

# Housewares Trend Tracker 2003



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# **About Housewares Trend Tracker 2003**

In her book *“Clicking”*, Faith Popcorn says the goal of trend watching is “to get to where the consumers are just before they get there, offering those consumers what they don’t even know they wanted.”

Trend Tracker 2003, published by Riedel Marketing Group (RMG), delivers insight into the major trends that will impact the housewares industry over the next few years.

Trend Tracker 2003 tracks and monitors the major changes in consumer attitudes, behaviors and motivations relating to home, food preparation, household chores, technology, leisure and lifestyle that will lead to changes in the housewares industry over the next few years. It enables marketers and manufacturers of housewares products to anticipate what products and services consumers will want and need and thus, helps them “to get to where the consumers are just before they get there, offering those consumers what they don’t even know they want.”

Trend Tracker 2003 is based on four primary sources of insight:

1. Riedel Marketing Group Primary Consumer Research

In 2002, Riedel Marketing Group surveyed over 4,000 American consumers by telephone about their housewares product ownership, past year purchase, and purchase likelihood as well as about their home-related activities.

2. Other Trend Forecasters

The trend forecasts of such trend forecasters as Faith Popcorn and Unity Marketing have been cited in this report.

3. Market Research by Other Market Research Companies

Research by the following companies has been cited in this report: Yankelovich; Food Marketing Institute; Datamonitor; Unity Marketing, The NPD Group, Harvard’s Joint Center for Housing, IRI, and ACNielsen.

4. Trade and Business Publications

Publications cited in this report include: HFN; American Demographics; Fortune, Los Angeles Times, New York Times, New York Daily News, The Arizona Republic, Chicago Tribune, Fast Company, Dallas Morning News, USA Today, The Wall Street Journal.

# Trends

## Gen X: The Next Generation of Housewares Consumers

Historically, the housewares and home furnishings industries have considered households that are headed by persons who are between the ages of 45-to-54 to be the prime target for home-related products. And no wonder. After all, according to the Bureau of Labor Statistics, households headed by a person in the 45-to-54 age group spend 32 percent more than the \$1,499 the average U.S. household spends on household furnishings. Except for the categories of floor coverings and small appliances, this age group outspends all others in the other major categories of household expenditures: textiles, furniture, floor coverings, and major appliances.

Household Furnishings & Equipment Spending, 1999 Average Spending by Age Range							
	Total	under 25	25 - 34	35 - 44	45 - 54	55 - 64	65+
Household Furnishings Total	\$1,499	\$877	\$1,445	\$1,590	\$1,980	\$1,779	\$1,054
Household Textiles	\$114	\$41	\$101	\$114	\$169	\$111	\$106
Furniture	\$365	\$283	\$435	\$403	\$446	\$382	\$205
Floor Coverings	\$44	\$11	\$37	\$37	\$52	\$94	\$31
Major Appliances	\$183	\$91	\$176	\$192	\$215	\$196	\$175
Small Appliances	\$102	\$47	\$82	\$90	\$131	\$144	\$99
Misc. Household Equipment	\$692	\$405	\$615	\$754	\$968	\$853	\$438
Source: Bureau of Labor Statistics							

However, looking toward the future, Generation X – that is, households headed by a person who is between the ages of 25 and 34 – will be the prime target for home-related products.

Households ages 25 to 34 are entering into their prime household formation years and are likely to be spending ever increasing amounts of money on household furnishings and equipment until they reach their mid-to-late fifties. Although they do not yet spend as much as households age 45-to-54, households headed by a person in the 25-to-34 age group spend significantly more – 64 percent more – on household furnishings and equipment than households headed by a person under 25 years of age.

At the same time that Generation X households are reaching the life stage when they will be more focused on their homes and acquiring things for their homes, Baby Boomers are reaching the lifestage when they will be less focused on their homes and the acquisition of material goods.

According to Pam Danziger, president of Unity Marketing, and author of *Why People Buy Things They Don't Need*, "In their middle years, the members of the Baby Boom generation will face the inevitability of their mortality. In doing so, they will try to make up for lost time and the things they may have missed, by directing their energy and money toward experiences and away from the continued acquisition of material things. With the attitude of "been there, done that" in buying more things, Boomers will turn away from a consuming focus on things, to a hunger for experiences and personal development."

## **More At-Home Meal Occasions/Less Meals Away From Home**

“More consumers are inclined to prepare home-cooked meals, with fast-food restaurants losing significant ground as a source of take-out food,” according to Food Marketing Institute’s latest report on food-buying habits “Trends in the United States: Consumer Attitudes & the Supermarket, 2002 study”.<sup>1</sup>

- The number of consumers preparing home-cooked meals at least three times a week jumped to 85 percent in early 2002 from 74 percent in the same period in 2001. Those eating fast food once or more a week fell to 32 percent from 38 percent. Take-out and home-delivery meals also posted declines.
- Respondents reported that they eat their evening meal away from home 1.3 times per week, compared with 1.4 times per week in 2001 and 1.5 times per week in 2000.

Other research corroborates FMI’s findings:

- According to ACNielsen, in January 2002, 27 percent of U.S. consumers said that they planned to cut back on eating out; by July 2002, that number had increased to 34 percent.
- In a study commissioned by *American Demographics* magazine that was conducted between June 12 and 20, 2002, 24 percent of a nationally representative sample of 2,500 adults said that, since Sept. 11, they have spent a greater portion of their hard-earned dollars on groceries to prepare meals at home, compared with 15 percent who say they've spent more going out to eat. Almost 1 in 3 adults with children age 18 or under (30 percent), adults ages 35-44 (31 percent), household incomes under \$35k (28 percent) has spent more money on food at home in the past year than they did prior to the attacks.<sup>2</sup>



## Flexible Eating

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We have a more flexible attitude towards eating today. We may rush a lot of meals or skip them altogether, while at other times we take more time to enjoy our eating or make a special occasion of it.

Independent market analyst Datamonitor has dubbed this new attitude towards eating “Flexi-eating”. “Mealtimes are increasingly being treated as flexible periods of time that can be made to fit around the needs of consumers' more hectic, individual and stressful lifestyles,” said Dominik Nosalik, consumer markets analyst at Datamonitor. “Flexi-eating has become more prevalent as consumers fit food around their other commitments.”

One aspect of “Flexi-eating” is that we are eating fewer meals and more snacks. Although the Datamonitor “Changing Mealtimes” report was a survey of the eating habits of consumers in the United Kingdom, the findings are equally germane to the U.S. market: The study found that, on average, every European will eat 11 fewer meals per year by 2006; however, they will snack on average 19 more times per year to compensate for this change. Americans exhibit similar eating patterns; if anything, Americans are eating even less meals and more snacks than are Europeans.

Another aspect of “Flexi-eating” is “fast and functional eating”: one-handed meals, eating on-the-move, desk-dining and the use of ready meals and minimal effort meal kits. “Fast and functional eating” is growing as the number of people that have neither the time, inclination nor skills to eat and prepare meals rises. All of these types of consumption offer convenient, time-saving solutions to the need to eat or prepare proper meals. They allow us to get more done in a day or multitask while we eat.

“The world has become a string of mini meals and snacking and an individual, portable eating category has developed,” said Eleanor Hanson, co-editor of *FoodWatch*, a newsletter that tracks and analyzes consumer food trends.

Some recent new product introductions in the portable no-utensil snack category include: Jell-O X-Treme Gel Sticks; Frito-Lay Go Snacks (Doritos mini 3-D's, Cheetos Asteroids and Fritos Hoops packaged in 8 ounce canisters in hour glass shape that fits perfectly in a car cup holder); Hershey's Portable Pudding; Soup at Hand by Campbell Soup Co.; Mott's Fruit Blaster which is applesauce in a tube.

Another aspect of “Flexi-eating” is that we are also making a greater effort to make some of our meals "special occasions" and meet up with friends or family for a dinner party or night out.

## The Changing Definition Of Home Cooking

According to the *Washington Post*, “Call it half-homemade or semi-scratch or, as one cookbook author does, convenience cuisine. Whatever you call the latest twist for putting dinner on the family table, it still means one thing: Home cooking is undergoing a radical change.”

Beverly Bundy, author of “The Century in Food”, says, “The definition of from-scratch cooking has changed from 20 years ago.” Harry Balzer, vice president of research firm NPD Group, agrees that the definition of cooking is changing.

Phil Lempert, also known as the Supermarket Guru, estimates that almost two-thirds of the U.S. population think that “assembling” a meal is the same as “cooking” a meal. Bundy agrees. She says, “Today’s generation of cooks grew up with chicken nuggets and frozen pizza. Even boiling water to make pasta is considered cooking.”

The food industry is responding with convenient new products that are pre-chopped and precooked. For example:

- ConAgra Foods Inc.'s Homestyle Bakes – which is one of a number of products in the new “meat-included meal kit” product segment – is essentially a canned soup packaged with a pouch of baking mix. “Meat-included meal kits” were the best-selling new grocery product of 2001-02, according to market research firm Information Resources, Inc. The product category took in \$100 million in the year ended April 21, 2002. <sup>3</sup>
- A recent TV commercial shows a smug woman pushing a shopping cart with nothing in it but a Betty Crocker Complete Meals box. Six varieties have been introduced.
- The bagged salad market has grown into a \$1.6-billion business.

Analysts say that the supermarket is slowly changing from a food ingredients store to a prep kitchen.

The cookbook industry is responding with a rash of new and upcoming cookbooks. For example:

- “Semi-homemade Cooking” by cable TV personality Sandra Lee, which relies heavily on brand-name packaged goods and boasts that “nothing is from scratch.”

- Anne Byrn, the woman who taught us to do semi-scratch baking with cake mixes in her best-selling “Cake Mix Doctor”, is coming out with “Dinner Doctor” in the fall of 2003.
- Due out in June is “Almost From Scratch: 600 Recipes for the New Convenience Cuisine” by veteran cookbook author Andrew Schloss.

As people have become more comfortable with using processed and prepared ingredients, magazines and television shows have begun using them more in recipes. For example, a potato salad recipe in Real Simple magazine might call for a pouch of partially cooked Simply Potatoes. A homemade pie might use frozen Boston Market cinnamon apples and a frozen pie crust.

## **Designer Laundry Rooms and Tools to Make Laundry Easier**

In 2001, the *New York Daily News* reported that “After years in the basement and out in the garage, the laundry room is taking over the house. And laundry soaps, laundry machines, laundry guides once the stuff of drudge work are suddenly being touted as "sexy," "powerful" and "cool." It's not just a new twist on the old soap wars, with Wisk and Tide and their new laundry tablets aiming for an ever-larger share of the \$6 billion detergent market. The reality is that the lexicon of laundry is invading every corner of American culture... We are awash in wash.”<sup>4</sup>

Consider these facts:

- One of the most talked-about books of 2000 was “Home Comforts,” Cheryl Mendelson's 884-page ode to the crisply ironed shirt and the perfectly washed sheet. In 2001, cleaning maven Linda Cobb followed up her successful housecleaning manual with a laundry bible “Talking Dirty Laundry With the Queen of Clean”.
- Liquid laundry detergent is one of the fastest growing house care categories. Retail dollar sales have increased by at least 50 percent since 1994.
- According to Product Alert, a Naples, N.Y., company that tracks the packaged-goods industry, there were 93 laundry products introduced in 2001, up by one-third from 1999.
- Americans spent \$150 million on the personal dry cleaner kits, such as Dryel, in 2001, up from zero in 1998.
- Designer brands such as Victoria's Secret and Tocca are turning out perfumed and pricey detergents, fabric softeners and linen waters.
- When Whirlpool Corp. introduced its Duet line of high-end washers and dryers in 2001, the company expected the Duet would make up only 5% of its North American washer and dryer sales. Instead, in its first six months on the market, the Duet line doubled Whirlpool's projections.
- Whirlpool unveiled a Personal Valet System in February 2002, a 110-volt home appliance that removes wrinkles and gets clothes ready to wear in about 30 minutes.

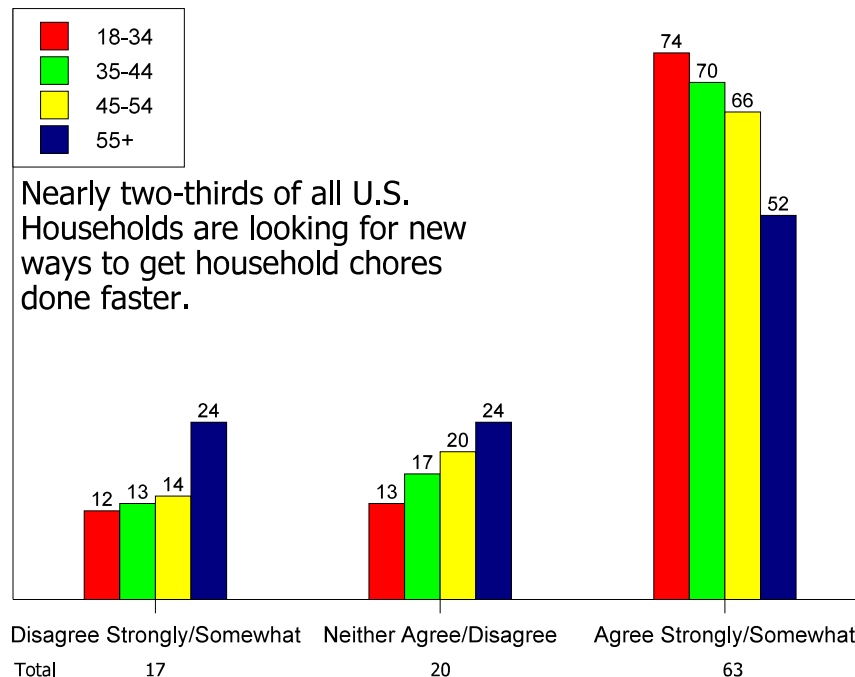
With all the interest in laundry, it's no wonder that industry exerts are now saying that increasing attention is going to be paid to the lowly laundry room.

- More than 75 percent of respondents to a Lowe's-Harris Interactive poll said they want to improve their laundry room. Melissa Birdsong, trend forecasting and design expert for Lowe's Home Improvement Warehouse, says the research shows homeowners are weary of laundry rooms as an afterthought.<sup>5</sup>
- In a survey by the National Association of Home Builders, home buyers ranked a separate laundry room not just a space for a washer and dryer but as the most coveted design feature in a house. It beat out 88 other features, including a bathroom linen closet (No. 2), a separate dining room (No. 8) and a walk-in pantry (No. 9).
- Four of five respondents in the Lowe's-Harris Interactive poll believe that a fully finished laundry room significantly adds value to a home.
- In the last two years, the laundry room has migrated successfully from the basement to the first or second floor. As houses have increased in size, laundry rooms have too, doubling from an average 6-square-foot closet to a 12-square-foot room. Custom home builders in many areas report that the larger rooms integrate other functions, like playrooms, garden rooms, craft and sewing rooms or home offices, incorporating materials more typically seen in expensive kitchens.<sup>6</sup>
- Restoration Hardware is emphasizing the laundry room, selling products like laundry fragrances and ironing spray, manufactured by the Good Home Co., which are bottled attractively like fancy foods. In addition, the retailer moved laundry products up into the front of the stores and is adding three new hampers and four new laundry bags in January 2003.
- Whirlpool, the country's largest appliance manufacturer is focusing on reinventing the laundry room. In January 2003, Whirlpool unveiled the Family Studio, "a complete fabric-care and family activity center for today's home." The Family Studio combines a laundry room with a hobby, craft or workroom. The Whirlpool Family Studio features the following fabric-care products: The DryAire(TM) Drying Cabinet, which shaves hours off of the air-drying process, the SinkSpa(TM) Jetted Sink features water jets that gently care for hand-washables, The Impress(TM) Ironing Station features an easy-to-access adjustable board, a place to store a warm iron as it cools and automatic shut-off controls as well as the Duet(TM) washer and dryer and the Personal Valet(TM) Clothes Vitalizing System.

## Getting the Cooking and Cleaning Done Faster

Women spend about 27 hours a week on cooking and cleaning activities, down 13 percent from 1989–1990.<sup>7</sup>

Even so, we are still looking for more ways to get households chores done faster. In its Fall 2002 Homescan Consumer Pre\*View Survey, ACNielsen found that 63 percent of total U.S. households agreed “strongly or somewhat strongly” that they are seeking new ways to get their shopping, cooking and cleaning done faster.



Source: ACNielsen Homescan Consumer PreView

Q: I'm constantly looking for new ways to get the household chores (shopping, cooking, cleaning) done faster.

Some of the ways we are getting our chores done faster is to hire others to do them: The residential cleaning industry is booming. Americans spent \$2.4 billion on residential cleaning services in 2000, compared with \$1 billion in 1990.

We are gobbling up how-to guides that teach us how to be more efficient: The Queen of Clean(R), Phoenix author and cleaning expert Linda Cobb, wrote “Talking Dirty With The Queen of Clean” which ranked No.1 on The New York Times best-seller list for a period of time in 2001. Author Don Aslett has sold more than 3 million books on clutter and cleaning.<sup>8</sup>

From sweepers to disinfecting wipes and dusting mitts, manufacturers are developing time-saving products and Americans are buying them in droves.

- Sales in the "Polishing/Cleaning Cloths" (e.g., Swiffer and Grab-It-type refills) topped \$251 million (26.6 percent product volume growth) and "Premoistened Cleaner Towels" (e.g., Pledge Wipes, Clorox Disinfecting Wipes, and Glass Plus Glass & Surface Cleaner Wipes) came in at \$147 million (40.4 percent product volume growth) for the past twelve months ending November 2, 2002.
- Stick goods companies are trying to cash in on the popularity of electrostatic mops and sweepers such as Procter & Gamble's Swiffer and Swiffer Wet Jet by introducing their own versions. For example, EverCare introduced the Sweep 'N Clean electrostatic sweeper/squeegee and Butler introduced the Squirt Mopping System at the 2003 International Housewares Show.
- One of the sensations of the 2002 holiday season was the Roomba, a \$200 robot vacuum cleaner developed by iRobot.
- Whirlpool unveiled the Polara, an electric range whose oven cavity is also a refrigerator at the International Builder's Show in January 2003.

## Remodeling Fever

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According to *USA Today*, “American homeowners have remodeling fever and they’ve got it bad. And they’re not just fixing up the bathroom; they’re going up a level, adding a wing or blowing out the back.”

- Nationally, remodeling is increasing its share of total residential investment and now equals about 40 percent.<sup>9</sup>
- The number of homeowners spending at least \$10,000 on major modifications such as kitchen and bath remodeling, room additions, or structural alterations has exceeded those buying new homes in the USA every year since 1987.<sup>10</sup>
- Spending on home improvement – expenditures to improve, maintain and repair the nation's 119 million homes – totaled \$218 billion in 2002, up 2 percent from 2001.<sup>11</sup>
- The remodeling market, which includes everything from wallpapering a bathroom to adding three bathrooms, totaled nearly \$108 billion in 1991. By 2001, it had grown nearly 50 percent to \$160 billion.<sup>12</sup>
- Consumer demand for hand tools is expected to rise by 3.7 percent annually through 2005, generating \$1.5 billion.<sup>13</sup>



## House Fluffing

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In November, 2002, the *Wall Street Journal* proclaimed that “house fluffing” was the rage. In house fluffing or interior arranging, the look of a room is changed using only things the homeowner already owns. According to the *Wall Street Journal*, there are a growing number of “Interior Arrangers”. In addition, some full-service interior designers are starting to offer arranging in addition to their traditional services.

## Second Homes

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Americans not only have remodeling fever, they also have second home fever.

- Over the past 20 years, the number of second homes in the United States has more than doubled, to 3.6 million in 2000 from 1.7 million in 1980, according to Census 2000.
- The National Association of Realtors (NAR) estimates number of single-family second homes sold in 2000 rose to 415,000 – up 10 percent from 1999 and up a whopping 37 percent from 1995.
- The NAR estimates 100,000 to 150,000 new second homes will be constructed each year through 2010.<sup>14</sup>

According to *American Demographics* magazine, it is not just the wealthy who are buying second homes. Today working professionals have been joining the mix. In fact, the median income of a second-home buyer is \$68,800, and the median age is 43, according to the NAR's 1999 biennial survey. That's significantly younger than the average age of all current second-home owners, which is 52, according to the Census Bureau.

## **Americans' "Split Personalities"**

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In November 2002, the International Housewares Association reported that "it seems Americans want to have their cake and eat it too. Many consumers are mixing contradictory lifestyle trends." For example:

- Some consumers say they love to cook yet they occasionally view cooking as a chore.
- The non-cooking population is increasing, yet, the popularity of gourmet and more flavorful foods, larger and more sophisticated gourmet kitchens, television cooking shows, and sales of cookbooks are on the rise.
- Casual living continues to be the predominant theme for home entertaining, yet formal dining is on the rise.
- American consumers cite a desire for healthy eating yet they have not abandoned their craving for some of life's unhealthy indulgences.

## Anchoring

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Faith Popcorn has identified anchoring as an emerging trend. To get ready for the future, she says, “we are reaching back to our spiritual roots and recalling what made us feel secure in the past.”<sup>15</sup>

One indication of our need to feel anchored or grounded is our increased interest in things spiritual.

As Alvin Poussaint, clinical professor of psychiatry at Harvard Medical School, told *American Demographics*, magazine, “People are looking for greater meaning in life. There's been a great increase in feelings of spirituality because people want to understand why we're here as they become more aware of their own mortality. Knowing that the world and our own fate are unpredictable leads people to search for more grounding.”

According to the *American Demographics*, “many Americans' heightened positive attitudes toward religion, and the sense of comfort they've found in faith and community, seem to have endured. A year after 9/11, 2 in 5 people (40 percent) still say the tragedy caused them to strengthen their religious beliefs, practically unchanged from the 38 percent who said the same last October.”

Interest in things spiritual does not necessarily mean increased interest in organized religion.

In November 2002, *USA Today* reported on the increasing popularity of dream circles which are supposedly replacing book clubs across the country.

Organic Style magazine and The Great Indoors have teamed up on a project called Creating Inner Calm. The magazine will publish a special advertising section in May/June 2003 issue and will sponsor in-store demos in 3 Great Indoors location in May 2003. They are targeting the woman who is concerned about creating inner clam and inner peace through how her home is decorated. In-store demonstrations will teach customers how to turn their homes into personal retreats.<sup>16</sup>

Unity Marketing, in association with House & Garden magazine, recently completed a landmark study of luxury consumers that uncovered the trend away from “cocooning” toward “connecting” that is further confirmation that Americans are anchoring.

"Consumers are emerging from their self-involved, self-centered cocoons to reconnect with the outside world. As they break forth from the cocoon, they are assuming a new leadership position in the social, political, cultural landscapes that

define their identity in relation to the outside world," according to Pam Danziger, president of Unity Marketing, and author of *Why People Buy Things They Don't Need*.

## **Aromatherapy Household Cleaning and Laundry Products**

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Over the last year or so, designer housewares stores like Williams-Sonoma, Crate & Barrel and the Terence Conran Shop have introduced kitchen cleaning products that, according to *The New York Times*, “promise a transporting experience worthy of a Zen retreat. . . . The new products take an aromatherapy approach to kitchen drudgery: they're all blends of so-called essential oils and plant extracts (with a few synthetics added). At spa prices, of course.”<sup>17</sup>

Several housewares manufacturers introduced new cleaning chemical and detergent products at the 2003 International Housewares Show that included aromatherapy ingredients. For example, EverCare introduced Aromatherapy for the Home cleaning products which are “cleaning products for every need including floor, furniture, kitchen and bath in either Energizing Citrus or Calming Lavender which creates a unifying consistent scent throughout the home.” The Good Home Company introduced such things as Laundry Fragrance in lavender and lemon chamomile scents – all in gorgeous packaging. The company philosophy is that personal care just doesn't apply to the body, but to your overall home environment as well.

## **Copper: the New High-End Metal Finish of Choice**

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Now that stainless steel has become so popular at the mass market level, the high-end market is on to the next trend in color and finish. That trend is copper.

- 'This Old House' put a big copper sink, copper light fixtures and some accent pieces into their demonstration house at the Builders Show in Atlanta in 2002.
- According to the Washington Post, every one of Benjamin Moore's new color palettes has a copper-related color.
- KitchenAid has just introduced a line of small appliances – blender, stand mixer – in shiny copper.

## The Networked Home

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According to the State of the Builder Technology Market, a joint survey conducted by the Consumer Electronics Association (CEA) and the National Association of Home Builders Research Center (NAHBRC), consumer technologies for the home, such as high definition television, broadband, home networking and automated lighting, are a growing trend.

- According to the Pew Internet & American Life Project, the number of home broadband users has risen from 6 million to 24 million – or 21 percent of all Web users, an increase of more than a quarter since the start of the year, and quadruple the number of broadband users just two years ago. <sup>18</sup>
- More than 42 percent of new homes, roughly 670,000 in number, now include structured wiring, and 78 percent of builders offer it as either a standard or optional feature. The technology has become so popular that three-fourths of builders offer it just to compete in the marketplace.
- In early 2003, Salton, Inc. announced the Beyond(TM) "Connected Home" Initiative, a program that includes a new line of networked home devices. The first product available in the Beyond(TM) Connected Home Initiative is the Westinghouse(TM) branded iCEBOX(TM), a web-enabled kitchen entertainment center that provides busy families with quick and easy access to information, communication and entertainment (I.C.E.). Several other new items in the product line include: a web-enabled clock radio known as "HomeHub", and a microwave, bread maker and coffee maker which can be managed or automatically updated by the HomeHub. <sup>19</sup>



## Outdoor Living Rooms

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The backyard is now being treated as another room of the house. The concept is to bring the indoors outside.

"More and more consumers are identifying the adjacent space outside their homes as livable space," reported Jackie Hirschhaut, vice president of public relations for the American Furniture Manufacturer's Association in High Point, N.C. to *The San Diego Union-Tribune* in June 2002.

For example, USA Today did a story on a couple in Traverse City, Michigan that built an outdoor kitchen (with a \$10,000 grill), an outdoor living room (fully furnished with couches and rockers), a huge boulder fireplace, a tiki bar, lighting, stereo and dining table.

Selling gracious outdoor living across the USA is now a multibillion-dollar industry, with everything from \$8 dinner plates to \$8,000 grills. The Census reported that American spending on "outdoor improvements" reached \$670 million in 2000, up from \$400 million in 1993.

The backyard is no longer furnished with the standard round glass-topped table and umbrella. According to the *Seattle Times*, "Outdoor furniture has taken a fashion leap forward from folding lawn chairs and redwood picnic tables. Homeowners are furnishing their decks and patios with pieces that complement their indoor designs, whether it's sleek contemporary or ornate Victorian."

Furniture makers are more than happy to accommodate this back-to-nature trend with lines that could look just as good in as out, including portable wet bars, dining tables, game tables, rolling carts, serving tables and other furnishings. Just a few examples:

- Coleman has teamed with Lowe's Home Improvement stores on a Coleman-branded outdoor furniture line – going beyond standard patio sets to feature sofas, love seats and coffee tables for outdoor use.
- High-end furniture manufacturer Brown Jordan introduced two lines of outdoor furniture in 2002. They range in style from a retro teak collection called Ocean, which nods to the lounges that lined steamer decks in the early 20th century, to Streamline, a high-tech group with aluminum frames shaped in elliptical curves and sharp angles.

## **Party Plans and Other Forms of Direct Selling**

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Pam Danziger has identified party plans as “the perfect retailing method for the new millennium.” According to Pam, “Party plans and other forms of direct selling will be the next guerrilla marketing method to grab share while giving fits to traditional retailers in the years to come. This retailing methodology has everything going for it in today's emotional climate. You get a chance to meet and greet your friends in the safety of a friend's home, thus providing social experiences that people desire. Over appetizers and a glass of wine, you get to look at new, interesting products presented by your friend, a spokesperson you can really trust. While seeing the new products, you can learn how to use them or display them in innovative ways, thus providing the enhancement of education and information. You gain access to special sales offers, and you can pay for the products later, when they are delivered to your home. Longaberger Baskets, Blyth's PartyLite candles, Pampered Chef, Discovery Toys, Avon, Mary Kay and many others have known it for years, and soon many other smart marketers will be exploring opportunities to sell in this way.”

Some of those smart marketers Pam is referring to includes Sunbeam. Sunbeam recently entered into a strategic partnership with Tupperware. Sunbeam's In2litive Blender/Food processor will “guest star” at Tupperware home parties.

# **About Riedel Marketing Group**

Riedel Marketing Group (RMG) – The Home Goods Marketing Specialist – is a marketing resource for housewares manufacturers and marketers.

Founded in 1991, RMG helps housewares manufacturers solve marketing problems and develop strategies and plans to grow their business. The company provides a full-range of strategic marketing planning services as well as market intelligence and trend tracking and forecasting.

RMG is the only marketing consulting company that specializes exclusively in the housewares industry.

RMG clients include World Kitchen, Newell Rubbermaid, Progressive International, Remington Consumer Products, Proctor & Gamble, SC Johnson, Pactiv Corporation, Vornado Air Circulation Systems, Inc., Salter Housewares, Unger Industries, Tilia, Applica Consumer Products, The Holmes Group, and Texas Feathers, Inc. as well as both the International Housewares Manufacturers Association (IHA) and the Association of Home Appliance Manufacturers (AHAM). In addition, A.J. works with companies who are evaluating entry into the housewares category or are considering acquisition of housewares companies.

A.J. Riedel, Senior Partner and Founder of Riedel Marketing Group, is a recognized marketing authority for the housewares industry. She has been working in the housewares industry for more than thirteen years. She understands the market dynamics; the channels of distribution; the trends impacting the industry, retailers and consumers; and the marketing issues of the housewares industry. She knows what it takes to succeed in the housewares industry.

A.J. is also a strategic marketing planning professional with a proven track record of results in housewares and consumer products. She has years of experience developing new products, positioning product lines, creating major advertising campaigns, writing marketing plans and conducting opportunity analyses. She is the author of the International Housewares Association (IHA) “Housewares Market Watch”, a quarterly newsletter that provides retailers and manufacturers with valuable consumer data. A.J. is often quoted in HomeWorld Business, HFN, IHA Reports, The Gourmet Retailer, and Kitchenware News and has spoken at numerous industry functions and meetings including the 2001, 2002, and 2003 International Housewares Shows. As the housewares industry market trends expert, she has been interviewed by CNN, the Chicago Tribune, the Los Angeles Times, the Washington Post, the Chicago Sun-Times, the Boston Globe, and the Philadelphia Inquirer.

After earning her MBA at UCLA, A.J. started her marketing career at General Mills where she helped jump start Wheaties cereal sales in the early 1980s. As Senior Product Manager at RJR Nabisco, she increased Grey Poupon sales and started

development of a new Grey Poupon line extension that was successfully introduced in the late 1980s. As Marketing Manager at Norelco from 1987 through 1990, A.J. revitalized the air cleaner business and identified five significant new business opportunities. A.J. founded Riedel Marketing Group in 1991 and has been helping housewares manufacturers solve marketing problems and identify marketing opportunities ever since.

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