

MARKETING

Resilience, adaptability drive consumer trends in 2021: Euromonitor

January 28, 2021



Flexibility, agility, transparency and technology are key to reaching consumers in 2021. Image credit: Euromonitor International

By NORA HOWE

The global pandemic has accelerated new habits, completely shifting how consumers will behave, spend and consume in 2021, according to a new report.

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Euromonitor International's "**Top 10 Global Consumer Trends**" report identifies emerging and fast-moving trends that are expected to gain traction in the next 12 months. Influenced and accelerated by the pandemic, these ten trends provide insight into changing consumer values, exploring how consumer behavior is shifting and causing disruption for businesses globally.

"COVID-19 has accelerated pre-crisis trends towards a new, elevated version of conscious consumerism that encompasses even higher standards around sustainability as well as personal health," said Fflur Roberts, head of luxury goods at **Euromonitor International**, London. "If the pandemic has taught us anything, it has been the need to restore balance, resetting the economy to drive equitable growth that is mindful of the planet.

"Healthy business goes hand in hand with a healthy planet and a healthy society," she said. "Post-lockdown, luxury companies will be expected to make people their new priority while also protecting the planet and their bottom line being accountable for their actions with enhanced transparency and greater collaboration."

The global consumer trends are identified through the utilization of its coverage in 100 countries around the world, from industry market analysis to quantitative global consumer surveys. The company prompts analysts across 15 global office and polls its expert teams for insights, building a database of emerging trends and trade interviews.

Changing priorities

In 2021, consumers will expect purpose-driven initiatives that support people, the planet and profits. Nearly 70 percent of professionals expect consumers to be more concerned about sustainability than they were before COVID-19.

Euromonitor predicts that consumers will take social and environmental issues more seriously, rewarding businesses that use their profits for good post-pandemic. Brands that rebuild a greener and more equitable world

could gain not only a competitive advantage but also the necessary societal trust to operate.

The pandemic has also accelerated a desire for convenience, as consumers long for the ease and spontaneity they took for granted before habits were upended. Consumer spending is expected to shrink alongside an economic downturn, therefore convenience will play a crucial role in purchasing decisions.

Consumers will seek businesses that best prioritize safety while minimizing changes in shopping patterns. High-touch and relationship-driven businesses have an opportunity to test self-serve, touchless or unattended operations.

Health threats, mobility restrictions and the rise of remote working has resulted in consumers turning to the outdoors for leisure and wellness. With 64 percent of professionals believing work-from-home will become a long-term change, people have started looking to exchange their time in cities for more open, rural spaces.

Open-air activities remain especially beneficial for mental wellbeing, and businesses can replicate their indoor offerings outdoors by building temporary structures and improving infrastructure. Integrating "outdoor oases" will become essential for leisure and entertainment providers to attract new customers and retain loyalty.



Imnts OutdoorStudio built 50 individual geodesic domes for practicing hot yoga outside safely. Image credit: Imnts

Consumers are expected to use digital tools to stay connected at home and facilitate safer procedures in brick-and-mortar outlets. Businesses can integrate virtual processes into their physical spaces to provide consumers a sense of comfort when venturing out.

Considering 87 percent of consumers own a smartphone, businesses can develop a "phygital reality" strategy using apps to facilitate onsite virtual experiences and partnering with technology providers to recreate in-person occasions at home. Delivering virtually enabled at-home experiences remains imperative to drive ecommerce sales and gather data.

As consumers stay home and travel less, this newfound flexibility allows them to be more creative with their time and schedules. According to the report, 51 percent of consumers chose "time for myself" amongst their top three life priorities.

Businesses should provide solutions that address the consumer desire to maximize time, offering increased flexibility, especially with 24-hour products and services that can be accessed from the home.

2020 not only brought the global health crisis, but also social unrest and political frustration. Twenty-nine percent of global consumers were actively involved in political and social issues.

Consumers have lost trust in the media and their governments, and are now placing their own needs and wants first. This means companies have an opportunity and an obligation to ensure that marketing dispels misinformation, as consumers want truth and expect brands to act.

Additionally, more precise marketing on social media and through gaming will be key for a company navigating 2021. Online virtual experiences will remain relevant, and businesses will be at a loss if they do not consider these avenues for growth and branding.



Brands have become more outspoken about social and political issues. Image courtesy of Bloomingdale's

The pandemic has created a fear of infection and increased health awareness, driving demand for hygiene products and contactless procedures. Companies should implement enhanced safety measures and innovations that target health concerns to reassure their consumers.

Safety will be at the forefront of consumer behavior in 2021, and companies across all industries will benefit from developing extensive hygiene initiatives. Unattended commerce and ecommerce will be widely adopted where unnecessary human interactions are mitigated.

The pandemic reconfigured daily lives, testing mental resilience, restricting experiences and provoking economic shock. Depression and mental health had a moderate to severe impact on 73 percent of global consumers' everyday lives in 2020.

Now, consumers have a new understanding of themselves and their place in the world in pursuit of a more fulfilled, balanced and self-improved life. Businesses must provide products and services that support resilience for mental wellbeing and must communicate how they will help consumers combat adversity.

Discretionary spending is declining due to the uncertain economic environment, and consumers are prioritizing value-added and health-conscious products and services. Companies should pivot towards value-for-money propositions, offering affordable options without sacrificing quality.



GoBe Robots offers organizations a telepresence solution and enables a more human-like workplace connection. Image credit: GoBe Robots

Premium products should be reinforced with a new empathetic story and have a strong tie-in with health and wellness, self-care or mental wellbeing.

Consumers are looking to find a new work-life balance, as remote collaboration redefines the traditional office environment. Simplified grooming, dressing and beauty routines are forcing businesses to rethink their product positioning as consumers resort to smart casualwear and natural makeup looks.

Businesses should focus on products and services that improve efficiency and productivity without losing the human element. Multifunctionality targeted at families or individuals sharing living spaces will be the main area for innovation.

"As these trends evolve in line with consumers' new values and expectations, companies will have no other option than to re-evaluate their strategies and portfolios, and design products and services with positive impact," Ms. Roberts said. "While consumer behaviors, such as the increased use of single-use plastic packaging or the decrease

in CO2 emissions due to limited travel and economic activity, will eventually revert to pre-COVID-19 times, some new habits, such as the move towards remote working and the attention on how companies treat employees, will likely continue post lockdown."

Overall, purpose-driven initiatives will resonate with consumers in 2021. Communicating with compassion and supporting mental wellbeing are critical attributes to drive brand loyalty.

Flexibility, agility, transparency and technology are the keys to moving forward, and business should prioritize consumer and environmental safety needs.

Spotlight on sustainability

Sustainability has increasingly garnered attention, especially as values shifted with the onset of the COVID-19 health crisis, and will soon be seen as the bare minimum for luxury brands across all sectors.

British auto manufacturer Bentley Motors recently became the first luxury auto company to run its in-house logistics on 100 percent renewable fuel. Following the installation of hydrotreated vegetable oil (HVO) fueling facilities in Crewe, Bentley took another step closer to its goal of becoming the most sustainable luxury automotive manufacturer ([see story](#)).

This move came a month after the automaker outlined its Beyond100 sustainability strategy, which includes a push towards "climate positive" operations and a move towards full electrification ([see story](#)).

In December, French luxury conglomerate LVMH Mot Hennessy Louis Vuitton hoped to inspire brands and policymakers with its Life 360 strategy, which addresses the environmental approach from manufacturing through in-store experiences. During the opening ceremony of LVMH's first Climate Week, executives shared the framework of Life 360 as the group moves to intensify its environmental policy ([see story](#)).

"Sustainability took a hit last year, but the build back better' trend shows a return to this," said Alison Angus, head of lifestyles at Euromonitor International, London. "We saw the rapid impact lack of travel had on the environment, which showed people the impact of their actions and how they can do things differently to help protect the environment and each other.

"We want to make the world a better place for ourselves, each other and for generations to come," she said. "Now, consumers and businesses are both asking: how do businesses keep consumers safe while also reducing waste?"