



Here We Come!

**How the Boomers Will
Change Your Business**

(Are YOU prepared?)

Luke Vorstermans



Luke Vorstermans is a graduate of St. Mary's University in Halifax and has developed a 25-year career in small business management, publishing and business consulting.

He has travelled extensively across North America, Europe, Russia and Southern Africa speaking, writing and consulting on the process of change and its impact on individuals, society and the workplace.

Recognizing the growing impact of the small business sector in the New Economy, Luke focuses on Trend Marketing and delivers seminars, workshops and consulting services on how businesses can take advantage of the consumer and business trends that will drive our economy.

He is the editor of the *Graphic Arts Magazine*, a Canada-wide print trade publication and the managing editor of *Business Dynamics*, a monthly business tabloid published in St. John's, NF.

Luke makes his home in the beautiful Annapolis Valley, Nova Scotia.

phone: 902 542-0517

toll free: 888 412-1067

Fax: 902 542-0442

email: luke@business-dynamics.com

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90,000,000

Baby Boomers are bearing down on every segment of our economy.



HERE
we
COME!

Your business better **BE PREPARED**

PART 1

Moments In Our Lives



Demographics explains two-thirds of everything

David Foot - Boom, Bust & Echo

Two inexorable forces are shaping the Canadian economy and the global marketplace. The first—and the most visible—is the impact of emerging technologies. The microchip, the Internet, wireless communications, robotics, nanotechnology and a host of other innovations are revolutionizing the global culture. The speed at which information flows—any information—is having a profound effect on every aspect of daily life. Its ubiquitous nature and accelerating speed casts a shadow of uncertainty on long-term business planning. Obviously national and global economies are reacting accordingly.

The second force is more personal. Its impact is more predictable. And unlike the uncertainty of where technology will lead us, long-term planning is the key to jumping on the opportunities it drives. What is this force? Over 90 million North



American Baby Boomers bearing down on every segment of our economy. The impact of this demographic shift will revolutionize every business activity. Understanding its character, and positioning a business in the path of profitability, demands a rethinking of the way we do business.

Where we're heading

Demographics are a key factor in shaping our economic life. The growth and lifestyle of a population determines how they will spend their dollars in the key sectors and services within a community. Obviously an increasing number of people buying similar products has an impact on supply and demand, so understanding demographics is the key to long-term forecasting.

Traditional marketing strategies target the 18-44 demographic but that is about to change. Instead of buff bodies, perfect moms and fast food, advertising will show weathered skin, graying hair and gourmet meals as a mushrooming generation of consumers arrive at retirement age.

“Age Power will rule the 21st century,” writes Ken Dychtwald in *Age Power: How the 21st Century Will be Ruled by the New Old*, “and we are woefully unprepared.”

How big an impact? Consider these statistics. Between 2002 and 2010:

- ❖ The number of people between 18 and 44 will decline by 1%.
- ❖ The number of people aged 55 and older will increase by 21%.
- ❖ And here is the ultimate marketing landslide... the number of people

SNAPSHOT 1940s

1945 - US drops atomic bombs on Hiroshima and Nagasaki. WWII ends.

1946 - First boomers born. Tupperware hits the department stores. First electronic computer assembled.

1947 - Citizenship Act came into effect. The first microwave oven. Frisbees start to fly. First World Series telecast.

1948 - Louis St Laurent sworn in as PM. Barbara Ann Scott wins Canada's first Olympic gold medal in figure skating. United Nations Declaration of Human Rights.

1949 - Newfoundland becomes a province. NATO created. People's Republic of China established.

QUICK CLICK - 2003

Our population - 31,714,637
Federal gov't debt - \$510 billion
Consumer debt - \$827 billion
(includes mortgages and credit debt)
Average household debt - \$69,450
Average household savings - \$1,465
Total Canadian savings - \$17.5 billion
Inflation rate - 2.2%

gee, thanks DAD!

Much of the wealth that will be inherited is held by a generation of hard working, extremely debt-shy men and women. Raised during the Depression, they inherited little wealth from their parents. But, largely as a result of an almost unbroken climb in housing prices, and a booming stock market in the '70s and '80s, many people now over sixty have amassed large estates. These seniors will transfer almost \$1.2 trillion to their beneficiaries in the next 20 years.

Nearly 50% of all personal assets are controlled by people over 50. Economists estimate that the real estate holdings alone of Canadians over 65 are worth \$250 billion.



4 Here They Come!

THE DEMOGRAPHIC BACKGROUND

The Canadian population is aging at an increasingly rapid pace. However, our population is relatively young, not even ranking among the oldest twenty nations of the world.

Country	% of population 65+	% increase in those 65+ 1990 to 2025
Sweden	17.9	33
United Kingdom	15.7	45
Italy	15.2	63
France	15.0	65
Germany	15.0	66
Japan	12.8	129
United States	12.6	101
Canada	11.8	141

between 55 and 64 will increase by 47%!

The over 60 crowd currently makes up 20% of the population, up from 12% in 1950. They are on the way to forming almost 1/3 of our population. This demographic shift carries with it the lifestyle trends that shape consumer spending.

A little more than half of this demographic are women, whose increasing power in shaping business has barely begun. Such a large mass of educated, older women, with a tradition of rebellion, equality and self-determination, has never occurred before.

This demographic is reaching their peak spending years with substantial money in their pockets. With mortgages paid off and kids through school, there's extra cash for homes, travel, hobbies and personal indulgences. Their spending has barely begun.

Seniors control more than 70% of the nation's wealth.



If one group controls the vast majority of the wealth and discretionary income, then ... IT IS THE MARKET

But even their accumulated wealth pales compared to the pot of gold sitting in the hands of their parents, estimated to be over \$1.2 trillion in Canada alone. Their sheer number and spending power will put unforeseen demands on consumer goods and services, travel, health, education, housing and investments.

In his book *The Roaring 2000's*, Harry S. Dent states, "How and where we work and live is about to change more drastically than at any other time in our history due to the convergence of the mainstreaming of the Internet and other technologies and the peak spending years of the aging Baby Boomers. This will result in nothing less than the greatest boom in history and an unprecedented opportunity for the savvy people who anticipate these changes."

Dent makes sense. Back in the mid-1980s, he

SNAPSHOT 1950s

- 1950 - Korean War starts.
- 1951 - National Ballet of Canada founded.
- 1953 - Queen Elizabeth II coronation. Korean War ends.
- 1955 - Disneyland opens.
- 1956 - Elvis debuts on TV.
- 1957 - Ford Edsel introduced. USSR launches Sputnik.
- 1958 - Cumberland Mine disaster in Springhill, NS.
- 1959 - Diefenbaker cancels Avro Arrow program.

SNAPSHOT 1960s

1960 - Canadian Bill of Rights. Coke sold in cans. 'Let's do the Twist.'

1961 - NDP formed. Mr. Ed and Dick Van Dyke Show premier.

1962 - Cuban Missile Crisis. The Tonight Show keeps us up past midnight.

1963 - Kennedy assassinated. First pushbutton telephones. World population tops 3.5 billion.

1964 - Northern Dancer wins Kentucky Derby. Beatles wow Canadians at Vancouver gig. PLO formed.

1965 - New Maple Leaf flag. Canada Pension Plan established. US troops arrive in Vietnam.

1966 - Cassius Clay KO's George Chuvalo. Lennon meets Yoko. "Star Trek" premiers.

1967 - Expo 67. World's first heart transplant.

1968 - Canadian Forces unified. Martin Luther King & Robert Kennedy assassinated. Pierre Trudeau sworn in as PM.

1969 - Armstrong walks on moon. Canada goes bilingual. Abortion is legalized in Canada.

discovered the formula to accurately forecasting long-term economic trends. Dent noticed a strong relationship between the spending, investing and saving habits of the massive Baby Boom generation as they aged and how they impacted our economy. By paying attention to demographics—the observation of human populations as a whole—it became clear that the choices made by Baby Boomers were predictable and largely age determined.

For instance, Baby Boomers typically entered the work force between the ages of 19 and 22, causing the massive inflation of the 1970s. They typically bought their first “starter” home by around age 33

CANADIAN GRANDPARENTS

- ◆ Canada recorded 5.7 million grandparents in 2001.
- ◆ Each grandparent had an average of 4.7 grandchildren.
- ◆ Most Canadian grandparents were at least 45 or older. Only 2% of women and 1% of men were grandparents at an age younger than 45. In the 55 to 64 category, nearly two-thirds of women and one-third of men were grandparents. 80% of senior women and 74% of senior men were grandparents.
- ◆ Half of all grandparents were retired. 30% were still in the labour force.
- ◆ 68% of grandparents were married. 18% were widowed. 10% were divorced or separated. 4% were living common law.
- ◆ Approximately 56,800 children were being raised by their grandparents and 65% were financially responsible for their grandchildren in these households.



Source: Statistics Canada

and many of them traded-up to pricier real estate by age 44. From one perspective, this is plain common sense. When we consider the cumulative effect of huge numbers of people in a single generation all making similar choices at about the same time, the power that this gives us to predict larger economic trends is phenomenal.

According to Dent, demographics and technology were also at work during the Roaring '20s, which was similar in cycle and timeframe.

“Every 80 years, you get an individualist, more radical generation like the one that had Henry Ford,” he said. “That generation gave us the automobile, telephones, airlines, women's rights. It ushered in a revolution with the assembly line.

“Today's boomers are also leading the world through a revolutionary innovation cycle. This time, people like Bill Gates are spearheading the changes in computer technology and the Internet with companies like Microsoft, Yahoo! and Intel.

“Couple this big technology boost with the buying power of a huge generation of people, and you have the ability to greatly propel markets.”

Dent is not the only author to use demographics to predict future trends. Others who have identified

“It's like a tsunami coming at you. You know the tidal wave is going to hit, and it's a question of whether you'll be ready.”

Ed Schneider, Dean of the Davis School of Gerontology



words with MEMORY

The Iron Curtain, transistor radios, lemonade stands, Howdy Doody, Studebakers, hula hoop, Barbie dolls, party lines, Elvis, VW Bug, Motown, cut outs, 45 RPM records, peashooters, making forts, wringer wash tubs, Easy-Bake ovens, roller skate keys, Hippies, drive-ins, Bob Dylan, the Pill, California Dreamin', disco, Cracker Jacks, Hockey Night in Canada, sand candles, Beach Boys, mini skirts, Jonestown, LSD, Woodstock, candy cigarettes, Rolling Stones, Dolly Parton, pet rocks, Tiananmen Square, Twiggy, penny candy, Berlin Wall, Europe on \$5.00 a Day, burn the bra, Moody Blues, Roy Rogers, penny loafers, '57 Chevy, bobby pins, getting stoned.



SNAPSHOT 1970s

1970 - War Measures Act

1971 - First email sent. Microprocessor introduced. Starbucks opens.

1972 - Munich massacre at the Olympics. Paul Henderson scores big for Canada!

1973 - FedEx founded. Movie hits American Graffiti & The Sting.

1974 - Nixon resigns.

1975 - CN Tower completed. Microsoft Corp established.

1976 - Canada abolishes capital punishment. The Montreal Olympics.

1977 - Blue Jays first MLB game. Star Wars saga begins.

1979 - Joe Who? sworn in as PM. Garfield debuts in newspapers.

in - CITE' - ful

"Ich bin ein Berliner." President John F. Kennedy speaking in Berlin.

"We are more popular than Jesus." Beatle John Lennon in Japan.

"The phrase 'working mother' is redundant." Activist Jane Sellman.

"Vive le Québec libre." French President Charles de Gaulle in Quebec.

"Turn on. Tune in. Drop out." Sixties philosopher Timothy Leary.

"Go ahead. Make my day." Clint Eastwood as Detective Harry Callahan.

"Normal is in the eye of the beholder." Whoopi Goldberg.

"What I said was, 'Fuddle duddle.'" PM Pierre Elliot Trudeau.

lifestyle trends for the boomer generation include Canadian David Foot, who wrote the best seller *Boom, Bust & Echo*, Ken Dychtwald, who published *Age Wave* and *Age Power* and Faith Popcorn, who identified 18 trends that are shaping the lifestyles and spending habits of this generation.

In 1992, Faith Popcorn, globally-recognized trend expert and marketing futurist, challenged business thinking with her best-selling book, *The Popcorn Report*, which documents her extensive research on boomer demographics, their lifestyles and their very predictable trends. (See page 14)

Followed by *Clicking*, which she co-edited with Lys Marigold, the authors present further evidence—along with a track record of accurate trend watching—by identifying lifestyle choices that boomers will make as they grow older. These range from the trend to a healthier lifestyle and food choices, to cocooning—the desire to create our homes into secure and cozy environments.

Lifestyle trends create multiple business and selling opportunities. Health care for example, is launching a wide diversity of products and services as Baby Boomers feel the effects of age. They will try to reduce those worries by swallowing billions of dollars worth of herbs and vitamins, working out at any one of the new fitness clubs that will be opening, or by purchasing gym equipment for home use. Interest in health diets, TV talk shows, cosmetic surgery, books about maintaining sex drive or reducing cholesterol and losing body fat will abound. Health consultants and nurses will offer out-of-the-hospital health care in the home. Retirement real estate ventures that focus on quality architecture and maintain recreational facilities such as golf courses and green spaces will prosper.

For a business startup, knowing which trends will influence the new business and how to position the



If you're planning for the future, you need to understand population demographics.



REMEMBER WHEN...

- Decisions were made by going "eeny-meeny-miney-mo."
- The worst embarrassment was being picked last for a team.
- Money issues were handled by whoever was the banker in Monopoly.
- The worst thing you caught from the opposite sex was "cooties".
- Having a weapon in school meant being caught with a slingshot.
- You got your windows washed, oil checked and gas pumped - all for free.
- Nobody owned a pure bred dog.
- There were just two types of sneakers and the only time you wore them at school was for gym.
- Water balloons were the ultimate weapon.
- Ice cream was considered a basic food group.
- Abilities were discovered because of a "double-dare-you."
- Race issues were about who ran the fastest.
- Nearly everyone's Mom was at home when the kids arrived home from school.

SNAPSHOT 1980s

1980 - Canada boycotts the Moscow Summer Olympics. Terry Fox's Marathon of Hope ends.

1981 - Wayne Gretzky scores 50 goals in 39 games. MTV starts cable TV broadcasting.

1982 - Surround Sound introduced for home use. Tylenol tampering kills 7.

1983 - The Internet is created. Final episode of M*A*S*H.

1984 - First Canadian in space. Wendy's asks, "Where's the beef?"

1985 - Coca-Cola resumes selling old formula Coke. Intel introduces 386 microcomputer chip.

1986 - Expo '86 opens in Vancouver. Space shuttle Challenger explodes.

1987 - PTL's Jim & Tammy Bakker come unglued.

1988 - Calgary Winter Olympics. Ben Johnson stripped of gold medal.

1989 - Berlin Wall falls. Massacre at L'ecole Polytechnique, Montreal. Seinfeld. The Simpsons. Nintendo releases Game Boy. Tiananmen Square.



PROJECTED DEMOGRAPHICS (IN THOUSANDS)

Age	2006	2011	2016	2021
0-4	1,640.2	1,666.4	1,708.7	1,734.8
5-9	1,790.4	1,715.8	1,741.8	1,783.6
10-14	2,096.4	1,863.6	1,790.1	1,815.7
15-19	2,155.3	2,175.0	1,945.5	1,873.0
20-24	2,167.6	2,241.4	2,261.2	2,034.7
25-29	2,194.1	2,263.5	2,336.4	2,355.7
30-34	2,201.6	2,293.0	2,360.0	2,430.7
35-39	2,326.8	2,278.1	2,367.1	2,431.9
40-44	2,675.7	2,370.3	2,324.0	2,411.5
45-49	2,663.7	2,681.7	2,385.2	2,341.4
50-54	2,362.9	2,637.4	2,657.5	2,370.2
55-59	2,073.7	2,318.3	2,588.5	2,611.6
60-64	1,578.1	2,011.3	2,251.4	2,516.3
65-69	1,222.4	1,495.8	1,907.4	2,140.4
70-74	1,030.5	1,112.7	1,365.7	1,745.7
75-79	858.7	879.7	957.2	1,181.6
80-84	627.5	666.2	688.1	756.8
85-89	351.3	422.5	452.9	472.5
90 +	211.8	269.0	331.0	373.6
Totals	32,228.6	33,361.7	34,419.8	35,381.7

The baby boom generation will begin retiring in large numbers starting around 2005. Source: Statistics Canada

business for maximum exposure is critical information for successful planning. Before you can market, you must know your market.

For existing businesses, repositioning the business for long-term staying power is essential. *Established businesses are often the most vulnerable when changing markets exert pressure on the status quo.* New competition often causes knee-jerk reaction—such as competing over price or boosting advertising—when increasing prices and narrowcasting may be a wiser strategy.

In his book *Boom, Bust & Echo*, David Foot writes, "We better learn to deal with the boomers, because they're not going anywhere anytime soon. Anyone looking to take advantage of the situation right now must ask themselves, 'What do people in their 50s and 60s like to do?' Anyone can be a successful entrepreneur by looking at what someone in their 50s or 60s wants and needs, like financial planning, travel, safety, family and above all, quality. They want quality and they're willing to pay for it."

In the same way that businesses were forced to

By 2030, one out of every four Canadians will be over 65 years old.



SNAPSHOT 1990s

1990 - Iraq invades Kuwait. Dances with Wolves, Pretty Woman.

1992 - First Canadian woman in space. Charlottetown Accord dies.

1993 - Kim Campbell becomes first woman PM.

1994 - NAFTA goes into effect. Friends premier on NBC.

1995 - MP3 files flourish on the Internet.

1996 - Donovan Bailey.

1997 - UK returns Hong Kong to China. Princess Diana killed in crash.

1999 - Y2K bombs.

CANADIAN FAMILIES

- There are 7.8 million families in Canada.
- 45% are married couples with children.
- 29% are married couples without children.
- 15% are single parents.
- 6% are common-law couples without children.
- 5% are common-law couples with children.

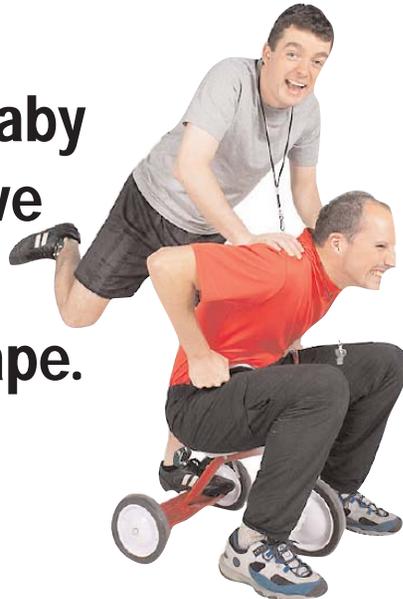
rethink their strategy in response to department stores, urban malls, franchising and big box stores, businesses will need new marketing tools to compete within this demographic shift.

Understanding future trends and capitalizing on their opportunities should be a key management activity and *positioning your business as an advocate of change, rather than fighting for tradition, will require intelligent planning.*

Business planning is plagued with uncertainty and frustration when traditional marketplace assumptions are no longer valid. However, business owners who read the trends, and market accordingly, position themselves for maximum profits.

Oh, and one last thing ...

By 2045, the vast majority of the Baby Boomers will have disappeared from the landscape.



PART 2

Trends

worth billions\$\$\$

The future is serious business and if your customers reach the future before you, they will leave you behind.

I feel overwhelmed!" said Leanne, a clothing store manager for the past five years. "I'm spending more on advertising and sales keep slipping. I don't feel like I'm on top of my business anymore."

"You're not alone," I replied. "I hear that same refrain from many business owners in spite of our booming economy and low interest rates. All that good cheer does

TRENDS to watch

• *Cocooning*: The need to protect oneself from the unpredictable realities of the outside world.

• *Down Aging*: Nostalgic for their carefree childhood, boomers find comfort in familiar products from their youth.

• *Anchoring*: A reaching back to our spiritual roots in order to be ready for the future.

• *EVEvolution*: The way women think and behave is impacting business, causing a marketing shift away from a hierarchical model toward a relational one.

• *Fantasy Adventure*: The modern age whets our desire for roads not taken.

• *Atmosfear*: Polluted air, contaminated water and tainted food stir up a storm of consumer doubt and uncertainty.

• *Icon Toppling*: A new socioquake transforms the world as the pillars of society are questioned and rejected.

• *Pleasure Revenge*: Consumers are having a secret bacchanal. They're mad as hell and want to cut loose again.

... continued next page

little to pacify a business that's struggling to make ends meet. Do you know why sales are slipping?"

"If I knew I could adjust my strategy but I can't identify the root cause. That's what frustrates me."

• • • •

"I've been marketing this way for years and it's always produced results. So why has the response rate dropped?" asked Gordon, during a break from his print shop. "I have a great staff but if sales continue to falter, I may have to let someone go. That doesn't sit well with me."

"Have you sat down with your staff and asked for their input?" I suggested. "They are often an excellent resource. After all, they have a stake in the outcome."

"Hmmm ... not really," he replied. "I don't want them to know the business is in trouble. That would just add to my problems. I'd rather talk with you; you're not involved."

• • • •

"I was hoping to start a new business with the money from my severance package but I just can't find the right product or service to sell," complained Doug, a 20-year veteran of the corporate world.

Fads...

flash in the pan

pogs

tattooes

reality TV

hockey cards

body piercing

Canadian Idol

bean bag chairs

lamps on a chain

beads for doorways

irresponsible dot coms

fashion merchandising

Pot Shots by Ashleigh Brilliant

internet

gravanity

health food

globalization

home delivery

nanotechnology

wireless everything

travelling everywhere

obsession with ageing

WOW customer service

home-based businesses

environmental management

Trends...

big and broad



Positioning your business as an advocate of change, rather than fighting for tradition, requires intelligent planning.

"What profitable trend can I get on board with?"

"Are you looking for a trend that will make you money or a business that will make you happy?" I asked. "There are lots of ways to make money but you better do something you really like otherwise you'll be toast in no time."

"Good point. So what do I like, and can I make money at it?" he asked hoping for an immediate fix.

• • • •

Leanne, Gordon and Doug represent the growing number of business owners trying to come to grips with the dynamics of a changing marketplace. While each situation is unique, they all feel the stress and frustration of trying to manage a business in a market that's under constant change.

The arithmetic of life used to be simpler: one marriage, one income per family, one house, one neighbourhood, one crop of kids. Today, these things are multiplied over and over. We scramble to keep up. We scramble to keep track. We're stressed out. We're exhausted. What we really want is to buy back time.

As mentioned earlier, emerging technologies and

TRENDS to watch

• *SOS (Save Our Society)*: We're discovering a social conscience of ethics, passion and compassion.

• *Vigilante Consumer*: Educated, frustrated and angry consumers are changing the marketplace through pressure, protest and politics.

• *Egonomics*: Offsetting a depersonalized society, consumers crave recognition of their individuality.

• *99 Lives*: Too fast a pace, too little time, causes societal schizophrenia and forces us to assume multiple roles.

• *Being Alive*: Awareness that good health extends longevity and leads to a new way of life.

• *Cashing Out*: Working women and men, questioning personal/career satisfaction and goals, opt for simpler living.

• *Clanning*: Belonging to a group that represents common feelings, causes or ideals; validating one's own belief system.

• *Small Indulgences*: Stressed-out consumers want to indulge in affordable luxuries and reward themselves.

Source: The Popcorn Report.

trend
ACRONYMS

DTP

URL

FAQ

SOS

WWW

IOU

ISP

DNA

changing demographics are exerting enormous pressures on the marketplace. As these forces converge, the traditional time frames to which we are accustomed collapse. The luxury of time is forfeited in a mad rush to just keep up. Is it any wonder that the business community is under duress?

For business owners, this chaotic marketplace is of concern. Never mind that some of the big guys—Eatons, Texaco, Air Canada and Woolco, to name a few—have been victims; what about the small business sector, the economic backbone of our society? How will they survive?

Luckily, many of the trends that will dominate the economy as the boomers charge to retirement are well suited to be served by small business. Without the bureaucracy and politics of a corporate structure, small businesses are more adept to reposition themselves in a changing environment.

Understanding trends gives a clear profile of the marketplace, both what is beginning to happen now and what will happen in the future. They serve as



c o n t r a s t s

WAS	IS
<i>Gray means "gray"</i>	Gray means green
<i>Retirement</i>	Rejuvenation
<i>Borrowed time</i>	Decades to go
<i>Old = Decrepit</i>	Old = Active
<i>Marketing mantra: "18 to 44"</i>	Marketing mantra: "50 and up"
<i>"Older people don't switch brands"</i>	"Older people make brands"
<i>Fountain of "youth"</i>	Freedom of "age"
<i>Maturity</i>	Longevity
<i>Running out the clock</i>	Reving up the engine
<i>Lost earning power</i>	New spending power
<i>I'm watching my pennies</i>	I have not yet begun to spend

From: Re-imagine! by Tom Peters

Act big
Think small
Be nimble



predictors of how people are feeling and what products and services they will be buying. Trends and fads are often confused but think of a trend as being big and broad and having staying power. The bigger and broader, the greater the influence. The Beatles were—and still are—a trend. The Monkees were a fad. Gardening is a trend. Bell bottoms are not.

A good example of how a trend creates business opportunities is the pizza industry. Back in the early 1960s, pizza was primarily a snack food eaten in a restaurant. But by the 70s, consumers were picking up pizza to eat at home and pizza delivery took off. As it's popularity grew, competition increased and so did the marketing hype: "Delivered in 30 minutes or you don't pay." "Order one, get one free." "No cash? No problem! Use your debit card." Pizza is now available in every shape, size and convenience. Every time we ate a pizza, we unwittingly participated in creating and growing the trend, which is just a small slice of the enormous fast food trend.

The pizza trend didn't appear overnight nor was it the result of a savvy entrepreneur who envisioned

**changing role of
WOMEN**

Few things illustrate the changing roles of women as much as the changes in fertility. While having babies was the thing to do in the '50s and early '60s, that all changed in the '90s and continues into the new millennium.

During the 1960s and 1970s, women typically married and started having children in their early 20s. However, from 1979 to 1999, fertility of Canadian women age 20 to 24 decreased nearly 40% while it dropped by 25% for those aged 25 to 29. In 1999, there were only 1.52 children per woman.

This new, independent woman has a different view of the world.



the rising power of WOMEN

The 80% Minority, Joanne Thomas Yaccato. www.thethomasyaccatogroup.ca

For the glass ceiling and other women's issues: www.womensmedia.com

Google results on 'Women as consumers' - 1,760,000.

Just Ask a Woman by Mary Lou Quinlan

EVEvolution by Faith Popcorn www.brainreserve.com

Tools for women: www.tomboytools.com

Women in power: Linda Cook, Annette Verschuren, Chief Roberta Jamieson, Catherine Swift, LuAn Mitchell-Halter, Michelle Gardner, Louise Arbour and many more. www.powerwomen.ca

Marketing to Women: How to Understand, Reach, and Increase Your Share of the World's Largest Market by Martha Barletta www.trendssight.com

Marketing to Moms: Getting Your Share of the Trillion-Dollar Market by Maria T. Bailey www.bsmedia.com

the whole process. The trend built momentum as it went through stages of innovation, awareness creation and market adoption.

Would you invest in the pizza trend today? That all depends on where you believe the trend is heading—up or down.

With hindsight, we can look at this trend and identify some of the factors that led to its growth: convenience, growing families, working moms, increased disposable income, swarms of hungry teens, delivery anywhere, anytime, etc. If you knew these factors in the 1970s, the pizza business would have been a great investment. Knowing the factors that would grow the trend, you could position your business advantageously in the growth cycle.

In hindsight, can you identify other trends that would have made a great business opportunity? Of course! Hindsight is easy. The critical question is:

Can you change hindsight into foresight?

If future trends can be identified based on changing lifestyles, then developing a business strategy based on those trends makes sense. Take the aging Baby Boomers for example. They are starting to change the health industry with their concern over food quality, lifestyle issues and eating choices. With a huge amount of disposable income and leisure time, social activities, travel and hobbies are of great interest. Since there are many more boomers on the way, it would be safe to assume that the market demand for health-related products and leisure time activities would also substantially increase.

In the *Here We Come!* course (see insert), we'll introduce you to your future customers based on their

EVERYDAY Low Prices

Historically, most consumers made purchase decisions solely on the basis of price. Whichever business offered the absolute lowest prices won their business. Today's consumers are somewhat more skeptical and certainly more time-starved and therefore finding the lowest price will just be one factor in making a purchasing decision. More often, honest prices will actually be more sought after. Why the change in consumer mind-set about prices?



With Wal-Mart and other retailers popularizing the concept of "Everyday Low Prices", consumers prefer being offered one low price consistently rather than a special price "for a limited time only". That means consumers don't have to clip coupons, wait for sales or trek all over town to save money on what they want.

As a result consumers dislike a high normal price/low sales price combination. Rather than feeling like they are getting a bargain at sales time, consumers feel they're being taken advantage of at the higher regular price. Most consumers look for reasonable and fair prices within an acceptable range rather than the absolute lowest available.

Internet shopping has also created a consumer expectation that nobody has to pay full sticker prices any more. Online comparison-shopping is highly effective and easy and will become an increasingly popular shopping tool.

Wal-Mart is already positioned as the price leader. Most consumers gauge what they will pay for products on the basis of the Wal-Mart price. They simply trust the brand and feel that Wal-Mart will not add on an excessive margin.

If they come to you over price; they will leave you over price.



how big is BIG?

Wal-Mart is by far the world's largest retailer and the world's largest company. The company does approximately \$245 billion (US\$) in annual sales. Wal-Mart employs more than 1.3 million associates worldwide.

Wal-Mart understands the world of retailing.

THE NEW workplace

Below are some trends that will affect the workplace and create issues that are unique to this emerging business cycle:

- The Global Economy
- The Aging Problem
- Restructuring of the Workplace
- Telecommuting and Home-Based Workers
- Growth of the Contingent Workforce
- The Impact of Technology on Privacy
- The Rate of Change
- Mergers/Acquisitions
- Job Flexibility
- Sustainability Issues
- Working Parents
- The Drive for Independence
- Greater Separation of Wealth



20 Here They Come!

anticipated purchasing decisions. Identifying lifestyle trends is relatively easy. However knowing how to market and serve them requires more thought.

Most business owners are so exhausted with making it through today that they postpone planning for tomorrow. But just as the lifestyle trends are changing, so are business trends. What worked yesterday may not work tomorrow so positioning your business for the long term requires a rethinking of today's marketing and customer service strategies.

Take traditional broadcast advertising for example. In the day when the local radio station and newspaper were the primary source of news and information, it made sense to put your advertising message where the masses were looking. But consider how fragmented those two vehicles have become. With cable and the Internet, consumers have the option of thousands of radio stations, each one targeting a specific listening audience. The print media litters our landscape with so much advertising material that the average person has become numb. Add to that the growing number of other choices on our time—satellite TV, MP3s, CDs, magazines, the Internet, etc—and I challenge you to ask: “*Am I spending my hard-earned money advertising to audiences that are no longer there?*”

Considering all the advertising being thrown at us, is it surprising that we suffer from a feeling of mental and emotional paralysis, a kind of frozen framework—like kids in a huge candy store? It becomes increasingly difficult to discern the truth—to sort out what's best.

We're living in the New Economy but continue to use marketing tools and



Kids in the McDonald's ad exclaim

“Change is good!”

(What do you exclaim?)

strategies from the old one. We're numb to advertising—on just about everything—but we add to the clutter each time we approve another ad. We're not sure if it's effective but without an alternative, we do it anyway. We tout the importance of customer service but don't take the time to train our staff. We know the value of 'thank you' cards but our database is incomplete. The shop needs a facelift; but that's for another day. We're overwhelmed with all the things we need to do. What we really want is for everything to stand still while we catch up. *Fuggetaboutit.*

“Trend cycles are emerging more rapidly as a result of technology, accelerated social diffusion, instantaneous communication and more willingness to accept—or inability to escape—new ideas,” states Hallmark trends expert Marita Wesely-Clough. “When everything is accessible instantaneously, the ability to assimilate, to differentiate and to choose becomes more difficult.”

With timeframe acceleration and demographics shifting, *the need for small business to get on top of their game becomes critically important.* While the pizza trend took a couple of decades to get firmly rooted in our culture, consider how quickly the cell phone has become an essential ‘gotta have one’ product. And camera phones, the next stage in the trend

dynamics of CHANGE

During times of change in any business or organization, there are seven dynamics that occur:

1. People will initially feel uncomfortable about any change suggested to them.
2. People tend to feel lonely and isolated whenever changes are occurring around them.
3. Most people can only tolerate so much change at any time.
4. It's human nature to look at the negative first.
5. People usually assume that there are insufficient resources to make a change.
6. Different people will have different states of readiness for change.
7. Without intervention, people will prefer to revert to the familiar.

Follow the TRENDS

Key sectors that will feel the impact of our aging population:

- Financial services
- Housing and household goods
- Automotive and vehicle care
- Computers and communications
- Media, entertainment and travel
- Personal consumables
- Health, fitness and healthcare

positioning, are moving even faster. Introduced four years ago in Japan, 57 million camera phones were sold by 2003, with expected sales of 338 million by 2008. If a non-essential product such as camera phones can foster that much growth, how will the growth of more essential products and services that serve an aging population fare?

While conventional marketing competes over a limited market, *trend marketing assumes the growth of a market because of changing demographics*. The epitome of trend marketing is to be where the customer is looking before they know they'll be looking there. In other words, developing a business and marketing strategy based on how demographics will

Graffiti meets vanity:

Gravanity

As Andy Warhol predicted with his "15 minutes of fame", millions of individuals are craving immortality, or at least some public attention. Whether it's a tattoo, participating in reality TV, having a character in a novel named after you, or adorning your car with personalized license plates, the masses want their names out there.

This is where graffiti meets vanity: GRAVANITY – a trend catering to the obsession of millions of individuals who secretly dream of immortality, or at least some public attention. Gravanity offers a host of opportunities for entrepreneurs willing to (re)name their goods and services, however small, on behalf of eager customers.

The Dutch postal service (TPG Post) understands the trend very well. They developed what must be the ultimate gravanity service; creating your OWN stamps, using a photograph of your choice, valid on everything from postcards and letters to brochures and packages. Think mug shots, baby pics or family portraits – in the end it's all about YOU. Customers upload their photos to the TPG website, provide payment details and a set of gravanity stamps is on its way.

The pay-off? For consumers and businesses, it means a unique and eye-catching promotional tool. For postal companies around the world, this may mean juicy revenues in a market severely harassed by email and other digital dangers.



If you could know everything about tomorrow, what would you do differently today?



impact the marketplace in the future.

Understanding trends gives you a clear profile of the marketplace, both what is beginning to appear now and what will be happening in the near and far distant future. They serve as an early predictor of how consumers are feeling, what products and services they will be seeking and which businesses are alert in responding to their needs. The best time to position a business is before the trend is well established. Market position is vital to long-term success of a business.

The advantage of trend marketing is its ability to reach the customer by narrowcasting the marketing message. *Narrowcasting—delivering the message only to the desired market—is possible when the target market is isolated from the whole*. This is in sharp contrast to broadcast marketing, which has become considerably more elusive, extraordinarily expensive and wasteful of our resources.

These are extraordinary times to be in business and the opportunities for success have never been greater. So is the need for intelligent planning and action. The uncertainty and chaos of the marketplace will only increase, particularly for businesses that continue to use yesterday's tools to reach tomorrow's customers.

The speed of business is driven by consumer demand and this demand defines how products and

work smarter NOT HARDER

- Don't conform, re-think the rules of business.
- The more you hurry, the worse it gets.
- Slow down – you'll be more productive.
- Exploit strengths rather than fix weaknesses.
- Think like a novice; question everything.
- Create some oddball combinations.
- Don't sell products - sell new solutions.
- Don't compete, reinvent the game.
- Get ideas outside of your industry.
- Listen to new ideas especially, from the young.
- Create odd partnerships to stimulate creativity.
- Act big but think small and be nimble.
- Take risks. It's the only way to get ahead.
- Whenever you get into a habit, break it.
- Abhor meetings.

a model of SUCCESS

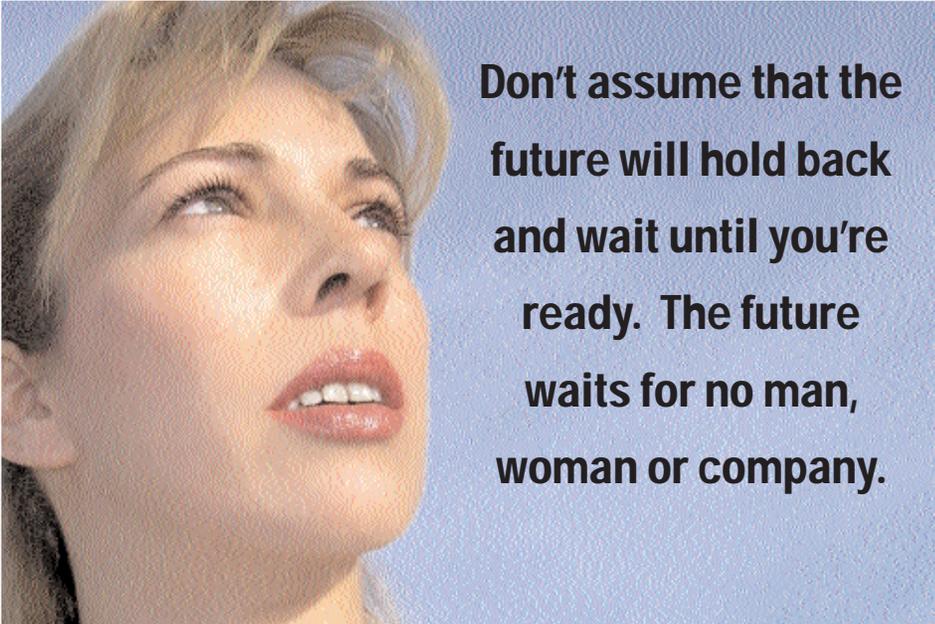
eBay runs the largest auction site on the Internet. The company was launched on Labor Day in 1995 and by 2000, eBay had more than 22 million users generating merchandise sales of several billion dollars; a revenue stream of hundreds of millions; profits in the tens of millions and a market capitalization of more than \$13 billion. At any one time, there are approximately five million articles offered for sale on eBay.

services will be delivered. Like all living systems, the business environment must move through cycles of change and growth to stay healthy.

During the 1920s and 30s, it was the growth of large department stores that changed traditional shopping. The suburban malls of the 1950s and 60s pulled shoppers out of the downtown core. The franchising boom of the 1970s and 80s steamrolled many 'ma and pa' shops. In the 1990s and on, big box retailers forced businesses to rethink competition. How business responds to this next cycle will depend on their willingness to see change as an opportunity.

Ultimately, **the consumer is in charge**. Knowing what they want, when they want it, and treating them with awesome respect is always the road to business success. **NOW** is the time to plan for their unbridled spending.

Email your comments to: luke@business-dynamics.com



Don't assume that the future will hold back and wait until you're ready. The future waits for no man, woman or company.

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Please address orders and inquires to:

Linda Ryan, Manager
53 King Street, RR3
Wolfville, NS B4P 2R3
Email: linda@business-dynamics.com
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The Tao of Pooh

**How can you get very far,
If you don't know Who You Are?
How can you do what you ought,
If you don't know What You've Got?
And if you don't know Which To Do
Of all the things in front of you,
Then what you'll have when you are through
Is just a mess without a clue
Of all the best that can come true
If you know What and Which and Who.**

