

LIFESCAPES LAB

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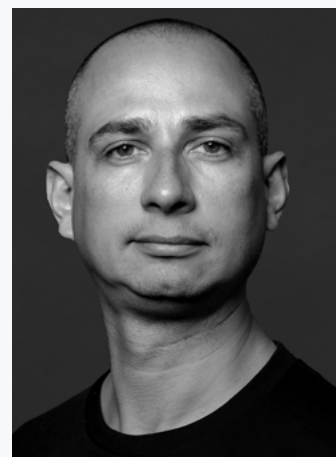
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WELCOME TO LIFESCAPES LAB

Welcome to the first edition of Lifescapes Lab, the new trends and insights report for our Lifescapes sector which uncovers the things you need to know about places, experiences and passions people can't live without. Each month we will deep dive into the innovations, trends and campaigns making waves globally.

To kick off 2025, we're looking at the top 10 biggest trends in consumer behaviour.

In 2025 several key trends will shape our consumer behaviour, driven largely by evolving preferences and technological advancements. We'll visit new digital landscapes, see a rise in intentional consumption and experience a shift to younger consumers in emerging markets. Convenience and transparency will remain crucial with fast, flexible services and authenticity from brands. A greater appreciation for genuine connections will reflect in more meaningful activities and intentional spending on products and services.



Paul Dalton-Borge
Chief executive, Lifescapes



LOOKING AHEAD — 10 BIG TRENDS IN CONSUMER BEHAVIOUR

1. Sharing Economy 2.0

Gen Z is driving a new era for the Sharing Economy, which initially thrived on millennials' preference for experiences over ownership. The market is projected to grow from \$113 billion in 2021 to \$600 billion by 2027, emphasising resource efficiency and frugality. New peer-to-peer models allow owners to monetise their possessions, offering sustainable and cost-effective living solutions. Brands like Bolt Drive's car-sharing feature and Renault Plug Inn's electric charging network are embracing this trend, positioning themselves for success with innovative sharing solutions.

2. Young people in emerging markets

By 2030, 75% of consumers in emerging markets will be between the ages of 15 and 34. These young consumers, especially in Asian and Middle Eastern nations, are optimistic about the economy and willing to spend on premium product. Older consumers are no longer brand loyal, and young consumers in Asia and the Middle East are more likely to switch to higher-priced brands. Companies should understand these evolving behaviours and tap into younger markets to succeed.

3. Local and global balance

Consumers are increasingly valuing local products and experiences for their authenticity and sustainability, while also staying connected to global trends and technologies. This balance reflects a blend of local pride and global awareness, where people support local economies and embrace global innovations. Brands are increasingly offering products and services that resonate on both local and global levels.

4. Savvy and self-sufficient

Consumers are becoming more self-sufficient due to digital empowerment, supporting themselves in health, finance, fitness and cooking at home, driven largely by the cost of living and healthcare struggles. Cooking from scratch is popular among those aged 45 and above, while younger consumers focus on home fitness and side hustles. Brands need to help consumers feel informed and empowered by offering smart choices.



Sources: VML Insights, McKinsey & Company 'State of the Consumer' report, Mintel 'Global Consumer Trends' report, Innova Market Insights

LOOKING AHEAD – 10 BIG TRENDS IN CONSUMER BEHAVIOUR



5. Evolution of payment methods

The future of payments will be more convenient, secure, and seamless with the rise of cryptocurrencies and biometric payments. Consumers are increasingly expecting frictionless experiences, and brands that deliver will thrive. Central Bank Digital Currencies (CBDCs) and biometric authentication, like fingerprint and facial recognition, will enhance security and user experience, driving innovation in financial transactions.

6. Growth of subscription economy

The subscription economy has grown by a remarkable 435% over the last decade, according to the Subscription Economy Index Report, evolving beyond streaming services into our everyday lives. Consumers are increasingly

turning to subscription models due to the convenience, personalisation, cost-effectiveness and sustainability aspects. Whether it's for digital services, groceries, fashion or even experiences, businesses of all kinds are adopting these models due to growing consumer demand.

7. Experiential consumption

Experiential consumption is a significant trend in consumer behaviour for 2025, it emphasises the importance of creating immersive and meaningful experiences over simply acquiring material possessions. Consumers are increasingly seeking out experiences that provide emotional and sensory engagement, which can lead to stronger brand loyalty and satisfaction.

8. Intentional consumption

In 2025, consumers will shift from cautious to intentional consumption, focusing on spending that brings prosperity and wellbeing. Despite political and economic challenges, they remain resilient, redirecting spending to important areas. This approach reflects a determination to stay ahead and wisely repurpose gains.



LOOKING AHEAD – 10 BIG TRENDS IN CONSUMER BEHAVIOUR

9. Convenience and speed

Consumers, especially younger ones, are increasingly expecting speed and convenience in their shopping experiences. Flexible services like same-day delivery and ‘buy now pay later’ options are gaining popularity as they help manage spending while making purchases. Brands need to adapt by offering efficient and transparent services to meet these growing demands.

10. Role of community and connection

There’s a growing emphasis on community and social connections in consumer behaviour. As consumers seek deeper relationships and a sense of belonging, brands are encouraged to foster collaborative spaces that transcend physical limits. This trend highlights the need for brands to engage with consumers in meaningful ways, creating shared experiences and building trust. By leveraging technology and innovative strategies, brands can facilitate a sense of community, driving loyalty and enhancing the consumer experience.



Sources: Springfair, Mintel 'Global Consumer Trends' report

WHAT'S MAKING WAVES?

MEDIA AND TECHNOLOGY

Looking ahead, we'll see a rapid rise in media and technological trends shaping consumer behaviour. Social platforms are enhancing search functionalities, snackable content on platforms like Instagram Reels and YouTube Shorts will dominate to drive deeper engagement and in-app purchasing will become seamless, blurring social and shoppable media lines.

A new search frontier

The way consumers find places, products and services is undergoing massive transformation, both through AI-powered revamps of traditional search engines like Google and Bing, along with new wave AI-native search platforms like SearchGPT from OpenAI. At the same time, users increasingly skip over traditional search, choosing to engage on-platform with Instagram and TikTok, with these platforms quick to enhance search functionalities. As consumer behaviour shifts, the search advertising status quo begins to look more fragile and all of these companies will have monetisation at the top of the agenda in 2025. For TikTok, that means finding ways to create more ad opportunities, while Google has the more difficult task of monetising AI-powered search results. At the same time, voice search is growing, offering new engagement avenues. And Google, Microsoft and Amazon are all racing to develop multi-modal AI that can integrate

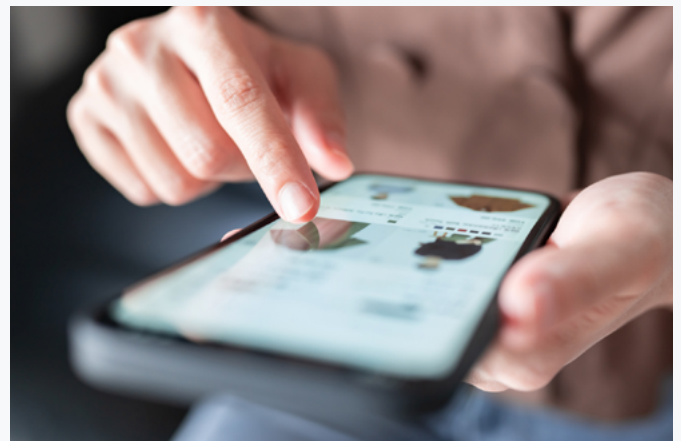
visual search, 'seeing' the world around us and responding proactively.

The power of video

The rise of TikTok, Instagram Reels, and YouTube Shorts highlights the growth of 'snackable content,' with brands creating engaging, bite sized videos. Increased live and interactive video opportunities will foster deeper connections between brands and audiences. Video content is expected to account for over 80% of internet traffic, becoming the primary medium for online advertising. Brands investing in diverse video strategies will better engage audiences, increase brand awareness, and drive conversions.

Where social meets shopping

Increased commerce capabilities in apps like Instagram and TikTok are leading to greater in-app purchasing and shoppable posts, with seamless in-feed purchase options expected. Apple may pose a barrier to in-app payments. This trend blurs the line between social and shoppable media, creating unified shopping experiences. Advanced social media advertising targeting opportunities will arise, and combined with visual search and AI personalisation, this could significantly shift how customers shop and explore new brands.



Sources: Insights from Four's expert Media team

WHAT'S MAKING WAVES?

MEDIA AND TECHNOLOGY



The Cookieless World

After years of inexorable progress towards the extinction of third party cookies, 2024 saw the opposite, with Chrome abandoning (at least for now) its plans to remove them, and with the UK Government announcing they would allow analytics cookies to be used without explicit consent. So does this mean a return to the status quo? We think it's a temporary reprieve at best and the most forward thinking brands will still be focusing on first-party data collection in 2025, leading to increased contextual targeting opportunities. Brands with transparent data practices and strong first-party data strategies will, as ever, be better positioned to respond to what is likely to be a year of regulatory surprises and upheavals as new governments around the world bed in.

Many to one rather than one to many

The rise of generative AI has completely transformed what is possible around personalisation. As brands take advantage of these new capabilities, we will see a genuine shift from a traditional segmented, audience-focused model towards treating each consumer as an individual. This evolution makes omnichannel marketing strategies essential, requiring cohesive brand experiences with consistent messaging and visual identity across all platforms. Marketing teams must adapt to unique behaviours on diverse media to capture brand recognition in a crowded environment. The convergence of media and digital worlds is driving dramatic developments. Staying at the forefront of these tools, technologies and strategies is crucial for growth and success for marketers.

Sources: Insights from Four's expert Media team

WHAT'S MAKING WAVES

CULTURE

The Korean wave

The global influence of Korean culture, known as Hallyu, is going on strong, driven by K-pop, K-dramas, and Korean beauty products. This trend is impacting consumer behaviour by introducing new cultural elements into mainstream markets. Brands are leveraging Korean culture to create resonant products and campaigns, fostering cross-cultural exchanges and expanding the reach of Korean brands worldwide. “Hallyu! The Korean Wave” exhibition in Boston celebrated this dynamic pop culture, with the popularity of K-Pop bands like BTS continuing to skyrocket.



Going beyond the physical

Consumer culture around AI and digital experiences in cultural spaces is growing, with demand for personalised and immersive interactions. Museums and galleries are integrating VR, AR and AI, making visits more engaging and educational. The world's first AI art museum, dubbed 'DataLand', is anticipated to open this year in LA. It will promote ethical AI and highlight the intersection of human imagination and the creative potential of machines.



About 90% of Gen Z in the UK and Ireland prioritise brands with a purpose beyond profit, leading to loyalty or boycotts based on social issues. Campaigns resonating with cultural values attract and repel audiences, with social media amplifying these effects. Take the viral 'Assume that I can' campaign which launched ahead of World Down Syndrome Day and challenged negative bias and emphasised inclusivity.

Battling the culture wars

Brand purpose and activism shape consumer behaviour, influencing loyalty and product preferences.



Green arts

As climate change concerns grow, consumers demand transparency, ethical practices, and corporate responsibility. This trend is evident in the arts and culture space with the Art Charter for Climate Action (ACCA), a global initiative whose partnership with the UN was announced at the Venice Biennale. ACCA unites over 1,000 members from 70+ countries to reduce greenhouse gas emissions in the arts sector and inspire broader climate action through artistic expression.

Sources: Martin Roll, American Alliance of Museums 'Trends watch', British Council

THE BAROMETER **HOT LIST** 🔥

Every month we ask our network of global trend-setters and tastemakers what's on the up and what's on the down.

This month, hear from Harriet Addison, features editor at *The Standard* for her take on what's Thriving and what's Diving.



Albania

Maybe it's because of Dua Lipa, maybe it's just because Ksamil is a Caribbean-alike – but we're all booking our holidays there this year



Reformer Pilates

Five years ago, we couldn't get enough of boxing. Now all the fitterati care about is extremely expensive Reformer Pilates classes. It's just a matter of time before someone develops a democratically-priced at-home version

THRIVING



Vintage fashion

The musical chairs at the fashion houses last year - Matches, Browns – show that we're falling out of love with luxury fashion. Fast fashion isn't an option, sustainability-wise. No wonder everyone is obsessed with Vinted. Why pay full price, duh



90s nostalgia is going nowhere

First it was the fashion. Then the perfume – last year it was announced that sales of Eternity for Men had gone up by 228%. Then the return of our favourite 90s catwalk legends to the small screen in Disney+'s *In Vogue* and Apple TV's *The Supermodels*, followed by BBC documentaries about 90s Boybands and *Loaded Magazine*. And we haven't even got to Oasis Summer yet

THE BAROMETER **HOT LIST** 🔥



Skiing

With reports that lower-altitude French resorts are having to shut because of climate change, it's become a very un-chic holiday (also, can anyone really still afford to go?)



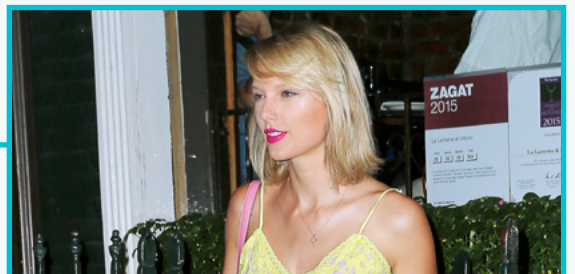
Writing your own shopping list

Did you know you can ask ChatGPT to not only plan your meals for the week, within budget, taking any dietary foibles into account, but also present you with a supermarket-ready shopping list? 2025 could be the year we all embrace the robots



Boring interiors

Recently a Portobello Road townhouse with a slide went on sale. No, our budget doesn't stretch to £5.25 million – but we're loving the return to interiors trends that put a smile on our faces. See bright coloured walls, doors and staircases, too - our favourite is the eye-popping electric blue from Yes Colours



Mega Celebrities

We all love a celeb but their cultural dominance has become a little trying. And it's only going to get worse – with the recent announcement of the Universal-Warner family takeover in the US, and subsequent purchase of Pias, we're worried about independent labels and smaller bands having the creativity squished out of them

DIVING



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