Executive Summary

# Future Consumer 2022

By Andrea Bell, Director of WGSN Insight

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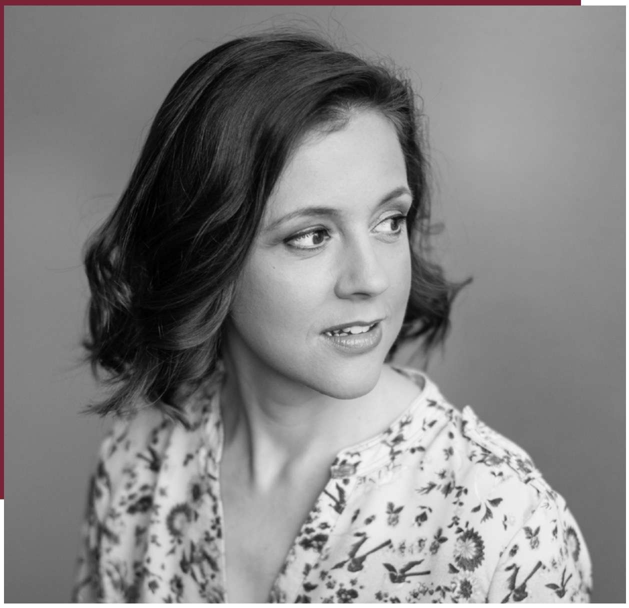


The world is shifting at an unprecedented pace. Trends that WGSN predicted to develop throughout the next decade have accelerated and become part of our lives in a matter of weeks. From above-the-keyboard dressing to the home hub, we are incorporating new habits and new ways of living and working at speed. At WGSN, we're used to seeing our long-term forecasts come to life quickly, but never at this speed.

The coronavirus pandemic is the biggest global driver of change seen for a long time, resulting in the evolution of numerous consumer attitudes. Industries are being pushed to adapt, as we're faced with a reality that demands – from people and businesses alike – flexibility, resilience and, above all, creativity.

History has shown us that at times of great crisis, great innovation can flourish, and I'm convinced that the designers, creators, strategists, marketers, buyers and executives that live within the WGSN community will rise to this challenge like never before.

Once this crisis is through, we know we will emerge into a different world, which means the products and experiences we now set our minds to creating will also have to be different. We won't be in lockdown forever, but the way we work, live and play won't ever be quite the same again.

In that scenario, understanding what people will still want to buy, and how to create the right products in light of that, is more important than ever. There are obviously short-term products that people need now they're working from home, but there will also be an impact on the things we need and want in the near and mid-term future.

We are reimagining what consumers will want, what brands can and should create, and how we will live in a post-Covid-19 world. The common thread? **We are all, regardless of the industry we work in, designing for a new kind of consumer.**

In these uncertain times, it's not just brands and businesses who face challenges; societal shifts impact each and every one of us. As we navigate these rapid changes, one thing that will remain the same is the importance of human connection. That doesn't falter in a rapidly changing world.

At WGSN, our job has always been to analyse the signals of change and the impact they will have on the future. We see that today's events are already reverberating into new consumer sentiments and behaviours.

**And even as we rely on digital connectivity to survive this time of turbulence, it's our need for human connection that will truly shape our lives.**

Our yearly Future Consumer forecast tracks how people will think, feel and behave by 2022. While this seems a far future, if there's anything we can learn from the current situation it's that the future will come faster than we think.

Carla

**Carla Buzasi,**
**Managing Director, WGSN**

# 2020 has been heralded as the dawn of the connected decade

We've read the headlines around 5G transforming the speed of connectivity. The hype surrounding driverless transport dominates watercooler conversation (hyperloop, anyone?), and seemingly no one can remember the last time a business conference failed to have a panel on the Fourth Industrial Revolution. Technology, both literally and figuratively, is all around us.

Society's shift to a connected decade will solidify in 2022. By then, according to Ericsson's 2019 Internet of Things forecast, **there will be around 29 billion connected devices globally, which will be three times the human population.** 5G will be largely deployed in developing countries and 75% of the world's population will have internet access. But what good is speed if the internet highway is congested? Don't worry, Wi-Fi 6 is just around the corner, promising to massively boost users' internet access in high-traffic areas without compromising the battery life of their devices.

While our speed to connectivity rises, expect to see higher rates of digital emotional contagion – a behavioural trait in which people mimic the feelings of those around them. In a digital age, these feelings are transmitted rapidly on a global scale. A meme sent round the world may result in global laughter. An image of a burning rainforest can spark outrage.

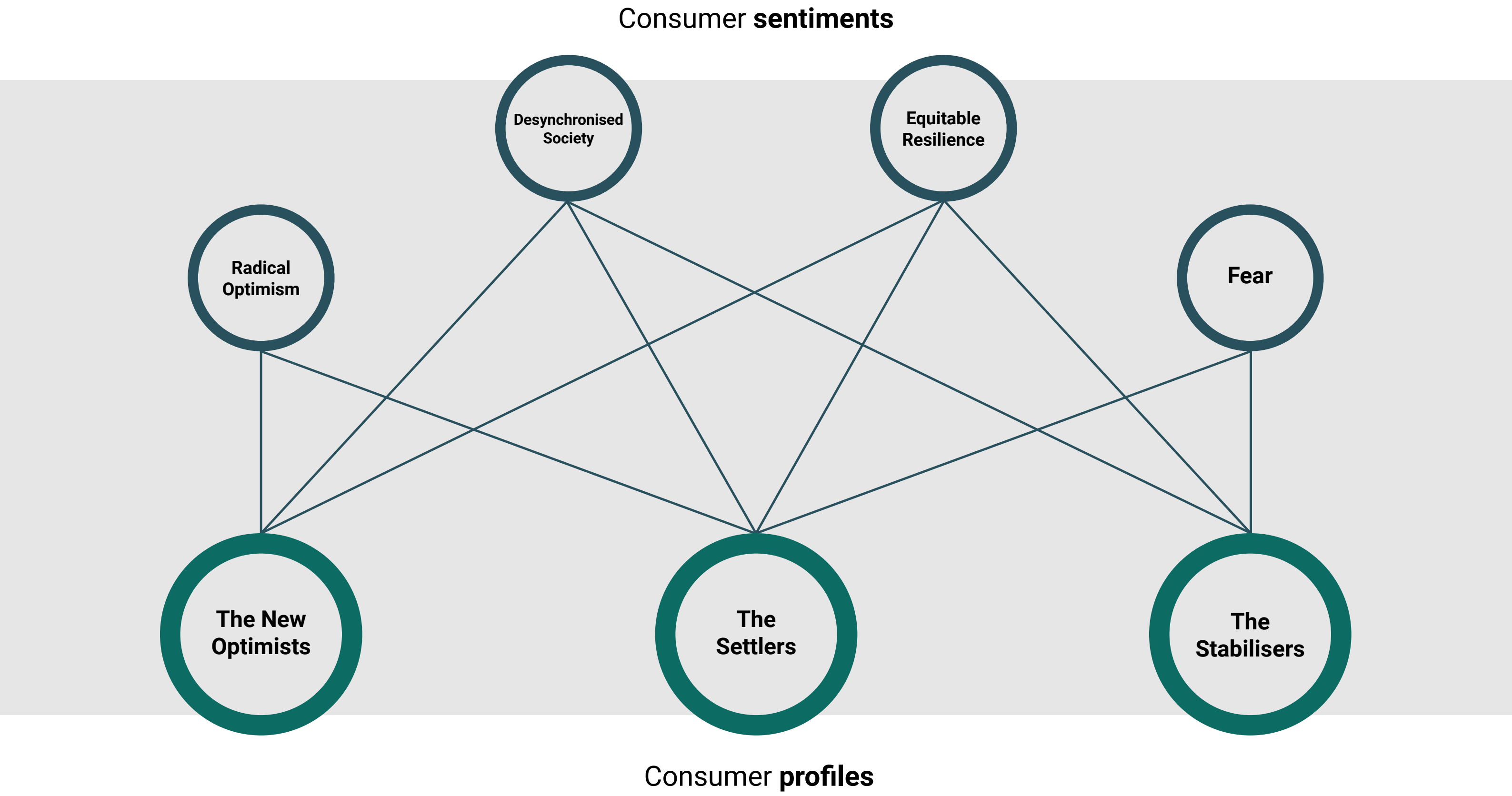
**If our minds are being fed by our social feeds, we need to be careful of what we're digesting.**

How will these technological shifts transform our daily lives? Our annual Future Consumer whitepaper analyses the macroeconomic and societal drivers set to understand how consumer desires and spending powers will evolve. This research is layered with the emotional sentiments that are set to have the greatest impacts on consumer mindsets.

WGSN's proprietary blend of demographic analysis (who your buyer is) and psychographic research (why are they buying?) is distilled into three consumer groups set to drives sales and engagement in 2022. Aligning with these mindsets will be the difference between growth and stagnation.

**Find out more information on how WGSN can help your business here.**

# The Matrix




In this executive summary, WGSN Insight highlights four consumer sentiments: **Fear, Desynchronised Society, Equitable Resilience and Radical Optimism.**

These four global behavioural drivers will impact consumer mindsets and result in three consumer profiles: **The Stabilisers, The Settlers and The New Optimists.**

The Stabilisers are prioritising stability across all aspects of their lives in reaction to desynchronisation and feelings of chronic uncertainty. They want simplified retail experiences, calm commerce, and a reassuring relationship with brands.

The Settlers are desperate to redefine the global 'hustle hard' work cycle. They are looking to plant roots in their community, but not settle in their careers, and they're ushering in a new era of localism.

Weighed down by rising levels of fear and anxiety, The New Optimists have a vivacious appetite to embrace joy – a brave choice in the face of uncertainty.

In 2022, a key thread among all these cohorts is that despite our reliance on digital connectivity, it's our need for human connection that will truly shape our lives. Before we introduce the key consumer groups for 2022, we need to understand the inputs that are shaping their daily lives. What are their challenges and opportunities and how can companies create products and services that will react to these diverse needs?

WGSN's global research teams have segmented the four largest global sentiments. Taking a considered approach to these overarching shifts will inform how business leaders innovate to remain relevant, in what is likely to be an increasingly challenging environment.


**Though the manifestations of fear differ slightly for each generation, there are commonalities that are impacting all ages – the two largest being environmental and financial uncertainty.**

A quick glance at a daily news feed (political unrest, environmental crises and fluctuating economies) and it's little surprise that fear is on the rise globally. During the research phase for this paper, fear was the overwhelming sentiment from our 13 regional teams' analysis. Fear is not only a global unifier, it has become a demographic one as well.

## Eco-anxiety

A chronic feeling of worry about the impact of global warming is rising – and it's not just a Western sentiment. A 2019 WGSN climate survey found that 90% of global respondents said the thought of a climate crisis made them feel uneasy about their future.

## Financial Uncertainty

It's been over a decade since the 2008 global financial crisis and the shockwaves are still rippling. Despite strong economic growth in many countries, 2019 saw a rising tide of financial fears globally.

## Emotional Contagion – The Fear Flood

Why, for many regions that are levelling out and seeing stable economic growth, are financial fears rising? The short answer is that emotional contagion is a behavioural trait in which people mimic the feelings of those around them. Thanks to the digital age, we rapidly transmit these feelings on a global scale.

**A research study on emotional contagion and online virality found that the most-emailed New York Times articles in a three-month period were ones that evoked what are called 'high-arousal' emotions such as awe, anger and fear.**

## Consumer sentiment

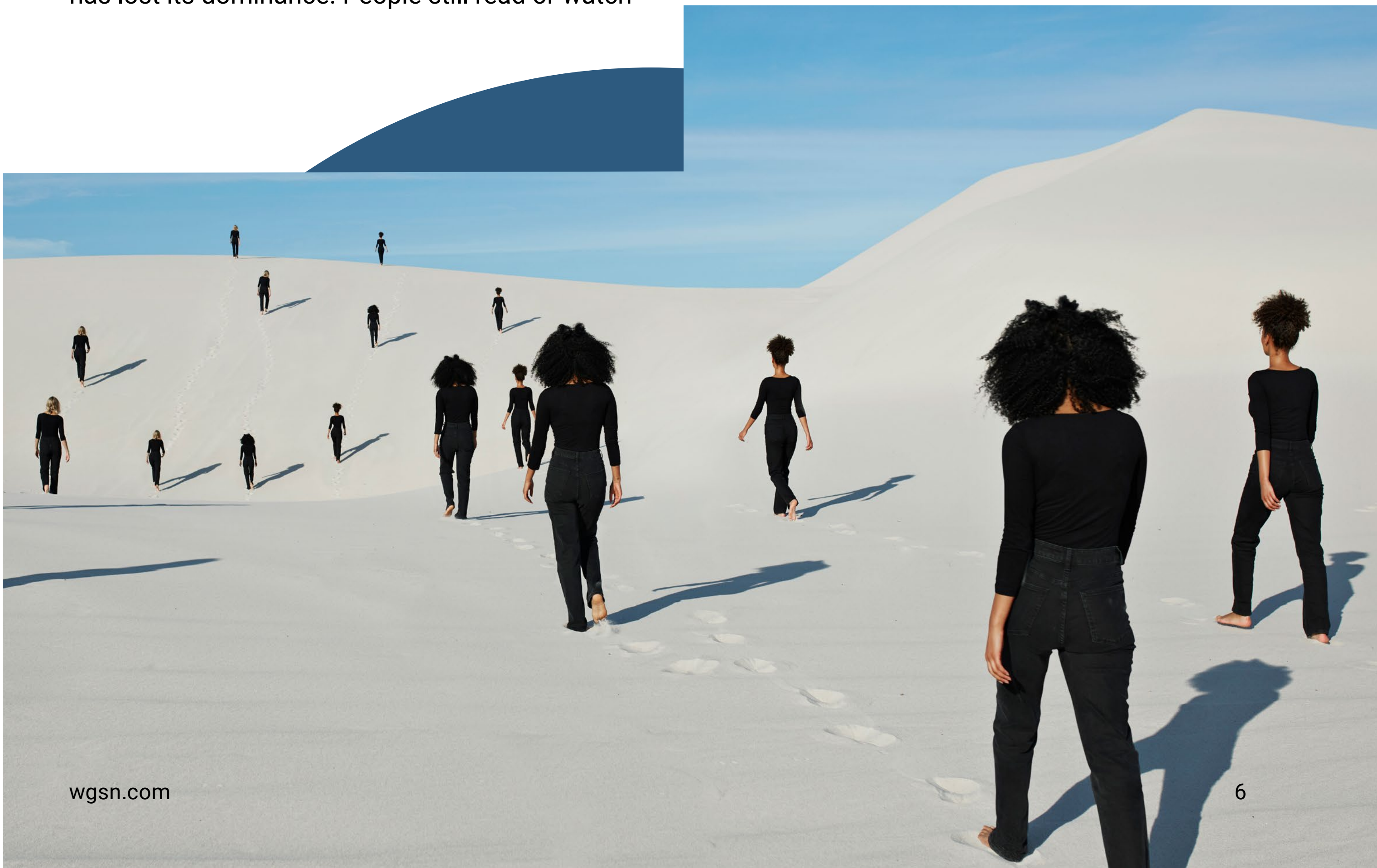
# Desynchronised Society

**In uncertain times, people crave stability and a sense of routine, and yet it seems society is getting the opposite.**

The same technological advancements that offer record levels of convenience (24-hour food delivery, same-day shipping) and productivity (global workforces, flexible offices) have resulted in a desynchronised society.

**A desynchronised society is one where people continue to do many of the same things but no longer do them at the same time as others.** The time-space paths of individuals are more variable and spread. People still work as much (or more) but the standard nine-to-five, five-day work week has lost its dominance. People still read or watch the news, but it's no longer done at 7pm, after work, at home in front of the television.

**This desynchronisation plays a role in the breakdown of communities due to the lack of consistent human interaction.** Commuting, going to the post office, gym time, grocery shopping – these were once reliable, scheduled community moments that are disappearing at accelerated rates. And with the loss of these daily interactions, communities are fracturing.



## Consumer sentiment

# Radical Optimism

**Optimism isn't uncool, it's rebellious, and in times of uncertainty it's a brave choice.**

It seems that in 2020, there is more to be angry and fearful about than celebrated. The 24-hour news cycle feeds dismal headlines to the masses. Social feeds are anti-social.

At times, it appears that the world lacks hope. But there is a change occurring, and by 2022, radical optimism will push through the negative and result in immense feelings of joy and pleasure.

Without discounting any of the social, political and economic challenges we are facing globally, things are improving. Progress is being made. There is still good in the world. Things are getting better – really.

Society has become more polarised in its opinions, leading to a rise in catastrophism: continually overstating what is wrong and bad. The media has grown substantially more negative, helping to fuel the epistemic crisis.

An example of this comes from Our World in Data, an online research hub: "**The number of people living in extreme poverty fell from close to two billion in 1990 to 0.7 billion in 2015. On no day in this 25-year period was the headline of any newspaper in the world: The number of people in extreme poverty fell by 137,000 since yesterday.**"

During times of epistemic crisis, we need to focus on what's true, not what sells.

## Consumer sentiment

# Equitable Resilience

**This isn't a rallying cry for pessimism – quite the opposite. In 2022, consumers will look to emotional acceptance and gravitate towards dedicating time to feel.**

In today's climate of uncertainty and acceleration, it's little surprise that resilience – the ability to resist, absorb, recover and adapt successfully to adversity or a change in conditions – is quickly becoming an emotional priority. So much so that the World Health Organization (WHO) has made Strengthening Resilience the core theme for its policy framework in 2020.

Globally, there is emerging hype around building resilience. Primary schools in the US, India, China and the UK are now offering classes in resilience building. There are apps such as ResilientMe and Happify that claim to make people more resilient. However, there are growing concerns that individual resilience is being unfairly measured, and that the unhealthy obsession to persevere or 'keep going' is becoming a badge of honour instead of a coping skill.

A multitude of academic studies have found that people who embrace negative emotions have been shown to have better negotiation and decision-making skills, more stable marriages, lower risk of heart attack, longer lives overall and even more wealth.


2022
Meet your
Future Consumers

## Consumer profile

# The Stabilisers

Prioritising stability across all aspects of their lives in reaction to desynchronisation and feelings of chronic uncertainty, The Stabilisers – mainly Millennials and Gen X – are starting to opt out of the cult of productivity and opt into a mindset of radical acceptance.

With the growing reaction to burnout being optimisation, asking how we can optimise our careers, personal lives, bodies and time is now the norm across the globe. Whether it's life coaches, self-help audiobooks or optimisation apps, the self-improvement market is booming.

## Engagement strategies

How to prepare for a cohort that's uncertain about the future and weary of optimisation?

### Simplicity matters

Aldi is thriving, and it's not due to price. A simpler store format, limited assortment (Aldi SKU count is about 1,400 compared to 40,000 SKUs in traditional US supermarkets) and curated product options are driving growth and a cult-like following.

> **Strategy:** The Stabilisers already feel overwhelmed – create an in-store environment that declutters the shopping experience, and sales will follow.

### Calm commerce

Spanish supermarket chain Consum, unveiled a new store in 2019, designed for floor-to-ceiling calm commerce. Special flooring mitigates noise, bright overhead signage is replaced with light displays on the ground, and shelving heights are shortened to not overwhelm shoppers.

> **Strategy:** For 2022, create calming in-store environments and products designed to alleviate stress and soothe anxiety.

## Consumer profile

# The Settlers

Desperate to redefine the global 'hustle hard' work cycle, The Settlers – typically comprising Millennials and Gen X – are looking to plant roots in their community without sacrificing their careers, driving a new era of localism.

The religion of work or 'workism' hit critical mass in 2019. Meetings logged, hours worked, sleep lost, cups of coffee consumed – these became bragging rights. But we know long hours don't equate to increased productivity.

## Engagement strategies

How to prepare for a cohort that prioritises work-life boundaries and wants to invest in their local communities and businesses?

### Action the archives

French womenswear label Sézane opened its archive collection in 2019 with a dedicated online store. Giving customers the chance to discover pieces they might have missed out on, the site also sells restocks and exclusive pieces made from leftover materials at the end of each season – all at a lower price point.

> **Strategy:** Drive footfall to local shops and feed consumer demand for exclusive product in a sustainable way by actioning your archives, opening dedicated stores and web shops stocked with past collections.

### Social commerce

With more than 30,000 sellers in the US selling 175 brands, Storr continues to expand. Users can open an online marketplace via a smartphone. Storr handles all the logistics including shipping, returns and payments. Sellers are paid up to 30% sales commission and can donate a percentage to charity.

> **Strategy:** Identify social commerce platforms for strategic partnerships that best align with the product offer. Start small by deploying limited product tests and track what's working before investment.

## Consumer profile

# The New Optimists

The dichotomous New Optimists range from Gen Z to Boomers, but despite their broad demographic, they have many unifiers – the largest being a vivacious appetite to embrace joy. This cohort, both young and old, want accurate representation for all.

Younger generations have seen first-hand the negative impact of visual stereotypes, and demand visual equality for all. In a youth-obsessed culture, brands should update their portrayals of ageing to shift the dialogue and celebrate all ages.

## Engagement strategies

Create products and services that meet their lifestyles, focus on hyper-local delivery, and embrace the power of the pack to talk to a cohort that expects joy and celebration.

### Living in livestream

In January 2019, Nike released a limited-edition shoe via a livestream on the gaming platform Twitch. By strategically partnering with a massive online community, Nike was able to expand its consumer base while still catering to its core consumer.

> **Strategy:** Already oversaturated with online advertising, this cohort is willing to turn to livestreaming for bargains and limited-edition products. Retailers should invest in branded livestream shopping events to drive sales.

### On-demand evolution

In November 2019, Checkers, a South African supermarket, launched an app called Sixty60 which aims for shoppers to order groceries in 60 seconds and have delivery within 60 minutes.

> **Strategy:** Streamline the user experience for in-app ordering – the less steps the more likely to drive sales. Brands that focus on hyper-local, last-mile deliveries (think festivals, outdoor venues and sporting arenas) are likely to gain market share.

# Action Points

**Future Consumer 2022**

## 1 Simplicity matters

Consumers are increasingly overwhelmed. Create an in-store and online environment that declutters the shopping experience, and sales will follow.

## 2 Living in livestream

Conversational commerce is here to stay. Innovative companies are investing in creating branded livestream shopping events to drive sales and social ROI.

## 3 On-demand evolution

Retailers that provide a platform for group ordering and delivery will resonate, as will brands that focus on hyper-local last-mile deliveries.

# We help you navigate change, so you can design a better future.

**WGSN is the world's leading trend authority.** Every day, we work with the world's top retailers, businesses and brands across industries, to predict how customers will evolve, the products they'll want to buy and the experiences they'll seek out.

Our subscription service **WGSN Insight** helps the world's most creative thinkers stay ahead, with unparalleled coverage and analysis into the consumer world, featuring original and thought-provoking research on consumer, marketing, retail and innovation trends.

Through the delivery of strategic solutions and trend forecasts on consumer, market and product, **WGSN Mindset** is our bespoke consultancy that helps businesses create hypertargeted products and experiences that are right for your consumer and your bottom line.

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