

Move over kids, 'kidults' are the new demographic shopping the toy aisle

Article

INSIDER

INTELLIGENCE

eMarketer.





Everyone knows the expression "like a kid on Christmas morning." But what if we told you that it's not just children who are hoping for the season's hottest toys?

Enter the "kidult." The NPD Group defines this demographic as consumers ages 12 and older, and is the **biggest driver of growth for the toy industry** this year, according to the firm.

- The group represented 60% of the dollar growth in the industry in the last 12 months ending in September, despite accounting for a quarter of sales (totaling about \$9 billion in sales annually).
- Consumers ages 18 and older represented 14% of US toy industry sales in the 12 months ending in September, growing 19% year over year.
- In the first half of the year, toy sales growth among adults without children was higher than households with children, per The NPD Group.

According to the Toy Association, over half (58%) of adults bought toys and games for themselves last year. Top favorites included board games (purchased by 65%), arts, crafts, and building sets (61%), collectibles (53%), and video games (52%).

You don't have to look far to see how adults are influencing the toy industry.

Lego leans in: The percentage of Lego's sales from adults has increased fourfold over less than 10 years, according to Tormod Askildsen, Lego Group's head of adult fan of Lego engagement.

- This increase in adult customers led Lego to create more sets geared toward adults and to launch its Adults Welcome section on its website, which not only lists its 18+ sets but also gift guides, behind-the-scenes info, and recommendations.
- "The pandemic certainly served as a catalyst for this trend as adults found themselves stuck at home with nothing else to do with a lot of time in their hands," Genevieve Cruz, senior director at Lego, told The Washington Post. "But we do believe that the trend goes beyond the pandemic."

Disney has its fans: Dubbed "Disney Adults," there's a huge number of consumers who are obsessed with all things Disney.

- But it's not just about Mickey and Minnie; The Walt Disney Co. is cashing in on more adultfriendly franchises like "Star Wars" and "Marvel," which were named the fifth- and eighth-bestperforming media properties, respectively, in 2021 by License Global.
- If Disney creates an Amazon Prime-like membership program (which it is reportedly considering), this could be a way to strengthen its adult consumer base by linking its retail, media, and park properties.

More companies get in on the craze:





- Greta Gerwig's "Barbie" movie is giving a new life to the famously ill-proportioned doll, which is sure to spur a Barbie renaissance (Though can it be called a renaissance when Barbie was named by The NPD Group as the global top toy property of 2021?).
- Or, if you're looking for dolls of a different nature, Mattel's American Girl Cafe has added more "adult" meal offerings and cocktails, which has grabbed the attention of certain social media influencers.
- In the realm of soft and squishy, Gen Z's devotion has turned Squishmallows into one of the most in-demand gifts of the season.
- And if you're feeling like getting wild (but not too wild), Build-a-Bear has got you covered. The Bear Cave, its site for consumers ages 18 and older, features adult-themed teddy bears and media property crossovers.

Why it matters: We forecast toys and hobby sales will grow 2.7% in 2023 to reach \$205.27 billion. Though that will only account for less than 3% of total retail sales, there's a massive opportunity for growth among teens and adults. Because the truth is, everyone deserves a shiny new toy every once in a while.

This was originally featured in the Retail Daily newsletter. For more retail insights, statistics, and trends, subscribe here.



