

The Consumers' New Clothes (Sarah Ferguson, Take Note)

By Marian Salzman
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I don't need to tell you that the world has seen its share of change lately. We used to embrace change and make it happen (which entails pretty much everything before Sept. 11, 2001). Then we watched it from the sidelines (the Iraq and Afghanistan wars, the various financial crises), craved it (the 2008 U.S. presidential election) and circled back to watching--helplessly, it seems (losing patience with President Obama, the BP oil leak).

But now we're creating change again. A New Consumerism is taking hold. People around the world are realizing their responsibility in current events and trying to take control of what they can. They're making changes to simplify their finances, their consumption, their lives.

Unfortunately, Sarah Ferguson doesn't seem to be one of those people. Fergie is an emblem of what was. After helping bring blood back to the cheeks of Britain's royal family, she became a comeback brand (like Madonna) I used to admire: motivational speaker; Weight Watchers spokeswoman; head of her own charitable foundation dedicated to helping children; a voice in a Disney animated movie; special correspondent for "Today"; producer of last year's *Young Victoria*, starring Emily Blunt and Rupert Friend; and author of two dozen books for children and adults.

With many people in financial situations more or less similar to hers, Fergie had a story that was widely admired, in fact: Down on her luck after a divorce, getting only a reported \$21,700 in alimony every year and with the bills

mounting (okay, her debt, last year reported at about \$900,000, is a bit different than the average person's), she found respectable ways to keep reinventing herself and keep her head above water. Or so we thought before she was caught on tape offering entrée to Prince Andrew for about \$724,000. It was beneath the Duchess of York and sad to watch when it played out so publicly.

New Consumerism may have finally flushed out her ability to change.

Many people, Ferguson probably included, have been increasingly suffering from what could be called *hyperconsumptivitus extremus*. But millions around the globe are taking the cure right now. Even in the United States, where the right to shop till you drop has been considered the implicit 28th Amendment, people are cutting up their credit cards and fighting their reflexive urge to splurge at the slightest provocation.

And they're doing it not necessarily because they have to but because it makes them feel good. New research in seven markets (Brazil, China, France, Japan, the Netherlands, the United Kingdom and the United States) by my company, Euro RSCG, found that significant portions of the populations are trading hyperconsumerism for a form of consumption that's a bit more subdued and considered—and, well, sane. (There's more information about the study and thoughts about New Consumerism at TheNewConsumer.com. And the book *Consumed: Rethinking Business in the Era of Mindful Spending*, based on the study and written by my colleagues Andrew

Benett and Ann O'Reilly, will be published in July.)

Of the 1,500 people in the U.S. sample, for instance, 87 percent said saving money makes them feel good about themselves. About three-quarters (78 percent) said most people would be better off if they lived more simply, and 73 percent said it makes them feel good to reduce the amount of waste they create through their consumption. A majority is actually deriving satisfaction from cutting back on their purchases during the economic downturn, and six in 10 say they're never going back to using their credit cards the way they used to. (We'll have to see, of course, if this is yet another way of life that will change once the economy gets back on track. I think the simple life will be with us for quite some time.)

"Cutting back" doesn't have to be a negative. The New Consumers identified in the study have managed to turn a more mindful approach to consumption into a positive. Here are four paradigms underlying the fundamental consumer shift:

Rightsizing. For the past couple of decades, consumers have been confronted with an explosion of product choices in virtually every category. Tropicana Pure Premium orange juice, just one example, comes in 16 varieties. People are overwhelmed. They also feel more anxious about financial concerns. In response to these pressures—and to their growing concern over the environmental and social impact of their consumption choices—more consumers are hopping off the consumption treadmill, spending less time on accumulating things and more time enjoying simple pleasures. Two-thirds (67 percent) of people surveyed globally believed most people would be better off if they lived more simply, and 46 percent believed they would be happier if they owned less stuff.

Growing up. The Euro RSCG survey found that 48 percent of the global sample agreed that even though they're adults, they don't always feel like "grown-ups." But they're starting to accept personal responsibility and gain control through

financial choices. Seventy percent said saving money makes them feel good about themselves (though only 31 percent have been able to put more into savings than they used to), and 38 percent (including 49 percent of Americans and 52 percent of respondents in Brazil) felt satisfied from reducing their purchases during the downturn. In addition, 39 percent have started thinking about growing a garden—a sign of wanting to not only reconnect with nature but also become self-sufficient and competent.

Seeking purposeful pleasure. The genius of modern marketing is that psychology makes us want to buy things we don't really need because of a desire to feel good. But what makes us feel good emotionally is now changing. The New Consumers are savvier, more empowered and more demanding. Today, they're concerned with everything from economic impacts and safety to design and provenance. They're also more aware of their capacity to influence the world—good or bad—by what they buy. In the Euro RSCG survey, 51 percent are more interested today in how and where products are made, and 57 percent say it makes them feel good to support local producers, artisans and manufacturers.

Embracing substance. As political theorist Benjamin Barber once said, consumerism now "strives to be everything, to occupy all our time and space and push other things out. In this sense, it is both homogenizing and totalizing." Across the markets Euro RSCG surveyed, people were tired of a culture built around trips to the mall and hours spent staring at screens. They want more substance and the fulfillment that comes with it. And they want to feel connected to something more "real." In the survey, 51 percent worldwide were concerned that digital communication is weakening human bonds, and 59 percent worried that society has grown too disconnected from the natural world.

Sarah Ferguson became disconnected. She—and the rest of us—can probably find a few lessons in how the New Consumers are changing relationships (with people and money) and changing the way they live, and use it for our own next reinvention.