Funemployment: Social Media Help To Redefine Unemployment In Terms of Hedonism And Creativity

Contributed by Euromonitor International
Thursday, 03 September 2009
Last Updated Thursday, 03 September 2009

Are you young, American, unemployed and have savings, a large redundancy cheque or understanding parents?

Welcome to the wonderful world of 'funemployment'!

Key trends
- Living for today;
- Social media spreading the gospel;
- Unemployed and proud of it;
- A reaction against overwork;
- Indulging hobbies or just hanging out;
- Using redundancy payments to splurge on luxury goods;
- Some boomers join the party.

Commercial opportunities
The main sectors that are likely to benefit from this trend include

- The more affordable end of the tourism industry, such as hostels, cheap hotels, low-cost airlines and bus and train companies;
- Sporting goods;
- Consumer electronics, particularly netbooks and smart phones, as well as low-end audio-visual equipment;
- Luxury goods (to a limited extent);
- Cafes and bars offering good value for money;
- DVDs, video games and books.

Background
The global recession sparked by last autumn's financial crisis has led to a surge in unemployment in many developed economies: In the USA, the rate of unemployment almost doubled (to 9.5%) between December 2007 and June 2009.

As a result, the rate of unemployment in the USA now exceeds that of the EU, which grew from 6.9% to 8.9% during the twelve months to May 2009.

This has inevitably contributed to a significant increase in the number of US households experiencing significant financial difficulties: According to the American Bankers Association, delinquencies (defined as an account that is more than 30 days overdue) on all US consumer loans rose to 3.23% during the first three months of the year, its highest level since 1980.

However, not all consumers are finding the weight of unemployment so onerous, particularly those with few financial responsibilities.

Living for today
Consumers that are happy to be jobless tend to be single, living in rented accommodation and in their 20s or 30s. Some have been laid off, while others have been enticed to leave by generous severance terms.

Others are choosing to delay their entry into the labour force: According to data from the National Association of Colleges and Employers, just 40% of this year's US college graduates have actually applied for a job. Yet more are discouraged workers who have been disheartened by long and fruitless job searches.

Backed by severance, savings, unemployment benefits or their parents, poring over job listings is not a priority for the 'funemployed.'

Instead, they travel on the cheap for weeks or devote more time to their hobbies. In short, they are happy to 'live for today,' at least until they run out of money.

Some view this as an act of empowerment: According to one, â€œI'm taking control of my life back and it feels good.â€•

Social media spreading the gospel
The concept of funemployment is being increasingly embraced by Twitter users: Recent tweets include "Funemployment

road trip to Portland," "Averaging 3 rounds of golf a week plus hockey and bball, who needs work?" "Funemployment is great for catching up on reading!"

Social media such as Facebook and Twitter allow the unemployed to find each other and make plans for travel and other activities.

They can post online photos of globe-trotting vacations, blog about their long lunches or even discuss how they decided between breakfast cereals that morning.

Thanks to Facebook, New York resident Andy Deemer, travelled to Asia with "someone two people removed from me that I had only met once two years ago at a cocktail party."

Unemployed and proud of it
These sites are helping to drive an important demonstration effect by challenging long-established attitudes towards unemployment as a social stigma.

Irina Blok, a 31-year-old graphic designer in San Francisco who was laid off in May, has even come up with a series of buttons and a t-shirt inspired by the concept of a funemployment story.

They are adorned with such slogans as â€œHappily Joblessâ€•, â€œOn Paycationâ€•, â€œI watch TV all dayâ€• and â€œI buy stamps.â€•

A reaction against overwork
For many, funemployment represents a reaction against the long-hours culture they previously found themselves enmeshed in: Self-described workaholic Amanda Rounsaville, 34, of Los Angeles, who quit her job in March, says "The rat raceâ€¦ makes time fly, and then the next thing you know, you've missed the chance to be your more exciting self."

Indulging hobbies or just hanging out
Some are using their time off to embark on projects that express their creativity, which they lacked the time for while working full-time, such as making films or music.

This is being facilitated by a rapid depreciation in the cost of audio-visual equipment. Moreover, anecdotal evidence suggests that weekday attendances at some bars, museums and coffee shops have increased.

Using redundancy payments to splurge on luxury goods
While the limited income of most funemployed might not make them an appealing target to marketers at first glance, some of them have sizeable redundancy payments with which they are sometimes eager to be parted from, often in exuberant gestures that flaunt their contempt for financial prudence: For example, when Peter Shanley lost his job in Silicon Valley last December, he used his redundancy payment to buy a $3,000 racing bicycle, reasoning that, if he was going to be unemployed, he might as well enjoy it.

Some boomers join the party
While the hedonism, escapism and (as some would see it) irresponsibility inherent to the concept of funemployment make it particularly appealing to the younger unemployed, it is not confined to this demographic.

Some unemployed baby boomers are opting for early retirement, choosing a steady Social Security check, rather than stressing about finding a new job.

Outlook
Without a source of income, funemployment may be just another manifestation of the millennial generation's high-risk financial behavior. Nonetheless, many are undaunted, figuring they have plenty of time to build a career and pay off debt.

While some may ultimately be able to earn a living from their hobbies, for most, it is likely to be a temporary phenomenon, as harsh financial realities will set in sooner or later.

While this phenomenon has the potential to spread from North America to Western Europe, it is unlikely to be embraced elsewhere.

This is because most young consumers in developing markets lack the financial wherewithal to indulge themselves in this manner.

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12 Aug 2009