EUROMONITOR INTERNATIONAL

TOP 10 GLOBAL CONSUMER TRENDS 2022

The data included in this document is accurate according to Passport, Euromonitor International's market research database, at time of publication: January 2022

INTRODUCTION

THE BIG PICTURE

Every year, Euromonitor International identifies emerging and fast-moving trends that are expected to gain traction in the year ahead. These trends provide insight into changing consumer values, exploring how consumer behaviour is shifting and causing disruption for businesses globally.

Each of the 10 trends in this report follows the same format:

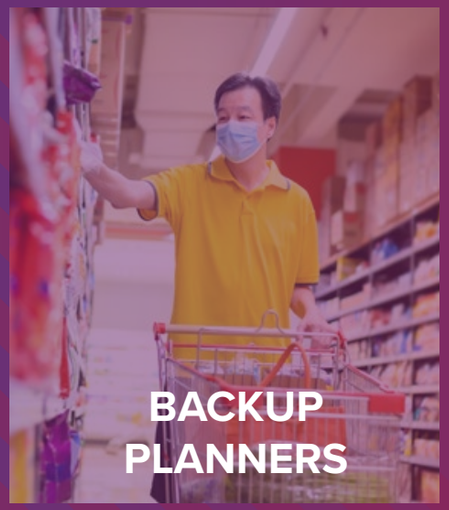
- Overview and defining characteristics
- Consumer behaviour and motivation
- Business environment and impact
- Outlook and strategic recommendations

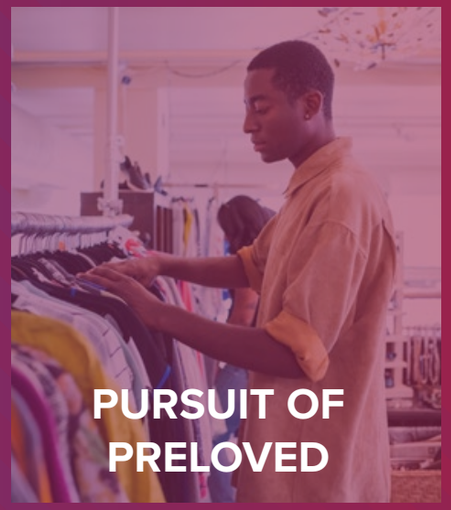
WHAT ARE WE IN 2022?

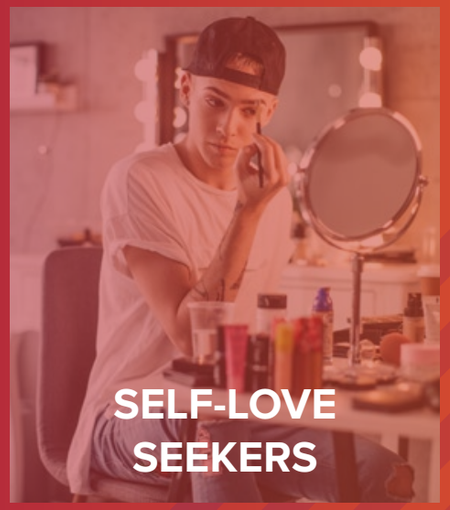
Change was the only constant over the past two years. Radical lifestyle shifts motivated consumers to make intentional, mindful and ambitious decisions. Now, the world is on the road to recovery. Consumers are putting their plans into motion, taking chances and seizing the moment.

Access and action are the driving forces behind the top 10 global consumer trends in 2022. Resilience and adaptability were tested in 2021, forcing consumers to relinquish control and embrace ambiguity. This year, consumers are taking back the reins and paving a path forward based on their passions and values.

TOP 10 GLOBAL CONSUMER TRENDS 2022







BACKUP PLANNERS

Supply chain disruptions lead to next best options

Faced with challenges in securing their usual or desired products and services, Backup Planners are looking for ways to purchase similar items or finding creative solutions to obtain alternatives.

Supply chain shortages are forcing businesses to pivot and provide new solutions for customers to access products and services.

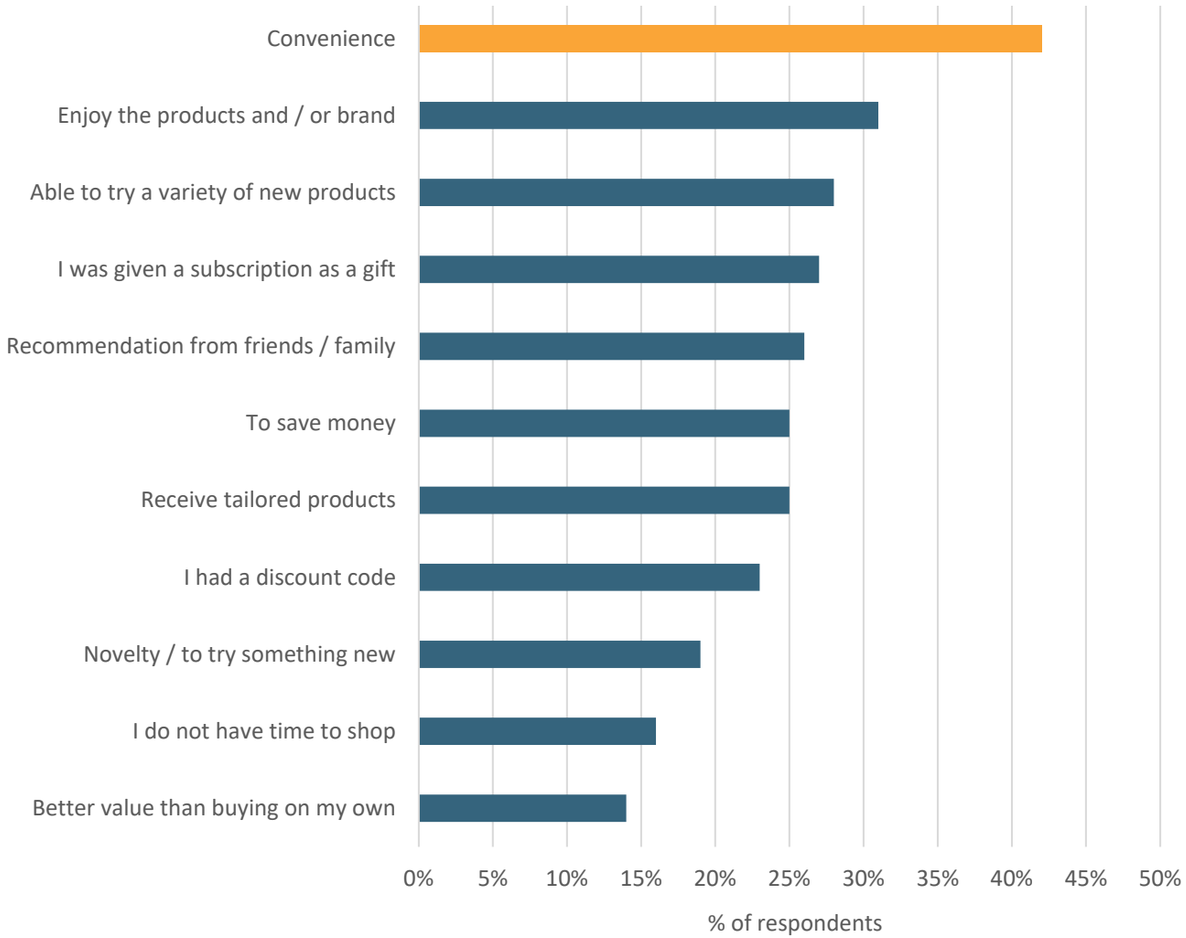
28% of consumers tried to purchase locally sourced products and services in 2021

FINDING CREATIVE SOLUTIONS OR RESORTING TO ALTERNATIVES

Due to limited resources, consumers are struggling to secure their go-to products. As social occasions and discretionary spending return, consumers want to buy new clothes, invest in home renovations or simply enjoy coffee on the go. However, the effects of COVID-19, particularly disrupted supply chains and staff shortages, exacerbate the issue.

Backup Planners are getting ahead of the crowd, taking control and using technology to move to the front of the queue when supplies are threatened. Certain consumers are relying on subscription services or community group buying to secure deliveries. When thwarted, Backup Planners are reverting to the next best option, seeking alternatives and in some cases, delaying purchases or changing shopping habits. Two extremes are influencing shopping behaviours of Backup Planners—paying a premium or switching to cost-effective options, such as buying secondhand or renting.

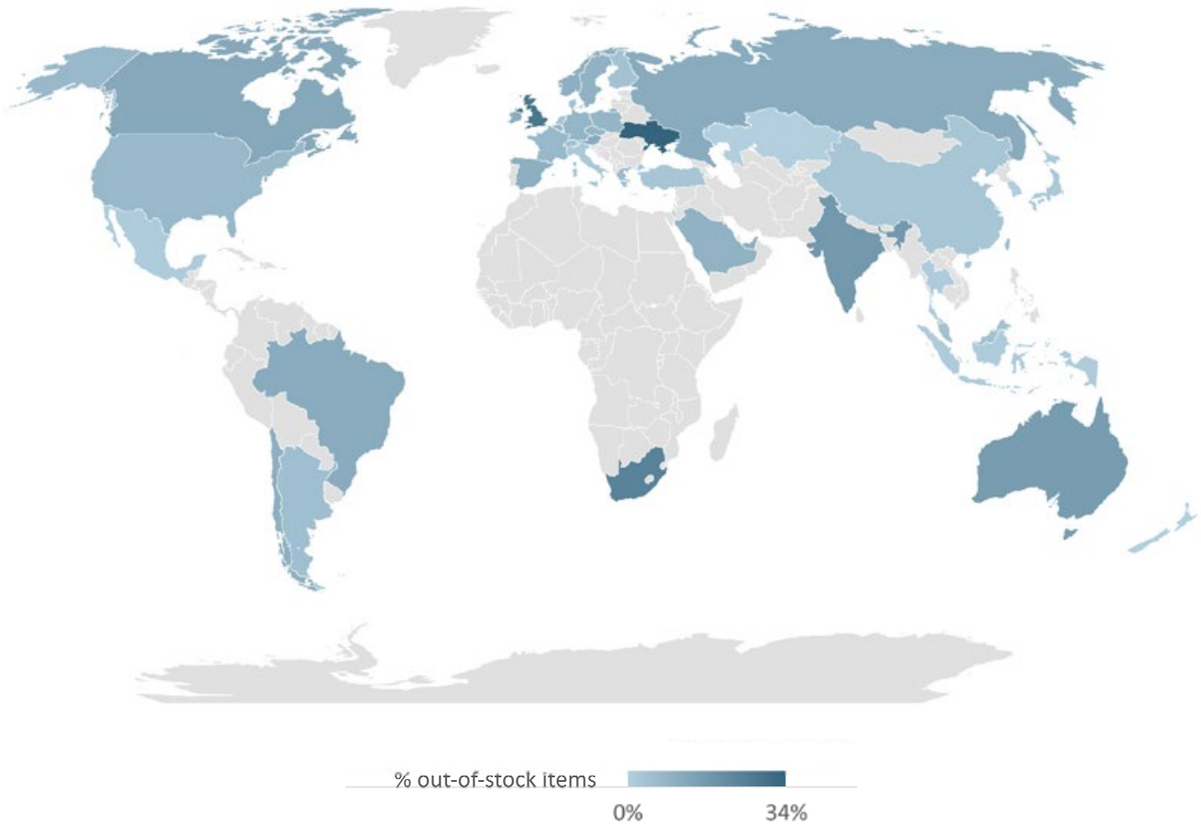
Reasons Consumers Use Subscription Services



Source: Euromonitor International Voice of the Consumer: Lifestyles Survey, fielded January and February 2021

36% of professionals expected supply shortages to be the most significant effect of the COVID-19 pandemic on their company's supply chain

Out-of-Stock Essential Online SKUs in September 2021



Note: Data was pulled on September 27.
Source: Euromonitor International Via

RETHINKING THE SUPPLY CHAIN

Product availability drives profit. Supply shortages can weaken customer loyalty. Companies must be able to secure the necessary materials to manufacture products whilst providing exceptional service.

Businesses can leverage opportunities where others fail to deliver. Rental or refurbished products give consumers additional options and access to alternatives. Backup Planners may also pay more to get first access to their preferred products. Implementing exclusive or presale items at a premium could entice these consumers and drive revenue. Mobile apps that enable digital waitlists and queuing allow consumers to secure their place in line and help businesses control traffic. Additionally, direct-to-consumer services can bring products straight to the consumer's door.

Companies need to invest in local sourcing and automation to overcome shortages. In the interim, prices may need to increase to help compensate. Splitting costs with other players to buy ingredients or components in bulk could be an option to ensure continuous supply.

Source: Pinduoduo

Source: Frito-Lay North America

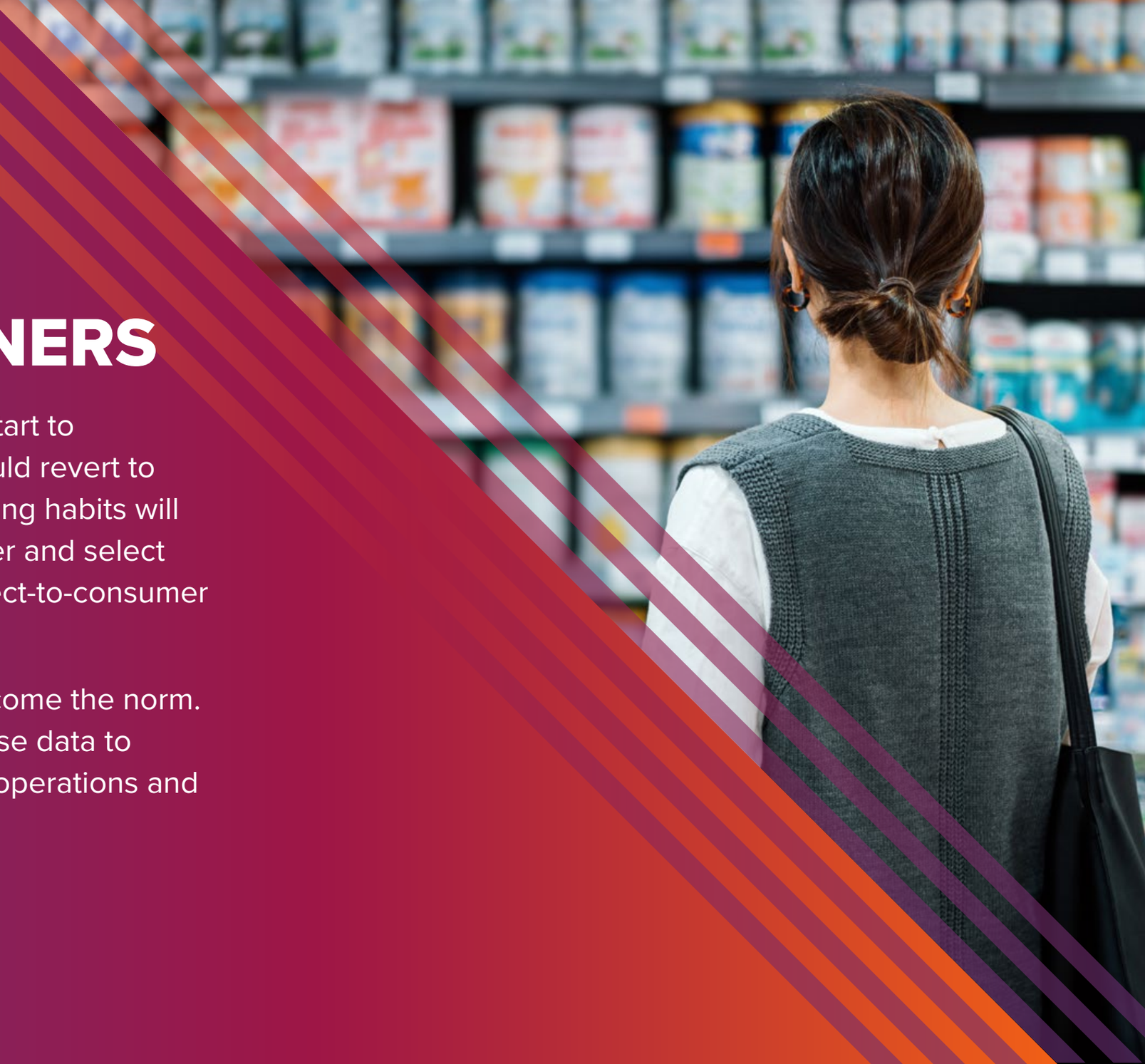
Pinduoduo facilitates direct sales between small-scale farmers and consumers, increasing transparency and helping transform the food supply chain in China.

PepsiCo launched two direct-to-consumer sites in 2020. Consumers can order specialised bundles, such as “Rise & Shine” and “Workout & Recovery”, on PantryShop.com or purchase individual items on Snacks.com from PepsiCo’s food and beverage portfolio.

OUTLOOK FOR BACKUP PLANNERS

By late 2022, supply chains should start to stabilise and access to products should revert to pre-COVID-19 levels. Yet, new shopping habits will dictate how Backup Planners discover and select products, from locally sourced to direct-to-consumer brands to subscription services.

Localisation and optimisation will become the norm. Companies and distributors should use data to improve supply chain visibility, hone operations and rethink investments.



CLIMATE CHANGERS

A low-carbon world

Green activism and low-carbon lifestyles are here to stay. Consumers expect brands to step up and are taking action through the products they purchase as concerns over the climate emergency escalate.

To win over Climate Changers, companies should offer products that are carbon footprint certified. Transparent labelling of carbon-neutral products builds trust and enables consumers to make informed choices.

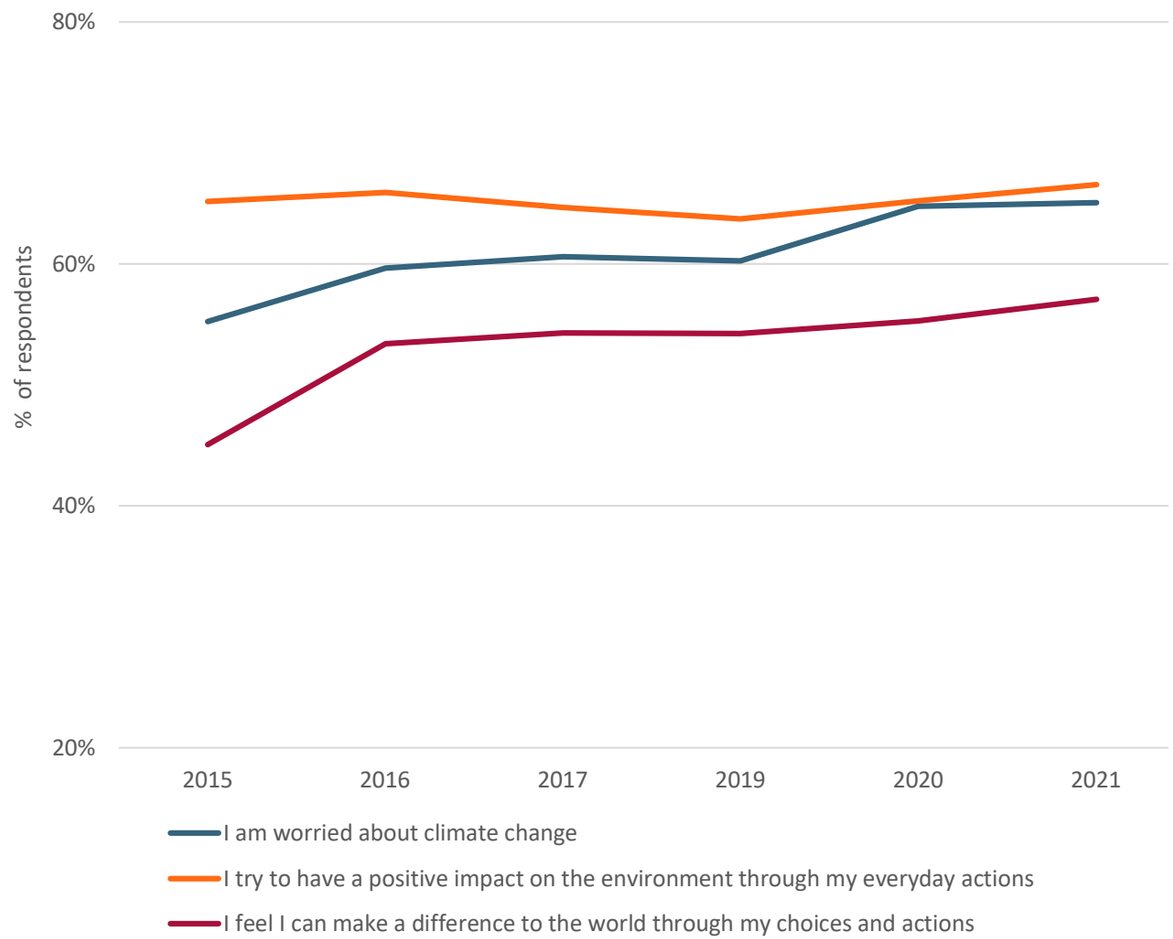
67% of consumers tried to have a positive impact on the environment through their everyday actions in 2021

COMMITTING TO NET ZERO

Climate action is an extension of Build Back Better, with COVID-19 being a catalyst in the transition towards a net-zero economy. Consumers are becoming aware of their individual contribution to climate change. Eco-anxiety is driving environmental activism and purchasing decisions. In 2021, one-third of global consumers actively reduced their emissions and one-quarter used carbon offsets to compensate for them.

Climate Changers make more sustainable choices whilst demanding action and transparency from brands. There is no gap between climate awareness and intention to act. Consumers worried about climate change are also reducing the use of plastic, cutting food waste and recycling, among other activities. However, low-carbon diets, energy-efficient homes and sustainable travel are still nascent.

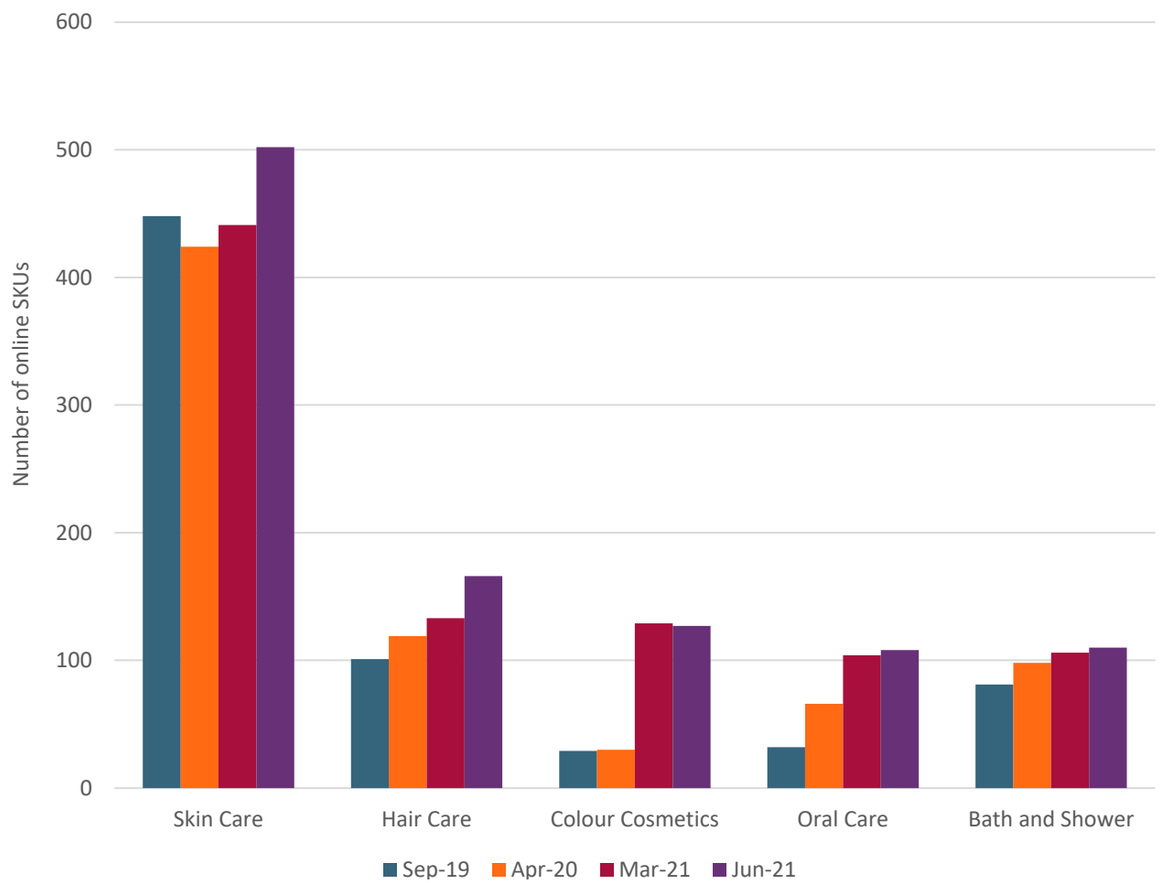
Climate Awareness and Actions



Source: Euromonitor International Voice of the Consumer: Lifestyles Survey

78% of professionals think that climate change will impact consumer demand, changing behaviours, needs and preferences

Top Five Beauty and Personal Care Categories with Carbon Neutral / Reduced Carbon Attributes

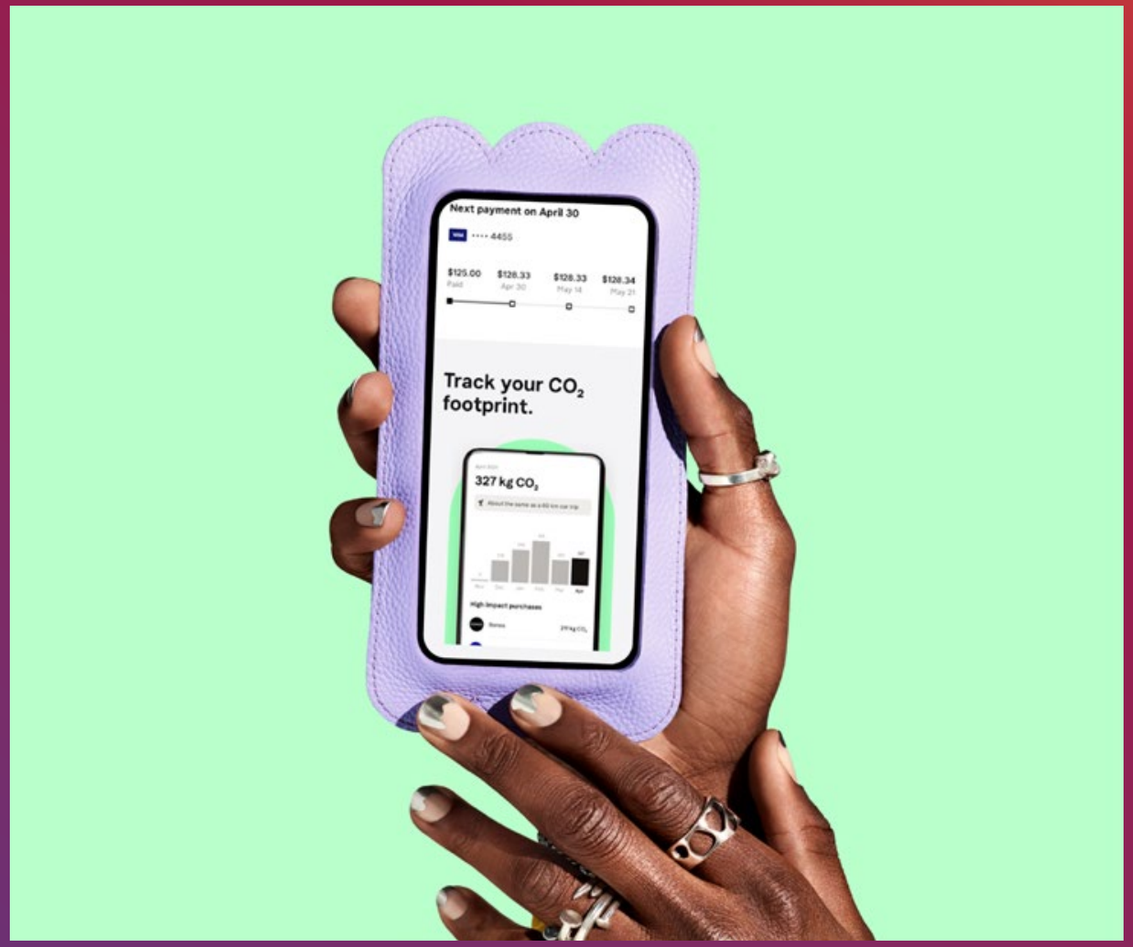


Source: Euromonitor International Via

THE PLANET TOPS THE AGENDA

Businesses are tapping into the growing market for carbon neutrality. Companies are adjusting their portfolios to meet consumer demand for products with a lower planetary and ecological footprint. In 2021, 39% of professionals indicated that their company plans to invest in low-carbon product innovation and the development and launch of climate-friendly products.

Affordability remains an obstacle to make sustainable products mainstream. In 2021, 43% of professionals reported that the lack of consumer willingness to pay more for these products is a significant barrier, hindering business sustainability initiatives. Costs incurred from sustainable innovation, product redesign, supply chain fluctuations and certifications result in price increases that might become a challenge.



Source: Klarna

Source: Izzy

Swedish fintech company Klarna launched a CO_2 emissions tracker that offers carbon footprint insights for 90 million customers.

Izzy launched the first zero-waste mascara that uses recyclable and reusable packaging.

OUTLOOK FOR CLIMATE CHANGERS

Digital innovation is reshaping how retailers, manufacturers and consumers transition to a new era of environmental transparency. Tech tools, such as digital product labelling and mobile tracking apps, help consumers trace ethical claims, their carbon footprint and recycling habits on their phones.

Millennials and Generation Z, especially, feel they can make a difference through their choices. This largest spending cohort of the future will use tools to ensure minimal climate impact. The more offerings that align with expectations of Climate Changers, the more brands will see their products and services resonate.

DIGITAL SENIORS

From resistance to reliance

Older consumers were forced online as the world shut down. Now, familiar and comfortable with technology, Digital Seniors are empowered to make purchases and use services through this channel.

Businesses have an opportunity to tailor their digital experience to target and meet the needs of this expanded online audience.

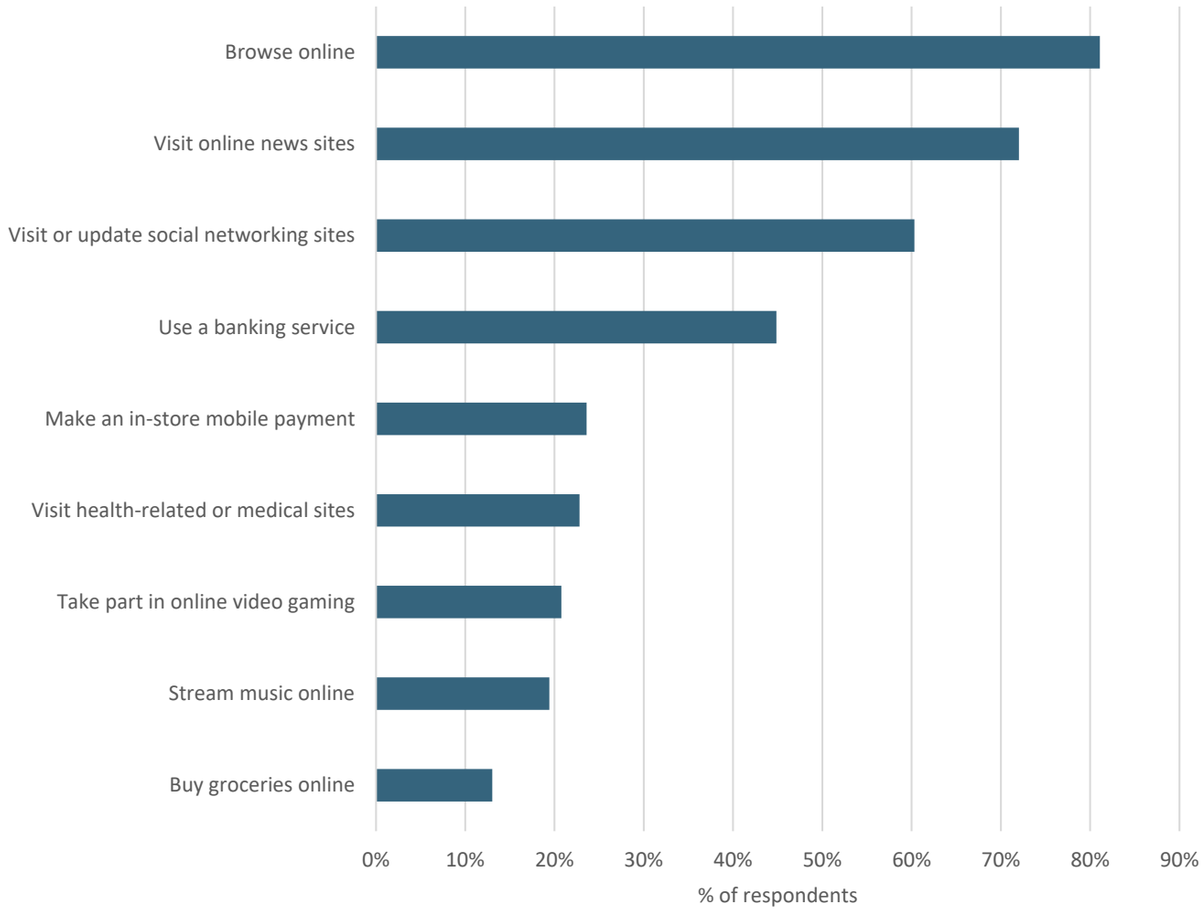
45% of consumers aged 60+ used a banking service on mobile at least once a week

EMPOWERED ELDERS

The global population aged 60+ will grow 65% from 2021 to 2040, reaching over two billion people. This relatively wealthy cohort is gaining more experience and confidence using online services and choosing to adopt more tech solutions that assist with their daily lives.

Alongside browsing and shopping online, Digital Seniors embrace virtual solutions for socialising, health screenings, finances and learning. TikTok is one platform these consumers use, as a result of their digitally native grandchildren influencing and empowering them to be on social media. In fact, over 60% of consumers aged 60+ visited a social networking website at least once a week, whilst 21% took part in video gaming weekly.

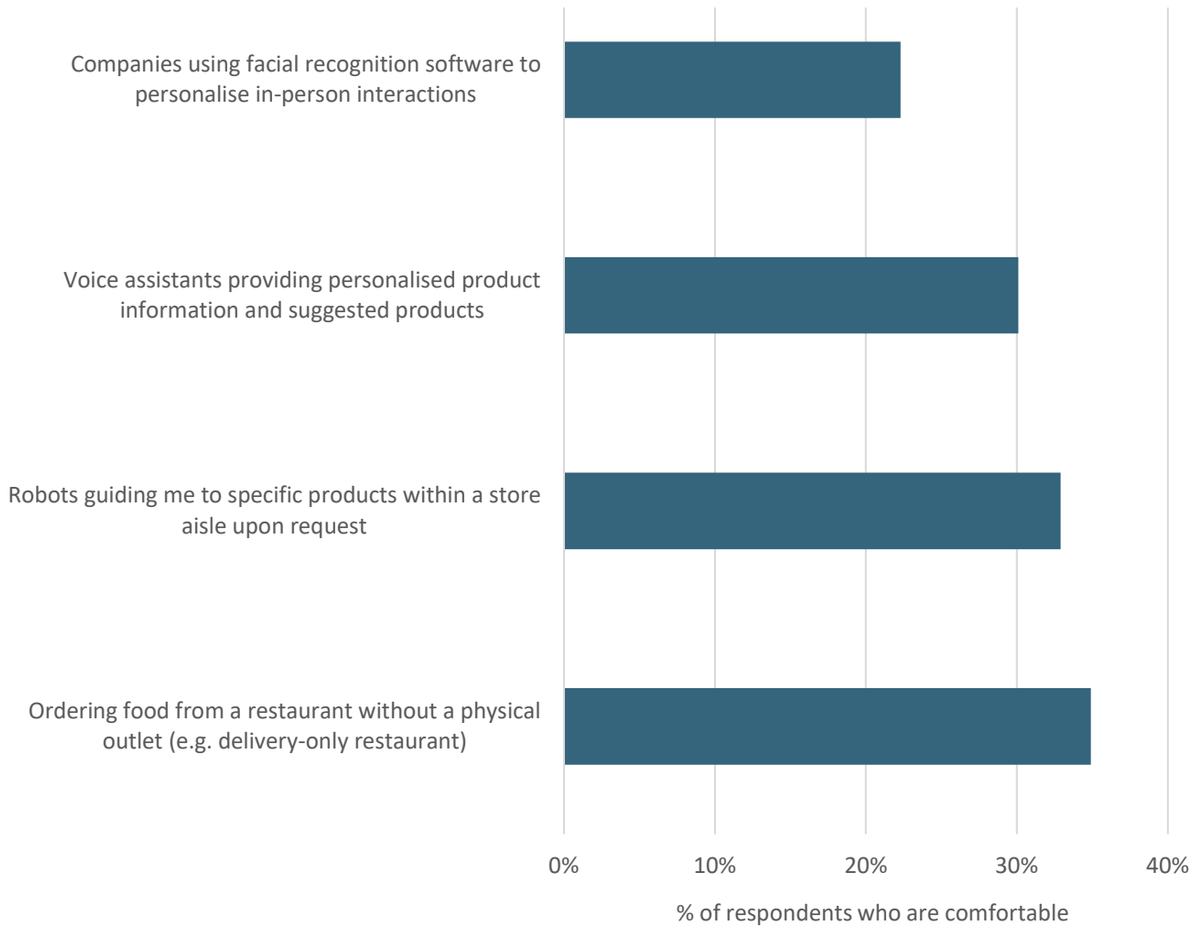
Weekly Online Activities for Consumers Aged 60+



Source: Euromonitor International Voice of the Consumer: Lifestyles Survey, fielded January and February 2021

82% of consumers aged 60+ owned a smartphone in 2021

Comfort Levels with New Technologies for Consumers Aged 60+



Source: Euromonitor International Voice of the Consumer: Digital Survey, fielded March 2021

CATERING TO THE OLDER COHORT

People aged 60+ are the predominant cohort of the top income band (USD250,000), accounting for nearly one-quarter and making older consumers an important target for businesses. Optimising mobile apps, social networks and websites for Digital Seniors will be critical to capture their spending power.

More than 65% of consumers aged 60+ are seeking simpler lives. Businesses that successfully cater to this cohort should develop easy-to-use devices and simplify existing technologies. Companies can also offer training and support to help educate these consumers. For seniors to adopt digital solutions, they must be frictionless and straightforward. If products or services are confusing to use, Digital Seniors will move to competitors. Businesses need to be agile and adapt to new user requirements.

Source: Rendever

Source: JD.com

US startup Rendever brings virtual reality and shared experiences into over 100 assisted living communities and hospitals, helping reduce social isolation.

Japan's first wearable payment ring EVERING is a simple solution for consumers to pay for products in stores with Visa.

China's JD.com launched a smartphone for the elderly, where users can set up video sessions with doctors and have prescriptions sent to their door.

OUTLOOK FOR DIGITAL SENIORS

The pandemic broadened older consumers' minds to the benefits of the digital world. As older consumers embrace technology, human interactions will remain a prevalent component of how they engage with brands.

Easy-to-use technology and seamless solutions combined with face-to-face communication define the future of digital inclusion for seniors. Building an agile plan directed at both Digital Seniors and elderly novices will enhance return on investment.

FINANCIAL AFICIONADOS

Democratised money management

Consumers are gaining confidence in investing and becoming savvy savers to strengthen financial security. Financial Aficionados take control of their money and use services to track their transactions.

Financial literacy is no longer restricted to Wall Street. Companies should provide tools and easy-to-use solutions to make any consumer feel financially empowered.

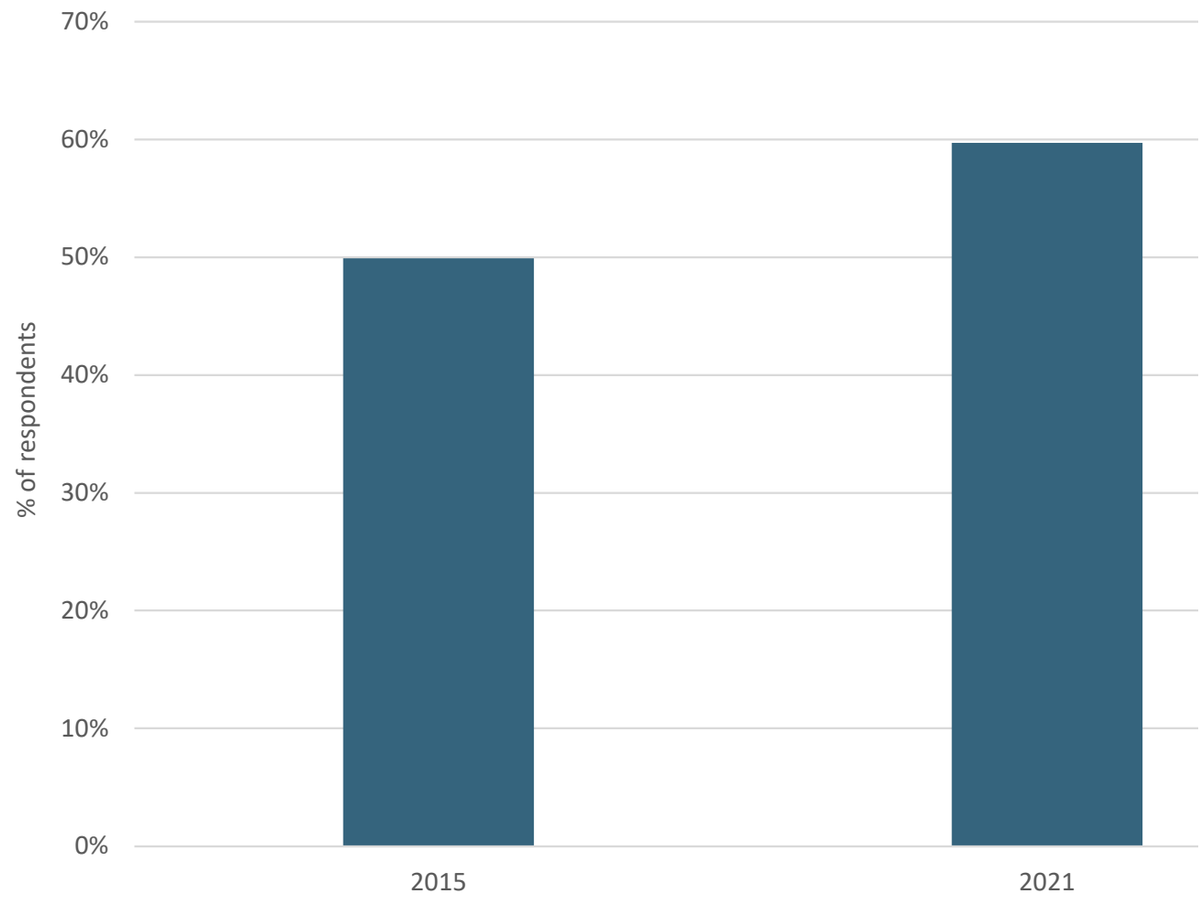
51% of consumers believe they will be better off financially in the next five years

AN IMPROVED FINANCIAL FUTURE

The pandemic brought job market volatility and risked financial security. Uncertainty, instability and lockdowns caused certain consumers like Thoughtful Thrifters to spend less and save more. Consumers turned to apps to make smart money moves.

Those with discretionary income became Financial Aficionados, increasing financial literacy and finding alternate income streams, such as investing in the stock market and turning hobbies into businesses. Globally, 15% of household disposable income was saved in 2019 compared to 17% in 2020. Over the same period, global consumer expenditure dropped 4%. This increased amount of savings and time at home, in parallel with decreased spending occasions, drove consumers to improve their financial position.

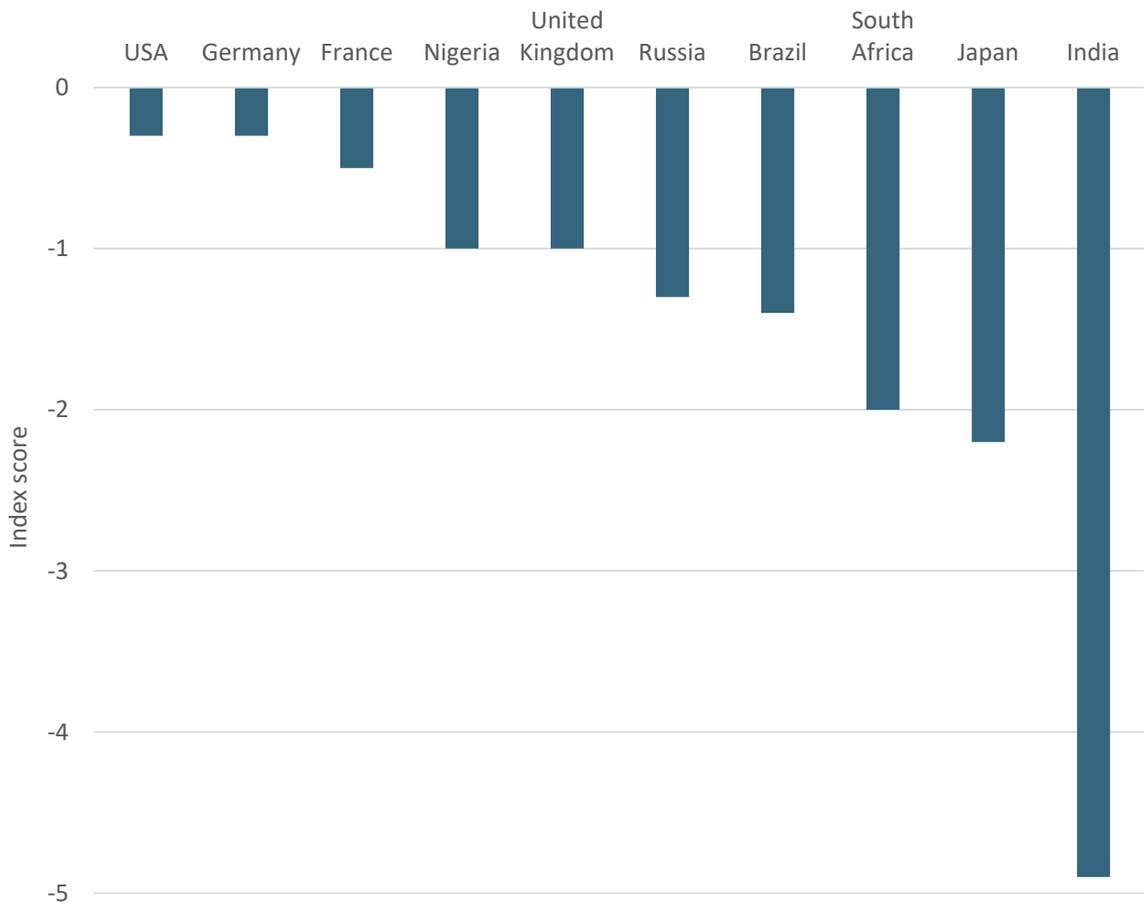
Consumers Who Are Confident That Their Long-Term Investments Will Grow in Value



Source: Euromonitor International Voice of the Consumer: Lifestyles Survey

57% of consumers accessed a banking service through their smartphone at least weekly in 2021

Consumer Confidence Index in Select Countries, 2020

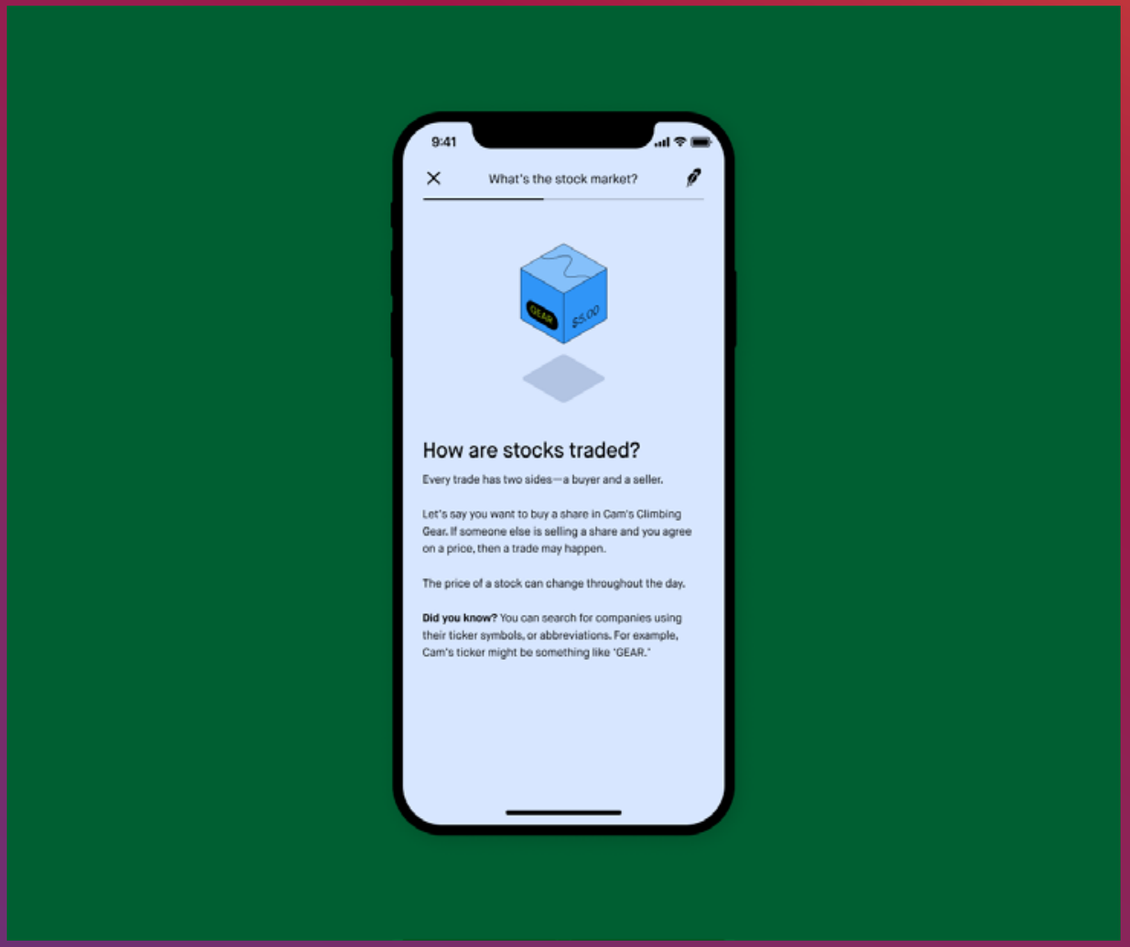


Note: Index score refers to the number of standard deviations from long-term mean.
Source: Euromonitor International

OPPORTUNITIES TO SERVE THE UNBANKED AND NOVICES

The banked population across emerging and developed countries continues to increase, giving consumers access to money management tools. Businesses are capitalising on this newfound financial freedom and are responding with resources that give consumers more control and confidence.

There has been an influx of consumer-friendly retail trading platforms for Financial Aficionados to invest their money in the stock market. Fintech startups are providing digital banking services with lower fees and higher interest rates to the unbanked and financially underserved. Offering educational resources within these platforms can help build consumer confidence and brand trust. Companies are also capitalising on the growth of cryptocurrencies as an alternative payment method.



Source: Robinhood

Source: Nubank

Robinhood is a commission-free, accessible trading platform for the everyday investor.

Nubank is a Brazilian neobank that offers simpler services to help financially underserved Latin Americans become banked.

OUTLOOK FOR FINANCIAL AFICIONADOS

Money management apps that are consumer-centric, digestible, educational and simple stand to benefit in this era of financial democratisation. These businesses will build customer loyalty at a time when trust in financial institutions is waning.

Retailers and brands should collaborate with financial service corporations to facilitate alternate forms of payment, such as cryptocurrencies or buy now, pay later. The potential impact of Financial Aficionados, from increasing their investment rates and growing their financial acumen, cannot be underestimated.

THE GREAT LIFE REFRESH

Passion and purpose drive action

The pandemic triggered consumers to make The Great Life Refresh, resulting in drastic personal changes and a collective reboot of values, lifestyles and goals.

Businesses should innovate goods, services and experiences that respond to this once-in-a-generation moment, coupled with marketing that acknowledges and embraces the upheaval.

4 million

Americans quit their jobs in July 2021 and another 4 million in August

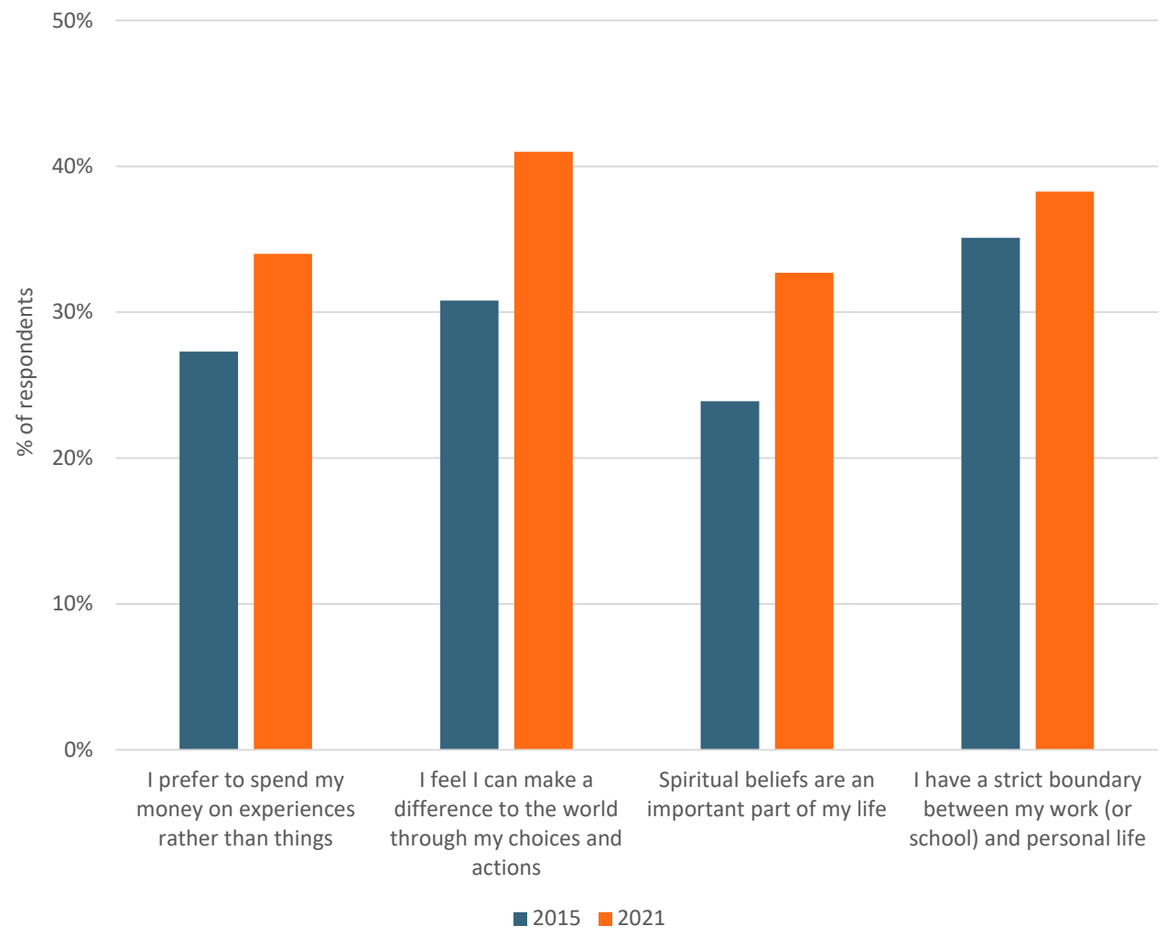
Source: US Bureau of Labor Statistics

A NEW LEASE ON LIFE

Crises can make people analyse and change their values. In the past year, consumers took inventory of their lives and are now actively trying to chart a new path forward. In 2015, only 12% of consumers prioritised time for themselves, which doubled to 24% in 2021. Consumers now have a higher appreciation for work-life balance. They are changing careers or leaving the workforce entirely to discover or pursue their purpose.

Shaken and Stirred consumers were motivated to think about their passions and potential. Now, The Great Life Refresh represents consumers' actions towards achieving new goals. Change will remain the dominant trend that characterises lifestyle shifts in the short term. Activities and products that positively impact mental and physical health, such as adopting pets or having the ability to travel while working remotely, are influencing purchase decisions.

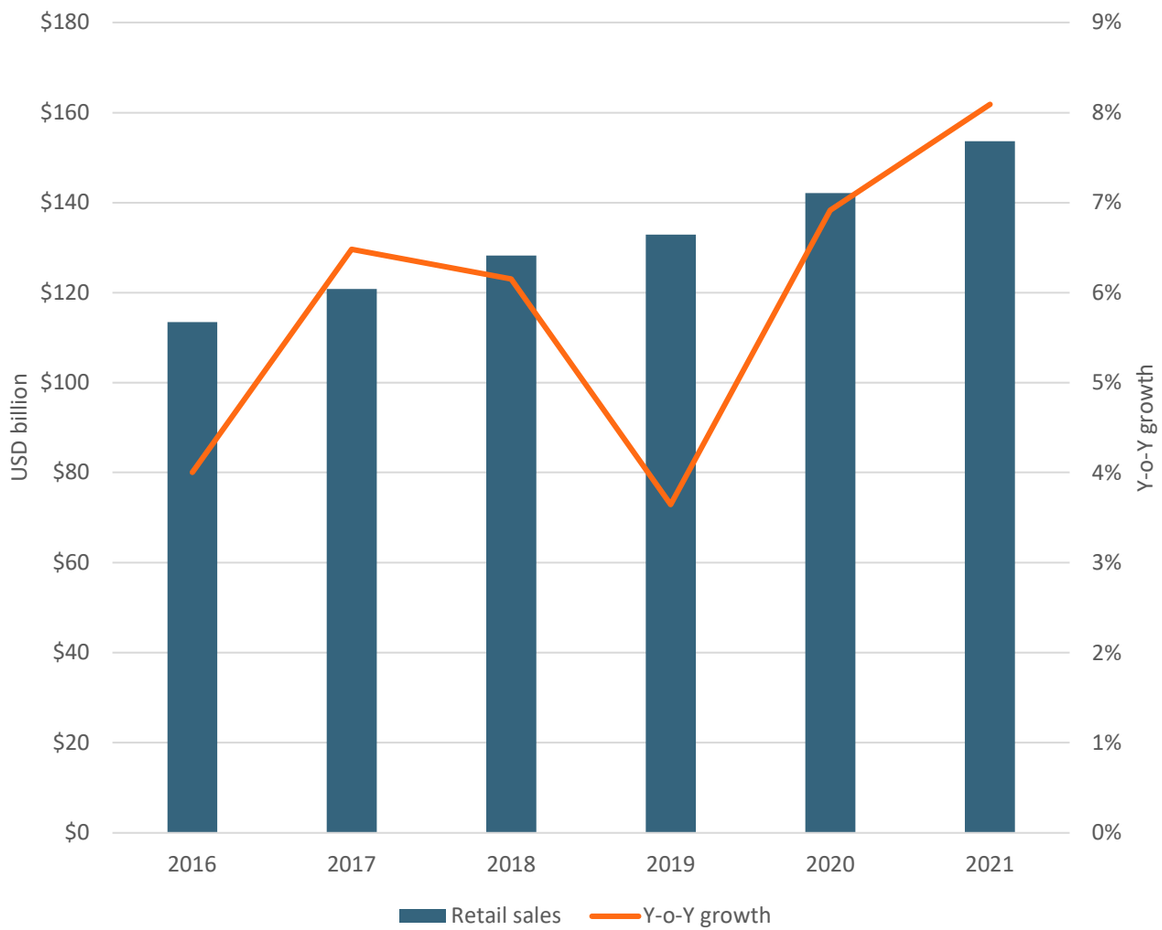
Consumer Attitudes and Life Priorities



Source: Euromonitor International Voice of the Consumer: Lifestyles Survey

44% of professionals believe their companies will invest in employee health and welfare in the future

Global Pet Care Sales



Source: Euromonitor International

SUPPORTING PERSONAL GROWTH

Job markets across the globe are experiencing unprecedented turnover. Certain consumers chose or needed to leave the workforce, especially caregivers, prompting LinkedIn to add new job titles like “stay-at-home parent” to accurately convey these roles. Workers are navigating government benefits, health risks and their return to normal as well as broader personal values. Employees are looking for careers that accommodate their life outside of the office. Companies implemented Workplaces in New Spaces and realised productivity levels were sustained, which permanently shifted how, when and where work can be done.

Mental wellbeing is also a part of The Great Life Refresh. Downloads of mindfulness apps like Calm and Headspace surged to help reprieve anxiety. Pet adoptions skyrocketed, and global pet care sales growth doubled from 2019 as more consumers looked for companionship. Businesses need to accommodate consumer needs, wherever they are in life.

Fashion brand Zara put a spin on business casual attire with the launch of an elevated leisurewear collection for remote work or in-office environments.

Hyatt expanded the Work from Hyatt packages to attract remote workers who want a change of scenery.

OUTLOOK FOR THE GREAT LIFE REFRESH

Consumers will continue to navigate the turbulence of the pandemic. Companies catering to The Great Life Refresh stand to be seen as partners, helping consumers adapt to a new way of life. Businesses should tailor marketing to acknowledge and support consumers' decisions to take action.

Reverting to a pre-pandemic playbook might not have the same effect moving forward. Consumers will prefer brands that match the moment. Companies need to offer policies and products that provide value and support personal growth to drive loyalty.

THE METAVERSE MOVEMENT

Simulated, 3D digital ecosystems of the future

The digital world is evolving beyond virtual hangouts to immersive 3D realities. Consumers are embracing these digital spaces to socialise with communities.

Brands at the centre of The Metaverse Movement can build equity. These immersive environments can drive e-commerce and virtual product sales as access expands.

38% of consumers took part in online video gaming at least weekly in 2021, up from 29% in 2015

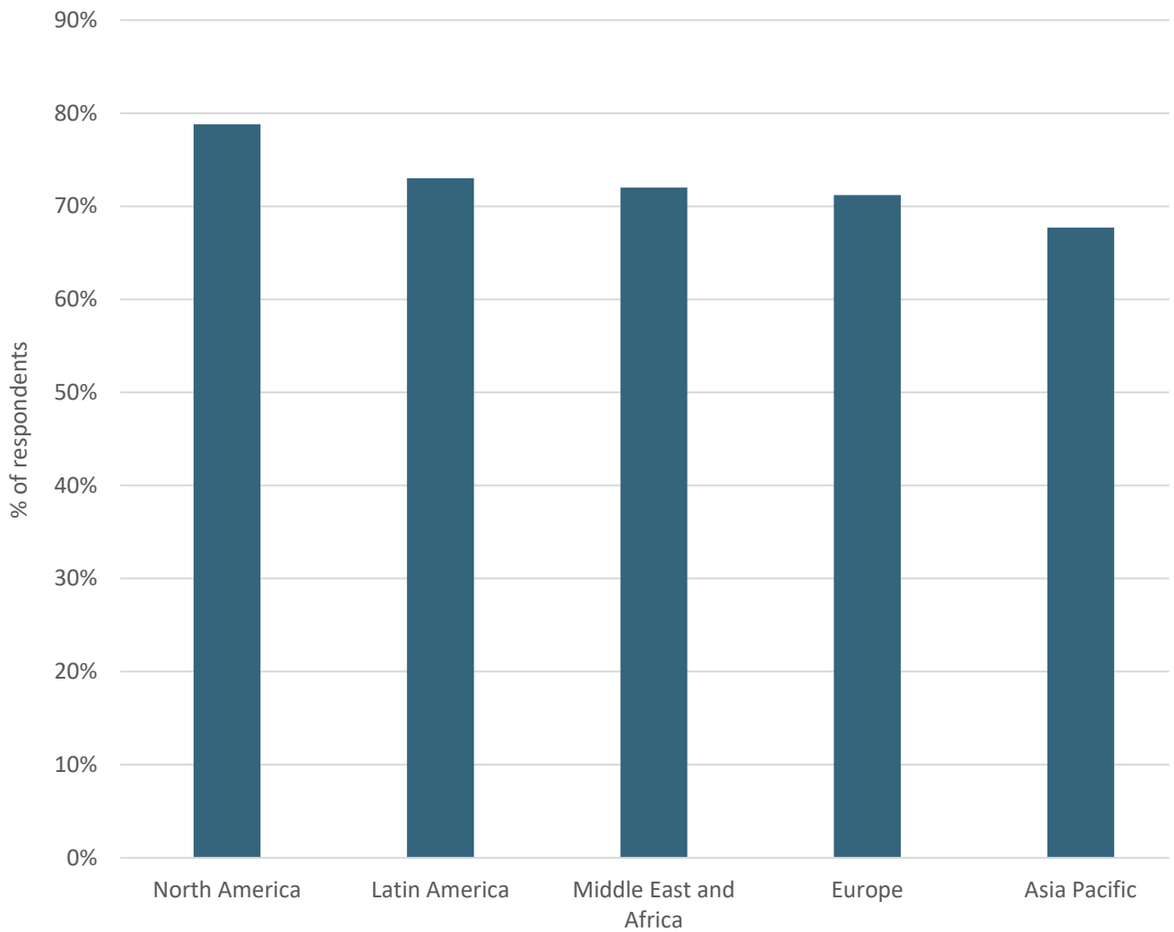
FINDING A DIGITAL IDENTITY

Physical and virtual worlds collided last year. With strict social distancing requirements, consumers learned how to stay connected, forming new online communities that offer a range of interactivity, from livestreaming to gaming.

Social networks are advancing their capabilities, and in some cases, acquiring tech startups, to enter The Metaverse Movement. The constant stream of content and ability to go viral on video-dominant social platforms like TikTok and YouTube showcase the influence of community-based networks.

Now, online socialisation is the preferred form of entertainment for many consumers, particularly younger generations, who spend more time playing games on mobile, desktop and AR / VR headsets. During The Metaverse Movement, consumers will outfit their avatars to explore virtual worlds alongside users from across the globe. The prevalence of shared, 3D virtual spaces will characterise a future rendition of the internet.

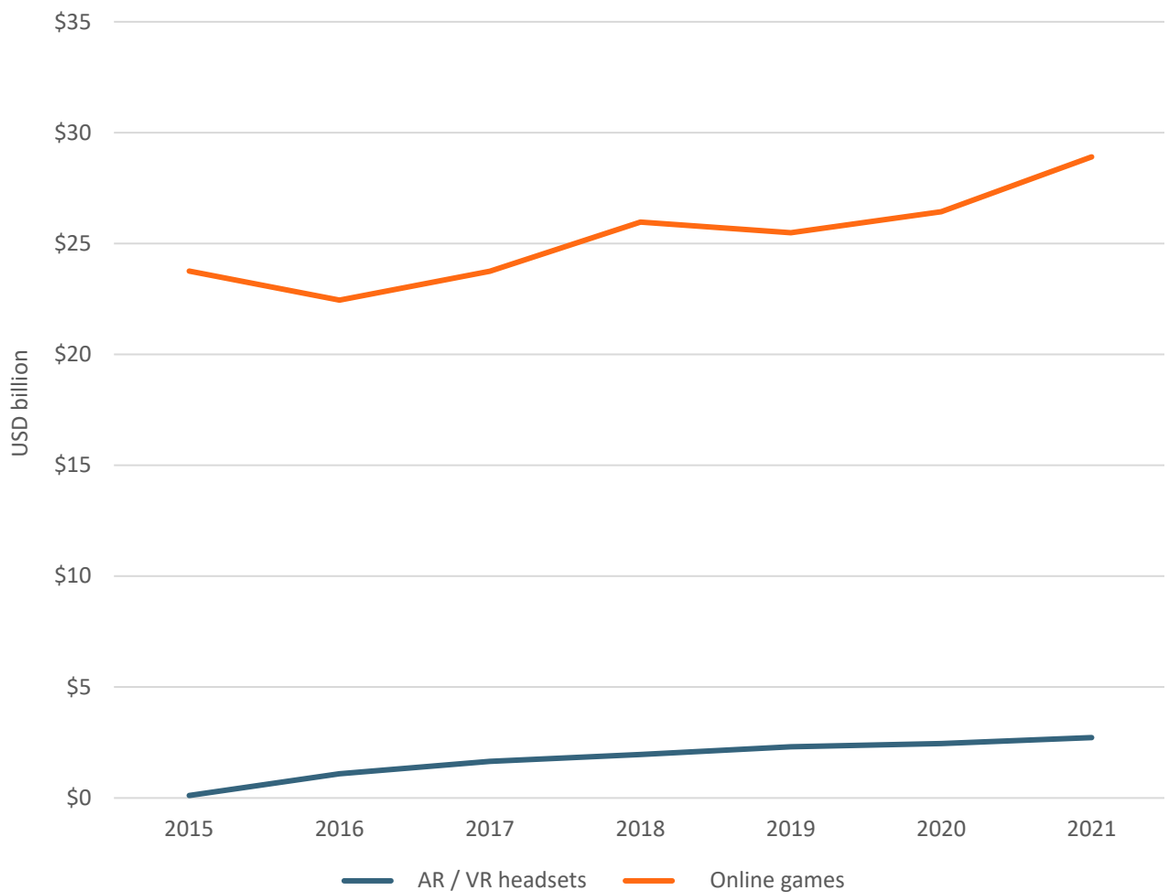
Consumers Who Have Used AR / VR to Play Games



Note: Includes respondents who have used AR or VR.
Source: Euromonitor International Voice of the Consumer: Digital Survey, fielded March 2021

56% global sales growth of AR / VR headsets from 2017 to 2021

Global Sales of AR / VR Headsets and Online Games



Source: Euromonitor International

ADVERTISING IN A NEW DIGITAL WORLD

Fashion brands and retailers are leveraging TikTok to crowdsource content and designs, promote products and train associates on how to build followings. In 2021, more than 30% of consumers bought goods or services after seeing an influencer post or company advertisement on TikTok.

Sports teams, gamers and artists have been using platforms like YouTube and Twitch to host live virtual concerts and events, and companies want to meet these consumers in-platform. Brands are buying billboards and product placements, among other advertising space, within these online environments. Virtual stores facilitate e-commerce sales and offer digital-only products for purchase, including non-fungible tokens (NFTs), to dress and house avatars.

The primary goal is to build brand awareness among influential consumers who are pioneering platform engagement. Companies that start establishing a presence now will be at the forefront as virtual social environments and AR / VR develop.

Source: Roblox

Source: Facebook

Gucci hosted a virtual multimedia experience on Roblox. Users' avatars were displayed as neutral mannequins that changed shape and colour whilst moving through themed rooms.

Facebook rebranded to Meta at the end of 2021, highlighting the company's sharpened focus on bringing the metaverse to life.

K-pop superstars BTS hosted a record-breaking virtual concert in 2021, which was streamed live from South Korea to over one million paid viewers worldwide.

OUTLOOK FOR THE METAVERSE MOVEMENT

Innovative companies have already employed AR / VR applications in their business processes. Consumers using online games and video-first social media for streaming and socialising are establishing the groundwork for The Metaverse Movement.

Improvements in AR / VR capabilities and lower equipment costs will increase access to 3D virtual spaces. Consumers who already interact with immersive online social settings will spend even more time in entirely computer-generated environments. As The Metaverse Movement continues to gain tech-savvy participants, businesses must learn their role to increase brand recognition and generate revenue.

PURSUIT OF PRELOVED

Secondhand, recommerce and peer-to-peer marketplaces

Thrifting is trending. Consumers are moving from an owning to an experiencing mindset. Sustainability and individuality are removing the stigma associated with secondhand shopping and driving peer-to-peer commerce.

Businesses need to do more with less. Investing in circular economy initiatives, such as recycling, rental or resale programmes, will drive value whilst positively impacting the environment.

33% of consumers buy used or secondhand items at least every few months

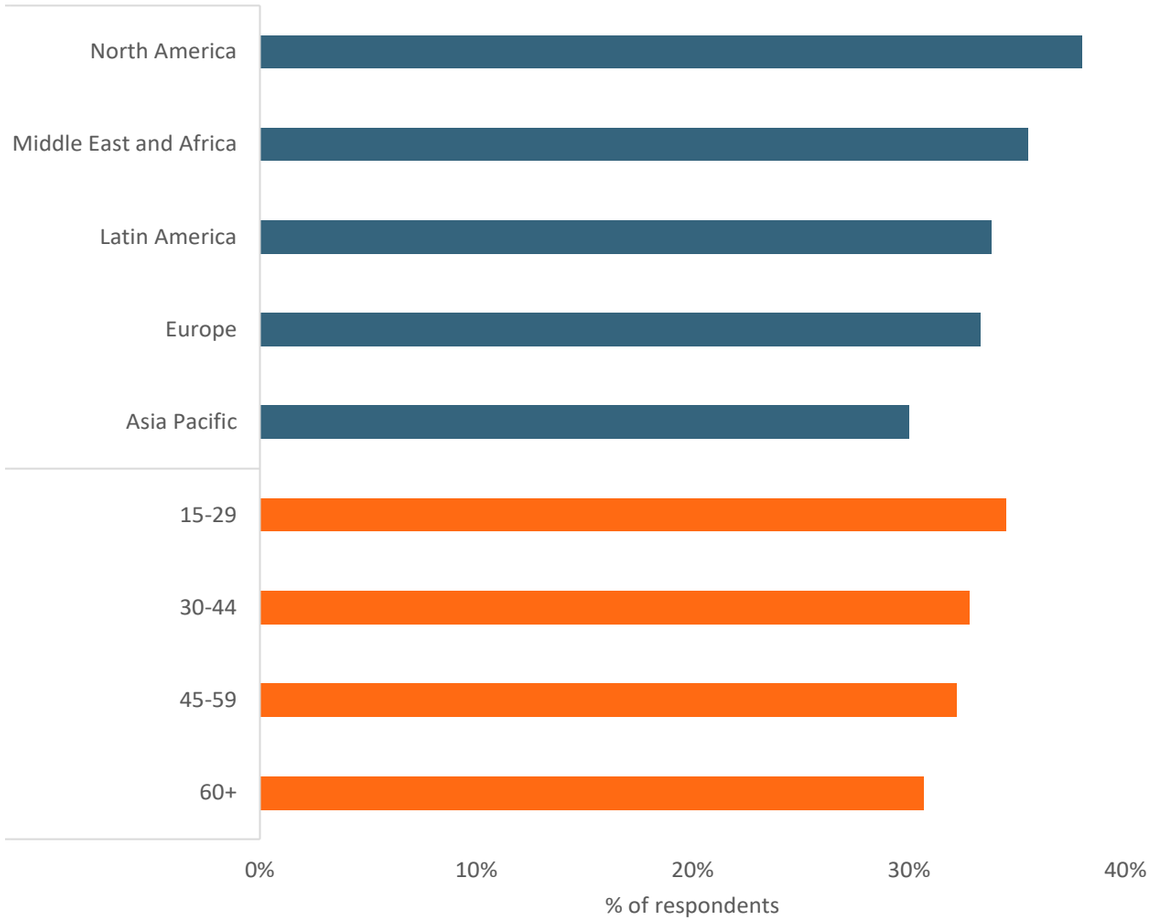
AFFORDABLE AND EXCLUSIVE

Consumers want to live sustainably and minimise environmental footprints. At the same time, affordability became a crucial factor during the unstable economic situation. Certain consumers also desire exclusive or unique pieces that may have a higher price tag. These drivers propelled secondhand shopping to the mainstream.

Vintage and slow fashion helped this trend flourish in the apparel market. Younger generations are on the Pursuit of Preloved, searching for one-of-a-kind products. One-fifth of consumers will consider increasing purchases of secondhand items in the future.

Consumers are continuously taking stock of their belongings to determine which items to keep, upgrade, resell or donate. The plethora of apps available to sell and buy secondhand and the desire for sustainable options are influencing the Pursuit of Preloved.

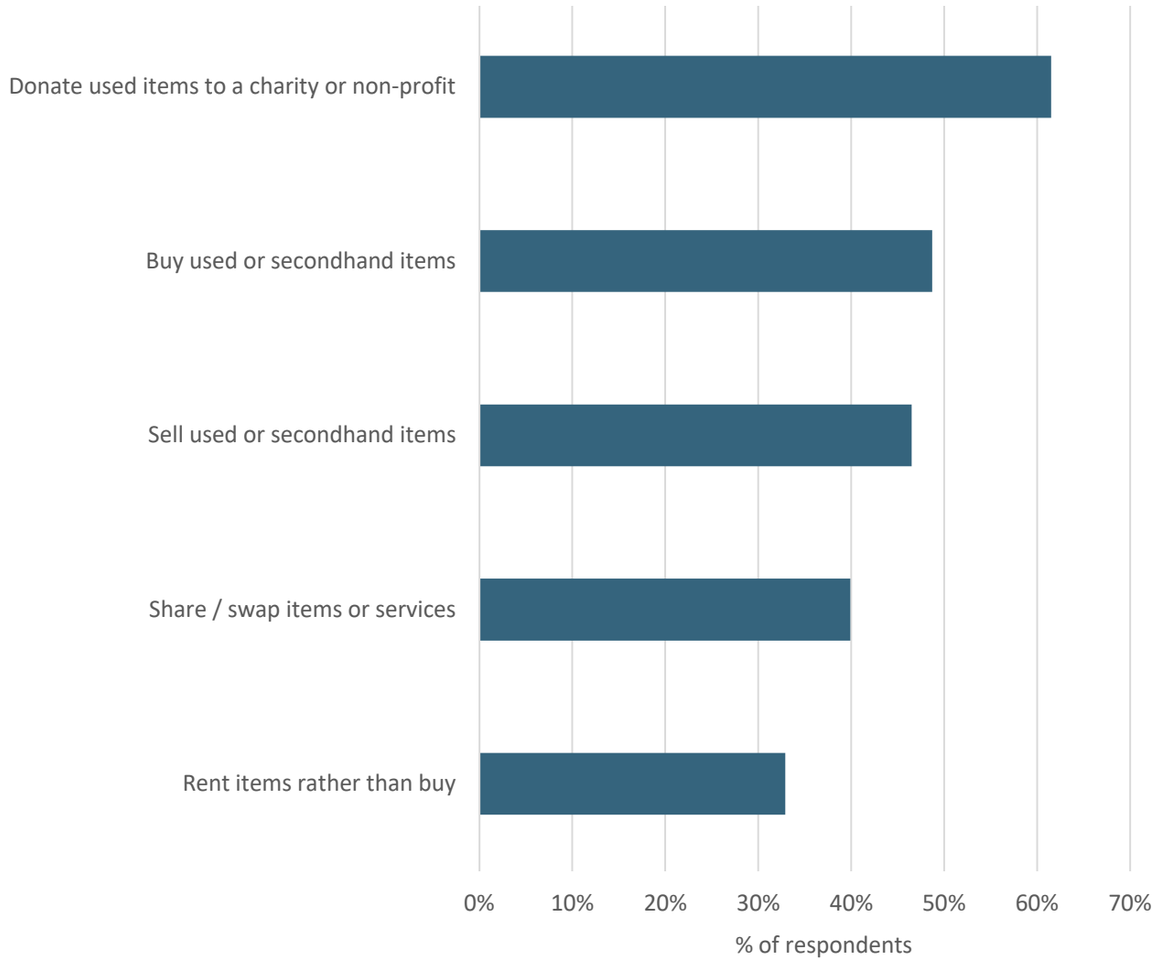
Willingness to Buy Secondhand or Previously Owned Items by Region and Age Group



Source: Euromonitor International Voice of the Consumer: Lifestyles Survey, fielded January and February 2021

67% of professionals stated their company engaged in responsible consumption and production (SDG12) in 2021

Consumers Who Contribute to the Circular Economy at Least Annually



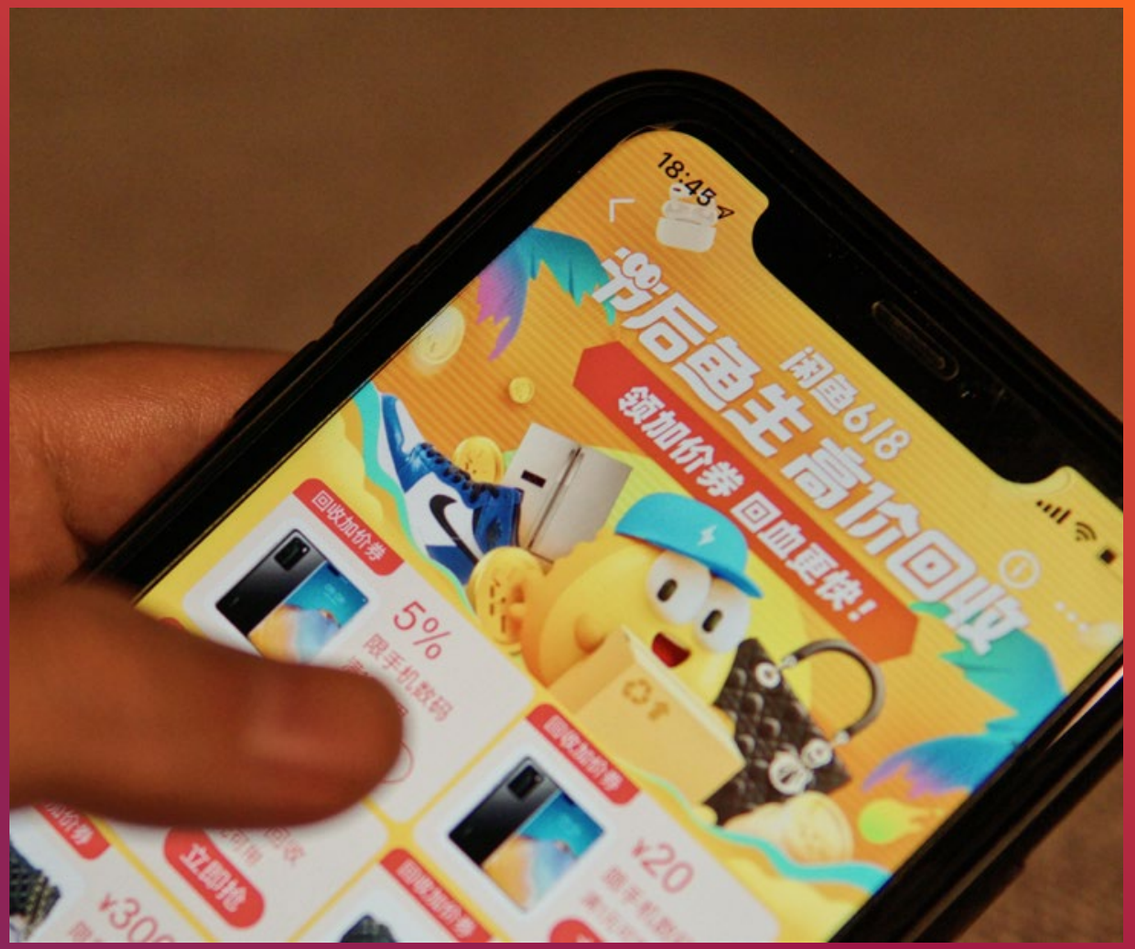
Source: Euromonitor International Voice of the Consumer: Lifestyles Survey, fielded January and February 2021

ZERO-WASTE AND CIRCULAR STRATEGIES

Companies are implementing new business models and embracing the circular economy as consumers shift to consignment shopping. Pursuit of Preloved has been prevalent in the apparel industry for years but is expanding into other fast-moving consumer goods.

Business models are evolving to include buy-back programmes, reusable packaging initiatives, refurbished product offerings and peer-to-peer marketplaces. Gift cards, store credit and loyalty points are perks that encourage consumers to participate in these programmes. Businesses that find opportunities to tap into the Pursuit of Preloved can benefit from an additional revenue stream.

Source: IKEA



Source: Alizila

IKEA upgraded their in-store Bargain Corner section to Circular Hub, which features used furniture as part of a buy-back programme.

Idle Fish / Xianyu is China's leading secondhand trading platform from Taobao, Alibaba Group's marketplace. The app combines rental and recycling services, gamification functions and social communities.

OUTLOOK FOR PURSUIT OF PRELOVED

Recommerce will become increasingly prevalent and cover more categories. Consumers will continue to consider secondhand items when shopping for durable goods, especially. Platforms and aggregators will offer different brands and resell options to meet consumer demand.

Additionally, companies need to reuse or recycle materials for new product development and to reduce waste. Pursuit of Preloved will inevitably improve sustainable production and consumption and brand reputation as a result.

RURAL URBANITES

Best of both worlds

Suburban and rural communities offer more spacious housing and greener scenery, luring consumers out of the metropolitan area. City dwellers also want these benefits brought into their neighbourhoods.

Businesses that strengthen e-commerce distribution, expand sustainable product lines and cater to Rural Urbanites will emerge as winners.

37% of consumers expect to be working from home in the future

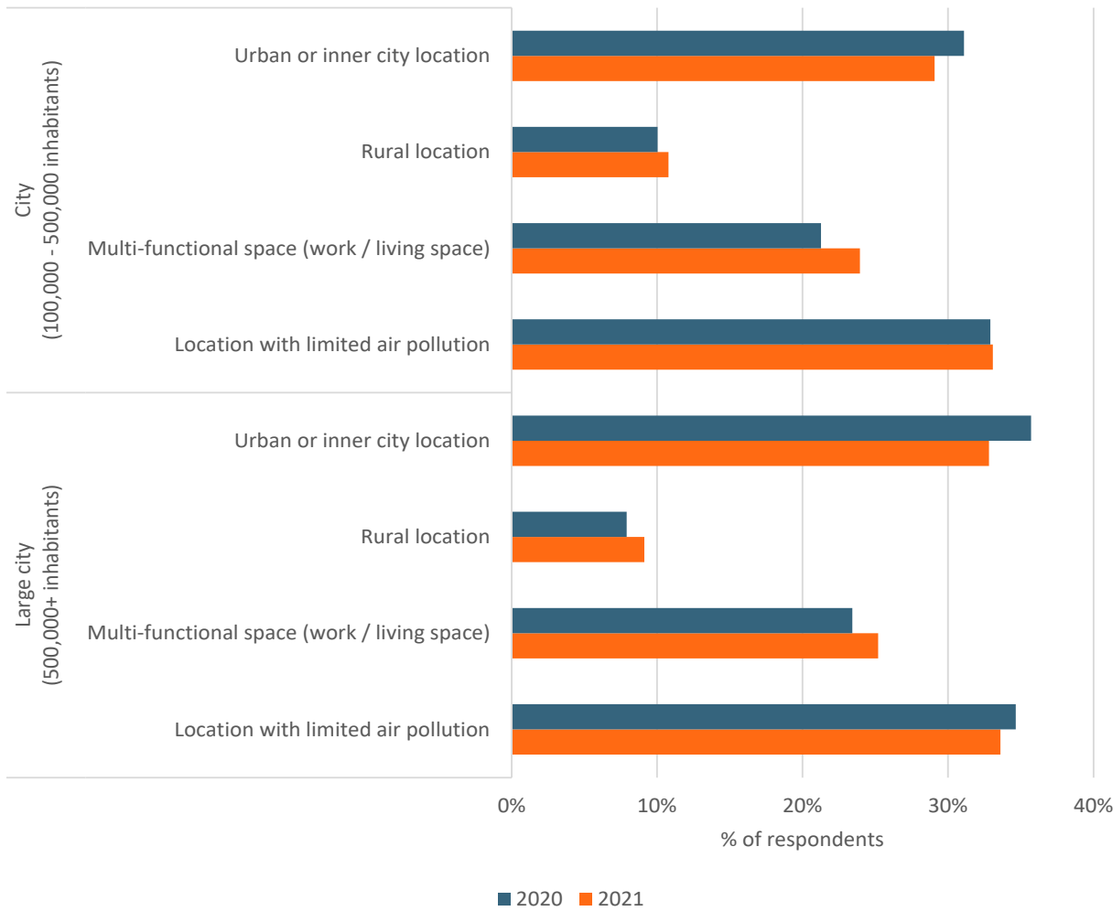
RELOCATION REVOLUTION

Last year, consumers were searching for an Outdoor Oasis, relocating to rural areas temporarily or spending more time in nature. Now, Rural Urbanites are making this move permanent.

The benefits of city living, including proximity and convenience, were hindered due to lockdowns and remote work. These consumers felt confined to their small spaces whilst paying higher living costs without the associated perks. Meanwhile, better air quality, less congestion and desire for simplicity and sustainability are becoming key selling points for the suburbs, countryside or smaller cities. The relocation trend is especially relevant in developed countries, given the smaller infrastructure gap between cities and suburbs, shorter commutes and lower housing costs.

Not all consumers are ready to give up urban life. The need for green spaces near homes and faster, cleaner commutes is reshaping dwelling preferences for Rural Urbanites who stay in the city. In general, consumers are investing more in their homes and communities as they spend more time there.

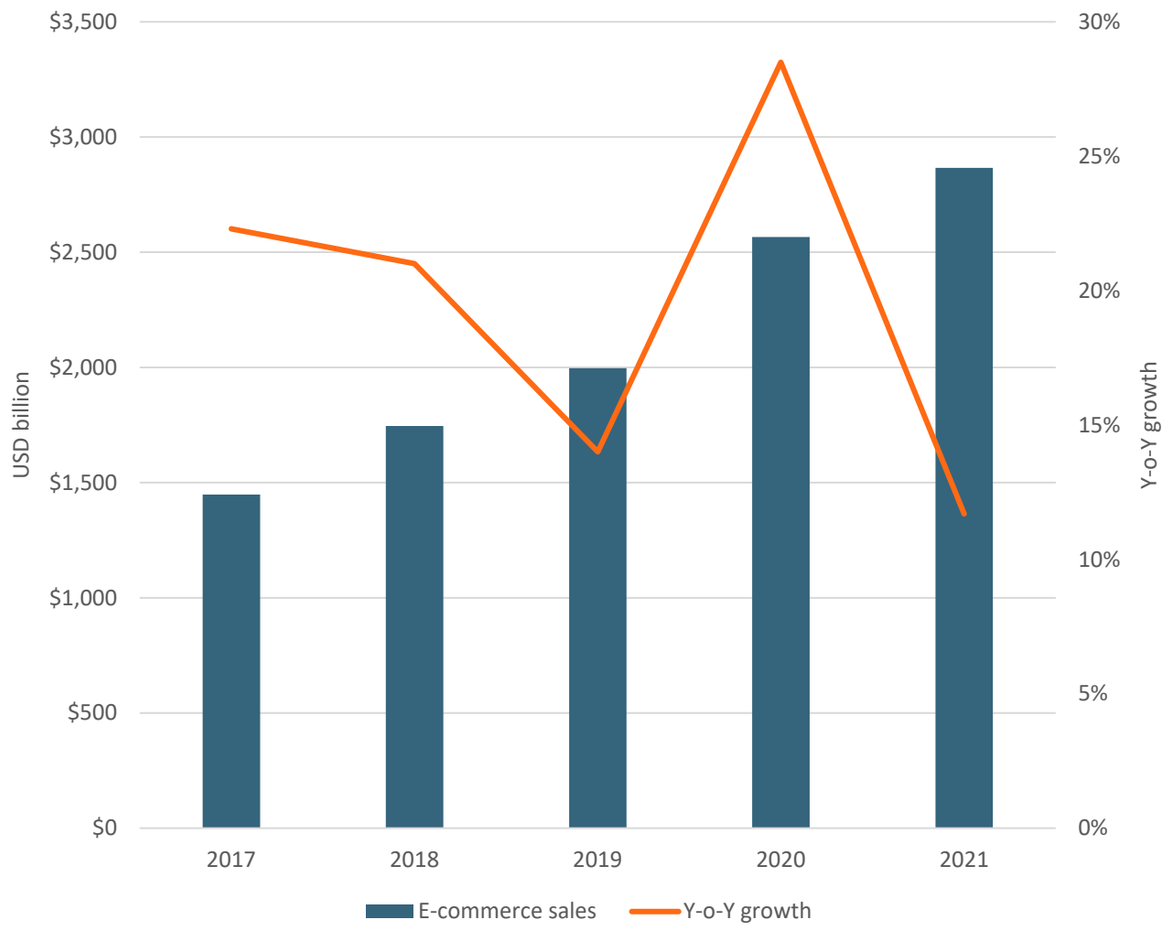
Home Preferences Among Urban Consumers



Source: Euromonitor International Voice of the Consumer: Lifestyles Survey, fielded January and February 2020 and 2021

40% of professionals stated their company engaged in making sustainable cities and communities (SDG11) in 2021

Global E-Commerce Sales



Source: Euromonitor International

NO CITY LIMITS

As work becomes less tied to a physical office, consumers are moving both within and beyond city limits. New business opportunities are emerging alongside this mass relocation influx.

Scaling e-commerce distribution is vital. Establishing micro-fulfilment centres and increasing last mile delivery can better serve rural communities and expand the customer base. Parcel couriers are also boosting geographic coverage. In the UK, DPD partnered with Collect+ to add over 3,000 shops in 2020, which puts 97% of the population within five miles of a DPD Pickup store.

Incorporating more sustainable initiatives into metropolitan areas will resonate with Rural Urbanites. Indoor farming and rooftop gardens could bring locally sourced produce within walking distance for city residents. Repurposing vacant or unused infrastructure into public parks and green spaces positively impacts these densely populated communities. Businesses and governments are striving to create mini cities where shops, restaurants and schools, among other establishments, are within a 15-minute commute.

Appear Here is an online platform bringing businesses and property owners together to rent and list brick-and-mortar space for short-term periods in the US and select European countries.

Singapore is building a green city out of a former industrial area to create sustainable, smart and less-polluted urban housing alternatives.

OUTLOOK FOR RURAL URBANITES

Consumers want safe, clean and green environments, whether in the city, suburbs or countryside. Spacious and sustainable communities will dictate where Rural Urbanites choose to live.

Regardless of location, brands and businesses need to adjust their strategies to retain customers. Expanding brick-and-mortar outlets and services whilst investing in e-commerce will help companies reach a broader audience.

SELF-LOVE SEEKERS

Individuality and authenticity drive happiness

Acceptance, self-care and inclusion are at the forefront of consumer lifestyles. Self-Love Seekers prioritise their happiness, feeling comfortable in their own skin and indulging in goods and services that elevate their sense of self.

Businesses need to create deep connections with customers. Products that evoke physical, emotional or spiritual wellbeing will resonate and enhance the lives of Self-Love Seekers.

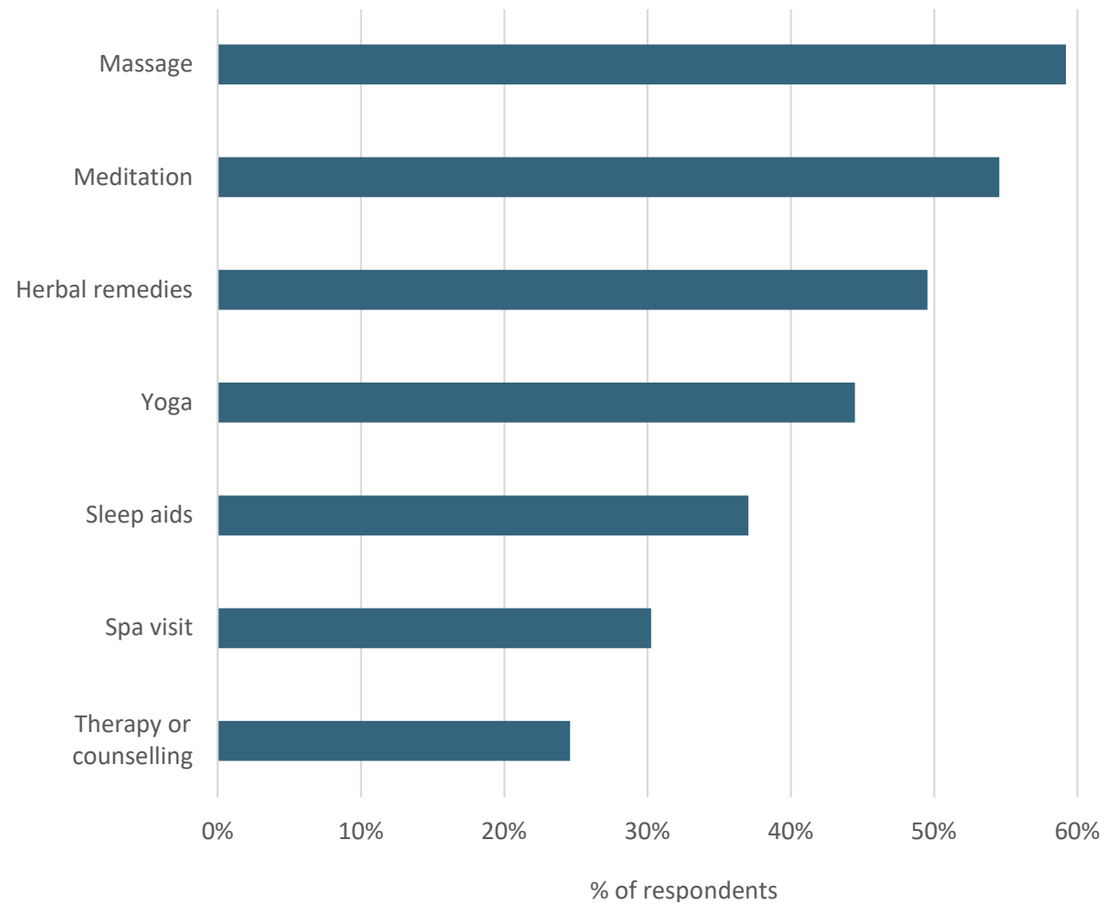
56% of consumers believe they will be happier in the next five years

CONFIDENT AND CONTENT

Consumers crave comfort and love as life returns to normal. No longer in survival mode, these consumers are embracing the future and are proud of overcoming hardships. Self-Love Seekers appreciate their worth and accept their struggles and flaws. Owning these realities enables these consumers to be their own source of happiness.

Self-Love Seekers invest in taking care of their bodies and minds, from what they consume to the products they use. They splurge in ways that match their lifestyles whether purchasing a cannabis-infused product or a luxury handbag. Products and experiences that empower these consumers to be their best version will drive purchase decisions and loyalty.

Stress-Reduction and Mental Wellbeing Activities

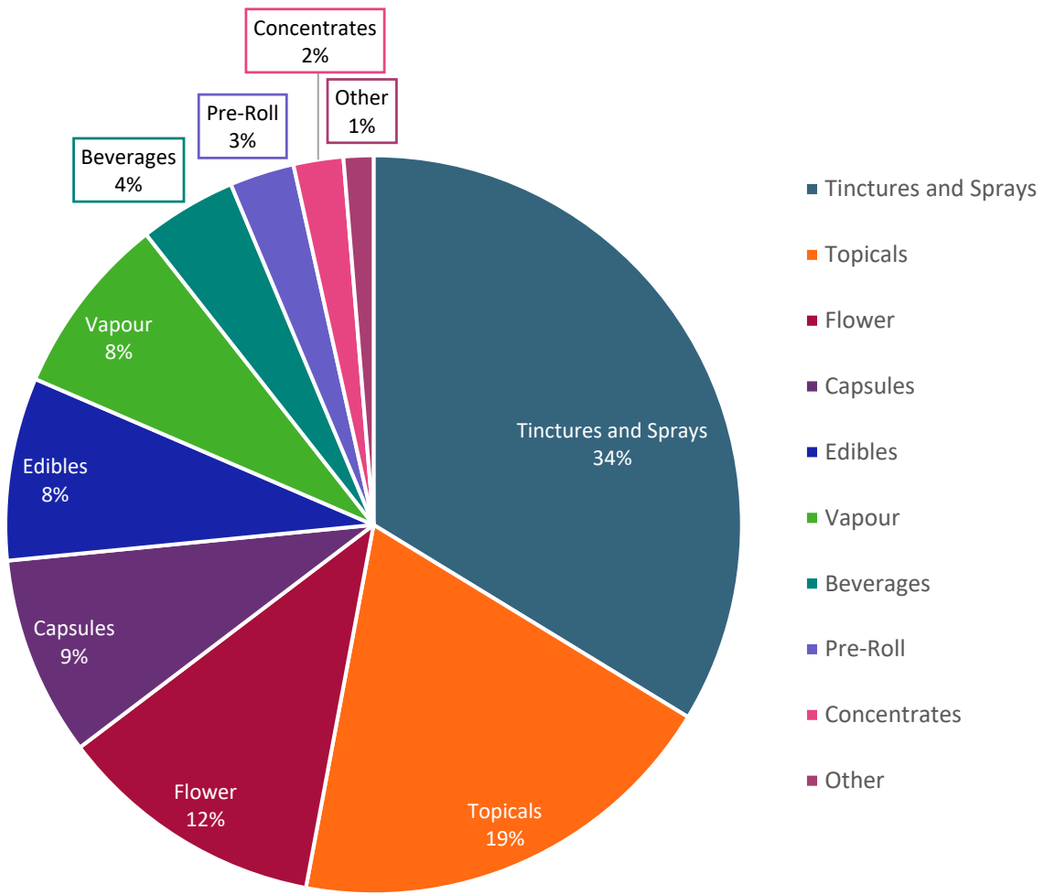


Note: Participated in activities over the past six months.

Source: Euromonitor International Voice of the Consumer: Lifestyles Survey, fielded January and February 2021

54% of professionals believe that more personalised shopper experiences will have a strong impact on retailing over the next five years

Global CBD Sales by Format, 2021



Source: Euromonitor International

INDULGENCE, PERSONALISATION AND NEW NORMS

Indulgent product innovations are booming globally across industries. Beauty brands are offering salon-quality products at home. Food and beverage manufacturers are investing in functional ingredients and low- or non-alcoholic drinks as consumers seek healthier options. In Western countries, cannabis-infused products are thriving whereas luxury goods continue to outperform in China.

Businesses are investing in technology to provide tailored care. Personalisation will advance and shift towards mass acceptance across sectors, such as beauty, personal care and consumer health. Additionally, marketing and offerings need to be inclusive. Brands are breaking stereotypes and societal norms, allowing Self-Love Seekers to feel comfortable and confident expressing their true selves.

Source: Interflora.co.uk

Source: War Paint

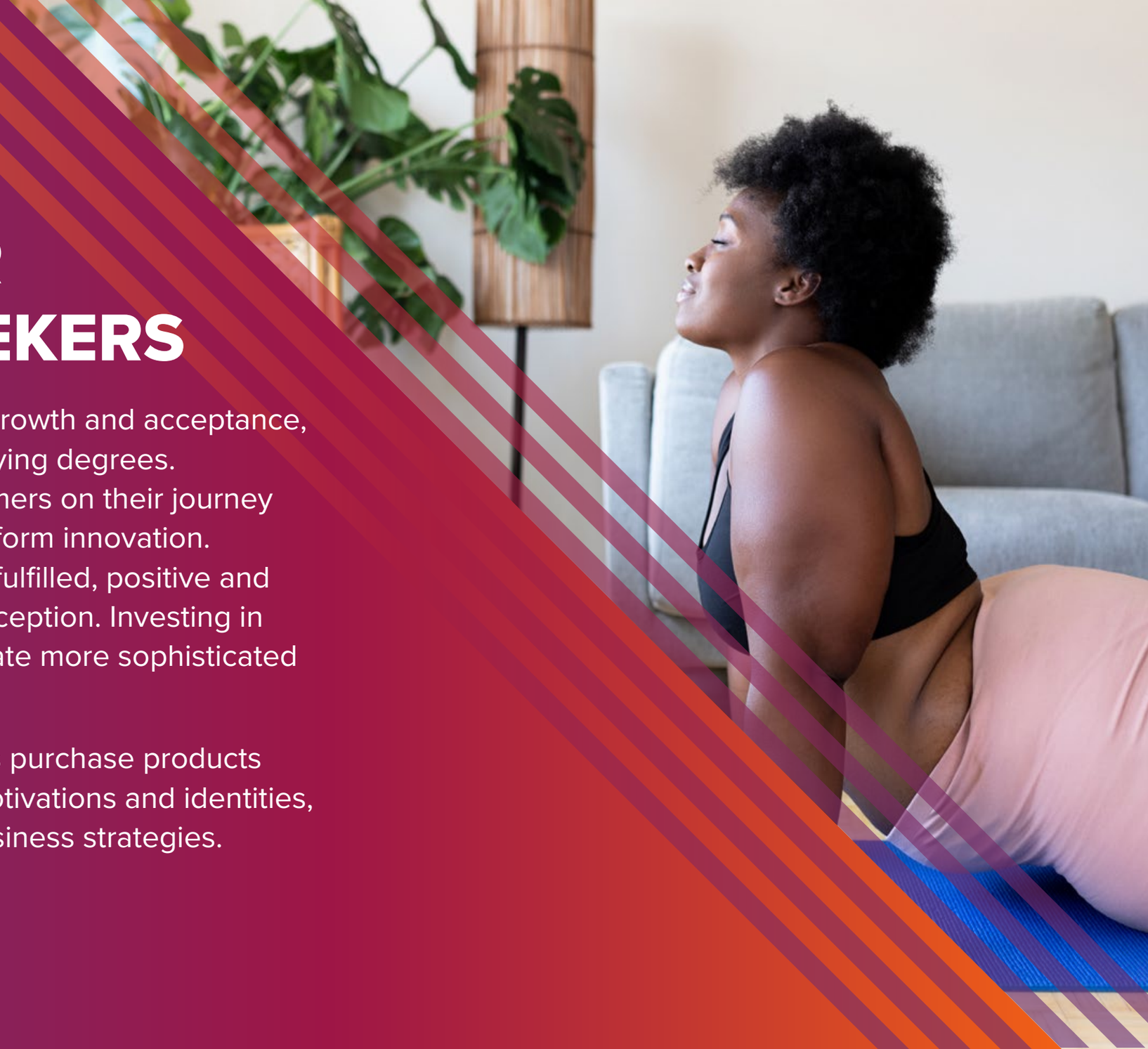
Interflora launched a collection of self-partnered bouquets, matching consumers with floral arrangements and self-love notes based on a quiz.

War Paint opened the world's first makeup store for men. The company also collaborates with CALM, a men's mental health non-profit organisation.

OUTLOOK FOR SELF-LOVE SEEKERS

Consumers will focus on personal growth and acceptance, as uncertainty continues, but to varying degrees. Businesses need to support consumers on their journey and understand their priorities to inform innovation. Offerings that help consumers feel fulfilled, positive and self-assured will improve brand perception. Investing in technologies, such as AI, can facilitate more sophisticated personalised solutions.

Most importantly, Self-Love Seekers purchase products and services that align with their motivations and identities, which should stay at the core of business strategies.



THE SOCIALISATION PARADOX

A divided return to pre-pandemic life

Consumers are approaching a return to pre-pandemic life in different ways based on their comfort levels. Certain consumers are eager, whilst others are hesitant, to resume their normal activities, creating The Socialisation Paradox.

Companies should provide seamless solutions and multiple options across channels without sacrificing the experience.

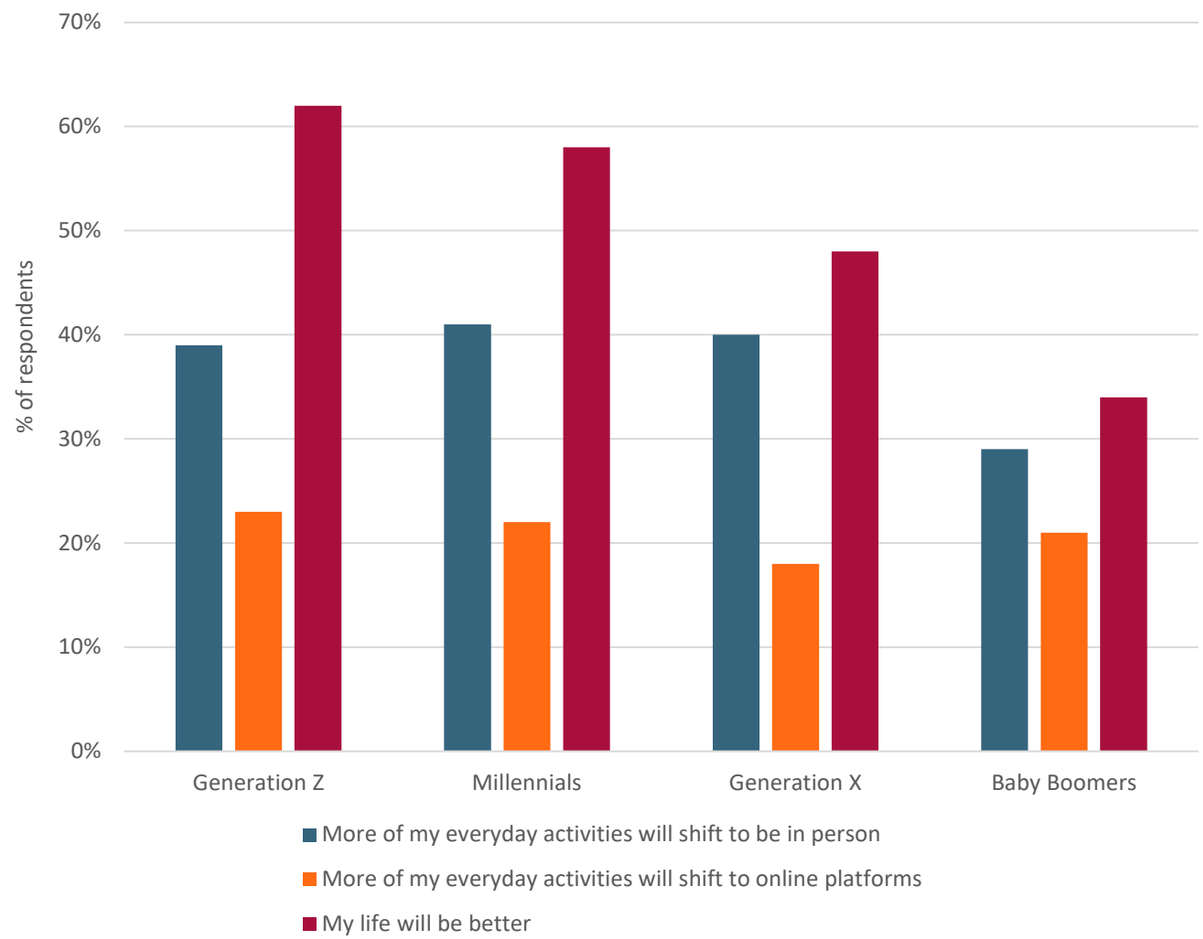
76% of consumers took health and safety precautions when leaving their homes in 2021

FLUCTUATING COMFORT LEVELS CHALLENGE REENTRY

Recovery is on the horizon. In 2021, 51% of consumers expect their lives to be better in the next five years.

The Socialisation Paradox defines the many ways consumers are returning to their usual routines. Certain consumers acclimated to life in lockdown and will continue to make purchases for at-home consumption. Others were Restless and Rebellious during the height of the pandemic and are ready to fully participate in society again. Between these two preferences are those who desire a form of normalcy—willing to venture out for select activities—but are still cautious and concerned about their health.

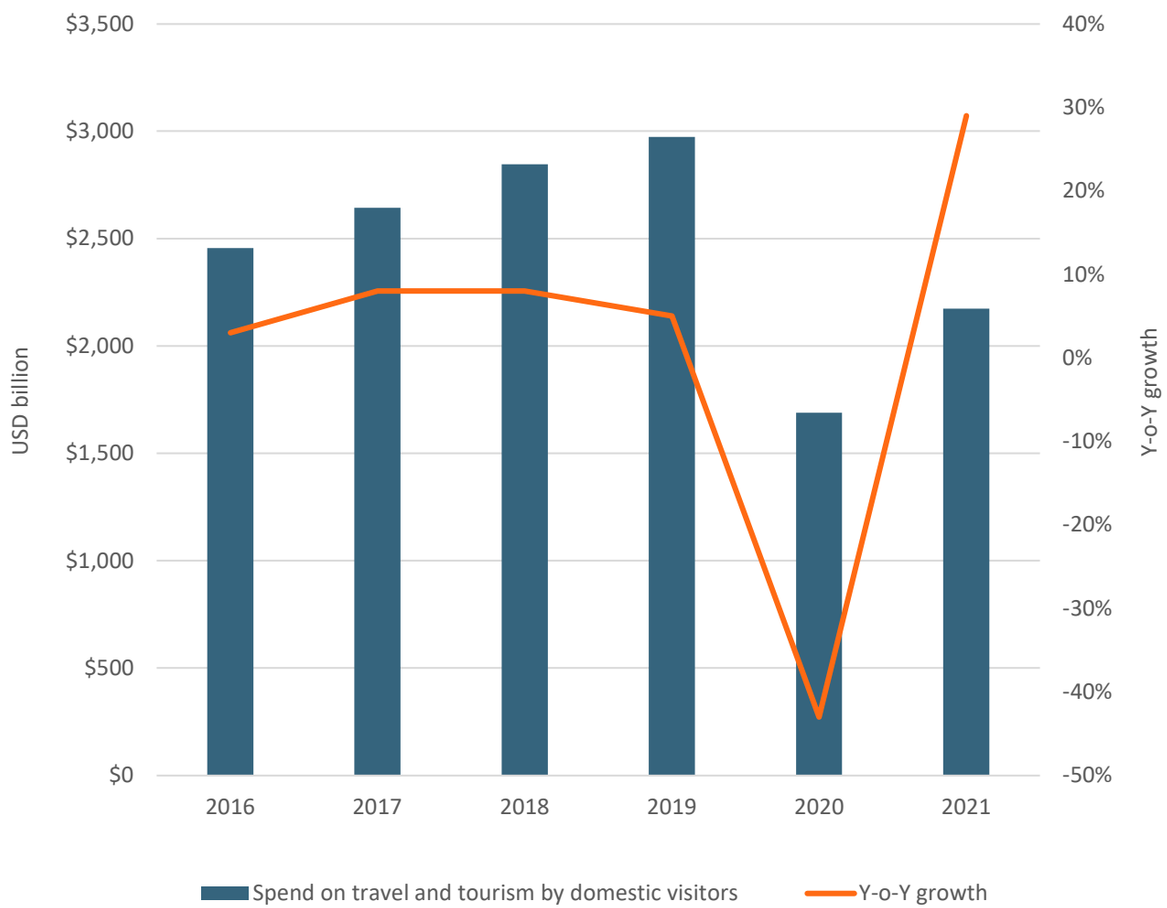
Personal Traits and Attitudes in the Next Five Years



Source: Euromonitor International Voice of the Consumer: Lifestyles Survey, fielded January and February 2021

47% of professionals indicate that exploring new business models (e.g. marketplaces or direct to consumer) is a strategic priority for their company in the next 12 months

Global Domestic Tourism Sales



Source: Euromonitor International

BEING AGILE BETWEEN PHASES OF RECOVERY

Businesses pivoted and showed resilience, offering digital options to compensate for physical visits. Hybrid business models need to create a seamless customer experience regardless of the channel. As focus shifts from survival to growth, companies implementing these models will be able to easily transition between phases of recovery. Flexible policies, such as waiving cancellation fees, could accommodate fluctuating restrictions and comfort levels.

Each country will reopen at differing stages. Domestic tourism is rebounding, settling pent-up demand for leisure and hospitality. As consumers take more trips, businesses can recapture travel spend.

Whilst consumers are shopping online for convenience or safety, they also crave meaningful interpersonal connections. Using a blended approach to cater to consumers' new norm is crucial.

Source: Majid Al Futtaim

Source: Framery

Carrefour City+ is the first store in the UAE that leverages AI to enable contactless shopping and payment.

Framery launched one of the first high-tech office pods / phone booths optimised for video calls, allowing employees in open layouts to connect without interruptions or disturbances.

OUTLOOK FOR THE SOCIALISATION PARADOX

The Socialisation Paradox is a behavioural phase influencing consumer habits. Consumers want to socialise but demand a flexible approach. Businesses should be receptive and provide a seamless experience with innovative and adaptive solutions.

Remote work and virtual events will co-exist with in-person engagements, but consumers want the option to choose. Companies need to be considerate of fluctuating comfort levels. Hybrid business models will put consumers in control of their desired experience.

HOW DO COMPANIES RESPOND TO CONSUMERS IN 2022?

Traditional business models and logistics networks are being challenged. Businesses need to evolve as quickly as consumer behaviour is changing. In today's world, past purchasing habits do not necessarily imply brand loyalty.

Successful businesses will meet consumers on their terms. Customer relationships can no longer be transactional. Developing deep, supportive connections will push companies beyond the purchase to be seen as allies. Consumers will prefer and trust brands that are humanised.

The customer experience needs to be multifaceted. Businesses could lose customers if the experience is not seamless and tailored. Effective hybrid models allow businesses to pivot between in-person and virtual engagements whilst the near future remains unpredictable. From simplifying tech for novices to exploring the metaverse, customising digital experiences based on the target audience is critical.

Sustainability is a renewed competitive advantage. Consumers will gravitate toward eco-friendly products and communities. New distribution channels and commerce avenues, such as direct-to-consumer strategies or buy-back programmes, could offer additional revenue streams. Businesses should consider partnerships with other players across sectors to share resources, expand reach and achieve objectives beyond their current operational capabilities.

Customers are moving. Businesses must move with them or risk losing them.

METHODOLOGY

Euromonitor International's annual top 10 global consumer trends are identified through a team effort, making the most of our broad and international coverage in 100 countries across the world, from industry market analysis to quantitative global consumer surveys.

We prompt our analysts and poll our expert teams for insights. We build a database of emerging trends and mine our trade interviews.

We take those collective insights into dynamic ideation workshops and drill down collectively to pinpoint emerging short-term trends, develop the narrative and identify case studies. This year, we worked digitally across our 15 global offices, drawing from research and commercial business functions. Senior leaders facilitated the workshops and led discussions to rank the trends.

Please note: All survey and market size data in this report are global unless otherwise stated.

ABOUT THE AUTHORS

ALISON ANGUS

Head of Lifestyles
Euromonitor International

Alison heads up the lifestyles and megatrends research focused on understanding consumer behaviour, attitudes and shifting trends, interpreting these into informative and useful insights to support businesses and strategy planning. Alison has worked in research for 20 years, covering consumer goods, home entertainment and service sectors. She brings extensive knowledge and expertise on research and analysis techniques and methodologies, managing projects and producing informative and insightful analysis.

GINA WESTBROOK

Director of Consumer Trends
Euromonitor International

Gina started her career as Editorial Director and moved to a strategic role in 2004, testing new editorial concepts that alert companies to global trends influencing consumer markets. Her research offers insight into changing market conditions and consumer behaviour and the opportunities and challenges that companies should consider in order to maintain a competitive advantage.

Special thanks to our global analysts who contributed to this report and participated in the ideation workshops to refine and identify our 2022 trends.

BACKUP PLANNERS
Alison Angus — Head of Lifestyles Research

Gina Westbrook — Director of Consumer Trends

Pinar Inan — Associate Consultant

CLIMATE CHANGERS
Kristina Balciauskaite — Research Manager

DIGITAL SENIORS
Natasha Cazin — Research Consultant

FINANCIAL AFICIONADOS
Amir Ali — Research Consultant

THE GREAT LIFE REFRESH
David Mackinson — Senior Research Manager

THE METAVERSE MOVEMENT
Benjamin Schneider — Senior Research Analyst

PURSUIT OF PRELOVED
Ekaterina Tretyakova — Research Analyst

RURAL URBANITES
Dovile Misiunaite — Senior Research Analyst

SELF-LOVE SEEKERS
Elisa Lin — Senior Research Analyst

THE SOCIALISATION PARADOX
Amna Abbas — Research Consultant

COPY EDITORS
Lauren Meyer — Global Content Marketing Lead

Marissa Bosler — Senior Communications Executive

DESIGN
Claire Garvin — Senior Designer

ADVISORS
Alan Rowan — Head of Sports Research

An Hodgson — Senior Income and Expenditure Research Manager

Davide Calzoni — Senior Analyst

Fransua Vytautas Razvadauskas — Cities Consultant

Maria Coronado Robles — Sustainability Insights Manager

Michelle Evans — Senior Head of Global Digital Consumer Research

Zora Milenkovic — Head of Drinks and Tobacco Research

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