Lego seeking to win over more girls

Kim McLaughlin



A Lego fan in Berlin. The toymaker is paying more attention to marketing to girls. "I think there is something that genetically skews us towards boys, but we can do better," Lego's chief said. (Michael Sohn/The Associated Press)

Ida Fraende, a 9-year-old who lives in Copenhagen, likes to play with Lego bricks. That is not unusual among Scandinavian girls, but it is not typical among her counterparts elsewhere in the world. Jorgen Knudstorp hopes to change that.

Knudstorp, chief executive of Lego, the largest toymaker in Europe, already has brought the group back to profit and renewed its growth ambitions. Now he hopes to challenge Mattel and Hasbro, the U.S. companies that dominate the toy market.

Girls are a market where "we'll never stop trying," said Knudstorp, who joined the family-owned company in 2001 from McKinsey, the consulting group. "I think there is something that genetically skews us towards boys, but we can do better," Knudstorp said.

To win over girls, Lego - whose iconic plastic bricks have entertained children and wounded unwary barefoot parents since the late 1940s - is working to change its mind-set, and taking its marketing efforts online.

The company, founded in 1932 by a carpenter, Ole Kirk Christiansen, intends next year to begin an online "Lego Universe" to tap into a booming market that has created successes like "Second Life" and "World of Warcraft."

The group has recovered from a loss in 2004 of 1.9 billion Danish kroner, or \$391 million at current exchange rates, and managed to increase its share of a global toy market that has stagnated at about \$50 billion a year.

But Lego faces intense competition, and the challenge of winning over children lured by gadgets like MP3 players, mobile phones and video games.

"It seems like for children over the age of six, that's increasingly where they want to spend their time and less so playing with basic toys," said Margaret Whitfield, an analyst at Sterne Agee in Birmingham, Alabama.

If online worlds sound like a boy thing, Whitfield pointed out that many of the new ones from toymakers are actually for girls. She noted Hasbro's tests in the fourth quarter with Littlest Pet Shop's "Virtual Interactive Pets."

Fraende, the girl from Copenhagen, prefers Lego blocks to virtual games. "I think it's more fun than electronic games, because you can build all kind of stuff yourself," she said. "You can build horses and stables and play with it afterwards."

Knudstorp said Lego's Belville line, featuring horses and a royal family, does well with girls in Scandinavia, but Lego has decided to discontinue Clikits, introduced in 2003 with interlocking parts aimed at encouraging arts and crafts.

Knudstorp said Lego made a hospital kit a few years ago with an ambulance and a helicopter but no female characters. "For girls, there was nothing that appealed to their way of playing," Knudstorp said. "That's going to change. I think we can do a better job."

Lego already has a comfortable corner in the Star Wars game arena, where fans can "rebuild the saga brick by brick" on popular platforms like Sony PlayStation and Nintendo DS. Its planned online world would invite users to create characters and kits onscreen and then have them transformed into physical products by Lego.

It first introduced the concept several years ago with a computer-aided design program, Lego Factory. When the designs are done and uploaded, Lego manufactures the bricks necessary for the kit and ships them to users so they can assemble them.

Whitfield, the analyst at Sterne Agee, said she sees Lego's potential in an increasingly crowded market, but not yet the girl appeal.

Lego is now owned by Ole Kirk Christiansen's grandson, Kjeld Kirk Kristiansen (the spelling changed down the years).

Last year, classics like Lego City, featuring firefighters and police officers, provided growth and a 4 percent rise in operating profit to 1.5 billion kroner, as did more modern lines like Star Wars.

But Knudstorp said he expected the twin trends of what Lego calls "boys getting older younger" and aging populations in important markets to knock out more traditional toymakers in the coming years. "There will only be room for the really hard-core classics and we are among them," Knudstorp said. "There will be room for other players, obviously, but many traditional toys will simply stop being."

To keep in tune with the changing interests of children, Lego consults panels taken from an enormous community of fans, including some of the 2.4 million children who receive Lego magazine. Lego also has cult status among adults online. Lego fans post movies called brick flicks and designs on sites like YouTube.

Regan McNamee, 9, of Arlington, Virginia, says he likes Star Wars kits best and enjoys following the instructions.

McNamee, who admits he sometimes mashes up his creations, said he liked Lego a little better than his Xbox and Nintendo Wii because "you can build them and make them however you want, but on games you can't always make it how you want."

Knudstorp himself - whose parents did not allow electronic toys in the house - was a big Lego fan as a child and has no doubt there would always be a need for construction toys like Lego. But then there's the problem of appealing to girls.

"There is something about the idea of constructing and deconstructing or destroying which frankly is an important part of Lego play that is a very boys-type of activity," he said.

Disponível em: http://www.iht.com. Acesso em 7/3/2008.