

Trends and Countertrends

by Jon Craighead

“The most reliable way to forecast the future is to try to understand the present.” John Naisbitt

As business leaders start their day they routinely review many sources of information. Both broadcast and print media provide useful data that has been garnered from the previous day, such as stock values, company sales, analytic projections and employment data. However, there is a more substantial source of useful analysis from another milieu. That is the study of trends and countertrends. This information, when proficiently learned, will provide a more long-term intelligence because it provides a longer and more reliable pattern of activity over an expanded period of time. This makes available a more measurable stream of operational data to better assess future activity.

The dynamics of market change are such that knowledge of trend lines is absolutely essential. Anything less is inherently problematic for the much needed strategic intelligence required in today’s marketplace. The solution is to be out ahead of the results, and this is best accomplished by trend assessment. A primary component of any well-organized management team is the observance and tracking of emerging market trends to insure the enterprise’s operational activity is aligned with the organization’s strategic objectives. Trends indicate whether market conditions are or are not providing preferable market indicators. This is accomplished by charting trend gyrations and assessing their future impact.

Equally important, and often overlooked, are countertrends, which are discoveries contrary to expectations. The most valuable aspect of countertrends is that, when discovered early and leveraged, they provide a significant competitive advantage. An example of a countertrend is the rapidly growing emergence of highly talented “knowledge workers” who are less interested in traditional corporate arrangements and more interested in practicing and developing their unique breakthrough professional skills sets. This emergence has created a whole new category of workforce. This trend will significantly impact recruiting, retention, alignment, and long term planning. Another unexpected trend occurs in healthcare. With baby boomers who are in good health happily working longer than ever before, the workforce will be an increasingly graying reality. Therefore, keeping these most productive employees will result in significant benefits in terms of training, experience and expertise. The utilization of countertrends such as these offers a significant competitive advantage.

How does one get in front of this conundrum regarding planning and forecasting marketing trends, and how to begin? In his book [Ahead of the Curve](#), Joseph Ellis makes the following straightforward recommendation: “Predict economic upturns and downturns and react before it’s too late.” In essence his message is to examine the cause and effect of market indicators, then proceed with a study of market assertions. Study and dig through the evidence. Don’t exclusively depend on expert conclusions; do the work yourself and form your own conclusions. However, neophytes should not try this on their own initially but should begin with a coach. Make sure to check the background, training, history, and historical accuracy of the prognosticator you will be relying on to coach you.

It is critically important to ensure that your forecast is directly related to your business’s segment and applicable to your market regions. You and your team must have the basic knowledge to understand and interpret these findings. Always test assumptions as best you can and get help when needed. Take into account this is an imperfect science and an educated speculation which requires routine validation. This is a field where practice is your best friend. Imperfect experience develops a level of mastery. Be cognizant of this axiom: your committed dedication will be the difference between your success or failure.

There are many advantages to becoming competent at trend and countertrend forecasting. We live in a time of rapid shifts and changes. By all indications technology will continue to develop and progress at spectacular speeds and with growing accuracy. As previously noted, there is no fool-proof methodology for predicting the market’s future activities. However, with the help of advancing technology and skillful trend-studying, reliable indicators can be identified, allowing for less guess work and greater certainty. Developing the insights and mastering the skills involved in the study of trends will give you an advantage against the inevitable forces of change to achieve a competitive edge.