

Sample Scenario

Consumers 2024

It's 2024 and while unemployment remains at 5%, many jobs are in part-time or low-wage service sector jobs. Software, automation, and enhanced out-sourcing have hollowed out not only blue collar jobs but also many entry- and mid- level white collar positions. More work becomes part-time or on-demand, so household budgets are not stable. Income inequality continues to be a troubling issue in the economy.

The Millennial generation struggles to manage family formation and home ownership. A new American ethic emerges, closer to a Great Depression mentality, that meshes perfectly with the environmental and sustainability ethos of the younger generation. "Conspicuous non-consumption" becomes the new status symbol with "Use it up, wear it out, make it do, do without" its central theme. White label and generic products, often sold and marketed exclusively online, gain popularity.

For the first time in a century, the US sees a shift away from consumerism and disposables toward reusable, durable, sustainable products and lifestyles. The "sharing economy" inspired by sites like Zipcar and Airbnb has grown entrenched and far more efficient, not just with automobiles and vacation rentals but with everything from tools to specialized skills. "Collective buying" through online membership cooperatives also leverages the group to drive discounts with retailers.

The makeup of Congress drifts left, resulting in increased industry regulation. There is a tax on carbon dioxide, as well as requirements for recycled material in a wide range of products. And the US follows Europe in "Take Back" product recycling laws for every industry from automobiles to electronics. Trusted brands now provide complete transparency on their product cycle from raw materials to end-of-life disposal.

While the American and European middle classes struggle, the global middle class continues to grow, particularly in Asia and South America. The household care product sector grows at a healthy rate, with strong competition from local brands. Global brands do benefit from the increasingly global perspective that the Internet offers to younger consumers. Yet the emerging middle class remains at the bottom end of the income scale and often requires product redesigns (smaller sizes, longer shelf-life) to lower cost--ironically, product redesigns that also have resonance with the developed world's struggling middle class.

How would your product line and marketing fit in such a scenario?

How should you modify your distribution strategy to fit this scenario?

What new product opportunities arise in this scenario?