

COLOR AND THE ECONOMY

A Study
of Color
Behavior
and Economic
Performance

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Special thanks to

Leatrice Eiseman

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Institute.

see[®]
me
DESIGN

It was a summer day in 2011. Neons were making a reemergence in the design world, and it was obvious on the streets, in the clothes and all around. I thought back to the 80s and chuckled on the inside. That's when it struck me . . .

It's a fact that color affects our moods. Could it also affect the mood of an entire population and in turn, the economy? Would the happiness color brings to the lives of a collective group inspire them to do better, work harder or even produce and consume more? Could color trends directly correlate with the economy, and if so, which comes first – color or the economy? I wanted to know.

To answer my questions, I put SeeMeDesign to work. We started researching and hired a Georgia Tech Senior Industrial Design student to get the ball rolling a little faster. We have spent the past five years on this project (in our down time, which I must admit is few and far between). We have read countless articles, excerpts from books and made our own general observations along personal travels. We have talked to the experts and most importantly, held a phone interview with one of the best — [Leatrice Eiseman](#). Eiseman is the Executive Director of [Pantone® Color Institute](#) and head of [Eiseman Center for Color Information and Training](#). She is actively engaged in color forecasting, training programs and trend seminars, and she has written a [series of books](#) on color. You can learn more about Eiseman and her studies at www.colorexpert.com. She has been an incredible resource for us, and we owe her a very special thanks.

our findings

We started our research by exploring how color trends begin and evolve. As it turns out, nearly all color trends can be connected back to one of the three following origination factors:

1. Optimism and Hope
2. Peer Influence and Personal Choice
3. Technological Advancements

We reached several conclusions through this process — first and foremost that this *simple* idea presents quite the conundrum.

OPTIMISM & HOPE

There is a consensus from the many color-powers-who-be that optimism and hope are primary determining factors on color trends. Troubling times inspire bright color choices and unique patterns, which serve as an antidote to consumer hardship, like recessions and depressions. "Often when people choose color, it's aspirational," according to Leatrice Eiseman. [Kit Yarrow](#), a consumer psychologist at Golden Gate University in San Francisco, states, "[colors] represent the mindset of the consumer . . . they express a budding feeling that's more optimistic and refreshed." We've seen this in the past, and it is especially true now.

The soft, complimentary shades selected for Pantone's 2016 Color of the Year, [Pantone 13-1520 Rose Quartz](#) and [15-3919 Serenity](#), were chosen by color forecasters as a direct expression of the need for tranquility and security among modern day events. Rose Quartz's pink tone paired with Serenity's cool blue tone expresses reassurance and a zen-like serene state of being. The color combo also voices support for the movements of gender equality and the freedom to break away from gender color norms. Eiseman explained in our interview, "In times of stress, we need something to lift our spirits." A desire for a "sense of order and peace" amidst the far too common acts of worldwide terrorism is clear in this year's selection.

In 2015, the hustle and bustle of our lives was more prevalent than ever. Pantone's Color of the Year was the rich and natural hue of [Marsala](#), which served as a sophisticated and fulfilling tone. [Eiseman](#) notes the earthy color was in part inspired by the widespread mentality and urge to "get back down to Earth." This color, once again, served as an antidote to what is actually happening in the world around us and a desire for change.

[Jackie Jordan](#), [Director of Color Marketing at Sherwin-Williams](#), suggests we cannot place too much weight on consumer disposition in reflecting color trends. "While some consumers respond to tough times by cocooning and choosing the long-lasting practical colors, others defy them by choosing bright, lively colors that lift their spirits." Eiseman similarly points out that "for big purchases, people tend to be more practical." Consumers often "return to neutrals in the big ticket items." They are more impulsive in color purchases for lower budget items. [Jennifer Jones of CIL Paints](#) explains, "neutrals are popular because they are safe." Solid, dark and subdued colors are abundant now because they are classics. At this point in time when finances are a concern for most, consumers are looking for "lasting value and thoughtful investment."

If it were as simple as this, we might be able to create a correlation between color and the economy. But as Eiseman pointed out, there are so many other variables, not to forget that "a neutral from ten years ago isn't what a neutral is today," as Jordan explains.

PEER INFLUENCE & PERSONAL CHOICE

Neutrals are not the only things that have changed in recent past. With new technologies and the Internet, communication fast, easy and global. Movies, television, design and art now cross cultures. World influences circulate faster and farther than ever before through social media. Peer influence and personal choice have suddenly taken on their own persona.

As consumers, *we like to think* we aren't susceptible to outside influences in our decision-making processes, but those influences are nearly impossible to escape these days. According to a recent [McKinsey Report](#), peer influence and recommendations are the primary purchasing factors in 20-50% of buying decisions. Targeted email ads, social media and even "junk mail" influence our purchasing behavior. Our personal "choice" is often swayed by marketing strategy, brand names and cultural trends. Loyal consumers influence our buying decisions even further, whether those consumers are your friends, neighbors or random online product reviewer from Arkansas. While most of us think we are in charge of the way our thoughts develop, there's a lot more to that story.

The release of the 2015 movie, *Minions*, is responsible for the birth of a new Pantone color of its own. According to Eiseman, "[Pantone Minion Yellow](#) heightens awareness and creates clarity, lighting the way to the intelligence, originality and resourcefulness of an open mind." The color was immediately adopted by the children's fashion industry, which in turn, influenced adult buying habits in fashion and home goods.

The *Minions'* licensing and production companies joined forces with well-known London designers to create "a collection of fashion-forward pieces that . . . appeal to the brand's young adult and adult fans," according to [Jamie Stevens](#), Universal Partnerships & Licensing's EVP of Global Retail Marketing and Development. As part of the already-established *Despicable Me* franchise, the *Minions* team was a proven and successful entity. Its pairing with exclusive London designers seemed only fitting — the peer influence from both parties' loyal consumer bases propelled the fashion collection's popularity far and wide.

Color variety and options are growing each year within consumer retail industries offering new and interesting choices on anything and everything from cars and smartphones to t-shirts and toothbrushes. Personal color choice encourages consumers to self-identify with products that help define their own style. Color forecasters translate media and peer influences into the current color trends, but a sense of individuality remains as consumers are able to search for products that relate to them on a personal level.

Trends like this defy any kind of correlation with color and economic performance, according to Eiseman. Individual choice and social influences are more prevalent than ever before but aren't the only power on consumer behavior.

TECHNOLOGICAL ADVANCEMENTS

The upward trend in worldwide economic growth over the past hundred years can largely be attributed to growth in technology. Technology has become a game changer on all fronts of consumer goods. Most of the synthetic materials found in today's textiles did not exist until late into the twentieth century. Televisions, smartphones and computers are the more obvious products that were inconceivable a century ago, but it's easy to forget about the significant advancements in fabrics, color and synthetics technology. Waterproof, stain-resistant and heat-retaining fabrics were an impossibility until modern times, just like neons and metallic dyes, inks, paints and manufactured materials were only a figment of the imagination until recently. Marilyn DeLong and Barbara Martison, authors of *Color and Design* mention, "colors can be used to trace influences of new technologies and processes."

The [U.S. Bureau of Labor Statistics](#) reports that technological advancements in materials and consumer items "are tangible proof that U.S. households today enjoy a higher standard of living." Interestingly enough, this appears to be true even during a recession. The correlation of technology to consumer expenditure and the economy is well-understood. Eiseman makes the point that the evolution of technology creates an ongoing ability to provide a larger range of color options in consumer products.

In the 80s when kids roamed more freely, neon clothing emerged from the need to make children more visible while biking and running around. These items grew to "not only [be] functional, [but they] became a dominant trend," according to DeLong and Martison. Neons, metallics and even [hyper-color](#) technology were not even fathomable fifty years ago.

Technologies like this have also made color variety more accessible with global availability of almost any consumer product. Consumer spending has increased as color choice grows, while the playing field for sales has shifted from local to global. Worldwide "window-shopping" is available on any one of our many tech devices.

Tina Sutton, author of *The Complete Color Harmony* states, "We live in an instantaneous-results culture. The Internet and technological advances in the transmission of information provide immediate access to news of world events." Email and smartphones keep us constantly connected, and consumers have come to expect the ability to buy exactly what they want when they want. With each new tech product, we are often presented customization options such as our favorite color, pattern or photo. As economic and technological growth continue over the years, these options can only be expected to grow.

conclusion

In short, although color and the economy work hand in hand, they have a very complex relationship. There are far too many outside factors to create a legitimate correlation between the two. If we had to choose a top color influencer for the future, it would be technology. That said, the other factors cannot be discounted.

Color trends evolve alongside constant technological advancements and breakthroughs, all of which stimulate shifts in the economy through consumer spending. According to Eiseman, "color forecasters are constantly looking for the clues as to what consumers are being attracted to and can reflect the 'zeitgeist' of the general public." Forecasting colors can help predict future consumer disposition.

Trends cannot always be explained, but we do know that color does directly influence behavior. So, it never hurts to wear a color that inspires you to grow in an area where you're feeling a little deficient. If you have stress in your life, surround yourself with zen colors. If you're feeling tired and unmotivated, go with something bright. Use color as your subconscious vehicle for change, and see how it inspires you.

For more information about color trends and their shifts alongside economic growth and decline in the U.S., find a data visualization graphic on the following page.

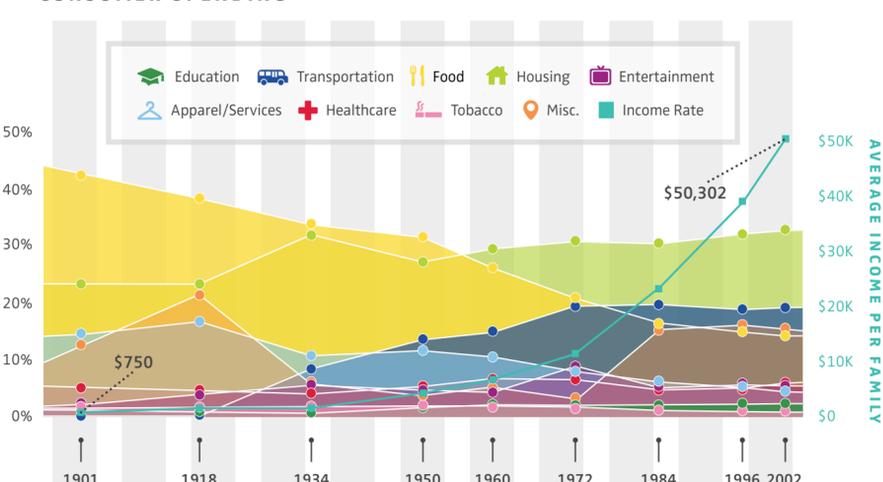
COLOR AND THE ECONOMY

A Look at Color and the U.S. Economy Over the Past Century

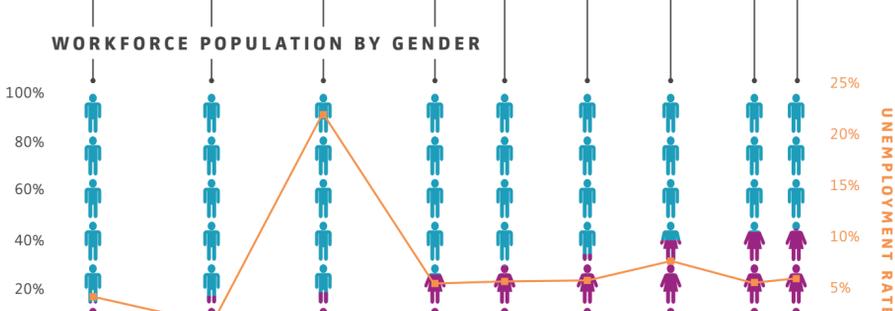
PANTONE COLOR TRENDS



CONSUMER SPENDING



WORKFORCE POPULATION BY GENDER



1914 Mass production is revolutionized through the affordability of the Ford Model T assembly line.

1917 America enters WWI, resulting in rapid increase in federal spending to support the war effort.

1929 The most tragic stock market crash in U.S. history signals the start of the 12-year Great Depression.

1941 Government spending for WWII causes economic growth and eventually ends The Great Depression.

1945 The Social Security Act is revised to include Medicare and Medicaid, providing federal health insurance to low income families and senior citizens.

1956 Congress passes the Unemployment Assistance Act, requiring the Feds to share 50% of the costs.

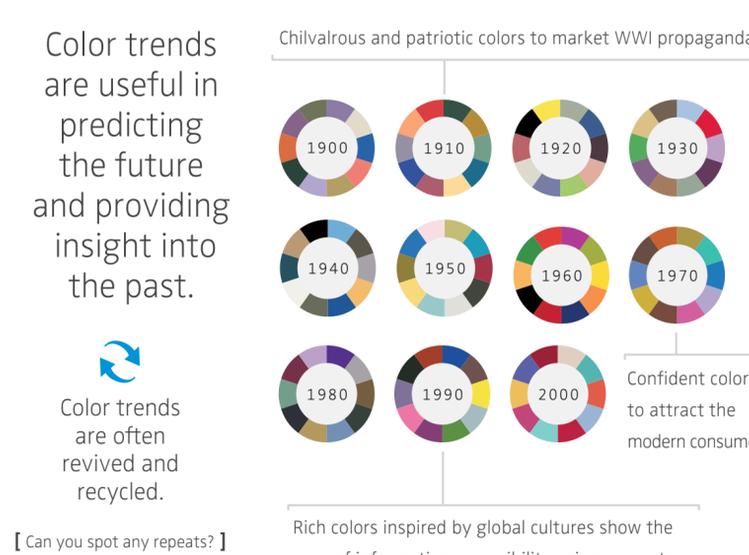
1989 The government bails out \$124B of the \$160B deficit from the failures of the savings and loan associations.

1994 NAFTA resolves the 15 year tariff barrier between the U.S., Canada and Mexico.

WHAT DOES HISTORY TELL US ABOUT COLOR?

Historical events over the past hundred years have helped to propel many technological advances, allowing for a larger range of colors in consumer trends and product options.

COLOR TRENDS



CONSUMERS AND COLOR

✳ Color directly influences behavior and can make or break the appeal of consumer products.

\$ → \$ Changing a product's color is an affordable way to **BOOST SALES**

Research reveals that the average person makes subconscious judgments about other people, environments and products within **90 SECONDS** OF THE INITIAL VIEWING.

62% TO 90% OF THAT ASSESSMENT IS BASED ON **COLOR ALONE**

Color increases brand recognition by up to **80%**

Color can improve readership by up to **40%**

PSYCHOLOGY OF COLOR

⚡ The power of color is an important tool for a brand's psychological appeal.

Color trends vary across the U.S. based on region and culture.

DO COLOR TRENDS EFFECT THE ECONOMY?

Color and the economy do work hand in hand, but there are too many outside factors to create a legitimate correlation between color and the economy. However, any relationship between color trends and economic growth can likely be related to technology.

COLOR TRENDS → **ECONOMIC GROWTH**

Leaps in technology have made unique material colors and color inspiration more accessible, allowing for global availability of many consumer products and impacting consumer spending options.