

THE : FUTURE : LABORATORY

Retail Futures 2022

Introduction

Companies across the retail sector have been demonstrating resilience despite a turbulent start to the Transformative Twenties.

For some, attention and strategies have fed into the growth of **Eco-venience Retail**, balancing growth with more conscious solutions. Others have been upgrading or accelerating their digital ambitions, learning how to flex and adapt in line with their customers' lives and needs.

Encouragingly, the current global retail market is on track for growth in 2022. While retail volumes will slow to 3.3% when adjusted for inflation, sales will exceed 2019 levels, thanks to widespread vaccinations and easing local lockdowns. In turn, online sales will slow from their record high in 2020 (source: **Economist Intelligence Unit**).

Indeed, where hyper-convenience has recently reigned, physical spaces represent ample opportunities to re-invent the relationship between brands and their audiences. As consumer confidence to shop in real life blooms again, pixelated purchases and faceless interactions are losing their appeal. In this post-Covid landscape, brands must recognise and embrace a new purpose for bricks-and-mortar stores.

'To succeed in 2022's retail landscape and beyond, developers, leaseholders and retailers alike need to become extraordinary in their thinking, marketing and destination execution,' explains Kathryn Bishop, foresight editor at The Future Laboratory. 'This isn't about side-stepping what happened during Covid-19 – the rise of direct-to-consumer [DTC], creators as curators and energetic social media selling – but about folding these experiences into next-generation retail models so they become standard and ordinary, while the store itself becomes extra-ordinary and unique.'

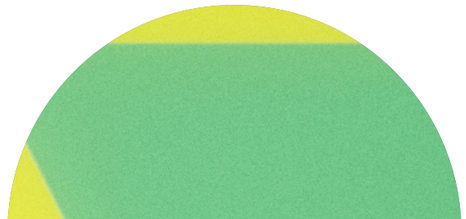
Consumers are already demonstrating openness towards such retail re-invention. Research by **Shopify** finds that 32% of global consumers are likely to engage with in-store experiential moments in the next year – moments where service, loyalty and connections can thrive. As Amy Shapero, chief financial officer at Shopify, says: 'In-person selling is one of the best opportunities for merchants to deepen relationships with buyers through experiences, services and often a shared community.'

In turn, this report details nascent trends in physical retail, such as next-gen Hangout Hubs and youth-centric Play-tail, where retail spaces are being used to foster enjoyment and discovery. Pointing to how place-specific retail can once more become a beacon, Andrew Keith, managing director of **Selfridges**, tells The Future Laboratory: 'The serendipitous moments and emotional responses created in a physical environment are fundamentally different from a digital experience… in a physical environment, shoppers are immersed in a world of opportunity.'

Alongside rising trends for retail, this report also features our latest sector macrotrend, Hyperphysical Stores, which spotlights fresh prospects for physical stores against The Future Laboratory's framework, The Four Es of Retail. Ranging from enriching to exclusive, these experiential markers will elevate the senses, cultivate community and expand the potential of physical store design. The Four Es of Retail are a guide for bricks-and-mortar retail's re-invention and shop floor success in the coming decade.



Gucci Vault creative by **Max Siedentopf**, Italy



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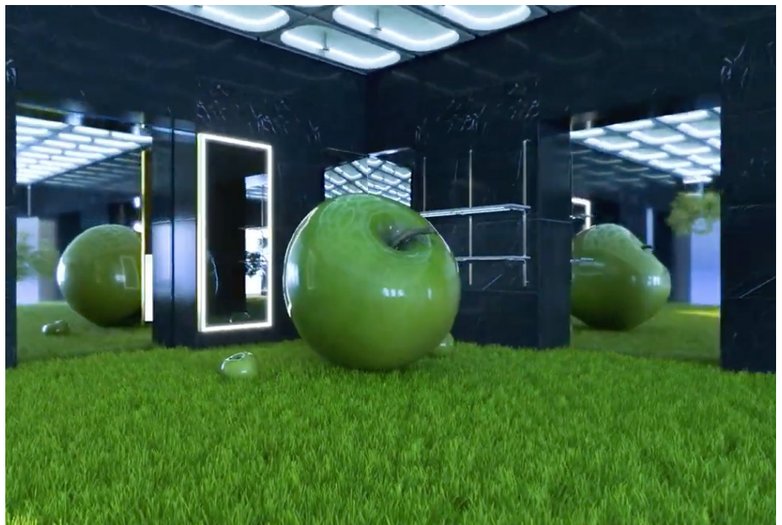


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Trends Rising

From strategies that celebrate play to intuitive store automation and nature-imbued interiors, explore six nascent trends driving new directions in retail.

Rewilding Retail

As people return to stores, the retail industry is implementing greener infrastructural strategies that benefit shoppers, workers and the environment on a wider scale.

For people seeking retail destinations that are more in tune with their wellbeing, malls are using nature to create more mindful, calming and sustainable shopping experiences. At the **Hyundai Premium Outlet Space 1** in South Korea, outdoor furniture, potted plants and large overhead windows harmonise to evoke an atmosphere of lightness and calm. Elsewhere, Poland's **VIVO! Lublin** shopping centre invites customers to strengthen their bond with nature by hosting ecological workshops where they can learn how to care for bees. Apiaries are dotted around the mall, while a green roof provides an exercise space.

Going further, **Green Pea** is one of the first green retail parks dedicated entirely to respect for nature. Located in Turin, Italy, the multi-brand department store exclusively sells green brands. To ensure maximum eco-friendliness, it's even created eco-clothing collections with luxury fashion houses such as **Ermenegildo Zegna** and **Brunello Cucinelli**.

Retail warehousing is also evolving. Combining ethical working policies with green design, Polish warehouse company **Panattoni** is introducing numerous relaxation zones to new buildings, prioritising window size to increase natural light. Outside, the workforce can sit and socialise in park-like surroundings, complete with a biodiversity-supporting insect hotel.

• *Read more on LS:N Global*

What are Trends Rising?

In this section you will discover the nascent trends forecast to grow in influence across the retail sector in the next one to three years. These trends are global in their reach, and can focus on consumer experiences or business operations.



Pangaia, US

‘Recent pandemic lockdowns demonstrated how valuable green spaces are for our mental and physical health’

Christoph Nabholz, chief research officer, ***Swiss Re Institute***

Sensorial Storefronts

Glossier’s flagship store in Seattle takes inspiration from fungi and moss, and features colourful mushrooms and plants, inviting shoppers to seek relaxation in the space

Play-tail

Retailers are targeting families with interiors dedicated to children's play and engagement, helping them to ease shopper pain points and foster community. Offering inspiration for retail brands, the relaunch of London's V&A Museum of Childhood, which has become the **Young V&A**, centres on three areas – Imagine, Play and Design. Here, children have space to create imaginary stories, explore ideas and bolster their motor skills.

In this vein, shops are being altered with fixtures, fittings and features that are designed to capture the attention of children. Munich eyewear store **Rookies** has swapped the quiet functionality typical of optometry for a 'noisy, wild and unique paradise for children', including low mirrors and drawers so they can explore products.

Some retailers, such as US toy store group **Camp**, are expanding into educational and entertaining sessions for children so their parents can undertake chores or shop nearby. Other kid-focused activations add a layer of play to everyday services. In China, the **Bund Post Office** houses an area comprising floor mats and seating that doubles as a children's play space while their parents are queuing.

• *Read more on LS:N Global*



Designer **Yinka Ilori** recently joined forces with toy company **Lego** to open the **Launderette of Dreams**, a space created to emphasise how community facilities such as laundromats can double as spaces for play, creativity and imagination, London



The Village by **Anya Hindmarch**, London

Hangout Hubs

Retailers are using store design to create destinations that are focused on socialising as a form of brand engagement.

One example is **Adidas**, whose revamped flagship Originals store in London has been expanded to allow visitors to linger and socialise. The store has a set of **Pioneer** decks that can be used by customers who want to show off their DJ prowess, as well as a public pool table.

Elsewhere in London, luxury accessories brand **Anya Hindmarch** has opened a multi-unit retail destination that is inspired by village life. Visitors can sip a coffee at its café or pop in to its hair salon for a blow-dry. A series of stores, meanwhile, offer Anya Hindmarch bags, from entry level to bespoke. Central to the concept is evoking a destination that is welcoming and familiar – as opposed to a cold, cookie-cutter retail format.

In Los Angeles, **Pudu Pudu** is a dessert bar format from **Dr Oetker** in collaboration with retail design agency **Uxus**. The store was designed to bring young people together in the inter-pandemic period, becoming a social space where connections are made over pudding. With outdoor space and immersive dessert-making sessions, Pudu Pudu rethinks the role of the dessert parlour as a culturally significant meeting place for young people.

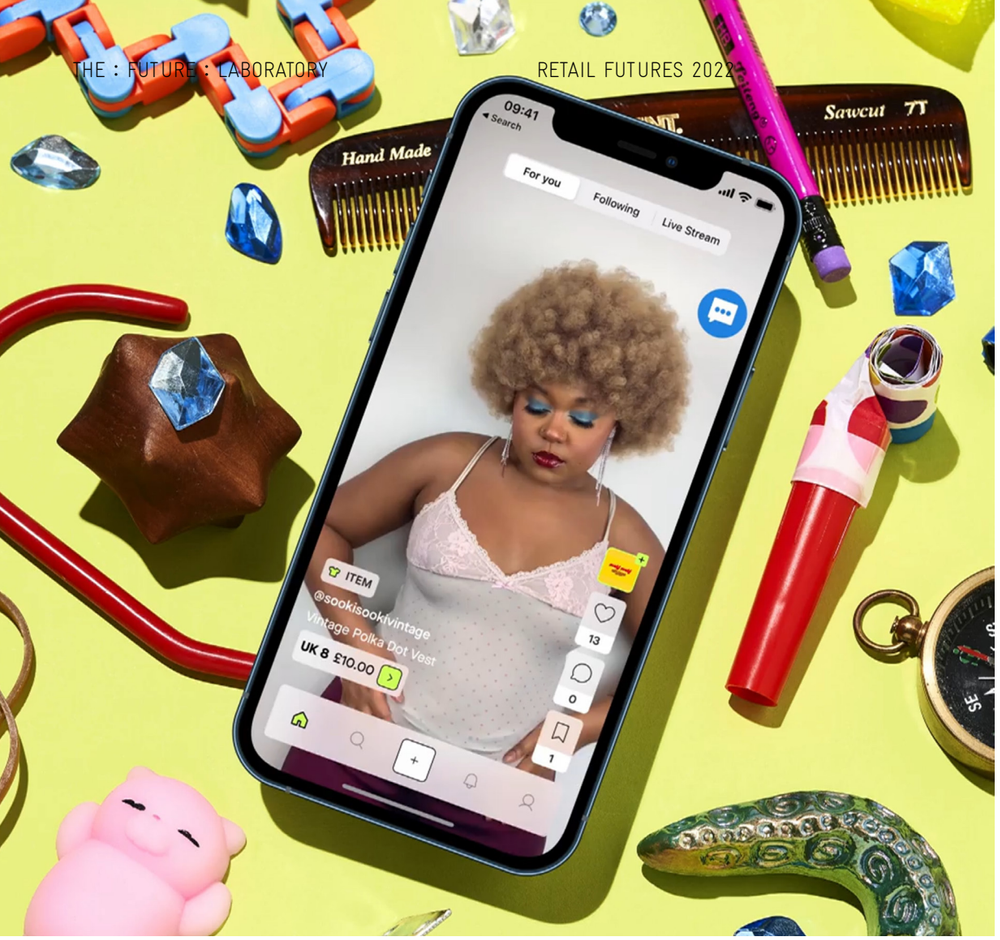
• *Read more on LS:N Global*

56% of global Generation Z head to physical stores for a fun experience

Source: ***IBM***

Engaging Interiors

Family Kitchen & Shop, Kew Gardens, by **Mizzi Studio** is a discovery and dining space for families to learn about food in a fantastical setting, London



Finds is a social commerce platform where users can follow creators as well as like and comment on their posts, replicating the social media experience, UK

Influ-sellers

A new wave of retail platforms are allowing brands to maximise the reach of micro-influencers, taste-makers and even entertainers to foster connections and drive sales.

With a laser focus on using micro-influencers across Western markets, **Buywith** seeks youthful talent who are confident performing to camera. It scouts potential presenters from platforms such as **Instagram** and **YouTube**, and transforms them into the faces of shared shopping experiences for brands such as **Forever21**, **Boohoo** and **MAC**.

Also turning influencers into retailers is **Emcee**, a US-based platform that recognises how content-creators are transforming into content-curators. Created for influencers known for curating a particular aesthetic or tuning in to a particular subculture or trend, Emcee allows them to edit an online storefront with products they love from multiple brands, alongside their own pieces they might like to sell such as vintage t-shirts or sneakers. If a browser clicks to buy a brand's product, that curator – known as an Emcee – will receive a commission for fuelling the sale.

Elsewhere in the food and drink sector, **TikTok** personality **Larray** has opened his own virtual restaurant known as **Larray's Loaded Mac & Cheese**. Fans will be able to buy the dishes, which initially include seven flavours of macaroni cheese, via **DoorDash**, **Grubhub** and **Postmates**. Helping to bolster loyalty, customers can also become members of **Larray's Mac Pack**, which provides them with early access to new dishes, menu items and offers.

• *Read more on LS:N Global*

Positive Automation

Technology and automation are helping retailers to provide safer and more convenient access to products in ways that break free from traditional stores.

Retail conglomerate **Hyundai**'s **Uncommon Store**, for example, is a contactless shop that operates using QR codes instead of cards or cash. On-the-go shoppers scan a code on entry, and receive a customised, intuitive retail experience informed by data on their shopping habits or preferences.

Pointing to convenience closer to home, retailers are joining forces with property developers to provide checkout-free retail experiences in residential buildings and lobbies. In San Diego, housing development **Vantage Pointe** recently introduced **Valet Market**, an automated retail solution powered by computer vision. Full of local and national brands, the market also offers a 'last step' delivery service for residents, who can use an app to order goods on demand for delivery to their homes.

Improving access in rural areas and poorly served urban neighbourhoods is software company **Storelift**, with its fully autonomous and unstaffed **Boxy** stores. Built using repurposed shipping containers, the stores can be moved easily and placed anywhere that needs product access. Powered using QR codes like Uncommon Store, Boxy also pushes its tech-enhanced capabilities further through AI algorithms that can offer discounts and offers based on customer behaviour.

• *Read more on LS:N Global*



Uncommon Store, South Korea

47% of all retailers plan to have an in-store robotic automation project under way in the next 18 months

Source: ***RetailWire*** *and* ***Brain Corp***





Paco Rabanne and **Fondation Vasarely** NFTs at **Selfridges**, UK

Crypto-and-Mortar

With growing consumer interest in virtual assets, bricks-and-mortar retailers are exploring ways to market and sell non-fungible tokens (NFTs). By vending these digital assets through stores, brands are also providing real-world meeting spaces for crypto-communities.

In New York, lifestyle retailer **HBX** – an offshoot of **Hypebeast** – and cryptocurrency platform **Coinbase** recently partnered for a weekend event uniting the worlds of streetwear and crypto-culture. This phygital pop-up featured an NFT art gallery, a screen-printing station and a prize arcade offering physical fashion garments alongside NFTs. Hosted in December 2021, the event was a teaser for the opening of a permanent HBX shop and NFT marketplace by Coinbase.

Meanwhile, sportswear brand **Adidas** and luxury label **Prada** collaborated on a crowdsourced **Crypto-and-Mortar** project, launched in January 2022. The brands collated 3,000 consumer-submitted photographs, selected by raffle, to be minted into NFTs for free – while giving the original creator the option to own or sell their NFT. All images were then combined and displayed as a large-scale installation in Prada and Adidas flagship stores.

Combining traditional arcade gaming experiences with virtual assets, fashion brand **Fred Segal** has partnered with gaming company **Subnation** on an immersive retail space, **Artcade**. Taking over the existing Fred Segal store in Sunset Boulevard, Los Angeles, the space features arcade-inspired gadgets and gaming hardware, alongside virtual assets such as digital skins and NFTs.

• *Read more on LS:N Global*



80% of NFT transactions in 2021 were made by individual retail buyers

Source: ***Cryptoslate***

Accessible NFTs

London retailer **Selfridges**, together with fashion brand **Paco Rabanne** and museum **Fondation Vasarely**, recently created **Universe**, an in-store experience bridging fashion, art, retail, theatre and NFTs. As part of the retailer's **Corner Shop** concept, the project included an in-store art exhibition, bringing to life the geometric works of French-Hungarian artist **Victor Vasarely**, complemented by 12 Paco Rabanne NFT garments. To make the concept as accessible as possible, Selfridges also offered customers the opportunity to buy NFTs with a regular bank card.

MACROTREND

Hyperphysical Stores

In a post-Covid landscape, changing consumer needs are driving retailers to rethink bricks-and-mortar stores to be more engaging, sensorial and memorable.



Gucci Vault creative by **Max Siedentopf**, Italy

The **Dreams** lifestyle store designed by **Adi Goodrich** offers a colourful surrealist retail space aimed at creating an emotional journey for shoppers through interiors and colours, Los Angeles

While e-commerce is accelerating to offer multi-layered and sometimes confusing experiences for customers and brands, bricks-and-mortar shops are becoming bastions of extraordinary, sensorial moments.

These next-generation spaces can be seen through the lens of hyperphysicality; that is, the essential soulfulness required in physical spaces in the wake of global lockdowns.

Exploring the idea of hyperphysicality, business analyst Marie Dollé says it's about 'giving a 'higher life' to physical spaces and objects, and 'injecting culture to get us out of our cocoons'. In this vein, architect Thomas Heatherwick explains: 'The physical world has to be really conscious of how it's going to connect with your feelings and emotions because [physical spaces are] not this automatic thing that you have to engage with as much as you did in the past.'

'As we come out of this restricted time, people are really excited about the idea of having physical experiences, creating new emotional memories and stories, and coming together with people again'

Andrew Keith, managing director, ***Selfridges***

To re-ignite footfall in the post-Covid era, retailers must entice consumers with meaningful spaces and experiential services that elevate the traditional experience of being in a store. This desire for more engaging shopping experiences is particularly apparent across Europe. An **Epson** survey found that 75% of European shoppers – and over 80% of Millennials and Gen Z – said they would change their shopping behaviour if high street stores were more experiential.

While our 2018 macrotrend **Storefront Salvation** explored the need for physical and digital touchpoints to work symbiotically to improve customer experience, now – amid the buzz that has built around metaverse malls and social media storefronts – bricks-and-mortar stores must work harder. Retailers can certainly draw from the myriad shopper behaviours and experiences that can be found online, but they must augment and elevate their physical outlets using materials, design, sensory stimuli and human interaction in ways that only physical spaces can achieve.

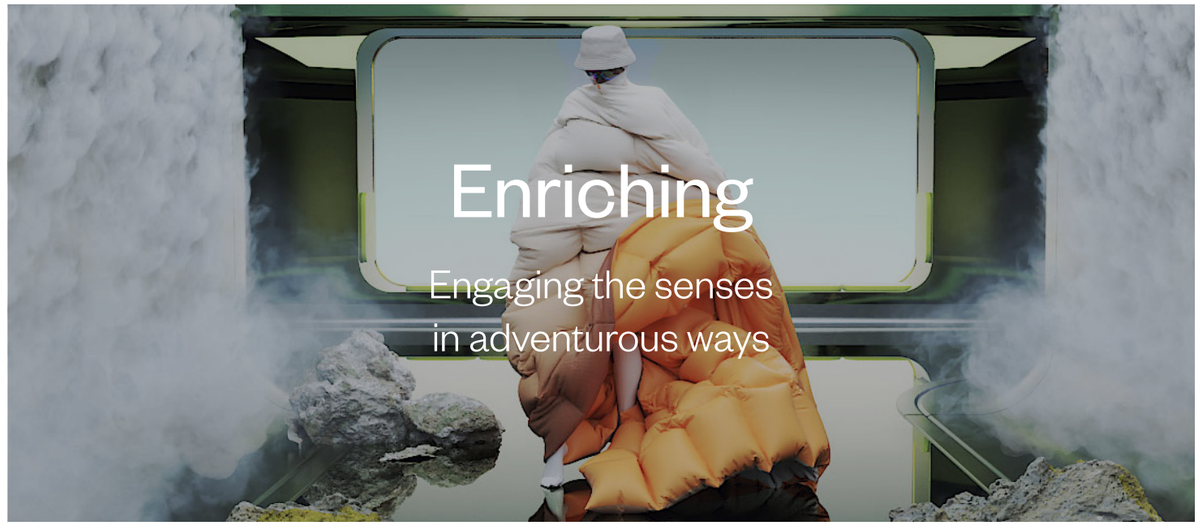
'In this next chapter of retail innovation, many store environments will be less about selling products and more about providing us with enriching, emotional, ethereal and exclusive experiences,' says Martin Raymond, co-founder of The Future Laboratory. 'We call these the Four Es of Retail, and in the wake of the pandemic, retailers can use them to craft enveloping, exciting and engaging moments that build meaning and sentiment with shoppers.'

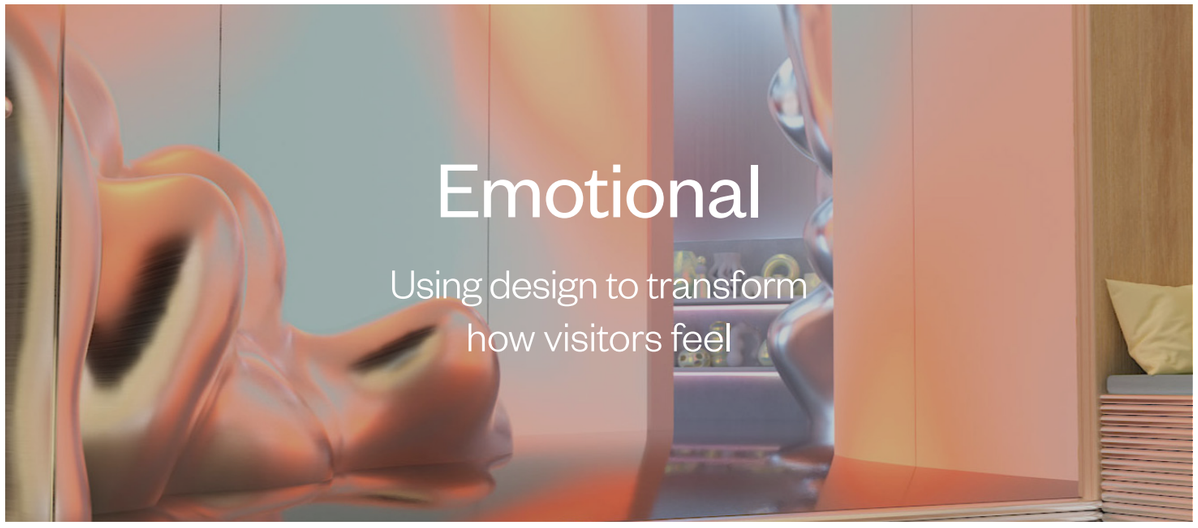
Indeed, stores will be worth the investment. Research by **eMarketer** provides promising insight into the global growth of physical retail in the coming years, forecasting that bricks-and-mortar retail sales will grow between 2.6% and 3.4% by 2025. The same study also notes that bricks-and-mortar stores will attract more new spending in 2022, continuing the pent-up demand for in-person shopping post-Covid – with £534bn ($702bn, €648bn) projected for physical stores versus £459bn ($603bn, €557bn) for e-commerce transactions.

For 2022 and beyond, evolving consumer values mean that retailers must think beyond hyperconvenience and uniform aesthetics, and instead work to create spaces that balance purpose and pleasure. In an age when technology is accelerating, Hyperphysical Stores provide a framework for applying new bricks-and-mortar strategies that put shops centre stage.

The Four Es of Retail

An essential framework for creating enticing and engaging store formats fit for a fluctuating retail landscape









Drivers

Moving through the pandemic, retail experiences are being shaped by widespread financial insecurity, shifting collective priorities and changing preferences around customer journeys.

Perplexing Tech

In a rapidly evolving technology landscape, various tools and strategies have been enticing retailers to explore new ways to market and sell products, from social media marketplaces to live-stream retail and metaverse storefronts. Yet, with just 16% of Americans able to define what the metaverse is, according to **Ipsos**, operators are being challenged to walk before they run into unfamiliar virtual retail realms.

One reason is patience. As explored in **The Focus Filter**, brands are fighting for people's attention amid ceaseless distractions, especially online. Analysis by America's **National Retail Federation** shows that when it comes to live-stream retail, Millennials and Baby Boomers are less likely to have the time or patience to keep track of product drops or demos.

Albert Vita, founder of home improvement service **Homebirds** and former director of strategy and innovation at **Home Depot**, notes that with so much technology available, some retailers have been 'putting up digital touchpoints without a true understanding of their impact on the customer journey'. Indeed, a survey by **Retail Brew** and **Harris Poll** found that only 30% of US consumers want more technology as they shop, pointing to a future of physical retail where technology silently supports shoppers' experience, instead of shouting for their attention.

Global Driver :
Accelerating Technologies

People are spending more time socialising and shopping in digital platforms

What are Drivers?

Sometimes referred to as mega-trends or global forces of change, drivers are fundamental shifts and external forces that have the potential to reshape the future trajectory of a brand or business. They differ from trends in that they are long-term structural forces that are pervasive, powerful and transformative.

Photography by **Cottonbro**



Circa5000 rebranded by **Ragged Edge** aims to create a more human future for technology companies, UK

Convenience Fatigue

In the era of **Eco-venient Retail**, shoppers are now more aware of ways to balance expedited delivery and access to products with greener processes. Despite accelerating e-commerce, however, there is a side effect: consumers are still drawn to the tactility of physical stores.

According to a study by consultancy **PwC**, nearly half (48%) of global consumers make purchases in a physical store at least once a week, compared to 41% who do the same on their mobile or smartphone. Furthermore, digitally native Generation Z still see the value in physical stores: Gen Z (45%) are as likely to have shopped in stores over the past 12 months as Baby Boomers (44%).

In light of such insights, the function and purpose of the store is evolving. 'Retailers and brands are recognising that we're now living in a world where meetings happen on **Zoom**, tv can be streamed 24/7 and **Amazon** delivers anything you want the next day,' says David Rockwell, founder of architecture firm **Rockwell Group**. 'Why do we as consumers ever need to leave our homes? Well, because we want the electricity that comes from live togetherness.'

Global Driver : Accelerating Technologies, Urban Mindset

People are spending more time socialising and shopping in digital platforms. Convenience has emerged as a powerful force in wider society

48% of global consumers make purchases in a physical store at least once a week

Source: ***PwC***



Creative agency **Don't Panic** has teamed up with non-profit organisation **38 Degrees** to launch **#SendItToRishi**, an initiative calling on people to post soaring energy bills to the government, UK

Indisposable Income

The impact of Covid-19, ongoing job insecurities and the increasing cost of living are threatening to reduce disposable income across the world, while fostering behaviours centred on fiscal security and frugality.

Recent research from **Resolution Foundation** finds that typical real household income in the UK will be 4% lower – or £1,000 ($1,310, €1,199) less in the year 2022/2023. Dame Clare Moriarty, CEO of **Citizens Advice**, says: 'All of us are noticing our bills go up, but for people on the tightest budgets there's simply nothing left to cut back on.'

Meanwhile, global unemployment is expected to stand at 205m people in 2022, greatly surpassing the 187m recorded pre-pandemic in 2019. Considering the long-term scarring of the pandemic on global economies, the worst affected regions for unemployment in the first half of 2021 were Latin America and the Caribbean, and Europe and Central Asia (source: **International Labour Organization**).

And while youth demographics are traditionally a core target for retailers, the UK's Generation Z are now experiencing soaring inflation for the first time in their lives. In the US, Gen Z are also largely living from pay cheque to pay cheque. **Pymnts.com** found that, as of December 2021, the average savings for this group are just £879 ($1,158, €1,044).

Global Driver : Dislocated World

We're living at a heightened time of partisanship around the world



‘Unfortunately, for many, friendship networks remained smaller months after lockdown’

Source: ***World Economic Forum***

Societal Reset

The pandemic and wider social and political events are driving a mass re-organisation that centres our lives, experiences and interactions on empathetic values – a shift that The Future Laboratory calls **Neo-collectivism**.

With loneliness now a global epidemic – a lingering symptom of lockdowns – friendship and social circles have been hit. In Australia, **World Economic Forum** research shows that ‘some [people’s] networks shrank because of a lack of opportunity to catch up… unfortunately, for many, friendship networks remained smaller months after lockdown’. To counter this, retail brands – arguably the age-old assemblers of people – have an opportunity to provide places and experiences that reconnect and revive our real-life connections.

Indeed, in cities across the world, there is a need for blended cultural realms where multiple activities and communities intersect, even helping to shape the movement of people. A US survey by **Knight Foundation** found that a sense of community can have a strong influence on where people choose to live. Those with greater access to public spaces in 26 metro areas reported being ‘more satisfied’, identifying more with the local culture and lifestyle, and showing a stronger preference for staying in the area.

Global Driver : Dislocated World, Evolving Demographics

We’re living at a heightened time of partisanship around the world. Society is in a state of flux and people are looking for a renewed sense of connection

Caroline Mackintosh and Gavin Mikey Collins for Document Journal, South Africa

Insight

Using the Four Es of Retail, a new framework for physical retail is emerging guided by the need for community-orientated services and sensorially charged, memorable experiences.

Appointment Abodes

As an antidote to the flat hyperconvenience of traditional e-commerce, bricks-and-mortar retailers are adding exclusivity back into shopping, rolling out invitation-only services to make the shopping experience like visiting someone's home.

Central to this are appointment-only services. In a study by **Accenture**, 62% of consumers said that scheduling in-store appointments could inspire them to return to physical shops. 'It also keeps staff productive. If an associate can spend time with someone with a high propensity to buy, they can use their time more effectively,' explains John Federman, CEO of appointment platform **JRNI**.

Seen in practice, premium shoe brand **Esquivel** welcomes three to five customers per day behind the scenes at its shoe-making atelier in Los Angeles – by appointment only. Each customer is invited to meet its shoe-makers while enjoying an espresso or Italian gelato.

Soho House, meanwhile, is expanding its members-only model to its homeware retail offering. Its **Home Studio** in New York mirrors the interiors of its global clubs, with in-house design consultants available to advise guests one to one.

Taking this further is Italian label **Brunello Cucinelli**, whose appointment-only **Casa Cucinelli** concept store in New York is described as a 'shoppable apartment'. This homely and welcoming space features a library, a walk-in wardrobe and pantry stocked with Italian produce, making the shopping experience feel more like time spent at a friend's house.

Four Es of Retail : *Exclusive*

What is Insight?

Insights explore the nascent consumer behaviours, attitudes and trend responses emerging today that will evolve or gain traction in the near future through to 2027. Insights help brands and businesses to understand and identify the opportunities presented by this trend.

The Connaught's Red Room in London offers a bar and hospitality space designed to feel like an art collector's home



The Coldest Pop-up Store by **The North Face**, China

Try-before Trading

Amid widespread consumer prudence on spending post-pandemic, the next era of stores will focus on supporting shoppers' buying confidence with immersive try-before-you-buy services.

Such spaces will benefit shoppers by providing knowledgeable customer service bolstered by the ability to learn and test a product before an investment is made.

In Brazil, interior architecture studio **Estudio Guto Requena** has created an experiential store for mattress brand **Zissou**. A 'dreaming bedroom' in the store invites shoppers to lie down on a Zissou mattress, while enjoying a meditative soundscape.

Elsewhere, **Situ Live**'s discovery playhouse in London lets shoppers test products from brands such as **Peloton**, **Sage** and **Bosch** in a homely setting.

It also uses retail theatre to elevate product demonstrations. As John Emmerson, chief operating officer of Situ Live, tells The Future Laboratory: 'When a customer walks in they meet our demonstrators, who use the art of everyday storytelling to bring products to life.'

Offering a more extreme example is outdoor brand **The North Face** with its **Coldest Pop-up Store** concept. Situated in the remote Changbai Mountains in China, the store was uniquely positioned to demonstrate how its latest collection of jackets, boots and pickaxes would fare in the real-life conditions in which customers would use them.

Four Es of Retail : *Exclusive*

'We feel that physical retail needs to move towards a more experiential model, especially at the price point of the products that we're looking to showcase'

John Emmerson, chief operating officer, ***Situ Live***



30% of global customers are willing to pay more for excellent service, a **6%** increase compared with 2019

Source: ***CGS***



Zünc Studio for The Future Laboratory

‘Why not offer a solution to our customers where we could host these amazing weddings?’

Rebecca Warburton, director of events and customer experiences, ***Selfridges***





Left: **Dior** flagship store on Avenue Montaigne, Paris; Above: **Mon Vintage Vivienne Westwood** corset and skirt and **Bay Garnett** veil, available at **Selfridges** London

Venues with Benefits

To heighten the connections that customers feel with retail brands and their stores, some are transforming shops into event spaces and venues. For retailers with large store footprints in prime urban locations, there are growing opportunities to go beyond functional transactions and product displays.

Building such sentiment will be key for loyalty: customers who have an emotional relationship with a brand have a 306% higher lifetime value and will recommend a company at a higher rate (71%) than satisfied customers (45%) (source: **Motista**).

One example of venue retailing is design company **Vipp**’s concept space in Copenhagen, which morphs into a dining room full of the brand’s furniture. The space, **Vipp Pencil Factory**, hosts a roster of local chefs who create intimate supper clubs with accompanying musical entertainment.

Amplifying emotional connection further is London department store group **Selfridges**, which obtained a licence to host weddings in 2021. The retailer draws on its variety of assets – from its beauty services and fine dining restaurants to in-house DJs and on-site cinema – to offer a series of wedding packages for memorable, modern ceremonies, hosted in its iconic building.

In Paris, luxury brand **Dior** has unveiled its renovated historic flagship store as a multi-purpose venue. The building, which spans nearly 108,000 square feet, houses a large-scale permanent exhibition space, two restaurants, three gardens, and even a private guest suite. ‘It’s not just a flagship – it’s a universe that we present,’ says Pietro Beccari, chairman and CEO of **Christian Dior Couture**.

Four Es of Retail : *Emotional*

Customers who have an emotional relationship with a brand have a **306%** higher lifetime value

Source: ***Motista***

Celebrating Culture

Super Culture by **Selfridges** is a new programme of events, films, installations and experiences. It celebrates the most exciting ideas in the arts, both online and in-store, through performances, installations and window displays. Pictured here is a free exhibition of contemporary sculpture by artist **William Darrell** in Selfridges, London

Legacy Locations

To instil a sense of wonder and intrigue among shoppers, retailers are associating themselves with landmark locations, with shops doubling as destinations to share the stories, history or cultures of particular regions and citizens.

In Chengdu, **Louis Vuitton** has integrated a historic building into its store design. Comprising the historic Guangdong Hall and an open courtyard for retail, cultural and lifestyle experiences, the store is filled with Chinese artworks and furniture that celebrate local history.

Indeed, these Legacy Locations give brands a chance to flex their support for local culture both past and future. Occupying the historic Palazzo Marignoli in Rome, **Apple**'s Via del Corso store balances the brand's contemporary retail needs with a respect for its classical architecture. Having restored much of the original artwork and architecture internally, Apple has also opened a previously gated on-site courtyard for public use. The space will also host an educational programme dedicated to the next generation of young Romans.

In Houston, architecture firm **OMA** has re-imagined the abandoned **Barbara Jordan Post Office**, once a hub for the local community. The resulting multi-purpose space, **POST**, features a food hall, rooftop garden, concert hall, recreational areas and co-working spaces. 'POST Houston will be a microcosm of the diversity that makes the city itself so exciting,' explains Jason Long, a partner at OMA.

Four Es of Retail : *Enriching*



Louis Vuitton Maison at **Sino-Ocean Taikoo Li**, Chengdu



Distance Iten by **Distance**, Kenya

Neo-collective Centres

Building on the ways in which retail can bolster society post-pandemic, and amid ongoing social and political upheaval, a new generation of stores are focusing on fairer distribution of funds, goods and services.

Taking cues from **Neo-collectivism**, a movement driven by empathy and community, retailers are creating enriching spaces that facilitate and provide more meaningful services. One example is luxury goods group **LVMH**, whose recent redevelopment of Parisian heritage department store **La Samaritaine** includes facilities that benefit the wider community, including a nursery for about 80 local children and 96 public housing units.

With more than a third of consumers in the UK, Australia and New Zealand saying that a sense of community is a top motivation to visit local shops, other models are emerging that inspire responsibility at a local level (source: **Shopify**). Designer **Francesca Tambussi** has created a concept for grocery retail that uses a peer-to-peer payment system to send funds directly to suppliers. It also operates a give-back system that encourages shoppers to volunteer time to clean or donate re-usable packaging to the store.

In Kenya, Parisian running brand **Distance** has opened a store that provides access to recent collections at accessible prices. Unlike many retail models, the store's goal is less about making a profit and more about creating jobs and, eventually, bringing staff and athletes to France to take part in competitions.

Four Es of Retail : *Enriching*

‘We feel great pride in restoring access to a historical monument that… holds a special place in the hearts of Parisians’

Jean-Jacques Guiony, chairman and CEO, ***La Samaritaine***

Landmark Locations

As part of its **Towards A Dream** campaign **Louis Vuitton** has worked with visual artist **Viviane Sassen** to shoot their products in archeological site Petra and the desert valley of Wadi Rum

Contemplative Stores

For some shoppers, the return to bricks-and-mortar spaces has come with trepidation, driving retailers around the world to create calmer shopping areas inspired by places of tranquillity and contemplation.

Amid this shift, public libraries have become a source of inspiration for brands. Architecture firm **Snøhetta** provides one example, with its library-informed pop-up for tablet brand **reMarkable**. The space integrates timber desks, leather banquettes and small domed reading lamps. Such analogue cues align with the rejection of perplexing tech – 58% of US and Canadian Generation Z say that in-store browsing is a way to disconnect from the digital world (source: **Kearney**).

In Jakarta, **Templ** is a concept store that combines a calm, reflective environment with a community focus for Indonesian Generation Z shoppers. Taking inspiration from ancient temples, the space provides a more contemplative alternative to the sprawling shopping malls commonly found in Southeast Asia.

Elsewhere, premium menswear label **Bode** shows how stores can become a portal to the past. Its third retail space, in Hollywood, is designed to resemble a natural history museum, complete with taxonomy placards, fossils, and even a model animal skeleton. The 'pre-industrial' aesthetic of the interior complements the company's slow fashion credentials, encouraging reflection and dwell time. Considering the shift towards contemplative stores, Luke Weston, creative strategy lead at **Dalziel & Pow**, explains: 'Fundamental shifts in shopping habits are enabling brands to rethink their formats and make room for more empathetic experiences.'

Four Es of Retail : *Ethereal*

A Better Place to Think by **Snøhetta** for **reMarkable**, Oslo



Reviving Retail Therapy

Left: **Superself**, a wellbeing initiative by **Selfridges** designed to help clients rest and rejuvenate while shopping, London; Right: **Mon Parnasse** flower shop greets shoppers with a tranquil secret garden, Paris



Some **58%** of US and Canadian Generation Z say that in-store browsing is a way to disconnect from the digital world’

Source: ***Kearney***

Foresight

By the 2030s, the nature of physical retail will continue to flex to better serve communities, their phygital identities, and far-reaching desires for exploration and discovery.

Third-space Experiences

Building on the Neo-collective Centres emerging throughout the 2020s, the next era of Hyperphysical Stores will break free from the confines of the storefront. These outdoor spaces will serve communities and solidify civic values.

At a time when trust in governments is at an all-time low, mounting pressure is on businesses and NGOs to act as stabilising forces in society. As the **Edelman Trust Barometer 2022** reveals, global consumers rank businesses 53 points higher than governments on competence – and expectations could grow further.

Aligning with the shift towards **Equilibrium Cities**, retailers will activate long-term public spaces that benefit local populations. Planting the seeds of such futures is **Louis Vuitton**, with its efforts to restore biodiversity – and reconnect people with nature – through its **Heritage Forest** project in London that revives public gardens. This points to potential for brand-led activations that inform city-wide urban planning.

In Japan, fashion retailer **Uniqlo** is basing its **Yokohama Bayside store** on the idea of outdoor play and exploration. Highlights of the exterior include a colourful bouldering wall, slides and a climbing frame for children. This third-space strategy is all about making Uniqlo flagship stores must-visit spaces. ‘We know that people need a reason to visit a bricks-and-mortar store, so we want to make shopping a delightful experience,’ explains Takahiro Kinoshita, group executive vice-president and creative director of **Fast Retailing**, Uniqlo’s parent company.

What is Foresight?

Foresights examine speculative future scenarios 5–10 years in the future. Building on the Insight section, they show new directions, divergence and developments.

Gucci Vault, Italy

By 2030, **three-quarters** of consumers expect to be able to project their home inside the store to try new products

Source: ***Ericsson***





Left: **Zünc Studio** for The Future Laboratory; Right: **Patented Futures** by **Andreas Bjørn Ibsen** and **Modem** features technology such as gloves that will allow users to control applications in augmented or visual reality, Denmark

Hybrid Hubs

In the future, the expert customer service explored in Appointment Abodes will take on increasingly hybrid formats, with the potential to shape much larger retail locations.

'Immersive store experiences will evolve over the next five years, as we start to balance lives that straddle the metaverse and physical worlds,' predicts Alix Cherowbrier, lead creative strategist at experience design studio **Bompas & Parr**. 'We're likely to see elevated haptics in store environment design,' she continues, whereby people can touch and feel products remotely.

These Hybrid Hubs will emerge as people place fewer distinctions between their online and offline selves. Already, **Wunderman Thompson** reports that UK gamers place almost equal importance on looking good in-game (61%) as they do on looking good in real life (65%).

Signalling this hybrid future for retail, telecommunications company **Ericsson** predicts the emergence of hybrid malls – places where 'AR glasses, haptic body suits and tactile gloves are available at low cost'. Its **Everyspace Plaza** concept illustrates this, featuring phygital services such as a Meta Tailor, who creates bespoke garments for customers to wear in real life and as avatars. A second concept, the Neverending Store, elevates the trend for Storytelling Stores by augmenting and connecting the home and mall so shoppers can see how items will fit at home using digital projections. Ericsson found that by 2030 three-quarters of consumers expect to be able to project their home inside the store when trying out new products.

‘We will literally ‘live’ our brands, entering physical brand worlds that allow us to interact with them in more meaningful ways’

Alix Cherowbrier, lead creative strategist, ***Bompas & Parr***

Zünc Studio for The Future Laboratory



Left: **Web-3 Café** by **Crosby Studios** and **Gaia Repossi** merges the metaverse with physical retail. The installation, which promotes the launch of a new video game set to be released by Crosby Studios later this year, offers shoppers furniture pieces available to purchase both in real life and in the game, and also allows users to design their own interior spaces as they go; Right: Rendering by **N&MS** (**Nam Huynh** and **Mark Bohle**). Illustration by **Shuhua Xiong** for **Good Buy Dietz**, 2021

DAO Developments

By the 2030s, the growth of decentralised autonomous organisations (DAOs) will result in a renewed relationship between consumers and retailers. In this next era for retail, membership among brands will be given an **alternet** upgrade, turning loyalty into a privilege that informs the future of meaningful stores. What will emerge are retail brands developed by DAOs – headless digital-first collectives that enjoy shared governance and decision-making over everything from store location and interior design to new product launches.

Food retailers are already taking ambitious steps towards this future. One example is **BurgerDAO**, which plans to build the world's largest DAO-driven restaurant group. To do this, it will invite members of the public to purchase an NFT to become part of the DAO, which unlocks membership rights including the ability to vote on menus, ingredients and marketing.

Elsewhere, **FriesDAO** is embarking on a project it describes as a 'decentralised social experiment', inviting crypto-communities to crowdfund the purchase of fast-food franchises such as **McDonald's** and **Subway**. Taking a civic approach, the group aims to provide jobs and sustenance for former crypto-traders.

Indeed, for retailers wanting to promote access and willing to collaborate with – if not, hand the reins to – their audiences, embracing the collective approach of DAO communities could foster a more exciting and meaningful future for their brands and the communities they serve.

77% of global consumers say that the most important group they are part of now operates online

Source: ***Facebook***









Architectural firm **Sybarite** is taking inspiration from space to inform the design and experience of its **SKP-S X'ian** shopping destination, China

Extraterrestrial Retail

As sensory retail accelerates, retailers will push their experimentation beyond the confines of planet Earth, finding new homes for customer experiences, products and services.

Retail will soon align with the rise of space tourism and extraterrestrial innovation. Predicted to reach a value of £422m ($555m, €510m) by 2030, the space tourism industry will present new opportunities for brands – particularly those targeting exploratory luxurians who want to buy souvenirs or engage with their preferred brands in out-of-this-world surroundings (source: **Statista**).

Already, boundary-pushing architectural firms such as **Sybarite** are taking inspiration from space to inform the design and experience of shopping destinations on Earth. Its latest department store, **SKP-S X'ian**, aims to 'move people out of their comfort zone to other-worldliness', explains Torquil McIntosh, co-founder of Sybarite. The store features an immersive mirrored structure, the Time Tunnel, which represents the journey between Earth and space. Considering future retail destinations, McIntosh emphasises that brands must devote 'space to wander, going against usual retail operating models'.

Aerospace companies are already preparing for Extraterrestrial Retail. **Blue Origin** and **Sierra Space** are developing a mixed-use space business park known as **Orbital Reef**. Due to open in the second half of the 2020s, the multi-purpose space station will provide space for retailers to trade in intergalactic realms.

The space tourism industry is predicted to reach **£422m ($555m, €510m)** by 2030

Source: ***Statista***

Space-inspired clothing store **(SO)What** designed by **Various Associates**. Images by **Urvirsion Co/Zheng Fang**, **Tang Cao**, China

Strategic Implications

As the retail sector prepares to adapt and flex in line with changing consumer demands, these are the steps that can be taken to prepare for a landscape of Hyperphysical Stores.

Cafe Krujok by designers **Eduard Eremchuk** and **Katy Pititskaya** offers customers a surreal hangout space that is inspired by doughnuts and pastries, Russia



Strategic Actions

As the retail sector prepares to adapt and flex in line with changing consumer demands, these are the steps that can be taken to prepare for a landscape of Hyperphysical Stores.

Create a retail sanctuary

Facilitate a sense of wellbeing through your space, using your staff, operations and interiors to create a sense of tranquillity. Implement quieter shopping hours and analogue cues to encourage slowness and reflection, and prioritise outdoor areas in your store design, maximising access to natural lighting.



Glossier, Seattle

Foster emotional connections through stores

Create momentous destinations that capitalise on the wide-ranging opportunities for physical shops. Reframe your store as a landmark destination that offers more than transactional needs. To do this, optimise your interiors and assets to host enriching events, from weddings to club nights.



Family Kitchen & Shop, Kew Gardens by **Mizzi Studio**

Bridge the phygital gap

Rather than adding meaningless digital touchpoints in stores, fuse your e-commerce and bricks-and-mortar strategies together. Work towards a future when haptic technologies will be a core part of your physical destination, adding value to consumers that are already familiar with immersive technologies.



MetaBirkins by **Mason Rothschild**

Thought-starters

To prepare for the coming decade, these are the questions that will help you future-proof your business and evolve in line with the tenets of Hyperphysical Stores.

Ignite people's senses

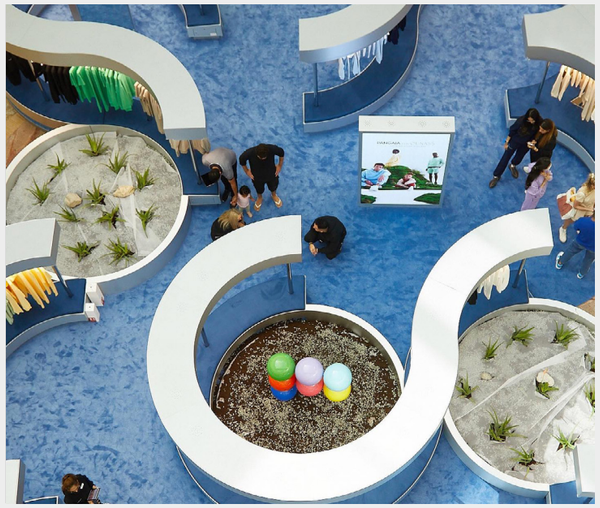
With many shoppers feeling overwhelmed by technology and fatigued by hyperconvenience, seize the opportunity to help re-ignite people's senses. How might you create enriching, emotional, ethereal and exclusive experiences for your customers?



Summer Awakening by **Selfridges**, UK

Become a social store

In an era of Neo-collectivism, consider how store environments can facilitate connections and act as forces for good in society. Could you integrate community services into your retail operations?



Pangaia, US

Prepare to power-share

As the retail sector adopts new meanings for shoppers, business models will increasingly be informed by the collective decisions of consumers. Are you prepared to hand over the reins to emerging Web3 communities?



Adidas

Related Macrotrends

2015

Revelation Brands

Amid the rise of the digital revolution – and a backlash against it – we explored how brands could help consumers rediscover discovery, and bring serendipity and revelation back into their lives.

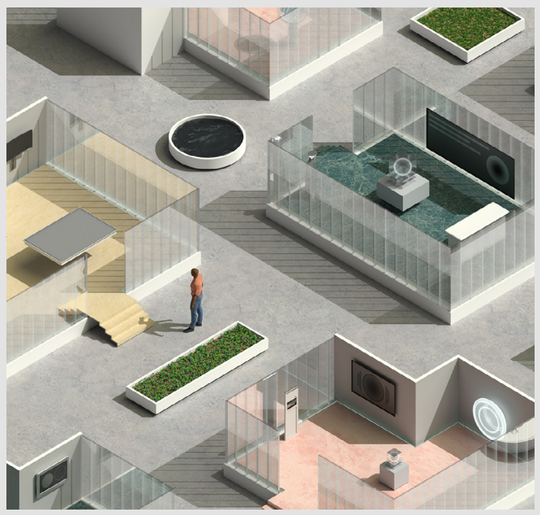


Stampsy branding by **Six&Five Studio**

2018

Storefront Salvation

Our 2018 macrotrend examined how retailers could reconsider the purpose of bricks-and-mortar shops, fuelled by an understanding that saving the store relies on a combination of physical touchpoints and digital technology.



Storefront Salvation visuals by **Max Guther** for The Future Laboratory

2019

Community Commerce

E-commerce has been defined by the promise of convenience. Amid this quest for efficiency, we examined the growth of alternative ways to access and exchange products and services in the digital realm.



Community Commerce visuals by **Pitch Studios** for The Future Laboratory

2022

Neo-collectivism

A mass shift in societal values has resulted in a rejection of individualism. Given this embracing of empathy and community, we uncovered how consumers are forming alliances that are decentralising industries and redistributing power at scale.



Kenzo's **Utopia is Possible** campaign is a celebration of harmony, optimism and community. Photography by **Vicki King**

Strategic Worksheets

This strategic worksheet is to help you apply this macrotrend to your business.



Web-3 Café by **Crosby Studios** and **Gaia Repossi**

Prioritisation

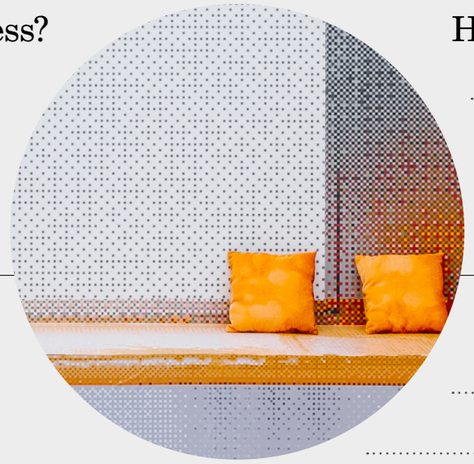
Consider the following:

Which human need is most relevant to your brand/business?

Attainment | Belonging | Curiosity | Identity | Purpose | Security | Fulfilment

Which driver will have the most impact on your brand/business?

Urban Mindset | Dislocated World | Accelerating Technologies | Evolving Demographics | Climate Change & Resource Scarcity | Global vs Local



Influence

Consider the following:

How will this trend affect how you fulfil that need?

What impact could these drivers have on the business?

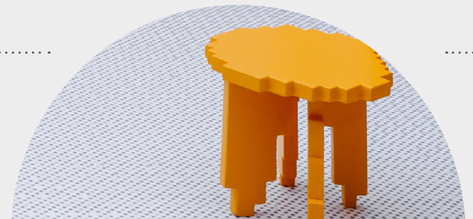
Select two insights that feel most relevant to your brand/business:

How do these insights align with your brand's trajectory?

How could you apply these insights to your business?

Which foresight scenario is your company least prepared for?

What is most surprising about this foresight scenario?



Consider how this macrotrend could affect the following pillars of your brand:



01 Culture

What cultural conversations are emerging and who are the taste-makers?

How do we add value to culture?

What will our consumers pay more for in the future?



02 Category

What's our greatest opportunity?

How is the competition evolving?

How can we differentiate?

Left: **Gucci Vault** creative by **Max Siedentopf**, Italy; Right: **Louis Vuitton Maison** at **Sino-Ocean Taikoo Li**, Chengdu

Consider how this macrotrend could affect the following pillars of your brand:



03 Consumer

What's our greatest opportunity?

How is the competition evolving?

How can we differentiate?



04 Business

What are our biggest challenges?

What part of the value chain will add the most and least value?

What are the strengths of the brand in this future?

Left: **Family Kitchen & Shop**, Kew Gardens by **Mizzi Studio**, London, UK; Right: **Freitag**, Bangkok

Planning

YEAR 1

Over the next 12 months, how will this macrotrend affect your team?

YEAR 2

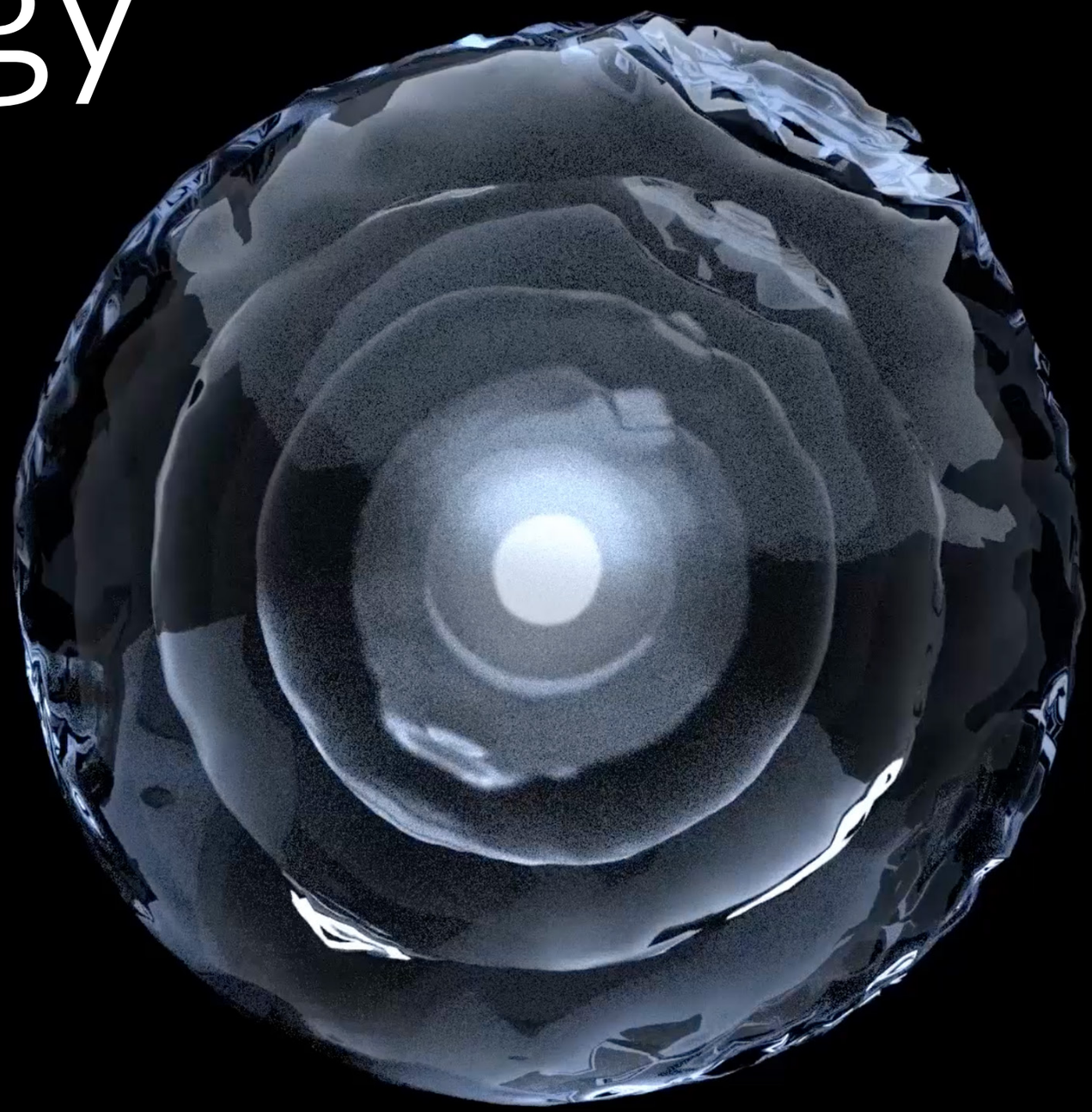
In three years, how will this macrotrend change the brand?

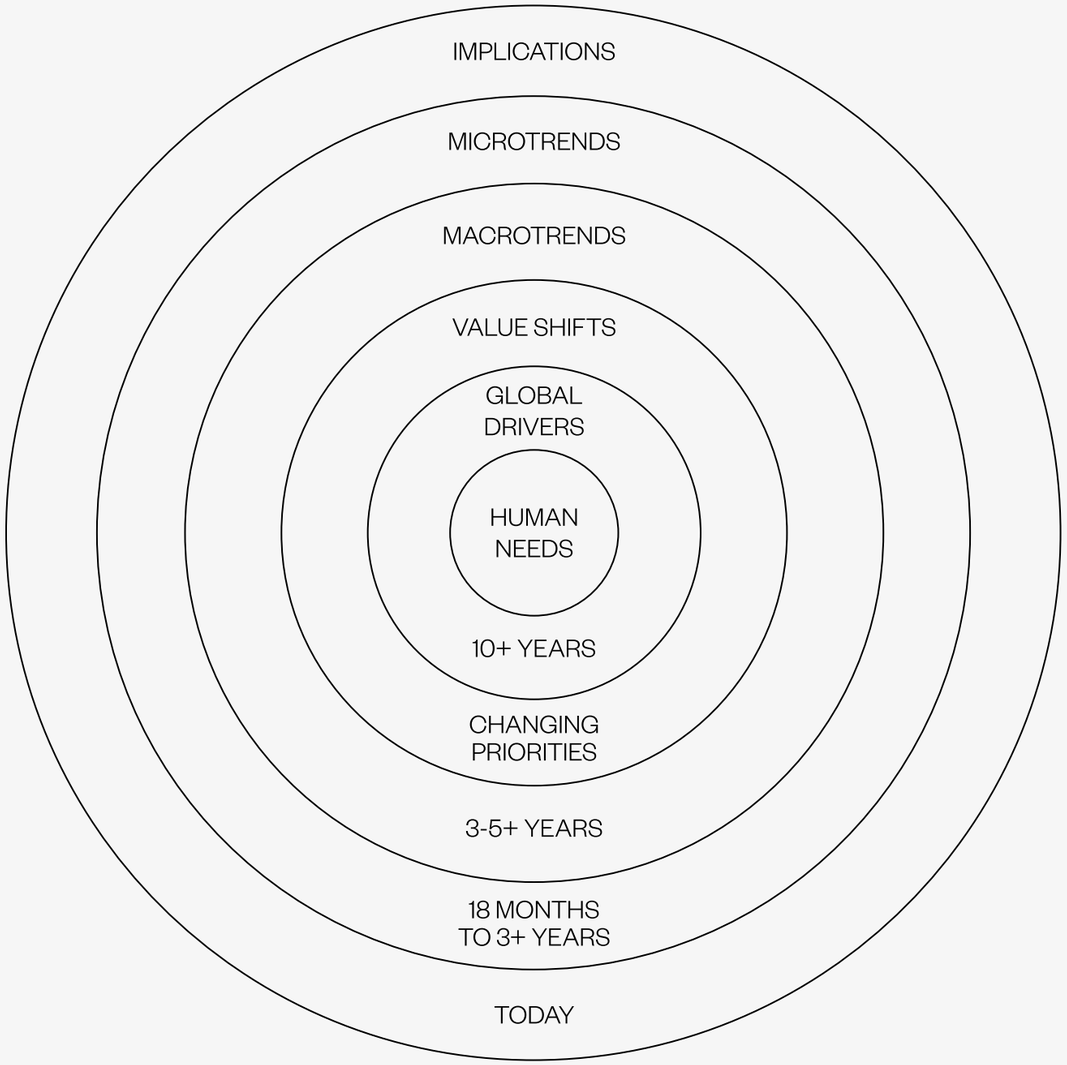
YEAR 3

In five years, how will this macrotrend change the business?

Methodology

The Future Laboratory's unique proprietary methodology allows us to track, monitor and determine the key drivers of change affecting future consumers, culture and business. Here is how we identify our trends.





The Future Laboratory's proprietary foresight methodology

Introduction

Strategic foresight is the most valuable tool you can adopt to identify future prosperity. Despite our reputation for getting it right, we can't predict the future. There is no crystal ball.

However, our methodology enables clients to interpret and frame all their decisions about future risk within a brand, consumer or organisational context that is provable, practical and minimises uncertainty.

We do this by understanding the influence of six global drivers causing profound, consistent – and therefore relatively predictable – change.

Their impact is assessed against seven core human needs and the ensuing value shifts that change consumers' attitudes and behaviours.

This leads us to identify emerging macrotrends and microtrends, and ascertain what their implications are for the future landscape.

Futures Taxonomy

At the heart of The Future Laboratory is a taxonomy that our teams have used since the millennium to shape the strategic thinking and foresight capabilities of FTSE 100, Fortune 500 businesses, and progressive brands and disruptors.

We use this methodology to map, monitor and interrogate the future. It serves as the foundation for everything we do as a business, and is based on six layers of hindsight, insight and foresight:

1 Human Needs

Static and universal needs, based on a value system that supports human nature's physical and emotional programming

2 Global Drivers

The shifting social, technological, economic, environmental and political landscape reshaping the world we live in, affecting everyone and everything

3 Value Shifts

Consumers' changing attitudes and behaviour – a reaction to their contemporary context

4 Macrotrends

The cultural manifestations of new and emerging attitudes worldwide

5 Microtrends

Influential short-term signals indicated by innovation

6 Implications

Future implications for brand and business growth



The Seven Human Needs

The seven human needs are timeless and universal. Based on a value system that supports human nature's physical and emotional programming, each human need is of importance to us as individuals and together they form the foundation of society as well as that of our methodology:

Why they matter:

Every day consumers make decisions based on what they feel and believe is most important. By aligning our research with these static needs, businesses gain a deeper understanding of how the needs of early adopter consumers will translate into product and service needs as their values shift with the global drivers.

The Seven Human Needs

Security

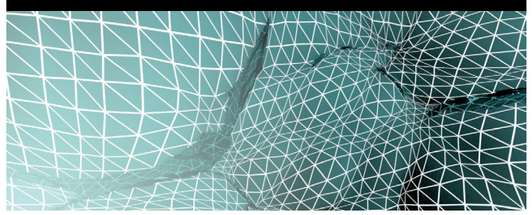


At the core of humanity is a fundamental need for structure, control, certainty and stability. It is a basic human survival instinct to protect ourselves and our loved ones from perceived physical, emotional and economic threats

KEY ELEMENTS

Finance, Health, Food, Shelter, Employment, Safety, Environment, Wifi

Fulfilment

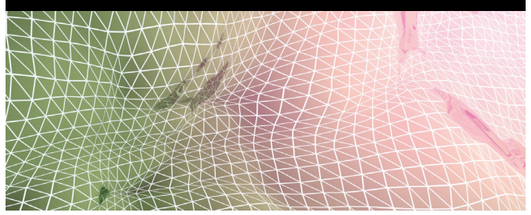


There is a human desire to direct our own lives, to create forms of freedom and to find deeper meaning and balance in life. It is the psychological need to fully realise our personal potential with the resulting feeling of satisfaction

KEY ELEMENTS

Wellness, Spirituality, Love, Emotions, Self-esteem, Beauty

Belonging

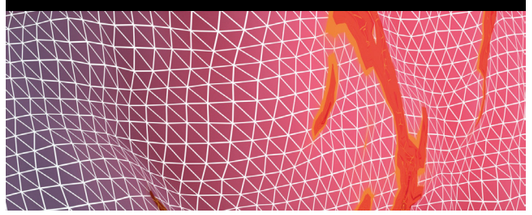


It is a social need to be physically connected to a group of like-minded people. We have an emotional urge, on an individual level, to create support systems and relationships that provide us with acceptance and approval

KEY ELEMENTS

Nationalism, Tribalism, Roots, Conviviality, History, Culture

Curiosity

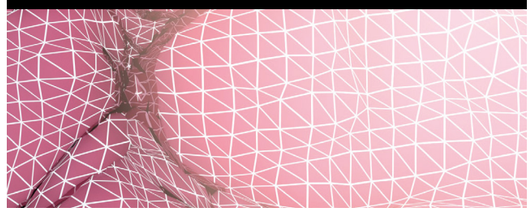


To both create and co-create makes us push the boundaries of what is ultimately humanly possible. Our in-built intuition makes us inquisitive beings with a shared inclination to discover or challenge the norm

KEY ELEMENTS

Exploration, Education, Connoisseurship, Discernment

Identity

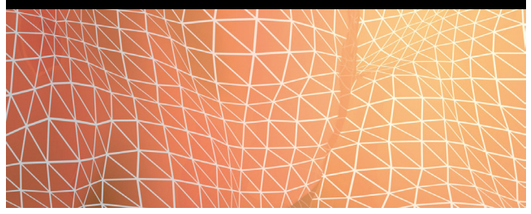


We have a need to distinguish our character or personality from others and to feel unique and respected for who we are. We build our sense of who we are through a personal exploration of gender, sexual orientation, ethnicity and age

KEY ELEMENTS

Gender, Age, Ethnicity, Religion, Nationality, Self-image, Language, Collectivism, Morals

Attainment

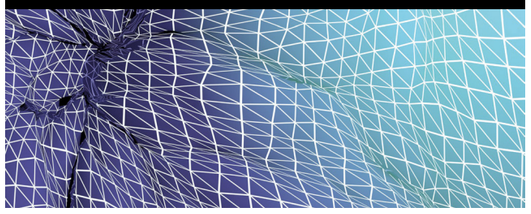


All human beings need to feel respected and recognised among their peers, which drives the desire to constantly express our significance and success, our knowledge and tastes, with our achievements often reinforced through the acquisition of symbolic goods

KEY ELEMENTS

Knowledge, Taste, Work, Respect, Prestige, Connoisseurship, Ownership

Purpose



It is in the interests of the human species for all of us to contribute, participate and add collective value to progress. Each day we plan for a better tomorrow, aligning our passions with our purpose to grow and achieve collective betterment

KEY ELEMENTS

Meaning, Ethics, Mastery, Learning, Collectivity, Sustainability, History, Culture

The Six Global Drivers

Global drivers represent the cultural, social, economic, political, technological and environmental eventualities reshaping the world we live in. They are factual, objective and long-term structural forces that are pervasive, powerful and transformative.

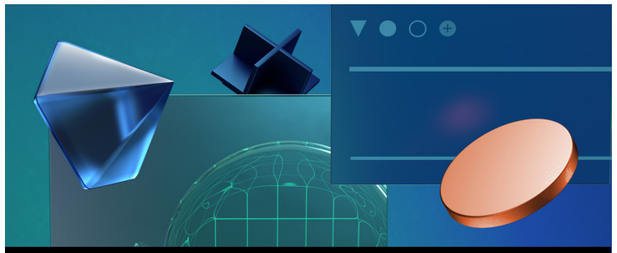
Why they matter: What's next

These are the fundamental shifts or external forces that have the potential to reshape the future trajectory of a brand or business. They help to contextualise decision-making by considering why and how the world is being reshaped. They enable clients to rethink what kind of world consumers will live in and therefore what will drive the businesses of tomorrow.



Mutant Matter by **Dutch Invertuals**. Photography by **Barbara Medo**

The Six Global Drivers



Accelerating Technologies

The digital and offline worlds are converging. For millions of people around the world, living a day without technology is almost unthinkable. On the cusp of a Fourth Industrial Revolution, new technologies are fusing the physical, digital and biological worlds, creating new data streams and altering the way society operates



Climate Change and Resource Scarcity

Climate change is the biggest global risk, according to the **World Economic Forum**. The stresses and conflicts created by this force have far-reaching impacts for our planet, resulting in eco-system degradation, more frequent and harsher weather patterns, competition for resources and new migratory flows



Dislocated World

The Covid-19 pandemic unearthed pervasive inequalities and divisions on a global scale. People are experiencing unprecedented turbulence as political instability and extremism, polarisation between rich and poor, new health epidemics, global trade wars and rapid technological advances contribute to economic and social upheaval



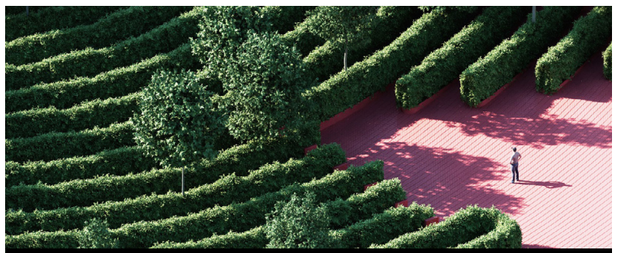
Global Versus Local

Today's interconnected world, in which goods, services, information and culture are rapidly spread, instantly creates an impact in one global region that has a knock-on effect on others. Simultaneously, supply chain shocks, sustainability concerns and economic protectionism are leading to localism being prioritised across many regions



Evolving Demographics

In the next decade, a number of forces will begin to change the global population, contributing to major social and cultural shifts that will affect how we measure and use traditional demographics – including ethnicity, gender, sexuality and age. From new household models to more fluid forms of identity, these shifts will transform our cultural values and day-to-day lives



Urban Mindset

In the past four decades, the number of people living in cities has more than doubled to over 4bn today, more than half the world's population (source: **Wharton School, University of Pennsylvania**). The Covid-19 pandemic revived anti-urban sentiments, but the broader global trend of rapid urbanisation continues

Left to right: **Carolina Carballo** for The Future Laboratory; **EBIOS** by **Interstellar Lab**, US; **Mutant Matter** by **Dutch Invertuals.** Photography by **Barbara Medo**; **Self-sufficient City** by **Guallart Architects**, China; **Protect Your Spirit** by **NorBlack NorWhite** and **Fila India.** Photography by **Prarthna Singh**; **Parc de la Distance** by **Studio Precht**, Austria



Victoria Ling for The Future Laboratory

The Value Shifts

We know that our needs are prioritised, expressed and pursued differently as time, culture and social requirements change.

The evolving forces sitting above these needs are changing our value expectations, transforming our aspirations and priorities, and beginning to reveal the role, the purpose and the direction that brands and businesses can take as they move towards 2030.

Identifying how societies and culture are changing provides the sociocultural context for our macrotrends.

Why they matter: What to plan for

As consumer values shift from year to year, we track their evolution through the lens of our global drivers and human needs to help businesses stay ahead of the cultural curve and understand the trajectory of the trends they have invested in or should be investing in.

Macrotrends

We can identify future macrotrends by studying the behaviours of innovators and early adopters who signal the cultural manifestations of new and emerging attitudes globally.

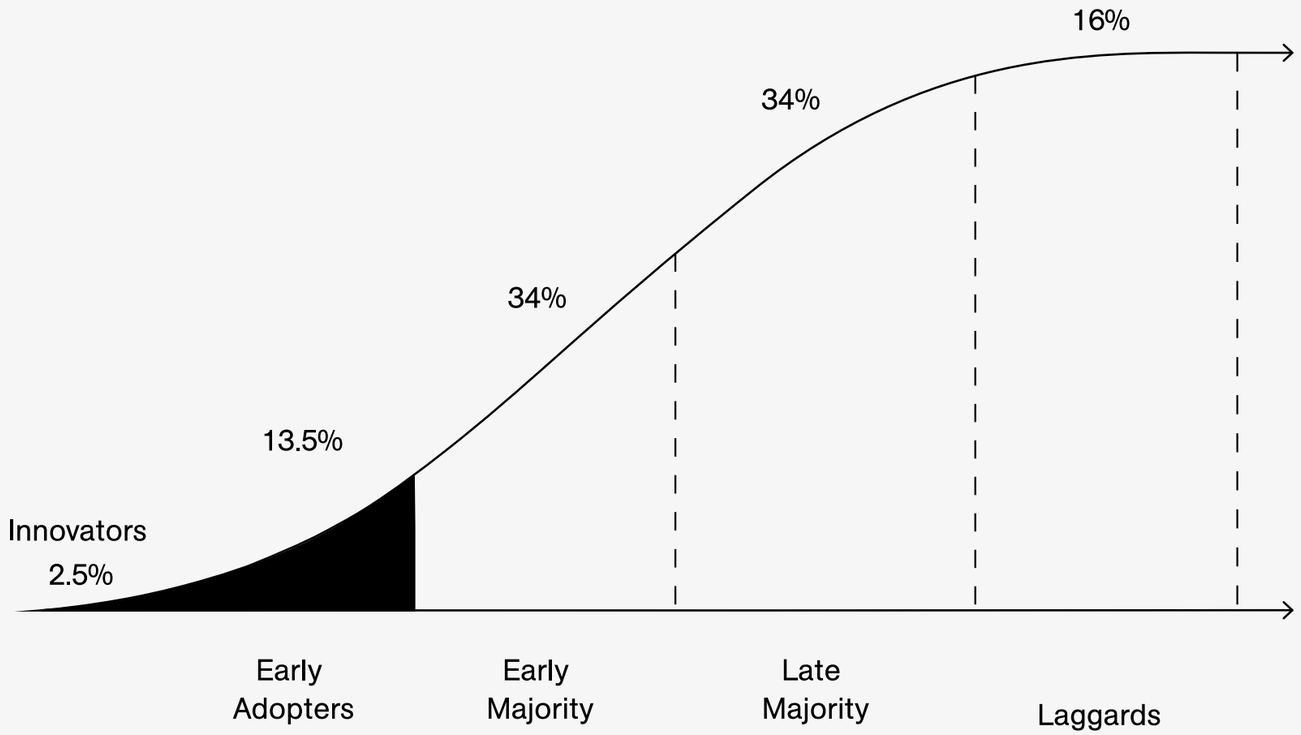
Why they matter: Where to play

To understand revenue-driving early and late majority consumers, we focus on innovators and early adopters who determine today what the rest of us will be doing tomorrow.

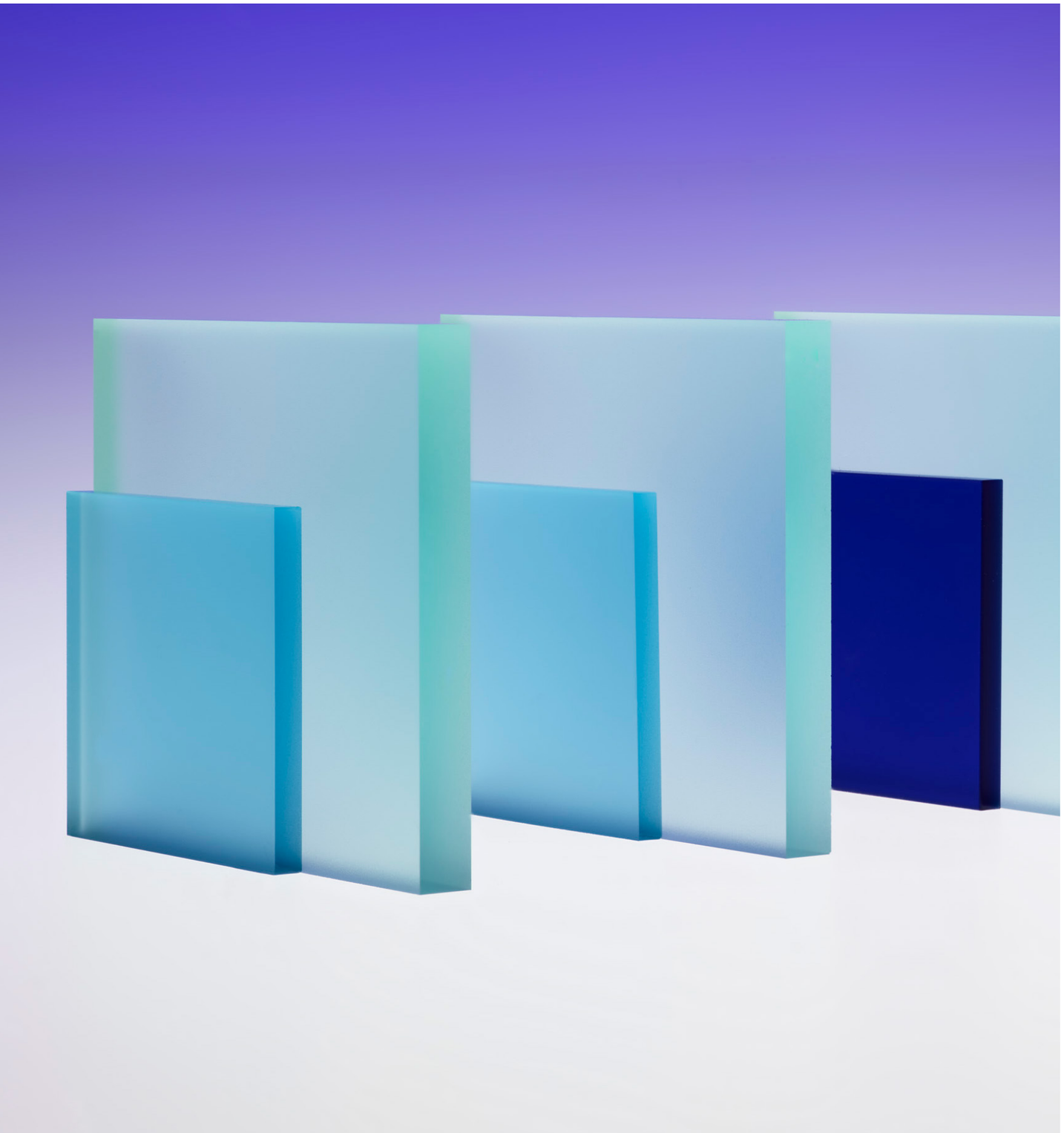
By understanding these consumers, we can help our clients deliver a business strategy that appeals to early adopters and the late majority – ultimately future-proofing your business

The Diffusion of Innovation curve

Seen here is a simplified version of the mapping process used by Bryce Ryan and Neal Gross to describe how an idea, innovation or product development passes from the fringes of our culture into the late majority mainstream



DISCOVER MACROTRENDS



Victoria Ling for The Future Laboratory

Microtrends

Where macrotrends chart the next 3–5 years, microtrends are tangible examples that are emerging now.

Supported by new consumer-facing innovations, microtrends are evident in new start-ups, products, services and experiences. Manifesting in the short term, microtrends emerge in local and regional variations.

Why they matter: How to win

Microtrends highlight specific shifts in consumer behaviour that change the business environment in the short term.

They enable businesses to see what's happening now across industries, regions and markets, allowing them to re-align new workstreams and help articulate a proposition from local insights.

Strategic Implications

As you can see, we don't predict the future. But through Strategic Foresight we can track global shifts to understand the key drivers of change and mine the evidence of today's world to preview what the future could look like.

Our Strategic Implications enable clients to contextualise, navigate and find opportunities by highlighting how a macrotrend might affect them and refocus their outlook.

They act as recommendations to help clients discover future growth and set a series of positive actions about what they can do today to apply the trends.

Our team of strategists are always on hand to dig deeper and build a personalised Foresight Framework for you. Get in touch to understand how our human needs, global drivers and macrotrends will affect your organisation.

BOOK A STRATEGIC CONSULTATION



Carolina Carballo for The Future Laboratory

Make a better future happen



This report is based on macrotrend research from The Future Laboratory's trends intelligence platform, **LS:N Global**.

Did you know that members get free access to all of our trend reports?

We can also deliver our research to your business in a number of ways, from **virtual presentations** to **strategic workshops** and **bespoke reports**.

If you want to find out more, say **hello@thefuturelaboratory.com**

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The Future Laboratory
6 Orsman Road, London N1 5RA, UK
Phone: +44 20 7791 2020
Email: office@thefuturelaboratory.com

The Future Laboratory is one of the world's foremost strategic foresight consultancies. Members of our trends intelligence service LS:N Global get exclusive access to the mindsets defining tomorrow and the early adopters driving global change across eight industry sectors.

Find out more: LSN.global : thefuturelaboratory.com

Contact: For further information on all our services please contact hello@lsnglobal.com or call +44 20 7791 2020

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