

the VIEW



Welcome to the View 2022



Demographic
& Societal
Trends



Cultural
Trends



Demographic & Societal Trends



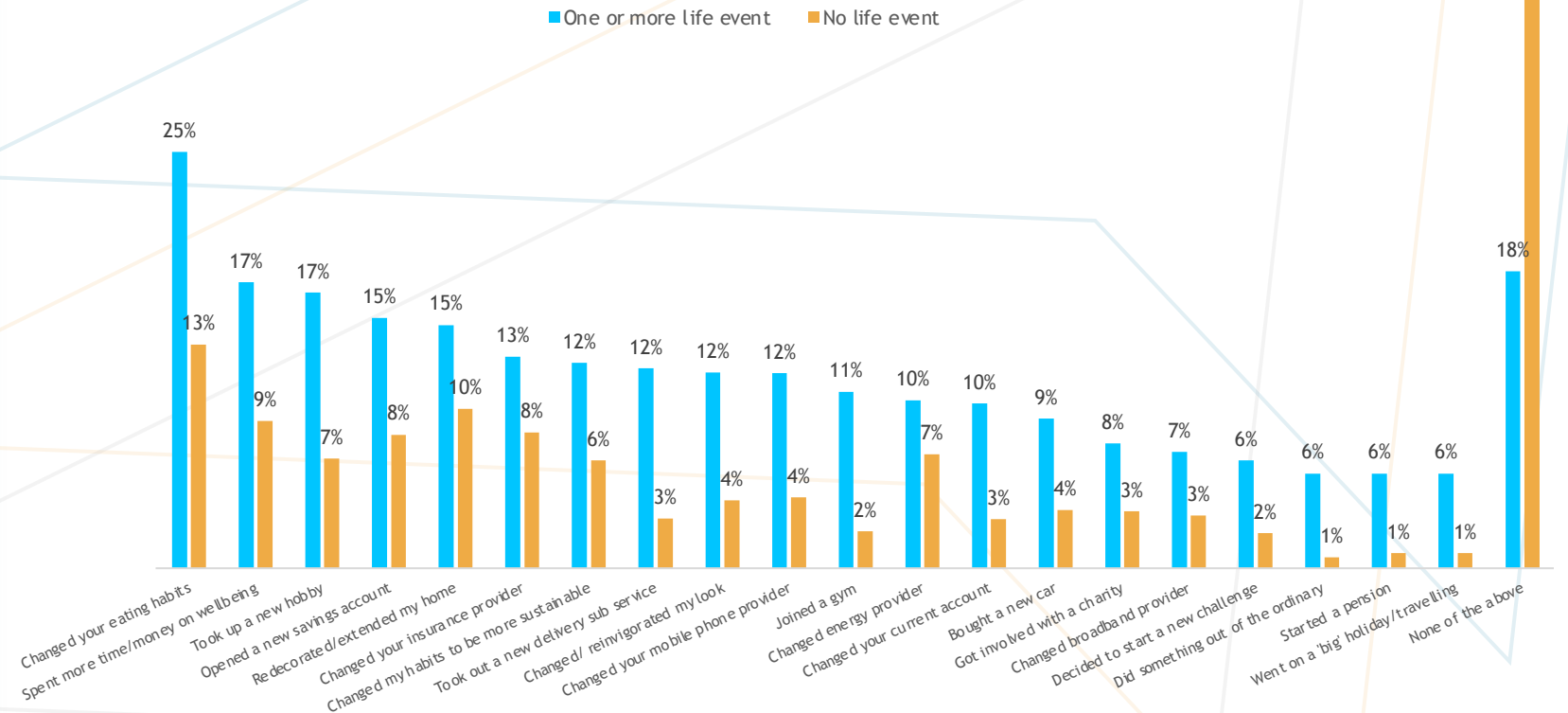
Life moments continue to trigger habit changes

Source: Zenith Omnibus 2021; 1+ life event (2,416), No life event (2,299)

Life moments (last 12 months) = Finished school/college, Started university, Started a new job, Pregnancy/partner was pregnant, Got engaged, Got married, Had a baby, Moved home, Moved town/city/country, Got divorced/ended a long-term relationship, Started a new relationship, Had a child leave home, Retired, Became a grandparent, Got a new pet, Went travelling/had a gap year, Had a 9-ender birthday (e.g., 29, 39, 49), Had a big birthday (e.g. 21, 25, 30, 50), Loss of job/loss of household income

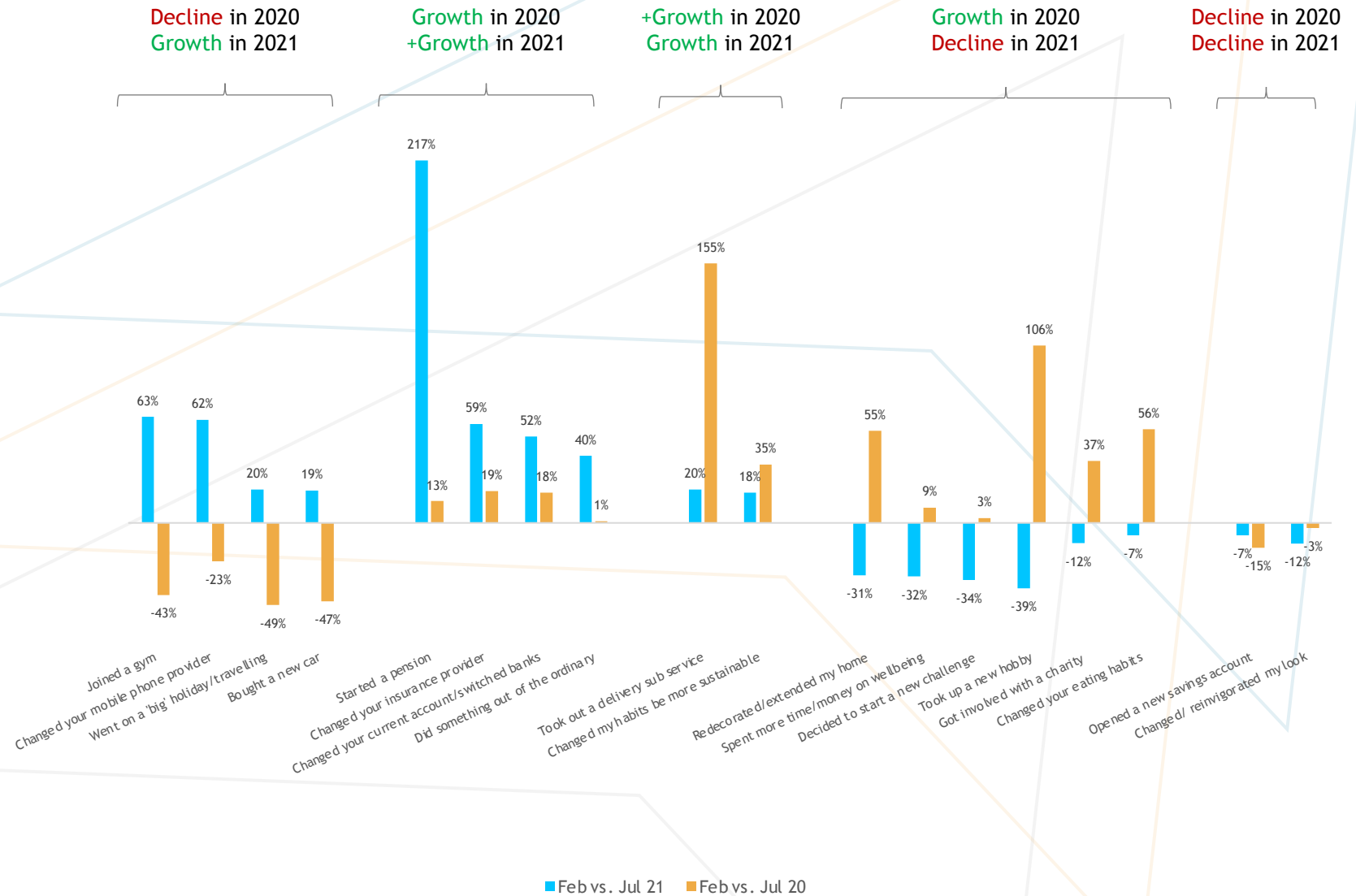
Habit changes = Last 3 months

Difference in likelihood to change, depending on whether experienced a significant life event

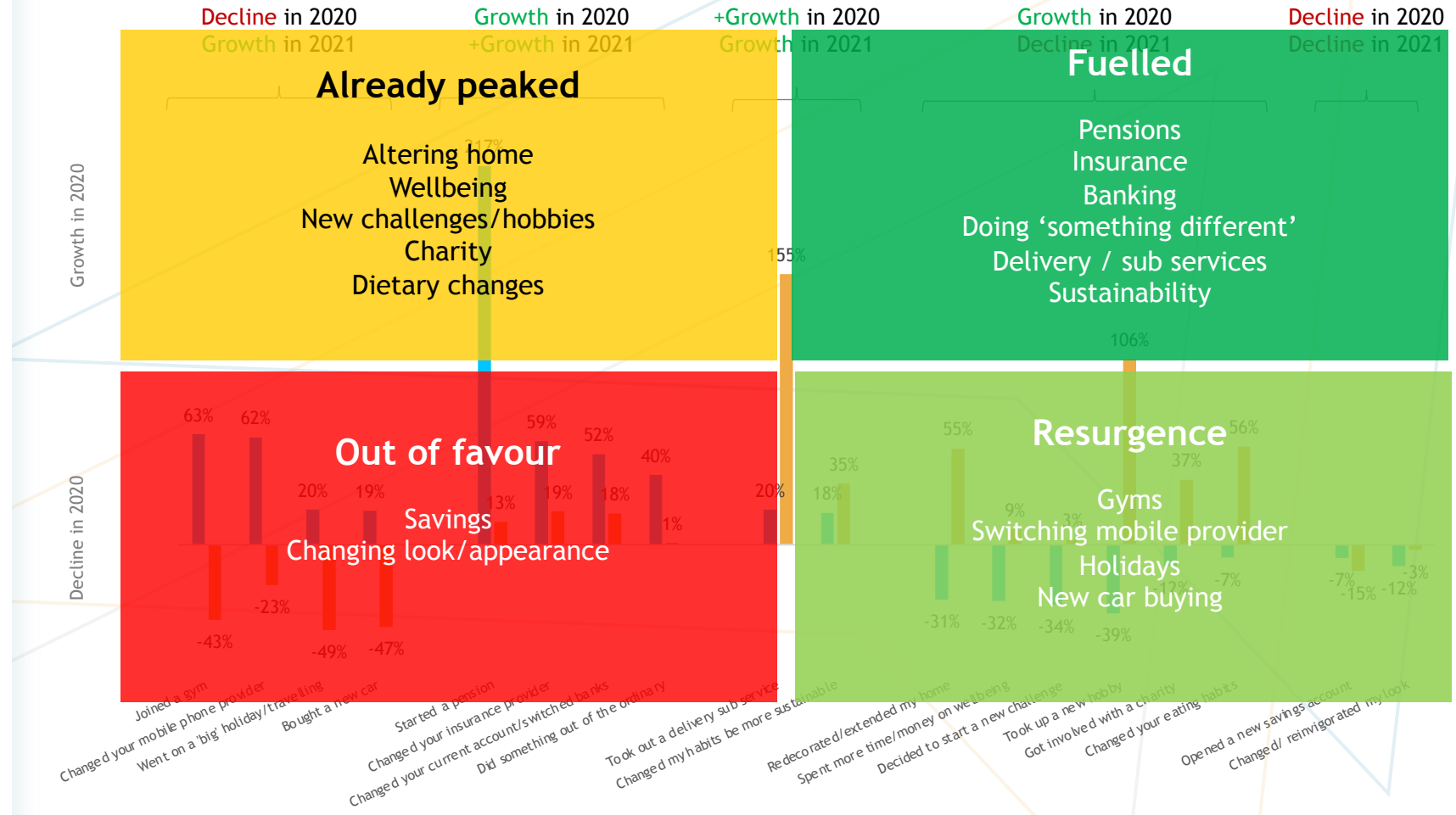


Likelihood to change products/behaviours 2021 vs. 2020

The pandemic impact is akin to a life moment for everyone, and has resulted in some short and long term shifts



The pandemic impact is akin to a life moment for everyone, and has resulted in some short and long term shifts



Source: Zenith Omnibus 2020 vs. 2021

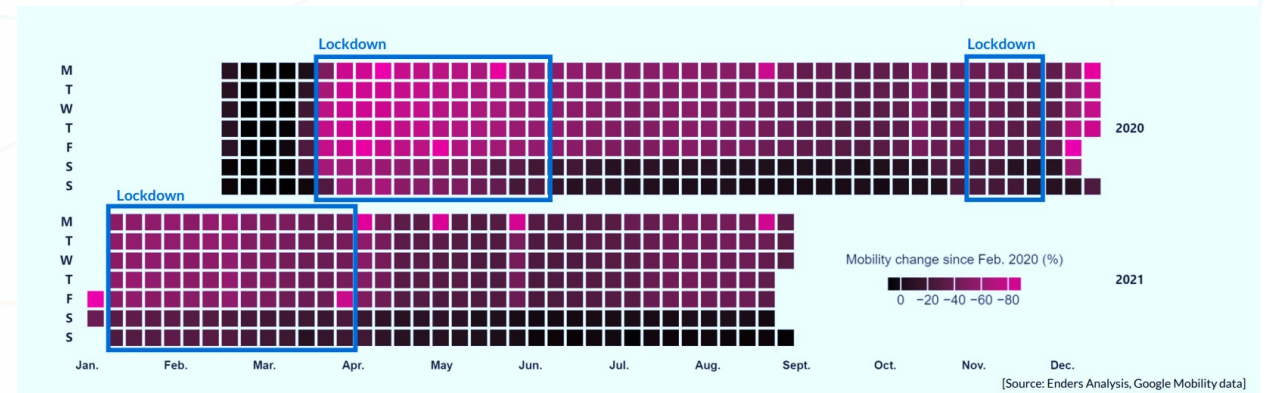
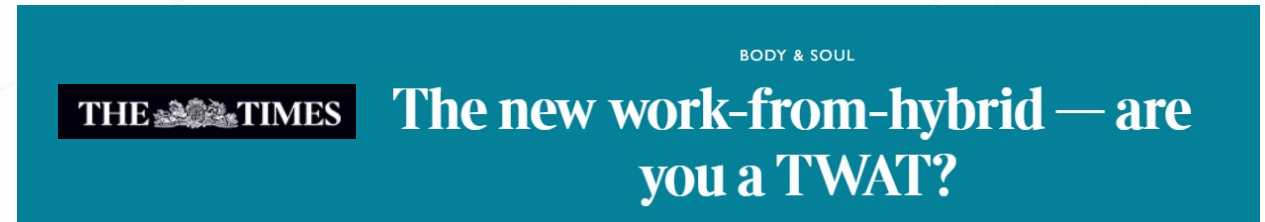
■ Feb vs. Jul 21 ■ Feb vs. Jul 20

Mobility is back to pre-pandemic levels on the weekends, whilst weekdays (particularly Mondays) remain depressed due to new hybrid lifestyles

- **82%** of people employed are commuting into their workplace at least twice a week
- Tuesday, Wednesday & Thursday are predicted to be core 'in office' days for those returning to hybrid work models
- Trips made by people going to or from work on the UK's railways in mid-October were **45%** of what they were before autumn 2019
- Leisure journeys have increased again and are at about **90%** of what they were before the pandemic



Source: The Times, Enders, Regions driving the UK's recovery, Oct 2021, BBC News: Covid: Work train journeys fewer than half pre-pandemic, Oct 2021, Global Transport Survey Oct '21



It is notably cities that are still the most affected by reduced mobility, with fewer travelling to workplaces and using public transport

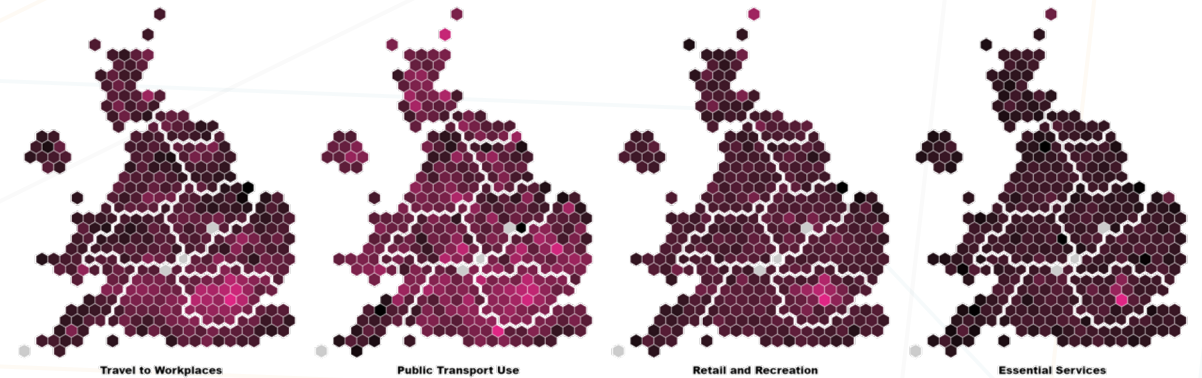
- Being less residential and more business oriented, London has suffered the most as B2B employees continue to WFH in a hybrid capacity
- This has had a knock-on effect onto public transport use from those living in commuter belts and driven an uptake in car usage in more rural and suburban areas, which explains the faster recovery in these areas



Source: Enders, Regions driving the UK's recovery, Oct 2021

Average Change Across 4 Categories Of **Mobility** For The UK's Local Authority Areas

Mobility change since Feb. 2020 (%)
0 -20 -40 -60 -80



[Source: Enders Analysis, Google Mobility data]

Green shoots are emerging for London, helped by early Christmas excitement, but could be scuppered by the omicron variant

- Footfall in and around Oxford Street, Regent Street, Bond Street and Mayfair was **13%** higher than the same day (Saturday 20th) in 2019
- Sales in October at **73%** of 2019 levels. Around two thirds of the spending was by domestic visitors, up from around half in the pre-pandemic era
- Corporate bookings for Christmas parties and other events are still lagging but reached about **80%** of pre-Covid levels by the end of October, and should be above **90%** by December
- Demand at the weekend is now **“considerably above”** 2019 levels - Hippodrome Casino in Leicester Square



Source: Evening Standard / New West End Company (NWECC) Nov '21



Massive growth in ecommerce seen last year will slow, but there's further change to come from click and collect, and social commerce growth

47% vs. 21%

2020

2021

ecommerce growth in the UK

1 in 4

Social buyers

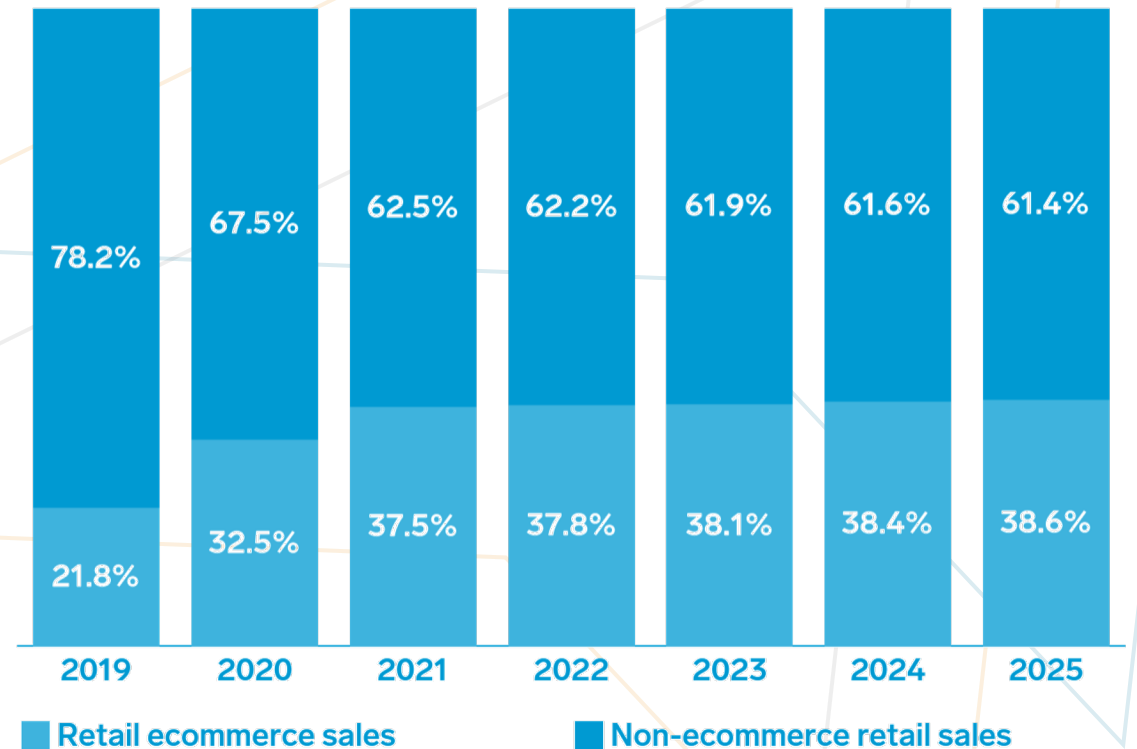
57%

Click & collect buyers



Source: eMarketer (social - social network users who have made at least one purchase via social, last 12 months, click & collect - internet users who have made at least one purchase digitally in the last 12 months, pick up from a store, locker in a retail or hub location)

Retail Ecommerce vs. Non-Ecommerce Sales (share in the UK)



Income disparity will affect who has money to spend during pandemic recovery, and who will suffer in the 2022 'squeeze'

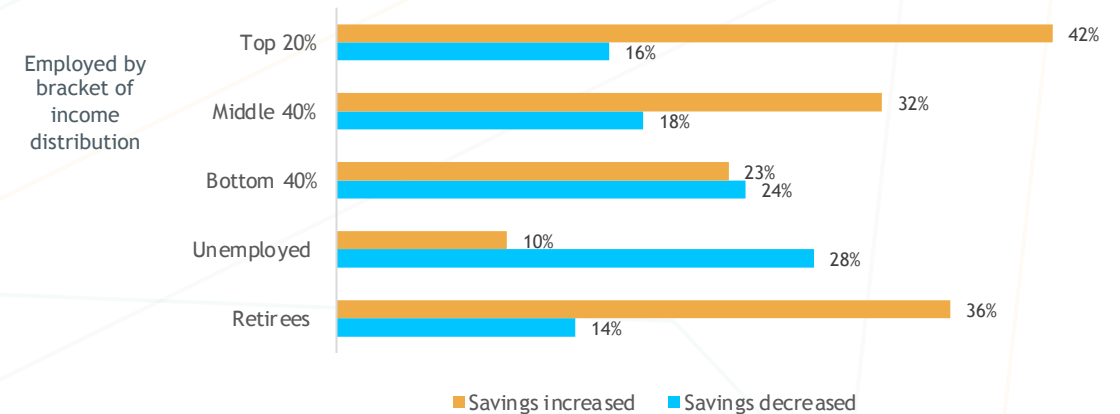
- UK households reduced their spending during the pandemic by an average of **£109.10 (or 19%) a week**
- Around **1/3 of workers saw their household income fall** in the financial year ending 2021, rising to 42% for the 20% on the lowest incomes (who were more likely to be furloughed and less likely to be able to work from home than people on higher incomes)
- While both spending and income fell for many UK households, people are on average finding it easier to make ends meet, with the proportion of people reporting difficulty in making ends meet falling by six percentage points from 34% in the year to March 2020 to **28% in the year ending March 2021**
- But 2022 will likely see a squeeze for all, with those that lost out during the pandemic experiencing their second blow



Source: ONS Sep '21, Enders IPA, Oct 2021

Household experiencing change in savings during the pandemic

Data up to October 2021



“In 2022, the cost of living could rise at its fastest rate for 30 years; once rising prices and rising taxes are taken into account, average household incomes are set to fall next year and won't recover before 2023.”

Office for Budget Responsibility, Oct '21

New homes - housing market remaining strong despite end in stamp duty holiday?

2021 was a record year for sales and prices but headwinds suggest prices will flatten in 2022, and may go negative into H2

2021 is set to record the strongest year for sales and house prices inflation since 2007, as a result of the ongoing national re-evaluation of housing, low mortgage rates and the extended stamp duty holiday.

UK house price growth is currently at 6.6% - London is registering the lowest rate of price inflation and is the only region where growth is below the 5 year average, with the capital being hardest hit by the pandemic.

Price growth was the strongest in the north of England, with buyers benefitting from the stamp duty holidays, supporting price growth.

Research by Hamptons indicates buyers from London bought a record number of homes in other regions in the first half of 2021 - contributing to the decrease in demand in London property.



Source: PWC Sept 2021 Rightmove 2021, Hamptons

+6.6%

Current UK house price growth

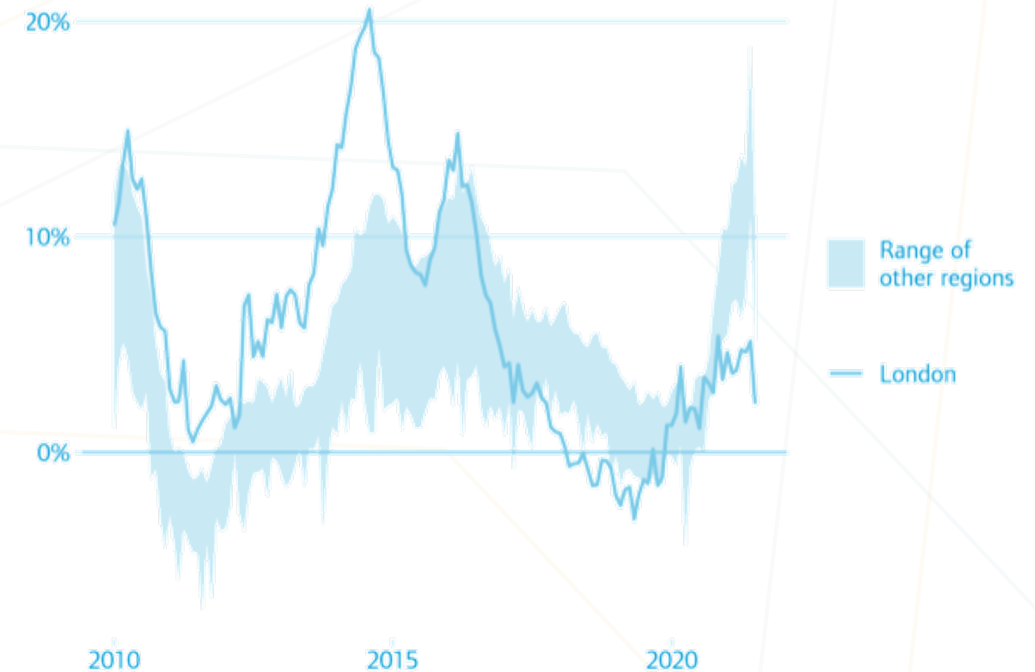
+3%

UK house price growth in 2022

1.2m

Completed housing transactions in 2022

Annual house price growth in London and other regions



Source: ONS, UK House Price Index

New homes - Looking to 2022

Will the current momentum outweigh emerging headwinds?

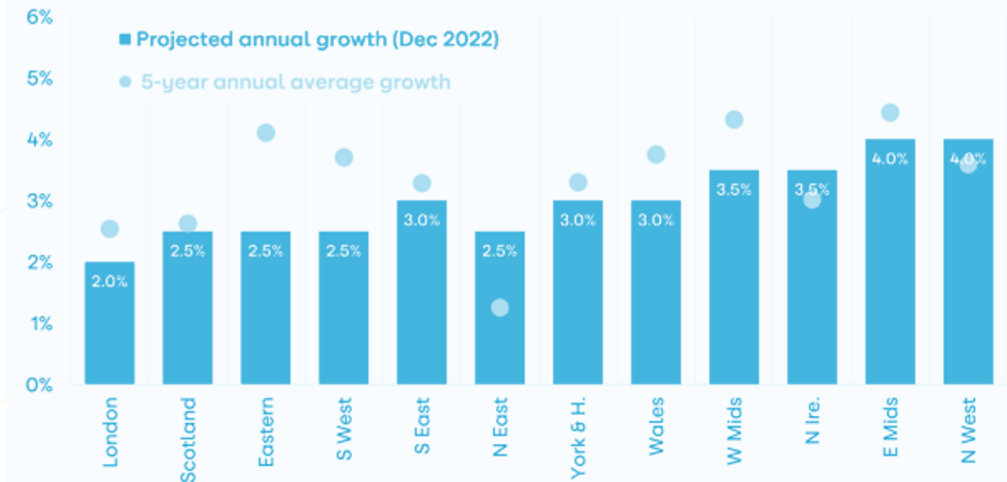
Looking ahead to 2022, the outlook for price inflation and overall sales volumes is a balance of positive and negative influences.

- + Housing remains affordable in many markets and competition amongst lenders will remain intense, even with an increase in mortgage rates
- + The impact of the pandemic will run further in 2022; primarily driven by re-evaluation of housing needs, increasing housing equity and companies moving into hybrid working
- + 22% of individuals are 'eager to move' in the next 18 months, as a direct result of the pandemic, primarily motivated by their home not suiting their requirements (46%)
- After a record year of sales, UK housing transactions are expected to decline by 20% in 2022
- The main headwinds will come from the increase in cost of living, higher levels of inflation and tax increases. A modest rise in mortgage rates is likely in 2022 and will impact household buying power



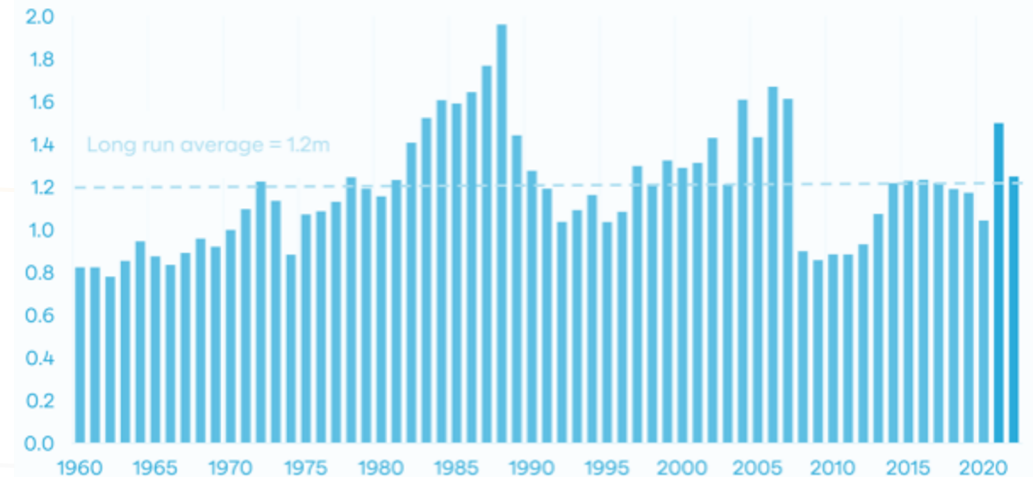
Source: PWC Sept 2021, Zoopla Sept 2021

House price growth to slow over 2022 with regional variations



Source: Zoopla House Price Index

Number of UK residential transactions (m)

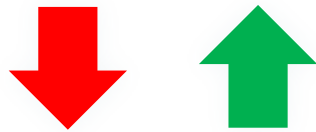


Source: Zoopla Research/ HMRC

House market demands are fundamentally changing the size of UK homes

- Housebuilding is still far below the government's target of 300,000 new homes a year by the mid-2020s
- The number of new-builds declined to 148,000 in 2020 from 178,000 in 2019
- A resurgence in building work, coupled with changing demand for people needing to WFH and avoiding sharing will drive rapid shifts in dwelling type further

Office blocks and retail



Micro homes
Demand for single person HH's

Space saving
Multi-use rooms
Multitasking products
Minimalism
Sharing economy
Reselling



Source: Intergenerational Foundation 2019, The Guardian Nov '21

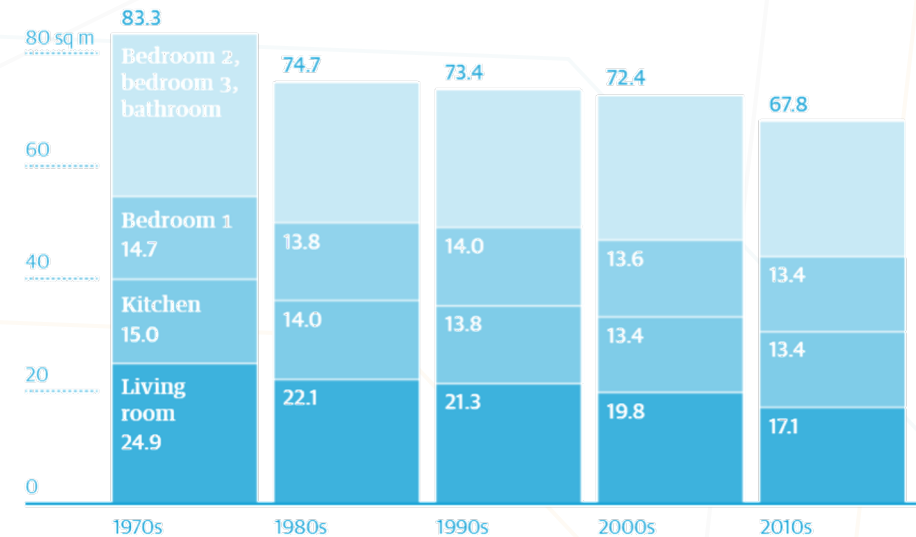
37 m²

National minimum standard for a one-bedroom home (any less = micro flat)

x5

number of micro homes in the UK increased from 2,139 in 2013 to 9,605 in 2018

Houses built in the 2010s are 15.5 sq metres smaller on average than those built 40 years earlier



Guardian graphic. Source: LABC Warranty analysis of data on 10,000 houses built in each decade (or first seven years of 2010s) using open data from Rightmove and Zoopla. Note: overall size is a total of living room, kitchen, three bedrooms and bathroom, and does not include hallways, stairs, etc

Birth rates dropped during the pandemic, and the previously-seen post-crisis baby boom may not arrive

In the past we've seen birth rates drop during times of crises but resurge in the subsequent years, yet features of the pandemic have been unique

- Extended lockdowns have made it hard for single people to find partners or see their partners
- Delays to starting a family may see people choose to have fewer children or have more difficulties conceiving
- The pressure of home-schooling and looking after young children has been immense, possibly affecting consideration of expanding the family further
- Ongoing economic considerations, such as rising house prices and inflation, as well as over-population and environmental concerns for a significant minority will also affect decisions to expand/start a family



Source: ONS, PWC, YouGov

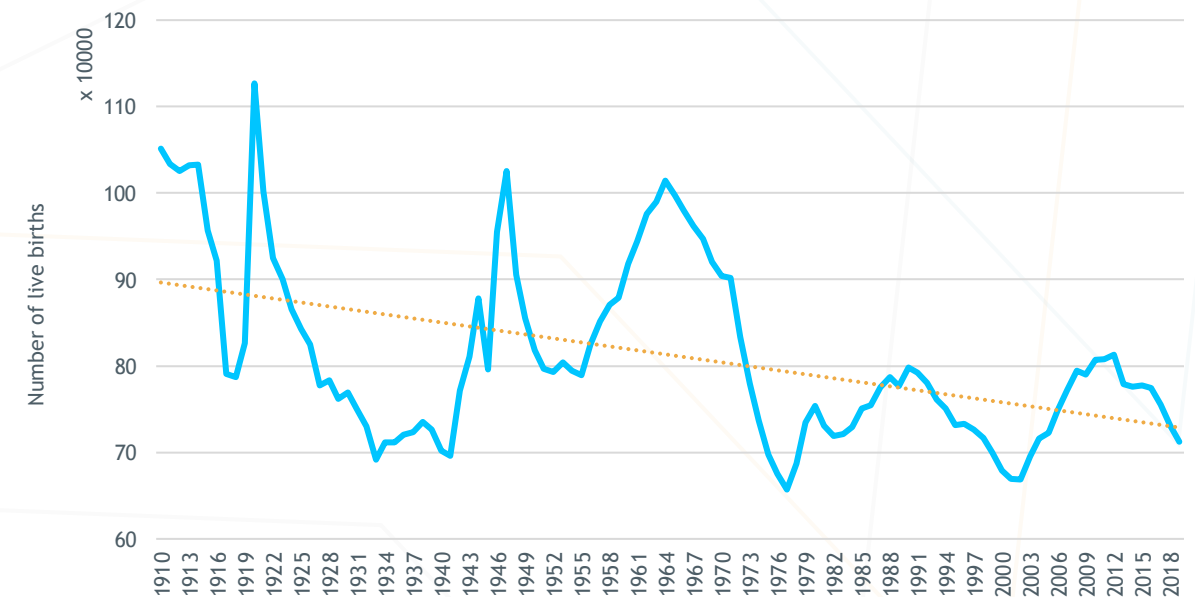
“The effects of lower births won't be felt for decades, but if the pandemic causes a permanent decline in births, the long-term challenges associated with the UK's ageing population, such as greater pressure on public services and lower economic growth, could be brought forward.”

Hannah Audino, economist at PwC

37%

of the population who are not already parents feel they never want to have children (and 19% don't want them “any time soon”)

Number of live births in the United Kingdom from 1887 to 2019

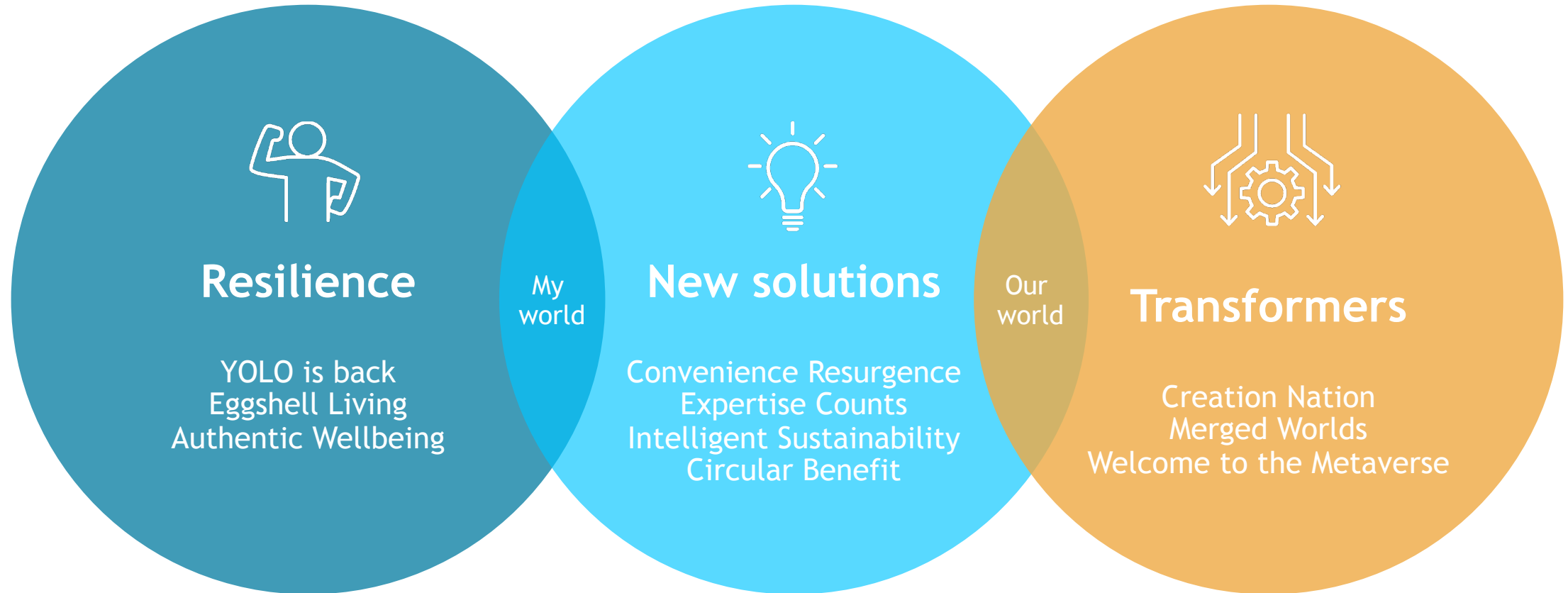


Cultural Trends



2022: The Year of New Balance

Our 10 trends for 2022 fall into three important categories that reflect our personal, and our shared worlds of interest:



YOLO is back

The demand for new, fun, shareable experiences is seeing a resurgence now the effects of the pandemic are lessening. People want to enjoy the newfound freedom from restrictions in different, weird and wonderful ways, and are looking to make up for the socialising opportunities that have been lost since 2019.

This is a trend that stretches beyond previous experience economy peaks, now encompassing immersive digital experiences rather than just the extreme physical. It has also shifted to include some what were previously considered more sedate pursuits. The jump in outdoor activities and 'walks' driven by exercise opportunities in lockdown, means once in a lifetime may be less travelling to far flung locations (still very complicated and costly for many), and instead enjoying new and different things to do closer to, or even in the home. New YOLO is less about over spending on big future experiences (see eggshell living next), and more about spontaneous or short term planned enjoyable activities that make the most of what couldn't be done in 2020 and 2021, or spending a bit extra to enhance current experiences.

Story-sharing and recommendation has also become a part of this trend, where once people were keen for what they did to be unique, enabling others and making the activity easily accessible (e.g. by sharing details when profiling it on social media) has become more important. Similar to when people found a shop with pasta in stock, or a favourite restaurant that offered delivery during the pandemic, excitement and social collateral from sharing has become key. People want to be generous with their discoveries, and help others enjoy new found freedoms and avoid loneliness.

- **7 in 10** consumers agree on feeling the need to seek new experiences
- **42%** of British consumers agree "I enjoy learning about or discovering new things, places, experiences, ideas"
- **50%** of UK consumers plan to spend more time outdoors/in nature
- **17%** of British consumers say they have attended an experience created by a brand (e.g. a pop up)

Thought Starters

How can you make even everyday experience more special?

What are the experiences/events your target audience are enjoying now?

How can you facilitate the story-sharing of your product, or the experience of it?



Data Sources: Zenith OnePulse Oct '21, Foresight Factory Mar '21

Click on image to follow link to more detail



In the US, North Face have launched a new loyalty programme, which rewards people for using the brand's app to check in at a US National Park or Monuments.



iChina is a US restaurant that features an immersive virtual reality private dining room. Where themes can be selected for digital walls depending on group, and food being eaten.



In March 2021, Qantas in Australia began offering Mystery Flight Adventures: one-day return flights and experiences to surprise domestic destinations.

Eggshell Living

The pandemic forced most people to look for a safety-net alongside big purchases, especially where experiences and subscriptions were concerned. A back up plan in the form of insurance, free cancellation and flexible payment options became the norm. As we emerge from the grip of the pandemic however, those behaviours are sticking, and being joined by a wariness of buying at all, people are being more cautious with their money.

The last couple of years have thrown up some big life questions, if we haven't already changed careers or moved to the countryside, we've probably at least thought about it, but some are now regretting these hastily made choices. Compounded by the now-redundant impulse purchases we bought in lockdown that we thought might make the days a bit brighter (dip in the hot tub anyone?), and being forced to deal with price hikes on essential items, energy and cars, and tax increases, uncertainty is being fuelled. People are becoming more hesitant and risk averse where big decisions are concerned, ultimately keeping a tighter grip on their cash.

Brands that acknowledge these feelings of hesitancy and offer consumers a continued flexible way to shop and minimise perceived risk will no doubt have the upper hand over competitors.

- The cost of living has surged at its fastest pace in almost 10 years, hitting **4.2%** in the year to October
- **40%** feel at risk of personal financial hardship
- **33%** of UK adults agree that they are more cautious about making large purchases than they used to be

Thought Starters

How can you make consumers feel safe in their purchase decisions? Are there any guarantees you can offer?

Are you being transparent with consumers if you've had to put prices up? Tell them why, helping them to understand could help them empathise rather than become negative about your brand

What else can you use as currency to help entice consumers to spend their money with you?

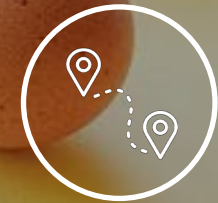


Data Sources: ONS Nov '21, Foresight Factory Jul '21, Zenith omnibus Nov '21

Click on image to follow link to more detail



Verizon in the US is offering to contribute to early termination fees for switchers to their 5G internet service, removing a key barrier to change



My Smart Car Insurance is a car insurance product available in Malaysia designed specifically for people that drive their cars infrequently allowing them to pay by the mile therefore saving money compared to the usual packages



In Japan, buy now, pay later company Paidy enables payments to be settled with just a mobile number and email address, and customers to pay for all their purchases in a single monthly bill - on which a limit can be set, allowing for easier budgeting

Authentic Wellbeing

It seems like long ago now, the wellbeing narrative shifted from just curing illness to a more comprehensive health approach that includes physical, mental and social wellbeing. But, the focus now is on resilience and pre-emptive care. Health concerns in the form of physically catching COVID, and mental health pressures caused from prolonged periods of lockdown have been all over the news, forcing people to take their overall wellbeing more seriously, and start building rituals and coping mechanisms that can prevent, and help withstand these and other stressors.

Authentic wellbeing is about knowing what does and doesn't work for you, and dealing with it holistically. It's about digging deep to identify your triggers and thus knowing how to control for those, pre-empting more serious effects. Preventative health measures, making sure we get enough exercise, eating a varied diet or supplementing with vitamins, installing air purifiers and using ergonomic furniture to protect ourselves in all possible areas. Most importantly, it's increasingly about people acknowledging the social impact others can have on us, and accepting wellness may mean a change to relationships, socialising, or even how contactable somebody is. Whilst an "unfollow spree" or a digital detox might work for some, others might decide to completely cut out toxic relationships from their lives if it's no longer serving them.

Authentic wellbeing is intuitive and looks different for everyone, but that being said, the principle is the same; prevention is better than cure, and people are more willing than ever to take wide ranging steps to look after themselves.

- 22% of consumers claimed to have used an air purifier in their home in 2021, up from 14% in 2018
- 49% of consumers said they were interested in services that analyse DNA to give tailored health advice
- 42% of people claimed to take vitamins/supplements in 2021, up from 33% in 2018
- 48% of people agree "in the past, I have stopped socialising with certain people because they had a negative impact on my wellbeing"

Thought Starters

Are you making it clear to consumers how you could benefit their wellbeing?

Are there collaborations that can tie you closer to showing you care?

Can you help consumers make/support more healthy and meaningful social connections?



Data Sources: Foresight Factory '21, Contagious '21

Click on image to follow link to more detail



Nourished 3D prints custom supplement gummies after consumers take their wellness quiz that takes their individual needs into account. By 3D printing them at the point of packaging up to 99.5% of nutritional value is retained.



ASICS sent trainers to brand ambassadors in boxes designed to look like painkillers to highlight the link between exercise and physical and mental health. Their movement for mind campaign also includes weekly audio guided walks/runs.



Kumuya creates Skin Wellness Meal Plans where consumers receive a 7 day tailored meal plan based on their specific skin concerns. With holistic health at their core, they aim to tackle skin problems from the inside out.

Convenience Resurgence

As the 'stay at home' requirement dwindles, and work and social lives return to their new normal, people will re-discover the need for convenient services and products that help them navigate the disadvantages of not being home a lot of the time, and re-entering the worlds of travel, in store shopping, and days and nights out.

Many of us have unlearned how to queue to pay patiently ("I can just click to do this online!"), organise impromptu after-work drinks, or book a last minute weekend getaway, but as people settle into the rhythms of life being lived out and about, so too will their realisation that not being at home can drive needs and wants they had forgotten about.

All of a sudden the offer to have packages delivered to lockers, or the opportunity to easily book a baby (or dog!) sitter will seem a lot more attractive, and pent up demand for going out, travel, and adventure, will see a corresponding resurgence in the need for ease and convenience when not in the home. This coupled with the speed expectation, driven by increased ecommerce and on demand services, means impatient consumers will want their offline needs met quickly and seamlessly.

- 24% of GB consumers describe themselves as 'often impatient', rising to 30% among Gen Z and Millennials
- 57% of those who have made a purchase digitally in the last 12 months, have arranged to pick up from a store or locker in a retail or hub location
- Taxi booking firm Gett recorded over 17,000 uncovered jobs in London in one week as taxi drivers struggled to cover demand

Thought Starters

What needs are emerging as people go out more, what are the ways that you can support people to have the freedom to leave the home without inconvenience?

Are your delivery options ready for increased demand for evening/weekend slots?

Can you offer 'hybrid' events and options? Part of 'new convenience' requires brands to consider virtual and in-person options, for when some people can't make it out.

What are the pain points on your customer journey? Don't just think about convenience in terms of speed, it's also becoming about eliminating friction.



Data Sources: Foresight Factory Mar '21, emarketer Jul '21, taxi-point.co.uk Oct '21

Click on image to follow link to more detail



Uber has announced its new Airports feature, which offers plane tracking, where they will automatically adjust reservations based on arrival info to ensure a car is waiting regardless of whether a flight is early or late.



Amazon has opened till-less shops in the UK. You go in, take items off the shelves, put them in a bag, and leave, removing time spent queueing, scanning and paying.



Tesco has announced it is partnering with parcel collection locker brand InPost to offer its customers the chance to pick up and return orders from other retailers. [<https://www.chargedretail.co.uk/2021/09/30/tesco-rolls-out-inpost-lockers-to-hundreds-of-its-stores/>]

Expertise Counts

If there's anything that the Covid-19 pandemic has taught us, it's that the source of information is as important as what it says. People are placing greater faith in science and experts, no longer just relying on what they are told by the media, but willing to do their own research and fact checking before drawing their own conclusions.

Scientists came to the forefront of the pandemic as a trusted authority, an ally amongst otherwise alarming scaremongering stories, fake news and misleading statistics from media outlets and politicians alike. Therefore we've become accustomed to their presence and neutrality, and after broadening our vocabulary with a number of new scientific terms (R-rates, PCR, LFT etc.) we're not only more comfortable with science and expertise, we are learning to expect it.

Brands that help people discover the truth by debunking myths, partnering with industry experts and showing their own scientific research will therefore be one step ahead with consumers. We also predict a surge in the popularity of STEM education and research for young and old, now people realise the full effect of science based solutions.

- **7 in 10** consumers say they don't trust the media
- **70%** of GB consumers believe that "social media companies should verify that news stories shared on their networks are not fake or misleading"
- Business is now the most trusted institution globally, according to the 2021 Edelman Trust Barometer
- **56%** of GB consumers say they easily accept the authority of scientific experts & **41%** say "proven scientific results" is the key brand driver when choosing a supplement brand
- Zooniverse, the citizen powered science platform allowing people to take part in research studies across multiple scientific fields now has almost **2.4m registered users**

Thought Starters

What is the science behind your category/brand? Can you educate consumers with the statistics/ background research rather than using confusing terms and claims?

Could debunking popular myths create a sense of trust with your brand? How can you be an ally and help consumers find the truth?



Data Sources: Foresight Factory '21, Edelman trust barometer 2020, Zenith OnePulse Oct '21

Click on image to follow link to more detail



TikTok has rapidly expanded content with expert partners to help reliably educate their audience, everything from Myleene Klass' music tutorials, to career coaches giving job advice.



OKIDO is a specialist in STEAM learning for 3-7-year-olds. Offering a monthly science magazine, TV comedy adventure series, and free online learning resources. Inspiring curious children to become creative scientists.



Scientific skincare brand The Ordinary has been increasing in popularity for their no-nonsense products that they call "molecules". Each product includes only the necessary ingredients that are scientifically proven to work.

Intelligent Sustainability

Eco credentials are all very well, but growing evidence shows consumers are becoming cynical about brand efforts and greenwashing. At the same time, just offsetting carbon emissions is increasingly seen as tokenism by activists. What people are looking for is real, compelling change, that offers a win/win; helping the environment, but also bringing an intelligent solution that offers a clear understandable benefit beyond eco alone.

COP26 and new industry initiatives (see Ad Net Zero for the ad industry), are giving us all hope 2022 will see significant shifts in consumers, corporations and governments taking sustainability and eco credentials more seriously. Interestingly however, we are seeing a growing trend where the most successful initiatives, and those most likely to 'stick' are those which offer something else, be that helping people save money, enhancing wellbeing, helping a product become better, or offering education so that we are better placed to understand what is an increasingly complex issue.

- **32%** of people think concern for the environment is most important when buying, vs. **82%** for value for money
- A CMA co-ordinated global review of randomly selected websites has so far found that **40%** of green claims made online could be misleading consumers
- **19%** of UK adults feel it's only worth doing something environmentally-friendly if it saves them money, rising to 28% of millennials, and 23% of Gen X
- Lack of interest tops the list for consumers not embracing sustainability at **22%**, expense is the second biggest barrier to change (16%), closely followed by not having enough information (15%)
- The World Bank estimates that \$1 of investment in climate infrastructure yields \$4 in economic and social benefits

Thought Starters

What can you stop doing? CO2 offset is only part of the story, cutting unnecessary activities could save time, money AND help cut emissions.

How can you avoid the current eco 'wallpaper' and clichés in brand ad's, what can you do differently? Are you being clear and transparent in all eco claims, and can you be honest and humble about failures, and address with a plan of action?

Are there any clever quick wins that can avoid the complexity of 5/10/50 year plans?



Data Sources: Reach Solutions '21, Competition & Markets authority Jan '21, TGI Q2 '21, Deloitte Mar '21

Click on image to follow link to more detail



Swedish energy supplier Vattenfall made its expert engineers available for consumer calls, to offer examples of the progress being made in climate action, helping combat the negativity and anxiety associated with climate change.



Michelob Ultra beer has committed to financially supporting farmers if they transition to go organic. Win-win as they can promote the initiative, and create new organic partners for their Pure Gold range.



Publicis Groupe is the first communications company to provide a 'universal' carbon calculator; A.L.I.C.E will help clients to reduce the impact of their marketing and communications

Circular Benefit

The circular economy is finally emerging, enabling reusing, recycling and zero waste. Easy digital cataloguing, the explosion of second-hand app's, and even big name brands enabling trade-in and resale options are all contributing to growing awareness and buy-in for second-hand, as people realise there's benefit to be had.

The image of the musty charity shop is slowly dwindling as consumers are becoming wise to the benefits beyond sustainability of re-use of products. This ranges across multiple categories from clothing, toys and tech, meaning quality and choice are wider than ever before. And Covid helped fuel this, driving previously shop-reliant sellers and charities to realise stock could be more efficiently offered online. At the same time, shoppers have become aware that there is a tangible value in vintage, for the quality and price, but also encouraged by the sense of accomplishment in finding a good deal, while avoiding overpaying for, for example, low-quality fast fashion clothes.

The declining interest in long-term ownership of goods, and ongoing passion for de-cluttering also mean that consumers are not as keen to hold on to items, and they are helped in their trade by easy sending options afforded by the growth in delivery and pick-up companies. This is a buying option that offers feel-good on both sides, with the seller also knowing they're avoiding contributing to landfill and enabling re-use of their unwanted goods.

- **7 in 10** of people who have never resold clothing are open to trying it
- **1 in 2** of Millennials and Gen Z say they'll spend more on second-hand in the next 5 years
- **42%** of retail execs say resale will be an important part of their business within 5 years
- **34%** of consumers say they are more likely to shop with a brand that offers second-hand clothing alongside new

Thought Starters

How can your brand try to embrace the circular economy? If products can't be re-used, could it be via packaging return/reuse instead?

Can you help enable resale/trade-in of your products by offering instore drop-off?

What happens to your waste products? Can expired stock be donated or resold for charity?



Data Sources: Mintel July '21, ThredUP resale report '21

Click on image to follow link to more detail



Too Good To Go allows users to buy and collect bags of unused food from more than 15,000 shops and restaurants at a hugely discounted price.



eBay has launched its Certified Refurbished hub, consumers can find consumer tech and appliances that have been inspected, cleaned, and refurbished to meet the necessary specifications.



Rapanui is an award-winning sustainable fashion brand that uses recycled organic cotton coming from products sent back from customers.

Creation Nation

In the wake of influencers, a new wave of innovation has emerged in the shape of creators, those not on social media for the followers or free products, but who are there to provide content to fuel passions, and use social to productise their skills, knowledge and expertise.

The massive growth in social media has driven monetisation, not only through the newly emergent social commerce, but also via owned brand posts, and influencers through #ads or sponsored and gifted posts. However, where creators differ is that they are using social media to monetise their own products or services more directly to a more targeted audience, and/or by taking these communities they've built to other paid for content homes (see Patreon memberships).

This could cause issues for brands where creators look to monetise their audiences directly, or create their own DTC brands. But, it could also offer opportunity to not only collaborate with these creators (who are often willing to work as content partners and provide expertise in engagement on mediums like TikTok, Twitch or esports), but also to develop new products that play to the passion points that creators are identifying and building.

- There are now **50 million** content creators - around 46 million amateur creators, and the remaining minority professionals (majority on Instagram, TikTok and YouTube)
- Between 2015 and 2020, Shopify, which helps everyday people set up their own online stores, saw its annual revenue increase at a compound annual growth rate (CAGR) of **70.2%**
- **59%** of consumers have or are interested in making money outside of their regular source/s of income, from their skills

Thought Starters

Are there creators you can build long term partnerships with? Unlike influencers, the best return is likely to be in a collaborative relationship rather than short term deals

What do your consumers want to be educated about, what are they interested in, and how can you co-create content or new products to meet this need?

Do your competitive audits look beyond the big brands to small creators in your category?



Data Sources: SignalFire '21, Foresight Factory '21, Foresight Factory Mar '21

Click on image to follow link to more detail



Buy Me a Coffee is a site that enables small scale donating to creators. In just a couple of taps, fans can make a payment (buy you a coffee), pay for premium content, and leave a message in support of the content you're creating.



XPO is a digital banking app designed to support online creators, helping them get payment within 24 hours, with plans to build an entire financial ecosystem around young creatives and influencers.



NEWNESS is a live streaming platform launched this year specifically for the beauty community, with ticketed live streams, VIP events where ticket buyers can also sent products, and the ability to 'tip' creators.

Merged Worlds

What once were distinct media and brand entities are increasingly becoming blurred. Companies are looking to broaden their reach by embracing alternative and unexpected worlds, and even if they don't, consumers are doing it for them.

TV subscription services offering gaming, Twitch moving beyond gamers by investing in categories like sports, AV channels enabling commerce via smart TV's, TikTok highlights collated for Instagram, high fashion brands offering products in the world of gaming; wherever we look, what once we could compartmentalise and define separately is merging, and it's happening everywhere, from what mediums are, what brands stand for and who buys them, and even how we access the goods we buy.

Increasingly, it's likely we'll struggle to characterise a brand by it's target audience, define tech by the service it provides, or pigeonhole a media channel by it's content. Comm's and brand identities are shifting and merging to drive demand, and accommodate consumers with new passions and interests.

- Gartner predicts that there will be more global mergers and acquisitions activity involving technology providers in 2022 than the highs seen in 2018
- Twitter saw stocks rise **5.3%** to \$71.92 on the day of announcing their new shop module, allowing businesses to use their pages as shopfronts so consumers can purchase without leaving the Twitter site
- **39%** of global consumers have bought or are interested in buying something directly from social media

Thought Starters

Are there new or unexpected worlds your brand can partner with to reach new audiences? What content partnerships could make your brand more accessible? Have you considered gaming, product placement or social content creators to surface your brand in unexpected places?

How can you blur your own boundaries, everything from who you put in your ad's, to colliding your ecommerce and in store worlds?

How can you make comm's campaigns more shoppable? Think about how you can close the gap between discovery and purchase by using mechanics like buy buttons on social media and other tools that link point-of-sale directly with content.



Click on image to follow link to more detail



Netflix is entering the mobile gaming market with a free service, integrated into its video streaming platform. From November '21 Android users will be able access 5 games, with more on the way in 2022.



Spanish luxury fashion house Balenciaga and online video game Fortnite have teamed up to offer digital clothing and a virtual store for 'skins' to change appearance in the game.



ITV has launched shoppable TV, allowing viewers to discover and shop items from its programmes directly on screen. Viewers can initiate the shopping interface at any time by using their remote.

Welcome to the Metaverse

We all know that Facebook have renamed themselves Meta, but this goes far beyond social media. This is starting to live our everyday lives digitally rather than IRL; everything from what we buy, how we work, to how we make new friends will be in a digital space, and physical ownership, meetings, even appearance will become less and less important.

But, we are not imagining that by the end of 2022 we will all forget about the physical world and just plug our brains in. This instead is a slow creep of the virtual over real life. Without even realising it, so much of our lives are already digital, and it's this we see exploding next year. Virtual and augmented reality will grow, spending on virtual items (and NFK's) will become the norm, and interactive 3D worlds (not just for gamers) will become more familiar.

We are already seeing this embryonic universe take shape; permanent use of favourite appearance filters, endless pocket money spent on 'skins' in the gaming world, crypto currencies becoming a viable investment, even events shifting to hybrid, and embracing virtual attendance. By the end of next year we predict digital experiences will become more immersive, relevant, and cross generational, and not surprisingly, this will make them more useful for communicating to consumers.

- People already nearly spend more of their time engaged with the digital world rather than the physical. 50% in the US saying they spend most of their day on screens, as do **42%** in the UK and 36% in Germany
- **31%** of GB consumers own or are interested in owning a virtual reality headset (54% of Gen Z)
- **33%** have bought (19%) or are interested in buying an in-game item (skins, currency, characters, loot boxes), 66% of Gen Z and 60% of millennials

Thought Starters

Think less display and more experiences, the metaverse needs immersive interactivity, how can you start get ready to create digital brand experiences right now?

What would the metaverse look like for your brand? Can you engage futurologists to help you on this journey and stretch your thinking?

How can you personalise comm's in the digital world without coming across as 'creepy', repetitive or too late?



Data Sources: Statista Global Consumer Survey, Aug '21, Foresight Factory Mar '21

Click on image to follow link to more detail



October 2021 saw Natively Digital 1.2, the first curated NFT sale in Sotheby's Metaverse, consisting of 53 lots of culturally significant art from the vaults of 19 collectors.



Strivr offer VR employee training, and have already worked with Walmart and Verizon to help their staff to experience new tech and customer issues virtually, to get them ready for real world scenarios.



Etsy have launched an interactive, augmented-reality experience that allows shoppers to "walk through" a digital home filled with curated items, photorealistic renderings, seamless navigation, and 360-degree visuals.

Key Takeaways

Resilience

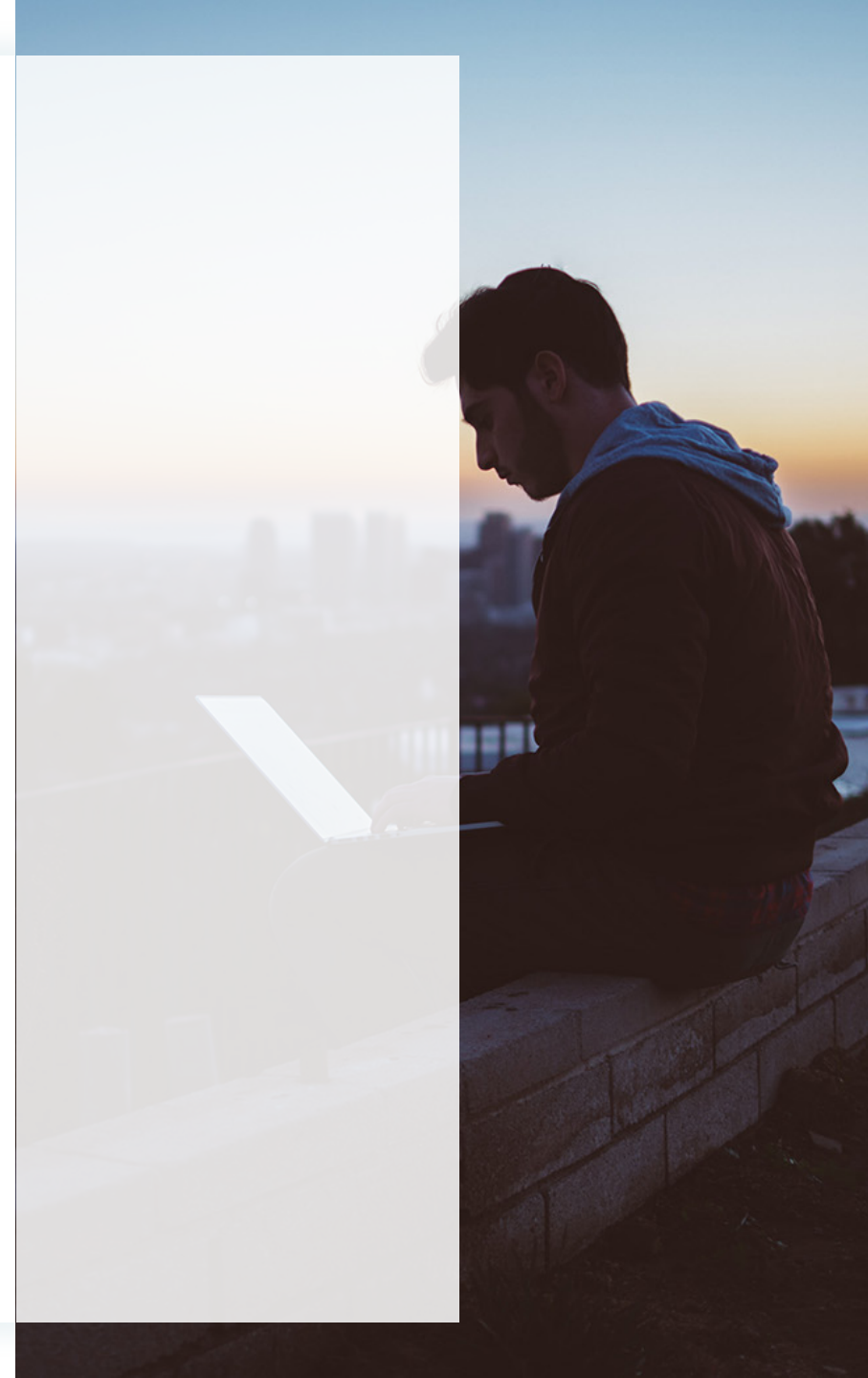
It's time to get on with our lives, but nobody can pretend things are the same as before, and actually maybe they don't want to. People have new-found strength and adaptability, and want products and brands to support this, as well as offer reassurance in a changing world.

New solutions

Intelligent solutions are apparent in many different categories, and consumers have a new found respect for expertise and science post-pandemic. Harnessing this is key to making everybody's lives easier following a period of severe strain. Nobody wants the basics any more if they can save time, resources, or improve their wellbeing by using new options that offer them efficiencies.

Transformers

Communications, entertainment and social worlds are changing, and so too are the brands and people that provide them. Developments are accelerating, and with blurring boundaries, unexpected partners and opportunities are likely to arise.



2022: The Year of New Balance

Our 10 trends for 2022 fall into three important categories that reflect our personal, and our shared worlds of interest:

