

the
futures
company

the coming together of
Henley Centre HeadlightVision
and Yankelovich

The Culture of Contentment

The New Context of Consumer Aspirations

- **August 9, 2011**

J. Walker Smith
Executive Chairman



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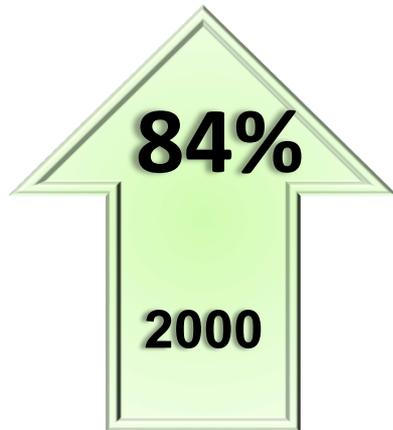
Three takeaways

- **Caution**
- **Curation**
- **Contentment**



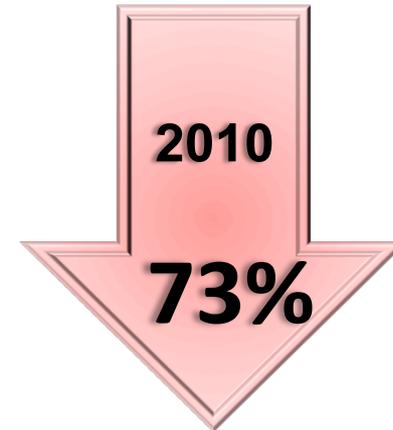
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“Because the economy is so strong, people’s expectations about their lives and their future are higher than ever before.”



July 2000, MONITOR Omnibus

“The American Dream is more of a dream than a real possibility for most people.”



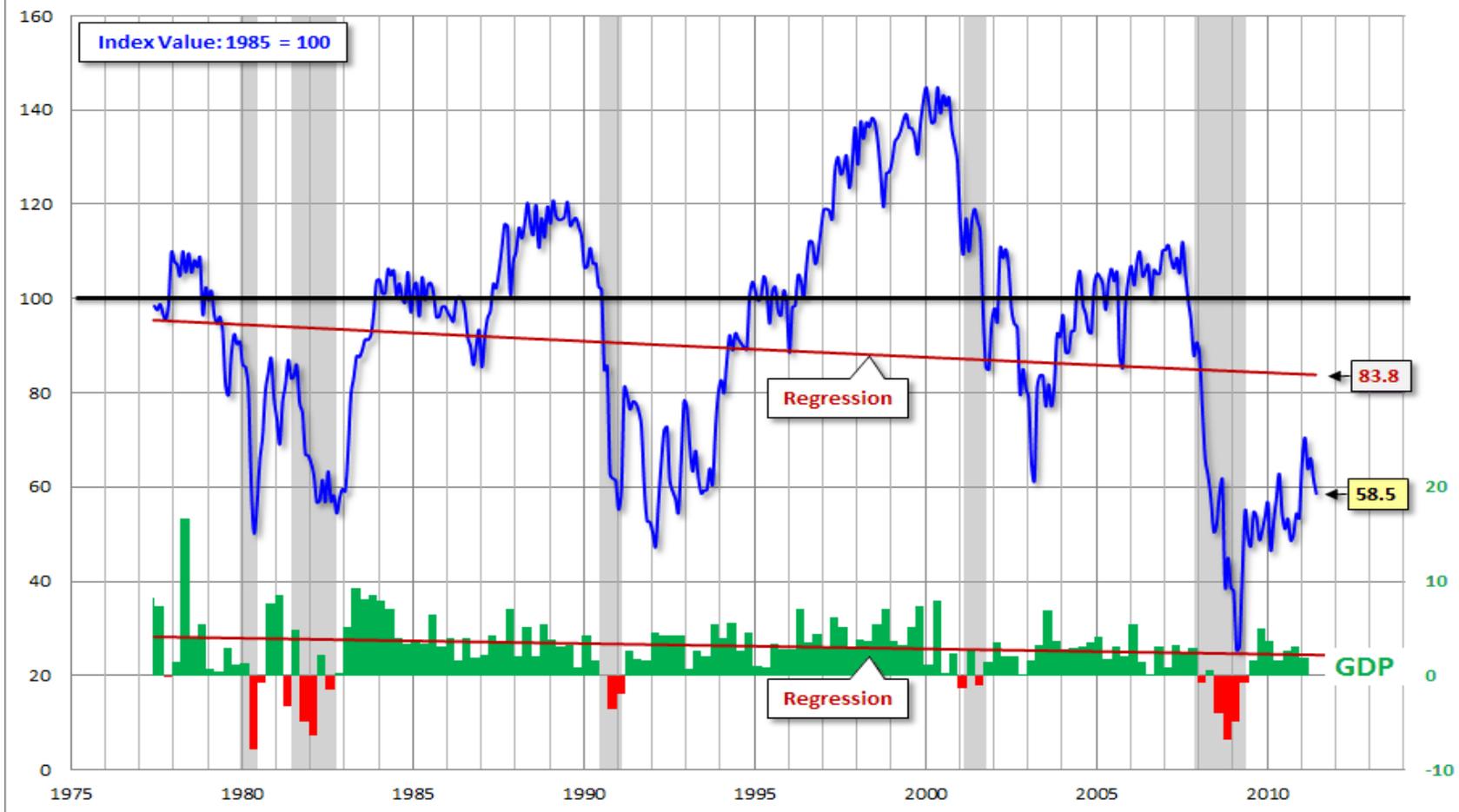
2010/11 U.S. MONITOR



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Conference Board Consumer Confidence Index Recessions Highlighted in Gray, Real GDP Shown Below

dshort.com
June 2011



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Risk Awareness

I am constantly aware of the need to identify and manage the risks that surround me in the world today	75%
I have become a much more cautious person in general as a result of the recent economic turmoil	72%
Even when I am living within my means I am worried about my financial situation	64%



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Keeping It In Bounds

67% My spending habits are in better shape today than they were before the recession

Important in your personal life today:
Sticking to a budget

55%

In the past three months I have bought something I really could not afford

23%

Will decrease in the next few years: The amount of debt I have

52%



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CalculatedRISK
FINANCE & ECONOMICS

March 14, 2011

Crisis Fatigue List



- Japanese earthquake & tsunami
- Unrest in Middle East
- Rising oil prices
- European banking & sovereign debt crisis
- Continuing housing crisis
- Cutbacks by state & local governments
- Federal budget battles (plus S&P warning on credit rating)
- Risks of inflation
- Long-term, enduring high unemployment



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Psychology of Concern

Reasons for becoming more conservative in spending (partial list):	
Concerns about the future	61%
Concerns about economy in general	60%
Desire to be more thoughtful and responsible in way I spend my money	44%
Fear of losing job (among employed)	38%
Loss of income or assets	32%

Source: Yankelovich MONITOR Finances and Spending Lens



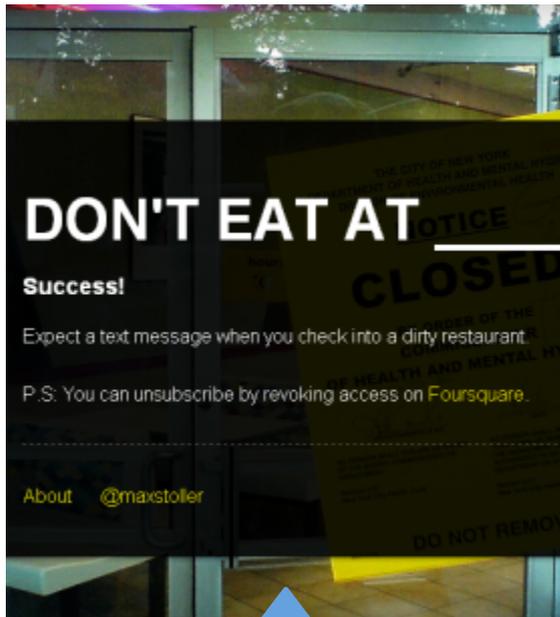
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Take the Risk Out



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Certified and Monitored



A mobile developer launched an app that informs diners of food safety violations when users check-in on Foursquare.



Biovigil introduced a wearable hand hygiene monitor that enables patrons to confirm that their servers, and their food, are sanitary.



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Stay Inbounds



Blue Diamond Oven Roasted Almonds has a Portion Control side window so there's no guesswork.

“Coming soon: **credit and debit cards that cut you off when you disregard your own monthly budget.** The service, called inControl...is a sort of financial chastity belt that offers the potential to prevent a variety of budget sins and other money traps. Worried about your restaurant habit? If your bank adopts MasterCard’s service, you could tell it to **have your debit or credit card reject any restaurant purchase above whatever monthly cap you set.**”

“Your Card Been Declined, Just as You Wanted,” The New York Times, 08.14.10



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In the next few years, my overall happiness and well-being will...

Increase

44%

Decrease

11%

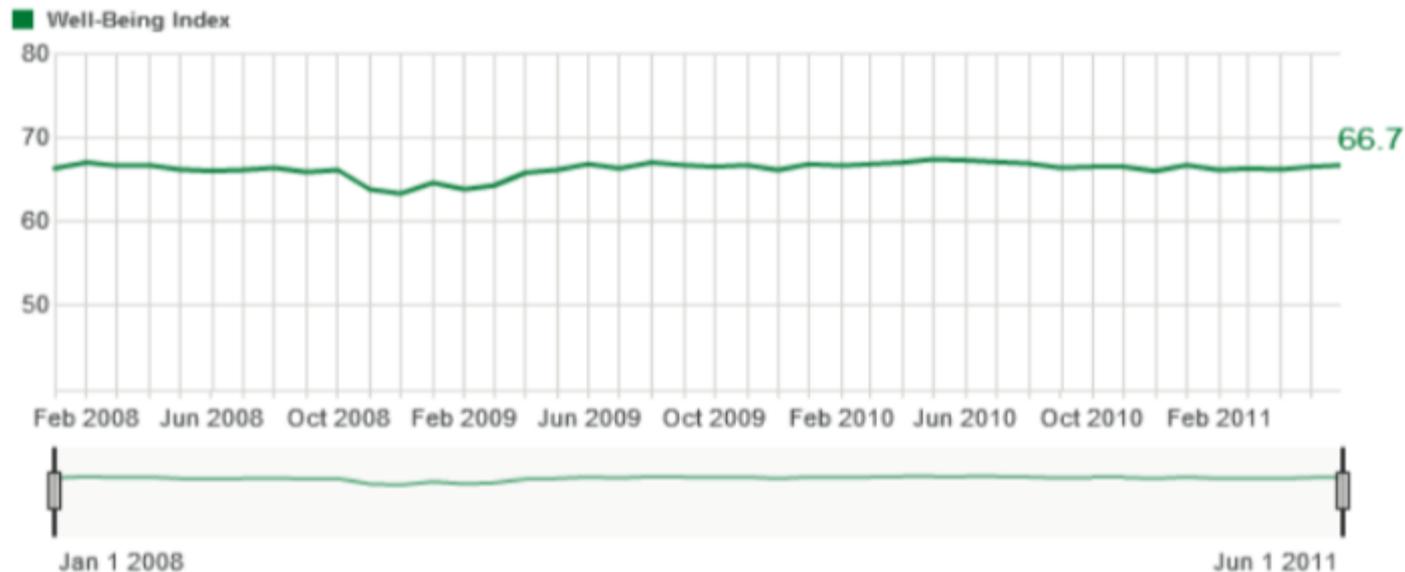
2010 U.S. MONITOR



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GALLUP

Gallup-Healthways Well-Being Index



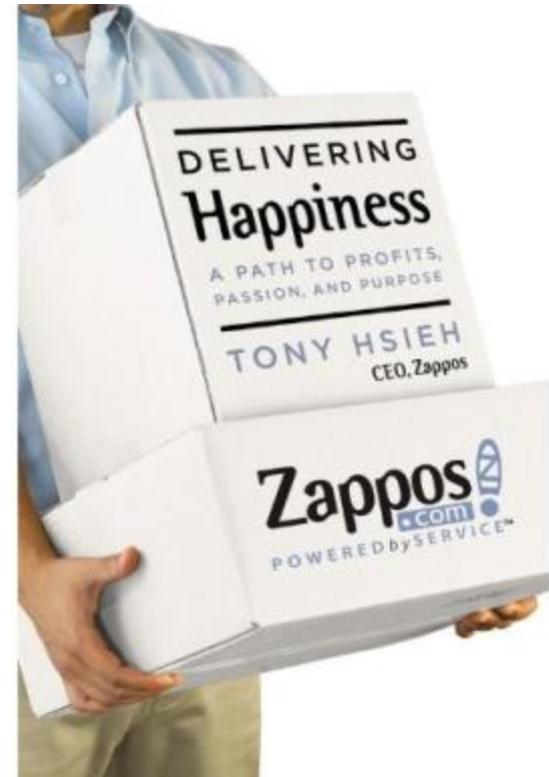
The Well-Being Index score is an average of six sub-indexes, which individually examine [life evaluation](#), [emotional health](#), [work environment](#), [physical health](#), [healthy behaviors](#), and [access to basic necessities](#). The Index is calculated on a scale of 0 to 100, where a score of 100 would represent ideal wellbeing.



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open happiness™



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Three takeaways

- Caution
- Curation
- Contentment



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Social Time

Top 10 sectors by share of Internet time

Rank	Category	Share of Time June 2010	Share of Time June 2009	% Change in Share of Time
1	Social Networks	22.7%	15.8%	43%
2	Online Games	10.2%	9.3%	10%
3	E-mail	8.3%	11.5%	-28%
4	Portals	4.4%	5.5%	-19%
5	Instant Messaging	4.0%	4.7%	-15%
6	Videos/Movies	3.9%	3.5%	12%
7	Search	3.5%	3.4%	1%
8	Software Manufacturers	3.3%	3.3%	0%
9	Multi-category Entertainment	2.8%	3.0%	-7%
10	Classifieds/Auctions	2.7%	2.7%	-2%

Source: The Nielsen Company



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More than Facebook

Important that others see me as...

Good neighbor

2003

63%

Today

77%

Loyal friend

2003

79%

Today

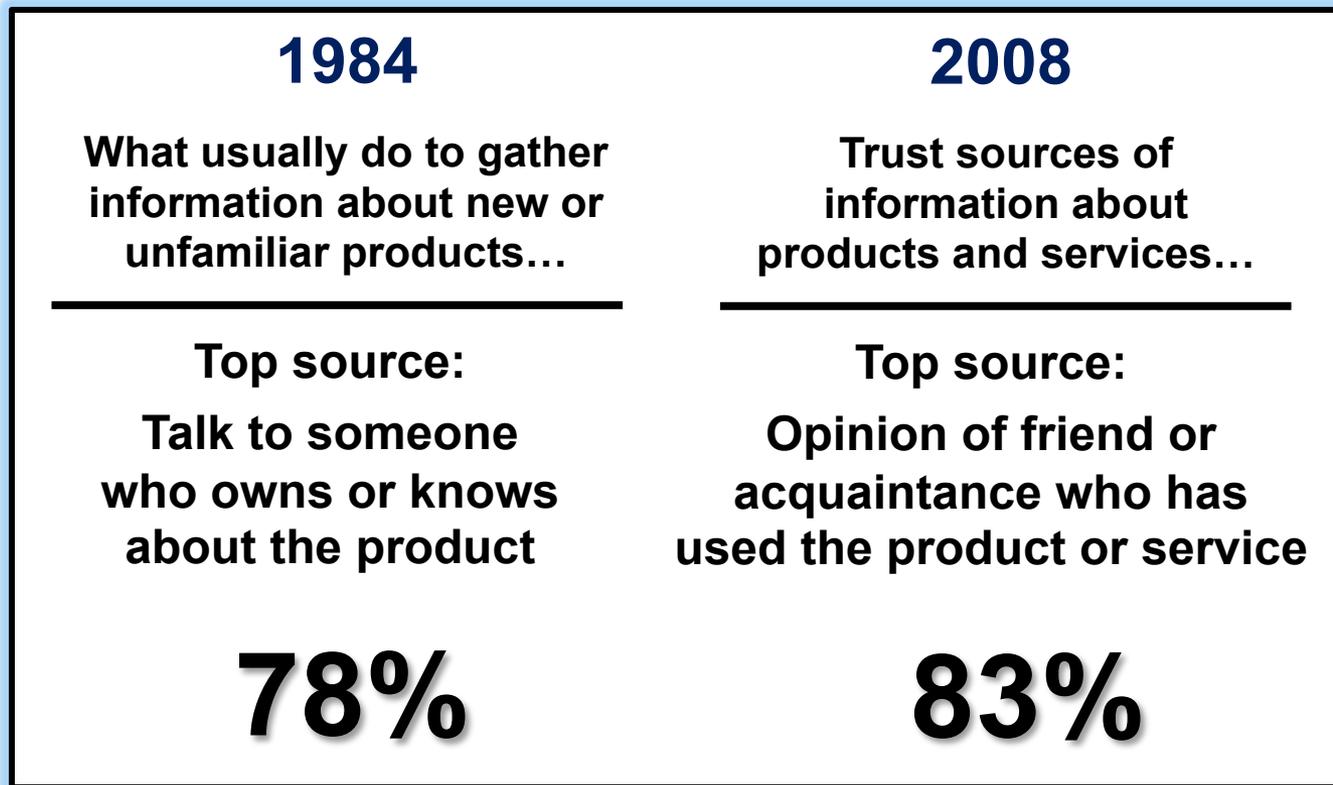
89%

U.S. MONITOR



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Trust held close



Yankelovich MONITOR 1984

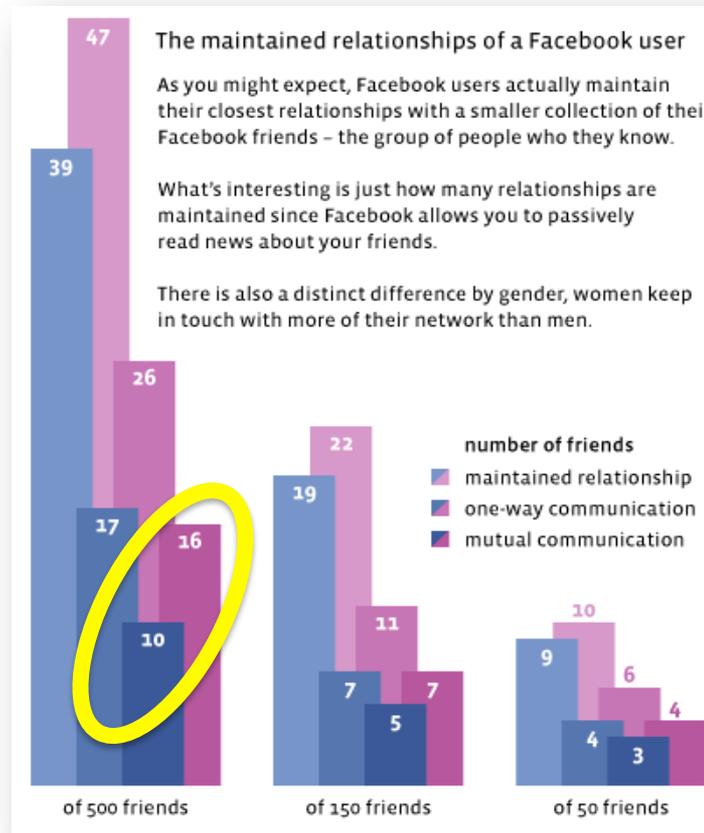
<http://forrester.typepad.com/groundswell/2008/04/data-chart-of-1.html>



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One-to-mini

In-house Facebook network analysis published in 2009



http://overstated.net/2009/03/09/maintained-relationships-on-facebook#footnote_2_660



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The Anti-Facebook

DIASPORA* ALPHA



The New York Times May 10, 2011

A screenshot of a mobile device displaying a New York Times article. The article title is "Social Networks Offer a Way to Narrow the Field of Friends". The main image shows a person holding a smartphone displaying a photo of a vegetable garden. The article text discusses the app Path and its benefits compared to Facebook.

10:31 AM 93%

Social Networks Offer a Way to Narrow the Field of Friends

Becca Akroyd has a vegetable garden she wanted to tell friends about. Her husband, Philip, helped her share the photo on Path. [View photo](#)...

By JENNA WORTHAM and CLAIRE CAIN MILLER

There are times when you just have to tell your friends about something — but not necessarily your Facebook friends.

Just ask Becca Akroyd. When Ms. Akroyd, a 29-year-old lawyer in Sacramento, Calif., wanted to share a picture of her new vegetable garden, she didn't turn to Facebook. Instead she posted it on Path, a service that lets people share pictures, videos and messages with a small group.

"The people I have on my Path are the people who are going to care about the day-to-day random events in my life, or if my dog does something funny," Ms. Akroyd said. "On Facebook, I have colleagues or family members who wouldn't necessarily be interested in those things — and also that I wouldn't necessarily want to have view those things."

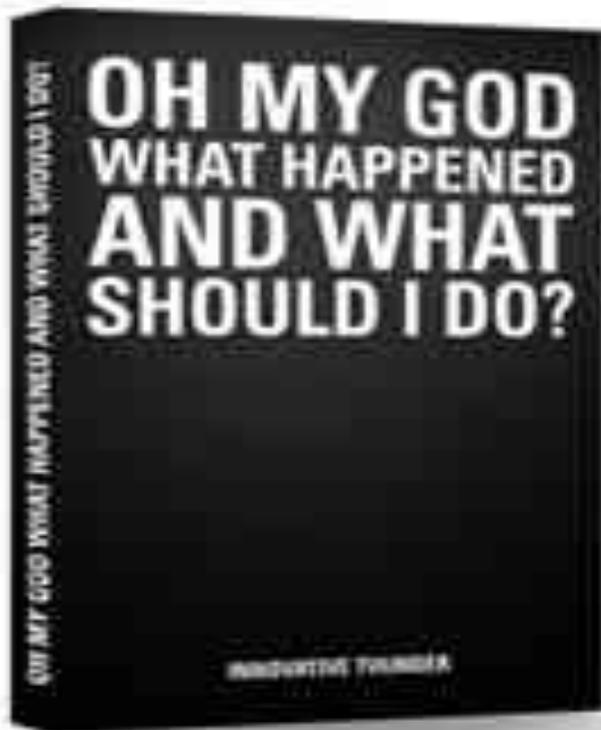
Path, which limits friend groups to 50, is among a new crop of Web services that allow people to connect with a handful of friends in a private group. Users get the benefits of sharing without the strangeness that can result when social worlds collide on Facebook. Other start-ups in this anti-oversharing crowd include GroupMe, Frenzy, Rally Up, Shizzlr, Huddl and Bubbla.

Even Facebook recognizes that people don't want to share everything with every "friend." It has privacy settings that control who can see what, but many people find these challenging to set up. So last fall, Facebook introduced Groups, for sharing with subsets of Facebook friends. And in March, it acquired Beluga, a start-up that allows sharing photos and messages with small



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Social Currency – Relationships Pay



A screenshot of a promotional page for a book. At the top left is a blue icon of a dollar sign with a tweet symbol inside, followed by the text 'PAY WITH A tweet'. Below this is the title 'OH MY GOD WHAT HAPPENED AND WHAT SHOULD I DO?' in bold. Underneath, it says 'Get it for free! In exchange we just ask you to post a Tweet about it.' and 'Click the button below to connect with Twitter, post your tweet and start your free download.' At the bottom is a blue button with the Twitter logo and the text 'Sign in with Twitter'.

A screenshot of a promotional page for a Toyota promotion. At the top, it says 'toyotathonshareathon' in red and grey. Below is the text: 'If you get your new Toyota by January 3rd, you can earn a \$500 prepaid debit card just for Tweeting about it.*'. Underneath, it says: 'By popular demand, we're having four extra days of Shareathon. Until December 15th, the Twitter users with the fastest fingers can get one of 250 certificates available each day.' At the bottom, there is a red banner with white text: 'Shareathon is now open, start Tweeting.' and a 'Share with Twitter' button. To the right of the banner, it says 'certificates remaining today' and '230' in large white numbers.



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Three takeaways

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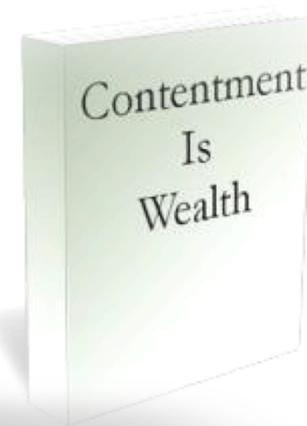


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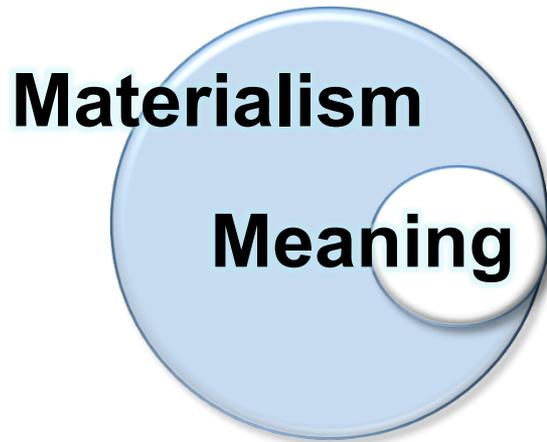
**From an externally directed
accumulation culture...**

**...to an internally directed
contentment culture.**

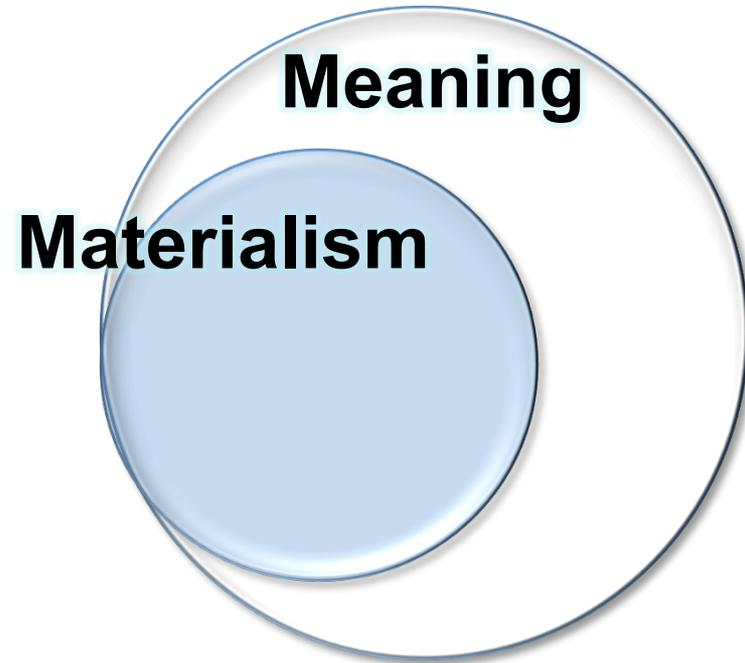


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NOT a rejection of materialism



The Context of the Past

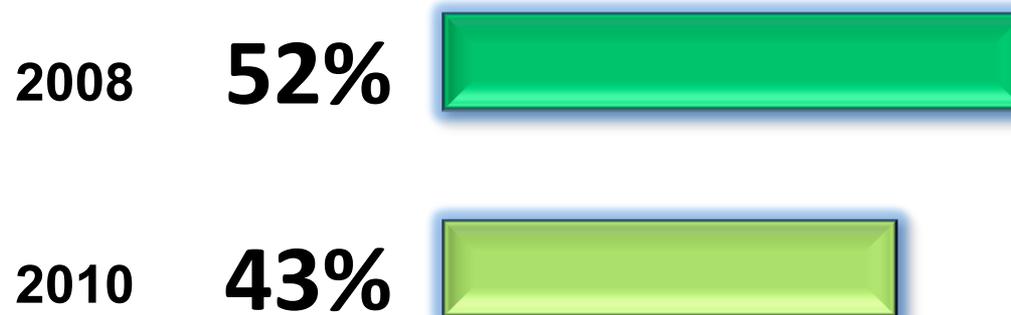


The Context of the Future



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If Americans turn out to be less well off in the future than they have been in the past, they may actually be happier because of it

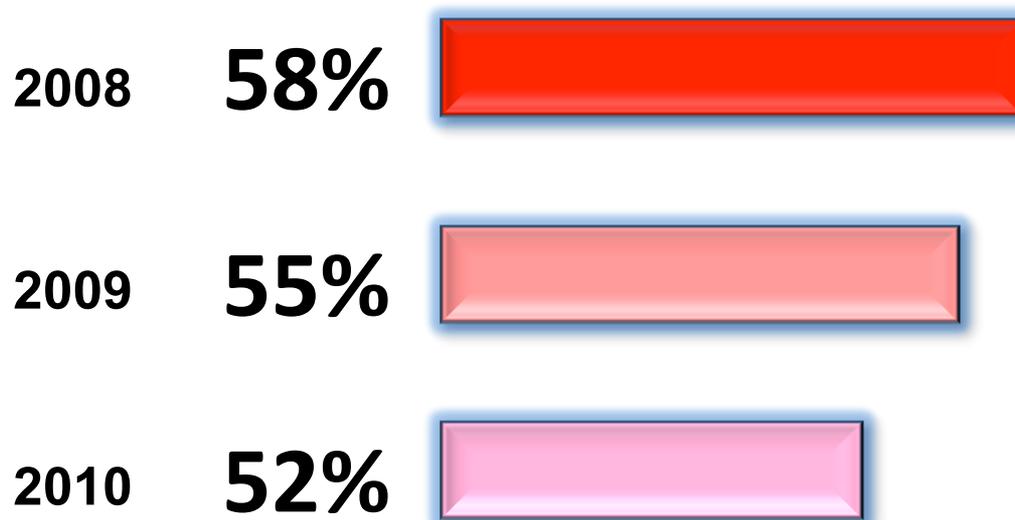


U.S. MONITOR



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I've got all the material things I need



Global MONITOR (U.S. standardized data)

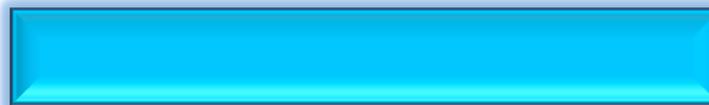


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Important in determining how you feel...

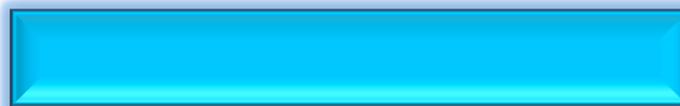
Relationship with your
spouse/partner

80%



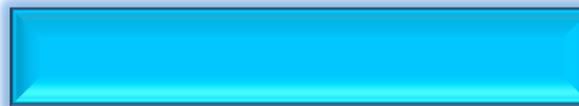
Relationship with your
family and friends

79%



Work/life balance
(among employed)

67%



The amount of
money you have

45%



The material
things you own

33%



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2010 Global MONITOR (U.S. standardized data; Selected items)

MetLife, *Meaning Really Matters* Study, 2010

- “Respondents define the Good Life in terms of the three Ms:
 - **Money** (having enough),
 - **Medicine** (good physical and mental health),
 - **Meaning** (time for friends and family).”
- **“Meaning remains the primary component of the Good Life**
 - For all age groups...
 - Despite instability in financial and other aspects of their lives.”

<http://www.metlife.com/assets/cao/mmi/publications/studies/2010/mmi-meaning-really-matters.pdf>



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Importance (1-9 scale)

	<u>Happiness</u>	<u>Wealth</u>	<u>Health</u>
 USA	8.1	6.7	7.6
 China	7.3	7.0	7.8

Gallup World Poll, 2008: <http://www.oecd.org/dataoecd/22/24/38303214.ppt>
and http://hdr.undp.org/en/media/Ed_Diener.ppt



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I would be happier if I owned more material possessions



USA

18%



China

68%

2010 Global MONITOR (Standardized data)

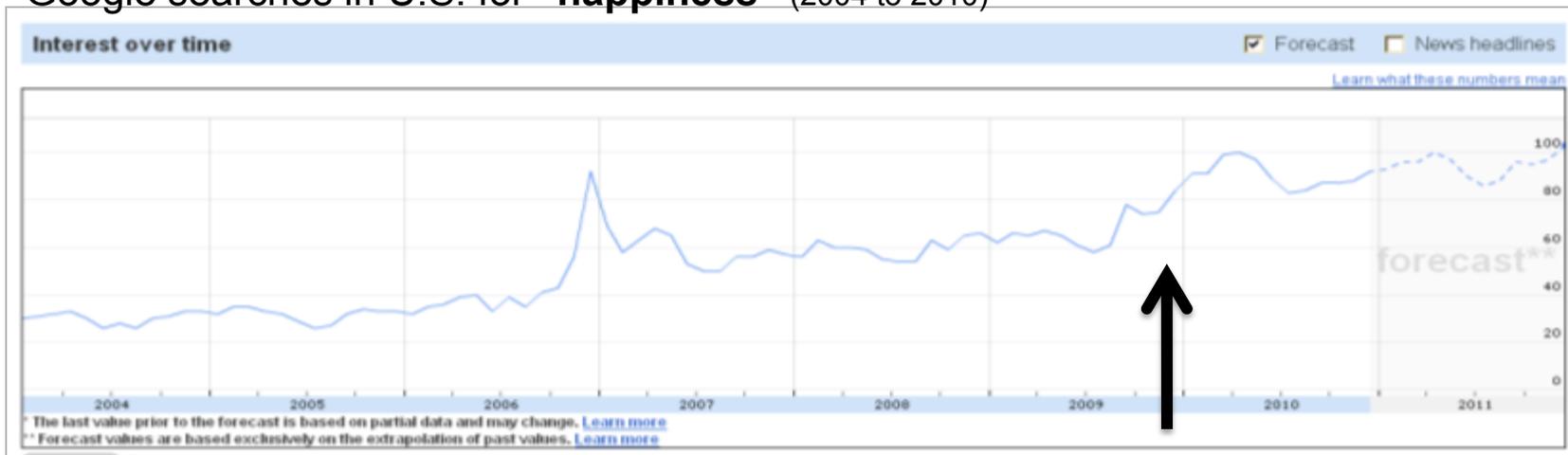


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Google searches in U.S. for “get rich quick” (2004 to 2010)



Google searches in U.S. for “happiness” (2004 to 2010)



Using Google Insights for Search Beta, December 14, 2010



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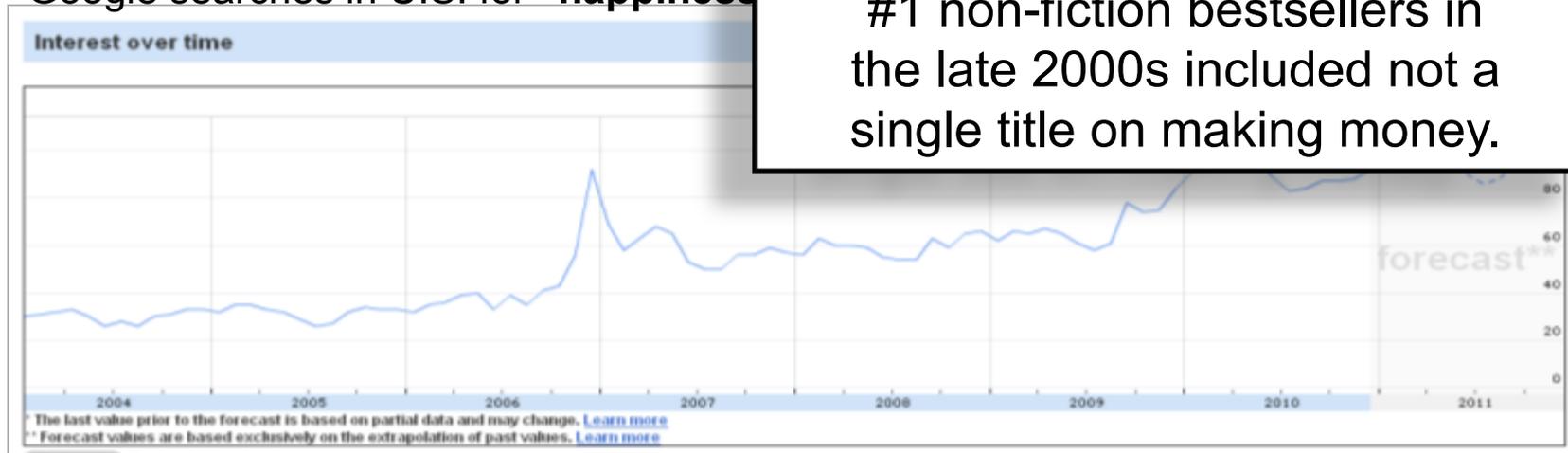
Google searches in U.S. for “get rich quick” (2004 to 2010)



#1 non-fiction bestsellers in the late 1990s included:

- *The Millionaire Next Door*
- *The Courage to be Rich*
- *9 Steps to Financial Freedom*

Google searches in U.S. for “happiness”



#1 non-fiction bestsellers in the late 2000s included not a single title on making money.

Using Google Insights for Search Beta, December 14, 2010



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Fun, enjoyment, novelty, pleasure

Top Three New Year's Resolutions		
For 2009	For 2010	For 2011
Save more money	Relax/reduce stress	Have more fun
More time with family	Save more money	Relax/reduce stress
Relax/reduce stress	Exercise more	Save more money

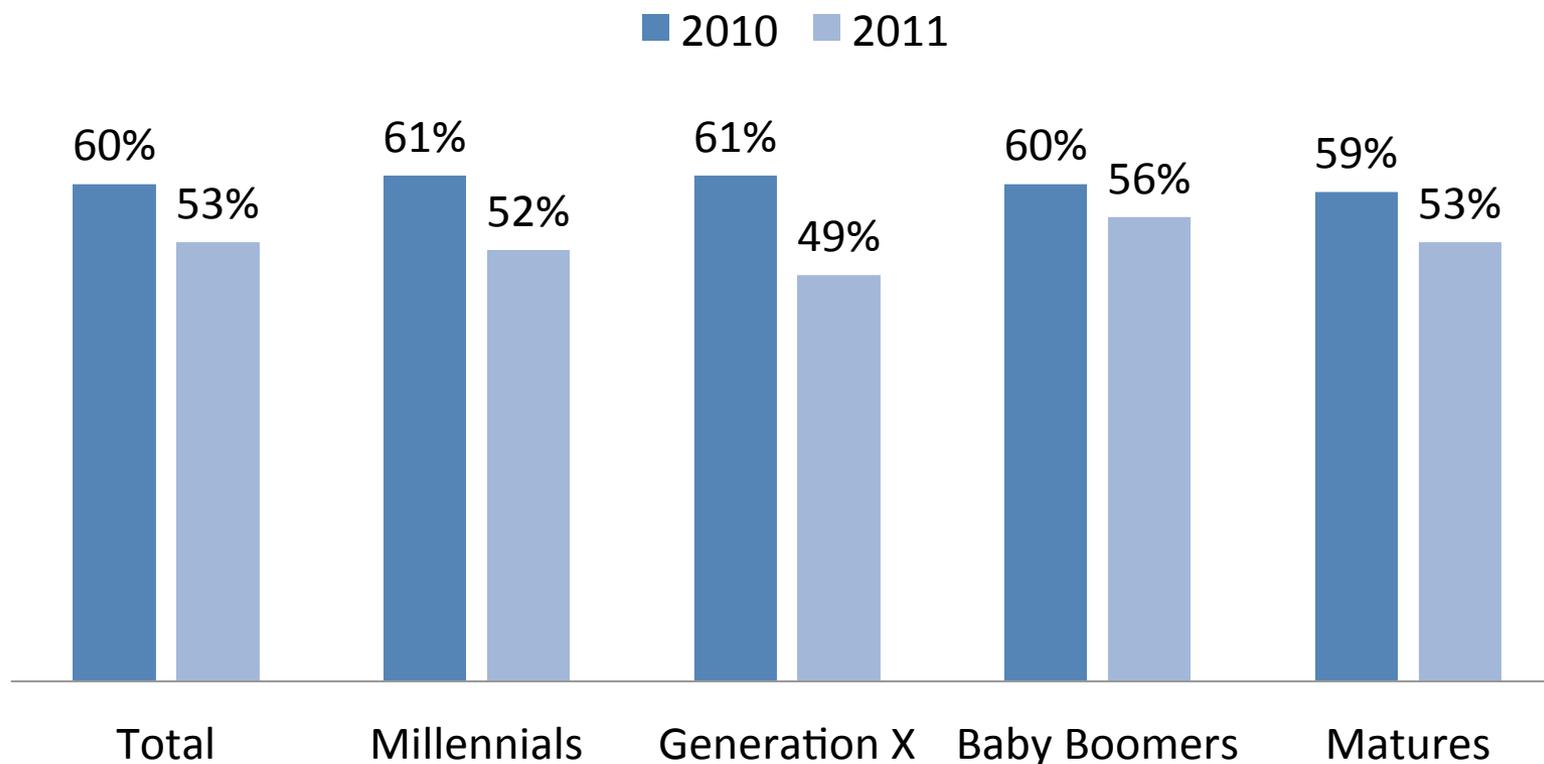
* Total population, TD Ameritrade, Annual New Year's Resolution Survey, 2009, 2010, 2011, http://hdr.undp.org/en/media/Ed_Diener.ppt



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Have we just forgotten how?

Describes me: "I know how to have fun"



8-10 on an 11pt. scale where 10 is describes me completely and 0 is does not describe me at all



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Sponsored Acts of Kindness

Canadian credit union **Servus handed out \$200,000 CDN in ten-dollar bills, giving 20,000 people the opportunity to create a “Feel Good Ripple” by giving that money to someone else.** Servus is asking customers "How will you use ten dollars to make someone's day?" Suggestions include 'buy flowers for the grocery store cashier', 'buy the coffee for the person behind you in line at the drive-thru' and 'give \$10 to a homeless shelter to pay for lunch or dinner supplies'. The **company hopes to start a 'kindness movement' that will positively affect at least 20,000 people and will continue long afterwards.**



Springwise, 10.15.2009



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Outside the Box ... Way, way outside



Within the next two to three years, new Nissans will come with anti-collision radar technology; comfy "easy chair" seats designed by NASA, which are intended to improve blood flow; and air conditioners that spritz passengers with vitamin C, which helps prevent skin damage and wrinkles.

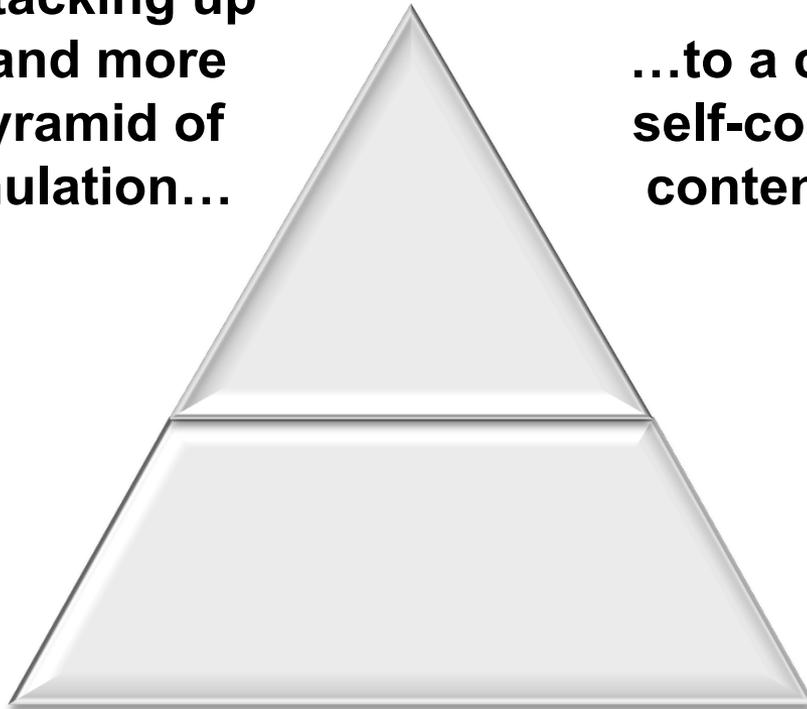
They will also have air purifiers designed by Sharp and smart speedometers that will remind drivers of upcoming anniversaries and birthdays, lest the driver forget.



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Shifting geometry of desire

**From stacking up
more and more
in a pyramid of
accumulation...**



**...to a circle of
self-contained
contentment.**



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National Association of Realtors
What Matters Most TV ad, 2010

“Over time, owning your home has proved to be a good decision. And while lately the economy has presented challenges, it’s also helped us focus on what matters most – family, friendship, community, and finding a home that’s right for you...”



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Virgin America
We're All In This Together TV ad, 2010

“Like birds of a feather,
we’re all in this together”



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While there are many things I'd like to own, I prefer to spend money on experiences that I can share with others

76%

Caution

Contentment

Curation

2010 Finance & Spending Lens



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Three takeaways

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the
futures
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the coming together of
Henley Centre HeadlightVision
and Yankelovich

consumer futures

brand futures

category futures

company futures

macro futures

Thank you!



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