

# THE STATE OF THE U.S. CONSUMER 2001

MYRA STARK IS A LEADING THINKER, RESEARCHER AND PROVOCATEUR IN THE SAATCHI & SAATCHI NETWORK. MYRA IS A MEMBER OF THE STRATEGIC PLANNING GROUP IN THE NEW YORK AGENCY, AND EACH YEAR PUBLISHES INSIGHTS INTO THE "STATE OF THE CONSUMER". THIS IS HER REPORT FOR 2001.



[mstark@saatchiny.com](mailto:mstark@saatchiny.com)

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## 1.1 INTRODUCTION

This is an afteryear: the year after the big bang - or bust - of the Millennium. It's a transitional time, a time when we seem to be waiting for "the next big thing."

One thing is certain: it's a time of uncertainty. Consider the prolonged uncertainty of the American elections or consumer uneasiness about the economy. Are we entering a recession or will it be just a soft landing? The new economy, which was the holiest of the holy not too long ago, is beginning to be re-examined against the old economy (an article in January's issue of *The Atlantic Monthly* was titled "The New Old Economy"). Doubts began to surface this year about the idea of globalism and about global brands. A certain note of disillusionment has even entered the dialogue about Internet use: PriceWaterhouseCoopers reports that over the past year the number of hours the average user spent online each week has declined from 5.3 to 4.2.

No doubt the amount and speed of change that consumers are experiencing feeds this uncertainty. According to the social trend and analysts Roper Starch, more than 80% of Americans believe that life is changing faster now than at any time previously. Commentators agree that the technological, economic and social change Americans are experiencing is unprecedented.

To cite a few examples of the uncertainty that change can create, in 2001 a new view of dirt surfaced: can it really be good for your health? Is the growth of antibacterial soaps related to lower immunity and climbing asthma rates among children? Women now outnumber men online in America with a 50.4 share of the online population; remember when, just a few years ago, cyberspace was male turf?

Yet many of the trends which define consumer life in 2001 are remarkably stable. After all, while fads come and go with bewildering speed (who remembers Pogs? Pashmina is already on its way to fad oblivion and filofaxes are giving way to Palms), trends are longer-lived and more robust. It seems appropriate, therefore, to look back over the trends covered in the previous State of the Consumer reports from 1996 through 2000 and begin this year's edition with a brief meta-analysis - an analysis of the analyses. So we'll look at three dynamic tensions which have been affecting consumers over the last few years and which remain the defining trends of the consumer's life:

- *The Upgrade Society vs Stop the World I Want to Get Off*
- *Peaceful Coexistence: The New Materialism & the Mainstreaming of Spirituality*
- *The Individual: Free, Fluid, Searching—but Seeking Connection*

Then we'll look more closely at three trends that have emerged into importance this year:

- *Fun and Games*
- *My Dance Card Is Full: Life on the Time Machine*

- *Cool Wastebaskets: Design Goes Mainstream*

## 1.2 What's on the Consumer's Mind?

Before we begin, however, let's take a reading of consumer concerns.

### **Healthcare/costs/coverage**

Roper's *Public Pulse* notes that healthcare concerns are at their highest level in more than a decade. Fears about food safety have risen. The appearance of the West Nile Virus this year is just the latest prompt to our concern about invisible, spreading disease. Note that a healthcare practice in California began offering full-body CAT scans for the "worried well" and that you can now buy portable defibrillators to carry with you if you're worried about the possibility of cardiac arrest.

### **Education**

There's been a great deal of dialogue about vouchers, privatising failing schools, violence in the schools, alternative schools. The home-schooling movement, which was a blip on the horizon not too long ago, has grown significantly and evidence is accumulating about how well home-schooled children perform.

### **Crime/Security:**

Still a major concern - although somewhat diminished. However, fears about privacy, especially concerning personal information, have escalated. Have you received emails about software called the Cyber Investigator's Assistant? It allows you to find license plate numbers, unlisted phone numbers and "dirty secrets" in general - "you'll be astonished by what you'll learn about the people you work with." The *Trend Letter* points to Americans' "growing sense of vulnerability" a "no-one-is-safe-anywhere" attitude. The home-and personal-security industries are also booming. One security company, Quark International, sells bulletproof trench coats, waist packs with stainless steel cables in place of mesh and luggage alarms.

### **The Economy**

The economy is back onto the consumer's radar. Evidence is mounting that we've entered a period of slower growth, that the economy is going soft. Consumer confidence is weakening - it recently sustained the steepest drop in one month since 1990, the past holiday season was not good for retailers; the stock market is wildly gyrating; energy prices are escalating; layoffs are back in the news. The optimism which characterized consumers over the last two years seems to be diminishing.



## 1.3 Demographic Trends

The following are the underlying demographic trends that have been sending clear signals to marketers over the past decade.

### Aging

At long last, marketers seem to be taking the aging of America seriously. For example, this year saw an explosion of anti-aging health and beauty products for women. Assisted-living facilities are growing by 20% a year. For some years we've been hearing about the huge generation of Baby Boomers turning 50; well, in 2030 the last of them will be 65 (making an increase from 39 million in 2010 to 69 million). The fastest-growing age group is the over-85s.

### Multiculturalism

The recent National Projections from the U.S. Bureau of the Census document the growing multiculturalism of America. The number of Hispanics and Asian Americans, for example, will double in the first part of the century (no wonder diversity is a value of Gen X and Gen Y). The aging of America and its growing diversity are both confirmed by the first results from the 2000 Census.

### Disparities of Wealth

The new economy of the last few years doesn't appear to have closed the gap in America between the Haves and the Have-Nots. The Congressional Budget Office refers to the "economic chasm" between the two, and notes that four of five American households are taking home "a thinner slice of the pie"; most of the increased income is going to the affluent. Reflecting this gap, one of the food trends predicted in the Food Channel's *Trend Wire* is the emergence of Mass Food and Class Food.

### The Family

The enormous changes in the American family demand recognition. This year, according to Census data, two-income families became the majority among married couples, even among families with young children. More than one-quarter of American households consist of single persons, an increase of 57% from 1970.

- *The demographic signposts have been clear for years - the market is no longer 25-45 and white bread; there is no one mass market anymore.*



## 2.1 THE TENSIONS OF OUR TIME

Like other times of transition and uncertainty, consumer life in 2001 is defined by a number of dynamic tensions. Is it any wonder that there's renewed interest in a field of psychology that's been around since the '60s - Transition Psychology? The following are the trends that defined consumer life in the late '90s; they remain dominant influences on the consumer today.



## 2.2 The Upgrade Society vs. "Stop The World, I Want to Get Off"

What does it mean for consumers to live in a society in which 4.0 is relentlessly followed by 4.5 and shortly after by 6.0? Even our chairs are no longer just pieces of furniture: J.C. Penney and La-Z-Boy are making chairs with built-in electronic workstations so you can relax and be wired at the same time. Technology has joined with the defining American beliefs in progress to create a world which consumers feel is hurtling forward.

The news media bombard us daily with the latest discoveries in info tech, biotech and nano tech - the three technologies that are changing our life most radically. Nanosensors in the body monitor our health; wristwatches and cameras that are also PCs and TVs will soon be voice-activated; a robot called Kismet, developed at MIT's Artificial Intelligence Lab, is programmed for social interaction to react emotionally with us. The actress who played Tony Soprano's mother in the TV series *The Sopranos* died this year but, through digital technology, her character will continue to interact with the other members of her family in new episodes.

This is not sci-fi futurism – it's happening now. Last year saw the advent of the GE Adventium oven, which uses light waves to cut cooking time to minutes while retaining oven-cooked quality. This year Stouffer's new Oven Sensations line carries instructions for conventional, microwave and Adventium ovens. Hanes is taking the trend of blur between categories to a whole new level with their Silk Reflection Opaque tights, which contain microbeads of lotion in the fabric to heal dry skin – an early example of the emerging fashion trend of "smart clothing." Workers such as telephone linesmen use wearable computers and peripherals such as wrist-mounted keyboards so they can keep their hands free and still be wired.

### **Higher Expectations, More Stress**

It's a truism that the consumer is more demanding today—and this trend is one of the reasons. Living in the Upgrade Society has raised consumers' expectations and vastly increased their choices, giving them a feeling of entitlement. If we're living in a cutting-edge time, consumers feel that they have a right to expect the best.

However, it's impossible to miss the trends in opposition to the Upgrade Society that have also been getting stronger over the past few years. Instead of hurtling forward, these are pulling-back trends. "Yes," consumers are saying, "it's very exciting to live in an Upgrade Society, but it's also stressful. Stop the World, I Want to Get Off."

The signs of consumer stress are clear. Not only do large numbers of consumers state how stressed they feel in survey after survey - there are other indications as well. *Roper Reports* notes that fatigue is the fastest-growing health complaint in America - a result, of course, of stress as well as sleep deprivation, and the World Health Organization tells us that depression, also stress-related, is the fourth major illness worldwide.

## Consumer Reactions and Strategies

The quality-of-life trends that consumers pull back to in order to calm down and reduce stress remain as strong as they have been over the past decade:

- **Simplicity**

This year saw the appearance of mainstream magazines reflecting the widespread nature of this movement, *Real Simple* and *Simplicity*. Simplicity marketing has emerged as a new approach to the consumer.

- **Home as Haven**

The explosion of stores, catalogues, online sites for making our homes refuges continues. It's a \$342 billion market. New magazines are *Dwell*, *Space*, *Nest*.

- **Nostalgia**

The nostalgia car of the year is the Ford Thunderbird; Mattel has just brought out a Depression doll, for anyone who is nostalgic for the dreadful decade of the '30s. Target is offering a '50s red vinyl kitchen chair called the Lucy, a reference to the popular *I Love Lucy* show of that decade. We're into Gen X nostalgia for the '70s (*Charlie's Angels* is back) and the '80s (the music of that decade is hot in clubs).



## 2.3 Peaceful Coexistence: The New Materialism and the Mainstreaming of Spirituality

Another dynamic affecting consumers is the pull between materialism and spirituality – a basic opposition in American life since the Puritans.

### Stuff, Spirituality and Synthesis

The economic expansion of the last nine years has led not only to a swelling in the ranks of the affluent but also to the general upscaling of America. A recent book, *It's Getting Better All the Time*, finds that the number of millionaire households has doubled in the last decade and that America's financial wealth as a whole has tripled since 1971. Buying lots of great stuff was a consumer preoccupation of the late '90s, facilitated by the strong economy and the appearance of premium products across categories.

However, social-trends indicators the Yankelovich *Monitor* and Roper Starch have both detected this year among Americans a retreat from unabashed materialism and the growing importance of the "intangibles" in life. Roper's 2001 annual presentation testifies to the declining number of Americans who say that the good life means a lot of money, a vacation home or a swimming pool. Partially, this is attributable to the fact that when lower-order needs such

as for food and shelter are more easily satisfied in a period of affluence, we can pay more attention to satisfying higher-order needs, such as self-expression. But it also reflects the mainstreaming of Spirituality, one of the defining trends of the past decade.

Popular culture continues to reflect the spiritual search engaging Americans. On TV we've added shows about the miraculous to those about angels; yoga has become a mainstay in health clubs and gyms across America - adherents talk religiously of its mind-body-spirit effects; spiritual video games such as *The War in Heaven* have been appearing on the market.

A new book, *BOBOs in Paradise: The New Upper Class and How They Got There*, explains the interrelation of the two trends: the coming together in peaceful coexistence of the alternative, creative, spiritually searching counterculture of the '60s with the bourgeois, materialistic culture of the '80s. Author David Brooks believes this merging of bourgeois and bohemian "is now the defining characteristic of American society.



## 2.4 The Individual: Free, Fluid and Seeking Connection

Of course, the most basic tension in American life is and always has been that between autonomy and belonging.

### Autonomy

In the last decade, the characteristic form of individual freedom was the self-reliant, "I'll do it myself, thank you very much" individual. Self-reliance, of course, continues to be strong. This year, for example, saw the create-your-own-cosmetics of P&G's Reflect.com; General Mills is test-marketing a create-your-own cereal web-site, MyCereal.com. Napster of course, wants to let you cut your own CDs.

But what this trend is about now is the freedom to change. Women's magazines, for example, have always focused on changing your thighs, your marriage, your career. Now, however, they have moved on to changing your inner self. The driving ethic between Oprah's appeal and the theme of her new magazine is, as a recent cover story states, "Transform yourself."

The Yankelovich *Monitor* labels this trend "self-invention", the freedom to become what we want. Roper's 2001 presentation lists Flexibility as one of the key trends of the year - the ability to change oneself and one's life.

Both terms make sense because fundamental to this trend is the growing belief that the self is not fixed but fluid and free to change. And because of the mainstreaming of spirituality, increasingly we put the emphasis on inner change. Rolf Jensen's *The Dream Society* identified six stories most compelling to consumers today. Two of them, the Who Am I story and the Adventure story, bear on the consumer's inner search.

In *The Experience Economy*, Joseph Pine sees this trend as heralding the next economy after the evolution of Agricultural, Industrial, Service and Experience economies. Pine calls it the Transformation Economy "in which the economic offering of a company is how the individual person changes as a result of what the company does."

## **Belonging**

There's not such good news on the other end of the dynamic: the consumer's search for connections. This search now takes the form of connecting with our past and our roots (memory scrapbooks have become a \$300 million industry; there are memory-book parties and scrapbook stores), or finding new communities in cyberspace or creating families around pets. The trend of Pets as People has become even more pronounced this year: a number of pet perfumes such as Oh My Dog! Eau de Toilette Spray have appeared on the market; pet-day care centers are a growth business as are pet bakeries; to the long list of Dummies books has been added *Puppies for Dummies*.

A new frontier on which the need to be connected is being played out is clothing. Soon, according to *DSGN* article on fashion design, "clothing and accessories will transmit information, regulate biological function and even provide entertainment."

Paradoxically, as we get more and more *technologically* connected, commentators are warning that we are in fact less and less *actually* connected. Andrew Kohut of the Pew Research Center for People and the Press, in an article called "America the Connected," points to the 59% of Americans who have home computers, the 53% who have cell phones, the 79% who have cable or satellite TV. For many of us, "to be disconnected is death."

Yet it has become sociological orthodoxy that we have fewer and fewer sources of community and are more isolated and alone. Certainly, the dramatic increase in single-person households adds to this lack of connections. One commentary on current America, D. Stanley Eitzen's *The Fragmentation of American Life*, identifies the heightened personal isolation that follows from working at home, gated communities, growing use of home exercise equipment and "electronic communication that reduces person-to-person contact." This year saw the publication of Robert Putnam's *Bowling Alone*, which traces the decline of civic and group involvement in America: the number of people bowling is up but we're not bowling in leagues anymore.

This tension between the free individual and the group is explored in a recent book on the tattoo, *Written on the Body*. It suggests that one reason for the popularity of tattoos is that "they attempt to fix one's identity permanently as a social being while declaring one's complete autonomy from social demands." So you can wear a cross or heart signifying your connection to others but still feel like a rebel for wearing the tattoo.



## Implications

- Consumers are excited about living in an Upgrade Society, but also reveal rising levels of stress and tension. In such a society, in which newness is the norm, we need to ensure that the new news we bring is meaningful to consumers. They must see the difference the new thing will make in their lives. Newness for its own sake can create anxiety.
- We also must confront and accept the changing consumer. People today believe that they are fluid and free to change and evolve. *Monitor* calls for brands to "write new scripts," claiming that consumers want "open brands" that help them self-invent. We haven't begun to explore what this shift in how the self is now defined means for brands. How can our brands help consumers change? We know that brands must be grounded in a core of meaning. Without such an essence, brands are as ill-defined as people who have no authentic selves. However, the brand must be open and flexible enough to be relevant for consumers in a changing world.



### 3.1 TRENDS 2001



### 3.2 Fun and Games: Adults Are Becoming Kids Again

There's a trend Saatchi & Saatchi's Kid Connection is quite familiar with called KAGOY - Kids Are Growing Older Younger. Well, it's time to recognize AABKA - Adults Are Becoming Kids Again.

The sociologist Joe Kincheloe has written of "the adultification of kids and the childification of adults" occurring in our society. For children, play is a form of learning. It's how they understand, manipulate and master the world. In a world of uncertainty and change, it may well be that the increased desire for play on the part of adults stems from this same motivation.

The trend we're calling Fun and Games is enormous. The Henley Centre, the British research and social-analysis institution, states that in the UK "leisure spend has overtaken food and drink as the biggest item in household budgets." This is even truer in the entertainment-hungry United States. The Food Channel's *Trend Wire*, using data compiled by RFA, claims that "categories such as autos, beverages, food, cosmetics and cleaning supplies represent a much smaller portion of household budgets today than they did 10 or 20 years ago." Similarly, *The Experience Economy* is built on the premise that "the share of total consumer expenditures spent on material goods has declined and that spent on leisure time, entertainment, travel and self-enhancement has increased dramatically." Recreational spending, according to Moore and Simon in *It's Getting Better All the Time*, is about five times greater per household than in 1970.

## **The Growth of Entertainment**

Fun and Games is not only big, it's growing. The annual media study, *Communications Industry Forecast*, compiled by Veronis Suhler, documents rising revenues from film, music and interactive entertainment – they now total more than \$60 billion annually. PriceWaterhouseCoopers' *Global Entertainment and Media Outlook 2000-2004* projects a \$1 trillion industry globally. A recent book, *The Next 1,000 Years*, lists leisure as the first of the big five engines of economic growth in the 21st century, and claims that "by around 2015 leisure-oriented businesses will account for 50% of America's GNP."

In fact, there are those who believe that entertainment is the single most important trend affecting consumers today. In *Life the Movie: How Entertainment Conquered Reality*, Neal Gabler calls entertainment the "defining trend" in American life. He traces how entertainment is transforming our culture, turning the nation into the "Republic of entertainment." Gabler argues that entertainment has become "the principal value in American life", and has put "appearance, personality, gossip, scandal and sex" in the forefront of politics, news, religion, shopping, fashion. Just this year, the University of Southern California established an interdisciplinary program to study entertainment because "in every advanced industrial economy, the largest and most important component of cultural content is entertainment" (*The New York Times*).

Fun and Games, then, is a juggernaut of a trend. It's what consumers are into now and will be into in the future; therefore, it's a vitally important trend to examine.

## **Playful Consumers**

However, it's too narrow a definition of the trend to confine it just to entertainment and media. If we include in the Fun and Games trend the things consumers do for leisure - consumers at play, then the market encompasses travel and theme parks, sports and recreational activities, games and toys. All these sectors are growing as fast as entertainment and media. Outdoor sports are thriving. According to *American Demographics* 67% of Americans pursue some sort of recreational activity at least once a month, compared with 50% six years ago. The growth rate of golf - fast becoming America's favorite sport - is phenomenal. In 1998, according to *The New Republic*, more money - \$100 billion - was spent on golf and golf products than on any other sport. The movies set a new box-office record in 2000: \$7.7 billion. Retail sales of interactive console and PC games reached a new high of more than \$7.4 billion in 1999.

Part of what unifies all these activities is a set of similar motivations: the desire for stimulation, excitement, fun - hedonistic motivations whose end is pleasure. It's really not a stretch to extend this motivation to food and drink. The social trend companies have been tracking the growth of indulgence in these areas for the past few years. The Henley Centre has traced the growth of the trends it calls Hedged Hedonism and Vice is Nice. Roper's *Public Pulse* cites the "all-time high 70%" of Americans who say they "eat pretty much whatever they want" - up 12 points from 1997 and 21 from 1977.

Further, as we noted in last year's State of the Consumer, people are having a lot of fun these days with money. Regular visitors to e-Bay refer to themselves as e-Bay "addicts" and testify to the excitement and thrills they

get from the online auctions.

So widespread is the desire for Fun and Games that the Roper Starch Worldwide annual global values study has identified a segment called Fun Seekers. Fun Seekers are hedonists; they "play with life." Their interests are music, food, sports, games, entertainment; they value excitement and pleasure. Of course, Fun Seekers are heavily represented among the young, but all indications suggest that the fun-seeking impulse is growing stronger in consumers generally.

The Fun and Games trend is not only booming - it's also changing radically. Take video games. *Trend Letter* cites data from the Interactive Digital Software Association that the average age of people who play video games is 28, and notes that 70% of players are older than 18. Clearly, games are no longer just child's play. Technology is transforming electronic games and in the process has brought them into the adult mainstream.

Sony's Playstation2, which has been called "not just the future of video games...the future of entertainment," is the most transformative game on the market. According to the director of the National Center for Supercomputer Applications, it signals the movement from "playing video games to a world where we will create our own fantasies in cyberspace." Its brain is a microprocessor, called the Emotion Engine because of its ability to begin to convey human-like emotions through facial expressions and natural movement. It has the potential to learn and recognize speech through the power of artificial intelligence. The machine also has high-speed links to the Internet and represents the convergence of electronic communication devices.

### **Participation and Access**

In *The Playful World: How Technology is Transforming Our Imagination*, Mark Pesce examines how technology and recreation are uniting to form a new "immersive environment." We not only watch, we participate as well. Furbys, the first toys that could interact intelligently with their environment, and Playstation2, are examples of how "the character of our toys has begun to change, reflecting a new imaging of ourselves and the world we live in."

Sherry Turkle of MIT, who has been studying the effect of the digital world on identity, writes of children who talk about a "Furby kind of alive." These new "psychological toys," Turkle says, "are encroaching on our monopoly as emotional machines." The new reality shows on TV such as *Survivor* may, of course, just be a media fad. They also may illustrate the consumer's desire to participate in this new immersive environment. The audience cannot interact with the show, but the fact that the shows use real people instead of actors brings the viewer closer to participating in the experience.

But the real significance of the Fun and Games trend lies in the changes it is causing in other areas of consumer life. The most far-reaching analysis of the culture of play is Jeremy Rifkin's *The Age of Access*. Rifkin sees the very nature of the consumer marketplace changing from ownership (remember when people bought cars?) to access. Leasing cars is now so much a part of our behavior, we never think about it. Business has already moved to the new model of access as it leases equipment, shrinks inventories, outsources whatever it can. In this economy, leasing, renting, subscriptions, and admission fees take the place of the exchange of property.

This is also an economy, says Rifkin, which has moved from industrial to cultural production. The new sources of wealth are human imagination and creativity expressed in "travel and tourism, theme cities and parks, destination entertainment centers, wellness, fashion, cuisine, sports, games, music, film, TV, cyberspace." Paralleling the movement of the economy, Rifkin sees consumers moving from a work ethic to a play ethic. The new ethic involves very different needs and values from the old.

Fun and Games is a trend powered by human desire - quite different from the basic consumer needs we usually deal with in positioning our brands. The values that are becoming important as a result of the Fun and Games trend are also different from the ones we're accustomed to: hedonism, living for the moment, the importance of experience over possessions, self-centeredness.

### **Implications**

- If attention is becoming the scarcest commodity in the new economy, the trend of Fun and Games provides clear direction for marketers and advertisers. Providing pleasure, entertaining, offering hedonistic experiences – these will make our communications more relevant to consumers.
- To do these things, we need to shift to a new mindset. We're accustomed to dealing with consumer needs such as security, self-expression, bonding, and nurturing. But the Fun and Games trend is rooted in consumer desires for pleasure, excitement, fun, stimulation. We have to develop innovative research techniques that permit us to access hedonistic desires and values.
- Fun and Games is not just about people having fun and playing games. The trend points the way to significant changes in the way we define reality and identity, as well as to the nature of business in the new economy. Don't think it's just about the categories of toys, games and sports; the trend has implications for all our brands as the seedbed for big ideas.

### **3.3 My Dance Card Is Full: Life on the Time Machine**

Time has emerged over the last decade as one of the chief drivers of consumer behavior. It's no longer just women, parents in two-income families or Baby Boomers who complain about time pressure. It has become a consumer litany.

Our language has become permeated with expressions revealing our sense of time pressure: fast lane, warp speed, snail mail, 24/7. Magazine titles also reflect this sense of urgency: *Fast Company*, *Forbes ASAP*. One of the eccentricities of our time is a speed writer in Chicago, Dan Hurley - the 60-second novelist. Hurley, who writes "60-second novels while you wait", claims to have written more than 22,000 speed novels. When the Victorian novelist Anthony Trollope wrote *The Way We Live Now*, money defined the lifestyle captured in the novel; if Trollope were writing now, it would be time.

But consumers have far more complex relationships with time than is

apparent, going well beyond the equation of no time=stress=convenience products. So the answer is: Yes, it is important to take a closer look at the consumer's conflicted attitudes toward time and, since it is such an important motivator of consumer behavior, to try to understand exactly what it causes is that consumers to do and feel as they do.

### **Time Pressure: Reality or Perception?**

First of all, the debate is still open on the issue of whether we really have less time than we used to - or whether we just think we do.

The adherents of the less-time view point to how technology is shrinking time, making the 24/7-day possible and allowing work to bleed into personal life. There's lots of evidence to support this view. A report of the United Nation's International Labor Organization concluded that Americans work the longest hours of all industrialized nations - an average of 1,966 hours in 1997, an increase of 23 hours from 1990. Harvard economist Prof. Juliet Schor claimed in *The Overworked American* that the average American was working the equivalent of a month more each year than 20 years ago. The *Boston Globe* cited government figures showing that men added 100 hours of work per year, and women 233 hours, between 1976 and 1993. No wonder that the average lunch hour has dropped to somewhere between 28 and 36 minutes!

The adherents of the view that Americans don't really have less time, they just feel that they do, cite the work of John Robinson, who has studied how people use their time for more than 30 years. In *Time for Life: The Surprising Ways Americans Use Their Time*, Robinson claims that Americans actually have more leisure time than in the past, but that the proliferation of leisure choices makes us feel we have less time.

### **Living in the Pressure Tense**

No matter what side of the debate you're on, everyone agrees that Americans *feel* like they are caught in a time machine, a treadmill they can't turn off. A Gallup survey found that most Americans feel that they "do not have time to do everything that needs to be done." A large majority of workers (64%) said they would prefer more time off to more money. Perhaps the most telling data is the Yankelovich *Monitor* statistic that 66% of Americans agree that they don't have time to keep up with old friends. Evidence from Roper also testifies to the time pressure Americans feel, and to the stress, tension, tiredness and lack of control that result.

The futurist Watts Wacker has written that Americans live in the "pressure tense." In *The Visionary's Handbook*, Wacker examines how the increasing speed of our lives has made time a highly emotional issue leading to road rage, air rage, and the newest of all - "desk rage."

So sleep, which emerged last year as an area of consumer concern, has now become "the new status accessory," worthy of a feature article in *Vogue*. The article points to the new interest in daybeds and chaises longues, airlines that are placing full-length beds in their business cabins, even the fashion for drawstring pants that resemble pyjamas.

What seems to have happened is that the strain in the American national character that admires the busy bee and believes that "time is money" was given new impetus by digital technology. James Gleick, in *Faster: The Acceleration of Just About Everything*, questions whether the freneticism at work and in our personal lives manifested by the door-close button in

elevators, the speed-dial button on phones, faster ovens and instant replay may be a form of mania, a "hurry sickness." According to an article in *The Utne Reader*, many of us live with "an invisible stopwatch ticking." At a recent conference devoted to the subject of time, "speedism" was considered as an addiction similar to other addictions.

### **Consumer Coping Mechanisms**

If we ask how consumers are coping with time pressures, their conflicted, emotional response to the subject is evident. First, there are those consumer strategies for managing time that we've become so familiar with over the past few years but which show no sign of diminishing:

- ***Speeding it up***

Convenience products such as faster ovens continue to fascinate; Sony is even cutting down the time between cuts on their CDs.

- ***Slowing it down***

Roper's 2000 annual presentation explored the hurtling forward/pulling back phenomenon and labelled it High Pace/ High Peace. Hobbies that take you out of the pressure cooker and slow time down are on the rise this year.

- ***Balancing***

Balancing (or trying to balance) the demands of work and life. Yankelovich writes of the consumer strategy of delegating. This year's examples of delegation include concierge services such as Boston's Circles.com, which perform personal services during the workday, and the return of home delivery symbolized by the milkman.

- ***Multi-tasking***

Steve Sanger, the CEO of GMI, speaks of the need to develop one-handed foods so consumers can eat while they drive. Porta-foods in general are a growth area. This year saw the appearance of treadmills in supermarkets, and health clubs and spas in airports.

But it's in the new time strategies that are emerging this year that the consumer's conflicted and emotional relationships with time reveals itself most clearly:

- ***Turning Off***

Dropping something you can't deal with or don't think is important off your radar. It's an attention-management strategy consumers are adopting - the furthest thing from the "I can do it all " attitudes of earlier decades. If you put something you can't deal with at the bottom of the pile, it just might go away. It's a form of gaining control by letting go. A recent *Brandweek* highlights an L Report about the "disconnectivity" of Gen Xers, their refusal to connect. Deliberately bypassing email for letters, voice mail for a telephone call, turning off pagers and cell phones are evidences of this new strategy on the part of consumers.

- ***"Living in the Buzz"***

James Gleick points out that "speed is a tonic," and there seems to be a pattern of behavior emerging that embraces fast time for its excitement and status. *USA Today* quotes the CEO of a Silicon Valley company: "The truth is, going fast is the way I enjoy my life." You hear

this in the stories men and women tell about their work lives. It also surfaced in Saatchi & Saatchi's study, *Mothers at the Gate*. "Yes," mothers of young children said, "I'm overwhelmed," but mixed in with this sentiment was a pride in living on the edge and keeping it all together.

- ***Xtreme Living***

Xtreme sports became popular during the same years that the consumer's preoccupation with time developed. Just coincidence? Probably, but Xtreme sports provide a metaphor for the new consumer strategy of intensifying time by living in the moment. Yoga's popularity, too, results from the way it slows time down but also from the way time is intensified by lingering on the stretches and poses. The day spa is another example of how the focus on the activity of the moment displaces time pressure, as are 15-minute chair massages. Martha Stewart's labor-intensive, complicated recipes and crafts also are examples of how focusing on the activity displaces time pressure. If you have to make your own breadcrumbs, we've obviously left the world of convenience products which save time, for the world of intense living.

## ***Implications***

- The two trends, Fun and Games and My Dance Card Is Full, ought to be considered together. The explosion of leisure play activities is occurring along with escalating time pressure. This tells us that consumers will make time for pleasure. They don't just want to save time; they want to enjoy it as well. A focus on the pleasures of what we fill our time with, facilitated by our brands, and not just on how our brands can save time, will be relevant to consumers.
- Because time is so important to consumers, we need to evaluate all our brand communications in terms of the strategies consumers use to cope with its pressures. These strategies offer rich opportunities to connect with consumers, precisely because the subject of time is so emotionally charged and such a preoccupation of consumers today.

## **3.4 Cool Wastebaskets: Design Goes Mainstream**

Cool wastebaskets? The Umbra home furnishings company of Toronto makes a \$7.00 trash can called the Garbo, designed by Karim Rashid. Since 1996 it has sold over 1.5 million units. If wastebaskets are now gaining the attention of a famous designer, we can safely say that design has gone mainstream.

Design, defined in *Design Culture Now* by the Cooper Hewitt Museum as the "highly specialized realm of human activity that shapes virtually everything in the world," has emerged as a major quality-of-life trend. The interest in good design has moved from the coasts to middle America. In fact, people are now referring to the "Design Economy."

When IKEA came to America in the late '80s, it pointed the way to what *Time* called in "The Redesigning of America - the democratization of design."

Pottery Barn, Crate and Barrel, Bed Bath and Beyond brought to malls all over America "the good design for everyone world" we now live in, according to *USA Today*.

America's appetite for design is evident in the escalating sales figures for Michael Graves' teakettles and toasters for Target and Martha Stewart's household furnishings line in Kmart. There's now a plethora of magazines devoted to design in all its aspects: *Nest*, *Dwell*, *Surface*, *Wallpaper*, *Metropolitan* and the newest, *One*. The design success stories would have to include Apple, particularly the burst of color of the iMac, the new Beetle, OXO can openers, the Swingline stapler – and the Umbra wastebasket.

### **The Ubiquity of Design**

What is characteristic of this "Golden Age of design" is the fusion of formerly discrete categories such as fashion and home, product and industrial design. Our style consultant, World Global Style Network, notes that when the company began, its clients were confined largely to the textile industry, but now there is no limit to the kind of companies interested in their color and other fashion-trend forecasting. Philippe Starck designs his hotels and everything in them down to the toothbrushes; Marc Newson has designed a car for Ford, but has also designed restaurants, chairs and drinking glasses.

The design ethic cuts across categories. Have you noticed how the entrees you order in restaurants increasingly come in the shape of pyramids? Even salad stands high on the plate, arranged architecturally. The design ethic has also affected retail stores. As museums move closer and closer to commerce, marketing their shows and shops, so retail stores increasingly incorporate design principles. Look, for example, at the use of color and arrangement and space in the cosmetics and perfumes store Sephora. Designers have become our new culture heroes as cooks became heroes a decade ago. We now have superstar designers such as Rashid, Newson, Starck.

### **Why has design become so important to consumers?**

- **Consumer Sophistication**

Underlying the acceptance of design has been the growth economy of the last nine years and a more educated, better travelled, sophisticated consumer. Thus, the consumer was ready to appreciate the great strides in technology, in the lightness of materials that enables greater design experimentation. New forms of plastic, for example, which can be molded and dyed like fabric have led to a class of products called "blob objects," household brushes or ice cream scoops incorporating fun and whimsy.

- **Branding and Differentiation**

Design has emerged as a way to brand products and to differentiate brands. The iMac is the chief example, its color and design instantly elevating this computer above all others. "When industries are competing at equal price and functionality," Mark Dzierska, of the Industrial Designers Society of America points out, "design is the only differential that matters." *BusinessWeek*, calling design a "pathfinder", notes that corporations would be "well advised to consider the power of design in the new economy."

- **Globalization**

Another reason design has become so important is the globalization of



brands. As brands become more global, the power of the visual image to communicate across cultures becomes more important. *Lifestyle*, by the designer Bruce Mau, examines the emerging global image culture. One of the essays in the book states that there is no more important "shaping or organizing force embedded in our lifeworld than images. They make up the true *lingua franca* of commerce, politics and psyche."

- ***Individual Expression***

Design is also a way to express one's individuality. Haysun Audrey Hall of Futuremode has talked about the growth of "personal style," which, she believes, is now more important than "Lifestyle" to consumers. In Ian Schrager's London hotel, for example, guests can turn a knob and select different colors for their rooms. There is also a growing interest in Eclectic style - personalizing a room by mixing and matching more conventional styles of furnishings such as country French or American traditional.

- ***Aesthetic Experience***

Another critical reason for the mainstreaming of design is experiential. When one buys a well-designed object, one gets an experience as well as a product. Joseph Pine, in *The Experience Economy*, identifies four kinds of experiences which consumers can have with products; aesthetic experience is one of them - the pleasure in owning and living with beautifully designed objects.

*The Unmanageable Consumer*, published a few years ago, predicted the emergence of the consumer as designer: "...consumers will spend enormous amounts of time decorating their homes, choosing their clothes, food and other goods, planning their holidays, forever mixing ingredients, as if they were trying not merely to create works of art but to discover a uniquely individual style."

- ***Search for Meaning***

Lastly, it has been suggested that the desire for well-designed objects should be seen as part of the consumer's search for meaning. We know that in a consumption society like ours, brands are one of the ways consumers form and express their identity. Considering the Home as Haven trend in this light reveals its underlying significance for consumers. As *Design Culture Now* states: "Designers contribute to collective pleasure in the world...creating things that people touch and are touched by every day."

Look at how fireplace mantelpieces become altars in America homes, displaying pictures of family and pets or objects treasured by the individual or commemorative of important times. Design books, such as *Living With Spirit*, suggest ways in which the consumer's spiritual search for meaning affects design. The growth and spread of Feng Shui - creating spaces to maximize happiness and positive energies - is another example of the spiritual dimension which design has assumed (as is the popularity of mini waterfalls in the living room this year). The Milan Design show recognized this search for meaning in a catalogue reference to the "focus on spirit, on interiors that release the mind."

## **A Counter-trend? Anti-design**

No trend comes without a countertrend. If design is in, can anti-design be far behind? There are signs of an emerging trend that *The Wall Street Journal* calls the ugly trend: articles of clothing that deliberately clash, hairy faux-fur chairs. In cuisine, we're seeing the emergence of "discomfort food," such as sea urchins sprinkled with crushed Altoids.

## **Implications**

- The mainstreaming of design presents a great opportunity for packaged goods brands since it puts attention back on all aspects of the product. But since good design is being experienced by consumers as adding meaning to their lives, it offers an experiential dimension to the product as well.
- The mainstreaming of design frees it from the confines of packaging or print advertisements. Design in and of itself can speak to the quality of a brand and its functionality.
- Design is a universal language, which we should use more explicitly to build powerful global brands.

