



# A NEW WORLD DISORDER? Navigating the polycrisis

Key Takeouts for  
NICOTINE  
SECTOR

GLOBAL  
TRENDS  
2023

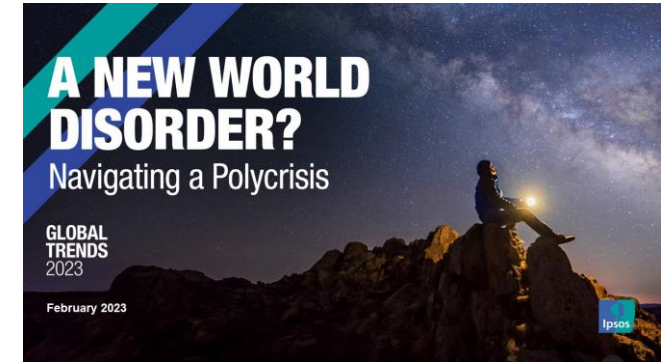
# HOW ARE PEOPLE CHANGING?

Since 2013 Ipsos has been tracking the values, attitudes and behaviours of people around the world. This year's survey, conducted at the end of 2022, is our biggest ever, comprising some 48,000+ interviews across 50 markets, with strong representation across all regions, allowing us an unprecedented window into the lives and concerns of the public.

Understanding change within any sector is about understanding both top-down and bottom-up change:

- Top-down change refers to broad cross-category changes. These affect people irrespective of their relationship with specific product categories but will have different impacts from one sector to another
- Bottom-up change refers to specific changes within individual categories – both changes in what users need and want, and changes in what those in category bring to the market and how they do so

Ipsos Global Trends is a hugely valuable resource to understand top-down change. Our 2023 report entitled “**A NEW WORLD DISORDER? Navigating the polycrisis**” is available for download and covers the key dimensions driving change, including 6 Macro Forces (that cover 26 more detailed themes) and 12 consumer trends that we have been tracking since 2019.



## At a glance: the Ipsos Global Trends

In 2019 we used advanced analytics and perspectives from our team of trends and foresight experts to analyse 370 questions across 36 markets, identifying 36 global values and 12 trends, which we have been tracking ever since.

Since then, our annual updates have highlighted how our 12 trends (which cover populism, brand-building, climate change, technology, data security, politics and social issues) have changed – or not changed – over time.

We are delighted to be able to share with you what they look like in 2023, blending our latest data, local signals, our updated Macro Forces and some thought-starter provocations on what they might mean for your organisation, whether it is a government department, a corporation or an NGO.

We hope you find these insights thought-provoking.





# WHAT DOES THIS MEAN FOR THE NICOTINE SECTOR?

In this document, our **Nicotine** category experts have evaluated the macro force and trend dimensions covered in IGT and identified the key factors that will shape the **Nicotine sector** during 2023 and beyond.

From these, we have identified **four key drivers of change** and brainstormed some thought-starter implications for each.

Once you have digested these, please:

- Download our free Global Trends report for 2023 for more insight, data, marketplace signals and thought-starters relating to the Macro Forces and trends described in this document, : <https://www.ipsos.com/en/global-trends>
- Contact us to discuss how we can help you navigate the polycrisis and beyond.
- Consumer preferences and tastes are highly driven by cultural factors and traditions. The trends we have outlined in this document are global in nature but, of course, will vary widely from one market to another. We can leverage our 50 country dataset to help you understand what these trends look like in the markets you care about.



# IPSOS GLOBAL TRENDS COVERS SIX MACRO FORCES (INCLUDE 26 DETAILED THEMES) AND 12 GLOBAL TRENDS

## Our six global Macro Forces and key themes

Operating at a broad level, Macro Forces have far-reaching impacts within countries and across borders, affecting societies, markets and people.

Societies in Flux	Tech-celeration	Inequalities and Opportunities	Environmental Emergencies	Political Splintering	Well-rounded Well-being
Ageing populations	Pervasive technology	Rise & fall of middle classes	Climate change	Plateau of globalisation	Growing mental health crisis
Community migration	The immersive frontier	Employee power shift	A greener way of thinking	Security dilemmas	Systemic health inequality
Life stage evolutions	AI advances & quantum computing	Generational wealth disparities	Over-development	Rethinking institutions	Integration of health & technology
Greater ethnic & religious diversity	Increased automation	Impacts of inflation		Increasing geopolitical conflicts	
Identity fluidity	Toll of technology	Alternative value structures		Entrenched inequality	

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For more insight, data, marketplace signals and thought-starters relating to the Macro Forces and trends described on this page, download our free Global Trends report for 2023: <https://www.ipsos.com/en/global-trends>

# THESE BROADER MACRO FORCES AND GLOBAL TRENDS DRIVE CHANGE IN THE NICOTINE SECTOR



- DRIVERS OF CHANGE IN NICOTINE
- THE SECTOR IS ON A JOURNEY TOWARDS WELLBEING SOLUTIONS
- NICOTINE DELIVERY DEVICES, APPS AND DATA WILL TRANSFORM USAGE
- THE COST OF LIVING CRISIS IS SHIFTING USAGE PATTERNS
- USERS ARE BECOMING MORE AWARE OF THE ENVIRONMENTAL IMPACT OF USE

**Our six global Macro Forces and key themes**  
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# THE SECTOR IS ON A JOURNEY TOWARDS WELLBEING SOLUTIONS

## THE WHAT?

### What trends do we see in wellbeing?

Macro Forces:  
**WELL-ROUNDED WELL-BEING**

Trends: **CHOICES OVER HEALTHCARE** and **CONSCIENTIOUS HEALTH**

While the pandemic understandably required governmental-level oversight, legislation and enforcement, the longer-term trend has been for people to want more direct access to healthcare and more control over their solutions and outcomes. Consumers continue to want more access to providers and specialists, regardless of their location, and more control over their well-being. Medical professionals have been weathering the pandemic and demand fair compensation and treatment.

Health is becoming more holistic, taking into account multiple meanings of well-being. The interconnectedness of health with other systems is also being examined, to begin to address inequities.

**80%**

of global consumers agree 'I need to do more to look after my mental well-being'

**86%**

of global consumers agree 'I need to do more to look after myself physically'

**83%**

of global citizens agree 'I would like more control over decisions about my health'

## THE "SO WHAT"?

### What might this mean for the Nicotine sector?

**HEALTH: THE ULTIMATE DESTINATION**

Major players in the sector are very different in their progress on the journey away from traditional cigarettes, but there seems to be widespread agreement on the ultimate destination.

Nicotine delivered with other additives can play a key role in helping with insomnia, anxiety and stress.

The longer-term future might also involve convergence with other adjacent sectors such as CBD, alcohol, coffee, etc as broader, more holistic category definitions emerge.

**POLY USAGE COMPLICATES THE STORY**

Users are typically in a state of flux, transitioning from one form of usage to another and with highly situational usage patterns.

Poly usage is high. Some usage occasions encourage to think about healthier options than others.

In this context, portfolio management, cross-portfolio branding and loyalty become key issues.

**LEARNING FROM ADJACENT CATEGORIES**

Alcohol, sugar and caffeine have all been the villains of the health lobby and government policy and have innovated responses.

[Sentia](#) is a non-alcohol drink that claims to offer all the benefits of alcohol consumption without the negatives of addiction and hangover: what is the nicotine equivalent?

Those in other industries suffering disruption (such as fuels, automotive) have had to learn how to pivot their thinking and their outreach. What lessons can be learned here?

# NICOTINE DELIVERY DEVICES, APPS AND DATA WILL TRANSFORM USAGE

## THE WHAT?

### What trends do we see in data & technology?

Macro Forces:  
**TECH-CELERATION**

Trends: **DATA DILEMMAS**  
and **THE TECH**  
**DIMENSION**

Whether it's that eerily accurate advert that pops up after you and your spouse have agreed to buy a new sofa, or your quick acceptance of the default cookie settings on a website so you can read an article a colleague just sent you, at times we all question who has our data and what they're doing with it. But how much do people *really* care? And perhaps more importantly, are they willing to do something about it? The rapid pace of technological change and disruption over the past few decades cannot be understated. However, years on, many people are wondering whether the promises made by Big Tech have been kept, and what we need to do collectively to harness the potential of tech – and mitigate its risks.

**71%**

can't imagine  
life without the  
internet

**81%**

feel that it is inevitable  
that we will lose some  
privacy in the future  
because of what new  
technology can do

## THE “SO WHAT”?

### What might this mean for the Nicotine sector

**TECH COULD DRIVE  
HEALTHIER USE**

Industry efforts to leverage technology to enable users to understand their usage patterns, in the way that is becoming commonplace in the food and beverage sector, have been hampered by the unwillingness of tech giants to engage with a sector that they see as damaging.

Breaking this wall will be key in enabling AI-driven connectivity, behavioural recommendation engines and a digital support community.

**PERSONALISATION A KEY  
OPPORTUNITY**

Nicotine consumption is a series of moments, highly unique situations where needs vary and the solutions that users choose vary accordingly. In essence this is a personalisation issue: the personalisation of consumption offerings to specific individual and contextualised moments would be a major win but is dependent on getting the relevant permissions.

While this is a longer-term issue for the industry, cracking the code on contextual (i.e., based on location, weather, mood, who one is with, etc) will offer major competitive advantage in the longer-term..

**EMERGING TECH A LONG-TERM  
PLAY**

Emerging tech such as the metaverse, AI, AR, all offer very interesting opportunities to optimise engagement with the products, with other users and to “get real right”.

Predictive modelling, churn rates, lifetime customer values are all harder to do in the nicotine space than other markets because of the regulatory and permissions issues, so this is a long-term play rather than something for the here and now.

# THE COST OF LIVING CRISIS IS SHIFTING USAGE PATTERNS

## THE WHAT?

What trends result from economic uncertainty?

Macro Forces:  
**INEQUALITIES AND OPPORTUNITIES**

Trends: **REACTIONS TO UNCERTAINTY AND INEQUALITY**

Uncertainty has become the only certainty. People in many markets are facing economic instability as currencies shift in value, inflation rises, supply chains continue to be disrupted, and governments change. Financial inequality, already a driver of change, worsened in the pandemic. In every corner of the globe, struggles to achieve parity based on gender, race, ethnicity and religion dominated headlines. Where can people turn to find confidence, and how can they hedge their bets in an uncertain climate?

**1/3**

of the world will be in recession in 2023

Kristalina Georgieva, IMF's Managing Director, 1 January 2023

**60%**

wish their country was run by a strong leader instead of the current elected government

## THE “SO WHAT”?

What might this mean for the Nicotine sector

**DOES NICOTINE STILL HAVE THE LIPSTICK FACTOR?**

Economic downturns are traditionally associated with cut-backs, declining frequency and volume and trading down in many categories but there has been a feeling that indulgence spend is immune from this (the so-called Lipstick effect where certain products actually do well in difficult economic times).

But, as the economic woes deepen, portfolio switching and trading down will likely become more commonplace. Does your portfolio have sufficient trade down options?

**DOES A POYCRISIS CREATE NEW RULES?**

**RETURN OF THE WILD WEST?**

Does the stretched economic landscape mean that there will be more consumer interest in cheap, potentially unregulated, products, perhaps from non-mainstream, smaller and less trusted suppliers?

**WHAT HAPPENS TO PREMIUM PRODUCTS?**

Will we see more of a move into cheaper closed system formats at the expense of disposables? Will major players look to more tightly control the retail outlets for their premium products, avoiding lower end retailers?

**WHAT DO STRONG “MINUS PRODUCTS” LOOK LIKE?**

With a move to value, buyers may want to shift into pared back, stripped down product offerings.

**THE DECLINE OF SOCIALISING?**

Post-COVID people understandably wanted to make up for all those social occasions they'd lost through lockdown but as this “revenge spend” hits a cost of living crisis, will the social occasions that drive so much nicotine usage decline again?

**IMPACT OF SUPPLY CHAIN WOES**

While not solely an economic story, the travails of global supply chains can have major consequences – what are the impacts of stockouts on your brand? Where will your customers go if your product is not on shelf, and will they come back when it is once again available?

Supply chain agility and resilience is a factor for nicotine as it is in other sectors: do you have a Plan B and a Plan C for ingredient sourcing, processing, manufacture and assembly, packing, storage, shipping?



# USERS ARE BECOMING MORE AWARE OF THE ENVIRONMENTAL IMPACT OF USE

## THE WHAT?

### What trends do we see in sustainability?

Macro Forces:  
**ENVIRONMENTAL  
EMERGENCIES**

Trends:  
**CLIMATE  
ANTAGONISM**

Climate change has become a visceral reality, with the past year seeing the largest number of climate-related disasters in recorded history. But there is rampant debate about who is responsible for climate change and how to address it: some consumers are changing how they make purchasing decisions according to their environmental impact, while others (particularly Gen Z) are putting the responsibility squarely on the shoulders of government, systems and corporations.

## 28 July

Earth Overshoot Day in 2022: the date by which demand for natural resources had exhausted what the Earth can regenerate

## 80%

feel that we are heading for environmental disaster unless we change our habits quickly

## THE “SO WHAT”?

### What might this mean for the Nicotine sector

DO USERS CARE ENOUGH?	FINDING WAYS TO LESSEN THE IMPACT	WILL DISPOSABLES BE SHORT-TERM	COST-FREE SUSTAINABILITY	ESG IS MORE THAN JUST GREEN
<p>As in some convenience-driven sectors, there is much debate about the degree to which nicotine users care enough about sustainability (in the context of an indulgence-based pattern of usage).</p> <p>With the industry having severe reputational challenges on other fronts too, environmental wins would be very helpful in cleaning up the image of the sector and creating goodwill amongst legislators.</p>	<p>Over the years the nicotine industry has had a relatively poor track record with regards to the environmental impact of its products. From cigarette butts to the Lithium batteries in disposables, products have tended to be high impact.</p> <p>The environmental imperative suggests that a move away from cigarettes and disposables into less impactful formats like closed system devices and pouches could allow the industry to begin to fight back against adverse coverage of its record to date.</p>	<p>Anti-disposable legislation seems a distinct possibility if not a near certainty in some markets. Rather than making short-term gains at environmental cost, might the industry be better served by tackling this issue proactively and pre-emptively taking the high ground.</p>	<p>Fairly or not, the average consumer wants green benefits delivered in the products they buy without having to pay extra for the privilege, irrespective of sector. The nicotine sector is just as subject to these “unrealistic” consumer demand and needs to decide how to respond.</p>	<p>If a move out of cigarettes and disposables is not yet feasible, other avenues exist to create a positive brand purpose: these might include:</p> <ul style="list-style-type: none"> <li>• Recognising the rights of the farmers</li> <li>• Employee-focused ESG initiatives</li> <li>• Acknowledging the past mistakes of the industry</li> </ul>

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# OUT NOW!

## Download our Global Trends report

[www.ipsosglobaltrends.com](http://www.ipsosglobaltrends.com)

## Talk to our team about how we can help you to activate trends in your organisation:

[Globaltrends@ipsos.com](mailto:Globaltrends@ipsos.com)



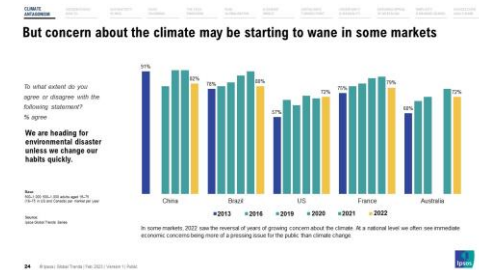
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<ul style="list-style-type: none"> <li>Ageing populations</li> <li>Community migration</li> <li>Life stage evolutions</li> <li>Greater ethnic &amp; religious diversity</li> <li>Identity fluidity</li> </ul>	<ul style="list-style-type: none"> <li>Pervasive technology</li> <li>The immersive frontier</li> <li>AI advances &amp; quantum computing</li> <li>Increased automation</li> <li>Autonomous vehicles</li> </ul>	<ul style="list-style-type: none"> <li>Dark &amp; light of middle classes</li> <li>Generational wealth disparities</li> <li>Impacts of inflation</li> <li>Alternative return investments</li> </ul>	<ul style="list-style-type: none"> <li>Climate change</li> <li>Over-environment</li> <li>Healthcare</li> <li>Extruded inequality</li> </ul>	<ul style="list-style-type: none"> <li>Plateau of globalisation</li> <li>Security dilemmas</li> <li>Retraining institutions</li> <li>Increasing geopolitical conflicts</li> <li>Extruded inequality</li> </ul>	<ul style="list-style-type: none"> <li>Growing mental health risks</li> <li>Systemic health inequality</li> <li>Integration of health &amp; technology</li> </ul>

### CLIMATE ANTAGONISM

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### Contents

Ipsos Global Trends 2023 provides a toolkit to help you navigate the future. If you only have a few minutes, read the Executive Summary. If you want to know all the details, to inform your strategic planning and decision-making, then dive into Macro Forces and read how our Trends have evolved. Want to go deeper? Contact the Ipsos Global Trends and Foresight team to learn more about your policy area, market category, and the relevant implications and opportunities. Click on arrows to be taken to relevant section of report.

- EXECUTIVE SUMMARY
- MACRO FORCES
- OUR TRENDS IN 2023
- FINAL THOUGHTS

### Societies in Flux

The population is aging in most countries, creating a brain drain for businesses and putting pressure on economic and social care programmes. The birth rate is below the replacement rate everywhere in the world, except Africa.

Ageing populations

Community migration

Life stage evolutions

Greater ethnic & religious diversity

Identity fluidity

68% of the world's population will be living in urban areas by 2020 (up from 47% in 2000).

### There is a great deal of innovation in sustainability, such as emissions reductions, lower resource usage and greater reuse of resources

Signals

- 1 Climate change
- 2 Over-development
- 3 A greener way of thinking
- 4 Alternative value structures
- 5 Plateau of globalisation
- 6 Rethinking institutions

### Progress on climate will need concerted action from governments, corporations, NGOs and citizens

Thought Starters

Many still rely on goods and services that worsen climate change. Can you create better-quality products that won't soon end up in a landfill, at a price people are happy to pay?

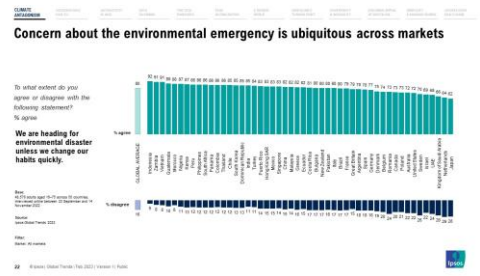
Individual action is a drop in the bucket, while government pledges and corporate impact aren't enough. How can your organisation reach with all these actors to affect change?

In a world whose existence is threatened and where the future is uncertain, does every business have the right to exist?



### At a glance: the Ipsos Global Trends

In 2019 we used advanced analytics and perspectives from our team of trends and foresight experts to analyse 370 questions across 56 markets, identifying 50 global values and 12 trends, which we have been tracking ever since. Since then, our annual updates have highlighted how our 12 trends (which cover population, trend-building, climate change, technology, data security, politics and social issues) have changed—or not changed—over time. We are delighted to be able to share with you what they look like in 2023, blending our latest data, local signals, our global Macro Forces and some thought-leader provocations on what they might mean for your organisation, whether it's a government department, a corporation or an NGO. We hope you find these insights thought-provoking.



### CONSCIOUS HEALTH

Health is becoming more holistic, taking into account multiple meanings of well-being. The interconnectedness of health with other systems is also being examined, to begin to address inequities.





# Every crisis can be an opportunity to improve your organisation, and people's lives

## We can help you leverage the trends:

Beyond this public report, get in touch with the The Global Trends and Foresight Team to discuss:

- **In-depth analysis** of the trends or a specific market's attitudes – and how they will change
- **A custom presentation** tailored with data & signals for your organisation and key countries
- **Workshops & activations** to apply the trends to your strategic planning processes
- **Data access** through your Ipsos team, or directly via our Portal for up to 50 markets
- **Macro Forces** with supporting data, to feed into your own foresight processes
- **Market-specific highlights** to inform your global footprint and strategy

## We can help you shape the future:

Beyond the trends, our advisory services in trends and foresight consulting include:

- **'Future of...'** foresight consulting to prepare for the obstacles and opportunities ahead
- **Trend Tracking** to monitor trend evolution and scale
- **Custom trends frameworks**, inspired by Ipsos Global Trends but customised for your organisation
- **Scenario building** and horizon scanning to consult with your organisation on preparation
- **Innovation sprints** to turn the trends into platforms for growth and to develop concepts





## About Ipsos

In our world of rapid change, the need for reliable information to make confident decisions has never been greater.

At Ipsos we believe our clients need more than a data supplier, they need a partner who can produce accurate and relevant information and turn it into actionable truth.

This is why our passionately curious experts not only provide the most precise measurement, but shape it to provide a True Understanding of Society, Markets and People. To do this we use the best of science, technology and know-how and apply the principles of security, simplicity, speed and substance to everything we do. So that our clients can act faster, smarter and bolder. Ultimately, success comes down to a simple truth: You act better when you are sure.

# GLOBAL TRENDS 2023

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GAME CHANGERS

