

JWT

10 TRENDS FOR 2012



1 NAVIGATING THE
NEW NORMAL



2 LIVE A
LITTLE



3 GENERATION
GO



4 THE RISE OF
SHARED VALUE



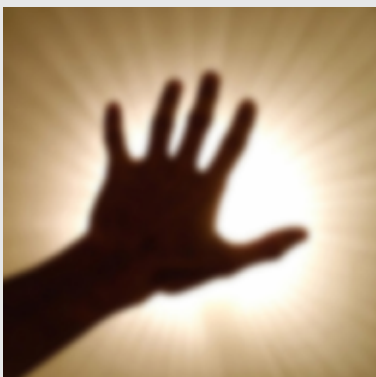
5 FOOD AS THE
NEW ECO-ISSUE



6 MARRIAGE
OPTIONAL



7 REENGINEERING
RANDOMNESS



8 SCREENED
INTERACTIONS



9 CELEBRATING
AGING



10 OBJECTIFYING
OBJECTS

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A note to readers: To make the report easy to navigate, we’ve added hyperlinks to the Table of Contents and Executive Summary, so you can jump immediately to the trends that most interest you (or, alternatively, you can read the material straight through).

EXECUTIVE SUMMARY

In our seventh annual year-end forecast of trends for the near future, continued economic uncertainty, new technology and the idea of shared responsibility are at the center of or driving many of our trends.

JWT's 10 Trends for 2012 report is the result of quantitative, qualitative and desk research conducted by JWTIntelligence throughout the year and specifically for this report (for more on the Methodology, see page 5).

Trends don't happen in isolation. They tend to intersect and work in tandem with each other, as you'll see here. And many are extensions or outgrowths of trends we formerly spotted; after all, trends with real significance can't be assigned to just one calendar year. At the end of each trend, you'll see a graphic showing which of our other trends it intersects with. The trends explored here, which we believe have significant weight and momentum, indicate shifts that are likely to be with us for a while.



1 Navigating the New Normal: As the new normal becomes a prolonged normal in the hampered developed world, more brands in more categories will open up entry points for extremely cost-sensitive consumers. Marketers will find new opportunities in creating stripped-down offerings, smaller sizes and otherwise more accessible products and services. (Example: In the U.S., Heinz is introducing several reduced sizes at a suggested retail price of 99 cents, including a 10-ounce ketchup pouch and a 9-ounce yellow mustard, as well as mini Worcestershire and Heinz 57 sauces.)



2 Live a Little: Faced with constant reminders about what to do (exercise more, eat better) and what not to do (smoke, overspend), and fatigued from several years of austerity, consumers will look for ways to live a little without giving up a lot. People have been exercising more self-control, and increasingly they're looking to let loose once in a while: indulging in sinful things, splurging on treats and escaping from today's many worries. (Example: Whiskey in South Africa, premium beer in the U.K. and cheap éclairs in India are small indulgences that consumers with little to spend are enjoying.)



3 Generation Go: While twentysomethings in the developed world feel they've been dealt an unfair deck, many are finding opportunity in economic adversity. Out of continued joblessness or discontent with the status quo will spring an unprecedented entrepreneurial mindset, enabled by technology that obliterates traditional barriers to entry. A so-called Lost Generation will transform itself into a uniquely resourceful cohort. (Example: More than half of Millennials in the U.S. agreed that if they lose or have trouble finding a job, they'll start their own business, according to a JWT survey, up from 25% in 2009.)



4 The Rise of Shared Value: Rather than simply doling out checks to good causes, some corporations are starting to shift their business models, integrating social issues into their core strategies. The aim is to create shared value, a concept that reflects the growing belief that generating a profit and achieving social progress are not mutually exclusive goals. (Example: Philips is partnering with the Dutch government in a bid to provide affordable, sustainable energy solutions to some 10 million people across 10 sub-Saharan African nations by 2015.)

EXECUTIVE SUMMARY



5 Food as the New Eco-Issue: The environmental impact of our food choices will become a more prominent concern as stakeholders—brands, governments and activist organizations—drive awareness around the issue and rethink what kind of food is sold and how it’s made. As more regions battle with food shortages and/or spiking costs, smarter practices around food will join the stable of green “best practices.” (Example: U.K. supermarket Sainsbury’s featured a summer promotion in 2011 offering customers who asked for cod, haddock, salmon, tuna and prawns an alternative, more sustainable species such as herring or mackerel for free.)



6 Marriage Optional: A growing cohort of women is taking an alternate life route, one that doesn’t include marriage as an essential checkpoint. Both in the West, where this trend is building, and in the East, where it’s gaining momentum, “happily ever after” is being redefined as a household of one, cohabiting or single motherhood. (Example: In 2010, a third of Japanese women entering their 30s were single, while 37% of all Taiwanese women 30-34 were single.)



7 Reengineering Randomness: As our individual worlds become more personalized and niche—and the types of content, experiences and people we are exposed to become narrower—greater emphasis will be placed on reintroducing randomness, discovery, inspiration and different points of view into our worlds. (Example: Airtime, due to launch at the end of 2011, is being touted as a random, real-time video chat platform where strangers will be “smashed together.”)



8 Screened Interactions: More flat surfaces are becoming screens, and more screens are becoming interactive. Increasingly we’ll be touching them, gesturing at them and talking to them—and becoming accustomed to doing so as part of our everyday behaviors. This is opening up novel opportunities to inform, engage and motivate consumers. (Example: In New York, a restaurant at high-end department store Barney’s features 30 individual screens in a large communal table that’s covered in glass; diners can digitally order their meal, then browse the store’s catalogue while eating.)



9 Celebrating Aging: Popular perceptions of aging are changing, with people of all ages taking a more positive view of growing older. And as demographic and cultural changes, along with medical advances, help to shift attitudes, we’ll redefine when “old age” occurs and what the term means. (Example: To appeal to Gen Xers and Boomers, Polish beer brand Żywiec launched a campaign with the tagline “The best is ahead of you.” Commercials showed older male celebrities, including actors, a boxer and a cartoonist, speaking about their lives, offering insights and advice.)



10 Objectifying Objects: As objects get replaced by digital/virtual counterparts, people are fetishizing the physical and the tactile. As a result we’ll see more “motivational objects,” items that accompany digital property to increase perceived value, and digital tools that enable creation of physical things. (Example: Sincerely’s Postagram apps allow vacationers and others to turn snapshots into snail-mailed postcards. Similarly, Postcard on the Run reminds potential users that for recipients, a physical card is “a real keepsake they can hold close to their heart, put up on the fridge or display at work.”)

EXECUTIVE SUMMARY

METHODOLOGY

JWT's seventh annual year-end trends forecast is the result of quantitative, qualitative and desk research conducted by JWTIntelligence throughout the year.

Specifically for this report, we conducted quantitative surveys in the U.S. and the U.K. using SONAR™, JWT's proprietary online tool. We surveyed 1,055 adults aged 18-plus (531 Americans and 524 Britons) from Oct. 31-Nov. 8; data are weighted by age, gender and income. (For our trend on The Rise of Shared Value, we used data from a survey we conducted in the U.S., the U.K. and Canada from June 28-July 6, 2011, in which we polled 908 adults.)

We also received input from nearly 70 JWT planners across more than two dozen markets, including Argentina, Brazil, Canada, China, Colombia, Czech Republic, Germany, Greece, India, Ireland, Italy, Japan, Lebanon, Malaysia, Mexico, Pakistan, Philippines, Poland, Saudi Arabia, Singapore, South Africa, Spain, Thailand, Turkey, U.A.E., the U.K., the U.S. and Venezuela. And we interviewed experts and influencers across sectors including technology, luxury, social responsibility and academia.

EXPERTS AND INFLUENCERS*



SONIA ARRISON, founder, academic adviser and trustee, Singularity University



BELLA DEPAULO, author, *Singled Out: How Singles Are Stereotyped, Stigmatized, and Ignored, and Still Live Happily Ever After*



LORI BITTER, president, Continuum Crew; president and CEO, Crew Media



KEN DYCHTWALD, president and CEO, Age Wave



JONATHAN BLOOM, journalist; author, *American Wasteland*



DONNA FENN, journalist; author, *Upstarts! How GenY Entrepreneurs Are Rocking the World of Business*



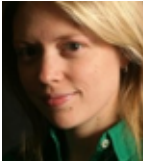
DAN CROSSLEY, principal sustainability adviser, Forum for the Future



BRIAN HOUSE, creative technologist, Research and Development Lab, The New York Times Co.

EXECUTIVE SUMMARY

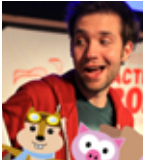
EXPERTS AND INFLUENCERS*



CHARMIAN LOVE,
chief executive, Volans



MILTON PEDRAZA,
CEO, Luxury Institute



ALEXIS OHANIAN, co-founder,
Reddit; founder, Breadpig



KATHLEEN D. VOHS,
associate professor of marketing,
McKnight Presidential Fellow,
Carlson School of Management,
University of Minnesota



ELI PARISER, author, *The Filter
Bubble: What the Internet Is
Hiding From You*

*See Appendix to learn more about the influencers and experts we spoke with.



1 NAVIGATING THE NEW NORMAL

As the new normal becomes a prolonged normal in the hampered developed world, more brands in more categories will open up entry points for extremely cost-sensitive consumers. Marketers will find new opportunities in creating stripped-down offerings, smaller sizes and otherwise more accessible products and services.

1 NAVIGATING THE NEW NORMAL



DRIVERS

Austerity for most: The recession may be over, but for many North Americans and Europeans, the good life is gone, at least for the foreseeable future. Much has been made of the shrinking middle class: In the U.S., the middle 20% of households lost about a quarter of their net worth between 2007 and 2009 due to the housing market collapse. In 2010, median household incomes fell to 1996 levels. And The Brookings Institution estimates that by 2015, an additional 10 million Americans will have been thrown into poverty by the recession.

In Europe, the debt crisis may well push the continent into another recession. The European Commission has forecast that unemployment (currently around 10%) will remain high into the near future. In the worst-hit countries, unemployment has soared, topping 20% in Spain and spiking to around 17% in Greece. In the U.K., unemployment is at a 17-year high, and things are tough for those with jobs too, given that inflation is far outpacing wage growth (5% vs. 1.7%).

More broadly, income growth remains weak while rising commodity and energy prices are pushing up the cost of consumer goods in most markets. In the third quarter, Walmart reported that while its U.S. food costs rose by 4%, it didn't raise most prices by that much because "our customers are still feeling pressured to reduce expenses wherever they can," according to U.S. chief executive William S. Simon.

"New normal" behaviors: The recession spawned a consumer cohort that clips coupons and finds other creative ways to save, as well as consumers who are embracing the idea of simple pleasures and paring down their material needs. For many, these behaviors and attitudes have become ingrained and are only increasing over time. (A September report from Mintel, for example, reported that

64% of American moms said they're spending more time looking for sales, discounts and coupons compared to 2010.) These customers are more open than ever to no-frills options and other cheaper choices. If they do have disposable income, they might use their savings to Live a Little or to save.

“It's a complete change of lifestyle also for the [Italian] middle classes who are getting used to an inexorable slide towards poverty. People take turns to host dinner parties instead of going to restaurants. They swap houses instead of going on holiday.”

—MARIA LAURA RODOTÀ, social commentator for the newspaper *Corriere della Sera*, *The Guardian*, Nov. 13, 2011

Rising costs: As commodity prices keep rising, marketers and others will need to up prices while at the same time finding ways to hold on to their customers. Beyond consumer goods, this phenomenon will hit other sectors where prices are spiking too, such as higher education and health care.

Non-Commitment Culture: One of our 10 Trends for 2011 is the idea that people are increasingly opting for choices that require a less-permanent commitment, largely because they're reluctant to commit to discretionary or big-ticket purchases. This trend will see more marketers lowering barriers to access, which in some cases will mean requiring fewer monthly or up-front commitments (e.g., mobile phone plans, cable subscriptions).

MANIFESTATIONS

Stripped-down products/services: Budget airlines have embraced the idea of "pay less, get less," and we're seeing brands and even governments pushing to extend it farther and wider. Depending on the category, "less" may refer to amenities, features, convenience, etc. For example:

- An offshoot of Coventry University in the U.K. will offer reduced fees—about half the price of traditional universities—while stripping out the traditional extras (no sports or library facilities, for example). It's aimed at students "concerned at taking on debts to fund higher education," according to the university, as well as those in the workforce looking to enhance their skills, with courses focusing on professional subjects such as accounting and IT. Meanwhile, Texas Gov. Rick Perry has challenged the state's public colleges and universities to find a way to offer a stripped-down option costing no more than \$10,000 for a four-year

1 NAVIGATING THE NEW NORMAL

MANIFESTATIONS (cont'd.)

degree. “We’re talking about making sure we have a range of options for young people so they can select a path to a baccalaureate that makes the most sense to them,” Texas’ commissioner of higher education, Raymund A. Paredes, said in April 2011.



- Equinox gyms opened Blink Fitness at the beginning of 2011, which currently has three outlets in the greater New York City area: The pleasant, polished fitness centers cost just \$20 a month (more than \$100 less than Equinox gyms in the area), offering the basics and nothing more.
- When it launched in November 2011, Amazon’s Kindle Fire was widely expected to prove the first formidable challenger to the iPad. It’s more e-reader than tablet computer—since the Fire lacks 3G, a camera and GPS, has only 8 GB of storage and is smaller than the iPad—but at \$199, it handily beats the iPad on price. Molly Wood of CNET notes that Amazon has “set up a showdown with the iPad that doesn’t have to be feature for feature,” since it may well carve out its own distinct market. Amazon won’t profit on the low-priced gadget, which it sees as boosting business in other ways.



- Hotelier Ian Schrager, who helped invent the boutique hotel concept, recently opened the first of what he hopes will become a line of value-oriented hotels. “The idea is to have a less expensive hotel where you still have great service, great design and an exciting food and beverage concept,” he told *The New York Times*, emphasizing that consumers will no longer accept price premiums like \$20 pots of coffee from room service. The first hotel in the line, dubbed Public, opened in Chicago in September. Its website promises that service is a priority for Public, but “The brand will only offer services that matter, those that guests really want and need rather than an array of superfluous services they do not use.”

“ Value is going to be the watch word going forward. It’s happening in all industries, and when the cycle changes and the economy gets better, people will still be looking for value.”

—Hotelier IAN SCHRAGER, on his new value hotel brand, Public, *The Wall Street Journal*, Nov. 14, 2011

“Sachet budgeting” SKUs: An array of developed-world marketers are adapting the emerging-world practice of selling smaller SKUs to consumers who can afford only the minimal amount per shopping trip. In 2011, brands introduced smaller, cheaper sizes for people apt to skip big shopping trips in favor of spending minimal amounts at convenience stores.

- Both Kraft Foods Inc. and Wm. Wrigley Jr. Co. are downsizing packs of gum in the U.S. for consumers with fewer coins in their pockets. Kraft will sell 50-cent packs with five sticks of Trident and Stride by the end of 2011, while Wrigley’s smaller packs will go on sale in 2012.
- Coca-Cola Co. and PepsiCo both introduced alternatives to the traditional 2-liter bottle in the U.S. with reduced sizes that sell for 99 cents or less. At convenience stores and gas stations, traditionally the domain of 20-ounce bottles, Coca-Cola offers 16-ounce bottles and more recently added new 12.5-ounce bottles; Pepsi is expanding availability of 16-ounce sodas.
- In Japan, one of the country’s leading premium beers, Suntory Premium Malts, costs about 20% more than regular beer. Suntory recently introduced an undersized can for convenience stores only (330ml vs. the usual 350ml), selling at the same price as lower-grade rivals, allowing consumers to more easily buy into the premium option.

1 NAVIGATING THE NEW NORMAL



MANIFESTATIONS (cont'd.)

- In November H.J. Heinz Co. announced plans to launch several reduced-size products at “compelling price points,” with CEO William Johnson citing research finding that one-third to one-half of food shoppers are pinching pennies by buying smaller sizes. These consumers are “shopping week-to-week or paycheck-to-paycheck,” he said, rather than stocking up for the longer term. In an August analyst call, the company said it would target consumers with under \$50 to spend on household groceries per week in the U.S. and other developed markets.

Heinz is introducing several reduced sizes at a suggested retail price of 99 cents, including a 10-ounce ketchup pouch and a 9-ounce yellow mustard, as well as mini Worcestershire and Heinz 57 sauces. In Europe, products will be priced around the one euro mark. Heinz is also bringing back HomeStyle baked beans after about three decades off the shelves, seeing the product as a convenient, nutritious value offering (the suggested price is a little over a dollar).



New, cheaper products/lines: Procter & Gamble introduced a bargain-priced Gain dish soap in 2010, a move “seen as an acknowledgement of the changing profile of the American middle class,” according to *Ad Age*. The shrinking middle class has “required us to think differently about our product portfolio and how to please the high-end and lower-end markets. That’s frankly where a lot of the growth is happening,” Melanie Healey, group president of P&G’s North America business, told *The Wall Street Journal* in September.

“Value to that [struggling] consumer is a price point. It doesn’t matter what the cost per ounce is. It matters, ‘Can I afford to buy even a small portion of that this week?’ And (that means) having small sizes, convenient sizes, convenient channels, convenience stores, pharmacies, dollar stores for quick small trips that are close to home, as opposed to going out for the big loads at the supercenters. So there is very different behavior that is occurring.”

—MEG NOLLEN, SVP of investor relations and global program management officer, H.J. Heinz Co., August analyst call



In fashion, this is a well-established idea—with diffusion lines and high/low collaborations (like Missoni’s blockbuster line for Target in 2011)—that’s only gained momentum with the downturn. While some brands have put the brakes on lower-cost products that put a dent in their upscale image, others are diving in. For instance, in 2011 Vera Wang added a bridal line in the \$600-\$1,400 range (vs. several thousand dollars at minimum for her usual dresses) via retail chain David’s Bridal. And in early 2012, Karl Lagerfeld will debut a masstige line, Karl, that will feature a rock ‘n’ roll look priced from around \$100 up to \$450, a low entry barrier for the iconic former Chanel designer (a higher-priced line will launch later in the year).

More flexible subscription plans: T-Mobile’s new U.K. program You Fix locks consumers in for 12 rather than 18-24 months and provides built-in flexibility: Customers select from a range of low-cost plans that include “pay as you go” options for modular packages that add minutes or texts when the customer needs and/or can afford them. T-Mobile refers to this flexibility as “spend control.”

Meanwhile, prepaid, no-contract phone plans—which have been a minimal part of the U.S. mobile market—are now the fastest-growing segment. Companies including MetroPCS and Leap Wireless’ Cricket are finding traction with better phones and speeds than were previously on offer. A new low-cost, no-contract T-Mobile plan offered through Walmart allows for unlimited Internet access and texting but only 100 voice minutes. The carrier also now offers three Pay by the Day plans, charging customers only for days they use their phones.

“Considerations of pricing power in telecom and media industries have traditionally been about competition, not affordability. But simple affordability may emerge as a critical factor. Real income growth in the United States has been negative during the last five years.”

—CRAIG MOFFETT, analyst, Bernstein Research reports

1 NAVIGATING THE NEW NORMAL



WHAT IT MEANS

Brands will seek to retool for a new consumer reality that's being described as an hourglass, with spending moving out of the middle market and shifting to the high and low ends. Customers who are unable or simply unwilling to spend have become accustomed to deals, holding out for discounts and promotions, but such tactics aren't a sustainable long-term solution for most brands. Instead (or in addition), opportunity lies in creating lower-cost products and services.

There are various ways to lower barriers to entry. Brands can create smaller SKUs, "good enough" products and services that strip out amenities and features or lower quality standards, DIY options (e.g., Ikea-style assemble-your-own items), off-peak or otherwise restricted offerings, and unbundled/more flexible services and subscriptions. They can also add "collaborative consumption" services for consumers who prefer temporary access to products rather than the full price of ownership, like BMW's DriveNow service and Daimler AG's Car2Go.

Some of these strategies take inspiration from emerging markets, where brands tailor products and services for customers with unpredictable income flows and minimal discretionary funds. We'll see more Trickle-Up Innovation (one of our 10 Trends for 2010), with products designed for emerging markets filtering up to developed markets for consumers seeking cheaper options. At the same time, developed-market brands will need to watch for heavyweights from emerging regions becoming rivals, such as Tata in India and Haier in China.

When we asked our survey respondents if they would rather spend less and buy small sizes than buy bigger sizes that are a better value, a majority of respondents in the bottom third of household income said they would (57% in the U.S. and 56% in the U.K.). So did a majority of middle-income respondents in the U.S. (53%). And a wide majority across income groups in both countries said they wish there were more basic, lower-priced options for gadgets like smartphones or tablets. (See Figures 1A-B; for country and generational breakdowns, see Appendix, Figures 1C-E.)

"The recession has shifted priorities for consumers, who are now more willing to trade quality for a lower price," notes Knowledge@Wharton. Still, while many are embracing "good enough" products, consumers have also developed the expectation that cheap can mean chic (or tasty, enjoyable, etc.) as well, since retailers like Ikea, H&M and Target have injected some hipness into low-end retail.

FIGURE 1A:
New Products for the New Normal

Percentage of American adults who agree:

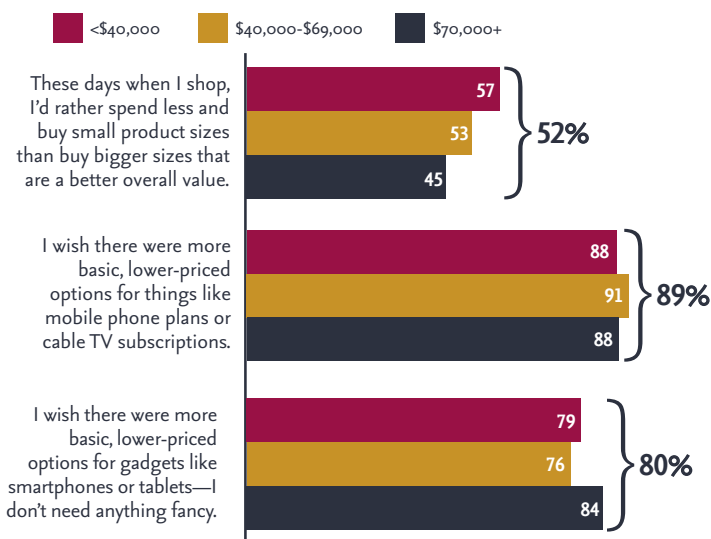
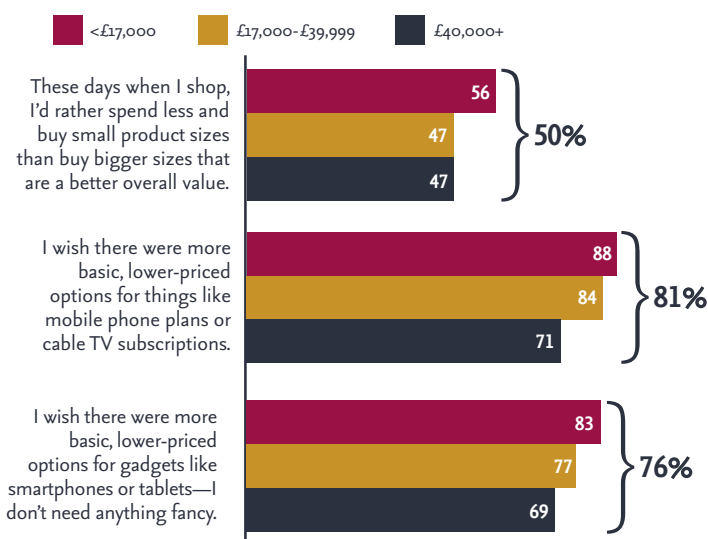


FIGURE 1B:
New Products for the New Normal

Percentage of British adults who agree:



1 NAVIGATING THE NEW NORMAL



WHAT IT MEANS (cont'd.)

As a result, consumers will look for budget or discount options that don't feel terribly downmarket. Blink Fitness gyms, for example, put an emphasis on cleanliness and modern design. The German discount grocery chain Aldi offers a limited selection of products, most of which are private-label, but, as *The Economist* notes, "Aldi is not a grotty place to shop. It has wide aisles and bright decorations, unlike some of the discount stores that disfigure American inner cities." And McDonald's launched a \$1 billion makeover of its U.S. stores in 2011 that will see the outlets looking less like typical fast food chains and more upscale, taking cues from Starbucks.

As lower-cost options proliferate, brands will need to ensure that consumers understand why their pricier products carry a premium.

THOUGHT STARTERS

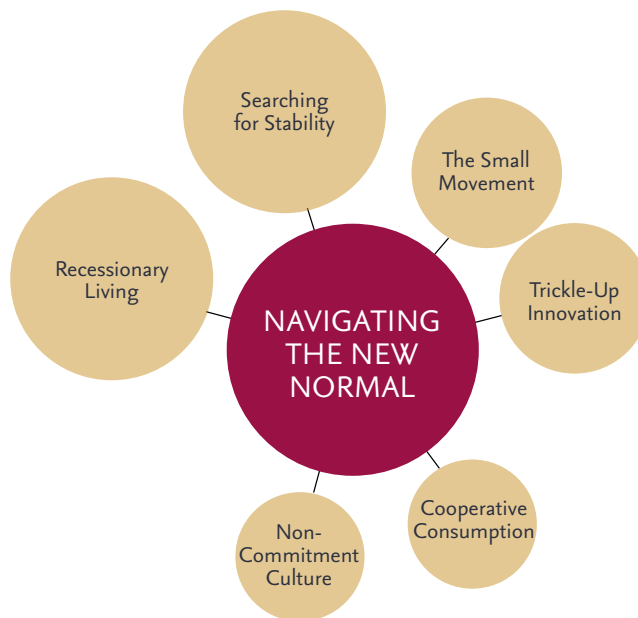
Can you create a more basic product or service that strips out features or amenities many customers don't need or use often? At the same time, what small touches can you add that help elevate perceptions of the offering?

Can you create lower-cost products that will help bargain-hunting consumers feel just as satisfied and savvy as a heavily discounted offering?

Are there emerging-market products, services or strategies in your category that can provide inspiration?

How can you flip the idea of buying in bulk for customers who are less value-conscious than they are price-sensitive? If you can't, how can you better convey the value of your product size?

RELATED TRENDS*



* See Appendix for more on Related Trends.



2 LIVE A LITTLE

Faced with constant reminders about what to do (exercise more, eat better) and what not to do (smoke, overspend), and fatigued from several years of austerity, consumers will look for ways to live a little without giving up a lot. People have been exercising more self-control, and increasingly they're looking to let loose once in a while: indulging in sinful things, splurging on treats and escaping from today's many worries.

2 LIVE A LITTLE



DRIVERS

“Nanny State” fatigue: Over the past decade, a slew of behaviors and products have come under government regulation. Smoking has been widely banned in indoor spaces, and recently in some outdoor spaces too. Many restaurants must now list calorie counts, which makes enjoying indulgences that much less fun. In some places you can’t buy bottled water or ask for a plastic bag. New York City, among other places, bans trans fats in restaurant food. Hungary taxes high-calorie foods that are low in nutritional value, while Denmark recently introduced a “fat food tax” on butter, milk, cheese, oils and meats. New Zealand, the Netherlands, Finland and Australia are considering a similar tax, while the U.K. is proposing a minimum price for alcohol.

Nearly 7 in 10 of our U.S. and U.K. survey respondents said they wish they weren’t constantly reminded of all the things they should be doing or not be doing to improve themselves. And 73% agreed that “There are so many ‘rules’ about what I should be eating and what I should stay away from.” (See Figure 2A; for country breakdowns, see Appendix, Figures 2B-C.)

While people generally understand the need to adopt healthier, greener habits, the reverse-psychology effect of these regulations adds some rebellious appeal to “bad” behaviors.

Guilt fatigue: At the same time that many governments are trying to engineer healthier behaviors, in many places the culture at large is joining in, with parents frowning on what others feed their kids and smokers given the pariah treatment. With ever growing pressure to act responsibly—in terms of our own and our family’s health, the environment, etc.—consumers will increasingly tire of the guilt associated with anything that seems out of step. And as more brands disclose everything from ingredients and calorie counts to carbon footprints and sourcing (a trend we term Maximum Disclosure), there’s more guilt associated with everyday consumer purchases.

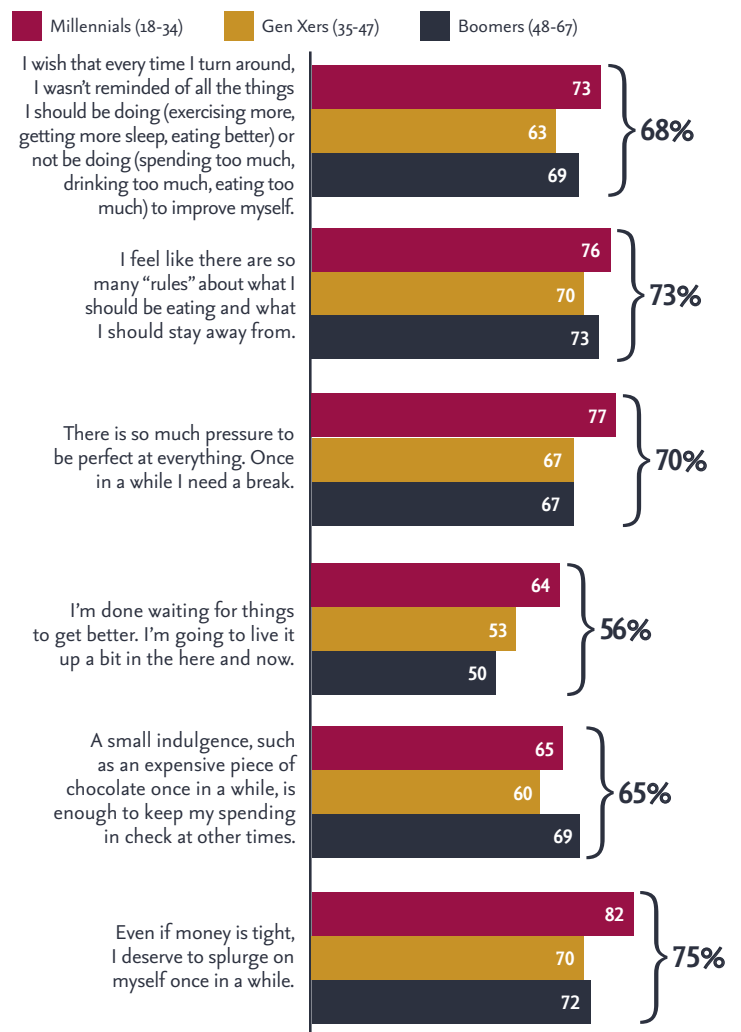
Seven in 10 American and British adults surveyed agreed that “There is so much pressure to be perfect at everything. Once in a while I need a break”; Millennials (77%) feel this pressure most acutely. (See Figure 2A.)

Austerity fatigue: At the height of the Great Recession, consumers embraced trading down, clipping coupons, spending less and paying down debt. But as we enter the fifth year of prolonged economic uncertainty in many parts of the world, and what was the new normal becomes the status quo, people are eager to ease up on austerity. They will still exercise control, but in other ways—like when to splurge and what to splurge on.

FIGURE 2A:

Live a Little

Percentage of American and British adults who agree:



After a while, you just get tired of pinching the penny and decide you need to have an emotional release and go buy something.” —MARSHALL J. VEST, director, Economic and Business Research Center at

University of Arizona’s Eller College of Management, Capitol Media Services, Oct. 27, 2011

2 LIVE A LITTLE



DRIVERS (cont'd.)

Self-control fatigue: When people control themselves for long periods, there's inevitably a breaking point at which they need to satiate some of their pent-up demand. More than half of respondents in our survey agreed that "I'm done waiting for things to get better. I'm going to live it up a bit in the here and now." (See Figure 2A.)

Taking the edge off: Anxiety is high in many regions, and indulgences, whether a martini or a new pair of shoes, can go a long way to soothing it. People are finding "little ways to sweeten life in the midst of all the madness," Karen Grant, global beauty industry analyst at NPD Group, told *USA Today* in October. Britons, for example, have less disposable income these days but are "consuming ever more chocolate," according to *The Financial Times*.

"Living a little" still cheaper than living large: Estée Lauder chairman emeritus Leonard Lauder coined the term "Lipstick Index" during the 2001 recession after observing that lipstick sales rose during tough economic times as women treated themselves in affordable ways. While lipstick sales have been on the decline in the U.S. since 2007, the concept of the Lipstick Index lives on, as affordable indulgences substitute for larger expenditures. As the *FT* puts it, "For more everyday items, people are compensating for bigger treats foregone": Consumers are going out to restaurants less frequently but splurging on premium ingredients to cook at home, for example.

Indeed, almost two-thirds of our U.S. and U.K. respondents agreed that "a small indulgence, such as an expensive piece of chocolate once in a while, is enough to keep my spending in check at other times." (See Figure 2A.)

Spending to feel that life is normal: Amidst upheaval, spending money is a way to regain a sense of normalcy and feel, even if only briefly, that everything will be all right and within our control. That may be one reason that in Japan, which faced almost unprecedented disaster after the earthquake and tsunami in March, mainstream consumers spent 26% more on luxury clothes and accessories in the first half, according to American Express Business Insights; Tiffany & Co. sales in Japan spiked 21% in the second quarter.

MANIFESTATIONS

Marketers saying "Live a Little": Some brands are marketing their products as ways for stressed-out consumers to live it up a bit.

- **Campofrío:** This Spanish deli brand aired a commercial showing a young toad catching flies and an older one who dismisses the food, explaining he's a reincarnated human. But he's not too gung ho on life as a human: "You need to learn English so you don't become a loser, control your calories, triglycerides ..." The younger one, though, breaks into song, imagining what he'd do "If I were a human"—move to Vegas, become the driver of the Swedish women's beach volleyball team, "buy a Chihuahua, a waterbed and a mega ham platter." The frog is hit by a truck and reincarnated as a handsome office worker who enjoys some Campofrío ham. The voiceover: "You never know what you'll become in the next life. So take good advantage of this one."



In the last couple of years, [people have] really got it together—they've really, really done a good job at [exercising self-control] and proving that they can save. But at some point you just burn out and you're like, 'OK, I guess this is what's normal.' And so it doesn't surprise me that people start to relax a little bit and start spending again."

—KATHLEEN D. VOHS, University of Minnesota marketing professor whose research includes consumer self-control



2 LIVE A LITTLE



MANIFESTATIONS (cont'd.)



- **Oscar Mayer:** In Spain, Oscar Mayer championed the concept of simply having fun and worrying about the consequences later on. To illustrate the tagline “Si te divierte, hazlo” (“If you enjoy it, do it”), the brand staged pranks showing people enjoying Oscar Mayer products in humorous and unconventional situations where fun is the No. 1 goal. For example, a hidden camera films a prankster in a high-end restaurant in Madrid, where he takes a seat, pulls out an Oscar Mayer hot dog and eats it while waiting to be served, to the dismay of the other patrons.

“**No Nanny State, Imperial Tobacco:** In 2011, the tobacco industry and the Australian government tousel over a proposal to mandate plain (unbranded) cigarette packaging. While it couldn’t appeal to the public’s sympathy in opposing these measures, Imperial Tobacco instead tapped into a growing anxiety that Australian society is becoming over-regulated. “More and more, the government is telling us what we should and shouldn’t do,” noted the campaign’s website. A TV spot showed a severe woman labeled “nanny” who declares, “I make the rules around here!” An unseen voice argues that he’s over 18 and that “it’s legal” but is warned to “Do as you’re told!”



Big sales for little indulgences: “Why is the consumer, who is so price conscious, making this decision to spend more money? Because it’s a little indulgence,” James Russo, VP of global consumer insights at Nielsen, told *The Financial Times*. In line with the Lipstick Index—the idea that affordable splurges will increase during hard times—nail polish sales worldwide were up 54% in the past year (something we forecast in our 100 Things to Watch in 2011). And it’s not just nail polish: Whiskey in South Africa, premium beer in the U.K. and cheap éclairs in India are small indulgences that consumers with little to spend are enjoying.

And though many consumers are embracing healthier, lighter food choices, sometimes they just want to put that aside. After switching to a lighter, more Mediterranean menu, U.S. restaurant chain Romano’s Macaroni Grill recently reinstated various classic Italian dishes, and a new ad campaign “seeks to convey a spirit of ‘self indulgence’ and the ability to have a ‘big night out,’” MediaPost reports. And a Mintel report on ice cream sales in the U.S. finds that “full-fat, indulgent brands have performed well in the last year.” Ben & Jerry’s saw sales grow nearly 7% in 2011, while sales fell 6% in the year ended April 2011 for Dreyer’s Slow Churned ice cream (Edy’s in some markets), which has about half the fat of regular ice cream.

Do you really like living in a Nanny State?

If you're one of the 1.5 million adult Australians who choose to smoke, you're no doubt aware of the associated health risks. The current packaging makes that abundantly clear. Now the government wants to remove all branding and increase the graphic health warning to cover most of the front of your pack. It's clear the government doesn't believe you can make your own decisions about what you should and should not do. And while rules are necessary in a modern society, there has to be a limit. If you think Plain Packaging Legislation is regulation gone too far, do something about it. Go to NoNannyState.com.au, your local tobacco retailer or speak to your Member of Parliament on (02) 62 777 111.

STOP PLAIN PACKAGING LEGISLATION

Authorised by W. Marrett, Imperial Tobacco Australia Ltd, 4-8 Inglewood Place, Baulkham Hills NSW 2153.

2 LIVE A LITTLE



MANIFESTATIONS (cont'd.)

Luxury is back: While luxury was one of the hardest hit sectors during the Great Recession—sales in the U.S. plummeted 9.1% in 2009, according to the International Council of Shopping Centers—it's enjoying a healthy recovery, with luxe consumers satisfying their pent-up demand. Luxury brands reporting sales increases include Tiffany & Co. (a 30% increase in net income in the second quarter) and LVMH Moët Hennessy (Louis Vuitton reported an 18% rise in sales for the third quarter).



“Luxury prevails because it has substance. It makes you feel special. A lot of consumers will tell us: It's not only that I get to gain status; I feel special, I feel like I've earned something, I reward myself. ... Consumers, even the aspirational consumers, those with a reasonably good income, say, 'I might borrow a little, or I might spend a little of my savings, but I need to have nice things in life.' Everyone, even the young, recognize that life is short so I want to have the best and I need to enjoy it.”

—MILTON PEDRAZA, CEO, Luxury Institute

WHAT IT MEANS

Ultimately, many people would rather have a bit of something good than a lot of mediocrity. And consumers don't want to feel life is passing them by as they spend frugally, eat conscientiously and behave more responsibly altogether. More people will decide there is a time for everything—both restraint and rewards.

At the same time, the definition of “living it up” is changing for many consumers: Some everyday purchases are turning into indulgences as budgets tighten and prices rise, and as more products and behaviors are seen as damaging to one's health or to the environment. Some brands will need to adjust their messaging to reflect new perceptions of their products or services as treats rather than staples. Consumers will make room for treats if these are satisfying and high-quality enough.

Marketing messages can appeal to the growing desire to live a little by discouraging over-thinking and encouraging more spontaneous enjoyment of life's pleasures. Brands can help to remove anxiety around indulgent choices and showcase how their indulgences are permissible—enabling people to live a little without feeling like they've fallen off the wagon altogether.

As a countertrend to the prevailing mood of austerity and anxiety, brands can emphasize fun, happiness, joy and escapism, and ways to take a break from the stresses and responsibilities of daily life. Brands can help people relieve stress and find ways to squeeze more pleasure and enjoyment out of their lives, whether it's a cup of top-notch coffee, a trip to the nail salon or a hot fudge sundae.

Purchasing brands that provide a sense of deep emotional satisfaction—even if they carry a price premium—is one way for austerity-fatigued consumers to regain a sense of normalcy and/or control and feel, even if only briefly, that everything will be all right. This may seem a superficial solution, but the power of brands to affect emotional well-being should not be underestimated.

THOUGHT STARTERS

How can you tap into austerity fatigue, reminding people about the limitations and pressures that have become more prevalent?

How can you remove some of the anxiety around what may be perceived as an indulgent choice?

How can you position your product or experience as something that, even if indulgent, can enable condoned things, like sharing, togetherness, creation of special memories, etc.?

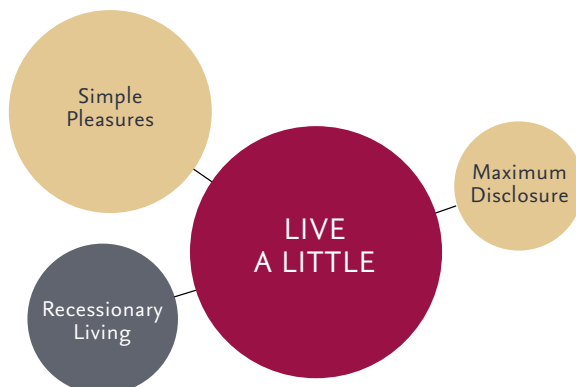
How can you demonstrate to consumers that an indulgence once in a while does not equate with excessive behavior?

2 LIVE A LITTLE

RELATED AND COUNTER TRENDS*

Related Trends

Counter Trends



* See Appendix for more on Related Trends and Counter Trends.



3 GENERATION GO

While twentysomethings in the developed world feel they've been dealt an unfair deck, many are finding opportunity in economic adversity. Out of continued joblessness or discontent with the status quo will spring an unprecedented entrepreneurial mindset, enabled by technology that obliterates traditional barriers to entry. A so-called Lost Generation will transform itself into a uniquely resourceful cohort.

“ People talk about the plight of the young people and that job opportunities are scarce for our generation. What they don't understand is that our generation fully wants to find a solution to that problem, not sit back and do nothing about it or wait it out.”

—University of Pittsburgh student STEVE PRESCOTT, “Millennials foresee success,” *Pittsburgh Tribune-Review*, Nov. 27, 2011

3 GENERATION GO



DRIVERS

Economic circumstances: Every generation has felt the effects of the recession, but Millennials (especially the older part of the generation born between 1978-2000) have been hit particularly hard, with studies showing that twentysomethings are almost three times as likely as older adults to be unemployed worldwide, and their wages are projected to be depressed for years to come. The International Labour Organization projects a global unemployment rate for youth (aged 15-24) of 12.6% for 2011—more than double the projected overall rate of 6.1%. Among American Millennials aged 16-29, only 55% were employed in 2010.

With job recovery very slow and previous unemployment serving as the best predictor of future unemployment, many recent Millennial grads will likely remain on the outside looking in for the near term—unless they take the initiative. Risky startups seem more reasonable when the alternative is prolonged unemployment. Entrepreneurialism gives Generation Go a berth at the starting line and a sense of direct control over their future.

Lower barriers to entry: Many barriers that once gave would-be entrepreneurs pause are much less of a deterrent today, thanks in large part to new technologies and Millennials' know-how in leveraging them. They have the tech savvy to create innovative solutions and to organize on a scale never before possible.

Among other things, technology enables young people to swap ideas, connect with like-minded individuals across borders and hierarchies, and organize events. Ideas and projects that would have taken massive amounts of resources and time are now a matter of mouse clicks. Social media has given this generation basic skills in promoting, marketing and branding themselves. And the advent of crowdfunding platforms like Kickstarter has made it relatively simple and easy to raise funds for appealing ideas (and at the same time, the endless listings of projects can serve as inspiration).



“One of the most exciting things about growing up online is the tremendous access you have to information—both sending and receiving it. When you know the world is only a few mouse clicks away from seeing what you've produced, you should feel entrepreneurial.”

—ALEXIS OHANIAN, co-founder, Reddit; founder, Breadpig

Mobility: As a generation growing up during a time of laptops, tablets and mobile phones, Millennials are adept at working on the go, wherever, whenever and however. Unrestrained from the cubicle, Millennials aren't beholden to the traditional office as the typical work environment. The flexibility and sense of autonomy that working remotely can bring change the concept of the work environment and, by extension, career.

“The small business is the idealized social form of our time. Our culture hero is not the artist or reformer, not the saint or scientist, but the entrepreneur. (Think of Steve Jobs, our new deity.) Autonomy, adventure, imagination: entrepreneurship comprehends all this and more for us. The characteristic art form of our age may be the business plan.”

—WILLIAM DERESIEWICZ, “Generation Sell,”
The New York Times, Nov. 12, 2011

The entrepreneur as hero: When Baby Boomers came of age during the golden era of corporations—replete with decades-long job tenures, guaranteed pensions and a navigable corporate ladder—“entrepreneur” was almost an insult. As in “Oh, he's a real entrepreneur. Like he's selling you watches from the inside of a raincoat,” notes Donna Fenn, author of *Upstarts! How Gen Y Is Rocking the World of Business and 8 Ways You Can Profit From Their Success*. Millennials have a very different perception of the word, having grown up at a time when upstarts—be they Boomers like Steve Jobs and Bill Gates, Gen Xers like Larry Page and Sergey Brin or peers like Mark Zuckerberg—redefined business success: Doffing double-breasted uniforms for turtlenecks, khakis and Teva sandals, they realized their visions on their own terms. And their brands, from Apple to Facebook, are woven into the fabric of Millennials' daily lives.

3 GENERATION GO



DRIVERS (cont'd.)

Distrust in institutions: Millennials have much less faith than previous generations of young people in big institutions, having seen longstanding financial brands collapse, corporate scandals and bailouts, and a great deal of disillusionment with political leaders. Relying on institutions to provide opportunity and security seems like a mistake. As a result, Millennials don't count on job security, jumping from one job to another as openings arise and considering how to forge their own paths to success—skirting a system they view as broken.



When [Millennials] started reaching the age of reasoning, you saw these corporate scandals—Enron and WorldCom—and then the financial meltdown and your parents getting laid off from big corporations where they had worked for a long, long time. And the message was ‘Corporate America is not a desirable or a safe place to be.’”

—DONNA FENN, journalist; author, *Upstarts! How GenY Entrepreneurs Are Rocking the World of Business*

The protestors comprising Occupy Wall Street, for example, the somewhat nebulous protest against corporate excess and economic inequality, embody the belief that the global market is a broken system that favors plutocrats over the middle and working classes. And while OWS works to highlight the breadth of its demographics, a recent online survey by OWS volunteers found 64% of respondents were 34 and under.

Millennial mindset: The youngest adult generation is characterized by a can-do spirit and an optimism that set them apart from their immediate predecessors. Critics call them narcissistic and impatient, but they also have the self-confidence to bet on themselves and the hyper-productivity to make things happen. It helps that, broadly speaking, they are creative and collaborative, willing to link up to get things done.

Perhaps because they are digital natives, Millennials have internalized the open-source ethos and commentary culture of the Web: They feel entitled to have their voices heard and their visions realized, giving them a sense of authority and ownership that are key to the entrepreneurial spirit. They've also come of age as the traditional lines between consumer and creator have blurred, one reason for their expectation of hands-on participation in all aspects of a project.

A recent poll by youth advocacy group Young Invincibles showed that 65% of Americans 18 to 34 feel Congress should make it easier to start a business, with 41% saying this should be a top priority; 83% feel Congress should increase the availability of startup loans, and 92% support increased training for entrepreneurs.

“Our generation is autonomous. It is impatient. We refuse to pay our dues; if we start an entry-level job, then 6 months later we want to be running the department. ... So we're making our own way and making our own jobs. We create our own tech startups, we're making a living producing videos on YouTube. We're starting our own non-profits instead of joining stagnant, bureaucratic NGOs. ... We don't need your jobs, your advice, your instruction. Pretty soon we won't need your music labels or publishing houses; we'll be doing it ourselves on iTunes and Amazon. We don't need you at all, except perhaps as a customer.”

—JUSTIN KAN, founder of Justin.TV, Kiko and Socialcam, “Generation Make,” TechCrunch, Nov. 14, 2011

3 GENERATION GO

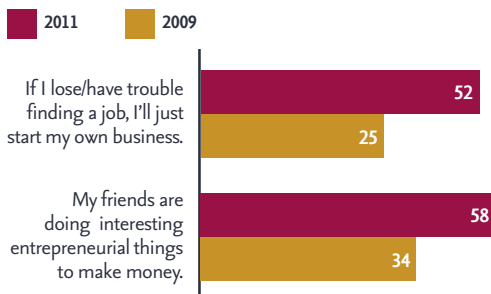


MANIFESTATIONS

Success stories: Millennials are already making their mark, with successful businesses that include Dropbox (co-founders Drew Houston and Arash Ferdowsi), Reddit (founder Alexis Ohanian) and Instagram (co-founders Mike Krieger and Kevin Systrom), to name but a few.

Entrepreneurial ethos: Our survey found a solid entrepreneurial streak among Millennial respondents, one that has significantly increased in the past two years. In the U.S., 52% of Millennials said they would start their own business if they lose or have trouble finding a job, up from 25% in 2009, and 58% agreed that “My friends are doing interesting entrepreneurial things to make more money,” up from 34% in 2009.

FIGURE 3A:
Entrepreneurial Ethos
Percentage of American Millennials (18-33) who agree:

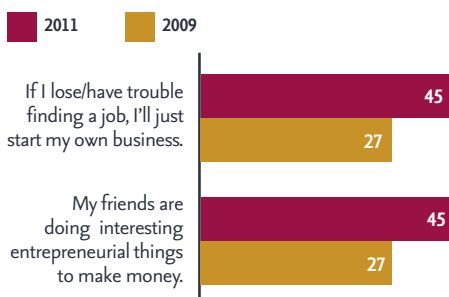


In the U.K., 45% of Millennials said they would start their own business if they lose or have trouble finding a job, up from 27% in 2009; 45% said their friends are doing interesting entrepreneurial things to earn more money, up from 27% in 2009.

A recent U.S. poll conducted by the Young Invincibles found that more than half of respondents aged 18-34 either wanted to start a business or already had.

Incubators: Groups and initiatives designed to encourage young business owners are popping up. Young Invincibles, launched in 2009 to give young people a voice in the U.S. health care debate, has broadened into a lobbying group for Americans between 18 and 34 years old. Lately they've picked up the mantle of young small-business owners, promoting the Youth Entrepreneurship Act, which would give young people more micro-loans, business education and student loan reductions.

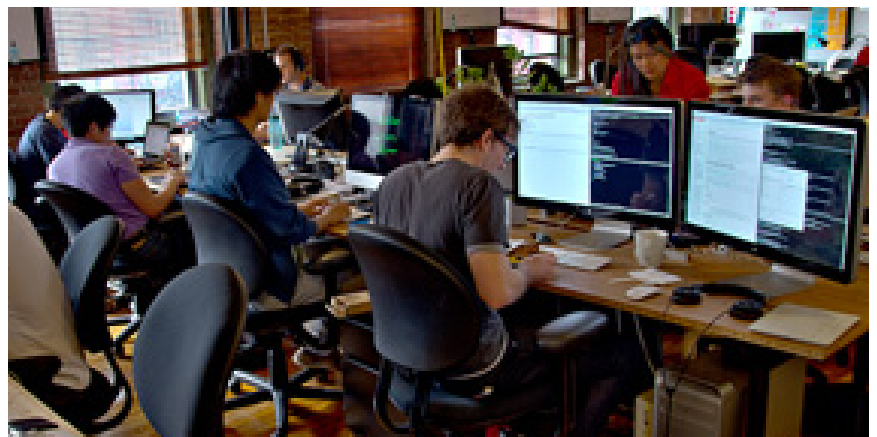
FIGURE 3B:
Entrepreneurial Ethos
Percentage of British Millennials (18-33) who agree:



The bill is also being promoted by the Young Entrepreneur Council, which recently launched the \$10 million fund Gen Y Capital Partners, “the world’s first early stage venture accelerator program for Generation Y by Generation Y.”

And the under-30 nonprofit Our Time launched the Buy Young initiative in 2011, offering discounts to mailing list members and promoting patronage of twentysomething-run businesses as a way to create jobs for young people.

Coworking: Millennials have helped to drive demand for coworking spaces, where entrepreneurs, independent workers and freelancers can work side by side in an environment that fosters social interaction and professional synergies. This “open source” environment enables people in different disciplines to inspire each other and partner up, a kind of creative incubator that plays into Millennials’ collaborative spirit.



3 GENERATION GO



MANIFESTATIONS (cont'd.)

Social entrepreneurship: Nine in 10 American Millennials in a survey we conducted this summer said they feel it's their responsibility to make the world a better place, and nearly 7 in 10 British Millennials agreed that "My generation is more community-minded and open to thinking and acting collectively on social causes compared to other generations." This "we vs. me" point of view motivates Millennials to tackle social issues with an entrepreneurial mindset, creating social businesses that aim to make a positive difference along with profits.

For example, several young MIT students started Sanergy, a company that provides sanitation centers and waste management to Kenya's slums. In the U.S., thredUP lets parents swap clothes instead of buying new, reducing waste and helping to save money. Explains Donna Fenn, author of *Upstarts! How Gen Y Is Rocking the World of Business*: "There's a commitment to having a larger purpose beyond commerce. And so there's not this separation of profit and not-for-profit—I think you find a lot of hybrid companies in this generation."

Gaming the system: Since Millennials have limited sway within the current system, many are looking for ways to use their know-how to work the system to their advantage. Well-versed in video/computer games and game mechanics, Millennials are adept at finding loopholes. For example, some are finding relatively easy ways to rack up frequent flier miles—taking many cheap domestic flights—and using them for flights to exotic locales.

Patchwork earnings: Millennials are using their skill set to navigate new technologies and services, cobbling together an income from various solutions. With the rise of Collaborative Consumption, there are many such solutions. For example, people can turn a possession (home, car, iPad, etc.) or skill into a bit of cash, enabled by peer-to-peer room-, car- or product-rental sites like Airbnb, Zilok and NeighborGoods. (These micro-businesses were one of our 100 Things to Watch in 2011.)

Millennials are also taking on microwork—when businesses split up projects into small pieces, then match people to those jobs online—through a range of sites including Coffee & Power, TaskRabbit, Tongal, Mechanical Turk, LiveOps, uTest, Freelancer and Elance. Finding entry-level positions for careers is still difficult for most young people, but small jobs are out there for those who take the initiative to piece it all together to make a living.

TV shows: A U.S. sitcom, *2 Broke Girls*, features two struggling twentysomethings in Brooklyn, one who hasn't been able to catch a financial break, the other the daughter of a (now) broke Bernie Madoff type. In hopes of navigating out of their plight, they pool their resources—one has baking skills, the other business acumen—to raise the funds to launch a cupcake enterprise. True to the Millennial ethos, they have their eyes set on a more lucrative, self-directed future—much like Ben Epstein and Cam Calderon of HBO's *How to Make It in America*, entrepreneurs who work every angle to make their dream of success in the fashion industry into a reality.

“ Millennials want to beat the system. They'll try to manipulate or negotiate with their parents, teachers, and employers to get ahead. They're not anti-authority or anti-rules, but they want to work things to their advantage.”

—ALISON HILLHOUSE, senior director of insights innovation at MTV, Q&A, Ypulse.com, June 9, 2011



3 GENERATION GO



WHAT IT MEANS

Rather than wallowing in the idea that they're a Lost Generation, Millennials are proving to be both resilient and resourceful in addressing adversity. This entrepreneurial-minded generation—the largest and most diverse in history—will use the youthful energy once focused on climbing the corporate ladder to forge their own paths to achievement. Millennials may still be working to find their direction, but they don't lack for ambition.

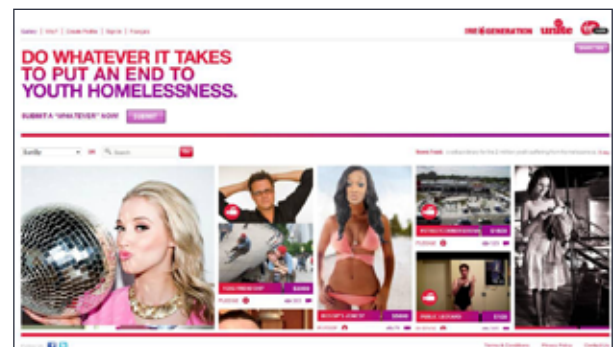


Since many Millennials feel they must break free of a system that's disappointed them, brands that position themselves as outsiders will curry favor. Consider Levi's "Go Forth" global campaign, which aligns the brand with a generation that's forging its future in tough times: Television spots pair action shots of young people riding in cars, tramping through forests and wailing on electric guitars with rousing lines of American poetry (e.g., Bukowski's "The gods will offer you chances/Know them/Take them" and Whitman's "We must march my darlings, we must bear the brunt of danger/We the youthful sinewy races, all the rest on us depend").

Giving Millennials a course of action is also a wise play. Marketing to younger people must, of course, include social and mobile media, but these often connect in superficial ways. Brands that want to connect more deeply should tap into Generation Go's desire to take concrete steps and make an impact. For example, a Virgin Mobile campaign challenges Millennials to help end youth homelessness by pledging to take certain actions when a specified amount of money is donated; postings to the "Do Whatever It Takes" campaign site included "I'll streak naked in Philly (on the stairs that were featured in the movie Rocky) if \$5,000 is pledged" and "I'll eat 30 hamburgers in one sitting if \$400 is pledged." This cooperative approach to problem-solving appeals to Millennials more than traditional top-down approaches.

Millennials don't want to be stifled by bureaucracy, so providing ways for them to exert some autonomy in a productive, cooperative way will yield great results. With improvements in technology continually opening new doors, coupled with Millennials' resourcefulness, this generation already has many opportunities that weren't available to previous generations—the key will be to recognize, contribute to and foster these.

Looking further into the future, the next generation (Gen Z) looks poised to take up this "go" mindset as well—take the 12-year-old who made a TEDx presentation about his iPhone apps. Quite a step up from the lemonade stand.



3 GENERATION GO



THOUGHT STARTERS

Does your messaging to Millennials reflect the optimism in adversity and boot-strap success that this generation embraces?

How can your brand use social media to bring Millennials together around a common cause?
How can your brand be a tool to help them improve their lives or the world at large?

How can your brand address the entrepreneurial mindset of the Millennial? What resources can you provide for aspiring entrepreneurs to succeed?

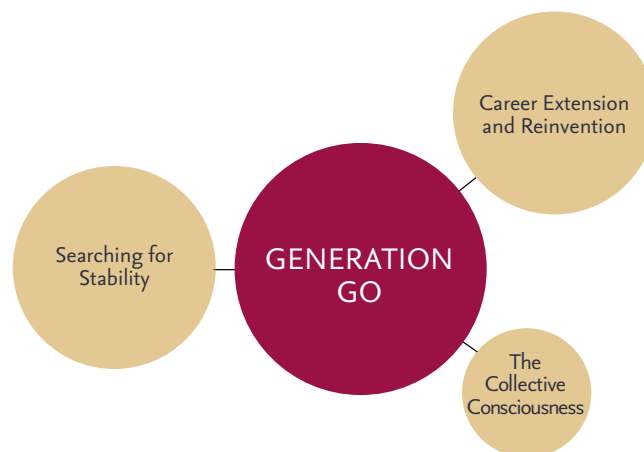
How can your brand acknowledge the adversity facing the youngest adults? How can it empower young people to find success?

How can your brand provide hands-on opportunities for Millennials to improve the world?

In what ways can you differentiate yourself from the system that has, in the eyes of many Millennials, failed them?

Are there tasks you can outsource for microwork that could also bring interest to your brand beyond the paycheck for the worker?

RELATED TRENDS*



* See Appendix for more on Related Trends.



4 THE RISE OF SHARED VALUE

Rather than simply doling out checks to good causes, some corporations are starting to shift their business models, integrating social issues into their core strategies. The aim is to create shared value, a concept that reflects the growing belief that generating a profit and achieving social progress are not mutually exclusive goals.



“ We have observed that companies that choose to take on a more proactive approach in the form of ‘social innovation’ are capturing much greater competitive advantage. This competitive advantage is rooted in an ability to create new products and services that deliver social and environmental impact alongside financial impact, gain access to new markets, engage and retain their internal talent, as well as build brand differentiation in the market.”

—CHARMIAN LOVE, chief executive of social innovation consultancy Volans

4 THE RISE OF SHARED VALUE



“The concept of shared value can be defined as policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates. Shared value creation focuses on identifying and expanding the connections between societal and economic progress.”

—MICHAEL E. PORTER and MARK R. KRAMER, “Creating Shared Value: How to reinvent capitalism—and unleash a wave of innovation and growth,” *Harvard Business Review*, January–February 2011

DRIVERS

New opportunities in emerging markets: As businesses seek new sources of revenue in emerging markets, they are coming to see that they can generate opportunities for growth if they help to address some of the endemic problems they find (for example, by creating relevant products and services and investing in sustainable manufacturing processes). In Africa, for example, where an estimated 560 million people live without electricity, new solar-powered technologies offer a cheap way to provide families with lighting.

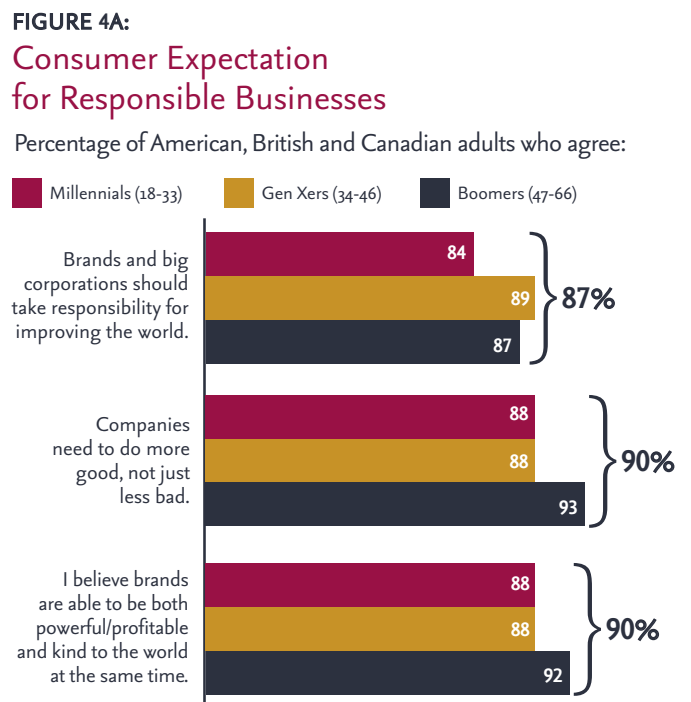
Pressure to cut costs and carbon emissions: Companies are developing more sustainable, low-cost manufacturing and transport practices as they seek ways to both reduce costs and fall in line with pressures to cut carbon emissions. These practices, and others focused on stewarding natural resources, can be both economical and effective, cutting pollution and improving local living conditions.

Blurring lines between business, nonprofits and government: Corporations are partnering with governments and nonprofits—from academic institutions to development organizations—in alliances that advance the objectives of all parties. We’re also seeing more social business enterprises—organizations that comprise both for- and nonprofit components—such as Waste Concern, which promotes recycling and waste management in Bangladesh, and TerraCycle, which helps to collect waste in more than a dozen countries and upcycles it into sellable products.

As Michael E. Porter and Mark R. Kramer wrote in *Harvard Business Review* in early 2011, “The principle of shared value creation cuts across the traditional divide between the responsibilities of business and those of government or civil society. From society’s perspective, it does not matter what types of organizations created the value. What matters is that benefits are delivered by those organizations—or combinations of organizations—that are best positioned to achieve the most impact for the least cost.”

Looming resource shortages: In today’s globalized environment, demand for resources is growing exponentially, and experts are sounding warnings about looming shortages. In Africa, for example, political instability and antiquated farming techniques mean volatile supply chains and greater risk for companies. Corporations are trying to ensure the long-term viability of key resources by improving living conditions and providing communities with new, more sustainable technologies.

Consumer expectations: Consumers care about social responsibility and expect corporations to care as well, as our data shows: 87% of adults in the U.S., U.K. and Canada agreed that “Brands and big corporations should take responsibility for improving the world,” according to a survey JWT conducted this past summer. Moreover, 90% felt that “Companies need to do more good, not just less bad.” (See Figure 4A; for country breakdowns, see Appendix, Figures 4B-4D.)



4 THE RISE OF SHARED VALUE



DRIVERS (cont'd.)

The Millennial outlook: Millennials, who tend to be optimistic, entrepreneurial and socially engaged, are entering the business world and bringing this mindset with them. This globally connected generation wants to effect social change and use intuitive, commercial strategies to do so. (See “Generation Go” on page 19 for more.)

“ Projects that create shared value “sidestep the age-old debate about whether business is good or evil. ... They just want to solve social problems in the most effective way they know how, and engaging business know-how, resources and the profit motive turns out to be an important part of many solutions.”

—LESLIE R. CRUTCHFIELD, JOHN V. KANIA and MARK R. KRAMER, “Do More Than Give: The Six Practices of Donors Who Change the World,” as reprinted in *Fast Company*, March 2011

MANIFESTATIONS

Reconceiving products to address social issues: Global brands are developing products and services tailored to address issues prevalent in the markets where they operate.

- **Campbell’s Nourish:** Distributed in Canadian groceries, Nourish is a single-serving can of soup designed to provide a complete daily serving of three key food groups at a low cost. Campbell’s considers the product both a commercial opportunity and a way to address hunger and food security issues. Additionally, the company donated 300,000 cans of Nourish to Food Banks Canada. Campbell’s has developed partnerships with nonprofits such as the World Food Programme and local governments, and is considering rolling out Nourish in other markets.



- **Philips’ “Sustainable Energy Solutions for Africa”:** As part of this solar-focused effort, Philips is partnering with the Dutch government in a bid to provide affordable, sustainable energy solutions to some 10 million people across 10 sub-Saharan African nations by 2015. The Solar Home System, for instance, is a low-cost, highly efficient light for homes and small businesses. Its solar-charged battery pack powers two LED lamps, and a full day’s charging in the sun can provide more than five hours of light. A cheap, lightweight solar reading light is designed to help children complete their homework at night or allow people to read in the evening.



- **GE’s Vscan:** GE started selling this smartphone-sized imaging tool, which brings ultrasound technology to physicians’ pockets, in 2010. The device has an hour’s worth of battery life, allowing medics to diagnose patients in the field—most notably in crisis zones where access to power is limited—and along bedsides. With a price tag just under \$8,000, the Vscan offers a considerably cheaper alternative to standard ultrasound machines, which can cost upward of \$100,000.

4 THE RISE OF SHARED VALUE



MANIFESTATIONS (cont'd.)

Reconceiving supply chains: Faced with rising manufacturing and transportation costs—especially as the price of oil increases—businesses are starting to reduce packaging and reconfigure their logistics systems, steps that both save money and lower carbon emissions.



- **Sabritas, Educampo project:** As part of efforts to improve the sustainability of its corn supply, Sabritas works with farmers close to its factories in Mexico, in collaboration with the Mexican Foundation for Rural Development. The PepsiCo-owned snack brand provides seeds, fertilizer, water usage guidelines and agrochemicals to help farmers increase their yields. Between 2008 and 2010, the project helped close to 300 small farmers and their families, and the average corn yield more than doubled. Meanwhile, PepsiCo was able to lower transportation costs while ensuring access to the type of corn best suited to its needs. The company runs similar agricultural programs in other countries, including Russia and China.

- **Marks & Spencer, “Plan A”:** The British retailer Marks & Spencer has committed to the lofty goal of becoming the world’s most sustainable major retailer by 2015. The company reported that in 2010/2011, this ongoing initiative contributed to a net benefit of £70 million for M&S. Among other strategies, the retailer switched its delivery fleet to 50% bio-diesel fuel and implemented a “green” business travel policy to reduce CO₂ emissions caused by travel. It is currently upgrading its refrigeration systems in stores, leading to a reduction in greenhouse gas emissions.

- **Walmart’s fuel-efficient trucks:** Walmart is working to double its truck efficiency by 2015 (based on a 2005 baseline), switching to fuel-efficient tires, recalibrating engines and adding aerodynamic elements to truck carriages. It has also replaced two-thirds of its nearly 7,000-truck fleet with fuel-efficient tractors and used detailed analysis to shorten its route network, by 49 million miles. In 2010, these initiatives helped the company cut its fuel costs and save almost 40,000 metric tons of CO₂ emissions.



WHAT IT MEANS

By putting shared value at the center of their strategy, brands can benefit their business, their customers and society at large. By reconsidering products and target demographics, forging partnerships with local groups and improving productivity in the value chain, companies can become a force for positive change while enhancing their long-term competitiveness. In the long term, a shared-value approach can insulate companies from shocks in the supply chain; improve the way they are perceived by consumers, their employees and potential hires; foster innovation by thinking about products and markets in new ways; and consequently open up new markets.

There are more than 3 billion low-income consumers worldwide, according to estimates by Nestlé, and as the global population explodes, this number is set to spike. By creating products and services to meet the needs and budgets of this segment, brands have a huge opportunity to expand outside developed markets. And by investing in emerging markets, brands can create a virtuous circle, where employed locals become aspiring middle-class consumers.

4 THE RISE OF SHARED VALUE



WHAT IT MEANS (cont'd.)

One way for brands to innovate is by scaling down offerings into lower-priced versions. GE's 3-year-old Healthymagination project, for instance, which aims to lower the cost of health care, has birthed economical devices like the Brivo DR-F. This digital X-ray machine, which uses a space-saving design, costs 30% less than premium systems and is more energy efficient than typical film-imaging systems.

Brands will need to consider how to educate stakeholders about the potential of these kinds of ventures, emphasizing the importance of long-term business strategies over short-term returns and implementing incremental changes to corporate practices. As the concept of shared value becomes more widely embraced, expect a new class of shared value auditors to develop metrics that assess companies in terms of social impact and shared value generated.

“Shared value is not social responsibility, philanthropy, or even sustainability, but a new way to achieve economic success. It is not on the margin of what companies do but at the center. We believe that it can give rise to the next major transformation of business thinking.”

—MICHAEL E. PORTER and MARK R. KRAMER, “Creating Shared Value: How to reinvent capitalism—and unleash a wave of innovation and growth,” *Harvard Business Review*, January–February 2011

THOUGHT STARTERS

Are any social causes integrated into your corporation's core strategies? If not, what would be some logical social causes for your company to become involved in?

Are there innovative partnerships to be had with philanthropic organizations or NGOs that can help ingrain social causes into your business DNA and the profitability of your company?

Do your current philanthropic efforts have a long-term measurable impact on both the cause and your bottom line?

How can your current product line be evolved, expanded or tweaked to address social challenges in your current markets or, perhaps, new markets?

How can your brand best educate shareholders about ventures that benefit business, customers and society in general?

RELATED TRENDS*



* See Appendix for more on Related Trends.



5 FOOD AS THE NEW ECO-ISSUE

The environmental impact of our food choices will become a more prominent concern as stakeholders—brands, governments and activist organizations—drive awareness around the issue and rethink what kind of food is sold and how it’s made. As more regions battle with food shortages and/or spiking costs, smarter practices around food will join the stable of green “best practices.”



“There are definitely opportunities for brands to make money by helping to mainstream sustainable food, so it shouldn’t be seen as a negative thing. Clearly, there is a pressure for companies to maintain security of supply, but there are still big opportunities to influence what consumers are buying in a positive way and reduce the impacts of how food is made and how consumers are using it.”

—DAN CROSSLEY, principal sustainability adviser, Forum for the Future

5 FOOD AS THE NEW ECO-ISSUE



DRIVERS

Population growth: At 7 billion, the world's population is more than double what it was just 50 years ago, and experts suggest it will swell to 9.3 billion over the next four decades. The food supply will be strained; according to the U.N.'s Food and Agricultural Organization, global food production will need to increase by 70% to meet demand. Trouble is, the planet—and our pool of resources—isn't getting any bigger. We will be forced to feed more people with fewer natural resources.

Demands of the Western diet: The millions getting lifted out of poverty in emerging markets are importing more Western diets along with Western brands. They are replacing much of their daily intake of cereals and grains with meat and dairy products—the production of which accounts for about 20% of the world's greenhouse gas emissions and taxes finite natural resources such as land and water. In China, for instance, meat consumption per capita doubled between 1990 and 2002, and experts believe it will continue to rise significantly. The country is the world's largest consumer of pork and the No. 2 consumer of corn, which is mostly used to feed livestock. Chinese demand for corn has increased 50% since 2000.

Globally, meat production has tripled in the last 40 years; should this rate continue, output would double by 2050, putting a serious strain on the planet's ecosystem. (Already as much as 30% of the earth not covered in ice and 8% of our freshwater supply are used for meat production.) Over the next decade, average meat and cereal prices will spike by 30% and 20%, respectively, due partly to rising demand from Asia, Eastern Europe and Latin America, according to the OECD.

Declining biodiversity: The exploitation of any one natural resource has wide ripple effects. Biodiversity has declined over the past four decades for reasons including deforestation—for instance, around 60% of cleared land in the Brazilian Amazon rainforest is used for cattle grazing—and overfishing of oceans. Fishing stocks are in grave danger: According to the U.N. Food and Agriculture Organization, 50% of the world's fisheries are thought to be fully exploited and 32% overexploited.

“Directly, and indirectly through land conversion, [our global food system] contributes to the destruction of biodiversity. Unless the footprint of the food system on the environment is reduced, the capacity of the earth to produce food for humankind will be compromised with grave implications for future food security.”

—The U.K.'s Government Office for Science, London, *Foresight. The Future of Food and Farming*, 2011

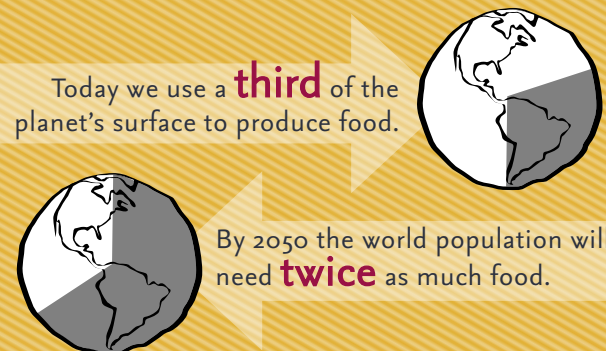
FOOD PRODUCTION AND THE ENVIRONMENT



700 million acres—seven times the size of California—are devoted to animal grazing in the U.S. Grazing animals erode soil, often pollute nearby streams with manure and release methane, a potent greenhouse gas.¹



If everyone in the U.S. ate **no meat** or **no cheese** just one day a week for one year, it would be like **not driving 91 billion miles**—or taking 7.6 million cars off the road.²



5 FOOD AS THE NEW ECO-ISSUE



DRIVERS (cont'd.)

Today, scientists are linking declining biodiversity to potentially devastating effects on global food security. The dwindling number of bees, for example, is impacting agriculture, since bees pollinate most of the world's commercial plants.

Climate upheaval: Climate change is throwing the status quo out of whack, leading to drought, flooding, unseasonable storms and other conditions that are threatening crop yields and livestock across the globe. Some experts estimate that climate change could cut crop yields by a third in the next 40 years in some parts of the world. In 2011, for example, Texas drought thinned cattle herds—which will likely push up beef prices by about 8% in 2012—while drought and extreme heat devastated peanut crops, leading major U.S. brands to raise retail prices by 20-40%. The U.S. National Climatic Data Center forecasts that damage from natural disasters caused by volatile climate conditions will only worsen in the coming decades.



“How people, businesses, countries and companies adapt to climate change will be hugely important. We know that some areas which can grow food now won't be suitable for growing those kinds of crops in 20 or 30 years' time.”

—DAN CROSSLEY, principal sustainability adviser, Forum for the Future

Freshwater shortages: Agricultural irrigation currently accounts for 70% of the world's freshwater use. As freshwater shortages become an increasingly serious issue—caused in part by a bigger and more urbanized global population and global warming making drought more prevalent—the water footprint of various foods will become a more meaningful data point.

Ramping up biofuels: As nations across the globe invest in biofuels, food supplies will come under strain. Currently, for example, ethanol accounts for 8% of the U.S. fuel market but consumes nearly 40% of the country's corn output. By 2020, Brazil, Japan, Indonesia and the EU expect biofuels to supply 10% of their energy for transport; China is aiming for 5%. The U.S. has set the ambitious target of 30% of its energy supply from biofuels by 2030.

AVERAGE WATER FOOTPRINTS TO PRODUCE EACH OF THE FOLLOWING:

BREAD

40 liters/slice of wheat bread

APPLES

70 liters/apple

EGGS

200 liters/egg

MILK

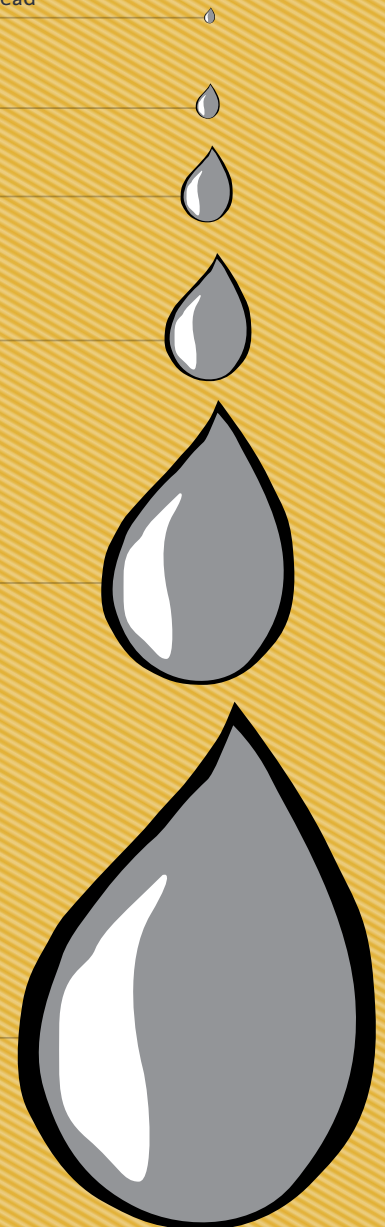
1,000 liters/1 liter

RICE

3,400 liters/1 kg

BEEF

15,500 liters/1 kg



5 FOOD AS THE NEW ECO-ISSUE



DRIVERS (cont'd.)

Rising consciousness: More seeds linking what we eat to the health of the environment have been planted in the popular culture in the past few years, thanks in part to the organic and local food movements, documentaries such as *Food, Inc.*, books such as *American Wasteland* and activist campaigns such as Greenpeace's linking palm oil to rainforest destruction. Now, as price increases and food shortages become more common, the ecological costs of food production will become more apparent to consumers.



More than 7 in 10 of our survey respondents said they are already aware of green issues around food, agreeing that “The food I eat has an impact on the environment”; Millennials (78%) are especially attuned to this. (See Figure 5A, page 38.) But the link tends to be underestimated: When asked to what extent, if any, various factors impact the environment, 63% chose “very much” or “somewhat” for the food they eat, while 82% said the same about packaging (which ultimately has less impact).

“ People generally are not directly concerned with rising carbon dioxide levels. It's very abstract, you can't see it or taste it. But people understand rising food prices, and those prices are among the most politically sensitive issues.”

—LESTER BROWN, quoted in “Will climate change burst the global ‘food bubble’?” *The Guardian*, Jan. 28, 2011



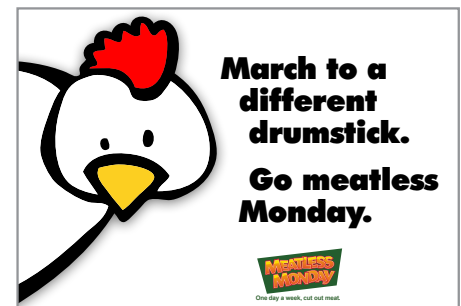
“ What people don't think about are the impacts of growing, production and food distribution as a whole. Certainly we expect brands to, going forward, help educate consumers on some of the impacts of food, where the big impacts are. And if you look at what some of the leading organizations in this space, like Unilever and PepsiCo, are doing, they are starting to translate some very complicated messages into easier-to-understand messages for the consumer so they can start to connect with this.”

—DAN CROSSLEY, principal sustainability adviser, Forum for the Future

MANIFESTATIONS

Adding a green halo to vegan/vegetarian choices: Until recently, the most vocal proponents of vegan or vegetarian diets cited “animal rights” as their ethical motivation; increasingly, however, environmental benefits are cited. A 2010 U.N. report validated the argument, urging that “a global shift towards a vegan diet is vital to save the world from hunger, fuel poverty and the worst impacts of climate change,” as reported by *The Guardian*. Since the all-or-nothing vegan or vegetarian diet is a leap for most people, the idea of following it part-time is gaining ground.

- **Meatless Monday:** Originally a WWI wartime food rationing effort, this campaign to reduce meat consumption has steadily gained adherents since it relaunched in 2003. The emphasis is both on health and environmental benefits, with the website noting that eating less meat can “help reduce your carbon footprint and save precious resources like fresh water and fossil fuel.” Some school districts and universities have instituted Meatless Mondays, as well as various restaurants, including the 14 owned by celebrity chef Mario Batali. Recently, the Nordic Light Hotel in Stockholm became the first hotel to offer an exclusively vegetarian menu on Mondays.



Paul McCartney initiated a similar idea in the U.K., Meat Free Mondays. A *Meat Free Monday Cookbook*, to benefit the campaign, is due out in 2012.

5 FOOD AS THE NEW ECO-ISSUE



MANIFESTATIONS (cont'd.)

- **Vegan Until 6:** *New York Times* food writer Mark Bittman has been arguing that a less meat-intensive diet is healthier for humans and the planet alike since his 2007 Entertainment Gathering Conference talk. Two years later he began suggesting cutting out animal-derived foods before 6 p.m.
- **“Weekday vegetarianism”:** Graham Hill, founder of the environmental site TreeHugger.com, advocated this approach in a 2010 TED talk.



If you're a progressive, if you're driving a Prius or you're shopping green or you're looking for organic, you should probably be a semi-vegetarian.”

—MARK BITTMAN, 2007 Entertainment Gathering Conference

Advocating for insects: While parts of the world have relied on bugs as a source of protein, some are trying to push six-legged creatures onto Western menus as a sustainable protein source. Insects require far fewer natural resources to raise and produce far less waste than poultry and livestock. The European Commission has allocated £2.65 million to look into the idea, and the Dutch ministry of agriculture has funded a research program to raise insects for human consumption on food waste. In the past two years, three Dutch animal feed companies have started raising locusts and mealworms, which are freeze-dried, packaged and sold in various food outlets catering to restaurants.

Reducing food waste: “A staggering 30-50% of all food produced rots away uneaten,” according to *The Economist*, a phenomenon that holds true for rich and poor countries alike. Not only is this a waste of valuable land, water and energy resources, but most of the discarded food ends up in landfills, where it creates methane, which further contributes to global warming. Governments and others are trying to change this:

- In the U.K., food packaging will no longer feature a “sell by” date, an attempt to reduce the £12 billion worth of food thrown out each year; packaging will carry only “use by” or “best before” dates, according to new government guidance. And in a bid to reduce restaurant waste, the U.K.-based Sustainable Restaurant Association is sponsoring the Too Good To Waste campaign: Since taking home leftovers is a bit of a faux pas in the U.K.—a recent survey found a quarter of respondents are too embarrassed to ask for a to-go bag—the campaign encourages diners to carry leftovers in a biodegradable box that the association provides. So far, several dozen restaurants have signed up.



- **Love Food Hate Waste:** U.K. food retailers such as Sainsbury's and Marks & Spencer are partnering with this campaign, which aims to reduce food waste by helping people find creative recipes for leftovers and providing tips for preventing waste.
- **Super Marmite:** Cook a huge meal and unable to eat all the leftovers? This social network in France enables people to sell portions of unused meals to the local community.

- **Wafu:** This Japanese restaurant in Sydney has a zero-tolerance policy on food wasters. People who over-order and don't finish their meals are not allowed to return.



There is a green fatigue that sets in to a certain extent where we're asking consumers to consider so many environmental issues that it's almost paralyzing. But reducing waste is a pretty easy one in that we're simply buying too much food and stuffing our refrigerators to the point that we couldn't possibly eat all of that food. In terms of behavior change, which is a difficult task, what I'm trying to do is get people to become smarter shoppers.”

—JONATHAN BLOOM, journalist; author, *American Wasteland*

5 FOOD AS THE NEW ECO-ISSUE



MANIFESTATIONS (cont'd.)

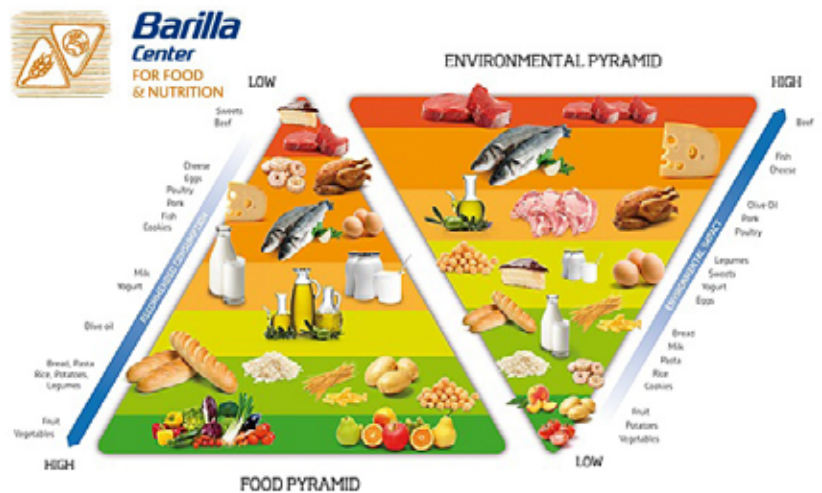
- The Indian government is trying to control the size of traditional lavish weddings in an effort to stave off food scarcity in the country. “A maximum amount of food is wasted at weddings,” a New Delhi official at the Ministry of Food and Consumer Affairs told Agence France-Presse. Reports from the Ministry claim that nearly 15% of all vegetables and grains in India are wasted at social events like weddings.

Food on the world agenda: In 2011, the Group of 20 (G20) held its first meeting of the G20 agriculture ministries, motivated by the need to address global food price volatility. The strain of biofuel production on food and feed crops was one of the key points for further discussion. New Vision for Agriculture, which launched at Davos in 2011, is a partnership between the World Economic Forum and 17 global companies including Unilever, PepsiCo and Kraft. The group seeks to address “the major challenges of global food and agricultural sustainability based on a vision of agriculture as a positive contributor to food security, environmental sustainability and economic opportunity.” The aim is to increase production by 20% while also decreasing emissions and rural poverty by 20% each decade.

Brand initiatives: The private sector is starting to link food and environmental health while taking steps to educate consumers and make their own practices more green.

- **Max Burger:** An environmental impact audit revealed that Swedish fast food chain Max Burger generated the bulk of its footprint from beef consumption. In pursuit of a more sustainable business, Max Burger now pushes its chicken and salad options and clearly labels menus with carbon footprint information so customers can make informed choices.

- **Barilla “Double Food-Environment Pyramid”:** In 2010, the Barilla Center for Food & Nutrition, run by the Italian food brand, developed a tool to help illustrate the environmental impact of food choices. By pairing the classic food pyramid with an inverted one, it shows that foods recommended for high consumption are generally also those with lower impacts, while foods recommended to be eaten in smaller quantities have a bigger impact on the environment.



- **McDonald’s:** The company formed the Sustainable Land Management Commitment, an effort to green up its agricultural supply chain, in 2009. The stated goal is to work with suppliers that will institute practices to ensure that raw materials “originate from legal and sustainably managed land resources.” In tandem with the World Wildlife Fund, McDonald’s conducted an audit to determine where it could make the most substantial environmental impact. In 2011, the company focused on its beef, poultry, coffee, palm oil and wood fiber sourcing, and made a commitment to sustainable palm oil sourcing by 2015.



Some of these sustainability issues are pre-competitive. We see working with our competitors and others in the food industry as the ultimate way that we’re going to get things done.”

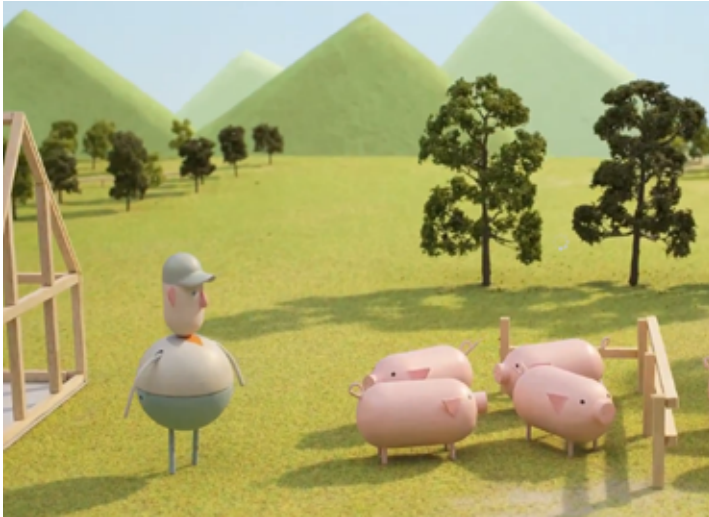
—BOB LANGERT, VP of corporate responsibility at McDonald’s,
“McDonald’s: Want Sustainable Fries With That Shake?,” *Fast Company*, March 16, 2011

5 FOOD AS THE NEW ECO-ISSUE



MANIFESTATIONS (cont'd.)

- **Sainsbury's, "Switch the Fish":** The U.K. supermarket featured a summer promotion in 2011 offering customers who asked for cod, haddock, salmon, tuna and prawns an alternative, more sustainable species such as herring or mackerel for free.



- **Chipotle Cultivate Foundation:** Founded in late 2011 by this fast-casual Mexican food chain, the foundation aims to create a more sustainable agricultural fast food supply chain. In an animated film outlining Chipotle's initiative, viewers see a farmer's evolution from free range to industrial farming and then back to the older, ecologically friendlier means of production.

- **Unilever, Sustainable Living Plan and "United Against Waste" campaign:** In 2010, Unilever launched its Sustainable Living Plan, a pledge to reduce the environmental footprint of its products by half and to source 100% of agricultural raw materials sustainably within the next decade. And Food Solutions, the dedicated food service unit of the CPG giant,

recently launched a campaign to help the food-service industry reduce food waste by "creating awareness, providing tools and resources and sharing best practices." The campaign website lets chefs and restaurant owners request a tool kit—which includes decals for restaurant entrances—as well as share tips for cutting waste and sign up for an on-site consultation.



- **PepsiCo i-crop:** After a series of tests across farms in the U.K., PepsiCo recently announced plans to roll out its i-crop farming technology—a Web tool for farmers to track and measure water use and carbon emissions. According to a press release, "the technology will be rolled-out in Europe in 2011 and then to the United States. The company hopes to take it to India, China, Mexico and Australia by 2012." Through this tool, PepsiCo plans to cut carbon emissions and water usage by 50% across its core crops in the next five years.
- **Starbucks:** The retailer, which has been heralded for its sustainability reporting efforts, announced in late 2011 that climate change is posing a serious risk to the world's coffee supply and spoke about the issue to U.S. Congress members at an October event sponsored by the Union of Concerned Scientists. Starbucks is working to expand its sustainable agriculture initiatives through carbon mitigation in Sumatra, Indonesia, and Chiapas, Mexico. And with its recent purchase of the Evolution Fresh juice brand, Starbucks is looking to diversify its offerings beyond coffee.

WHAT IT MEANS

It will become increasingly clear to brands and consumers alike that we will need to adopt new, greener practices around food as demand spikes, natural resources get squeezed and climate change wreaks havoc on the supply chain. And as consumers grow more aware that their everyday food choices make an environmental impact, they will slowly begin to change their own habits—motivated both by price spikes and conscience—and expect food brands to similarly evolve.

In the coming years, Millennials will drive this trend as they mature into more influential consumers. This group is not only more cognizant of the links between food and the environment but more open to adjusting their habits: When told that meat production is a significant contributor to greenhouse gas emissions, 57% of Millennials said they would be willing to cut or limit meat consumption for the sake of the environment—compared with 47% of respondents overall.

5 FOOD AS THE NEW ECO-ISSUE



WHAT IT MEANS (cont'd.)

As environmental impact becomes a more significant consideration factor for grocery shoppers and restaurant diners, brands will need to take concrete steps to lessen the impact of their production and distribution—whether by reducing waste, ensuring products are sustainably sourced, supporting green farming practices or helping to drive smarter consumption, among other measures.

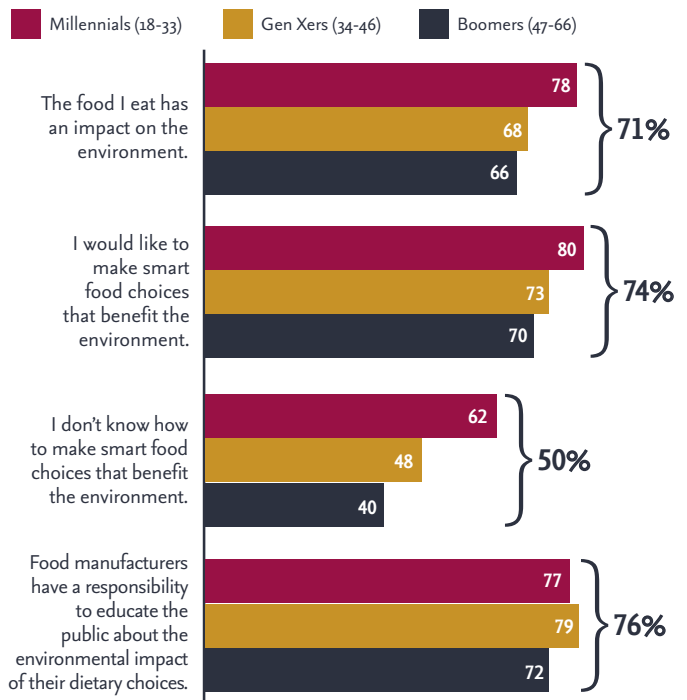
Indeed, consumers will look to brands to educate them on these complex issues: In our survey, 50% of respondents said they don't know how to make smart food choices that benefit the environment. But people are open to change, with 74% saying they would like to make smart food choices that benefit the environment; this spikes among Millennials (80%) and American women (77%). More than three-quarters of respondents agreed that “Food manufacturers have a responsibility to educate the public about the environmental impact of their dietary choices.” (See Figure 5A; for country and gender breakdowns, see Appendix, Figures 5B-5F.)

Proactive brands will start educational efforts before a strained food supply prompts further price hikes. In turn, since people tend to vote with their wallets and embrace sustainability issues they can see (think recycling vs. saving electricity), rising prices could be the tipping point for getting consumers engaged in the issue. Whenever it happens, however, that tipping point is inevitable: Experts at the U.N. Food and Agriculture Organization forecast that beef will become a true luxury item, akin to caviar, due to rising production costs; climate change could even have the same impact on chocolate.

It's a tall order, but brands that help to engineer a smarter food chain can set industry standards as the issue grows more pressing. As it does, being a green food brand will be increasingly challenging—with a new, more complex set of criteria to meet—but increasingly necessary.

FIGURE 5A:
Consumer Awareness Around Food Production and the Environment

Percentage of American and British adults who agree with each of the following:



“I think there will be some education needed by brands on these big issues, but they need to be very careful in the way that they try to engage consumers on this agenda. Issues such as water and biodiversity will start becoming more mainstream, but it will take time. Given the urgency of the challenges, brands are better off trying to make the complicated decisions on behalf of consumers rather than trying to educate them about the impacts to the whole system.”

—DAN CROSSLEY, principal sustainability adviser, Forum for the Future

5 FOOD AS THE NEW ECO-ISSUE



THOUGHT STARTERS

What steps can you take to educate consumers about the eco-impact of their food purchases?

What are the most relevant material impacts of your brand on the environment? How can your brand address these issues in an interesting way?

If your eco-impact is low, can you increase transparency to make this a selling point?

If your company's offerings are higher-footprint, how can you get in front of the issue, as Max Burger did? Can you give consumers more options so they can remain customers without feeling too guilty about the choice?

How can your brand make this heady issue fun and engaging for consumers? How can this issue be broken into digestible bits?

How can your brand/company gain consumers' trust around the eco-issues surrounding food production?

What aspects of food production can your brand/company take "ownership" of?

RELATED TRENDS



*See Appendix for more on Related Trends.



6 MARRIAGE OPTIONAL

A growing cohort of women is taking an alternate life route, one that doesn't include marriage as an essential checkpoint. Both in the West, where this trend is building, and in the East, where it's gaining momentum, "happily ever after" is being redefined as a household of one, cohabiting or single motherhood.

6 MARRIAGE OPTIONAL



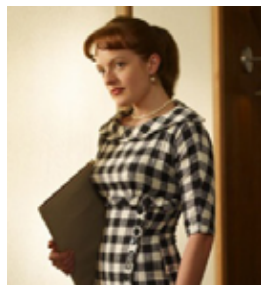
DRIVERS

Women gaining in education: Education changes women's expectations and the balance of power between the sexes. And today women are getting as much education as men or, increasingly, more. A few statistics from around the globe:

- In the U.S., there's now a 20-point gender gap, with women earning around 60% of all bachelor's and master's degrees; in terms of professional schooling, they earn about half of all law and medical degrees, and 43% of MBAs.
- In East Asia, the literacy gap has been nearly erased in the past 30 years, and girls stay at school for as many years as boys.
- In South Korea, women earn half of all master's degrees.
- Women in poor parts of India are learning English faster than men to meet the demands of global call centers.
- In the Middle East, 70% of students at the national universities of Kuwait and Qatar are women; Tunisia has narrowed the literacy gap by 80% since 1970; and in Saudi Arabia, famous for its chauvinistic culture, women account for 55% of national university students.

Women gaining in the workplace:

While marriage once offered a social and economic leg up—sometimes the only one a woman could get—more education leads to better career prospects and enables upward mobility and independent living. And despite a persistent salary gap, women worldwide are making great strides in the workplace. In rapidly developing Latin America and the Caribbean, the labor force holds around 70 million more women than it did in 1980. In China, where blistering expansion is creating opportunities for all, women hold one in three management positions. In some places businesses are under pressure to diversify management: At President Angela Merkel's urging, German companies recently pledged to put more women in top positions over the next five years.



As women achieve more, and become exposed to the wider world, they may be less likely to make romance their first priority. In East Asia, high-earning women are marrying less often,

perhaps in part because men still sit firmly at the head of the household. Sacrificing financial control and personal freedom can be a steep price to pay. In the U.S., women are still the primary caregivers for children, even as stay-at-home dads are on the rise. Some women see the married life as limiting their options rather than opening up options the way they once did—and that is not why she got the MBA.



Why should I have to settle down to a life of preparing tofu soup, like my mother?

—one of South Korea's "golden misses" (high-earning single women), "The flight from marriage," *The Economist*, Aug. 20, 2011

Men losing economic ground: It hasn't been a man's world for some time now. But men are struggling in a post-industrial economy that values attributes more predominant among women, as Hanna Rosin argued in her 2010 *Atlantic* piece "The End of Men." The latest U.S. downturn was dubbed a "Mancession," with men losing jobs at a faster rate than women in 2008 and 2009. While men have regained those jobs faster, they still lag in the number of jobs recovered.

In the U.S., where marriage rates have dropped across the board, the decline has been steepest among less-educated, lower-earning Americans, who are opting for cohabitation instead. (A 4-point gap between the marriage rates of college graduates and others in 1960 had widened to a 16-point difference by 2008, according to the Pew Research Center.) One theory is that the less money you make, the more important it is that your spouse be a good provider—and men without college degrees made about 12% less in 2008 than they did in 1990. American women under 30 now earn more than their male counterparts in all but three of the 150 biggest U.S. cities.

Their authority in the home eroded, their earning power compromised, men are increasingly unable to offer prospective partners a better life as a couple.

6 MARRIAGE OPTIONAL



DRIVERS (cont'd.)

Motherhood untethered from marriage: One significant motivation to marry—finding an acceptable procreation partner before the biological clock runs down—is becoming less of a factor now that having a baby sans husband is easier than ever. Becoming a mother through insemination or adoption is growing easier and more socially acceptable, and increasingly women have the income to pay for the procedures and support a child on her own.



The Omega Male: Even as high-achieving women cast about for comparable love interests, popular culture is filled with men who are perpetual adolescents. These male characters (*Last Man Standing*, *Man Up* and any Judd Apatow movie) drink beer, play video games and fumble at work and home while women run the show. The women in this trope are often high-strung, strident achievers put upon by child-men who do not hold up their end. It's hardly pro-marriage propaganda. Why compromise a flourishing career or personal freedom to make babies with one of these stock characters?

Is this a case of art imitating life, or vice versa? In the West, the line is muddled. But in Japan, so-called “herbivores” have thrown traditionalists into a panic. These young men eschew the hard-drinking, salaryman lifestyle for gardening and cocktail parties, while their female counterparts, dubbed “carnivorous girls” or “hunters,” ascend at work.

“While the alpha male wants to dominate and the beta male just wants to get by, the omega male has either opted out or, if he used to try, given up.”

—JESSICA GROSE, “Omega Males and the Women Who Hate Them,” *Slate*, Oct. 18, 2010

Too many fish in the (virtual) sea: For better or for worse, the Internet has widened our worlds romantically. Myriad dating and social networking sites create the illusion of an infinite supply of potential mates. With Mr. or Ms. Right just a click away, why “settle” for a real, flawed human over a pixelated ideal? Whether these people are within reach, attainable or even single is irrelevant. The Internet offers the illusion of infinite supply, one that refreshes every time we log on.

MANIFESTATIONS

Older, or not at all, brides: Women are putting off marriage, and in some cases postponing it indefinitely. In the richest Asian nations, women are marrying closer to 29 and 30 years old, long past the traditional marriage deadline (in 1992, age 24 was still considered a “late” marriage, according to the East-West Center Program on Population). In 2010, a third of Japanese women entering their 30s were single, while 37% of all Taiwanese women 30-34 were single.

And in the U.S., a stalwart of traditional marriage, the average age for a woman's first marriage is 26, up from 25 in 2000. The census also found 30% of all American adults had never married, the largest percentage in 60 years, with the average age of first marriage creeping steadily upward.

“Marriage is something that is more optional now, and it's also something increasingly people do later in the life course.”

—SUSAN BROWN, co-director of the National Center for Family & Marriage Research at Bowling Green State University, “30% in U.S. have never married, Census says,” *USA Today*, May 19, 2011

6 MARRIAGE OPTIONAL



MANIFESTATIONS (cont'd.)

Women no longer see marriage as urgent or even as an eventual must: In our survey, more than 8 in 10 American and British women who have never been married say they're in no rush to wed, and two-thirds say they're comfortable with the idea of not getting married. And in either a sign of not caring or giving up hope of finding "the one," more than three-fourths said they're not really sure they'll ever get married. (See Figure 6A; for country breakdowns, see Appendix, Figures 6B-C.)

Alternative partnerships: Women are more open to love outside the traditional bonds of matrimony: Nearly half the never-married women we surveyed in the U.S. and U.K. said they feel a long-term, committed relationship is preferable to marriage (men are even more commitment-shy, with 65% of never-married male respondents saying the same). (See Figure 6A.)

More couples are living together than ever before. Moral judgments about cohabitation—once called “shacking up” or “living in sin”—have largely disappeared, certainly in Europe and increasingly in the U.S. The share of 30- to 44-year-old Americans cohabiting has more than doubled since the mid-1990s, perhaps an indication that the arrangement is becoming an end in itself, not a step toward marriage. Similar shifts are happening elsewhere—in Colombia, for instance, 14% of women aged 15-49 were cohabiting in 1995 vs. 33% in 2010.

According to a 2010 Pew study, nearly 40% of Americans think marriage is obsolete, and 44% of those under 30 think it's headed for extinction.

In France, civil unions—which allow tax and insurance breaks—have gained favor since lawmakers created the option in 1999: There are two such unions for every three traditional marriages. While it was expected that gay

couples would be the biggest adopters of civil unions, they comprise a minority of people seeking such unions.

Meanwhile in Mexico City, lawmakers have proposed a measure that will let couples “test drive” marriage with a two-year contract, so newlyweds can avoid difficult divorce proceedings. These trial marriages give people the option of marriage without the full commitment, a sort of trial cohabitation with legal benefits.

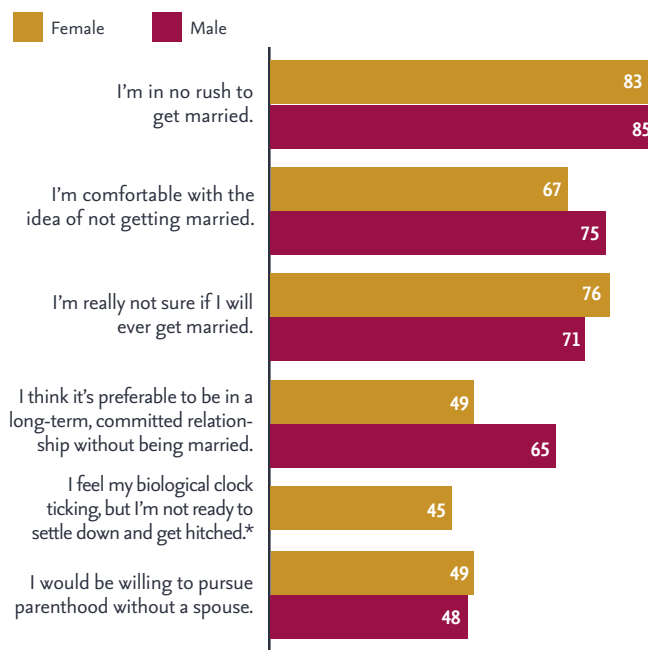
Older single mothers: Nearly half of never-married American and British women would be willing to pursue parenthood without a spouse, according to our survey. (See Figure 6A.) At the opposite end of the spectrum from their teenage counterparts, older single mothers tend to have established careers and be financially secure—and more interested in having children than getting married. A Cambridge University researcher found that in the U.K., single mothers by choice are about 38 when they begin the process and 40 when they give birth. In the U.S., a record 41% of births were to unmarried mothers in 2008 (up from 28% in 1990). Increasingly, women who have children on their own are seen as doing it out of choice—and a brave, bold one at that.

“In U.S. pop culture, the single mother has evolved from selfish yuppie or drug-dazed slut into a woman who is more fun, slightly more heroic, and certainly less frumpy than her married counterpart. Indeed, single mothers are the new maternal ideal—women whose maternal drive is so selfless and intense that they choose to raise children even under the burden of their solitary status.”

—NAOMI WOLF, “The Single Mother Makeover,” Project Syndicate, Aug. 30, 2010

FIGURE 6A:
Attitudes Toward Marriage and Parenthood

Percentage of American and British adults who have never been married who agree:



*Only asked to women.

6 MARRIAGE OPTIONAL



MANIFESTATIONS (cont'd.)



Trial-stay apartments: In Japan, where young people generally move from their parents' home into their married home, one company has started marketing apartments to young single women.

PanaHome gives the growing demographic of single women 20-35 a way to try out independent living without making a costly financial commitment.

Marketing to the savvy single: Marketers are catching on to the growing consumer segment of single women with buying power. Years back, De Beers marketed diamonds to top-earning single women as the right-hand ring. More

recently, Mintel identified professional women 45 and up as “Just Becausers,” a cohort (whether married or single) who would rather treat themselves to jewelry than wait for a romantic gift. Marketers that target this niche take the important step of uncoupling fine jewelry from romance, validating purchases by single women for themselves.

The myopic portrayal of women in advertising as wives and mothers, or pathetic Bridget Jones types, is slowly changing. In the U.S., a recent Chevy ad depicted a woman driving carefree after a breakup, and Lowe's portrayed a single woman looking to renovate a bathroom on her own. In the U.K., marketers are eschewing the old image of singlehood by depicting “freemales,” women who happily opt for a single life, valuing friendships over romantic relationships. In Japan, brands including The North Face and Aigle are targeting “yama girls” (mountain girls)—women, many of them single, who take to the hills on weekends—with fashion-forward hiking and climbing gear; Alpine Tour Service Co. and Yama-kei Publishers Co. offer women-only tours to Mount Fuji.

WHAT IT MEANS

Lonely spinsters? Like hell. Single women once pitied by their marital counterparts are part of a growing demographic living life on their own terms. No longer social outliers, they are increasingly accepted and sometimes envied. While most women will still seek committed partners, whether or not a wedding ring is involved, more are coming to appreciate the advantages of singlehood and putting marriage on the back burner in favor of a satisfying life filled with friends, travel and adventure. While those *Sex and the City* gals may have forged through a sea of eligible bachelors casting about for Mr. Right, single women today are simply enjoying the city.

No longer is marriage the starting line for adulthood. Instead, young women are taking a choose-your-own-adventure approach to adulthood once reserved for playboy bachelors. Long-term love may be a goal, but a shared monogram may not be the first choice—equally or more preferable may be living together (or even living apart), single motherhood, late marriage or simply staying single. More women today have the incomes to make an array of choices, while lower-income women are coming to feel that “doing it for themselves” might be the better option.

Marketers must recast their image of a single adult. No longer can they afford to eclipse single women with images of the happy homemaker with 2.5 children (who in reality is likely working late, the kids with a sitter and the father doing the dishes). Single women are buying their homes, cars and other big-ticket items on their own. Marketers should cast singles in full lives of their own, not waiting for Mr. Right to lead them down the aisle to the starting line of adulthood.



“For so long the stereotype of the single person was that they're at home crying in their bed, just so wishing if only they could be married. And there is still a lot of that; that stereotype really persists. That's not how many real single people are living their lives or feeling about their lives. ... More and more single people are living their lives fully, joyfully and without apology. And whoever recognizes that first, wins.”

—BELLA DEPAULO, author of *Singled Out: How Singles Are Stereotyped, Stigmatized, and Ignored, and Still Live Happily Ever After* and *Singlism: What It Is, Why It Matters, and How to Stop It*

6 MARRIAGE OPTIONAL



WHAT IT MEANS (cont'd.)

The 18-34-year-old male will no longer be the primary target for marketers targeting unmarried consumers. And we'll see 35-45-year-old singles, particularly women, get more attention as consumers with sophisticated, mature tastes. Those with the means are buying their own homes, for example, and Coldwell Banker Real Estate, for one, is selling its services to single 24-35-year-olds via YouTube. In 2010, unmarried women comprised 20% of U.S. home buyers, according to the National Association of Realtors. Why not sell them a car and life insurance too?

Singles of all ages generally spend more of their income on alcohol, clothes, shoes and more, according to the U.S. Bureau of Labor Statistics. As they age, they are likely to earn more, developing a taste for luxury products, exotic travel and hobbies. Their lives revolve around going out with friends, adventure and dating, all activities that encourage consumer spending.

Other service providers can market themselves as a way to bring people—not just potential love interests—together. The travel industry should benefit particularly, if it focuses on fun and adventure instead of or in addition to romance. Norwegian Cruise Line, for example, offers single occupancy rooms on its Epic cruise liner.

Overall, single by choice will become a lucrative demographic for brands able to shift some of their focus away from families and recognize this cohort as fully baked consumers.

THOUGHT STARTERS

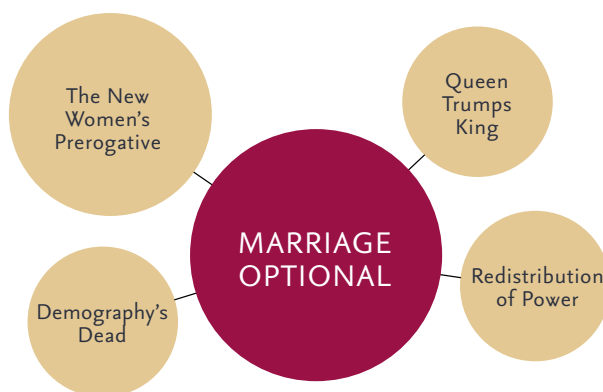
How does your brand currently market to the unmarried? If your brand markets primarily to young singles, how could you redefine your brand to appeal to an older, sophisticated single target?

Does your brand consider women to be independent operators in the world or simply a cog in the family wheel—wife, mother, daughter? If so, how can your brand change its perspective to consider women as individuals with diverse lifestyles?

Does your brand conceive of the 18-34 single demographic as largely male? If so, how could your brand reconsider that demographic to include women on their way up in the world? What about older single women?

How can your brand bring people together for fun and adventure rather than just romance? If your brand targets married couples and families exclusively, think about how your service might benefit people living on their own, without roommates.

RELATED TRENDS*



* See Appendix for more on Related Trends.



7 REENGINEERING RANDOMNESS

As our individual worlds become more personalized and niche—and the types of content, experiences and people we are exposed to become narrower—greater emphasis will be placed on reintroducing randomness, discovery, inspiration and different points of view into our worlds.

“The Internet historically has been very good at breaking down boundaries, yet the story of the last 10 years has been erecting more boundaries. So we want to come back full-circle to an earlier moment when the Internet was quite good at breaking down social boundaries.”

—Internet entrepreneur SEAN PARKER on his new venture, Airtime, “Sean Parker and Shawn Fanning’s Secretive Airtime Gets Big Backers,” *Forbes.com*, Oct. 6, 2011

7 REENGINEERING RANDOMNESS



We all have a more compulsive, more ‘I want it now’ side of us. And we also have a more aspirational, ‘I want to know about the world, I want to be a good citizen, I want to be well-read’ side of us. And different mediums create different balances between those two forces.

And what personalization does is it makes it really easy to let the sort of temper tantrum-having, 2-year-old, ‘I want it now, I want what I want’ side win. It helps that side more than it helps the ‘learning about new ideas’ side.”

—Q&A with ELI PARISER, author of *The Filter Bubble*, JWTIntelligence.com, June 1, 2011

DRIVERS

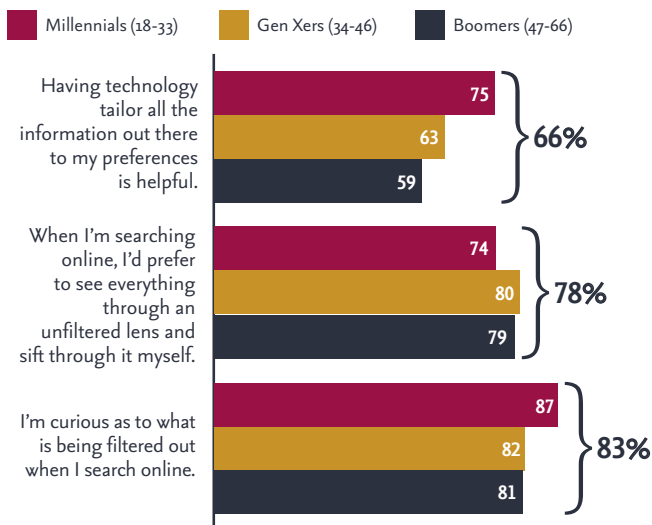
Hyper-Personalization: One of our 10 Trends for 2011, Hyper-Personalization speaks to digital technology that increasingly offers up what consumers are most likely to need or want based on location, interests, demographic cohort, social network and so on. While this curation helps to organize the Web’s content-overloaded chaos and simplify people’s lives, choices, etc., it also cuts them off from a larger worldview.

People seem to see both sides of this coin: Two-thirds of our survey respondents in the U.S. and U.K. said it’s helpful having technology tailor all the information that’s out there to their preferences, but 78% also said they’d prefer to see everything through an unfiltered lens and sift through the information themselves; 83% said they were curious about what gets filtered out when they search online. (See Figure 7A; for country breakdowns, see Appendix, Figures 7C-D.)

FIGURE 7A:

Hyper-Personalization

Percentage of American and British adults who agree:



The quest for discovery: Some people don’t want to be told what to read, watch, listen to, etc., based solely on an algorithm; they’re also tiring of algorithm-based assumptions (“Just because I read one autobiography doesn’t mean that’s all I want to read”). They like to discover or stumble upon things in a random, more-human-less-machine way. With the Net now penetrating our lives in even more places—our phones, our televisions, our cars—breaking out of the feedback loop can require an exploratory spirit. And while our social graphs provide some new input, birds of a feather tweet together: Our social networks may only reinforce our own opinions and tastes.

“ [Facebook’s] evolution could make it easier for [users] to decide how to spend their time and money. But it could also potentially allow them to shut out alternative viewpoints and information that is not being shared among their set of friends.”

—“Facebook as Tastemaker,”
The New York Times, Sept. 22, 2011

The local life: While the Internet has, on the whole, widened our virtual worlds, our day-to-day lives are growing more parochial, in some cases downright claustrophobic. We’re working at home more, shopping at home more and, thanks to staycations, vacationing close to home too. Telecommuting may have started as a way to liberate employees from their cubicles, but it also keeps them confined to their homes and neighborhoods and established social circles. How random is that? Not nearly enough.

7 REENGINEERING RANDOMNESS



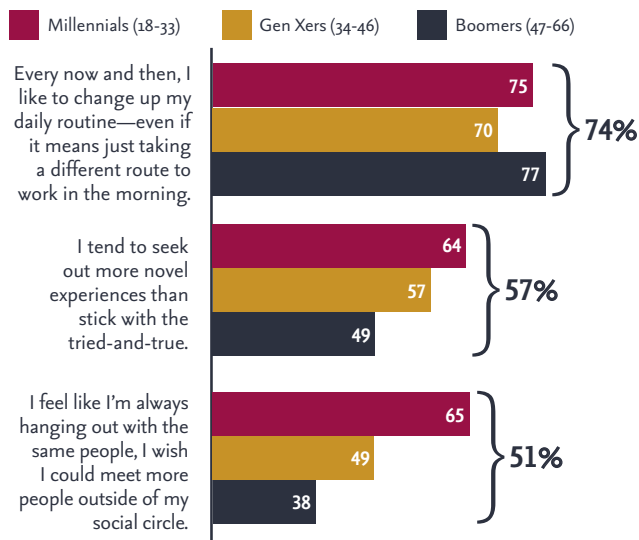
DRIVERS (cont'd.)

The pursuit of inspiration: People often find inspiration in things outside their normal day-to-day experiences and interests; bursts of randomness or exposure to new points of view can stimulate fresh insights and ideas. Steve Jobs, for example, famously sat in on a calligraphy class as a college dropout and said it helped to inspire Apple's aesthetic.

Nearly 6 in 10 American and British respondents said they tend to seek out more novel experiences rather than stick with the tried-and-true, and more than half expressed a desire to meet people outside their social circle. (See Figure 7B; for country breakdowns, see Appendix, Figures 7E-F.)

FIGURE 7B:
Seeking out the Novel

Percentage of American and British adults who agree:



Essentially where new ideas come from is a mix of relevant and entirely irrelevant information. And that's why so many insights come to

people in the shower or on a jog or whatever. It's sort of the combination of an idea that an algorithm would never find relevant to the particular problem because it seems like it's in a totally different sphere. Often that's what sparks breakthroughs. I think the danger is if you're a physicist and you're just getting news about physics, you don't get the news about food that actually inspires you to think about something in a different way."

—Q&A with ELI PARISER,
author of *The Filter Bubble*,
JWTIntelligence.com, June 1, 2011

MANIFESTATIONS

The LivingSocial Taxi: The service positions its daily deals as a way to inject something new and different into everyday life, promising that its local deals "drive you to surprising and delightful experiences." To illustrate the idea, a promotion in London gave passengers who hailed a specially outfitted cab the choice to be taken to their intended destination or to "roll the die" and win a LivingSocial experience. Those who agreed found themselves suddenly taking a pole-dancing class or getting a fish pedicure, among other activities.



7 REENGINEERING RANDOMNESS

MANIFESTATIONS (cont'd.)

Library Thing's UnSuggestor: A tongue-in-cheek answer to the suggestion algorithms of so many other sites, this feature allows users to type in books they like to find something completely opposite.

SomethingStore: For \$10, SomethingStore selects a random item from its inventory and sends that something to the customer—it could be a cool gadget, rare book, handmade necklace, popular video game, etc.

Serendipitous socializing: Grubwithus lets you “build your friendships over food” by bringing together small groups for meals. Participants log on and browse the meals available, then meet at a restaurant and dine together. Meetup, which has 9.5 million members, helps people organize face-to-face gatherings. The startup Sidetour offers premium experiences such as tours and meals, with “discovering new people” touted as one bonus of participation. Services like Yobongo—an iPhone app that drops users into chatrooms based on their location—and mobile dating apps like Blendr, OKCupid Locals and HowAboutWe aim to bring together nearby strangers.



“Talk dirty to me” (Response: “The carpet needs vacuuming”) or “Will you marry me?” (Response: “Let’s just be friends, OK?”). This touch of humor—and unpredictable response—has allowed Apple to inject a more “human” element into its technology.

Surprise subscriptions: The product-of-the-month club concept is getting a modern makeover, but the basic idea remains—that subscribers accept an element of surprise as part of the bargain. Among the new businesses following this model: Blissmobox, which sends eco-friendly or organic products to its monthly subscribers; Birchbox, which curates a box of luxe beauty samples; and Lollihop, which sends healthy snacks selected by nutritionists.

Quarterly Co. subscribers choose from a list of influential contributors (e.g., Skillshare CEO Michael Karnjanaprakorn or Gretchen Rubin, author of *The Happiness Project*), then receive items selected by that person on a quarterly basis. And for \$159.99 a year, Emily Books puts an “e” spin on the book-of-the-month club, providing an e-book each month for a year.



7 REENGINEERING RANDOMNESS



MANIFESTATIONS (cont'd.)

Airtime: Due to launch at the end of 2011, Airtime is being touted as a random, real-time video chat platform where strangers will be “smashed together”—taking some inspiration from Chatroulette, the website launched in 2009 that paired strangers around the world for webcam-based interaction. Co-founder Sean Parker says the aim is to help people forge new relationships; with Airtime, Parker and Shawn Fanning (who once founded Napster together) will ignore old friendships and instead focus on helping users connect with strangers.

“There’s a yearning to break outside of the social graph. It will be a good chat product, but there are a bunch of good chat products. We are trying to build new relationships, not reinforce the old relationships.”

—Internet entrepreneur SEAN PARKER on his new venture, Airtime, “Sean Parker and Shawn Fanning’s Secretive Airtime Gets Big Backers,” *Forbes.com*, Oct. 6, 2011

WHAT IT MEANS

Not everyone will see anything negative in Hyper-Personalization, and indeed most people welcome the extraction of irrelevant or less interesting information and options from view. But most people recognize when they are in a rut. Reengineering Randomness is about reaching consumers through surprise and delight, online and off, while avoiding their overstimulation.



“There’s a premium on being exciting and unexpected and taking people out of this comfort zone that they’re building for themselves in ways that are comfortable. And I certainly think if you can figure out how to do that, that’s going to be more and more appealing as more and more of what people see is very homogenously tailored.”

—Q&A with ELI PARISER,
author of *The Filter Bubble*,
JWTIntelligence.com, June 1, 2011

Increasingly, breaking through the personalization bubble will become an important way to grab consumers’ attention. By providing a dose of the unexpected, brands can inspire consumers who crave discovery and perhaps find new markets as well. For some brands, simply helping people to recognize they’re in a bubble can be enough to prompt new behaviors—something Ethan Zuckerman, director of the MIT Center for Civic Media, is hoping will happen with his proposed “nutritional labels for news,” which would show people a breakdown of their Internet browsing by category, implicitly encouraging exploration of different content.

As consumers increasingly rely on Hyper-Personalization to help them navigate the Web and the wider world, the random element will come to represent the human touch. In some cases, humans will remain responsible for introducing this serendipity. Social networking will continue to play a key role—while in some cases it limits people to the views and suggestions of their social graph, in other cases friends will bring new ideas to the consideration set.

In most cases, consumers will have to go offline to break out of their online filter bubble. More services will help people meet new, interesting people and encourage them to explore new ideas away from the Internet. Brands should look for interesting, unexplored facets of their personality and use those to connect with consumers in more random ways—for example, pop-up promotions, same-day tastings, mystery bonus products and opaque packaging are all ways to introduce the elements of surprise and delight we’re missing online. Brands and sites that encourage users to meet strangers, explore new ideas and move beyond their comfort zone in the real world will feel the biggest boost.

The key will be allowing consumers to opt into random discoveries, rather than assailing them with irrelevant information and experiences. Foursquare’s new Radar feature, in concert with iOS5, does a good job of melding on and offline, personalization and randomization, notifying you “when you’re close to a place that’s either on your to-do list or another list you follow or when three or more friends have checked in to a nearby venue.”

7 REENGINEERING RANDOMNESS



THOUGHT STARTERS

What are some unexplored facets of your brand's personality? How can you play on those to introduce something random and surprising to the consumer experience while staying true to your brand's core?

How can you help your target consumers realize they may be in a personalization bubble, surrounded by too much sameness?

What about random experiences are the most fun? What are the most uncomfortable? Where do the two come together? How can your brand bring those experiences to consumers online and off?

What kind of random experiences would your brand audiences welcome? Which would they rather avoid? What about your brand is inspirational? How can you bring that to life?

COUNTER TRENDS*



* See Appendix for more on Counter Trends.



8 SCREENED INTERACTIONS

More flat surfaces are becoming screens, and more screens are becoming interactive. Increasingly we'll be touching them, gesturing at them and talking to them—and becoming accustomed to doing so as part of our everyday behaviors. This is opening up novel opportunities to inform, engage and motivate consumers.

8 SCREENED INTERACTIONS



DRIVERS

Touch screens go mainstream: People have been tapping screens for a while when it comes to banking or ticketing machines and the type of informative displays found in museums. But as touch screens come to personal technology, consumers are growing accustomed to constantly touching, tapping and swiping. Touch screen-only smartphones comprised more than half of total shipments worldwide as of 2010 and are set to reach 72% by 2016, according to Juniper Research. The total touch-screen market is already estimated at \$13.4 billion, and as touch-screen tablets and other computers become more pervasive, it's predicted to reach \$23.9 billion by 2017.

Touch screens go big: Large interactive consoles such as Microsoft Surface 2.0 and NEC's 52-inch X-info Table allow touch screens to be deployed in a variety of environments, and at relatively low cost—Samsung SUR40 for Microsoft Surface will carry a suggested retail price of \$8,900 in the U.S. when it launches in early 2012. Finnish company MultiTouch offers the MultiTaction Cell 55" (below), which it claims is "the world's largest integrated multi-user LCD multitouch display." Thinner and larger (and costlier) than Microsoft's Surface 2.0, it retails for 13,500 euros.



Glass 2.0: Developments in glass technology are making it easier than ever to turn digital displays into interactive touch screens. For instance, Screen Solutions International's Thru Glass Touch Screen Film is a thin transparent film that, when connected to a computer by USB, can turn surfaces such as TVs, computer screens and shop windows into interactive touch screens.

Kinect: Microsoft's motion-sensing device was designed for the Xbox 360 console but has been bringing gesture-based screened interactions to nongaming spheres since it debuted in 2010. The \$150 device—which includes a camera, microphone and motion sensor that tracks body movements—has been adapted to various ends, such as helping doctors interact with MRIs and CAT scans in operating rooms.

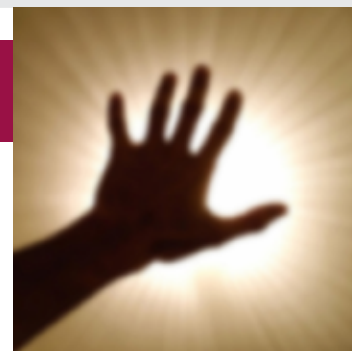
Natural Language Processing: NLP technology has existed for some time but burst into the mainstream in 2011 thanks to Apple. Siri, along with similar software such as Google's Voice Actions for Android, will help drive the phenomenon of voice-activated screens.

NFC and RFID: Near field communication (NFC) and radio frequency identification (RFID) allow objects to interact with each other, including suitably equipped screens. Brands including Unilever and Nokia have started deploying billboards that can communicate with NFC-enabled smartphones. Down the road, the applications for this technology are numerous—for example, Brian House of The New York Times Co.'s R&D lab foresees surfaces that can recognize a person's gadgets. Placing an NFC-enabled phone on a table that houses a smart screen could bring up content tailored to that person's preferences or interests, for example.

Cost savings: Touch screens allow retailers to reduce labor costs as they can replace people in some cases, for instance, by enabling shoppers to pay for their goods or diners to order a meal.

Life in real time: One of our 10 Trends for 2010, this is the idea that people have become accustomed to a constant flow of updating information, images and conversation on the Web. Increasingly this is manifesting in media outside the home as digital screens showcase dynamic content.

8 SCREENED INTERACTIONS



MANIFESTATIONS

Screened interactions for commuters: Brands have started using interactive screens in outdoor advertising to engage and entertain passersby—generally commuters, a captive audience. Meanwhile, informational touch screens are helping commuters better navigate their routes.



- **Brand initiatives:** In late 2010, Yahoo installed touch screens featuring games at San Francisco bus stops as part of its “Bus Stop Derby” campaign; commuters could play against others in different locations, with the prospect of winning a Yahoo-sponsored block party.

In Helsinki, local restaurant Lämpö placed a touch screen at a tram stop that allowed users to reserve tables.

Philadelphia Cream Cheese placed touch screens at bus stops in major Irish cities in a 2011 campaign; people could view the brand’s commercials, browse recipes and even email these to themselves.

British cider brand Bulmers installed interactive HD screens at bus stops in London and Brighton in 2011 (at left). While waiting for the bus, people could drag virtual fridge magnets to create words and phrases, and share these with friends via social media.



- **Travel planners:** Seoul is among the cities that have gotten a jump-start on using touch screens to enable commuters to access maps, plan their journeys and even catch up on news. We’ll see more cities adopting such screens. New York’s Metropolitan Transit Authority, for example, has rolled out five pilot On the Go! Travel Station displays, allowing users to view service updates in real time, plan their route via an interactive map and learn about nearby cultural attractions.



Screened interactions for diners: Screens are slowly getting integrated into the restaurant experience, replacing menus or even workers and adding some entertainment.

- **Tables:** In New York, a restaurant at high-end department store Barney’s features 30 individual screens in a large communal table that’s covered in glass; diners can digitally order their meal, then browse the store’s catalog while eating. At London’s Inamo restaurant, E-Table technology grants customers control over their dining experience. A ceiling projector effectively turns the tabletop into an interactive screen, which diners can navigate using a built-in mouse; they can view menus, play games, change the virtual tablecloth and even order a taxi.
- **Menus:** E la Carte’s Presto and TableTop Media’s Ziosk are tablets that allow diners to order and pay from a device at their table. Delta Air Lines has installed iPads for ordering at some of its airline-terminal restaurants, while California chain Stacked uses the device to allow patrons to create their own dishes, place orders and pay. Restaurants are also putting wine lists on iPads, making them easily searchable by category, including price.

8 SCREENED INTERACTIONS



MANIFESTATIONS (cont'd.)

- **Cashiers:** McDonald's has been adding touch-screen terminals on which customers can browse the menu, order and pay (at right). The company has more than 800 self-order kiosks in Europe and, in May 2011, said it was considering expansion of the initiative.

Screened interactions for shoppers: Retailers are placing interactive touch screens in and outside stores to provide customers with a more immersive and engaging experience.

- **Clinique Smart Bar:** In March 2011, the cosmetics retailer debuted Microsoft Surface touch screens at Bloomingdale's in New York, enabling shoppers to place specially tagged products on the screen to see more information, such as reviews and how-to-videos. The brand is also rolling out iPad self-diagnosis technology at counters nationwide.

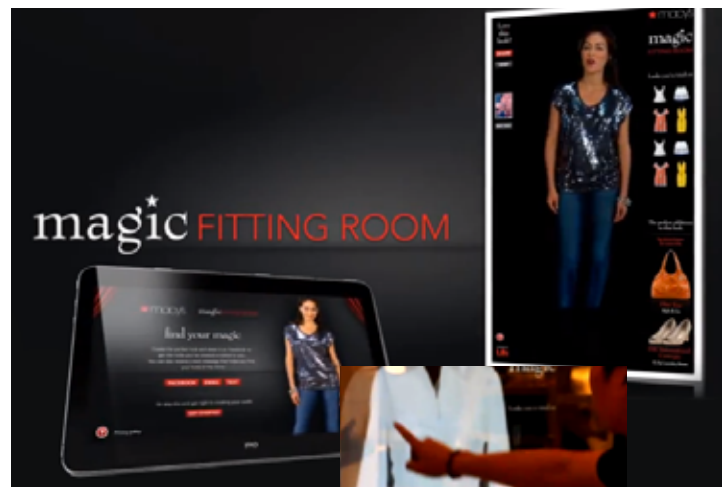
- **Interactive windows:** So long storefront, hello touch screen! In South Africa, mobile brand 8ta retooled its retail outlets with sound-emitting touch-screen windows that allow passersby to browse the catalog after-hours and request a call once the store opens. 8ta stores also feature "pick 'n watch" screens that allow shoppers to explore the inventory in greater depth.

To promote Tazo tea, Starbucks installed interactive touch screens in the windows of select Toronto and Vancouver outlets in February 2011. Passersby could guide a butterfly, dragonfly or hummingbird across the glass to discover the teas' ingredients.

In 2010, people outside an electronics retailer in Melbourne, Australia, could explore Microsoft's new Windows Phone 7 OS by tapping and swiping touch-screen windows that incorporated advanced projection technologies.

Rugby Ralph Lauren deployed interactive touch-screen windows at its New York and San Francisco stores as part of the 2009 launch of its "Make Your Own" app. People could customize a Rugby shirt with lettering and patches, email their creation, post it to Facebook and purchase it through the touch screen.

- **Virtual mirrors:** In true Snow White style, some mirrors can do more than merely reflect, offering interactive experiences for shoppers. In 2010, Macy's showcased a "Magic Fitting Room" at its flagship New York store: The kiosk featured a mirror linked to a touch-screen tablet, which shoppers used to select items to "try on" (these were then superimposed on the shopper's image) and to share the results via Facebook, email and text to find out what their friends thought of the outfits.



8 SCREENED INTERACTIONS



MANIFESTATIONS (cont'd.)

In July 2011, U.K. department store John Lewis announced it would test similar technology. According to reports, the mirror will scan shoppers' bodies to determine their size and shape; customers then wave a hand to bring up menus and browse a catalog of clothing.

- **Royal Bank of Canada's "Discovery Zone":** In early 2011, this Canadian bank began deploying Microsoft Surface technology in its branches to help customers "increase their financial literacy." The touch screens let people explore the bank's financial products and review profiles of staff members, and they also provide games for customers' kids. Customers can be entered into a drawing for a prize by placing a direct-mail brochure onto the screen.

Screens and smartphones in sync: In addition to touch, gesture and voice, smartphones serve as another means for interacting with screens. In mid-2011, for instance, McDonald's created a version of Pong on a digital billboard in Stockholm. Passersby could use their smartphones to play the game, which was accessible through a location-aware mobile website. Players who completed the game in 30 seconds won coupons for the nearest McDonald's. While only one person could play at a time, passersby stopped to watch the digital action.



Kiosks/vending machines: Video rental kiosks from Redbox, Blockbuster Express and others have proliferated in the past few years, bringing touch-screen technology to the everyday vending experience. More recently, prototype machines have hinted at the potential for using interactive screens to enable social media sharing and customized recommendations.

- **PepsiCo's Social Vending System:** This experimental prototype has a large touch screen that allows users to send a soda to friends. Customers select a beverage, then enter the friend's name, mobile number and a text message, which includes a code for redemption at another machine; users can also record a short video message, making the experience even more dynamic. For the altruistic, there's an option to send a beverage to a stranger.



- **Intel and Kraft's "Meal Planning Solution":** This intelligent touch-screen kiosk can help users plan their shopping, pick recipes and try free samples. Shoppers can browse through menus, select dishes and then download a related shopping list onto their phone. Using facial recognition via a built-in camera, the device creates a basic profile (such as age and gender). It also allows customers to create a virtual bobblehead doll.

Immersive installations: Large billboards and screens are integrating interactive technologies to draw in consumers by responding in real time.

- **Coca-Cola's Cascade exhibit:** In November, Coca-Cola installed one of the world's largest interactive digital installations in a shopping center in Quito, Ecuador. A 52-foot screen projects highly realistic 3D images of falling water, responding to onlookers who are engaging with it—for instance, a huddled group in front of the installation causes the water to fill up the top half of the screen; once the group disbands, the water rapidly flows down. Coca-Cola expects the exhibit to receive up to 2 million visitors in its seven weeks in Quito, after which it will travel to Honduras and Colombia.

8 SCREENED INTERACTIONS

MANIFESTATIONS (cont'd.)

- **National Geographic Channel dinosaur installation:** A large augmented reality (AR) installation in Hungary consisted of an LED display that projected AR images of astronauts, a huge tyrannosaurus rex and hungry velociraptors that responded to bystanders' movements and gestures, creating a highly interactive experience.
- **Xerox interactive billboards:** In 2010 Xerox installed large touch screens in U.S. airports that featured interactive games based on the company's partnerships with Target and Marriott. Users could deliver virtual mail on a red Target motorcycle or open digital doors to spy on people in their hotel rooms. In the first week, the Marriott installation received more than 34,000 interactions.

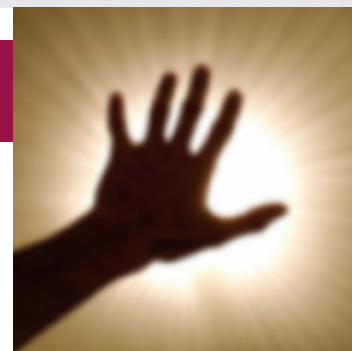
Gesture-based interactions: Bypassing touch, movement is a new and novel way to interact with screens.

- **Bally Total Fitness, Bally Results Center:** This gym chain announced plans to deploy 8-foot-tall screens equipped with SoftKinetic technology in 15-20 new clubs by the end of 2011. Using motion, users could view workout tips and nutrition information, and "slim down" a photo of themselves to envisage the results of their workouts.
- **GE, "Visible You":** To showcase GE's advanced scanning capabilities, this interactive installation for the 2010 World Expo in Shanghai allowed users to view their body's systems in action. Participants could select which system they wanted to see (muscular, cardiovascular, etc.), and the screen would replicate their actions in real time, showing how their systems moved.
- **Etronika Kinect Banking app:** This Lithuanian tech firm has developed a prototype app that, when connected to an Internet-enabled laptop, allows users to do their banking (pay bills, view statements, etc.) simply by gesturing at their TV.

WHAT IT MEANS

Interacting with screens in more ways and more places will become a part of everyday behavior for many consumers as technology rapidly advances, costs drop, and retailers and marketers find innovative ways to implement interactive screens. These screens can help to educate customers, entertain, engage and provide unique utility beyond that offered by traditional media.

For retailers and service providers, interactive screens present an opportunity to embed interactive elements of the online experience in the physical store. Screens can attract customers' attention and provide a great deal of detail about the products and services a customer is most interested in. Ultimately, with facial recognition and profiling technologies, brands can provide more customized information and recommendations via screened interactions. Interactive screens also allow retailers to extend their communication with customers outside business hours—for example, the dynamic windows of 8ta stores in South Africa, where customers can browse products and request more information. And in some cases the screens can simply entertain, with games providing a distraction for bored kids, for instance.



8 SCREENED INTERACTIONS



WHAT IT MEANS (cont'd.)

Interactive screens on out-of-home digital media present the potential for all kinds of innovative ways to communicate with passersby around the clock. They offer a way to gamify the simple bus-stop ad or billboard, making marketing messages more fun and helping to distract and amuse bored commuters. They can also add utility, enabling consumers to locate stores and find their hours, reserve restaurant tables or request more information. As mobile wallet technology takes off, consumers will be able to save time by making quick purchases via outdoor screens—simply custom-design and pay for a pizza from a train station ad, for example, arriving home to accept the delivery.

Whether in stores, on out-of-home ads or on vending machines and elsewhere, interactive screens can also facilitate consumer connections in new ways. Built-in social networking capabilities (e.g., Pepsi's Social Vending System) compress the sharing process to a simple touch of the button or wave of the hand. Consumers can also be connected with strangers, creating engaging social experiences (e.g., Yahoo's "Bus Stop Derby").

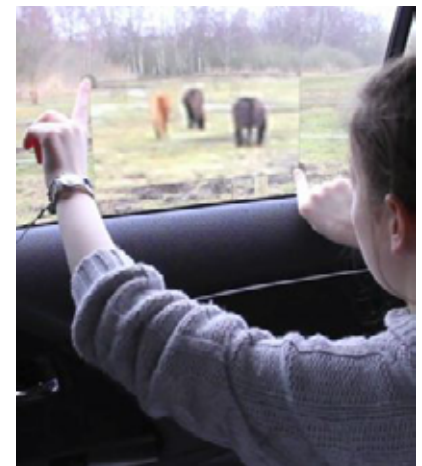
With some digitally trained toddlers attempting to treat magazines like iPads and TVs like touch screens, it's clear that the youngest generation will be acculturated to interactive technology: Touching, tapping and swiping will be second nature as screens become more seamlessly embedded into daily experiences.

As consumer profiling technology develops, interactive displays will also allow brands to track consumer behavior, preferences and areas of interest.

With touch screens, however, be aware that all those grubby fingers tapping and swiping will catalyze some concerns about cleanliness. Dirty surfaces will discourage interaction and turn off consumers altogether.

Down the road, we'll see new kinds of surfaces becoming intelligent, interactive screens, from bathroom mirrors to floors. The New York Times Co.'s R&D Lab created "Reveal," a mirror that uses Microsoft's Kinect and voice recognition to respond to gesture- and voice-based cues. Users can surf the Web, send email, read the paper and even check their health stats, all while brushing their teeth. An experimental project by a team of German engineers uses touch-screen and projector technology to turn floors into interactive surfaces; the device can identify individuals according to their shoe soles and customize the display accordingly.

Toyota's "Window to the World" concept turns car windows into screens on which passengers can draw pictures, zoom in on objects and translate language. And, touted as the "keyboard of the future," Keyboard "ABC" is simply an interactive touch screen that can be configured to any language. In the far future, expect desks that create a keyboard at the touch of a button or smart kitchen counters that can pull up recipes on command. More immediately, expect fitting room mirrors that assist shoppers by way of voice and touch communication.



"I think having a voice-controlled [retail] system makes sense behaviorally. That's already something that we're acculturated to expect. So you're trying on something, you walk up to a mirror and the mirror can actually address you directly and be like, 'Do you want to see what that would be like in another color?' And then ... directs you to other sales or other floors or things that would match or whatever else."

—BRIAN HOUSE, creative technologist, Research and Development Lab, The New York Times Co.

8 SCREENED INTERACTIONS



WHAT IT MEANS (cont'd.)

Small, handheld “pico” projectors will also make it easier to turn flat surfaces into touch screens. These devices can be attached to smartphones and other gadgets, allowing users to project videos or images from their phone. The uses are nifty: A prototype from researchers in Germany combines a pico projector with a smartphone and sensor to allow users to share data while talking on the phone; a projected tablet-sized image functions as a touch screen, and users can add and drop files onto each other’s screens.

While touch screens will help consumers in many ways, cutting out the complications of dealing with brand associates and providing tailored information and quick-pay solutions, people will start to place a premium on real-world human interactions as touch screens come to substitute for humans. We’re already seeing some customers shunning self-checkout counters (for example, in response to demands for real people, U.S. supermarket chain Big Y recently phased out self-checkout kiosks in all its stores). Watch for tech-free stores that offer an escape from the highly digital world.

THOUGHT STARTERS

What investments, if any, are you making in screened-based interactions with consumers? If you already use screens to communicate with your audience, how can you maximize interactivity via facial recognition or touch-, gesture-, voice- or device-based interactions?

What elements of the online experience would you like to layer onto the physical world?

Considering your traditional out-of-home media, if you had a chance to add interactivity to it, what would you do?

Does your physical space have tech-free “white” spaces? If appropriate, is there a way you can colonize this space with unique interactive interfaces? What elements of your physical space should remain tech-/screen-free?

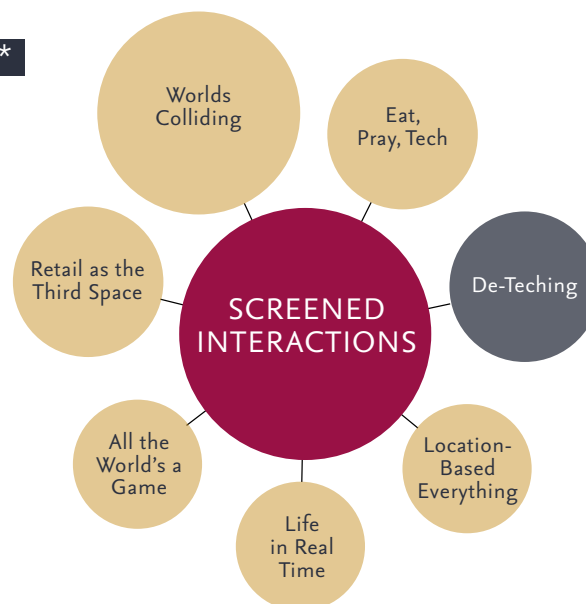
Can you gain efficiencies by replacing human-populated systems with interactive screens? Would that add to or detract from the brand experience?

Could your brand turn surface real estate that the consumer owns (the bathroom mirror, the kitchen counter, a car window, etc.) into an interactive screen and add something of value (the news and weather, a recipe, directions)?

Can interactive screens help consumers link their own devices into your electronic ecosystem? For instance, can you create unique interactive experiences that go beyond the basic check-in?

RELATED AND COUNTER TRENDS*

Related Trends Counter Trends



* See Appendix for more on Related Trends and Counter Trends.



9 CELEBRATING AGING

Popular perceptions of aging are changing, with people of all ages taking a more positive view of growing older. And as demographic and cultural changes, along with medical advances, help to shift attitudes, we'll redefine when “old age” occurs and what the term means.

9 CELEBRATING AGING



DRIVERS

A rapidly aging world: With birth rates declining and life expectancy rising, the global population is aging dramatically. In industrialized countries especially, populations are older than they've ever been, shifting some focus away from younger generations. In the U.S., the Baby Boomer wave has just started moving into the 65-plus cohort. By 2030, over-65s are forecast to comprise more than a quarter of the population in Europe's fastest-aging countries, including Germany and Italy. The same goes for China, where already 12.5% of the population is over 60. In Japan, the world's oldest country with 23% of the population over 65, nearly one-third of citizens will fall into this cohort by 2030.



Technologies are going to allow us to be healthier longer and will allow us to look younger too. ... When a 65-year-old can look more like a 40-year-old, and feel like a 40-year-old, they are going to start living their life as a 40-year-old."

—SONIA ARRISON, futurist, policy analyst and author, *100 Plus: How the Coming Age of Longevity Will Change Everything, From Careers and Relationships to Family and Faith*

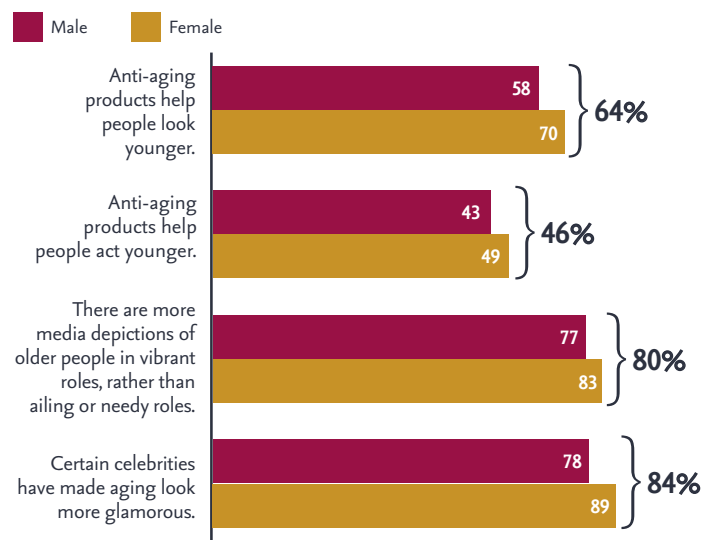
Aging more gracefully: Thanks to improved nutrition, health awareness and medical advances, people are not only living longer—with average global life expectancy at 69, up from 52 in 1960—they are living healthier as they age. They're also getting a boost from an ever-widening range of products and procedures, targeted at almost every age group and both genders, that help to maintain health and wellness and mitigate the effects of aging. Global Industry Analysts, Inc., forecasts that the U.S. market for anti-aging products will grow from \$80 billion to \$114 billion-plus by 2015.

More than 6 in 10 American and British respondents to our survey agree that anti-aging products “help people look younger,” and almost 5 in 10 feel that they help people act younger. (Women—the most likely to be using these products—are most likely to agree.) (See Figure 9A; for country and generational breakdowns, see Appendix, Figures 9C-G.)

Middlescence: The definition of “old” is changing—a 65-year-old may live comfortably for two or even three more decades, a period termed “middlescence.” Many are looking to this time as an opportunity to reinvent themselves, remarrying, rediscovering hobbies or trying a new career. Indeed, while the 65-plus years were traditionally characterized by retirement, more people are working well into middlescence, either out of necessity or a desire to stay engaged in work. American Boomers now expect to work until 68, up from 65.5 in 2003, according to AARP, and a Wells Fargo poll in the U.S. found that a quarter of respondents age 25-75 expect to work till at least 80 due to financial need.

FIGURE 9A:
Aging Gracefully

Percentage of American and British adults who agree:



9 CELEBRATING AGING



DRIVERS (cont'd.)

In the U.K., 43% of 60-64-year-olds feel they are in “middle adulthood,” according to a survey by the Department for Work and Pensions. The Boomers (respondents aged 47-66) we surveyed in the U.S. and U.K. said they feel 47 on average from a physical standpoint and 44 from an emotional standpoint; respondents 67-plus said they feel 58 physically and 52 emotionally. Boomers on average consider 76 to be “old aged,” while the oldest cohort defines it as 80 on average.

“It used to be the case that you had one career, one wife and one family, and you retired to the seaside at 65. But we are now living and working so much longer that 50 has become an opportunity for a major life change. ... Post-50, you do what you want to do, not what other people want you to do.”

—ROBERT CAMPBELL, founder of online deal site high50, “Meet the Alpha Boomer: They’re older, richer, wiser and determined to prove that age is just a number,” *The Independent*, May 22, 2011

Age X is the new age Y: As we age more gracefully, and with marriage and child-rearing delayed beyond the 20s for more people, assumptions about each decade are evolving. Take the 40s: “For many, the 40s are active years of childrearing. Just a couple of decades ago, the bulk of childbearing and childrearing was done by 40,” sociologist Richard Settersten Jr. of the Center for Healthy Aging Research at Oregon State University pointed out to *USA Today*. The older decades are similarly being redefined as retirement gets pushed back.

“Age X is the new age Y” has become a clichéd refrain, but it points to a real shift in perceptions: A majority of our survey respondents, and especially women, say they believe 40 is the new 30, 50 is the new 40 and 60 is the new 50. (See Figure 9B; for country and generational breakdowns, see Appendix, Figures 9H-L.)

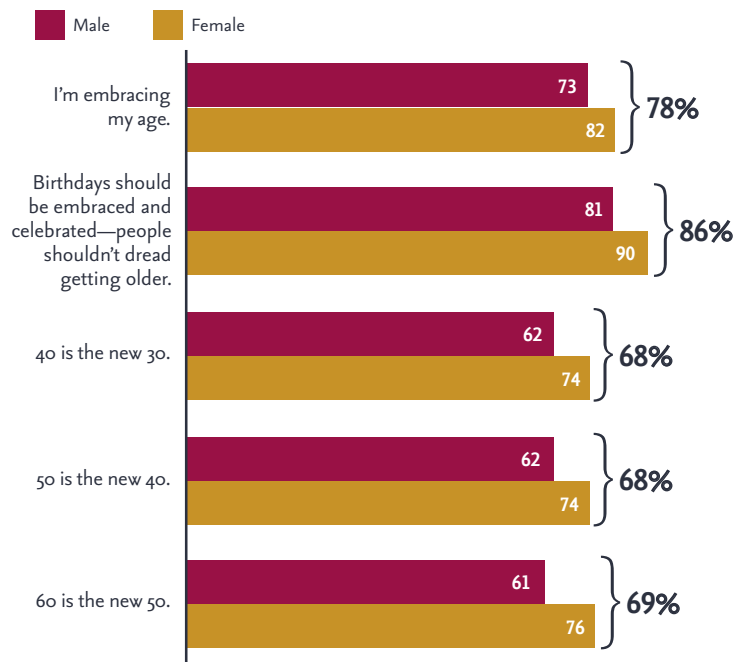
The new grandparent: In the U.S., a majority of today’s grandparents are Boomers (54% of grandparents are under 65, according to MetLife), a cohort that’s more active, even hip and tech-savvy than previous generations of grandparents. Relatively wealthy, confident and accomplished Boomer grandparents are showing younger folks that fun doesn’t stop at 50.



“Today, grandparents are doing mountain treks with their grandkids. ... They are a hipper, cooler, younger, more affluent cohort than we’ve ever seen populating that stage of life.”

—KEN DYCHTWALD, founder and CEO of AgeWave, a mature markets consultancy

FIGURE 9B:
Embracing Age
Percentage of American and British adults who agree:



9 CELEBRATING AGING



DRIVERS (cont'd.)

“Peerents”: The traditional generation gap between kids and parents has been crumbling, with “peerents” taking a more collaborative approach to parenting and children tending to regard parents as role models and friends rather than clueless or antagonistic elders. Younger generations subsequently are more tuned into what they have in common with older generations than what they don’t.

New archetypes: Many of today’s older celebrities are as sexy, vital and enviable as they ever were. Our survey respondents agreed, with 84% of American and British respondents saying that “certain celebrities have made aging look more glamorous.”



Paul McCartney, Mick Jagger, Madonna and Vivienne Westwood are among those leading glamorous lifestyles that put many of their younger cohorts to shame. Diane Keaton, now 65, adopted her first of two children at 50. Glamorous stars like Jennifer Lopez and Jennifer Aniston are now in their 40s but look hardly the worse for wear; indeed, *People* magazine named J. Lo 2011’s Most Beautiful Person of the Year just before her 42nd birthday. An *Allure* magazine survey found that more people consider “middle age” women attractive compared with 20 years ago and that younger men are more likely to consider them as “hot.”

“ I’m not even conscious of the fact that [recent Gen X cover women are] over 35 or over 40 because to me they’re just really interesting women who are great-looking, who have great careers, who have something to say, and that’s why they’re on the cover, because they have all of those magic combination of qualities.”

—LINDA WELLS, editor-in-chief, *Allure*, “Gen X women, young for their age,” *Los Angeles Times*, Sept. 25, 2011

At the same time, some high-profile octogenarians are still having fun and working away. Betty White has been winning new fans both young and old in her late 80s with funny appearances on TV and in commercials. And Regis Philbin may have left his longtime morning TV post at age 80 in late 2011, but he insists he’s not retiring. In our survey, 8 in 10 respondents in the U.S. and U.K. felt there are more depictions of older people in vibrant roles. (See Figure 9A.)

Demography’s Dead: One of our 10 Trends for 2008, this is the idea that the possible permutations of age, gender, marital status, family composition, work status and health status are becoming too complex for easy demographic pigeonholing to be meaningful. No longer does a certain age imply someone is too old to start a family (some women are now having kids at 50 or later), already well into retirement and so on. Today we’re best defined more by life stage (new parent, student, etc.) than by our age.

MANIFESTATIONS

Platforms that celebrate aging: Several websites celebrate people 50 and well beyond. Advanced Style, a blog run by a Millennial that showcases stylish members of the silver-haired set, garners more than 100,000 unique visits a month. Its “I’m Proud to be __ Old” section shows photos of women with a caption underneath that states their age. Fabafterfifty is a British site aimed at women that tells readers, “There has never been a better time to be 50!”



9 CELEBRATING AGING



MANIFESTATIONS (cont'd.)

Embracing gray: Gray hair is gradually coming to be embraced as a chic choice for women of all ages. In May, after deciding to stop dyeing her hair a few months earlier, San Francisco TV anchor Dana King created a segment about it; the response was “99.999 percent positive,” she said. Blogs such as *Going Gray Looking Great* and *Going Gray* offer support to those who choose to embrace their platinum locks.

Embracing birthdays: People are growing less apt to bemoan another year older and more apt to raise a glass. Close to 8 in 10 respondents to our survey said they are embracing their age, and 86% agreed that people shouldn't dread getting older but should embrace and celebrate birthdays. Women felt more strongly about these sentiments (82% and 90%, respectively). (See Figure 9B; for country and generational breakdowns, see Appendix, Figures 9H-L.)



USA Today observed that among women, 40th celebrations seem to have gotten more celebratory. “Many of today's Gen X women see the Big 4-0 as the midpoint of their lives, and are embracing it with a new zest,” noted reporter Sharon Jayson, pointing to girlfriend getaways, no-kids trips and big soirees. She sees the 40th party as “a way to proclaim they're healthy, they're sexy and they haven't lost their mojo.”

Age March: In 2009 Barbara Rose Brooker, author of a book on love and sex post-60, started this San Francisco-based group that organizes marches to celebrate aging. The group has held three events so far; at one in Los Angeles in May, participants held signs reading, “Age is not a number, it's a spirit” and “Make every day a celebration.”

“Glam-Mas”: Today's grandparents are adopting new nicknames—they don't feel like the old folks sitting in rocking chairs that we tend to associate with “grandma” and “grandpa.” “Glam-Ma” has been gaining currency, along with other alternatives. Books such as *The New Grandparents Name Book* offer lighthearted and trendy substitutions for traditional names.

Brands celebrating aging: Some brands are taking a positive, more upbeat attitude toward aging, showing older consumers as energetic, compelling, fun and hip, sometimes more so than younger generations.

- **Toyota Venza campaign:** A series of jocular ads contrast socially connected Millennials with their active yet “anti-social” parents. In one, the daughter stays at home criticizing her parents for not having enough Facebook friends and for not maintaining a “can do” attitude. Meanwhile, the older generation is out riding their bikes and exploring the outdoors. The implication is that older people are not only more vital than the younger generation, they have their priorities better ordered.



“If 60 is the new 40, then GlamMa is the new Grandma, a woman with a sense of self and style.” —UrbanDictionary.com



9 CELEBRATING AGING



MANIFESTATIONS (cont'd.)

- **El Palacio de Hierro, “Plenitud”:** To reinforce the message that elegance can be timeless, a campaign for this Mexican department store features model and actress Carmen Dell’Orefice—at age 80, reportedly “the world’s oldest working model.” “From all my experiences, the



stumbles, the falls, I’ve learned to pick myself up gracefully,” she says in a commercial. “Certainly more than ever, I’m ready for this photo shoot called life.” In billboard ads, she poses glamorously, with the caption “Today, I look better than yesterday.” Here, age clearly comes to mean wisdom, confidence, achievement, vitality and glamour.



- **Converse, “You have the right to be young”:** In Argentina, Converse recently debuted a series of magazine and out-of-home ads, each proclaiming different rights (“You have the right to be heard,” “You have the right to be original,” etc.). One features a senior citizen as the frontwoman of an all-girl band, throwing her hands up and holding a microphone in true rocker style, and carries the line “You have the right to be young.”

- **Żywiec, “The best is ahead of you”:** To appeal to Gen Xers and Boomers, the leading Polish beer brand launched a campaign with the tagline “The best is ahead of you” in 2010.

The strategy was built on the insight that the target demographic often feels that the high points of their lives have already happened. Commercials showed older male celebrities (including actors, a boxer and a cartoonist) speaking about their lives, offering insights and advice. Żywiec’s positive message suggests that male Boomers have grown more mature and self-aware, gaining the skills and strength to achieve what they want.

WHAT IT MEANS

The clear distinction between “old” and “young”—as determined by the human body’s limitations and the mores of society—is breaking down. With a longer, healthier life ahead and fewer assumptions around what each successive decade means, people across the age spectrum will feel younger in general and more positive about aging.

Youth will certainly still carry a premium, but perceptions of what qualifies as young are shifting and appreciation for the benefits of experience and maturity is rising. Increasingly, we’ll see health, happiness and other key criteria as more important than worrying about our age. For more people, birthdays will become something to celebrate more than bemoan, bringing the possibility that they will hit their stride or begin an exciting new stage of life.

Bear in mind that this trend will manifest differently among women and men, as the genders contend with different biological factors and cultural attitudes as they move through life’s stages—factors and attitudes that are shifting to varying degrees. Given that our survey shows women are more likely to embrace aging, the more pragmatic-minded men could prove a harder audience to reach with the “40 is the new 30,” “50 is the new 40,” etc., ethos (they’re more likely to accept 60 as 60). Reminding both genders that “The best is ahead of you,” as the Żywiec beer campaign does, allows them to look forward positively rather than back wistfully.



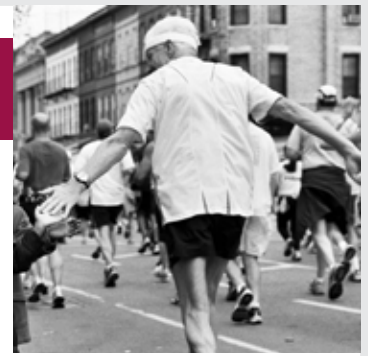
Advertising can’t keep being about old-person messaging. It has got to shift to this sense of being what Boomers are interested in. ... [Brands] need to embrace that sense of hope, purposefulness and optimism about growing older.”

—LORI BITTER, president and CEO, Continuum Crew, a marketing consultancy specializing in engaging the 40+ cohort

9 CELEBRATING AGING

WHAT IT MEANS (cont'd.)

The youngest cohorts will see aging in a different light than their predecessors as their parents and grandparents alike remain relatively youthful in appearance, outlook and lifestyle. New views on aging will in turn drive new behaviors among various age groups. For example, we'll see greater kinship across age groups, with more cross-generational connections and subsequently more age-blind marketing campaigns.



More than ever, marketers will need to discard old assumptions around how consumers see their own age and that of their elders—sure, most everyone wants to look and feel young, but not everyone will yearn to actually be young or fear getting older. Brands can widen their criteria for models and spokespeople, moving further away from the pretty young things and toward role models, sex symbols and others with more depth and texture from every generation. In some cases, the paradigm will be flipped, with the older generation portrayed as more vital than today's youth, who are so wrapped up in their online worlds that they're missing out on the world around them, as in the Toyota Venza campaign. While vitality can be a cross-generational trait, the older generation has wisdom and self-assurance, and more brands will emphasize the enviable, aspirational characteristics that come with years.

As consumers enter what is being described as the best part of their lives, brand messaging can center around helping them maximize their enjoyment, promising fun and adventure, personal development and learning, rather than responsibility and routine. Indeed, some older people may embrace silliness or playfulness and will appreciate brands that respond accordingly, with humorous messaging and fun-filled products.

Because these consumers tend not to see themselves as old, products designed for an older cohort—big-button phones, for instance—will seem increasingly irrelevant. Messaging designed to play on “old age” will be ignored or, worse, alienate and offend consumers by making them feel patronized. Instead, subtle changes can improve the customer experience. Equally, those who embrace their age don't want to feel anxious or embarrassed about their looks—health, wellness and beauty brands can emphasize the idea of enhancing the current life stage rather than fighting it and work to make consumers feel more comfortable and confident.

THOUGHT STARTERS

If your brand targets older cohorts, what kind of messaging is it sending: How does it make people feel about aging? Can you make your message more positive in regard to age and older generations—and even help people see middle age, middle age and beyond as exciting rather than depressing?

Aside from wisdom and self-assurance, what other enviable, aspirational characteristics does the older generation have that you can emphasize in your marketing?

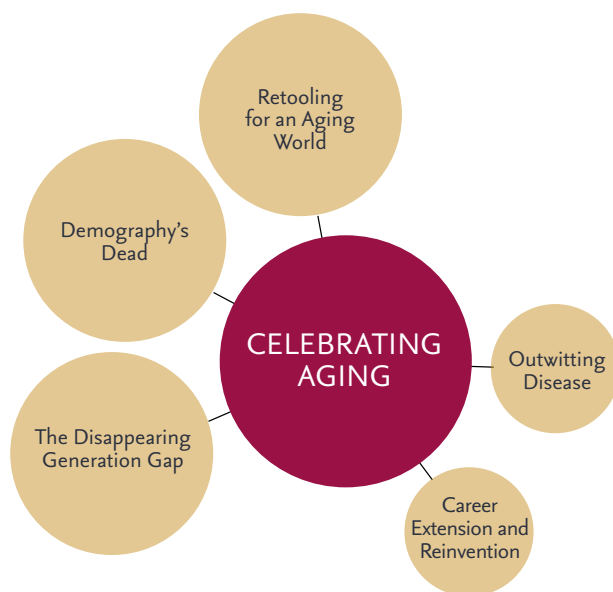
Does your brand offer opportunities for younger cohorts to embrace traits such as responsibility and wisdom?

Are there characteristics that were once used to engage older demographics that can now be used speak to younger cohorts, who are more likely to embrace these traits than their predecessors?

9 CELEBRATING AGING



RELATED TRENDS*



* See Appendix for more on Related Trends.



10 OBJECTIFYING OBJECTS

As objects get replaced by digital/virtual counterparts, people are fetishizing the physical and the tactile. As a result we'll see more "motivational objects," items that accompany digital property to increase perceived value, and digital tools that enable creation of physical things.

10 OBJECTIFYING OBJECTS



DRIVERS

Physical objects turn virtual: A multitude of physical things have gotten digitized in the past decade or so, including CDs, photos and their albums, correspondence, books, newspapers and other print media. And with the advent of the cloud and streaming services for music and movies, digital media is “unshackled from the bonds of physicality, hard format or even a home computer,” as the *Chicago Tribune’s* Christopher Borrelli puts it. In mid-2011, for example, Ford Motor Co. was the first major automaker to announce it would drop CD players from new models, which instead include a USB socket and the company’s SYNC system, which can stream online music. Soon even cash will likely fade away as we come to rely on smartphones-turned-digital wallets.

The ease with which we can access anything at any time and the intangible format tends to make digital things feel less valuable and special than their physical counterparts.



The cloud has “given me the gift of instant gratification and endless access, but inadvertently reminded me that appreciation [for what you have] and availability are closely joined at the hip,” observes Borrelli.

Screens galore: More surfaces are becoming screens, from menus to walls to outdoor ads. Samsung is even working on manufacturing “digital canvases”: high-res LCD screens for displaying artwork that could show brush-like textures. As we become accustomed to the glow emitting from these screens and the sights and sounds constantly playing across them, analog objects will stand in unique contrast.

To have and to hold: Physical artifacts can be keepsakes, identity markers and status symbols. They can be limited-edition, rare or one-of-a-kinds. They can be collected, shared, framed, proudly displayed, nicely wrapped. We can touch and smell them. Their markings hint at their history. Digital, of course, has its own benefits—but the more we embrace the format, the more we’ll also miss what digital can’t provide.

“It was a wonderful thing when you were younger just to walk around with an LP under your arm, showing off how rare your record was. You can’t do that with a CD, and you certainly can’t do it with an MP3. I loved the sense of longing and anticipation before you got the album: examining how the sleeve looked and felt, then taking the record out of the sleeve—then, of course, the music! Putting it on the turntable, the delivery is so much more satisfying than a CD or MP3 has ever been, or ever will be.”

—Joy Division and New Order bass player PETER HOOK,
“Vinyl finds its groove with young music lovers,” *The Independent*, Nov. 13, 2011

A hardwired response: In 2009, Millward Brown published a report on a neuroscience-based study it did in the U.K. for the Royal Mail service to determine whether physical and virtual mail have different effects on the brain. The research “strongly suggests that greater emotional processing is facilitated by the physical material than the virtual,” the agency said. The “‘real’ experience that the physical media provides means it’s better at becoming part of memory”; the material also tends to become more internalized (related to the individual’s own thoughts and feelings). As shown by MRI images of test subjects’ brains, “There is something special about the physical medium.”

The quest for originality: Adopting items that people no longer have a true need for (think wristwatches, stationery) conveys some originality and quirkiness in the owner.

Nostalgia: People have always had a fondness for things that speak to older ways of living, but today objects that harken back to different times strike an especially strong chord among digital natives. Some have embraced the “heritage” movement, a “nostalgia-tinged societal turn toward objects that last, smolder with individuality and are well-made,” as *The Wall Street Journal* puts it.

A counterpoint to modern life: We live in an always-on, real-time world of bits and bytes; the objects we’re fetishizing tend to represent a counterpoint. They appeal to our urge to De-Tech (one of our 10 Trends for 2011), as they follow a different pace (e.g., snail mail) and are manually made or operated. Elizabeth Bailey Weil, a young Twitter executive who also makes letterpress cards, told *The Wall Street Journal*: “I think there are a lot of us who live frantic, digital lives and long to make things with our hands.”

10 OBJECTIFYING OBJECTS



MANIFESTATIONS

Motivational objects for music: Physical items that represent digital music can make a download feel more tangible and satisfying and fans feel that they're purchasing a keepsake. "We know people need something to hold in their hands," explained the lead singer of Hungarian band The Kolin, which is selling two recent singles in the form of special 3D glasses and a novelty pen (the songs can be downloaded for free with purchase). Other examples:

- The Music Tee, a 2009 collaboration between Invisible DJ and clothing label LnA, featured album art on the front, a track list on the back and downloading directions in the hang tag. Now the U.K. company BadDETT is doing the same thing but with a monthly-subscription model.
- In 2011, the Norwegian band Datarock released a \$50 red vinyl "diamond" accompanied by a USB drive containing their latest single along with scores of bonus tracks, photos, music videos and a concert film.
- The band Of Montreal's 2008 album *Skeletal Lamping* was released in traditional formats but also as a T-shirt, tote bag, metal button, wall decal and paper lantern. A 2011 limited-edition box set of the band's albums comprised 10 cassettes packaged in a wood box screen-printed with original artwork (at top), and included an MP3 download of the albums.
- Playbutton, which launched in 2011, sells albums packaged in what looks like a novelty button featuring album artwork. A tiny hard drive contains the tracks, three buttons allow playback, and there's a headphone outlet. Bands including Florence + the Machine and Belle and Sebastian have used the format.
- Philadelphia startup Data Garden makes "seed paper" albums: Instead of a CD, buyers get a download code on a card screen-printed with water-based ink that can be planted to sprout flowers. The founders call the idea "trans-digital."



Digital into physical and vice versa: Many a website can turn digital photos or designs into calendars, cards, mugs and so on, but increasingly we're seeing tools that bridge the digital and physical worlds in more interesting and novel ways:

- Apple now offers Cards, an iPhone and iPad app (as well as an iPhoto tool) that enables users to design (or select a design) and mail off a card from their i-device for \$2.99 within the U.S. and for \$4.99 anywhere else in the world—and not just a run-of-the-mill card but a letterpress-printed one.



10 OBJECTIFYING OBJECTS



MANIFESTATIONS (cont'd.)

- Sincerely's Postagram app allows vacationers and others to turn snapshots into snail-mailed postcards; for the 2011 holiday season, the company introduced holiday cards as well. Postcard on the Run is similar, reminding potential users that for recipients, a physical card is "a real keepsake they can hold close to their heart, put up on the fridge or display at work."
- Minted, similar to a Threadless for stationery products, raised \$5.5 million in a second round of funding in November. "Minted immediately grabbed our attention as a business that could scale," said Peter Fenton of Benchmark Capital. Visitors to Minted can vote on artist and designer submissions, with the winning designs turned into calendars, cards, invitations and other paper goods, using "fine paper stock, rich inks, and crisp printing methods."
- Two Japanese stationery companies are selling special paper that can be scanned using an app (Shot Note or CamiApp) and made searchable too, allowing users to easily keep on handwriting notes or doodling on paper and then access the information or images digitally.
- Instaprint produces Polaroids for the digital age: Its wall-mounted devices print photos taken with the Instagram app and tagged with an event's location or hashtag. The rentable devices target the event market, providing a fun way to generate party souvenirs.

“ I love moments in my life being translated into paper. I think we are going to see a renaissance of people wanting physical cards.”

—DAVE MORIN, co-founder and CEO of social networking service Path, "New smartphone apps let users create and send greeting cards," *Los Angeles Times*, Nov. 24, 2011

Vinyl and cassette revival: Vinyl has been on the upswing for a while, only growing in popularity as digital becomes more pervasive. It's not just indie bands releasing vinyl albums now, but major acts like Adele, Radiohead and Lady Gaga (some with digital download included). While sales are a small percentage of overall albums sold, U.S. vinyl sales tracked by Nielsen SoundScan spiked 41% in the first half of 2011; U.K. sales experienced a similar rise.



U.K. department store John Lewis added a lineup of 20 vinyl records for the 2011 holidays, along with "Play & Display" frames from a company called Art Vinyl (pointing to the fact that in some cases albums are more décor than media format). And HMV in the U.K. is finding that younger shoppers are buying vinyl even if they don't actually own a record player, because they think it's "cool"; "The fans want to associate with it, almost as a badge of honor," a spokesman told *The Independent*.

And while deluxe box sets and limited-edition special releases are nothing new, these are increasingly over-the-top in their "objectification"; for example, a deluxe edition of Okkervil River's 2011 album *I Am Very Far* included two LPs with embossed packaging and laser-etched vinyl, a CD with a sizable booklet, a laser-cut replica of the album's paper-cut artwork, a hardcover book of lyrics, a poster and a signed letter from the band's frontman—all packaged in a wood box branded with the album title.

10 OBJECTIFYING OBJECTS

MANIFESTATIONS (cont'd.)

Even cassettes are enjoying a bump. U.S. sales had risen 46% year-to-date by mid-August (though at 22,000 units sold, it's still a tiny market), per Nielsen SoundScan. Recently Dinosaur Jr.—popular during the heyday of cassettes—released a limited-edition box set with three albums on tape.



“When everything is digital and immediately available, one starts to yearn for the physical medium and all the little quirks that go with playing a record on a gramophone or playing a tape in the old cassette recorder.”

—STAN SCHROEDER, “Dinosaur Jr. Goes Retro, Reissues 3 Albums on Cassettes,” Mashable, Nov. 17, 2011

Wristwatch revival: Another object that seemed like it was heading for obsolescence is coming back to life. Watches tap into the heritage trend's love of self-consciously retro and finely made items, says *The New York Times*, and carry an “analog chic,” especially watches that show the gears of the time-keeping mechanism. Even digital watches have some retro appeal, with American Apparel now selling everything from vintage Casios to old Swatches and Seikos.

Net profits for The Swatch Group (which owns a range of brands and also supplies watch movements) climbed 42% in 2010. Overall, U.S. sales increased 15% in the moderate category and 33% in the luxury category in Q2 2011, reports the *Times*; Fossil's line of Michael Kors “fashion watches” jumped 142% in the first quarter.

Precious about paper: Paper fans, many of them Millennials, are dialing back on digital and handing out engraved, embossed or otherwise beautifully printed calling cards or penning notes on letterpress cards sent through the mail. Calling cards generally carry simply a name and phone



number, an analog way to stand out from the pack and craft one's personal brand, as *The Wall Street Journal* points out. Etsy is packed with stationery products, and its handmade cards are

“often treated as an art object themselves,” a merchandising specialist told the *Journal*.

Books as décor: As we noted last year in our Things to Watch for 2011, physical books are increasingly turning into decorative items, artfully piled up or color-coordinated on shelves in retail spaces and homes. Noted *The New York Times* in January 2011, “The printed, bound book has been given a stay of execution by an unlikely source: the design community.” There's also the single deluxe book whose role is at least partly decorative: Pottery Barn, for instance, recently added leather-bound books on “the artistry of mixing drinks” (\$75) and Single Malt Scotch (\$89).

“With digital things, everything happens invisibly. The owner of a mechanical clock or watch can see how it works. Clocks still tell time 100 or 200 years after they were built. That is incredible in a digital age where things can be out of date in a year and unusable in five.”

—Watchmaker DAVID SOKOSH, owner of analog-timepiece line Brooklyn Watches, “Old Souls,” *New York*, July 3, 2011



10 OBJECTIFYING OBJECTS

WHAT IT MEANS

In last year's trends, we outlined a key countertrend to the always-on digital age: De-Teching, or the need to unplug for stretches at a time. Objectifying Objects is another digital-era countertrend, this one a response to the evaporation of so many physical things into intangible formats. For consumers, both of these countertrends will co-exist with their embrace of tech-centric lifestyles; indeed, the stronger that embrace is, the stronger the urge to experience the polar opposite, as we're seeing with Millennials who are sending handwritten notes and buying vinyl.

Immersion in the digital world makes us more keenly aware of what's unique about physical objects—things that can be carried, held, opened, displayed and gifted, among other things. We may no longer have a real use for some of these objects, but for some consumers that makes them even more appealing: They become a statement and in some cases imbued with more significance and meaning than the original objects ever were.

Note that in recent years in some areas, retro and vintage items (refurbished typewriters and the like) and flea market shopping have seen a resurgence, along with the idea of combining new technology with old items (e.g., an iPod docking station made with Victrola parts). While this ties into the idea of Objectifying Objects, it's more fad than trend; down the road our need for objects may express itself in different, new ways.

Brands can amp up the tactile, unique qualities of their objects, creating premium offerings that serve as unique gifts or collectibles.

We'll see more brands that live in the digital space creating so-called motivational objects, an emerging phenomenon in the music category. If the offering isn't tangible, simply create an object that represents the digital property, which not only satisfies the need for tangibility but increases perception of value, since digitization raises questions about the fair price tag of intellectual property (i.e., consumers used to feel they were paying in part for the record or the printing costs).

The motivational object can be as simple as a gift card that's a little more than just a plastic card: For the 2011 holiday season, Target sold gift cards packaged with all the pieces needed to create a balsa-wood glider.

Digital brands can also enable people to use technology to create physical things, like postcards that get sent through the mail. Brands can also use technology to make items on demand, thanks to the advent of 3D printing. Or they can help revive older, meaningful traditions that are fading with the transition to digital. From a Birdie, for example, enables people to create an Album of Letters for friends or family, asking others to contribute a thoughtfully composed note to mark a birthday or other occasion; the recipient gets a website composed of these missives but can also receive a hard- or soft-cover printed edition. "We are trying to create a medium that encourages carefulness, deep communication, privacy, and permanence," says the site.



10 OBJECTIFYING OBJECTS



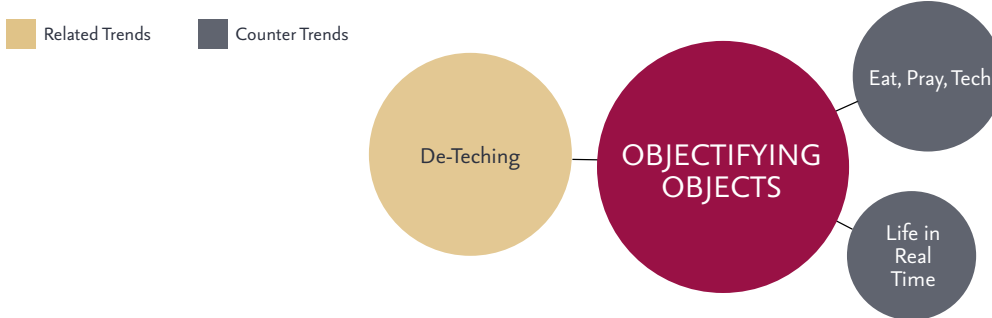
THOUGHT STARTERS

What products or services can you offer that are self-consciously analog, satisfying the need for tangible goods? How can you amplify qualities that are unique in physical objects, making them more satisfying to touch, hold or admire?

How can you position your brand as a counterpoint to the proliferation of digital goods in consumers' lives without being anti-technology?

If you're a technology brand, how can you help people connect to things and behaviors that hearken back to our analog past? Can you create physical things that represent digital property?

RELATED AND COUNTER TRENDS*



*See Appendix for more on Related Trends and Counter Trends.



1 NAVIGATING THE
NEW NORMAL



2 LIVE A
LITTLE



3 GENERATION
GO



4 THE RISE OF
SHARED VALUE



5 FOOD AS THE
NEW ECO-ISSUE



6 MARRIAGE
OPTIONAL



7 REENGINEERING
RANDOMNESS



8 SCREENED
INTERACTIONS



9 CELEBRATING
AGING



10 OBJECTIFYING
OBJECTS

APPENDIX

APPENDIX: MORE ABOUT OUR INFLUENCERS/EXPERTS



SONIA ARRISON, founder, academic adviser and trustee, Singularity University

Arrison is a founder, academic adviser and trustee at Singularity University, a new university in Mountain View, Calif., that aims to leverage the power of exponential technologies to solve humanity's grand challenges. She is also a senior fellow at the Pacific Research Institute, a columnist for TechNewsWorld and a frequent media contributor. She lives in the San Francisco Bay Area.



LORI BITTER, president, Continuum Crew; president and CEO, Crew Media

Bitter is president of Continuum Crew, an integrated communications firm focused on engaging mature consumers. She is also president and CEO of Crew Media, a media services company specializing in digital media engagements for the mature audience; the company owns Eons.com, a community for Baby Boomers and beyond. Previously she was president of JWT BOOM, the leading mature market advertising and marketing company in the U.S. Bitter has more than 30 years of advertising, public relations and strategic planning experience and is the author of numerous white papers related to the senior and Boomer population. She is also president of the International Mature Marketing Network and publisher of GRAND magazine, a digital publication for grandparents and their families. She is a former associate professor of advertising and public relations.



JONATHAN BLOOM, journalist; author, *American Wasteland*

Bloom is a journalist and food waste expert who wrote *American Wasteland*, published by Da Capo Press in 2010. He also writes the blog Wasted Food. An accomplished eater and mediocre composter, he has covered both serious and quirky topics related to food and the environment. His work has appeared in *The New York Times*, *Washington Post*, *Los Angeles Times*, *Boston Globe* and *Newsweek*, among other publications. Bloom lives in Durham, N.C., with his family and many, many containers for leftovers.



DAN CROSSLEY, principal sustainability adviser, Forum for the Future

Crossley is principal sustainability adviser at Forum for the Future, the sustainable development not-for-profit that works globally with business and government. He helps lead its food system work, which is centered around mainstreaming sustainable food, and has worked with many leading food businesses on sustainability, including PepsiCo, Cadbury, Marks & Spencer, Tesco and Tata Global Beverages. He recently led a number of major projects, including PepsiCo Scenarios & Strategies 2030 work and Consumer Futures 2020 (with Sainsbury's and Unilever). Before joining the Forum, Crossley worked for a large food manufacturing company as a food sector research analyst and as a factory financial controller. He also worked for KPMG for four years. Crossley has an MSc in environmental technology from Imperial College London, where he specialized in "business and sustainability," and a B.A. in geography from Cambridge University.



BELLA DEPAULO, author, *Singled Out: How Singles Are Stereotyped, Stigmatized, and Ignored, and Still Live Happily Ever After*

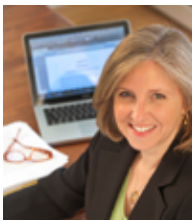
DePaulo is the author of several books, including *Singled Out: How Singles Are Stereotyped, Stigmatized, and Ignored, and Still Live Happily Ever After* and *Singlism: What It Is, Why It Matters, and How to Stop It*. She has written the "Living Single" blog at *Psychology Today* since 2008 and has contributed to the Huffington Post since 2006. DePaulo has discussed the place of singles in society on radio and television, including NPR and CNN, and has been quoted in numerous newspapers. Her op-ed essays have appeared in publications including *The New York Times*, *The Chronicle of Higher Education* and *Forbes*. She holds a Ph.D. from Harvard University and has served as a visiting professor at UC Santa Barbara.

APPENDIX: MORE ABOUT OUR INFLUENCERS/EXPERTS



KEN DYCHTWALD, president and CEO, Age Wave

Dychtwald's firm, Age Wave, was created to guide Fortune 500 companies in product and service development for Boomers and mature adults. His explorations and solutions have catalyzed a broad spectrum of industry sectors. During his career, he has given presentations to more than 2 million people and has regularly been featured in leading media discussing the lifestyle, marketing, health care and workforce implications of the age wave. He is a psychologist, gerontologist, documentary filmmaker, entrepreneur and author of 15 books on aging-related issues, including *Bodymind*, *Age Wave*, *Age Power*, *The Power Years* and *A New Purpose*. Dychtwald has served as a fellow of the World Economic Forum, and he is the recipient of the ASA award for outstanding national leadership in the field of aging. His article in *The Harvard Business Review*, "It's Time to Retire Retirement," earned the prestigious McKinsey Award.



DONNA FENN, journalist; author, *Upstarts! How GenY Entrepreneurs Are Rocking the World of Business*

Fenn is an author and journalist who has written about entrepreneurship and small business trends for more than 20 years. She is the author of *Upstarts! How GenY Entrepreneurs Are Rocking the World of Business* and *Alpha Dogs: How Your Small Business Can Become a Leader of the Pack*, and is a contributing editor at *Inc.* magazine and a blogger on Inc.com. Fenn is also co-founder of YEC Mentors, a division of Young Entrepreneur Council, which provides members with access to tools, mentorship, community and educational resources. In 2001, she was a co-recipient of the Women's Economic Round Table Entrepreneurship Prize, sponsored by the Kauffman Center for Entrepreneurial Leadership, and was named a 2011 top Small Business Influencer Champion by Small Business Trends and Smallbiztechnology.com. She lives in Pelham, N.Y., and is the proud mom of two GenYers.



BRIAN HOUSE, creative technologist, Research and Development Lab, The New York Times Co.

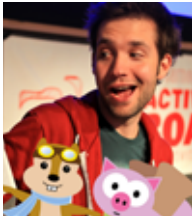
House, a creative technologist at the Research and Development Lab at The New York Times Co., is a bricoleur whose work has traversed locative media, experimental music, interactive narrative and social practice. By constructing embodied, participatory systems, he seeks to negotiate between programmed constraints and the serendipity of everyday life. At the New York Times Co.'s R&D Lab, his interests include personal data, biometrics and behavior mining. He is on the MFA faculty at Parsons Design and Technology and previously led technology at the award-winning design studio Local Projects. His project "Yellow Arrow," a pioneering work in social locative media that involved stickers, mobile phones and participants in 467 cities around the world, was included in MoMA's 2008 exhibition "Design and the Elastic Mind."



CHARMIAN LOVE, chief executive, Volans

Prior to joining Volans, a specialist consultancy and think tank focused on social innovation, Love was a consultant with The Boston Consulting Group. During her career she has worked on a range of projects focused on innovation, economic development, social entrepreneurship and social finance. Love is past chair of the Flavelle Foundation, an advisory board member of the Queen's School of Business Centre for Responsible Leadership and a Fellowship Council member at the RSA. She holds a degree in art history from Queen's University and an MBA from Harvard Business School.

APPENDIX: MORE ABOUT OUR INFLUENCERS/EXPERTS



ALEXIS OHANIAN, co-founder, *Reddit*; founder, *Breadpig*

Ohanian describes himself as a “startup guy” who would “like to make the world suck less.” He co-founded the social news site *Reddit* after graduating from the University of Virginia in 2005. *Breadpig* is a U.S.-based nonprofit that sells sustainably developed products and donates the proceeds to nonprofits. Ohanian also helped launch *Hipmunk*, a flight and hotel search site; serves as “ambassador to the East” for *Y Combinator*; and is an angel investor at *Das Kapital Capital*. He makes regular TV appearances as a contributor for *Bloomberg TV*.



ELI PARISER, author, *The Filter Bubble: What the Internet Is Hiding From You*

Pariser is an online organizer and disorganizer, the former executive director of *MoveOn* (and now the board president), a co-founder of *Avaaz.org* and author of *The Filter Bubble: What the Internet Is Hiding From You*. Shortly after the 9/11 attacks, Pariser created a website calling for a multilateral approach to fighting terrorism; in the following weeks, over half a million people from 192 countries signed on, and Pariser became an online organizer. The website merged with *MoveOn.org*, and at age 20, Pariser joined the group to direct its foreign policy campaigns. In 2004 he became executive director of *MoveOn*, and under his leadership it grew to 5 million members and raised over \$120 million from millions of small donors to support advocacy campaigns and political candidates. Pariser has appeared as a commentator on various TV shows, and his op-eds have been published in *The Washington Post* and *The L.A. Times*, among other periodicals. He lives in Brooklyn, N.Y.



MILTON PEDRAZA, CEO, *Luxury Institute*

Pedraza is CEO of the *Luxury Institute*. Through proprietary surveying techniques with high-net-worth consumers, Pedraza has established the New York-based *Luxury Institute* as the luxury brand ratings and research and *Luxury CRM* consulting institution that is the voice of high-net-worth consumers. Prior to founding the *Luxury Institute*, he served in finance, marketing, sales and senior management positions at *Altria*, *PepsiCo*, *Colgate*, *Citigroup* and *Wyndham Worldwide*. In charge of *CRM* for a major division of *Citigroup*, Pedraza was assigned to run *Citi's* first *Global CRM* project and won a *Global Marketing* award for his results. At *Cendant* (now *Wyndham*), he was also assigned to run the company's first *CRM* project in addition to running *Luxury Segments*. Pedraza is a frequently quoted expert on luxury around the globe.



KATHLEEN D. VOHS, associate professor of marketing, *McKnight Presidential Fellow*, *Carlson School of Management*, *University of Minnesota*

VoHS is associate professor of marketing, *McKnight Presidential Fellow* and *Land 'O Lakes Professor of Excellence in Marketing* at the *University of Minnesota*. She applies her extensive background in psychology to business issues in order to advance new areas of marketing research. VoHS' research specialties include self-regulation (particularly in terms of predicting impulsive spending, overeating among dieters and making a bad impression), self-processes (such as self-esteem) and the effects of making choices on self-regulatory ability. She has authored more than 130 scholarly publications and served as the editor of six books, and has written extensively on self-regulation, intrapersonal and interpersonal processes, the objective consequences of self-esteem, bulimic symptoms and consequences of self-control failure on impulsive behavior. VoHS was named a *McKnight Land-Grant Professor* (2007-2009), a *McKnight Presidential Fellow* at the *University of Minnesota* (2008) and received the 2008 *International Society for Self and Identity Early Career Award*.

APPENDIX: ADDITIONAL CHARTS

1 NAVIGATING THE NEW NORMAL



FIGURE 1C:
New Products for the New Normal (U.S., U.K.)

Percentage of American and British adults who agree:

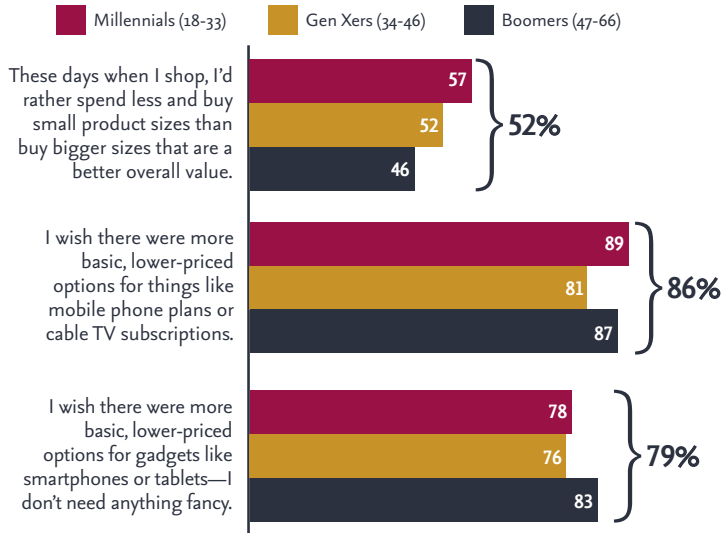
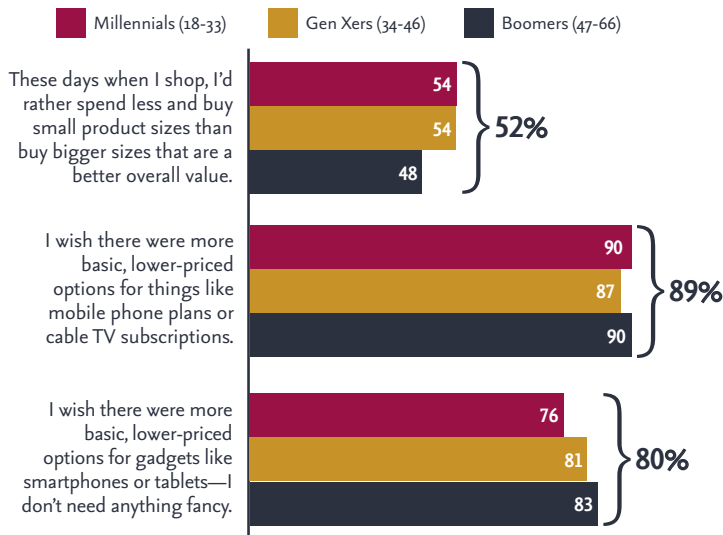


FIGURE 1D:
New Products for the New Normal (U.S.)

Percentage of American adults who agree:



APPENDIX: ADDITIONAL CHARTS

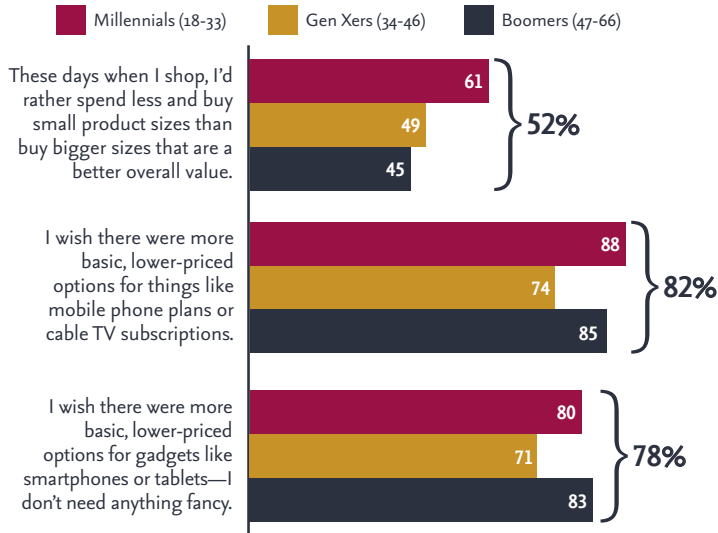
1 NAVIGATING THE NEW NORMAL (cont'd.)



FIGURE 1E:

New Products for the New Normal (U.K.)

Percentage of British adults who agree:



APPENDIX: ADDITIONAL CHARTS

2 LIVE A LITTLE

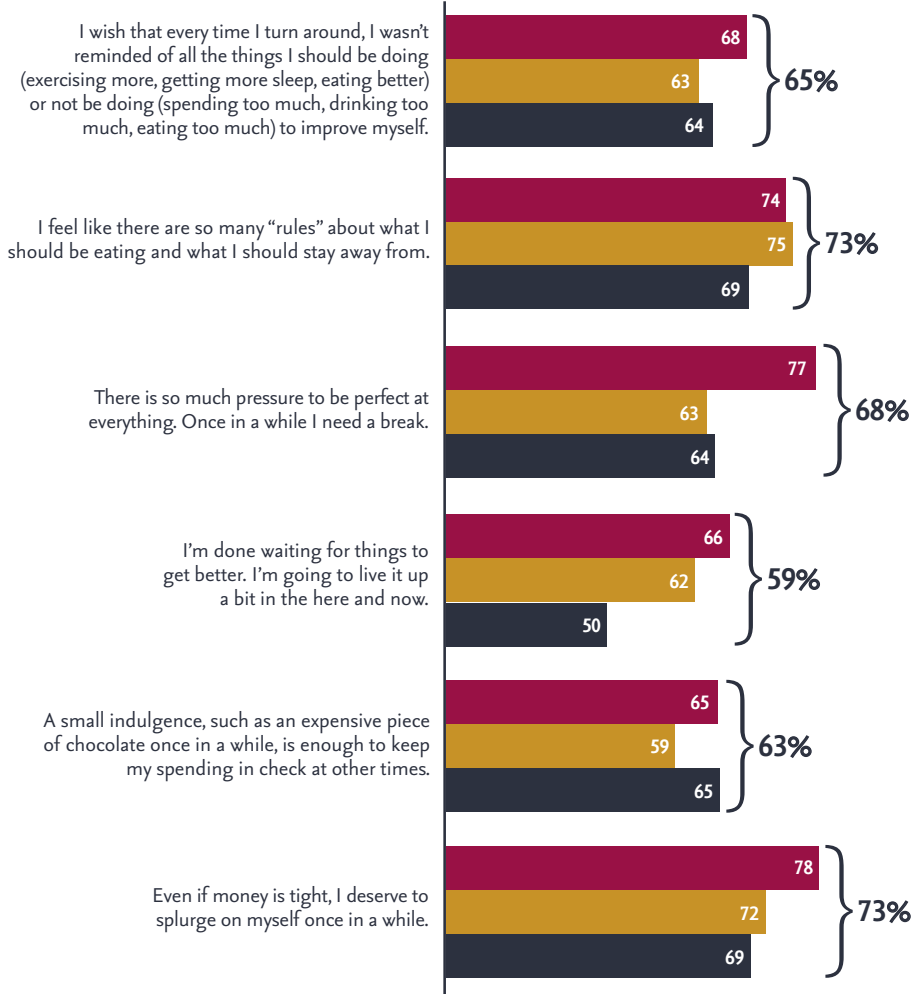


FIGURE 2B:

Living a Little (U.S.)

Percentage of American adults who agree:

■ Millennials (18-33)
 ■ Gen Xers (34-46)
 ■ Boomers (47-66)



APPENDIX: ADDITIONAL CHARTS

2 LIVE A LITTLE (cont'd.)

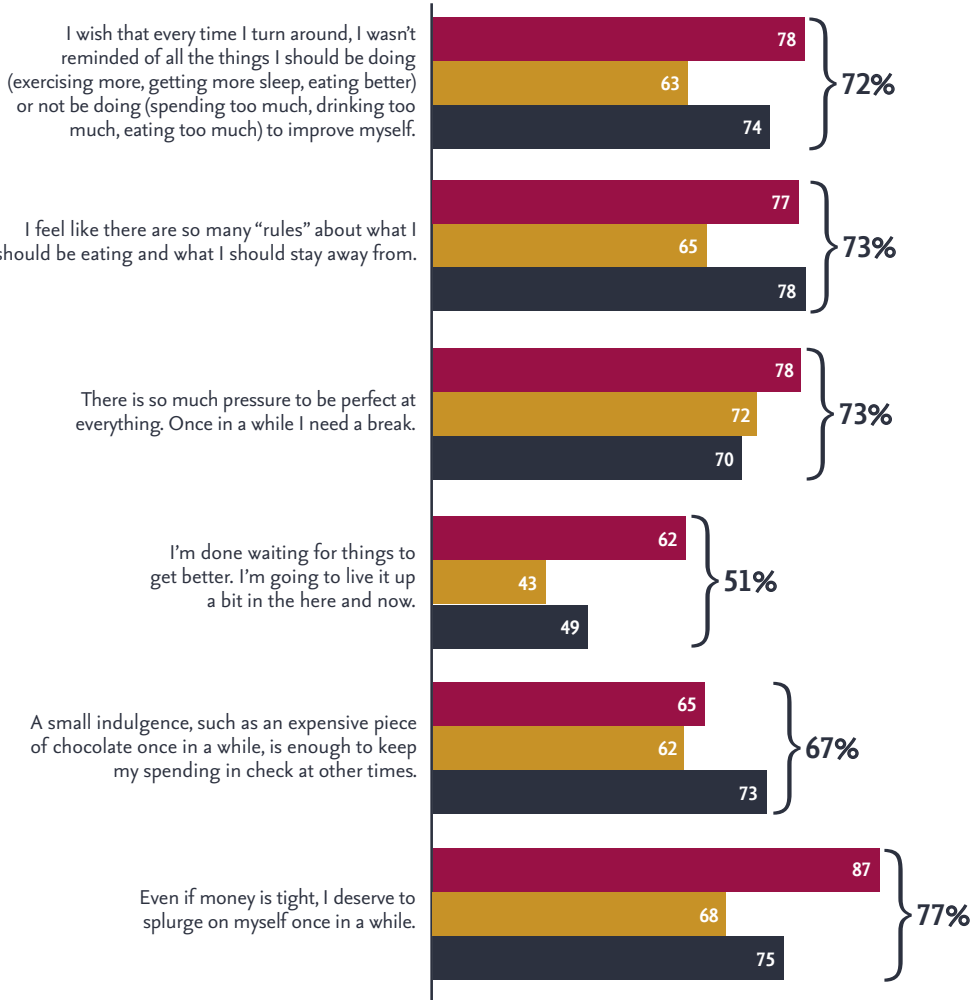


FIGURE 2C:

Living a Little (U.K.)

Percentage of British adults who agree:

Millennials (18-33) Gen Xers (34-46) Boomers (47-66)



APPENDIX: ADDITIONAL CHARTS

4 THE RISE OF SHARED VALUE



FIGURE 4B:

Consumer Expectation for Responsible Business (U.S.)

Percentage of American adults who agree:

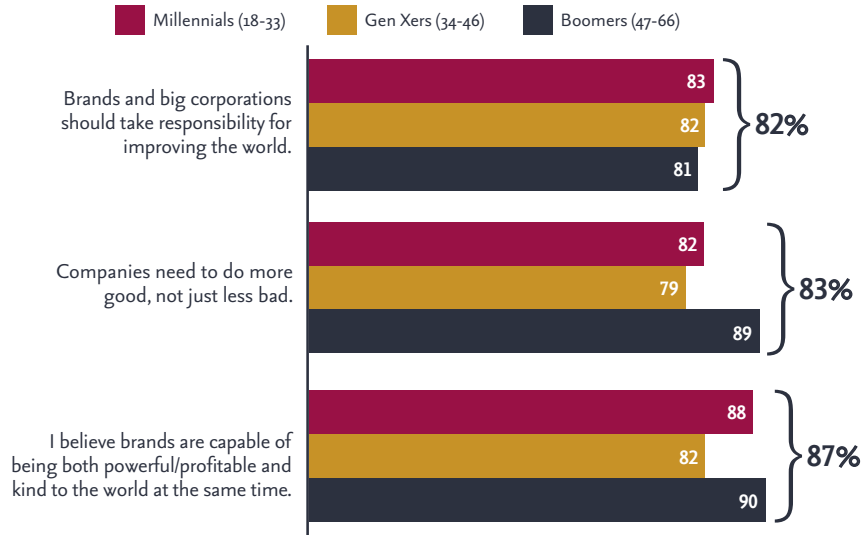
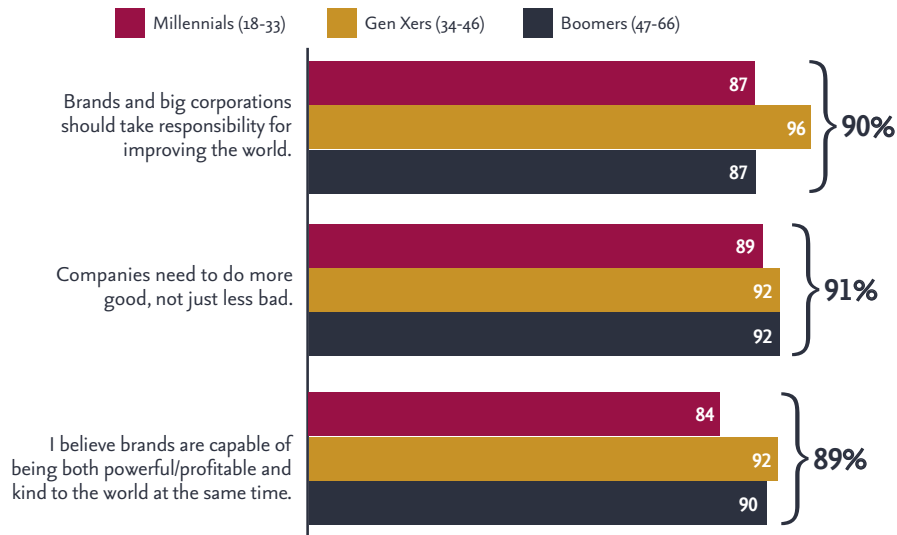


FIGURE 4C:

Consumer Expectation for Responsible Business (U.K.)

Percentage of British adults who agree:



APPENDIX: ADDITIONAL CHARTS

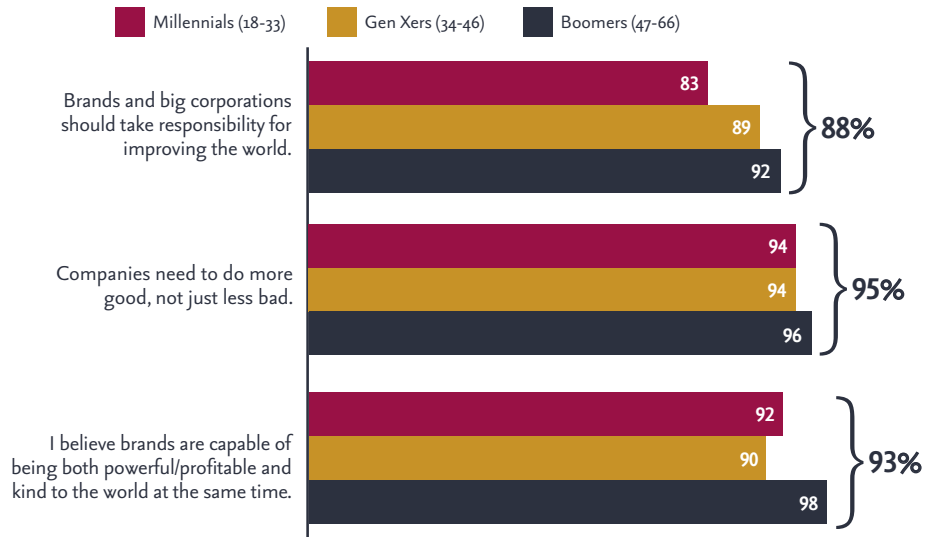
4 THE RISE OF SHARED VALUE (cont'd.)



FIGURE 4D:

Consumer Expectation for Responsible Business (CAN)

Percentage of Canadian adults who agree:



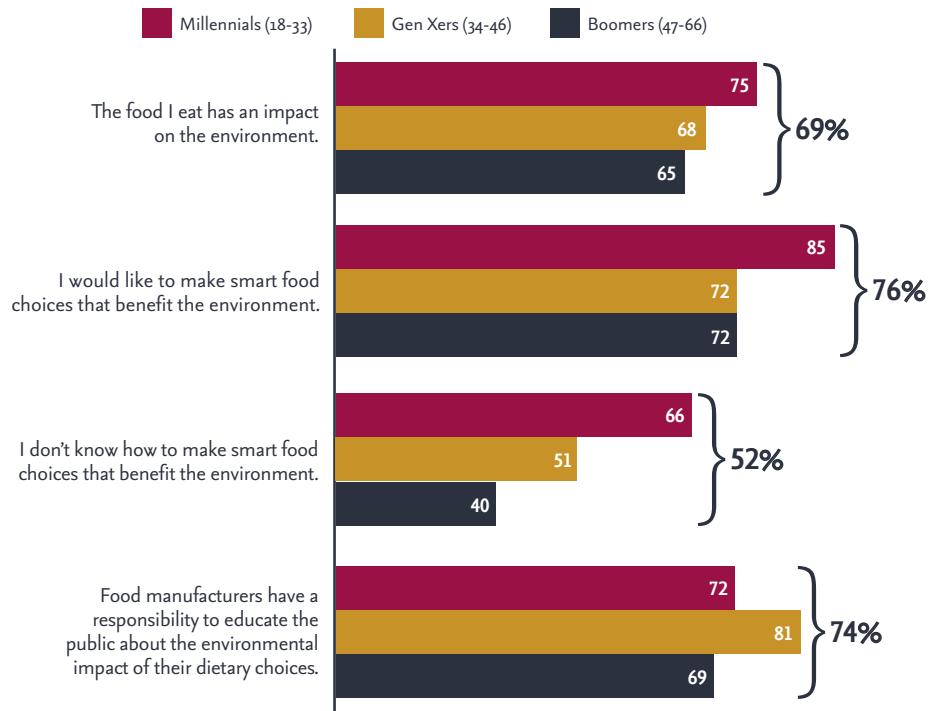
5 FOOD AS THE NEW ECO-ISSUE



FIGURE 5B:

Consumer Awareness Around Food Production and the Environment (U.S.)

Percentage of American adults who agree:



APPENDIX: ADDITIONAL CHARTS

5 FOOD AS THE NEW ECO-ISSUE (cont'd.)



FIGURE 5C:

Consumer Awareness Around Food Production and the Environment (U.K.)

Percentage of British adults who agree:

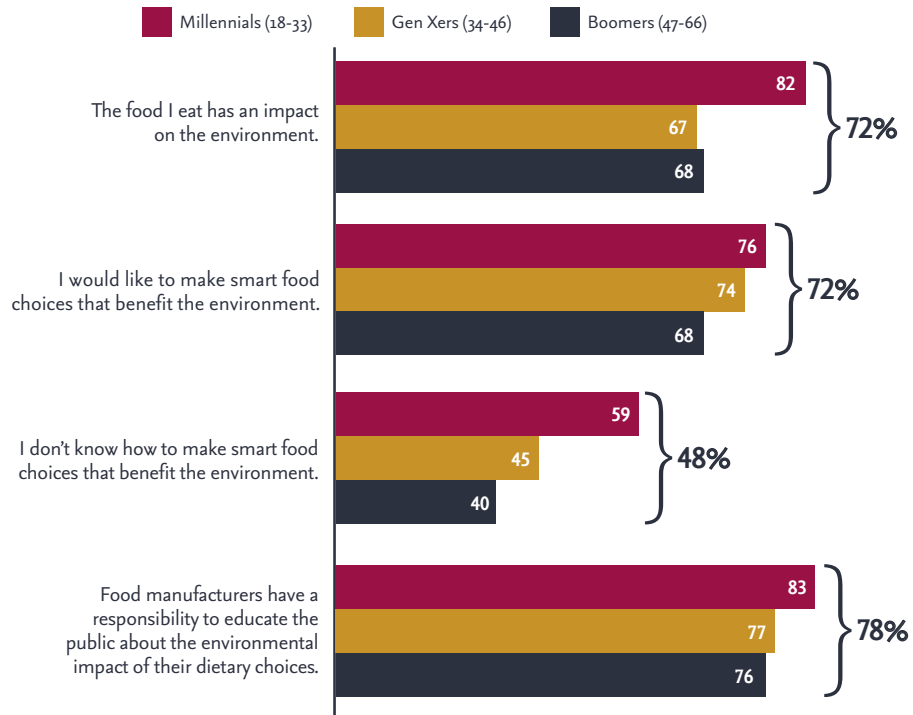
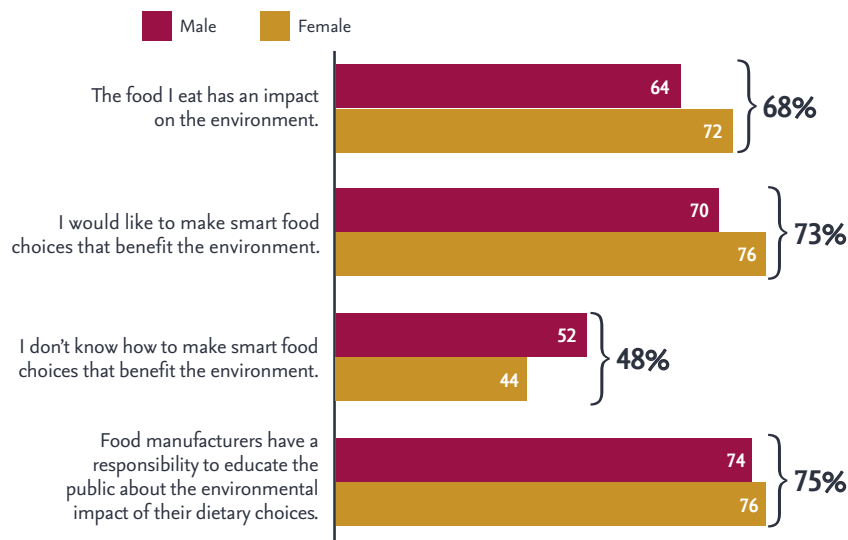


FIGURE 5D:

Consumer Awareness Around Food Production and the Environment (U.S., U.K.)

Percentage of American and British adults who agree:



APPENDIX: ADDITIONAL CHARTS

5 FOOD AS THE NEW ECO-ISSUE (cont'd.)

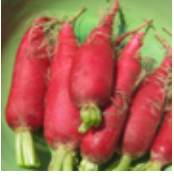


FIGURE 5E:

Consumer Awareness Around Food Production and the Environment (U.S.)

Percentage of American adults who agree:

Male Female

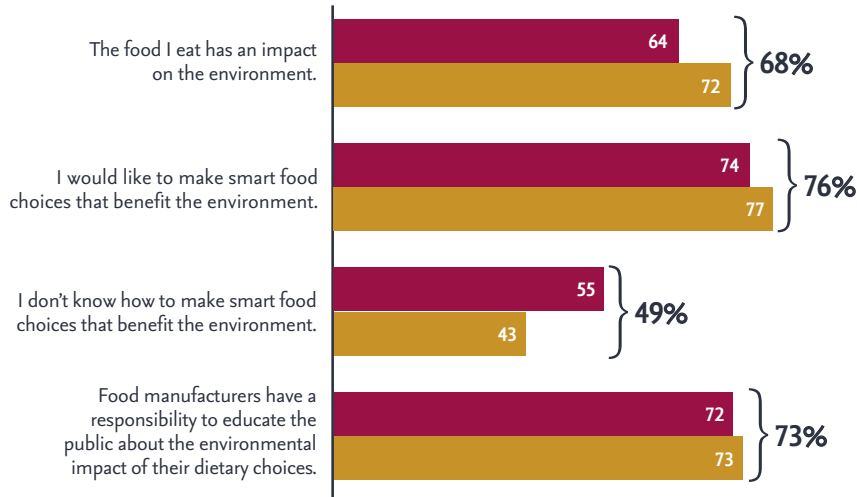
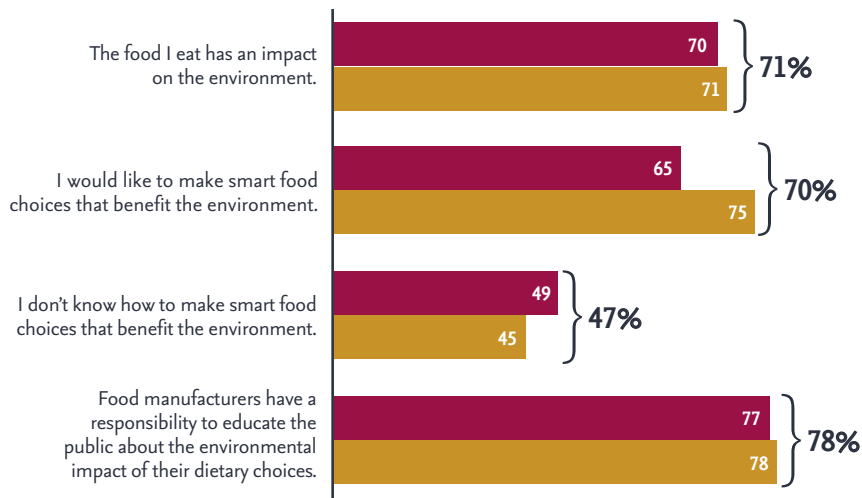


FIGURE 5F:

Consumer Awareness Around Food Production and the Environment (U.K.)

Percentage of British adults who agree:

Male Female



APPENDIX: ADDITIONAL CHARTS

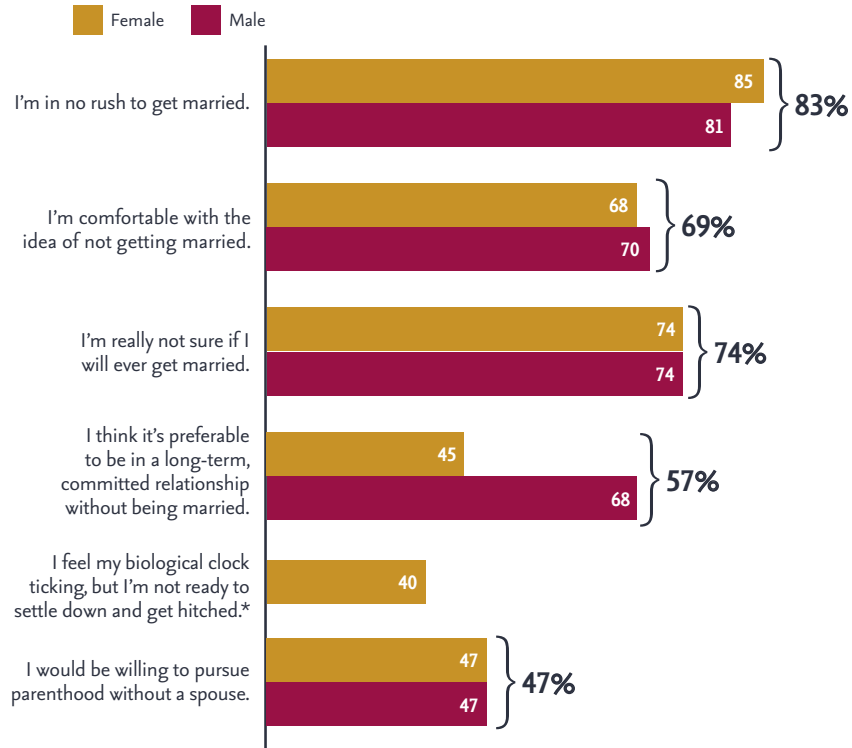
6 MARRIAGE OPTIONAL



FIGURE 6B:

Attitudes Toward Marriage and Parenthood (U.S.)

Percentage of American adults who have never been married who agree:



*Only asked to women.

APPENDIX: ADDITIONAL CHARTS

6 MARRIAGE OPTIONAL (cont'd.)

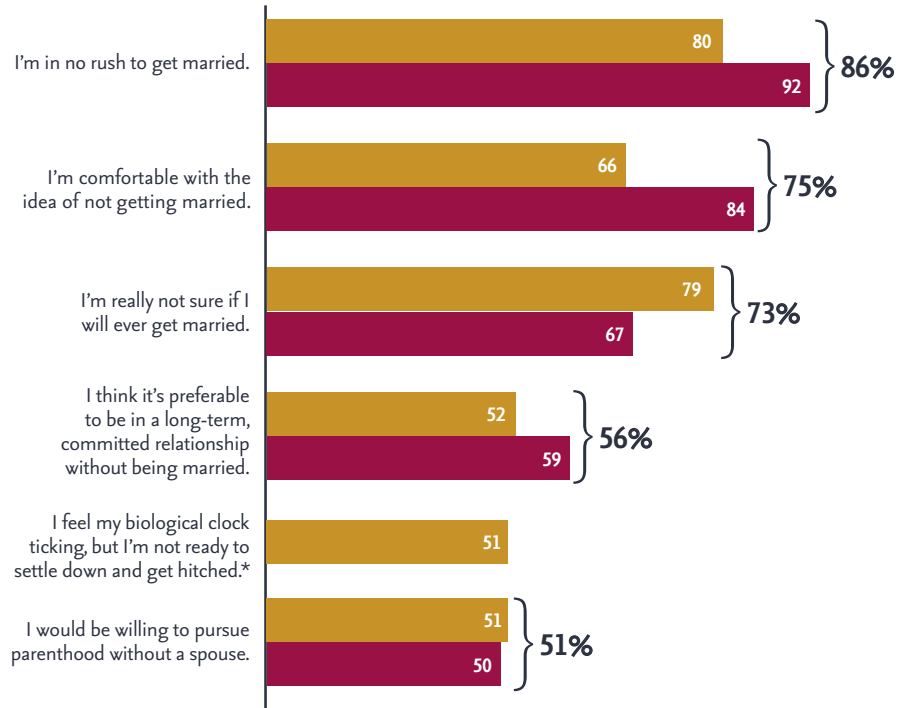


FIGURE 6C:

Attitudes Toward Marriage and Parenthood (U.K.)

Percentage of British adults who have never been married who agree:

Female Male



*Only asked to women.

APPENDIX: ADDITIONAL CHARTS

7 REENGINEERING RANDOMNESS



FIGURE 7C:
Hyper-Personalization (U.S.)

Percentage of American adults who agree:

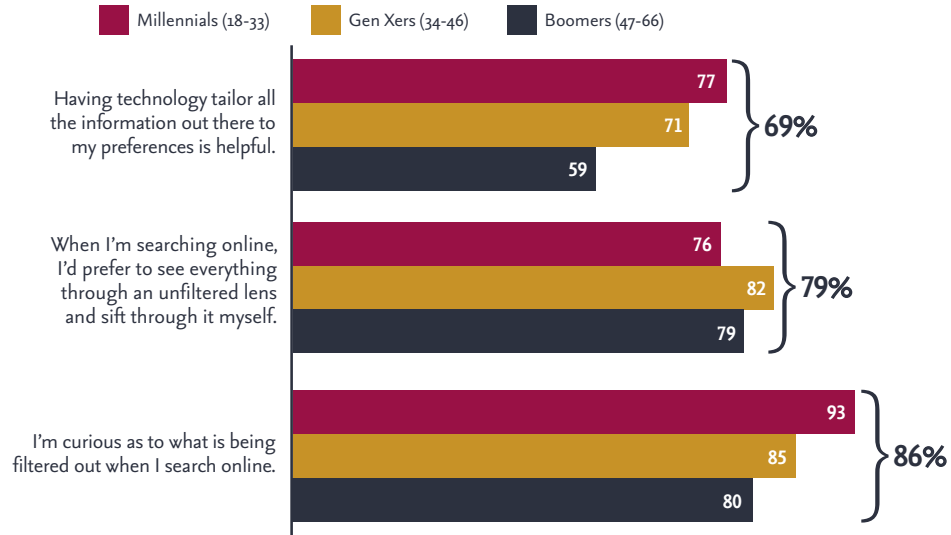
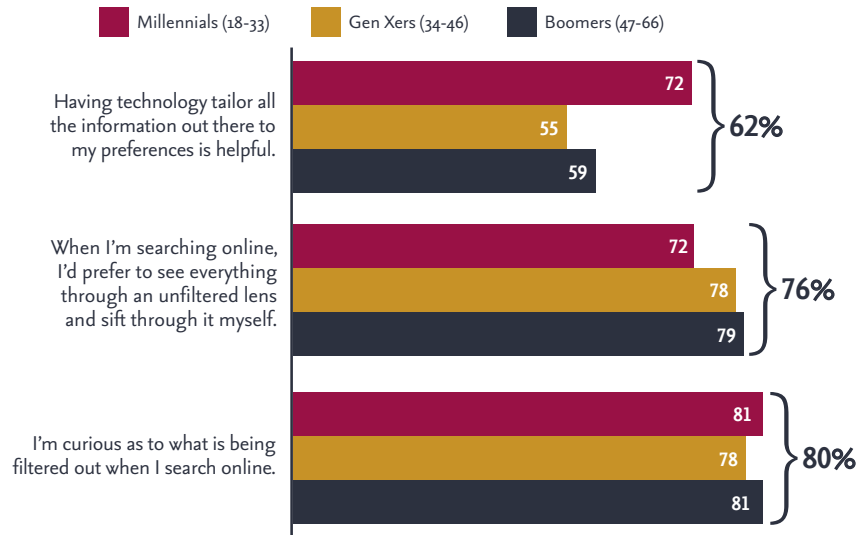


FIGURE 7D:
Hyper-Personalization (U.K.)

Percentage of British adults who agree:



APPENDIX: ADDITIONAL CHARTS

7 REENGINEERING RANDOMNESS (cont'd.)



FIGURE 7E:

Seeking out the Novel (U.S.)

Percentage of American adults who agree:

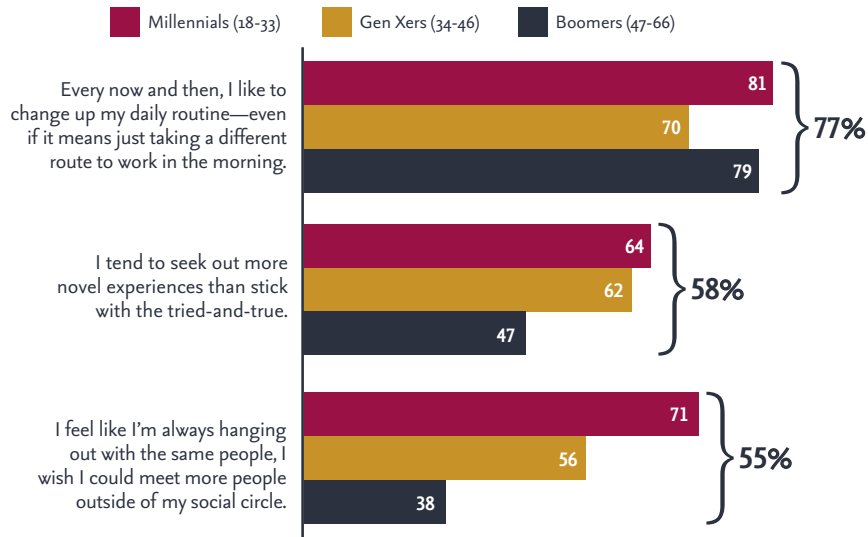
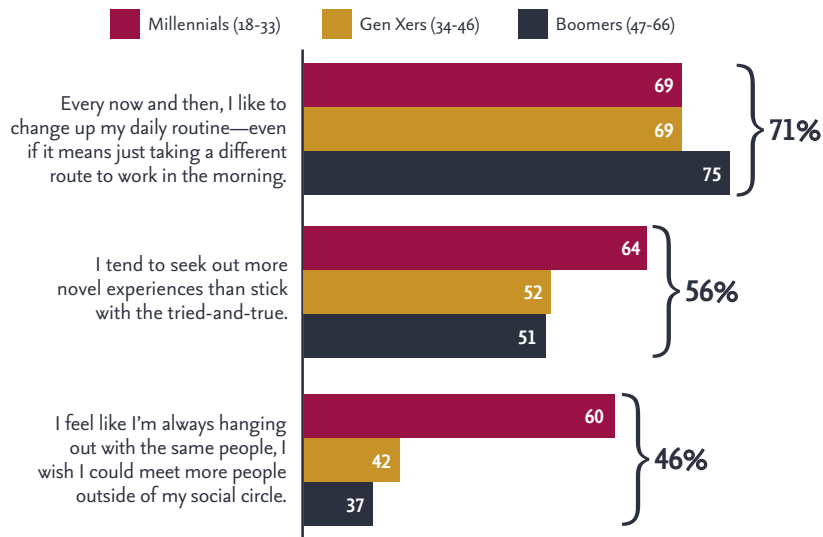


FIGURE 7F:

Seeking out the Novel (U.K.)

Percentage of British adults who agree:



APPENDIX: ADDITIONAL CHARTS

9 CELEBRATING AGING



FIGURE 9C:

Aging Gracefully (U.S.)

Percentage of American adults who agree:

Male Female

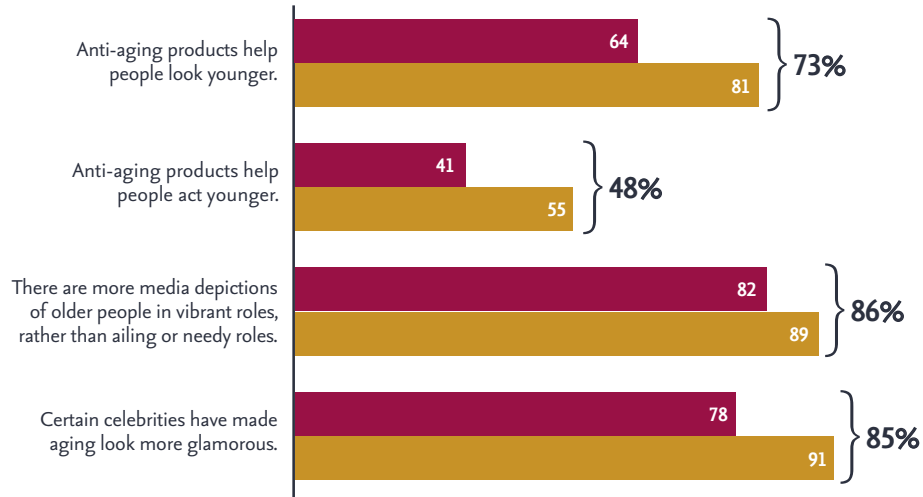
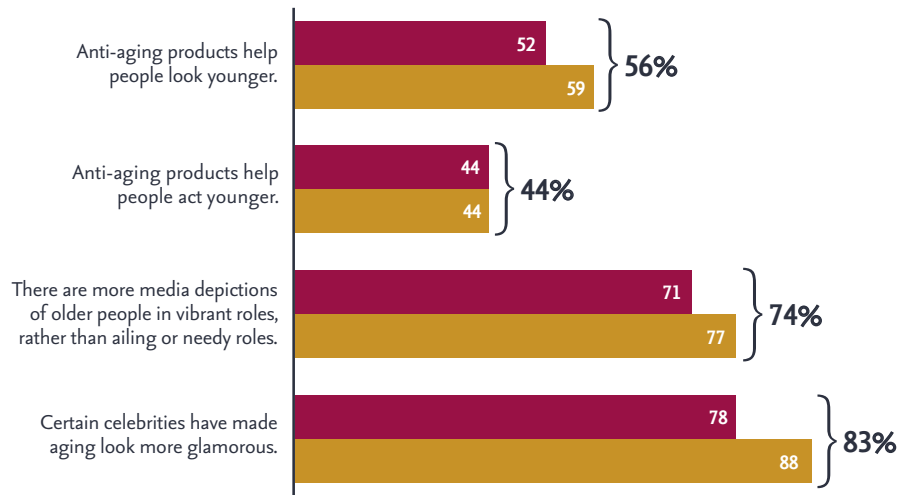


FIGURE 9D:

Aging Gracefully (U.K.)

Percentage of British adults who agree:

Male Female



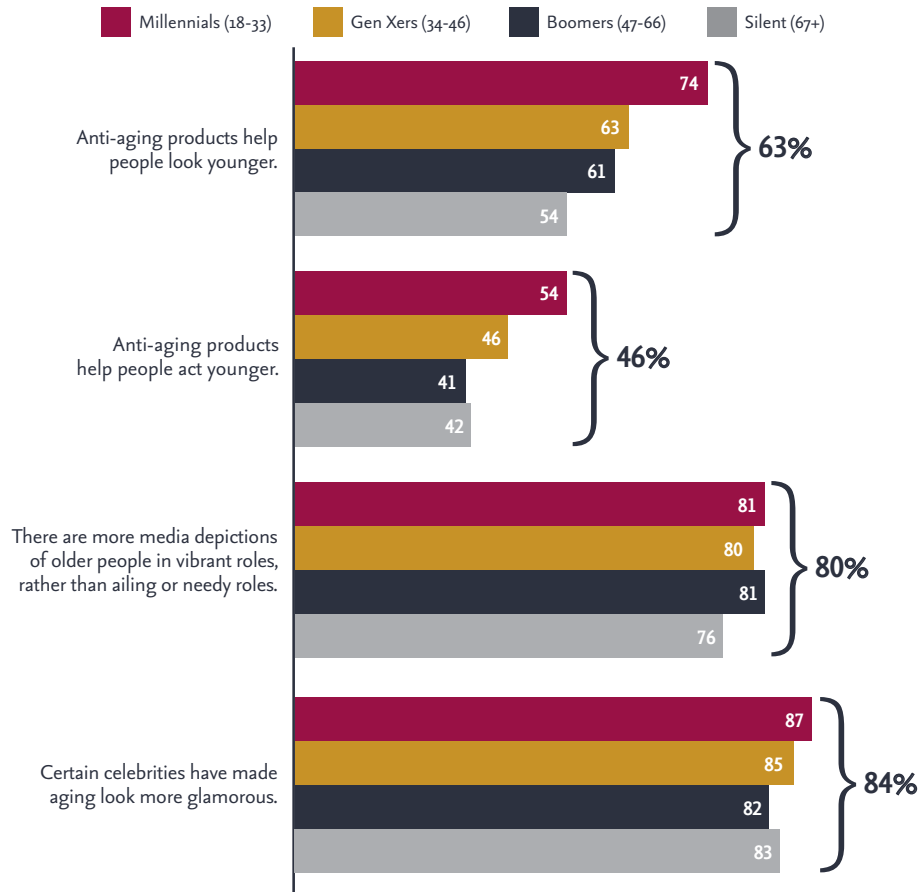
APPENDIX: ADDITIONAL CHARTS

9 CELEBRATING AGING (cont'd.)



FIGURE 9E:
Aging Gracefully (U.S., U.K.)

Percentage of American and British adults who agree:



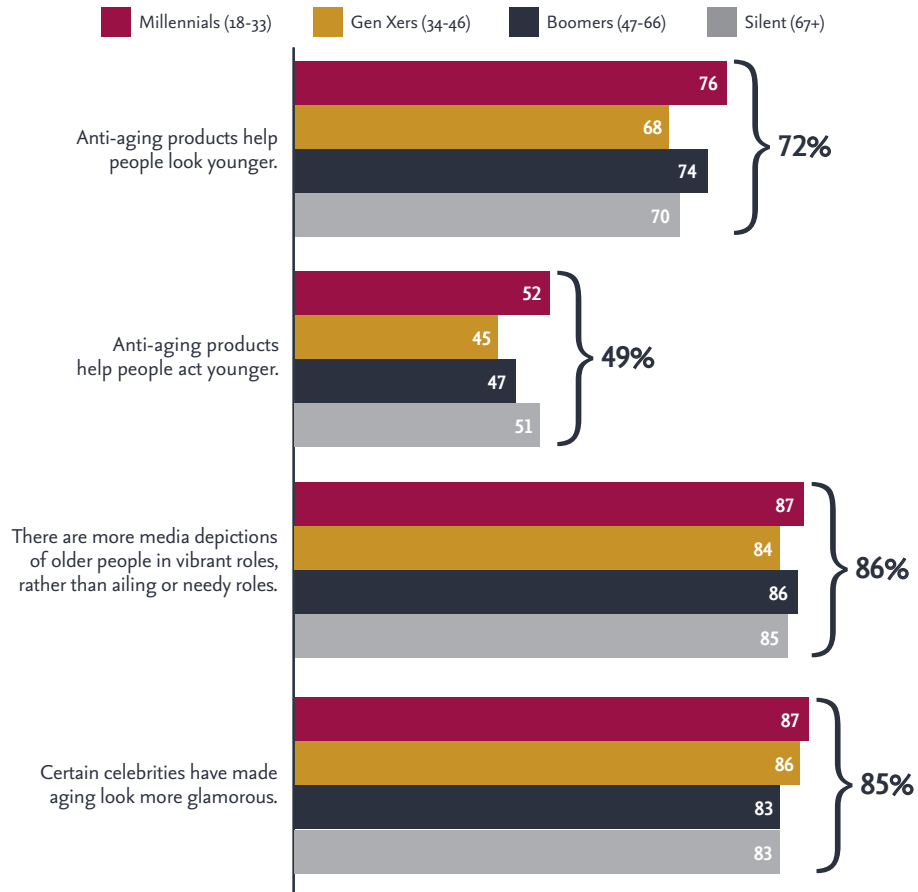
APPENDIX: ADDITIONAL CHARTS

9 CELEBRATING AGING (cont'd.)



FIGURE 9F:
Aging Gracefully (U.S.)

Percentage of American adults who agree:



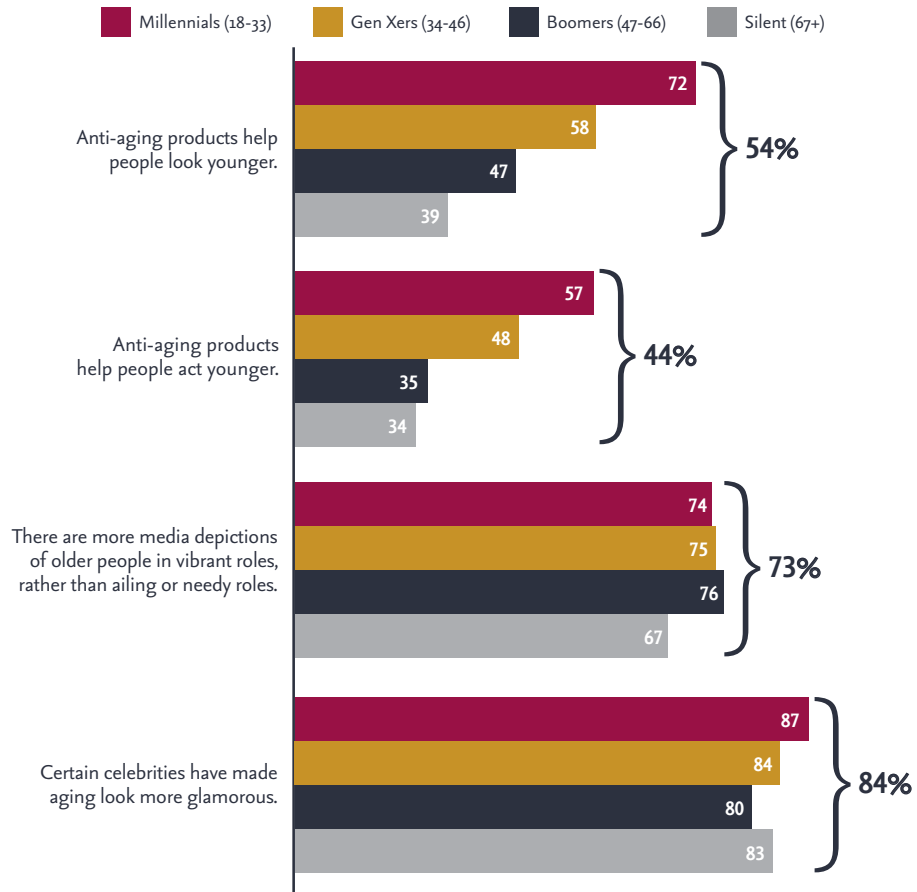
APPENDIX: ADDITIONAL CHARTS

9 CELEBRATING AGING (cont'd.)



FIGURE 9G:
Aging Gracefully (U.K.)

Percentage of British adults who agree:



APPENDIX: ADDITIONAL CHARTS

9 CELEBRATING AGING (cont'd.)



FIGURE 9H:

Embracing Age (U.S.)

Percentage of American adults who agree:

Male Female

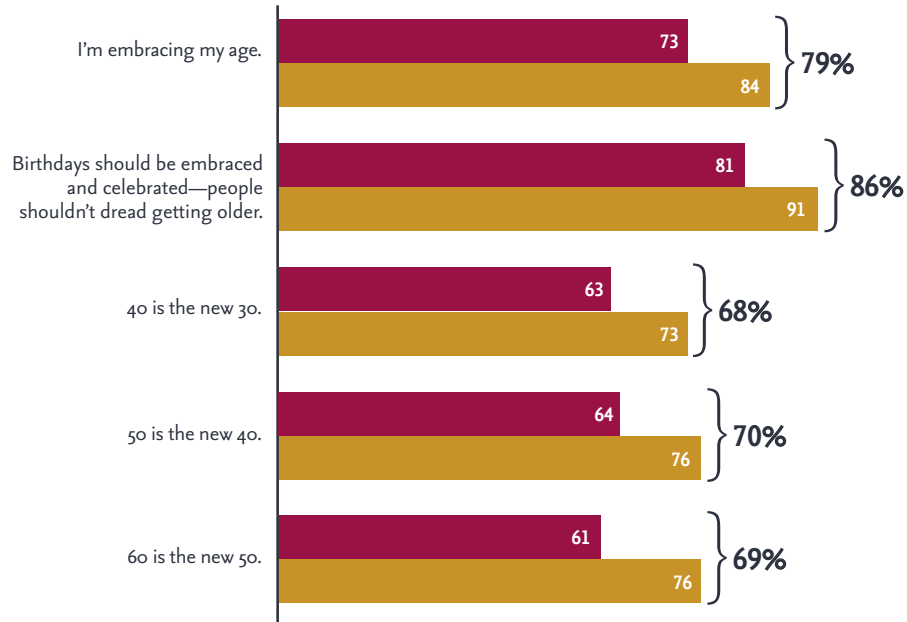
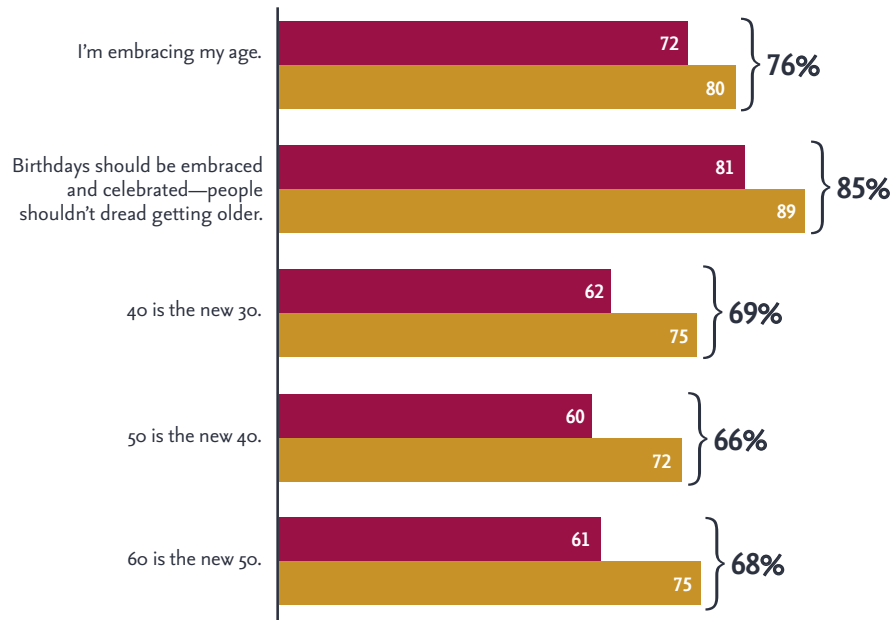


FIGURE 9I:

Embracing Age (U.K.)

Percentage of British adults who agree:

Male Female



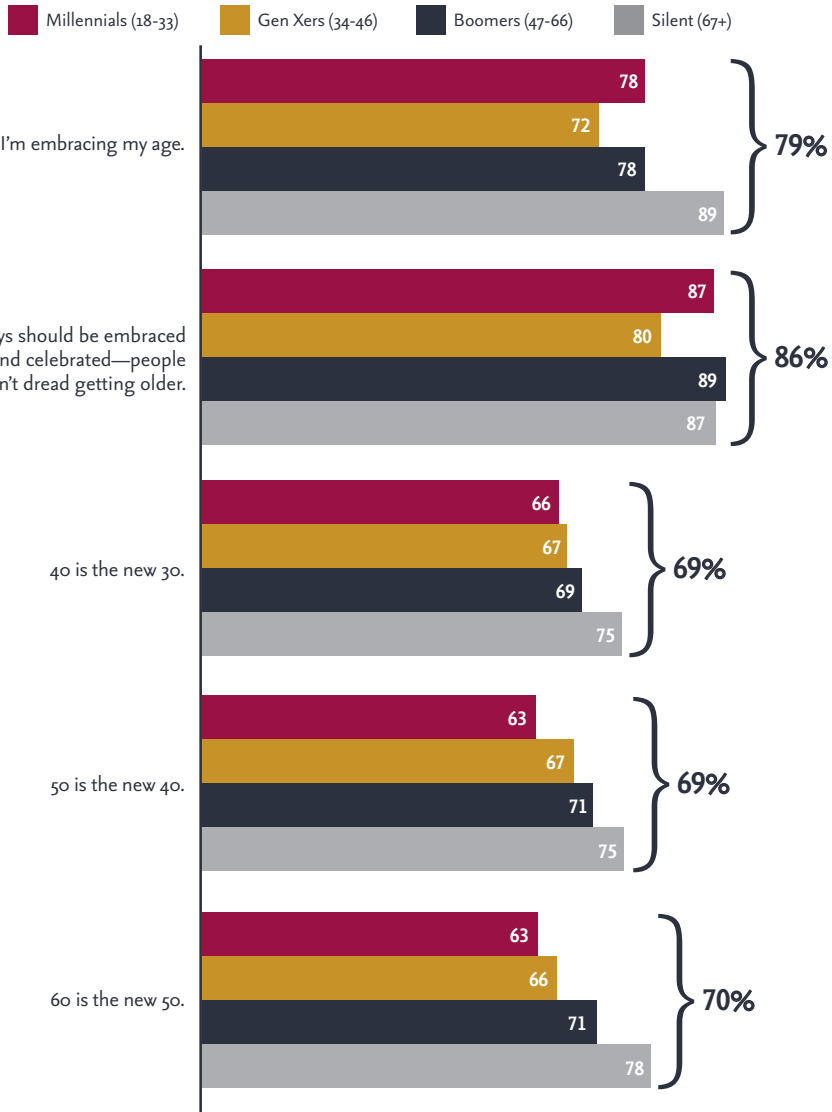
APPENDIX: ADDITIONAL CHARTS

9 CELEBRATING AGING (cont'd.)



FIGURE 9J:
Aging Gracefully (U.S., U.K.)

Percentage of American and British adults who agree:



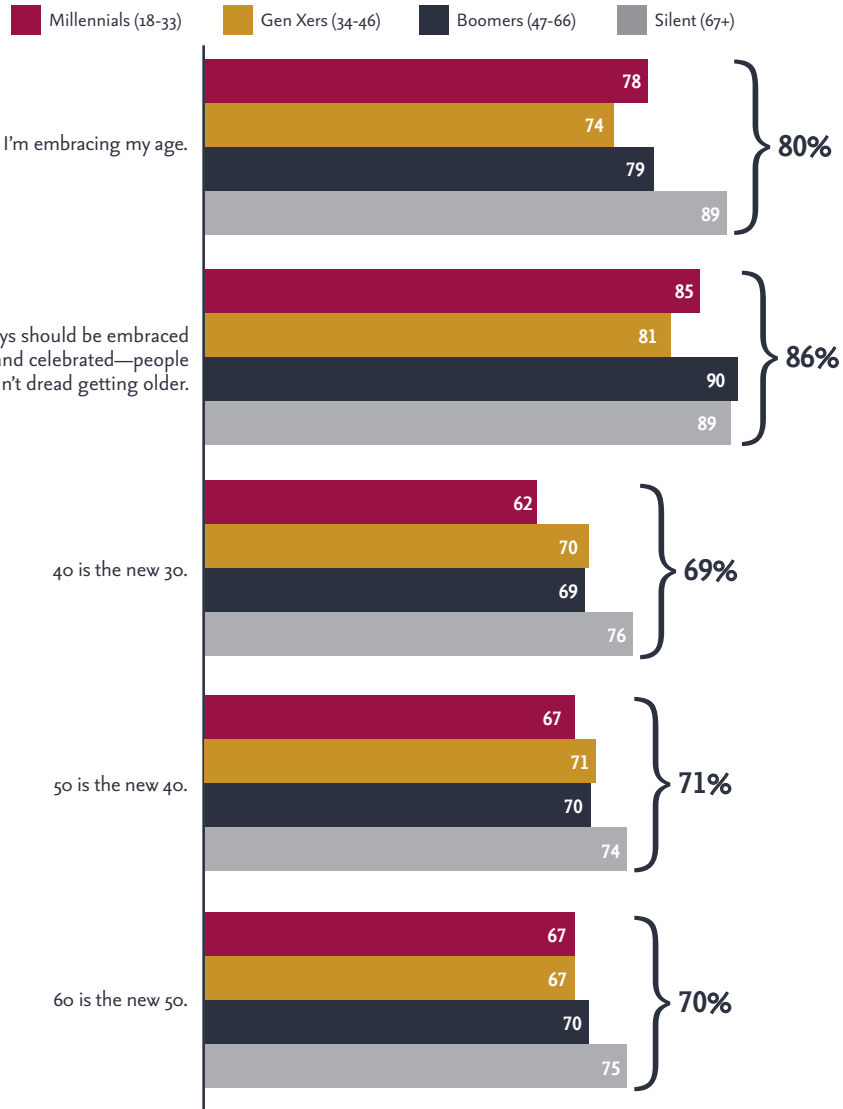
APPENDIX: ADDITIONAL CHARTS

9 CELEBRATING AGING (cont'd.)



FIGURE 9K:
Aging Gracefully (U.S.)

Percentage of American adults who agree:



APPENDIX: ADDITIONAL CHARTS

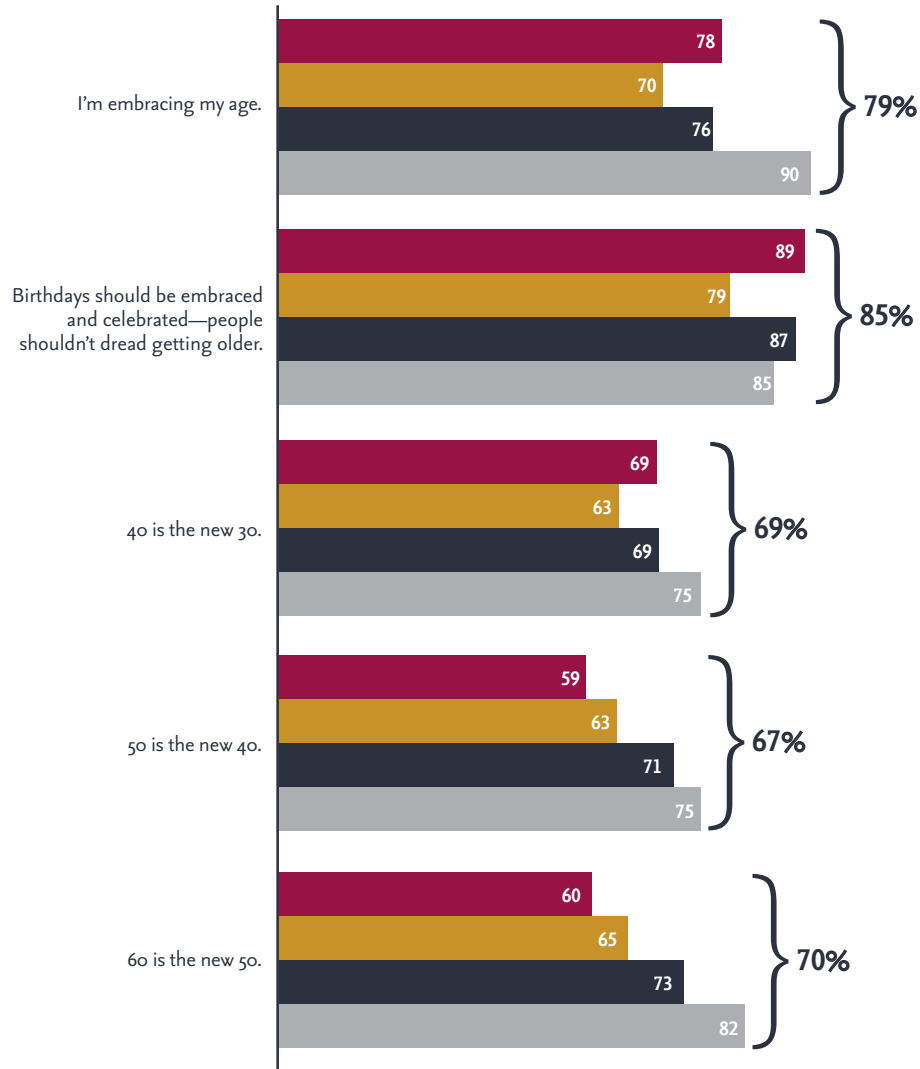
9 CELEBRATING AGING (cont'd.)



FIGURE 9L:
Aging Gracefully (U.K.)

Percentage of British adults who agree:

Millennials (18-33) Gen Xers (34-46) Boomers (47-66) Silent (67+)



APPENDIX: RELATED AND COUNTER TREND DESCRIPTIONS

These trends from our past few annual forecasts interrelate with one or more of our 2012 trends. For JWT employees, full writeups on these trends can be accessed via the Trend Bank or the Stephen King Library. For external readers, contact [Nicholas Ayala](#) to purchase any reports of interest.

All the World's a Game

Increasingly, brands will apply game mechanics (leader boards, leveling, stored value, privileges, superpowers, status indicators, etc.) to non-gaming spaces in an attempt to drive certain actions or behaviors. (10 Trends for 2010)

Career Extension and Reinvention

As people find themselves facing a forced career break due to economic hard times, many will reexamine their career path in a world where the ground has shifted substantially. Others, faced with much smaller nest eggs, will be forced to postpone retirement and extend their careers into their golden years. (10 Trends for 2009)

The Collective Consciousness

With the increasing popularity of online technologies and a new global mindset, people are thinking less about “me” and more about what “we” can do—collectively—to address the challenges of modern society. (10 Trends for 2009)

Cooperative Consumption

Sharing has never been so hip. Thanks to the rise of online social networking, people are sharing just about everything, from carpooling duties to their living rooms. (10 Trends for 2008)

Creative Urban Renewal

Human environments will become increasingly important as the global population grows more urbanized over the next few decades and cities boom. Brands will become key partners in enabling creative strategies for urban renewal—improving local environments, adding beauty or helping to bring communities together. (10 Trends for 2011)

Demography's Dead

Birth rates, death rates, life expectancy and gender ratios will remain the mainstays of demography, but long-held benchmarking assumptions are fast becoming irrelevant. Policymakers and marketers can no longer look at a set of age cohorts and come to meaningful conclusions about life stage. (10 Trends for 2008)

De-Teching

More people will choose to log off—at least temporarily—or engage in one tech activity at a time in an effort to re-engage in the offline present and/or to rewire their brains to be more effective. (10 Trends for 2011)

The Devil Wears Packaging

As the eco spotlight focuses on the environmental costs of packaging, brands will increasingly switch to bottles, boxes and other solutions that reduce, reuse, recycle, remove and renew. (10 Trends for 2010)

The Disappearing Generation Gap

Fourth-graders dial up their friends on cell phones, and teenage girls strut down the street in Ferragamo pumps—while moms sport canvas Converse and grandparents buy up Rolling Stone tickets. The generation gap has nearly closed, at least in the West, where medical and cosmetic advancements are redefining our ideas about age and aging. (10 Trends for 2007)

Eat, Pray, Tech

Worldwide, high-tech devices and services (and the skills to use them) are fast becoming as integral to people as food and clothing. In an interconnected, tech-driven and -enabled marketplace, the latest technology will be more than just a luxury or a guilty pleasure. (10 Trends for 2011)

APPENDIX: RELATED AND COUNTER TREND DESCRIPTIONS

The Energy Race

Global capitalism's next entrepreneurial Holy Grail is shaping up to be energy-friendly technologies. While the drop in oil prices and immediate economic concerns have taken some of the spotlight away from the energy challenge, significant funds have already been earmarked for alternative energy exploration. (10 Trends for 2009)

Hyper-Personalization

Today's consumers seek personalized products, services and experiences; tomorrow's will expect a personalized digital realm that offers up what they are most likely to need or want based on location, interests, demographic cohort, social network and so on. (See our 10 Trends for 2011)

Life in Real Time

The Web is evolving into a constantly updating stream of real-time information, conversation, memes and images. This is creating an increasingly mass culture and shifting perceptions of "current," moving modern life into the "now." (10 Trends for 2010)

Location-Based Everything

With more location-based services and advanced mobile and mapping technologies hitting the market, the conversation will become as much about "where I am" as it is about "what I'm doing" and "what's on my mind." (10 Trends for 2010)

Maximum Disclosure

While manufacturers and retailers have become increasingly transparent in recent years, legal requirements and competitive pressures will force fuller disclosure about everything from ingredients and calorie counts to carbon footprints and sourcing. (10 Trends for 2010)

The New Woman's Prerogative

No longer trapped by the domestic constructs of the 1950s or even by the corporate expectations of the 1980s, women are in greater control of their lives than ever before. Growing numbers of women are through with the 9-to-5 grind that kept them at the mercy of their employer's policies on child care and maternity leave; instead, they're harnessing a spirit of entrepreneurship. (10 Trends for 2007)

Non-Commitment Culture

Reluctant to commit to discretionary or big-ticket purchases, people are increasingly opting for choices that require a less-permanent commitment. Consumers will be more likely to rent goods, buy them one year and sell them the next, or share them with friends. (10 Trends for 2011)

Outwitting Disease

Across the developed world, people are living longer than ever, thanks to greater health awareness and advances in medical science. That's not to say that older generations are leading disease-free lives. But pills and procedures (often non-invasive) are allowing more people to live with chronic ailments and survive surgeries that have historically killed patients at a younger age. And in many cases, they're able to sustain a fairly comfortable quality of life. (10 Trends for 2008)

Queen Trumps King

One of the most important shifts shaping demography is the rising power of women. Persistent problems like unequal pay, domestic violence, rape, sex trafficking and the abortion of female fetuses in some countries won't abate significantly anytime soon—but as women go further in education, hone their flair for today's work styles and become choosier in the mating game, the balance is tipping in their favor. (10 Trends for 2008)

Reading the Fine Print

Consumers will be working harder than ever, putting more time and energy into finding good values, reading the fine print and learning the ins and outs of nutrition, environmental impact and ethical business practices. (10 Trends for 2010)

APPENDIX: RELATED AND COUNTER TREND DESCRIPTIONS

Recessionary Living

The global recession has spurred people to make adjustments in their standard of living, whether it be cutting back on spending, trading down, choosing quality over quantity or becoming adept at relying on their own resources. (10 Trends for 2009)

Redistribution of Power

The coming years will see a widespread redistribution of power in almost every major sphere: economic, social and political. (10 Trends for 2009)

Retail as the Third Space

Retail spaces will increasingly serve as a “third space” that’s only partly about shopping. With more people buying online as well as downloading digital versions of physical goods, shopping is becoming as much about experiences, unique environments and customer service as it is about the merchandise. (10 Trends for 2011)

Retooling for an Aging World

As the world’s population grows older than it’s ever been, watch for a proliferation of products and services that cater to this demographic as they strive to live independently for as long as they can. (10 Trends for 2010)

Searching for Stability

While many indicators point to the beginnings of an economic recovery, consumers will continue to exercise restraint until they see more clear, dependable and closer-to-home signs of stability. Unemployment lifting will be a key barometer for consumers. (10 Trends for 2010)

Simple Pleasures

The reality or the risk of money running short is a major incentive for consumers to find new ways of enjoying what they have and what they can truly afford. Rather than splurging on extravagant treats and “retail therapy,” consumers will look to small pleasures as a more suitable and satisfying way to feel good. (10 Trends for 2009)

The Small Movement

With businesses driven to achieve efficiencies from the top and the bottom (in terms of energy, expenses, both or otherwise), everything is getting smaller, from homes to cars to technology to packaged goods to supply chains. (10 Trends for 2009)

Trickle-Up Innovation

Products designed for emerging markets are increasingly filtering into the developed world, where consumers are welcoming them as cheaper and simpler alternatives to existing choices. (10 Trends for 2010)

The World Is Local

Security measures, fluctuating gas prices and the sheer number of people traveling are making business and leisure travel a lot less quick and convenient than it was even a decade ago. At the same time, with Web and mobile devices, interactive media can help you find whatever you need right in your own corner of the world. These are two key factors helping to tip the balance of interest away from “somewhere else” and toward “where I am now.” Global is shifting to local. (10 Trends for 2008)

Worlds Colliding

The borders between the online world and the physical world are becoming increasingly fuzzy. Mobile gadgets are bridging the two worlds, and all kinds of objects/devices are becoming Internet-enabled. So not only will we have a multitude of connected gadgets, but objects like fridges or even dog collars will connect to the Internet. The latter is often referred to as the Internet of Things. (10 Trends for 2011)

ABOUT US

JWT

JWT is the world's best-known marketing communications brand. Headquartered in New York, JWT is a true global network with more than 200 offices in over 90 countries employing nearly 10,000 marketing professionals.

JWT consistently ranks among the top agency networks in the world and continues its dominant presence in the industry by staying on the leading edge—from producing the first-ever TV commercial in 1939 to developing award-winning branded content for brands such as Smirnoff, Macy's, Ford and HSBC.

JWT's pioneering spirit enables the agency to forge deep relationships with clients including Bayer, Bloomberg, Cadbury, Diageo, DTC, Ford, HSBC, Johnson & Johnson, Kellogg's, Kimberly-Clark, Kraft, Nestlé, Nokia, Rolex, Royal Caribbean, Schick, Shell, Unilever, Vodafone and many others. JWT's parent company is WPP (NASDAQ: WPPGY).

JWTIntelligence

JWTIntelligence is a center for provocative thinking that is a part of JWT. We make sense of the chaos in a world of hyper-abundant information and constant innovation—finding quality amid the quantity.

We focus on identifying changes in the global zeitgeist so as to convert shifts into compelling opportunities for brands. We have done this on behalf of multinational clients across several categories including pharmaceuticals, cosmetics, food, and home and personal care.

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466 Lexington Avenue
New York, NY 10017

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10 TRENDS FOR 2012

Director of Trendspotting	Ann M. Mack
Editor/writer	Marian Berelowitz
Trends strategist	Jessica Vaughn
Trends strategist	William Palley
Proofreader and contributor	Nicholas Ayala
Contributors	Patty Orsini Deanna Zammit
Sonar™	Mark Truss Karen Montecullo
Design	Peter Mullaney

CONTACT:

Ann M. Mack
212-210-7378
ann.mack@jwt.com
[@annmmack](https://twitter.com/annmmack)

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