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Shoppers seek scoop of luxury Ice cream maker offers taste of the good life

By Karen Dybis / The Detroit News

This summer's ultimate accessory?
Luxury ice cream.

Forget vanilla. Strawberry is so passe. These days, ice cream must be scooped, mashed, mixed with upscale toppings on a frozen granite slab and dished up in a fresh-baked waffle cone.

That will be \$6, please.

This week's launch of Cold Stone Creamery's Royal Oak outlet — its 10th Metro Detroit store — highlights a new American trend: More middle-class consumers are willing to fork over for costlier brand-conscious versions of what used to be generic household staples. The prices might be higher, but so is the prestige.

So while the \$3 Vaseline hand lotion will do, some people drop \$9 for lotion at Bath & Body Works. Not to mention the \$4 Starbucks coffee, \$150 Coach handbag and \$3,000 plasma television from Costco.

Marketers studying this movement say it is tied to changes in society. More women are working, so families have more money to spend. And all that work makes people crave — no, deserve, they tell themselves — increasingly frequent treats.

These products also have an emotional component, said Pam Danzinger, author of "Why People Buy Things They Don't Need" and president of Unity Marketing in Stevens, Pa.

"The shift is really about experience," Danzinger said. "Consumers who buy new luxury products are looking for an indulgence. They want that sensual experience. It's all about the feeling."

Plus, with so much shopping taking place at discounters like Kmart Corp. and Wal-Mart Stores Inc., families have some wiggle room in their budgets, said Michael J. Silverstein, author of "Trading Up: The New American Luxury" and a vice president at The Boston Consulting Group in New York.



Nicholas Panyard, 21, and Sarah Jane Garlak, 19, enjoy their ice cream at Royal Oak's Cold Stone Creamery, the firm's 10th store in Metro Detroit.

Purveyors like Cold Stone Creamery will hit that sweet spot for American consumers who make more than \$50,000 annually, he said.

“It’s a very special, affordable dessert,” Silverstein said. “Food is one of the primary categories in which people are trading up.”

So what’s wrong with a Dairy Queen blizzard or a pint of Ben and Jerry’s from the local grocer? Well, no one there sings when you give them a tip like they do at Cold Stone Creamery.

“We provide the ultimate ice cream experience,” said Michael Flaum, Michigan franchise developer for Cold Stone, which is based in Scotsdale, Ariz.

Here’s how it works: The stores mix ice cream with any number of ingredients on a slab of cold granite. Prices range from about \$2 for a baby scoop to \$6 for the works.

The chain has doubled in size every year since its first franchise opened in 1995. In 2002, the company’s sales topped \$88 million. Its sales nearly doubled in 2003.

“I love it,” said Dawn White, who recently treated her 4-year-old son, Jake, to a scoop of chocolate ice cream with a Kit Kat candy bar mixed in. “It’s so much better than just choosing a flavored ice cream.”

The desire to upstage and upgrade is hardly new. Centuries ago, people wore white clothes to show they could afford to wash them and they had alternative apparel, said Christopher Berry, author of “The Idea of Luxury” and professor of political theory at the University of Glasgow in Scotland.

“Economists have the idea of a ‘demonstration effect,’ where paying more shows you can do so,” Berry said.

James Skinner, chief financial officer of department store Neiman Marcus Group Inc., said retailers study ways to get customers to pay more. But consumers are smart enough to decide which products are worth it to them.

“You have to have a functional difference. You have to be better,” Skinner said. “There is also emotional aspect. People want to be part of your club. There is a Starbucks club and people feel good about it.”

So forget Neapolitan. Say goodbye to that full wallet. Say hello to the Caramel Cherry Daydream, a mix of black cherry ice cream with black cherries, graham cracker pie crust and caramel.