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CONSUMER TRENDS

...

A PRELIMINARY LOOK

**“THE AGE OF HOWEVERS AND UNCERTAINTY:
IN OTHER WORDS WE DON’T KNOW”**



MIXED SIGNALS

in

CONSUMER SPENDING

Consumer Spending Sentiment, as measured by U of Michigan, rose since January to its highest level since 2000.

HOWEVER

First quarter per capita spending increased in January at a rate of .2% and in February only .1%, the smallest gain since August 2016. When adjusted for inflation, these numbers show a drop of .1% in January and .2% in February (US Dept of Commerce, reported in Reuters March 2017)

Car and truck spending dipped by .1%. Auto debt hit of record to \$1.6 trillion (housing industry is \$8.4 trillion); 80% of Ford's assets are in loans; Auto makers write $\frac{3}{4}$ of subprime loans. (Wolf Street. April 2017). Rate of 84 month terms for cars and truck loans is almost 20%; Houston has experienced a crash eerily reminiscent of the housing market crash of 2007.



Has the
REVOLUTION REACHED
a
CRESCENDO?

The election of Donald Trump was seen by his followers as a win for people like them—loyal Americans who are struggling to realize the American Dream and are still protective of traditional values.

HOWEVER

The seeds of that revolution are still present. US workers lag behind those of the world's largest economies in almost all areas related to personal contentment: paid vacation and leave days (last); wealth gap (last); hours spent at work (last); healthcare costs (by most measures, last); maternity benefits for mothers and fathers (last). (Pew Research 9/26/2016)

79% of US workers report that they would accept better healthcare plans, retirement plans, and more paid vacation and sick days over a raise. (Center for Economic and Policy Research)

In almost half of two-parent households both parents now work full-time and in 40% of all families with children, the mother is the sole or primary breadwinner.

QUESTION

Is the promise of more jobs and tax cuts the new opiate of the masses?

CHOOSING

SIDES

Reaching out to those with opposing views is showing promise (albeit limited) in some quarters, even in Congress.

“The future is still tolerance. The impulse to accept, empathize with and embrace others – to recognize their shared humanity – is a part of our nature.” (Trendwatching 2017)

HOWEVER

Recent studies show an acceleration of ‘choosing sides,’ even supporting an issue that means harm to oneself. It’s easier to choose sides than to study issues. And fake news is always present to make choices even easier.

Side-choosing is permeating society. Many conservatives cut the cord on ESPN because they consider the sports network as too liberal. Viewing among conservatives has declined from 32% in 2013 to 16% in 2017 (YouGov poll, reported by USA Today May 17, 2017) Backlash stems from Caitlyn Jenner’s being honored at 2015 ESPY’s and worsened with firing of Curt Shilling in 2016. (The Guardian, 2017)

SCHADENFREUDE

Social Media has seen an uptick in *schadenfreude*, people taking delight in the misfortune of others. Example: Frye Festival, a music festival in the Bahamas for which music lovers paid up to \$50,000 for luxury accommodations and celebrity chef meals, only to show up to find a tent city on a trash strewn beach—with no music. Social media lit up with gleeful responses, with a central message that well-heeled and entitled Millennials got what they deserved. (The Week, The Guardian, May 2017)

CHOOSING

SIDES



WARDROBE.

Are we what
WE WEAR?

Both in the US and in Europe (even in style-conscious Paris) there is a move to casual attire. In Paris, the ubiquitous uniform is denim, bomber jackets and sneakers for women and denim, loose-fitting jackets and sneakers for men.

QUESTIONS

Is the accelerating move to casual a means of expressing rebellion and a growing distaste of institutions, including fashion?

Are people following different styles of casual dress to slot themselves into like-minded groups? Are there growing divides of styles and expressions of cool based not only on sense of style but also on politics?