

What's Next for the \$9.9 Billion Personal Development Industry by **John LaRosa**, Marketdata Research Director on January 17, 2018

American consumers will pay lots of money for self-improvement products and services. This is especially true at this time of the year. Each January, we set resolutions to lose weight, improve our relationships, make more money, manage stress better, become a better salesman, increase productivity, read faster, etc.

The U.S. self-improvement market was worth \$9.9 billion in 2016. It is forecast to post 5.6% average yearly gains from 2016 to 2022, when the market should be worth \$13.2 billion.

This “industry,” which I have followed at Marketdata since 1994, has many sub-segments to deliver this knowledge to us: infomercials, holistic institutes, self-help books & audiobooks, motivational speakers, websites, apps, public seminars, personal coaching, weight loss programs, and training organizations.

How the self improvement industry is changing

The industry has been supported traditionally by Baby Boomers, who relied upon experts and gurus that are household names: Tony Robbins, Jim Rohn, Marianne Williamson, Wayne Dyer, Stephen Covey, Deepak Chopra, Oprah Winfrey, Zig Ziglar, Robert Kiyosaki (Rich Dad, Poor Dad), Louise Hay, and Brian Tracy, to name a few. (Note: Wayne Dyer, Stephen Covey, Zig Ziglar, Louise Hay, and Jim Rohn are deceased.)

However, the demographic is changing. Baby Boomers are aging, and these older gurus are dying or retiring. A new generation of self-improvement experts will have to emerge to take their place. And technology is shifting how these gurus distribute their advice to consumers — increasingly via the internet, podcasts, online courses and “academies,” telesummits, MP3 downloads, apps, websites, masterminds, phone coaching, and webinars. “Old school” methods such as in-person 3-day seminars, week-long retreats, and infomercials carry much higher overhead costs and are harder to scale up. The multi-city, one-day free, or low-cost seminars held in a 10,000-person auditorium, with 5-7 speakers from sports, politics, the military, and business have all but disappeared.

Top 5 trends in the self-help industry

1. Shifting demographics.

Traditionally, the Baby Boomers have been the main consumers of self-improvement. They still are an important group, but the tide is shifting.

Millennials now are the largest population group and represent the future for this market, but there are few experts now catering to them.

2. The Internet is playing a larger role.

More content (such as MP3 downloads, e-books, webinars, online courses, “academies,” “universities,” and masterminds, etc.) is being delivered online, and self-help apps are starting to take off.

3. Personal coaching is growing strongly.

This is the 2nd fastest-growing industry worldwide. The latest ICF and PriceWaterhouseCoopers’ global coaching study found that the U.S. coaching market was worth \$955 million in 2015. Marketdata expects this to rise to \$1.02 billion in 2016. The “average” U.S. coach makes \$62,000/year. Nearly all motivational speakers offer coaching services now. However, the field is loosely regulated and incompetence is a common complaint. Just about anyone can call themselves a life coach.

4. Convenience and cost are key.

It’s harder to get consumers to take a flight to a seminar or retreat, get three days off from work, and pay the registration fee and hotel stay. This costs thousands. Consumers today want 24/7 access to personal development programs, at home, with no travel. Especially Millennials, who generally have limited budgets. That’s why the internet has become the preferred distribution method. It’s also good for gurus, who can reach more people more cost-effectively and more profitably.

5. Accountability will be more important.

The personal development field has had a rocky past. Many personal coaches are not qualified. Suze Orman’s financial advice has been criticized, Robert Kiyosaki filed for bankruptcy for one of his companies. People died at James Ray’s sweat lodge programs. The Ubiquitous infomercial pitchman Kevin Trudeau is in jail. His widely seen infomercials promoting his books were filled with unsubstantiated health, diet, and financial remedies that earned him a fortune.

Consumers are jaded and are questioning guru credentials more often. Future gurus will be held to a higher standard, and must produce real, measurable results and practical skills. Much of the past self-help marketing created unrealistic expectations. And, self-help may be most useful for people who don’t actually need self-help.

Where to access additional information

To learn more about the self help market and its sub-segments, trends, and competitors, be sure to read *The U.S. Market for Self-Improvement Products & Services* by Marketdata. The study was published in August 2017 as an independent "off-the-shelf" market research report. It is 390 pages in length, with 100 guru and competitor firm profiles and 72 tables/charts.