

"Penn has a keen mind, and a fascinating sense of what makes America and the world tick, and you see it on every page." —Bill Gates

"The ideas in this book will help you see the world in a new way." —Bill Clinton



micro trends

the small forces behind tomorrow's big changes

Mark J. Penn
with E. Kinney Zalesne



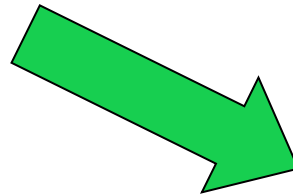
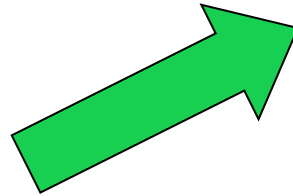
AspenTrends

The Small Forces
Shaping America's
Big Ideas

Mark Penn

July 3, 2009

From Megatrends to Microtrends



The “Starbucks” Economy





Getting into the Microtrends Mindset



Be comfortable holding two or more inconsistent ideas in your head at once



Respect the true breadth and complexity of human beings

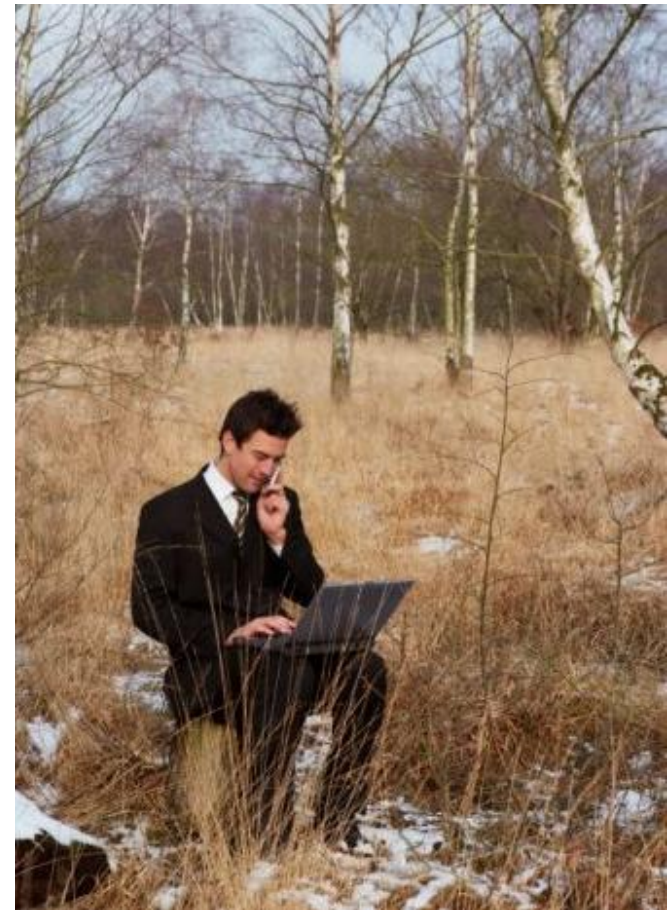
Methodology

Penn, Schoen & Berland Associates (PSB) conducted 260 Internet interviews among Aspen Ideas Festival attendees from May 15 - June 27, 2009.

Overall, the margin of error is +/- 6.1%.

Audiences in this analysis include:

- **Males** [n=127, MOE = +/-8.7%]
- **Females** [n=133, MOE = +/-8.5%]



Who are the Aspenites?

Aspenites are more educated

What is the highest level of education you completed?	Aspen Attendees	Gen Pop
Some high school	2	14.2
High school graduate	0	30.9
Some college	5	19.6
College graduate	28	26.2
Graduate school	63	9.1

And have more employment independence

Which of the following best describes your employment status?	Aspen Attendees	Gen Pop
Self employed	31	6.7
Unemployed	4	9.1

They're also more likely to be Democrats

Which of the following do you consider yourself?	Aspen Attendees	Gen Pop
Democrat	59	36
Republican	16	30
Independent	24	34
Don't know/Refused	1	0

- Aspen Attendee (AA) could just as easily stand for “**Above Average**”. This is an elite group by almost every measure.
- AAs are **much wealthier** than Americans generally (36% have household incomes above \$500K).
- **They're more married: 71% are married**, which is well above average.

AAs focused on Social Sciences

- 25% of Aspenites majored in Political Science or Economics.
- Another 23% focused on English, History or Communications.
- In contrast, only 15% studied Engineering, Biology, or Mathematics.

Which of the following concentrations best describes your College major? (Among college graduates)	Aspen Attendees	Male	Female
Political Science	13	13	13
Economics	12	16	8
English	8	5	12
History	8	9	7
Engineering	7	13	1
Biology	5	6	4
Communications	4	1	8
Mathematics	3	3	3
Fine Arts	3	1	4
Education	3	1	6
Art History	3	1	4
Other	32	32	33

Even our leisure activities are **Above Average**

- Aspenites **read and exercise more** than the general population – they also watch **less television** and play **fewer video games.**
- In 2008:
 - 47% of Americans read a book (NEA)
 - 65% of Americans met the US Department of HHS's Physical Activity guidelines
 - 63% played video games in the last six months

What do you do for recreation? <i>Multiple responses permitted</i>	Aspen Attendees
Read	90
Exercise/sports	90
Watch television	62
Use the Internet	60
Go to the movies	58
Listen to music	55
Eat/cook	48
Nightlife/hit the town	22
Hobby/collections	17
Play a musical instrument	11
Knit/sew	8
Play video games	6
Other	17

So what does Above Average mean for Microtrends?

In some ways, Aspenites are reflective of current trends...



Social Geeks



- Nearly 60% of the most enthusiastic tech users nationwide are extroverted.
- 75% of Aspen attendees between 18 and 49 years old use technology to socialize.

Do you often use technology to socialize, such as through Facebook.com, text messaging, or instant messaging?	All Aspenites	18-49	50-64	65+
Yes	60	75	70	39
No	40	25	30	61

Neo-Classicals



- In 2000, there were more than 36,000 classical music performances in the U.S., up 10% from the prior year and up 45% from 10 years before.
- 4 in 5 Aspen attendees over the age of 65 years old state they listen to classical music at least on a weekly basis, while 2 in 5 between the ages of 18 and 49 listen with the same frequency.

How often do you listen to classical music?	Aspen Attendees	18-49	50-64	65+
Once a day	28	17	24	40
Once a week	32	23	29	40
Once a month	22	26	23	17
Once a year	12	18	18	2
Never	7	15	7	1

Office Romancers



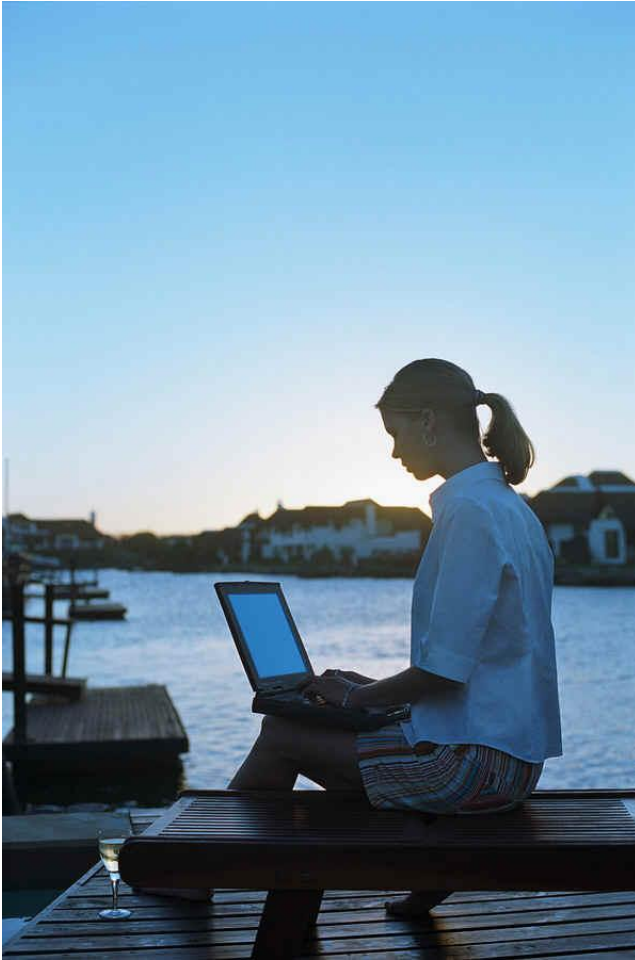
- 40% of Aspenites have been involved in an office romance, which is close to the national rate.

Have you ever been involved in an office romance?	Gen Pop	Aspen Attendees
Yes	58	40
No	42	60

In many ways, Aspenites are in a league of their own: either way out front, or lagging behind, on Microtrends



Out Front: Stay-at-Home Workers



- Working from home is amazingly pronounced among Aspenites: 50% say they primarily do so.
 - The trend is being driven by women: 64% of female Aspenites work primarily from home compared to 35% of men.

Do you work primarily from home?	Gen Pop	Aspenites		
		All	Male	Female
Yes	3	50	35	64
No	97	50	65	36

Out Front: Working Retired



- 5 million people aged 65+ are in the U.S. labor force, almost twice what it was in the early 1980s.
- This is even more evident at the Festival: more than half of Aspenites over 65 are still working (many of them from home, as we know).

Are you working, even though you are technically of retirement age? (Among respondents 65+)	Gen Pop	Aspen Attendees	Male	Female
Yes	13	57	66	45
No	87	43	34	55

Out Front: Pampering Parents



- American parents have become much more permissive, and nearly a majority now choose encouragement over discipline.
- And Aspen parents are substantially more inclined to guide their children with warmth, instead of structure, than the general population.

In general, which do you think is a more effective way to raise children?	Gen Pop	Aspen Attendees
Guide them with warmth and encouragement	48	74
Guide them with discipline and structure	52	26

Out Front: 30-Winkers



- The number of American adults who get fewer than 6 hours of sleep a night has grown from 12% in 1998 to 20% in 2009.
- Only 10 % of Aspenites get the Surgeon General's recommended 8 hours or more of sleep.

On average, per night, you get?	Gen Pop	Aspen Attendees
More than eight hours of sleep	28	10
Between 7- 8 hours of sleep	27	45
Between 6- 7 hours of sleep	23	37
Less than 6 hours of sleep	20	8

Out Front: Surgery Lovers



- 2 million Americans, or less than 1% get repeat, elective, cosmetic surgery.
 - In the general population, Surgery Lovers represent a microtrend, at just under 1% of the population.
- Among festival attendees this trend is more pronounced
 - Especially women from 50-64.
 - Implying that the Aspen demographic is in part driving this Microtrend.

Have you had cosmetic surgery more than once?	Gen Pop	Aspen Attendees					
		All	Male	Female	18-49	50-64	65+
Yes	<1	10	4	16	3	15	10
No	>99	90	96	84	97	85	90

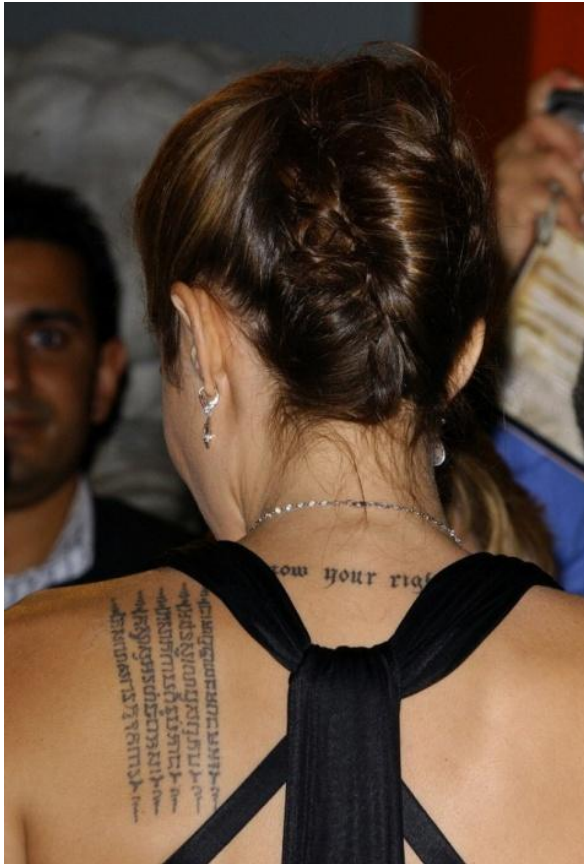
Not so much: New Info Shoppers



- People are becoming research addicts. These days, huge numbers of people check the Internet for reviews and ratings on virtually every product they buy.
- Aspenites actually do less research on every subject than the general population.

Do you do research before you...	Gen Pop	Aspen Attendees
Buy a car	85	63
Go to a movie	43	27
Buy a vacuum cleaner	58	10

Not so much: Uptown Tattooed



- As of 2006, more than 30 million Americans have tattoos, up from fewer than 20 million in 2003.
- Aspen Attendees falling behind the parlor curve:
 - Just 4% stating that they have a tattoo.
 - Younger Aspenites approach the national average tattoo rate, but the group as a whole skews ink-averse.

Do you have a tattoo?	Gen Pop	Aspen Attendees			
		All	18-49	50-64	65+
Yes	14	4	9	4	0
No	86	96	91	96	100

What about some new trends?



Mark J. Penn with E. Kinney Zalesne

Global Guardians



- Aspenites are quite a bit more convinced that global warming exists and that it is a man-made phenomenon than is the general population.

Do you believe in global warming?	Gen Pop	Aspen Attendees
Yes	71	83
No	17	9
Don't know	12	8

Is global warming primarily man-made or is it mostly just a natural phenomenon?	Gen Pop	Aspen Attendees
Mostly man-made	72	86
Mostly natural phenomenon	15	7
Don't know	12	7

(Not Keeping Up With) The Joneses



- 63% of Aspen attendees are spending at least somewhat less and saving somewhat more in the recessionary context.
- 31% have not changed their behavior.
- 95% of the Aspenites who are spending less and saving more report that they're relieved to be off the consumer treadmill.

You said that you are spending less and saving more. Which of the following is closer to your view about your new spending habits? <i>Asked among those spending less and saving more</i>	Aspen Attendees
I feel relieved to be off the consumer treadmill	95
I feel anxious that I'm not keeping up with my peers, consumption-wise	5

High-end Mattress Stuffers



- Nearly 1 in 10 Aspen attendees is responding to the stock market crash by stashing money in a safe/under the mattress.
- The most affluent respondents are the most likely to be hoarding their cash.

Which approach best characterizes your response to the stock market crash?	Aspen Attendees	Under \$500K	\$500K+
Trying to stay the course, keeping your investments as they were	70	77	63
Buying boldly but strategically, hoping for profits when the economy turns around	20	14	24
Stashing your money in a safe / under your mattress	9	9	13

What does it all mean?



- Aspen elites are at the vanguard:
 - Working and working at home more.
 - Reading more than ever.
 - Driving the green movement.
 - Pampering their kids.
- But they are removed from many of the everyday experiences of America:
 - TV.
 - Video games.
 - Tattoos.
 - Work in the workplace.
 - Unemployment.
- The big question: how do elites relate to the rest of America, an elite-driven nation?

Biggest Concern?



- **Impressionable Elites**
- Who in our society really delves to get the facts, and who takes the opinions of others as their own?
- Surprisingly, it's the working and middle class voters who have become more grounded in facts and research.
- We saw it in the campaign, and we see it in the marketplace, as elites are most swayed by brands.

The Big Changes?



- **We have seen a decade of change, but the last year has been dramatic:**
 - Mistrust of business, financial institutions and the marketplace (more cash, less credit).
 - 10% unemployment will be a searing experience.
 - Pessimism is on the rise – 45-54 year olds are the most stressed.
- We are more tolerant, more green, more global, and more trusting of the presidency, and those are the elements of hope in a world that is much more driven today by fear.

"Penn has a keen mind, and a fascinating sense of what makes America and the world tick, and you see it on every page." —Bill Gates

"The ideas in this book will help you see the world in a new way." —Bill Clinton



Mark J. Penn
with E. Kinney Zalesne