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1 – MICROTRENDS

The most powerful forces shaping society and the future are not megatrends but emerging, counterintuitive microtrends – small, under-the-radar forces that can involve as little as 1% of the population. In fact, by the time a trend hits 1% (3 million people in the US – if they're the right 3 million), it is ready to spawn a hit movie, best-selling book, or new political movement.

This is the premise of *Microtrends: The Small Forces Behind Tomorrow's Big Changes* (Penn, Zalesne). "A microtrend is an intense identity group that is growing, and that has needs and wants unmet by the current crop of companies, marketers, policy-makers, and others who would influence society's behavior." Using polls and survey data, the authors identify 75 such groups who, by virtue of their daily decisions, are forging the shape of America and the world both today and tomorrow. Among the more interesting:

- **Sex-ratio singles:** Among marriageable singles, there are 109 million females but only 98 million men. So more than ever before, single women aren't waiting for Mr. Right. They are raising children by themselves and buying their own homes.
- **Second-Home Buyers:** 40% of all residential housing sales are to second homebuyers (2005). A growing number of middle-class residents are shuttling between two homes, creating new communities and dynamics in the real estate market.
- **Sun Haters:** 93% of Americans know excessive exposure to sunlight can be

detrimental to health. Environmentalists, skin cancer survivors, and parents are amongst the most concerned.

- **Old New Dads:** One out of every 18 births in the US involves a father aged 50 or older (2002). Fathers in their 40s and 50s are taking on a larger role in the nurturing of their children.

The book is divided into fifteen thematic sections covering topics such as Politics, Looks and Fashion, Technology, Education, Family Life, Teens, Race and Religion, Leisure and Entertainment, Health and Wellness, Lifestyle, and Work Life. Within each section are several chapters dealing with emerging microtrends. Some of the other groups identified and defined:

- **Pet Parents:** 63% of American households have pets.
- **Young Knitters:** The fastest growing segment of this fast-growing hobby are women in their 20s.
- **Dutiful Sons:** 40% of the 44 million people in America who provide unpaid care to infirm adults are men.
- **Extreme Commuters:** 3.4 million Americans commute at least 90 minutes each way to work and back.
- **Stay-at-Home Workers:** 4.2 million Americans work from home.
- **30-Winkers:** 16% of Americans sleep less than 6 hours per night.
- **America's Home Schooled:** 1.1 million (2.2%), more than charter school and voucher-students combined.

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- **Uptown Tattooed:** 1 in every 3 Americans 25-to-29 now sports body ink, and 22% of the tattooed are high-earners.
- **College Dropouts:** 69% of high school graduates go to college, but graduation rates for four-year colleges are only 66%.
- **Newly-Released Ex-Cons:** now number 650,000 a year; over half will be re-incarcerated within 3 years.
- **Office romancers:** 60% of employees have been involved in an office romance.
- **Interracial Families:** 3 million marriages in America are interracial.
- **Protestant Hispanics:** one-quarter of US Latinos, about 10 million, are Protestant or other Christian.
- **Tech Fatales:** women influence 57% of technology purchases, some \$90 billion in 2006.
- **Working Retired:** there are 5 million people 65 or older in the US labor force.
- **Southpaws Unbound:** Left-handers are now 16% of the US population, double the share of two generations ago.
- **Hard-of-Hearers:** About 30 million Americans (1 in every 10) have experienced some hearing loss.

So the organizing principal of the future is the “niching” of America. These niches are sometimes overlapping and reinforcing, and sometimes incompatible and inconsistent. Is there still an America we can talk about as a whole, single entity? Yes, but there is not just one America anymore – there are hundreds – and success of any kind (in business, politics or marketing) depends on understanding the various groups and niches.

2 – KARMA QUEENS, GEEK GODS AND INNERPRENEURS

There has long been debate in the advertising and marketing communities about the efficacy of targeting influential people or groups (in the effort to reach and influence larger numbers of other people who follow or emulate). These influential people or groups have been called “early adopters,” “motivators,” “leading edge consumers,” “innovators,” and “influentials.” Will this strategy still work in an America of microniches?

Very much so, according the guys who run Consumer Eyes, a NY-based marketing firm (clients include Motorola, Pepsi, P&G, and J&J). After culling thousands of brand insights and putting them through the firm’s Consumer Immersion process, nine new “influencer” consumer groups were identified, labeled and described. They form the basis of *Karma Queens*, *Geek Gods* and *Innerpreneurs* (Rentel, Zellnik). Here’s a synopsis of the nine groups (with thanks to AdAge):

Karma Queens. Typically in her 40s or 50s, the Karma Queen is best described as a baby boomer ex-hippie. She appreciates woman-to-

woman brand connections, and responds to mind-body-spirit marketing efforts.

Geek Gods. Between 20 to 35, the Geek God is defined by his tech-savvy. He has plenty of disposable income *and* free time. He spends hours online every day.

Innerpreneurs. Both personally and socially conscious, Innerpreneurs of all ages and genders are the transformers whose plans to change their own lives end up changing ours. They respond to cause-related marketing (companies and brands that get involved in good causes).

Culture Crossers. Culture Crossers have transcontinental tastes. Their consumer choices in fashion, music, food, and media come from the hippest global trends they can find.

Middlemen. A seemingly hopeless but content 21-yo-35-year-old, the Middleman is uninterested in giving up his laid-back lifestyle. For some marketers, though, he’s a catch.

- Market and industry analysis
- Strategic business direction
- Growth dynamics

- Trend identification and analysis
- Keynotes and presentations
- Proprietary research and reports

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E-litists. Also known as “light greens,” E-litists make a show of their environmental bona fides. They don’t care about cost, only status and bragging rights.

Parentocrats. Also known as “helicopter parents” (they’re always hovering), Parentocrats obsess over obtaining and providing the best for their children – at any cost.

Denim Dads. The modern stay-at-home dad is admired for seeking work-life balance. He spends a good chunk of his day online.

Ms. Independents. With loads of disposable income and no one to spend it on but herself, this single

woman is a believer in “power purchases” such as high-end designer clothing.

According to Rentel and Zellnik, these are the nine consumer types setting the trends in art, music, technology, fashion, health, and every kind of consumer product and service. If you can reach and convert them, you will bring along millions. Their profiles may sound like stylized caricatures, but they’re personas that resonate in the real world. The catchy categories are not meant to represent the ultimate answers to all consumer trends, maintain the authors – only to spark creativity in marketing innovation.

3 – PRIME-TIME AND BABY BOOMER WOMEN

1. Baby boomers are the largest and wealthiest demographic group in America, and will continue to dominate the consumer spending landscape for year to come.
2. The majority of this spending power is and will continue to be wielded by women ages 50–75.
3. These are the healthiest, wealthiest, most educated, active, and influential generation of women in history.
4. They are, and will continue to be, the prime target for most marketers.

Two new books provide the what, why and how for understanding and reaching this influential demographic. They are *PrimeTime Women: How to Win the Hearts, Minds, and Business of Boomer Big Spenders* (Barletta), and *BOOM: Marketing to the Ultimate Power Consumer – the Baby Boomer Woman* (Brown, Orsborn).

Barletta delineates the differences between men and women, and between boomer women and younger women. She develops an organized view of “female gender culture,” and designs a marketing model to leverage it in the consumer marketplace.

Brown and Orsborn compile a collection of case studies by guest authors from such companies as

Palm, Liz Claiborne, WellPoint, Ford, Garnet Hill, L.L. Bean, Citicorp, Time, Mary Kay and Marriott. They are organized into seven chapters, each meant to fully explore a key characteristic of the baby boomer woman:

- She’s the Sweet Spot (the demographic of choice)
- She’s Complex (there’s no typical specimen)
- She’s Her (Life)Stage, Not Her Age (leveraging her life transitions)
- She’s Motivated (in a 3-Dimensional view)
- She’s in the Driver’s Seat (she’ll problem-solve her own way through)
- She’s Changing Channels (shaping the new brandscape)
- She’s Waiting (the marketer’s call to action)

SEVEN THINGS EVERY SMART BUSINESS NEEDS TO KNOW ABOUT BOOMER WOMEN

1. In the next decade, women will control two-thirds of the consumer wealth in the United States.
2. Many Boomer women are well established in their careers and at the peak of their earning potential.

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3. Within the next decade, many Boomer women will not only continue to earn income but will also be managing inheritance windfalls from their parents and their husbands.
 4. Even in traditionally “male” product categories, women are responsible for more than half the purchases.
 5. In 2004, women age 35 to 54 represented the highest proportion of Web surfers, compared with both male Boomers and all members of younger generations.
 6. Companies owned by women account for 30% of America’s small businesses –
- 6.7 million strong and counting.
 7. Almost seven in 10 women over age 35 – about 68% – say that the older they get, the more they enjoy trying new things.

FOUR FACTS TO REMEMBER WHEN TARGETING THE BOOMER WOMAN

1. She is loyal to companies, not brands.
2. She is technologically savvy.
3. She still feels young.
4. She wants to be empowered.

4 – THE DEATH OF DEMOGRAPHICS?

Okay, so we know the mass market is dead, and that the age of the micro and niche market is upon us. But are the days of demographics as a primary marketing tool over as well? Well, markets are shrinking as information about consumers becomes more accessible and easier to analyze. That makes demographics a crude way of segmenting markets. The eventual and inevitable evolution of ever smaller market niches and segments are markets of one: individual consumers.

Some 13 years ago we published an item in these pages on the (then) revolutionary concepts of mass customization and consumer relationship marketing. We declared “segment of one” marketing to be *the* consumer strategy of the future. We included a synopsis of *The One-to-One Future*, by Don Peppers and Martha Rogers. And yet amazingly, for many mainstream marketers, it still seems positively futuristic to imagine that companies can communicate with each of their customers differently.

But they can, thanks to the availability, affordability and utility of technologies that make it possible.

Inexpensive storage capacity, software capable of searching large databases, and the prevalence of

consumer data collected via the online channel all contribute to more individualized communication, writes Don Peppers in a recent issue of *1-to-1 weekly*. Traditional media like television and print that are mass-produced are suffering as a result of this trend because they can only target large groups. Using broad socio-demographic information alone as a way to segment and target markets just isn’t as relevant as specific information about individual customers.

If you can get the segment down to one customer, you can have a much more optimized delivery with instant return. A better understanding of each customer leads to better predictions of behavior (or, in other words, a better way to anticipate customer needs). And the best source of such information is not large databases of aggregated data but the direct interaction and communication between customer and provider.

The companies that interact with their customers, learn from their customers, and collect relevant, specific information on each of their customers – information that can be accessed and utilized in serving individual customers – are the companies that will optimize results.