LS:N GLOBAL

THE : FUTURE : LABORATORY

Luxury Futures 2023

Cover: New Renaissance by Ferragamo in partnership with Le Gallerie degli Uffizi. Photography by Tyler Mitchell, Italy

Introduction

Despite facing economic headwinds, the luxury sector has shown resilience in 2023, achieving growth and record valuations. Now, new challenges and hurdles lie ahead

In our digital times, exclusivity is arguably less exclusive and less excluding. Social media has flung open the doors of the once mystified inner workings of the luxury world. As a result, younger demographics are not intimidated – they see luxury as more approachable and accessible, despite the sustained price hikes orchestrated by brands in the industry. Younger Millennials and Generations Z and Alpha want more than a mere transactional relationship with luxury brands; they seek deeper connections and form organic communities of highly knowledgeable brand fans. What does this fundamental shift entail for the future of luxury?

'The new wave of luxury connoisseurs means that brands need reviewed strategies, ensuring these tech- and archive-savvy young consumers feel like a part of the story, without alienating the brand narrative that appeals to historic clients,' says Marta Indeka, senior foresight analyst at The Future Laboratory.

In 2022, our **Guilded Luxury** macrotrend looked at how maisons are exploring new forms of brand-building to forge more intimate – and fruitful – connections with their most valued customers. But as luxury cements its position as a cultural powerhouse, infiltrating areas as diverse as the worlds of art, entertainment, music and sports, luxury brands are developing new webs of communities outside of top-spending clients, who also expect a close immersion into the brand universe.

Luxury Recrafted introduces a vision of luxury where brands are stepping into the role of cultural leaders, setting trends and driving aspirations on a global scale. Yet, to meet the varied needs of its diversified audience, the sector is also expanding its range of offerings, blending traditional craftsmanship with digital innovations.

Innovation in luxury is certainly fast-tracked by behemoths like **LVMH** and **Kering**, but independent and emerging businesses are no less important in fostering new ideas that are redefining the sector. From tech trailblazers supercharging circularity in the industry like **Syky** to young labels such as **AOI** or services like **Save Your Wardrobe**, this macrotrend spotlights the range of stakeholders that have a role to play in future-proofing luxury.

Before that, the Trends Rising section will take you on a whistle-stop tour of the luxury landscape in 2023. From Branded Living to Gated Retail, these key market trends offer a crucial backdrop to the insights and foresights that follow.







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Trends Rising

From the ascent of knowledge communities to the rise of private retail sanctuaries, we have hand-picked six key trends that set the scene for what's next for luxury



Gated Retail

Just when we thought that luxury was becoming more democratic, the sector is doubling down on its exclusivity via bespoke in-store experiences



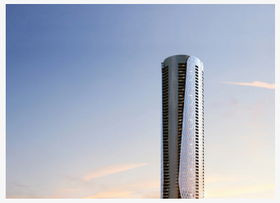
Knowledge Clubs

Belonging to a community of cognoscenti is once again becoming a status symbol in its own right – but with a metamodern twist



Cleaner Carats

While consumers are familiar with clean beauty, food, and medicine, we are witnessing a new frontier: clean jewellery



Branded Living

The success of car-branded condos shows that there might be room to consider designer lives – not just lifestyles – in the future



Heirloom Allure

What is old is in again: Generation Z are turning back the clock and spotlighting once side-lined markets



Air-scapism

A new category of travel experiences is taking off to cater for a growing appetite for adventure with airborne cruises

Gated Retail

In recent years, luxury brands have had to juggle the rise of **Uneasy Affluence** without alienating the well-heeled customers that drive their business and growth. Where brands have strived to become more relatable by, say, electing progressive brand ambassadors or releasing more affordable digital items, they have also recognised the value of very important clients (VICs), especially during times of economic volatility.

But just when we thought that luxury was becoming more democratic, the sector is doubling down on its exclusivity. It will now take far more than a perfume, sunglasses or diffusion line item for aspirational consumers to gain access to the inner sanctum of a brand. Enter Gated Retail, offering bespoke in-store experiences catering for upper echelons of clients.

Opened in April 2023, **Gucci**'s appointment-only salon in Los Angeles is an example of this, offering intimacy, privacy and the highest level of service to a select group of valued clients. E-commerce platforms are taking note of VICs too. German luxury e-commerce site **MyTheresa** has revealed that its top 3% clients account for 30% of its sales (source: **Vogue Business**). While most e-commerce platforms don't have physical spaces, they are still investing in events, white-glove services and other perks to attract clients with deep pockets.

Gated Retail is also a strategy for luxury brands to shield themselves against the global financial market turmoil. These private, invitation- or appointment-only stores can encourage spending, boost loyalty and client sentiment among high-net-worth (HNW) clients who are less likely to feel the pinch of inflation.

• *Read more on LS:N Global*



Gucci Salon Melrose, US

Knowledge Clubs

Connoisseurship is taking on a new, contemporary shape. We first explored the value of connoisseurship in our **Five States of Luxury** report, addressing how belonging to a community of cognoscenti is once again becoming a status symbol in its own right – but with a metamodern twist. Kristen Shirley's **La Patiala** stands as a testament to this new direction; acting as a luxury encyclopaedia, it unravels the nuanced, intricate codes of the elite, demonstrating that the ultimate luxury isn't just about having, but about knowing and understanding.

In a climate of economic flux, where flaunting wealth may come across as tone deaf, members' clubs offer a discreet environment for indulgence. And in tough times, the need for indulgence is more compelling than ever. Intimate, sophisticated and increasingly niche, members' clubs are re-inventing themselves to reconnect their networks of socialites after the pandemic-induced social slowdown and cater for changing lifestyles. Elusive, but not so elitist, contemporary iterations of café society offer exclusive and exciting playgrounds for wealthy consumers, combining beautiful amenities, extensive services and, of course, the opportunity to socialise with peers.

But unlike the clubs of the past, these new iterations aren't just about being rich together and enjoying the finer things in life – affluents want to connect on a deeper level and be part of tight communities that share not just status, but similar passions and lifestyles too.

• *Read more on LS:N Global*



Right: Eternal Gold by Prada, Italy; Above: Cinema at Shoreditch Arts Club. Photography by **Beth Davis**, UK

Cleaner Carats

While consumers are familiar with clean beauty, clean food, clean water and clean medicine, we are witnessing a new frontier: clean jewellery. The sector is experiencing a paradigm shift driven primarily by Gen Z, who don't view sustainability as a trend, but as a core part of who they are reflected in how they consume.

It's no longer just about the carats or the clarity, but about the consciousness behind each piece. They ask: where did this diamond come from? Was it ethically sourced? Was the environment harmed in its extraction? It's an invitation for brands to re-invent, to realign and to resonate with a generation that wear their values as proudly as their jewels.

As LS:N Global has reported previously, there is plenty of room for growth in the regenerative jewellery sector; think sourcing materials from conflict-free supply chains, and using organic, natural and circular materials, among others. Take **Boucheron**'s recent re-invention of the jewellery box as a no-waste, collectible item or **Prada**'s recycled gold fine jewellery collection. Consumers are open to exploring those jewellery brands that allow them to express other sides of their identity, style and sustainable values.

• *Read more on LS:N Global*

What are Trends Rising?

Trends Rising are the nascent trends forecast to grow across the luxury, travel and hospitality sectors in the next one to three years. These trends are global in their reach and focus on consumer experiences or business operations



Branded Living

Mounting calls to reform the fossil fuel industry and ongoing material shortages are prompting the luxury automotive sector to search for new revenue streams. While we previously tracked the rise of car-branded clothing collections, car manufacturers have identified a novel avenue to remain relevant and drive revenue in property. Residential projects enable automotive brands to reinforce their commitment to innovation, craftsmanship and superior comfort – without the wheels.

Bentley's upcoming Residences in Miami is testament to this shift. Promising to be the tallest beachfront structure in Miami by 2026, the development encapsulates the essence of Bentley: opulence, innovation and attention to detail. Other car manufacturers including **Lamborghini** and **Bugatti** are establishing a footprint with branded living residences in Europe and the UAE, respectively.

For the luxury industry at large, the emergence of **Automotive Accommodation** signals a possibility to go beyond hotels and restaurants to enter the residential market. While many luxury fashion brands such as **Prada** and **Loewe** have introduced homeware lines, few have gone so far as to build branded residences. The success of car-branded condos shows that there might be room to consider designer lives – not just lifestyles – in the future.

• *Read more on LS:N Global*

Heirloom Allure

What is old is in again: Generation Z are turning back the clock and spotlighting once sidelined markets. Luxury tableware is a category often associated with a bygone era of refined and formal dining. Think porcelain plates, silver cutlery and cut crystal glasses. Now, Generation Z are dusting off high-end tabletop heirlooms and declaring them cool and covetable once again.

Yet, this isn't just about aesthetics. Generation Z, known for seeking authentic and curated experiences, are signalling a clear shift from convenience-based dining. The artful assembly of meals on storied porcelain, crystal and silver isn't just about luxury – it's a statement of intent, identity and culture.

This trend underlines a broader ethos: an appreciation for the tactile and tangible, and a yearning to cultivate meaningful moments in daily life. Lavish and elevated is the new hosting norm; hosts are going above and beyond to make these memorable events, creating physical invitations, elaborate table settings and dish designs. With Gen Z starting to purchase luxury items on average three to five years earlier than Millennials, the once passé crystals and silvers are back on the table (source: **Bain & Co**).

• *Read more on LS:N Global*



Left: Bentley Residences by Bentley Motors and Dezer, US; Above: Waterford, US



Wedgwood invited Charles Jeffrey Loverboy to disrupt the heritage brand with a post-punk edge, UK

Air-scapism

Escapism knows no bounds. A new category of travel experiences is taking off to cater for a growing appetite for adventure with airborne cruises. Nearly half (48%) of affluent travellers envisage travelling off-grid if the stay is indulgent, signalling a rise in remote exploratory getaways (source: **Booking.com**).

Air hotels provide just the type of getaway that HNW travellers are seeking – exclusive, private and lavish one-of-a-kind experiences. Instead of focusing on the destination, a slew of airborne hospitality projects are turning the journey itself into an experience and hoping to bring air cruises into commercial use.

Made possible thanks to technological advances, a new generation of hyper-efficient airships don't need airports to take off or land, and combine breakthrough aerodynamic principles with helium's lifting power to fly autonomously for days.

Space travel is also top-of-mind, and outer world luxury propositions are multiplying. French low-carbon balloon travel company – is launching an out-of-this-world dining experience as early as 2025. Passengers will set out for the stratosphere, 15.5 miles above the surface of the Earth, where they will enjoy a three-hour meal created by French chefs and guided wine tastings from an onboard sommelier.

• *Read more on LS:N Global*



OceanSky

MACROTREND

Luxury Recrafted

The consumers – or rather the collectors – of tomorrow will expect luxury to signal status not through excess, but by acting as a guardian of craftsmanship and provenance, an ESG champion and a cultural compass



New Renaissance by Ferragamo in partnership with Le Gallerie degli Uffizi. Photography by Tyler Mitchell, Italy



New Renaissance by Ferragamo in partnership with Le Gallerie degli Uffizi. Photography by Tyler Mitchell, Italy

Luxury is redefining its essence and cultural impact as a new wave of discerning, knowledge-hungry consumers enter the market.

In the face of economic turmoil, the luxury industry has proven its resilience and socio-economic cachet, boasting double-digit growth and record-breaking valuations. But the sector cannot rest on its laurels. New generations of consumers are entering the market faster and blowing in winds of change.

Young affluents crave more than a transactional relationship; they want to play an active part in the brand universe – and that's before they become tomorrow's luxury clientele. As generations raised in the streetwear era, younger Millennials together with Generations Z and Alpha are true connoisseurs and avid archivists. They have a vision of luxury that is based on trading in knowledge, access, community and craft.

Why should the luxury industry care? Watchful young audiences are obsessed with heritage and savoir-faire, shifting the codes of luxury and choosing subtle status signifiers over more obvious, overt displays of wealth. This evolution of Uneasy Affluence is pushing the sector towards a deeper focus on the true value of luxury: quality, craftsmanship, longevity and provenance.

This greater appreciation of the time and the story behind every piece is also changing the identity of luxury consumers, who are rebranded as collectors who care about more than owning a timepiece – it's about owning a collectable piece of history.

The viral 'quiet luxury' trend, which praises minimalism, sophistication and displaying knowledge rather than logos, is also a precursor to wider shifts in the sector set to take effect in the coming years. Yet, to call the influential industry 'quiet' is an understatement; luxury isn't whispering, it's making a resounding impact as a cultural compass, shaping arts, entertainment, music and sports. Maisons are becoming cultural authorities, dictating what we watch, covet and aspire to. Take, for example, Kering's new cinematic production arm or LVMH sponsoring the Paris 2024 Olympics.

What we are witnessing could be viewed as the diffusion of luxury like fine art – a cultural currency with a wide reach, available for many to enjoy but for few to own. While art enthusiasts affirm their interest by visiting museums and buying prints, replicas or art books, luxury fiends use social media to be part of the conversation, access luxury through secondary markets or indulge in hospitality experiences from their favourite brands.

Although core luxury offerings are increasingly geared towards top-spending clients who are less affected by economic shocks, the sector is still catering for aspirational shoppers by diversifying expressions of craft. From artisanal masterpieces to digital marvels, the luxury industry of tomorrow will meet its tiers of fans and clients in many playgrounds.

Drivers

In the face of an impending generational wealth redistribution, successful luxury brands will be those that adjust to the new baseline of tech adoption, meeting consumer expectations around ESG commitments and a reset of value systems



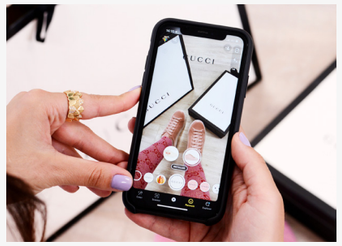
From know-how to know-what

Consumers will begin to demand tools to assess specific internal biomarkers and will routinely use data to achieve their longevity goals



Wealth is Woe

As AI becomes more commonplace in our lives, it will be a routine part of our healthcare treatments



Luxury's Tech Race

While research to reduce the symptoms of ageing continues, singular medical advances could be used to resolve isolated age-related ailments in an instant



Regeneration Reset

We explore how, in the far future, death could be a choice, and one far less painful and negative

From know-how to know-what

There's a changing of the guard among luxury consumers. Millennials and Gen Z already accounted for the entire growth of the luxury market in 2022, and Gen Alpha – the group succeeding Gen Z – are predicted to make up one third of the luxury market by 2030 (source: **Bain & Co**). But to tap into these new luxury buyers, the sector must do the legwork to understand what makes them tick. Raised in the streetwear era, coming-of-age luxurians are trading a social currency of their own; they are savvy connoisseurs, trading in lore and individuality. In this context, luxury codes are evolving and 'know-what' is on a par with the sector's appreciation for know-how.

Knowing is the new owning and being in the know has no price tag; 47% of young luxury shoppers will pay more to be the first or only person to have a product (source: **ESW**). Controversially, the esteemed skill of finding rare or discounted goods extends beyond genuine luxury and is fuelling the spread and acceptance of counterfeits, rebranded as dupes. According to **The Business of Fashion**, over half of Gen Z consumers aged 13–25 in the US now believe it is acceptable to buy fakes. To remain relevant, luxury brands cannot turn a blind eye, but must acknowledge how youth rely on their digital nous to create their own awareness of value – and in the process, change the meaning of aspiration in luxury.

Global Drivers : Evolving Demographics

As Generations Z and Alpha are becoming luxury's primary consumers, their values and aspirations are transforming the sector at large

Heron Preston for eBay's new From the Collection series, which will sell off items from the archives of cultural tastemakers, UK and Italy

What are Drivers?

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

Wealth is Woe

In 2018, The Future Laboratory identified the rise of what we call **Uneasy Affluence**, a collective backlash against ostentatious spending which started fuelling new anxiety among luxury consumers and forcing luxury brands to rethink their products and services to be more social, accessible and supportive. If overt displays of wealth are now considered distasteful, living lavishly in the shadows is not a solution to the problem. High-net-worth individuals (HNWIs) are blamed for not doing enough to rebalance the divide, causing frustration and civil unrest, with organisations like the **Patriotic Millionaires UK** calling for the introduction of a wealth tax. The growing wealth inequality is reflected in the luxury sector; globally, 2% of consumers contributed to 40% of luxury spending in 2022 (source: Bain & Co).

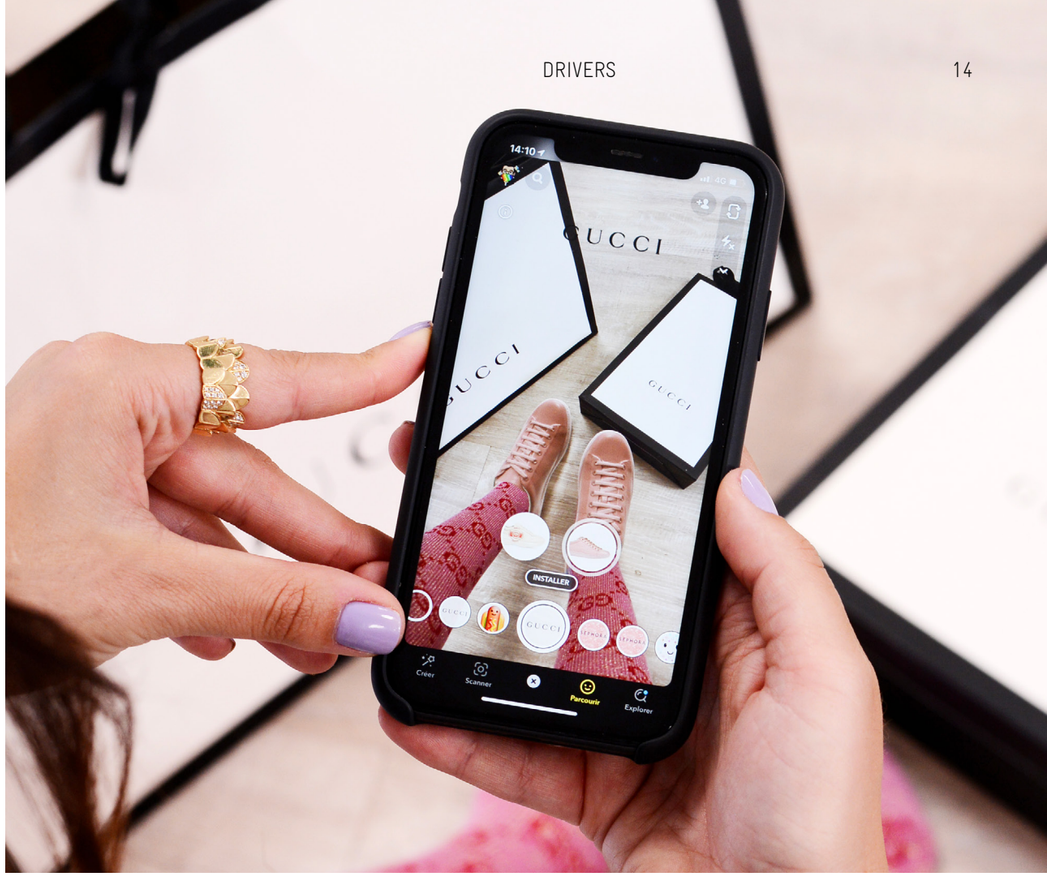
Coincidentally, 'eat the rich' is a trending narrative in pop culture, embodied by prominent tv series like The White Lotus and Succession. In parallel, **Anti-ostentation Attitudes** that define the fashion conversation are a catalyst for the fall of logomania in favour of a more elusive and understated quiet luxury. In North America, retail sales for logo-heavy products have fallen by 43% in 2023 (source: **Joor**).

While this trend implies that the rich are hiding in plain sight to appease tensions, we anticipate larger disruptions in the coming years, as we bear witness to a wealth transfer from Boomers and Gen Jones to Millennials and Gen Z. The shift – estimated by **Cerulli Associates** at £64 trillion ($84 trillion, €75 trillion) – will be even more impactful socially and culturally than it is financially, with huge implications for luxury and other sectors alike.

Global Driver : Fragmenting Societies

Luxury cannot afford to whisper. Being vocal about what you do to create a better future is imperative in a world of growing disparities, where having agency for change is a luxury in itself





Left: The White Lotus on HBO Max, US; Above: AR Try-On by Gucci and Snap, US

Luxury's Tech Race

The pace of tech further accelerated in 2023: the adoption and spread of innovation can be measured in weeks instead of months or years. Artificial intelligence is rewriting human-tech interactions one prompt at a time. **OpenAI**'s Chat-GPT reportedly racked up 100m users in the first eight weeks after launch, testifying to how AI has hijacked the innovation diffusion curve and reached the mainstream in record time.

Harnessing fast-evolving tech will present a major socio-economic challenge for all industries in the next decade, and luxury is no exception. Adoption in the luxury sector poses its own set of hurdles, as the sector is expected equally to be a pioneer, to meet the needs of younger audiences on their own turf and to live up to the high standards intrinsic to luxury. This means industry players are doubling down on efforts to keep up; in 2022, **LVMH** invested a whopping £1.4bn ($1.9bn, €1.7bn) in tech development (source: **GlobalData**).

Tech is not used to replace craft and workmanship, but to enhance every aspect of the business, from augmenting retail – as we explored in our **EQ-Commerce** macrotrend – to unlocking deeper personalisation features. Post-purchase is no exception: protecting authenticity in a world in which the slippage between the real and unreal gets slicker every day is a growing consideration for the sector. Is luxury the last bastion of authenticity?

Global Drivers : Advanced Technologies

Luxury assets are viewed as dependable investments that appreciate over time and owners are seeking protection from fakes and fraud. For luxury businesses, using tech to improve trust and supercharge safety should be a top-of-mind area of development



High-end resale platform Vestiaire Collective banned fast fashion brands from its platform, France

Regeneration Reset

Climate change doesn't need a publicist. In 2022, 58% of global consumers said extreme weather events encourage them to do more to protect the environment (source: **Mintel**). Rock solid sustainability and regeneration commitments are, for new generations, a need-to-have rather than a nice-to-have. 'Values are the new prestige, the new status symbol,' Esther Oberbeck, senior vice-president of group strategy development at De Beers, told The Future Laboratory.

When it comes to luxury, the sector's relationship with sustainability has become increasingly complex. 'In essence, luxury is defined by excess and wastefulness, quite uniquely combined,' explains Chris Sanderson, co-founder of The Future Laboratory. 'Luxury has moved from waste and opulence into something much more focused on supply chain and provenance, with those things being a status symbol in their own right.' This materialises into intensified scrutiny of corporate social responsibility, prompting new action. Take, for example, **LVMH**'s luxury-only sustainability pact project, which is doubling down on its regeneration efforts and setting a new sustainability standard in the sector.

On the consumer side, behaviours are moving away from materialism and overconsumption in favour of more mindful habits. Preloved or archival pieces are becoming just as appealing – if not more so – than buying new. According to **The RealReal**'s 2023 annual Luxury Consignment Report, Gen Z lead the charge, with sales and purchases of luxury items on the platform up 50% in 2022, probing luxury's longevity strategies to safeguard revenue streams.

Global Driver : Climate Change and Resource Scarcity

The shift to owning and purchasing less but better, regardless of consumers' disposable income, will challenge luxury to diversify and secure revenue streams and move to less transactional and more value-led business models

Insight

Status signifiers are changing and reshaping the luxury sector in the process, whether that is rejuvenating dormant markets, placing craftsmanship on a pedestal or prompting brands to champion eco-positive action



Twisting Tradition

Heirlooms are getting a facelift. For iconic brands, this is a defining moment to court young, antique-obsessed consumers by marketing heritage in a way that appeals to new generations



Certified Luxury

The economic recession is strengthening the perception of luxury goods as investments. With the surge of hyper-realistic dupes and the boom of the preloved market – demand for buyer protection is escalating



Safeguarding Skills

Nurturing exceptional workmanship is the essence of luxury businesses. Houses are bringing the 'petites mains' that make the magic happen to the limelight through craft-centric activations



Tech-powered Craft

Craftsmanship is reliant on human skills and manual work by definition, but tech can augment creative possibilities. Trailblazers are exploring new paths and writing a future where crafts-machine-ship can exist and augment human skills



Conservation Champions

Luxury brands are acting as guardians of eco-systems. Proactivity to protect the planet has the added benefit of demonstrating eco-confidence at times when scrutiny over greenwashing is peaking



Couture Culture

Luxury is ramping up hyper-exclusive couture lines to strengthen cultural impact and stay top-of-mind – while serving top-spending customers who tend to be the least affected by economic downturns

Twisting Traditions

Heirlooms are getting a facelift and once outdated timepieces are making a fashionable comeback. For iconic brands, this is a defining moment to court young, antique-obsessed consumers by striking the right balance between sought-after heritage and know-how, marketed in a way that appeals to new generations.

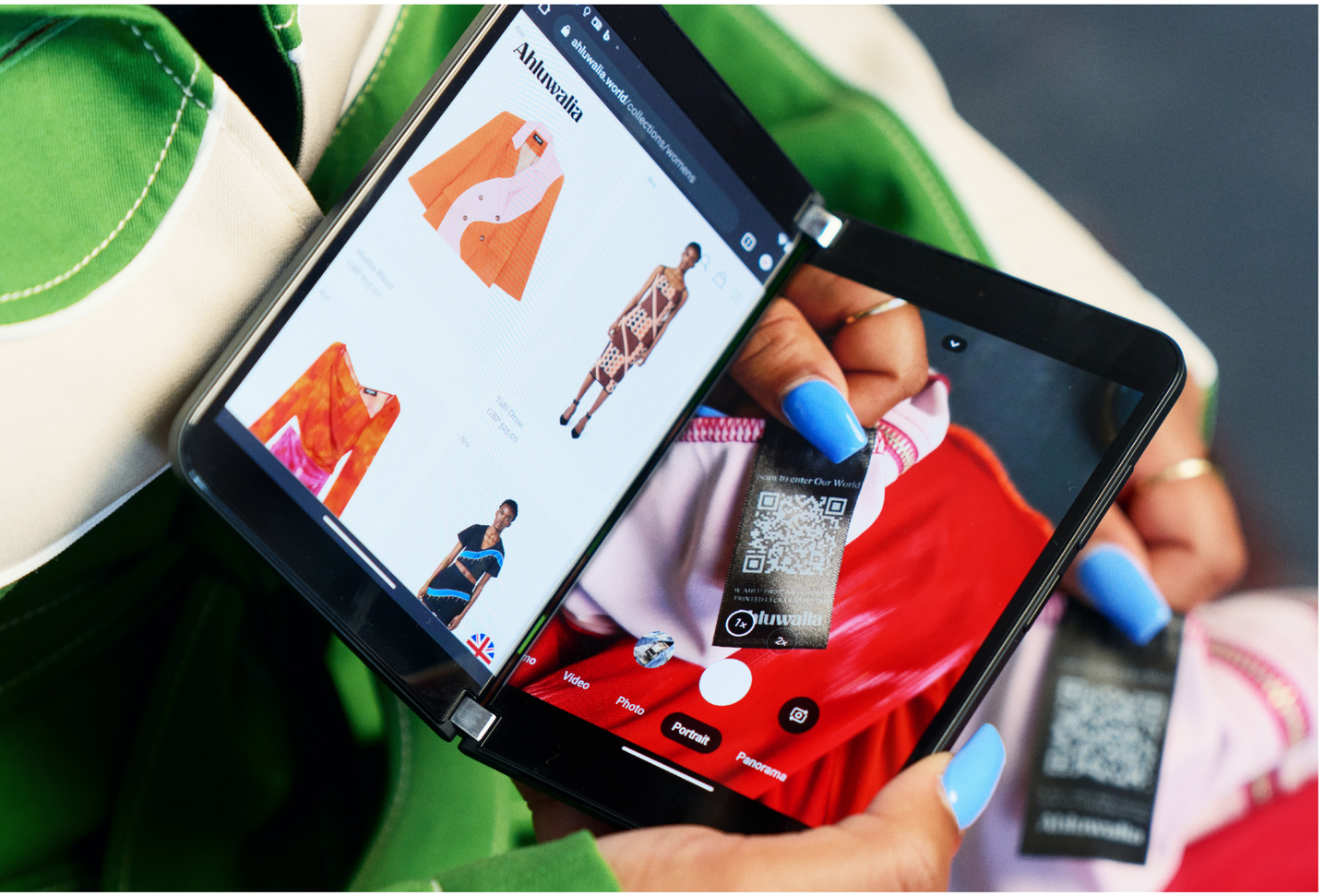
Intricate tableware, a quirky centrepiece or a monogrammed table setting also serve as a conversation-starter and a way to exhibit knowledge about the art of living, with connoisseurs investing in pieces like **Waterford** crystals or lace bottle aprons sold by chef Laila Gohar's 'tableware universe', **Gohar World.** One distinction between new heirloom collectors and older generations is that putting on a big spread is not saved for special occasions any more, but is a means to elevate and romanticise everyday life.

These performative behaviours are to this generation what logomania used to be to affluents a few years back. Add in social media to the mix and this becomes more about demonstrating connoisseurship publicly than showing status to people in the room. It is a more subtle way to demonstrate status than with bold branding, and is more aligned with evolving values that lean towards inconspicuous consumption and careful curation over accumulation.

Gohar World. Photography by Roe Ethridge, US

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 2025. Insights help brands and businesses to understand and identify the opportunities presented by this trend



Above and right: Ahluwalia teamed up with Microsoft and Eon to create digital IDs that track garment journeys and offer care advice, UK

25% of US luxury shoppers believe they have, or are uncertain if they have previously purchased, a fake luxury product

Source: The Business of Fashion



Certified Luxury

A **Birkin** bag has long been considered a sound investment, but the recessionary economic climate is only strengthening the perception of luxury goods as investments that appreciate over time. **Artnet**'s new finance service testifies to this by enabling owners to use their collectible pieces as loan collateral.

With the surge of hyper-realistic dupes and the boom of the global preloved market – expected to nearly double by 2027, according to **ThreadUp** – demand for buyer protection is escalating. Authentication is currently a major pain point for resale, incurring a delay and additional costs, but the sector is racing to come up with safe and convenient tech-powered tools to solve the issue. Together with global resale platform **Vestiaire Collective**, French fashion house **Chloé** has launched the first instant resale proposition. Customers can scan and instantly sell items thanks to unique ownership numbers and digital IDs, skipping the usual authentication process.

But in future, product passports will be embedded from the start in the manufacturing process. Brands are increasingly using blockchain technology to supercharge traceability. In April 2023, LVMH-owned fashion house **Patou** and tech specialist **The Ordre Group** introduced Authentique Verify, an AI system capable of detecting imperfections found in fakes that the naked eye can't spot.

Another best-in-class example is **Loro Piana**'s tool powered by the Aura Blockchain Consortium, which lets customers digitally track garments made with the brand's patented The Gift of Kings merino wool from fibre to finished product.



‘The appetite to invest in luxury, in craft, in art isn’t going to stop any time soon. There is a feel-good factor about something made in a small workshop’

Guy Salter, founder and chairman, London Craft Week

Safeguarding Skills

Nurturing exceptional workmanship is the essence of luxury businesses. Houses are bringing the ‘petites mains’ that make the magic happen to the limelight through craft-centric activations.

The state-of-the-art **Fendi Factory** in Tuscany, opened in October 2022, is testimony to the brand’s promise of Made in Italy excellence. The spring/summer 2024 men’s show was held in the facility, with 700 artisans working in the background while playful, craft-inspired silhouettes were shown. The brand is also pushing heritage globally with the art exhibition Hand in Hand, held in a Beijing temple in China. Similarly, **Bottega Veneta** is spotlighting local production and has opened a footwear factory in Veneto, with a façade made of perforated metal panels mimicking the brand’s signature intrecciato woven pattern.

Craft-centric communications that reveal the inner workings of artisanship are flourishing. Take **Cartier**’s hard luxury campaign spotlighting the 50-year rich heritage of the Baignoire watch, **Mulberry**’s Made to Last activation, or jeweller **Piaget**’s House of Gold series of videos sublimating the brand’s obsession with the fine material. Elsewhere, **Rolex** is starring its five-pointed crown motif in the digital heritage series The Man Behind the Crown while **Jaeger-LeCoultre** is paying homage to house heritage with the In the Making campaign spotlighting restoration workshops.

The relaunch of forgotten iconic fashion brand **Walter Albini** also signals a refocus of quality and know-how. The brand, which gave cachet to the Made in Italy label in the 1960s, has begun digitising its rich archive and shared plans to hire a designer tasked with restarting the fashion line.

But preserving and celebrating craft and heritage isn’t exclusive to century-old brand names. Newcomer **Atelier Jolie** is making the case for a modern vision of artisanship by creating a platform for creatives to collaborate with a skilled and diverse pool of expert tailors, pattern-makers and artisans, and promoting appreciation and respect for makers.

Left: Fendi spring/summer 2024 menswear, Italy; Below: Fendi Factory by Piuarch, Tuscany, Italy





LVMH Métiers d'Art added tanning company Nuti Ivo to its roster of artisanal manufacturing facilities, Italy



Above and right: Wedgwood in Web3, UK

‘Younger generations aren’t collecting in the way we have before. With an NFT, you get this piece of digital history that you can carry in your bag with you; it’s sort of a membership into the new Wedgwood’

Alice Bastin, creative director, Wedgwood and Waterford



Tech-powered Craft

Craftsmanship is reliant on human skills and manual work by definition. But tech can augment creative possibilities, and with fast-evolving tools at our disposal, trailblazers are exploring new paths and writing a future where crafts-machine-ship can exist and augment human skills. At The Future Laboratory, we started exploring the notion of virtual craftsmanship in our **Guilded Luxury** macrotrend, pushing the boundaries of luxury as we know it.

In the fashion landscape, digital platform **Draup** advances the idea that ‘code is couture’, using generative algorithms to create haute couture garments that can only exist online. Another digital fashion pioneer is **Syky Collective**, a platform bridging the real-life know-how of brands with digital skills that will reshape luxury tomorrow.

Under creative director Alice Bastin, British heritage brand **Wedgwood** is unleashing the possibilities of craft in Web3. The launch of NFT versions of the iconic **Portland** vase in colourways that are impossible to achieve with ceramics is marking a new era for Wedgwood, while engaging demographics outside of the brand’s traditional audience.

Elsewhere, consumer electronics company Bang & Olufsen unveiled See Yourself in Sound, introducing the brand’s future vision of heritage. It acknowledges the shift towards an experience-led economy over materialism, creating animated 3D phantasmagorical avatars that embody the user’s unique music tastes.

With the lightning speed of advances in augmented reality and artificial intelligence, the role brands allot to tech in creative processes is continually changing, paving the way for AI-rtisans.

Conservation Champions

Luxury brands may be nurturing know-how and skills as a future lifeline, but they are also increasingly acting as guardians of eco-systems. Proactivity to protect the planet has the added benefit of demonstrating eco-confidence at times when scrutiny over sustainable claims and greenwashing is peaking.

'We must do business well by doing good,' said Helen Brocklebank, CEO of Walpole, at the British Luxury Summit 2023. 'Younger consumers are far more engaged with issues of sustainability than their predecessors. For luxury brands, doing things not just the best way but the right way will be crucial to attract and retain them.'

As a result, just as we are witnessing UHNWI investors putting the brakes on giving their money away to philanthropic causes in favour of environmental pursuits, brands are shifting donations to ESG initiatives. Pioneering in this field, **Prada** first launched the Sea Beyond in 2019, a marine preservation action recently supplemented with a literacy programme striving to support scientific research. It is set to become an open-source platform with third-party input. **Four Seasons** has launched a mini-documentary detailing the group's coral conservation efforts in the Maldives, and Dubai will get a state-of-the-art ocean restoration centre, Dubai Reefs, which is part floating lab and part eco-tourism hub. LVMH-owned fragrance brand Maison Francis Kurkdjian has transformed the landmark gardens at the Palace of Versailles into a destination for olfactory fans. The Perfumer's Garden opened in spring 2023, boasting hundreds of plants and blooms used in perfume-making.

Elsewhere **Gucci**, backed by parent conglomerate **Kering**, has created a Circular Hub to foster innovation and support the transition towards a more circular business model.

The Perfumer's Garden by Francis Kurkdjian at the Palace of Versailles, France

Couture Culture

If haute couture accounts for a modest portion of luxury fashion brands' revenues, it has traditionally been a platform to re-affirm the exclusivity and heritage of a luxury brand.

Social media has lifted the veil on the famously secretive sector and brands are using couture collections as a marketing tool to draw attention back to their more accessible offerings by engineering viral social media moments that place historic craft at the forefront of cultural conversations. New directions in the haute couture market have breathed fresh life into historic houses – like Schiaparelli, Balenciaga and Dior – and, when combined with this renewed appreciation for craft, the haute couture industry is not only surviving but thriving.

The current context of economic instability and 'less but better' consumption mindsets has created fertile grounds for luxury to ramp up these hyper-exclusive collections to strengthen cultural impact and stay top-of-mind – all while serving top-spending customers who tend to be the least affected by economic downturns.

And luxury is not stopping with fashion; brands are reviving fine jewellery lines, with **Saint Laurent** and **Prada** being recent examples. According to **Bain & Co** and **Altagamma**, the fine jewellery sector grew to an estimated £24bn ($31bn, €28bn) in 2022 and will see an unparalleled appetite for ultra-luxury pieces. 'We all know that luxury brands are not just selling products, we're selling a culture,' Prada's jewellery director Timothy Iwata told The New York Times. Culture-generating luxury is not limited to the remit of fashion and jewellery, but the idea of couture and premiumised offerings will permeate other categories of goods and services.





Left and above: Carte Blanche More is More collection by Boucheron takes a contemporary approach to high jewellery, France

'I think luxury would see itself as having a role as a culture generator. There is an experience without being a purchaser, and this idea of luxury being beyond price is absolutely fundamental'

Helen Brocklebank, CEO, Walpole

Foresight

As we look ahead, affluents will move to consuming luxury culture and collecting curated products, seeking awe in elevated branded experiences and circularity in the timepieces they acquire



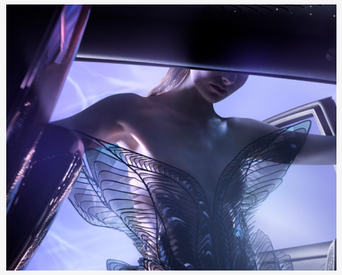
Collector Mindset

Lore and loyalty are set to become a bigger flex than showing off bright new things, pushing buyers to refashion themselves as collectors rather than the negatively charged label, consumers



Circular Craftsmanship

Beyond the buzzword, luxury brands are refocusing on longevity and exploring new ways to be more circular, from offering lifetime warranty to ramping up care and repair programmes



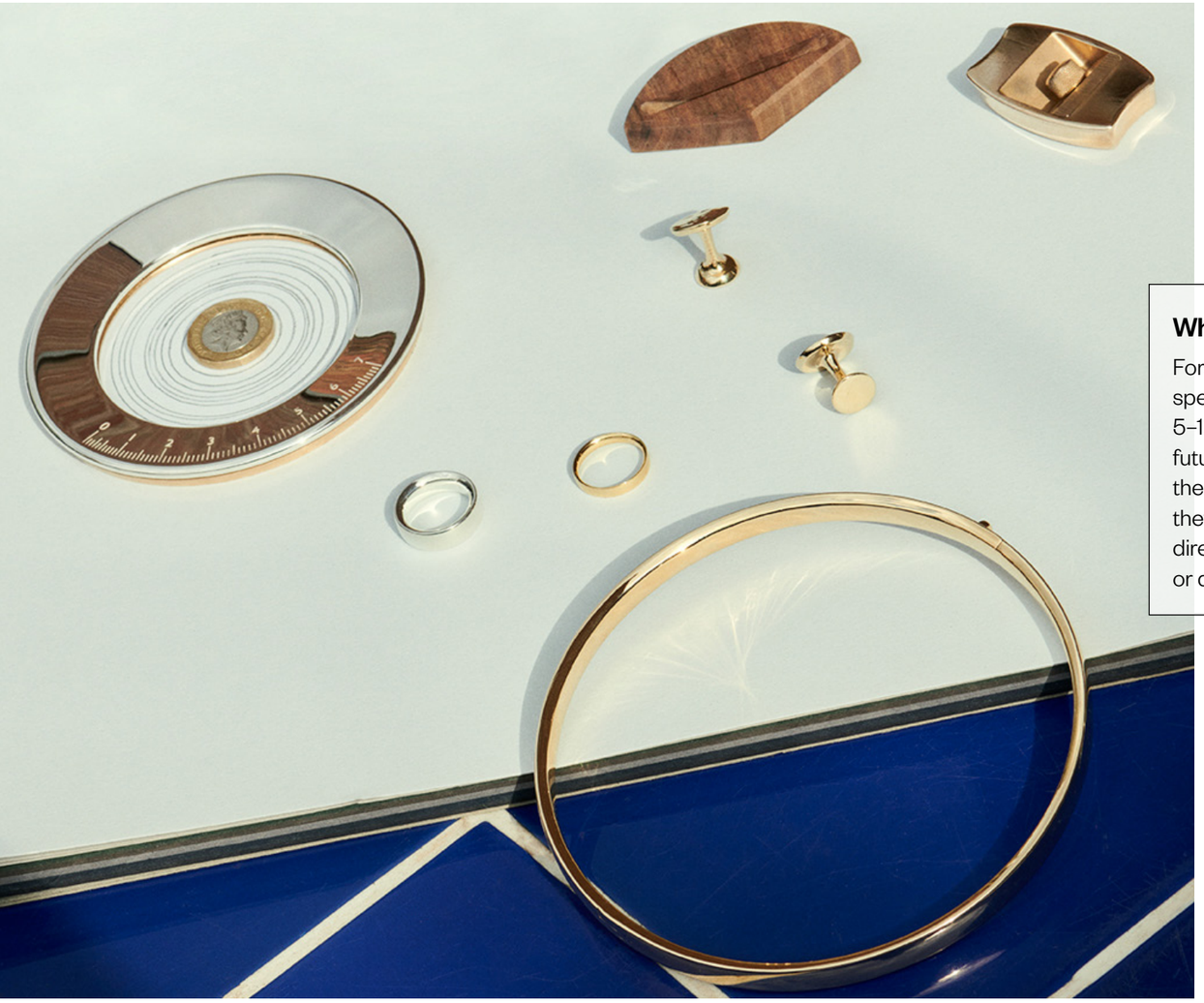
Cross-skill Collaboration

Collaborations refocus from loud marketing to quiet lore, with skill transfers used to create something worth more than the sum of their outputs



Haute-spitality

Brands can give fans a taste of their universe, creating experience-led entry-level touchpoints. The result is a supercharging of brand awareness by generating social media-ready moments



What is Foresight?

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

Above: Makers Cabinet, UK; Right: AOI, UK

Collector Mindset

Lore and loyalty are set to be a bigger flex than showing off bright new things and constant consumption. Affluents intend to keep their purchases for a long time; 91% of US consumers say for at least five years, 31% for at least 20 (source: **The Business of Fashion**). This is driving demand for collectible items such as apparel, leather goods, watches, jewellery, homeware and artworks. This taste for the curated and the rare is pushing young generations to refashion themselves as collectors rather than the negatively charged label, consumers.

Collector pieces are already a hot commodity; on resale platform **TheRealReal**, collectible trade was up by 439% in 2022 year on year, and archive fiends rejoice at the ongoing proliferation of auctions and archive sales. E-commerce platform **Heristoria** was created to uplift this treasure hunt, enabling collectors to get their hands on rare pieces and augmenting the retail experience with perks including pick-up in boutiques, atelier visits and fittings.

Beyond resale, new brands are being built with a Made to Last philosophy matched with exceptional design that is intended to be collected. **AOI** is a London-based fashion brand creating ‘collectibles not collections’. Founder Farah Marafie is very intentional about this decision and the brand only launches two product drops every year. It also formed an archive from day one to create a community of collectors. AOI’s vision of wearable pieces of art that are never restocked, reproduced or re-released sets a standard for future collector brands.

‘We make everything feel like a collectible. If you look at all our pieces, they don’t have a story in common except craftsmanship, and that’s the common thread’

Farah Marafie, founder, AOI





Heristoria, France



Coachtopia by Coach, US

Circular Craftsmanship

Beyond the buzzword, luxury brands are refocusing on durability and exploring new ways to be more circular. The rise of preloved and rental services implies frequent handovers and intensive usage, pressurising brands to ensure that products marketed as timeless stand the test of time.

In 2022, **Bottega Veneta** started offering a lifetime warranty on newly acquired handbags to cement its commitment to quality that lasts. Other brands are ramping up care and repair programmes. Spanish luxury house **Loewe** has opened **ReCraft** in Osaka, Japan, a store dedicated to repairs and maintenance, with a leather artisan in residence. American fashion brand **Coach**, which recently held a repair and monogramming pop-up in London, introduced sister brand **Coachtopia**. The Gen Z-approved line saves leather and textile scraps from landfill to create unique pieces, glamourising deadstock and craft in the process. Start-up **Save Your Wardrobe** allows brands to outsource aftercare and create a post-purchase service on a par with the in-store experience. The platform can either onboard in-house service providers or use its own network of care specialists in-store, online or with brands' existing customer relationship management.

New collectors' appreciation of craft and longevity means that visibly worn or patched items are reframed as a status symbol and worn like a badge of honour. This paves the way for initiatives like **Rimowa**'s Re-Crafted, which brings refurbished luggage to customers: as sturdy as new, but with a story and a few bumps or scratches. But climate-resilient craft is not limited to fashion. **Ruinart** has unveiled a cuvée that bears witness to climate change. The Blanc Singulier small-batch champagne is adjusted to how climate affects the taste and quality of grapes, hinting at the opportunities for wines and spirits to integrate circularity into their businesses.

Cross-skill Collaboration

Brand collaborations have become the bread and butter of luxury marketing. But the novelty and excitement factors have worn off, and the proliferation of co-branded, buzz-focused launches failing to deliver on value further diminish the impact of brand collaborations.

We expect not the demise of the still-lucrative practice, but a refocus from loud marketing to quiet lore. This means less name-dropping in favour of a refocus on expertise and skill transfer between parties from different sectors, working in tandem to create something worth more than the sum of their outputs.

Take the **Phantom Syntopia**, an ultra-luxurious car merging automotive with haute couture, born from a four-year collaboration process between **Rolls-Royce** and Dutch fashion trailblazer **Iris van Herpen**. 'The way we work, which is a very personalised process, is similar to how Rolls-Royce works with its clients. It's a customised process of making a one-off,' the designer explained, making a solid case for this new era of meaningful and craftsmanship-centred luxury collaborations.

Elsewhere, watchmaker **Hublot** has unveiled a sustainable timepiece co-created with coffee company **Nespresso**. The Swiss brands combined their know-how and resources to create the limited-edition Big Bang Unico Nespresso Origin watch, made using Nespresso coffee grounds and recycled aluminium capsules.





Left and above: Kim Jones and the Hennessy XO Masterpiece designed by Kim Jones, France

'Innovation on the scale and at the speed that we need requires collaboration'

Diana Verde Nieto, co-founder and co-CEO, Positive Luxury

Haute-spitality

Social media is largely responsible for making luxury feel accessible and democratic, a deceptive perception when – putting the pre-loved market aside – luxury products are becoming more exclusive and geared towards the 1%. **Chanel**, for example, has doubled the price of its classic flap bag in the past 10 years (source: Sotheby's). Yet, as Walpole's Helen Brocklebank tells The Future Laboratory: 'Maybe only a few are actually purchasing, but everybody can enjoy luxury in a way.' Maisons can craft new ways to extend their cultural halo and make wider audiences feel included, despite not being customers.

Through haute hospitality, brands can give fans a taste of their universe, creating alternative, experience-led and entry-level touchpoints, instead of via licences or diffusion ranges like eyewear, perfume or beauty. The result is a supercharging of brand awareness by generating social media-ready moments. Brands will get creative with future playgrounds that move beyond the expected cafés and towards exploring spaces like beach clubs – piloted by the likes of **Armani**, **Gucci** and **Jacquemus** – or the botanic greenhouses set up by **Loewe Parfums** in Spain.

In parallel, what we call **Lux-tainment** will contribute to redefining collective experiences of luxury. The sector's influence will encompass an ever-growing portion of culture and entertainment. Take **Moncler**'s Genius model, where creatives from the worlds of art, design, entertainment, sport, fashion and culture work together on product design, or the first **Louis Vuitton** men's show directed by musician Pharrell Williams, a culture-defining moment where fashion was second to entertainment, with performances from rapper Jay-Z and Williams himself. Luxury's entertainment ambitions are even more transparent in Kering-owned **Saint Laurent**'s strategy, which is chasing the big screen sparkle with the launch of an in-house cinema production arm.



Louis Vuitton men's spring/summer 2024 by Pharrell Williams, France

Strategic Implications

Against the backdrop of recession and an economy that is leaning towards experiences over goods, companies can take steps not only to stay top-of-mind but also to build brand values



Loewe ReCraft, Japan

Strategic Actions

Against the backdrop of recession and an economy that is leaning towards experiences over goods, companies can take steps not only to stay top-of-mind but also to build brand values

Cater for connoisseurs

Lore rules among increasingly savvy luxury consumers. Speak to discerning audiences by finding creative ways to spotlight your brand's heritage – think re-editions, virtual archives, product passports and craft-centric exhibitions. These initiatives will not just engage this knowledge-hungry group, but also lure new audiences into your brand universe



Charles Jeffrey Loverboy and Wedgwood, UK

Create tiered layers of brand access

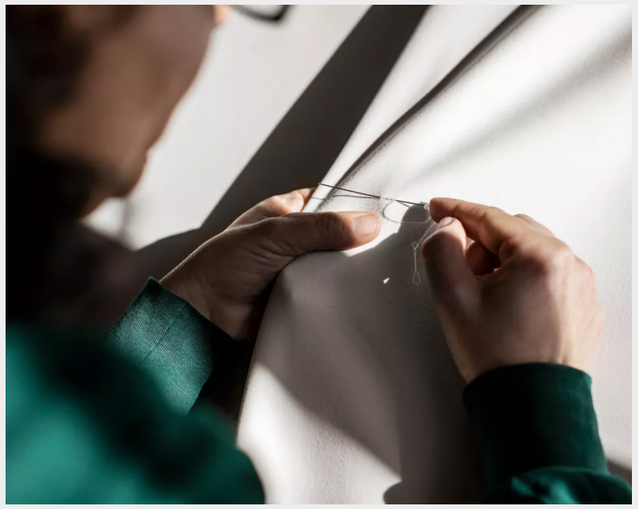
Very important clients (VICs) and top spenders are organically becoming the core consumers and priority of luxury brands amid economic turmoil. But exclusivity can be crafted to cater for different customer segments. Brand extensions through haute hospitality or digital assets open different levels of access to your brand without undermining rarity



Art 'N Dior, West Bund Art Center, Shanghai, China

Bring longevity back into luxury

The investment factor of a luxury product or experience is under scrutiny. In this context, storytelling and hype still matter, but they come second to core luxury values. Consumers are increasingly prioritising businesses and brands that safeguard quality – think best-in-class materials, post-purchase repair services, lifetime warranties and certifications



Loro Piana, Italy

Thought-starters

As a business, what should you prioritise to navigate a luxury landscape in flux? Use the following thought-starters to prepare a tangible action plan

Consumer: Re-engineer rarity

Preloved and virtual collectibles are now part of the luxury landscape, creating new accessible touchpoints. How can your business deliver exclusivity in these settings?



VIA Treasure Trunks by Louis Vuitton, France

Business: Embrace radical transparency

Besides supply chain transparency, consumers want to know what happens behind closed doors. Can you be more vocal about the know-how your business relies on, the manufacturing process or how you maintain your USP?



Nespresso production centre, Romont, Switzerland

Culture: Conquer new ground

If aspirational luxury buyers can be outpriced in inflationary times, this nonetheless important consumer pool can be courted differently. Can you expand your company's cultural clout outside the remit of your core activity?



Zünc Studio for The Future Laboratory, UK

Related Macrotrends

2018

Uneasy Affluence

A collective backlash against ostentatious spending is fuelling new anxiety among luxury consumers, forcing luxury brands to rethink their products and services to be more social, accessible and supportive



Mutant Matter by Dutch Invertuals. Photography by Barbara Medo

2020

Reformation Generation

Marking a new era of collaboration between brands and Generation Z, opportunities are arising to re-assemble, decentralise and decolonise our outdated societal system



The Birth of a New Regime by New Regime, Montreal

2021

Elastic Brands

Forget advertising campaigns and branded content. All eyes are on the inner workings of your business – and how seamlessly it can adapt



On Suppliers of New Desires, Neuromarketing and Jewelry by Ada Sokol

2023

Longevity Lifestyles

Longevity proposes that ageing should no longer be seen as decline. Businesses and brands can use it to create products that redefine how consumers take care of themselves and their belongings



AI imagery by The Future Laboratory, UK

Key Statistics

Here we round-up key statistics from the report, including general market and sub-category overviews and craft-focused data that provide your business with the evidence and confidence it needs for future decision-making



Makers Cabinet, UK

Market Stats

Luxury

The global luxury market is expected to grow by between **5%** and **12%** year on year in 2023 as demand gathers momentum

Source: Bain & Co and Altagamma





Globally, **2%** of consumers contributed to **40%** of luxury spending in 2022

Source: Bain & Co

Luxury conglomerate LVMH's market value surpassed **£380bn** ($500bn) at the end of April 2023, the first European company to reach this number

Source: LVMH

By 2045, wealth transferred from Boomers and Gen Jones to Millennials and Gen Z is estimated to be **£64** trillion ($84 trillion, €75 trillion)

Source: Cerulli Associates

Personal Goods

56%
of China's high-net-worth individuals (HNWIs) plan to increase spending on personal luxuries over the next three years, a three percentage point rise over 2022

Source: The Hurun Research Institute



The personal luxury market is set to increase to **£463–498bn** ($607–652bn, €540–580bn) by the end of the decade, a rise of 60% or more compared to 2022

Source: Bain & Co–Altagamma Luxury Study

The luxury jewellery sector will see an 'unparalleled appetite', in particular for ultra-luxury pieces. The global market grew to an estimated £24bn ($31n, €28bn) in 2022

Source: Bain & Co and Altagamma

German luxury e-commerce site MyTheresa has revealed that its top 3% clients account for 30% of its sales. In the US, half of Gen Zers say fashion is their preferred entertainment category to spend money on

Sources: Vogue Business, The Business of Fashion



Above left to right: LVMH Métiers d'Art and Nuti Ivo, Italy; Waterford, US; Gohar World for Gucci Vault. Photography by Adrianna Glaviano, US; Prada Eternal Gold, Italy

Sub-categories

Dupe Culture



In the US, **over half** of Gen Z consumers aged 13–25 in the US now believe it is acceptable to buy fakes

Source: The Business of Fashion

Google searches for ‘dupe culture’ surged by **1,500%** between June 2022 and 2023

Source: Google search data via Keyword Tool

25%
of US luxury shoppers believe they have, or are uncertain if they have previously purchased, a fake luxury product

Source: The Business of Fashion



In 2022, LVMH invested a whopping £1.4bn ($1.9bn, €1.7bn) in tech development

Source: GlobalData

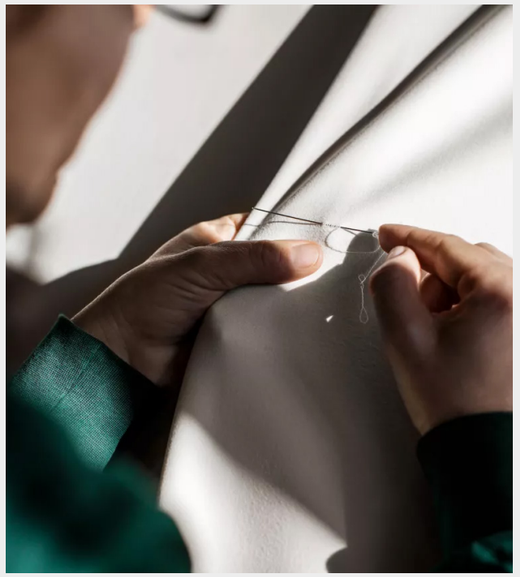
The Power of Preloved

48%
of high-income consumers purchase fashion with the intention of reselling it

Source: Recurate

The global second-hand market is expected to nearly double by 2027, reaching **£267bn ($340bn, €313bn)**

Source: ThreadUp



The second-hand market is already worth **3–5%** of the overall apparel, footwear and accessories sector, and could grow to as much as **40%**. Gen Z consumers are the most likely to both buy (31%) and sell (44%) second-hand items, with Millennials close behind

Source: Boston Consulting Group, Vestiaire Collective



30%
of Gen Z choose second-hand to afford higher-end brands

Source: ThreadUp

Above left to right: Coachtopia by Coach, US; Ahluwalia Symphony Unlocked. Connected by EON. Powered by Microsoft, UK; Loro Piana, Italy; Vestiaire Collective, France

Craftsmanship and Culture

Circular Luxury

US consumers intend to keep their purchases for a long time – **91%** for at least five years, **31%** for at least 20

Source: The Business of Fashion

Gen Z are recognised as the most circular generation as they bought and resold luxury items **52%** more in 2022

Source: The RealReal

Demand for luxury handbags in ‘fair condition’ showing visible signs of wear, such as frayed edges or significant scratches to interior stains, has nearly doubled since resale platform The RealReal started offering them in 2022

Source: The RealReal

Savvy Collectors

70%
of fashion consumers are encouraged to take better care of their items thanks to their resale value, while **47%** of young cross-border luxury shoppers will pay full price to be the first or only person to have a product

Sources: Vestiaire Collective, ESW

North American sales of logo-heavy products have dropped **43%** in 2023

Source: Joor

56%
of Gen Z and Millennials would forgo the latest trends in favour of a one-of-a-kind look

Source: ThreadUp

Commercialising Archives

In July 2023, the hashtag #archivefashion has received 36m views, with **91%** of viewers aged 18–24

Source: Edited



Christie’s broke records on 13 June 2023 with sales of several rare handbags. Results from the auction totalled **£3.1m** ($4.1m, €3.6m), making it the highest-valued handbag sale ever staged in the Americas

Source: Christie’s

On resale platform TheRealReal, collectible archive trade was up by **439%** in 2022 year on year

Source: The RealReal

Gen Z and Millennials are driving vintage demand with sales of vintage archival pieces up **50%** since January 2022

Source: The RealReal

62%
of resellers have sold luxury accessories for more than they purchased them, which stems from product scarcity and the collectability of luxury accessories

Source: The Business of Fashion

Above: Joopiter, US

Strategic Worksheets

These strategic worksheets are to help you apply this macrotrend to your business



D Line, Denmark

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?

Urbanising World | Micro-globalisation | Accelerating Technologies | Evolving Demographics | Climate Crisis and Resource Scarcity | Fragmenting Societies



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 tastemakers?

How do we add value to culture?

What will our consumers pay more for in the future?

02 Category

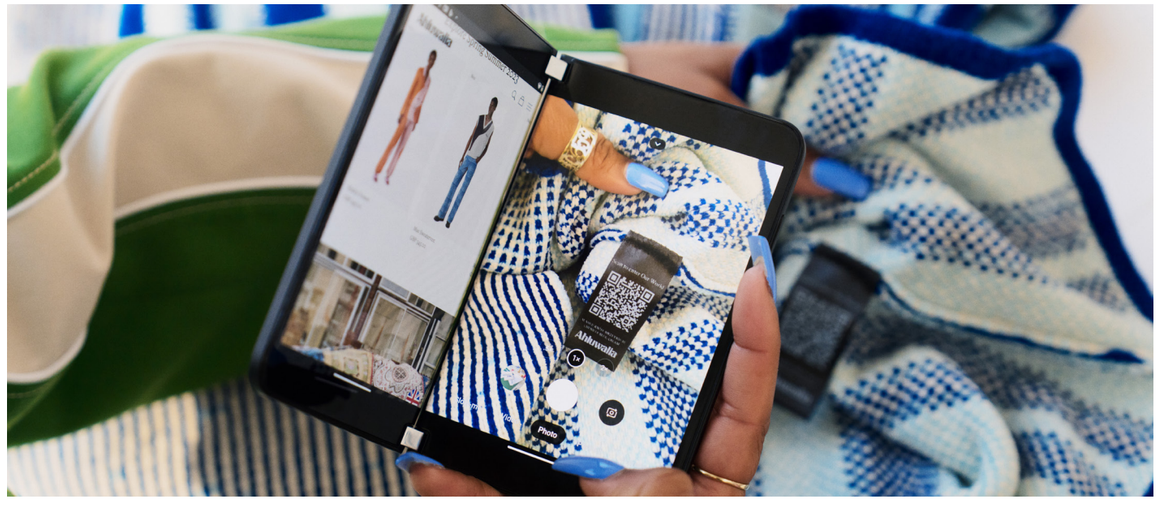
What's our greatest opportunity?

How is the competition evolving?

How can we differentiate?

Above left to right: Makers Cabinet, UK; AOI, UK

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

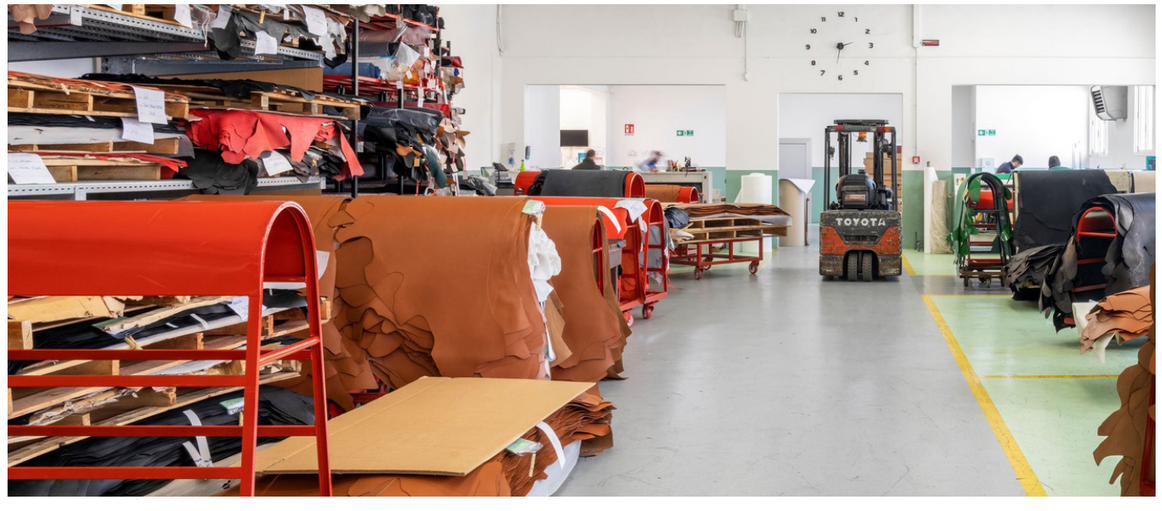


03 Consumer

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?

Above left to right: Ahluwalia Symphony Unlocked. Connected by Eon. Powered by Microsoft, UK; LVMH Métiers d'Art and Nuti Ivo, Italy

Planning

YEAR 1

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

YEAR 3

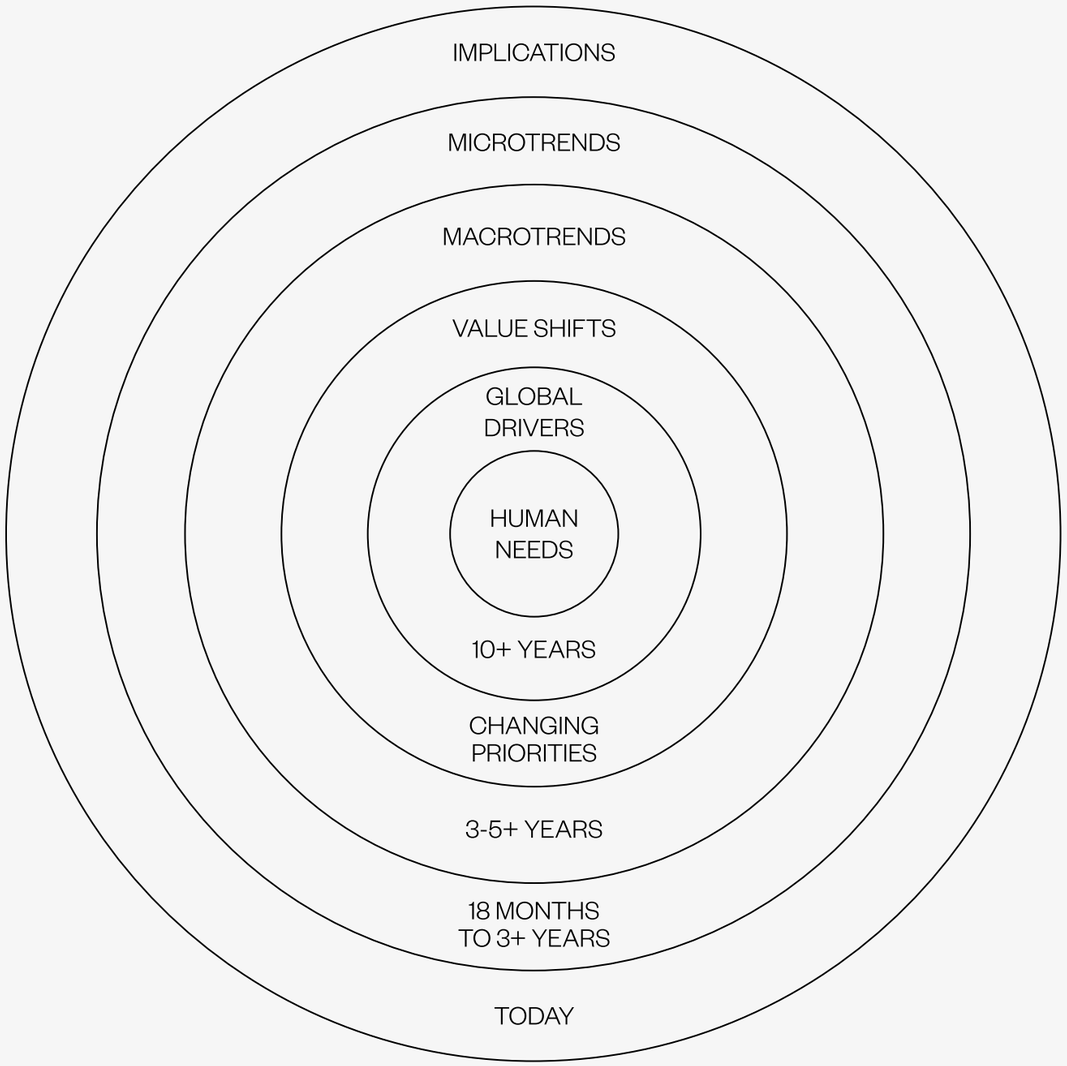
In three years, how will this macrotrend change the brand?

YEAR 5

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:

01 Human Needs

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

02 Global Drivers

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

03 Value Shifts

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

04 Macrotrends

The cultural manifestations of new and emerging attitudes worldwide

05 Microtrends

Influential short-term signals indicated by innovation

06 Implications

Future implications for brand and business growth



The Seven Human Needs

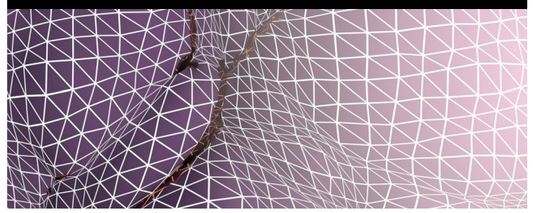
The seven human needs are timeless and universal. Based on a value system that supports human nature's physical and emotional programming, each human need is of importance to us as individuals and together they form the foundation of society as well as that of our methodology:

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

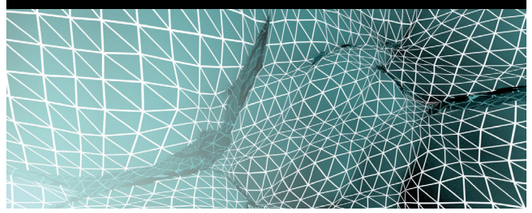


At the core of humanity is a fundamental need for structure, control, certainty and stability. It is a basic human survival instinct to protect ourselves and our loved ones from perceived physical, emotional and economic threats

KEY ELEMENTS

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

Fulfilment

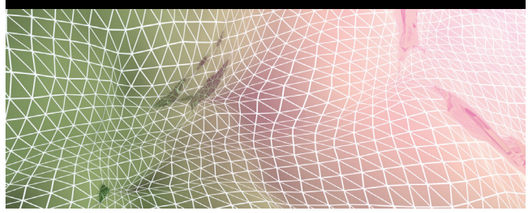


There is a human desire to direct our own lives, to create forms of freedom, and to find deeper meaning and balance in life. It is the psychological need to fully realise our personal potential with the resulting feeling of satisfaction

KEY ELEMENTS

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

Belonging

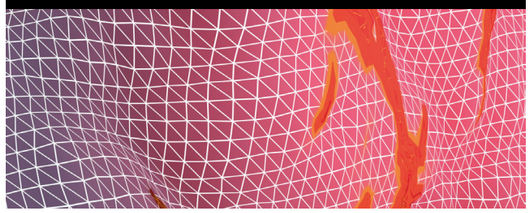


It is a social need to be physically connected to a group of like-minded people. We have an emotional urge, on an individual level, to create support systems and relationships that provide us with acceptance and approval

KEY ELEMENTS

Nationalism, Tribalism, Roots, Conviviality, History, Culture

Curiosity

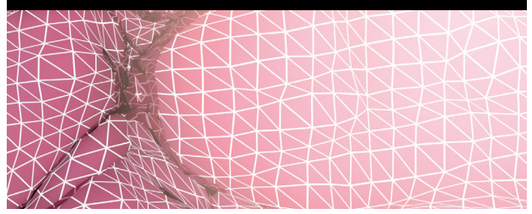


To both create and co-create makes us push the boundaries of what is ultimately humanly possible. Our in-built intuition makes us inquisitive beings with a shared inclination to discover or challenge the norm

KEY ELEMENTS

Exploration, Education, Connoisseurship, Discernment

Identity

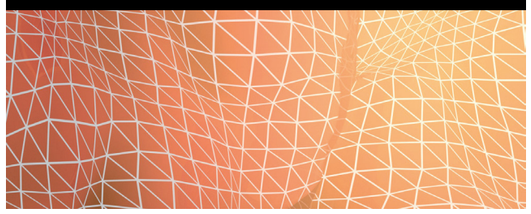


We have a need to distinguish our character or personality from others and to feel unique and respected for who we are. We build our sense of who we are through a personal exploration of gender, sexual orientation, ethnicity and age

KEY ELEMENTS

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

Attainment

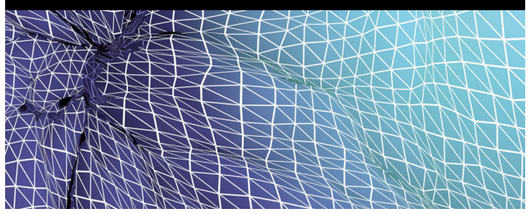


All human beings need to feel respected and recognised among their peers, which drives the desire to constantly express our significance and success, our knowledge and tastes, with our achievements often reinforced through the acquisition of symbolic goods

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.



The Six Global Drivers



Accelerating Technologies

With technological adoption and innovation continuing to accelerate, and new developments in AI and blockchain technology dominating headlines over the past year, the limits of technological progress and its impact on civilisation are almost unfathomable



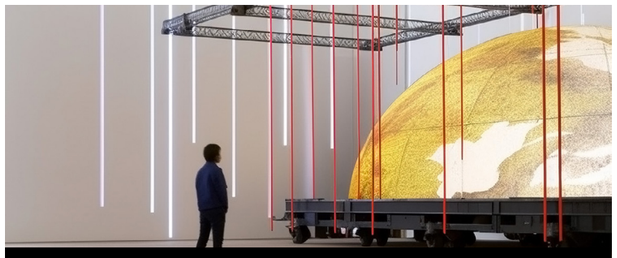
Climate Crisis and Resource Scarcity

The urgency surrounding climate change is now a full-blown emergency, existentially threatening humanity and industry. But ambitious goals and targets are emerging, backed by tangible action plans, alongside a growing sense of pragmatism over doomerism



Evolving Demographics

Over the next decade, the shape of our global population is set to change dramatically. These shifts will redefine tomorrow's demographics and profoundly reshape societal and cultural systems in terms of identity, beliefs and values



Micro-globalisation

After decades of liberalisation, the world we live in is inextricably interconnected – socially, technologically, economically, environmentally and politically. But lack of equitable collaboration has stymied mutual progress, leaving us in a state of co-dependency rather than cooperation



Fragmenting Societies

Fractious inequalities and divisions are being exposed in a fast-changing, unstable world. VUCA (volatile, uncertain, complex, ambiguous) has often been used to describe this situation, but today, BANI (brittle anxious, non-linear and incomprehensible) is emerging as a more appropriate acronym



Urbanising World

Despite ever-evolving migration patterns and the repercussions of a global pandemic, cities remain the financial, technological and cultural epicentres of society, acting as the main environments for daily life and work for a vast majority of the global population

Global Drivers 2030, AI artwork by **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.

Meet the Experts



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Photography by Amber Richards for **The Future Laboratory**

Make a better future happen

This report is based on luxury research from The Future Laboratory's trends, intelligence, consumer insight and futures innovation platform, **LS:N Global.**

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

We can also deliver our macrotrends to your business in a number of ways, from on-demand **video 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 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:

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