

MARKETING

Passion, purpose driving today's consumers: Euromonitor

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After numerous crises in the last two years, consumers are hitting the reset button on their lifestyles. Image credit: Euromonitor

By NORA HOWE

With everything that has transpired over the past two years, from the COVID-19 pandemic and climate crisis to social justice movements, consumer lifestyles have drastically shifted to emphasize mindfulness.

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According to market researcher Euromonitor International's latest "[Top 10 Global Consumer Trends 2022](#)" report, businesses must adapt to this new generation of consumer values. From an emphasis on personal growth and financial literacy to inclusivity and circularity, consumers are paving a new path for themselves and the brands they trust.

The information detailed in the report was identified digitally across Euromonitor's 15 global offices through industry market analysis, quantitative global consumer surveys, interviews and ideation workshops.

Global reset

Ongoing disruptions to supply chains have given rise to a new type of consumer: the backup planner. These consumers are either finding or searching for alternative solutions for their first-choice products.

Backup planners are going one of two ways in shifting their shopping behavior: paying a premium or switching to cost-effective options, such as secondhand or rental.

Euromonitor predicts supply chains will stabilize by the end of 2022, but localization and optimization will have become the norm by then. Companies should leverage data to improve supply chains and reconsider investments.

While digital technology is often referred to within the context of younger consumers, the global population aged 60-plus will increase 65 percent from 2021 to 2040, and they are increasingly adopting tech solutions.

Eighty-two percent of consumers aged 60-plus owned a smartphone in 2021, and 45 percent of them used a banking service on mobile at least once weekly. More than 60 percent visited a social networking site at least once per week, while 21 percent took part in video gaming.



Consumers over the age of 60 are becoming more comfortable with new technology. Image credit: Euromonitor

Further, "digital seniors" are currently the predominant cohort of the top income class, so brands must optimize mobile apps, social networks and ecommerce sites to earn these consumers' spending power.

Taking digital competency one step further, enter the metaverse. Accelerated by the pandemic, virtual reality reached new heights last year, and now immersive digital ecosystems could completely transform the way human beings interact.

Even social media company Facebook rebranded as Meta to reflect its new focus on the metaverse, describing it as a "hybrid of today's online social experiences, sometimes expanded into three dimensions or projected into the physical world" ([see story](#)).

As the metaverse continues attracting tech-savvy people, businesses must understand their part in the space to increase brand recognition.

Over the past few years, financial literacy and security have significantly increased as people sought out new income streams from investing in the stock market to starting small businesses. Now, 51 percent of global consumers believe they will be better off financially in the next five years.

With growing awareness and adoption of digital currencies, brands and retailers could benefit from enabling alternative forms of payments, such as cryptocurrency and buy now, pay later.

Another major shift has been in overall life values, with a heavy emphasis on personal growth and wellbeing a global reboot of lifestyles and goals. For instance, 4 million Americans quit their jobs in July 2021 and another 4 million in August.

In 2015, only 12 percent of consumers prioritized personal time, which doubled to 24 percent in 2021 a clear increase in an appreciation for work-life balance.

Now, activities and products that positively impact mental and physical health are influencing purchase behavior. Moving forward, businesses must match consumer sentiments, offering products and services that bring value to a person's life.



Consumers are investing more in their homes and communities as they spend more time in these spaces. Image credit: Euromonitor

With this focus comes a heightened examination of authenticity and inclusivity as the foundation for lifestyle choices and spending habits and, ultimately, happiness. More than half, 56 percent, of consumers believe they will be happier in the next five years.

Personalization will become a major factor in consumers' buying patterns, as 54 percent of professionals believe that more personalized shopper experiences will have a strong impact on retailing.

While people are looking to indulge in products and experiences that bring them joy, comfort levels for socializing are still fluctuating amid the pandemic. In 2021, 76 percent of consumers took health and safety precautions when leaving home.

Sustainability spotlight

Environmental consciousness and low-carbon lifestyles have graduated from trends to permanent change. In 2021, 67 percent of consumers aimed to have a positive impact on the environment through everyday actions.

Gen Z and millennial consumers, especially, are looking to engage with companies that mirror their values and are transparent about their sustainability strategies. Businesses should aim to offer sustainable-certified products and disclose their efforts to enable consumers to make informed decisions.

In July 2021, LVMH-owned beauty retailer Sephora introduced a Clean + Planet Positive label for brands that meet certain clean and environmental standards. To earn the Clean + Planet Positive seal, brands must be Clean at Sephora-approved and must prove efforts toward sustainable sourcing, responsible packaging and donating to environmental causes ([see story](#)).

Another major trend within the scope of sustainability is a circular economy, or secondhand shopping. One in three consumers buys used or secondhand items at least every few months.

Consumers want to continue engaging with top brands, especially in the fashion sector, but they want to do so consciously, striking a balance between affordable, ecological and exclusive.

Platforms like Vestiaire Collective, The RealReal, ThredUp and more have seen significant traction over the last two years, and this positive trajectory is expected to continue.