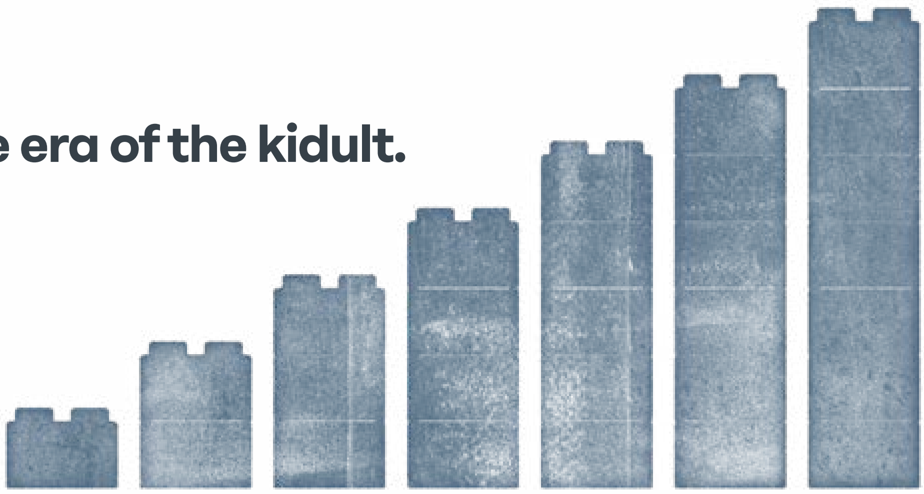
Once viewed as a niche curiosity, adult buyers have become one of the most dynamic and profitable segments in the global toy industry. Kidults are changing how products are designed, marketed, and sold. And they're only gaining ground.

Kidults are rewriting the rules of play in the toy industry.

Walk into any toy aisle today, and you might overhear conversations about vintage Star Wars sets, the build complexity of the latest LEGO Technic model, or the value of a limited-run Funko Pop. But these aren't playground discussions, they're taking place between adults.

Nearly 30% of global toy market revenue now comes from adult consumers, making them the fastest-growing age group in the industry[1].

Welcome to the era of the kidult.



1 - Key toy trends and strategic focus areas: Insights from the Nuremberg Toy Fair 2025, Simon-Kucher, 2025

From collectibles to culture

The kidult phenomenon isn't just about nostalgia, though that's certainly part of the draw.

Toys today are a cultural touchstone, tied not only to childhood memories but to the evolving identities of consumers who see value in play, collection, and even display.

For many, these products offer stress relief in anxious times; for others, they are objects of self-expression. The fact that a LEGO build can double as a conversation piece on a home office shelf is not incidental: it's the point.

Major toy companies have taken notice. Mattel's limited-edition Ruby Anniversary collection nods directly to childhood memories while commanding adult-level price points. Schleich, known for its detailed animal figurines, has announced its first-ever product line designed specifically for adult buyers, set to launch in 2025. Rather than rebranded kids' toys, these are intricate, considered objects created with mature consumers in mind.

"Toy manufacturers, who once focused almost exclusively on parents and children, are now contending with a different kind of buyer: one with disposable income, high expectations, and a direct emotional stake in what they purchase. The inner child wants to play, and the outer adult is picking up the bill"

Bjoern Dahmen
Senior Partner, Simon-Kucher

Licensing moves upmarket

Licensed franchises continue to anchor much of the kidult market. Star Wars, Marvel, and Harry Potter remain perennial favorites, but the licensing landscape is evolving.

Sports is now a serious player, with partnerships between LEGO and Formula 1 or Hot Wheels and global football clubs reflecting a more expansive view of play. At the same time, anime and manga, once considered niche in Western markets, are fueling a new licensing boom. Franchises like Naruto, Dragon Ball, and Beyblade have dedicated multi-generational fanbases, supercharged by streaming platforms and social media.

While one might first think these partnerships are just about slapping logos onto plastic, in reality they're about storytelling, identity, and creating objects that resonate with fans long after childhood ends.

Kids are still in the toy aisle. They've just grown taller and now carry credit cards.

Understanding willingness to pay, a crucial focus in pricing strategy, takes on new dimensions in the kidult context. Premium product lines, bundled content, exclusive drops – these are more than marketing tactics. They're signals to a buyer who wants to feel that a product was made with them in mind. While price sensitivity still plays a role, it's a different equation: one where perceived value, exclusivity, and personal resonance often outweigh discounts or promotions.

The purchase journey also looks different.
Most traditional retail environments are still built around families and children. But for kidults, the path to purchase is largely digital, driven by online forums, social media buzz, and ecommerce experiences that reward engagement and immediacy.

This opens up an opportunity not only for manufacturers to rethink how they sell, but for physical retailers to reimagine who they serve. Some already are: toy stores carving out space for adult ranges, or running evening-only events for collectors and hobbyists. The market is shifting with an increasing number of stores catering to the grown-ups in the room – those looking for status symbols over stocking fillers, and with much bigger pockets.

Most traditional retail environments are still built around families and children. But for kidults, the path to purchase is largely digital.

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