

Unraveling the 21st century household



AROUND THE WORLD, NOTIONS OF WHO MAKES UP A TYPICAL HOUSEHOLD AND HOW THOSE PEOPLE SHOULD RELATE TO ONE ANOTHER ARE CHANGING DRAMATICALLY WITH SIGNIFICANT IMPACT ON CONSUMPTION PATTERNS.

It is a common refrain to hear how Millennials are killing countless industries. From cars to casual dining and beyond, this is supposedly the disruption generation. Nowhere are these changes more evident than in the domain of the home.

In countries where home ownership has long been a cultural dream like the USA and Japan, young adults aren't buying homes at the same rate that they were only a generation ago. Even in countries that place less importance on home ownership like France and Germany, consumption patterns around the home are still changing: younger adults simply aren't buying the things that people have traditionally bought to use and consume in their living spaces.

This new economy of the home has to do with global sociological shifts. Around the world, notions of who makes up a typical household and how those people should relate to one another are changing dramatically with significant impact on consumption patterns. This means that any company in the business of 'home' should keep track not just of how taste is changing, but of how sociological factors are recreating households and daily life on a systemic level.

The 20th century symbolic home

Ideals of the home and household are different around the world, but much of the housing built since the turn of the 20th century has certain generalizable themes. Most of this housing was built after WWII. Located at the edge of cities, it facilitated particular roles for the people who inhabited this space together. Incorporating cultural and national differences, global industrialization meant that men and women, who in many cases had previously divvied up outdoors

agricultural labor, now had roles that were more starkly defined by space. Men worked outside of the home in factories and offices for wages and salaries. Women's labor was transformed into indoor, unpaid chores. Children ate, watched, wore and played with whatever their parents provided for them. This model of the nuclear family is often presented as having ancient roots, but it actually came about in a particular historic moment that wasn't as far back as most people think.

20th century home design around the world emphasized the idea that the home was the space of the nuclear family. In American suburbia, the open plan allowed the woman of the house to watch her kids while cooking dinner. British semi-detached terraces transformed the front of each housing unit into a public space, while preserving the back as the inner sanctum only open to family members. Japanese postwar apartments solidified the boundaries between different families' living spaces, eliminating many of the amenities that neighbors would have previously shared. With these global changes in housing, the household itself transformed. Domestic models that had previously incorporated intergenerational relatives living together and using public facilities, morphed into the model of a nuclear family with mother, father and several children living under one roof, buying and consuming products as a single unit.

In addition to the structure of the home itself, homeware products also embodied these same social ideals. In Euro-America, you received registry gifts of kitchen appliances when you got married and bought suites of furniture when you moved into your first house. In Japan, you bought a second set of 'fine' tableware when you began hosting social occasions as a couple.

All of this symbolized that the nuclear family was supposed to be a single consuming unit, with one underlying set of tastes and preferences. This domestic model has persisted for a long time, but around the world notions of what comprises a home and a household are changing once more. And with these changes are coming significant shifts in patterns of consumption.

What's next?

In recent generations, this model of one nuclear family=one household=one consuming unit no longer applies to much of the population. Around the world, women increasingly work outside the home like men. Young adults are moving to city centers rather than remaining in the suburbs. Today, well over half of the world's population lives in urban areas, and experts expect that proportion to increase to two thirds by 2050, driven mostly by people under the age of 35. This mass migration means that young people are leaving behind the typical life-stages that characterized the last 50-100 years. And that means that they're leaving behind the ideals of home that accompanied them.

Urban young people today increasingly live first with flat-mates, then a series of romantic partners, before finally settling down. In Euro-American countries this trend has become the norm. In the EU, over half of co-habiting partners are unmarried, and nearly a third of all households are single. It's also rapidly becoming that way in Latin America and Asia. In Japan, for example, living together before marriage has gone from being a significant taboo to commonly accepted in a very short span of time. Even the act of "settling down" doesn't necessarily look like what it used to: in many cases couples don't make that final traditional step of marriage, or they choose to forego having children. Or, increasingly in almost every country of the world, people live as adults without being part of a couple at all.

The rise of the room-mate family

The sociologist Laura Miller writes that the 20th century home presented a vision of the household as not only "a domestic alliance" that took care of its members' needs, but also "as a group of people who enjoy one another's company and share leisure pursuits." That concept is changing. People now live with flat-mates and other non-related adults for a long chunk of their lives. Often this living arrangement lasts so long before marriage that even when they do eventually move into a new home with a spouse, they continue to buy their own things and consume as their own unit rather than part of a joint couple.

**TODAY EVEN WHEN
PEOPLE DO LIVE AS
PART OF A TRADITIONAL
NUCLEAR FAMILY, THE
FATHER, MOTHER AND
CHILDREN PROBABLY
HAVE THEIR OWN TOOTH
PASTE, SHAMPOO, MEAL
TIME AND TELEVISION
PROGRAMS.**

This is happening on a global scale. Marketing professor Jagdish Seth studies this phenomenon in India as well as the USA, and he has labeled it the rise of the “room-mate family.” Today even when people do live as part of a traditional nuclear family, the father, mother and children probably have their own tooth paste, shampoo, meal time and television programs. Social media means we’re more connected than ever, but we’re also—as far as consumption goes—more independent than ever as well.

We often hear that the world is becoming more hectic, careers more fragmented, livelihoods more insecure. This means that people want their home to offer some sanctuary and stability for their increasingly frazzled lives. It’s not where you entertain or invite outsiders (at least not often.) You go out to socialize—a demand that is being met by the exponential growth of high-end restaurants and bars around the world. If the 20th century home was a space for “family togetherness,” then the 21st century home is a space where household members practice their own rituals of relaxation and recharge, preparing for the challenges and pressures of the outside world.

What does this mean for those in the business of ‘home’?

The household may no longer be a single unit of consumption, but homes are still the site where a lot of consumption takes place. We buy products for our homes that last a week, and other products that last a decade or more. All of these products—durable, perishable and everything in between—need to be designed, manufactured and marketed with these new household formations in mind.

What are the most durable products we buy for our homes? Let’s take possibly the most prosaic item of all: the bathroom sink. As a thought experiment, what are some of the ways that this common object is designed and marketed for a specific household structure? What are some of our key assumptions about how people who live in the same home relate to that feature and each other?

In many places, there is an idea that home owners care about their homes while renters are not invested in making the space feel like their own. Even in the case of Germany, where 60% of households rent rather than own and where tenants may very well live in the same unit for many years, landlords prefer to keep fixtures and features as simple and impersonal as possible. When people own homes and renovate their bathrooms, they are presented with an array of individualized, personal touches that they can bring to their sinks. But as a renter, there are few options for making an apartment feel like its theirs. Why the difference? Why the assumption that renters are not as concerned with making their mark on their living spaces? Let’s foreground the modern household with its adult urban co-renters who buy their own brands and don’t easily accept the generic: how can we provide these perpetual renters with ways to make a house a home, and a bathroom sink feel as suited to their needs as to the owner’s? What innovations could solve this problem?

At the other extreme, what is one of the most disposable household products? If I take washing powder as an example, what are some of the ways that this product has been developed and marketed for the 20th century nuclear family? The large bottles and boxes that this product comes in invoke the self-sacrificing mother working for all the other members of her family. Could smaller units of washing powder, suited to the specific needs of each household member’s clothing and skin, translate into a more relevant product for the consumer?

As a last case study, let’s look at a product with a mid-range lifespan in our homes: tableware. This is another great example of something geared towards a very specific consuming unit. If for many people the home has become the space to recharge on your own rather than the space to display the nuclear family’s taste and preferences, and if space is becoming more and more limited, how is this affecting the demand for pieces designed for out-of-the-ordinary entertaining? What tableware products would suit the needs of a modern room-mate family? These consumers

may still be future-thinking and want to invest in long-lasting tableware, but it has to be a product that they can really imagine using.

So, what to do if you are in the business of 'home'? Companies and industries that used to rely on customers associating their brands with certain domestic ideals need to study emerging sociological trends that characterize the 'typical' household, develop products for that entity, and work to communicate to their customers that they understand this transformation by building meaningful, representative life-worlds around their products that their customers can relate to.

The new home designs that emerged in the 20th century were responding to emergent ideas about who comprised a household, what those people wanted from each space, and how they would ideally relate to each other. Today those patterns are changing once more. Businesses and brands that want to stay relevant to the various commercial aspects of the home need to keep these sociological and symbolic questions close. They need to think beyond superficial trends and address the larger issue of the new, often surprising ways that people choose to live in their domestic space.



GEMIC
REIMAGINING MARKETS



For more information about Gemic and how we might be able to help you with your biggest existential business challenges please visit www.gemic.com or contact Johannes Suikkanen.

Johannes Suikkanen
johannes@gemic.com
212.961.6515