

Sphere Trending Futures Conference Presentation November 2006

I. CONSUMER

- Digital-From-Birth
 - Ethnic diversity, raised in the experience economy, will be the first creative class generation, "Dreaming Differently", big influencers on product purchases and design
- Generation Now
 - Raised with technology, empowered through sheer numbers, 24/7 mentality, ethnically diverse, delaying "adulthood", smartest generation yet unhealthiest, "I Am The Product" - customization/"Do-It-With-Me" consumer, eco-fashionista, internet generation
- Generation X
 - Key home formation years, love to entertain, design savvy, "Do-It-Yourself" consumer, "Tradition With a Twist", masters of trading down in order to be able to trade up, entrepreneurial, blending work and home
- Zoomers
 - Defying preconceived notions of older behavior, beginning to downsize, fueling the luxury market, economic powerhouse, buying second homes, "Vitality Young", health and wellness focus, "Do-It-For-Me" generation, lifelong learning, changing retirement
 - Luxury materials and design
- Prime Timers
 - Prefer aging-in-place, healthier than prior generations, changing rules of retirement, "Redefining Aging", transgenerational design, health and wellness
 - Beautiful transgenerational design

II. HOME

- Second homes are now 40% of all home transactions
- Multi-cultural society; global design influences enter mainstream décor; fusion decorating
- Rise of single households; important male market
- Multi-generational homes on the rise; ways to segment the home into private and public spaces
- Home as theater: drama, "wow" factor, sensory impact, 'raising the sight lines'
- Bringing the indoors out (the outdoor home) and bringing the outdoors in
- Renewed emphasis on the outdoors: auxiliary rooms, new décor categories, segmenting space
- McMansion becomes the iPad as we begin to downsize; rising need for multi-tasking product
- It's about how our homes feel that has become important
- Sensory living: "MD-me" where we self-diagnose our homes for healthy, happy environments
- Loft living is on the rise (ways to segment space)

III. LIVING

- We are in the beginning stages of the next economic revolution - the experience economy
- Blending work and home; importance of home office (sound absorption, security for WiFi)
- Blending room functions - we can eat, entertain or work anywhere, anytime within any room
- "Do-It-With-Me" product customization
- Smart product - product with enhanced values that provide more function
- Emotion per square foot
- Tactile: traditional hard surfaces go soft, and soft surfaces go hard
- Reaching out beyond corporate for new ideas/innovations
- Fear factor driving product design (bacteria, indoor air quality, safety, etc.)
- Energy efficiency - its cool to be green