WHAT THE FUTURE: SHOPPING

+ Experts on culture, architecture, thrifting, and payments explore how the retail continuum is shifting from omnichannel to omnipresent to omniscient

Ipsos

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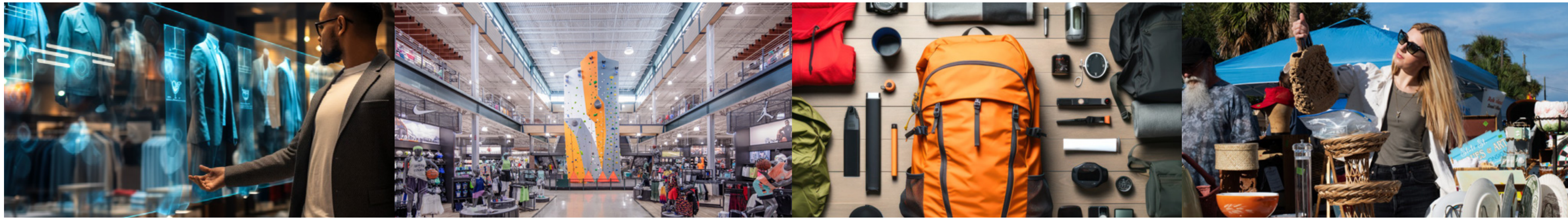


How shopping will be omnichannel, omnipresent and omniscient

Imagine it's 2034. People still shop and buy things. They still have to pay for them. But where and how will shift as consumers diversify, trends evolve, and stores take on new forms.

78% of Americans shop for food and beverages at least weekly.

(Source: Ipsos survey conducted Mar. 19-20, 2024, among 1,120 U.S. adults.)

"Hellscape" is a word that could have come up in any number of previous What the Future issues, such as the futures of Conflict, Risk or even Democracy. But no, the first use of the term appears here, when discussing the future of *shopping*.

There are aspects of the future of shopping that might sound on the surface to be a little dystopian. But there are hopeful futures too, where picking up the essentials as well as the fun-to-haves and the want-to-haves becomes easy, instant, and, dare we say, entertaining.

Today, we are on the continuum of a move from omnichannel retail into omnipresent and omniscient retail. Soon, everything, everywhere will be shoppable; payments will be made in real time; and all our data will make targeting ads and advertainment seamless.

We will be passively targeted on every physical and digital surface. And we will actively shop in our content and even off the bodies of strangers on the street. You won't just comment, "Nice shoes!" to a passerby. You'll be able to snap a pic and have it delivered by the time you get home.

Of course, then you'll have to pay for it, a tension worth noting for a wide swath of today's Americans who are racking up record credit card debt against stubbornly high interest rates.

How will your brand thrive in this landscape? And how important is it to lean into trends? There is no better example of a brand understanding and taking advantage of shopping trends right now than Stanley with its now-ubiquitous multi-colored mug. This product has transformed a 110-year-old business and grown its sales tenfold. It's one thing to see that in a startup with some new product or new service or invention. But to do that in a well-established company is truly remarkable.

How did Stanley pull this off?

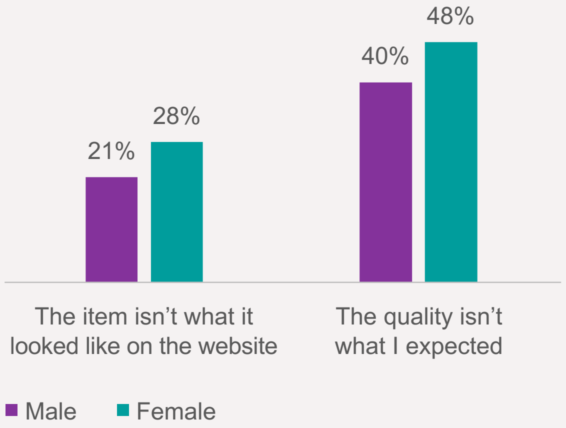
First, it hired the guy who helped make Crocs a thing. He brought with him an understanding of the role of influencers and drop culture, and, frankly, consumer FOMO. Part of it was simply a better understanding of gender dynamics and an awakening that Stanley could market its products to women, not just blue-collar guys, with their thermos. We'll talk about a lot of these trends later with Taylor Welden, creative director of Carryology, which we touched on earlier this year in WTF Manufacturing.

Gender differences still matter

In the Ipsos Future of Shopping study, there really are gender differences in how men and women shop and buy. Which, in 2024, shouldn't surprise anyone, yet seems to. Think back just 15 years to when a major grocery chain undertook a pretty standard SKU-reduction effort but branded it "Project SHE" (Simplify Her Experience) because the company felt that women shoppers were overwhelmed by the sheer number of products available to them. A blogger at the time compared this to a talking Barbie doll that was briefly on the market that said things like "Math class is tough" when you pulled the string in the back of its neck. Another blogger wrote, "The very idea is beyond insulting," and pointed out that, um, men shop for groceries, too.

Women are more concerned than men about being disappointed by online purchases

Q. Which of the following do you find most worrying when you are shopping? (% Top three selected)



(Source: Ipsos survey conducted Mar. 19-20, 2024, among 1,120 U.S. adults.)

Did Project SHE work? Certainly not for everyone. Parents, who also shop differently than non-parents, saw their kids' favorite brands "simplified" away and wound up having to shop at more stores to get everything on their lists. Not simple.

Today, regular grocery shoppers struggle with "tourists" from item-picker/delivery apps who don't know where products are and clog up the aisles.

Women struggle with items (like backpacks, for instance) that are created more for men both aesthetically (everything is black!) and physically (most are designed for male torsos and hips).

Beyond demographics

It seems a little crazy that brands are still struggling to understand women and men, but many are. As we see an increasingly diverse, intersectional and fluid consumer base, brands will need to quickly ramp up their product development and marketing to appeal to tomorrow's shoppers. We'll talk about that with Publicis Groupe's Angel Bellon. Part of the answer might also be something we're seeing more of: collaboration between content makers and product makers, as Carryology's Taylor Welden will discuss.

On that, Angel Bellon talked about a future with more collaboration between complementary but unexpected retail partners, like a fashion brand or furnishing brand with a food manufacturer to create a new shopping experience.

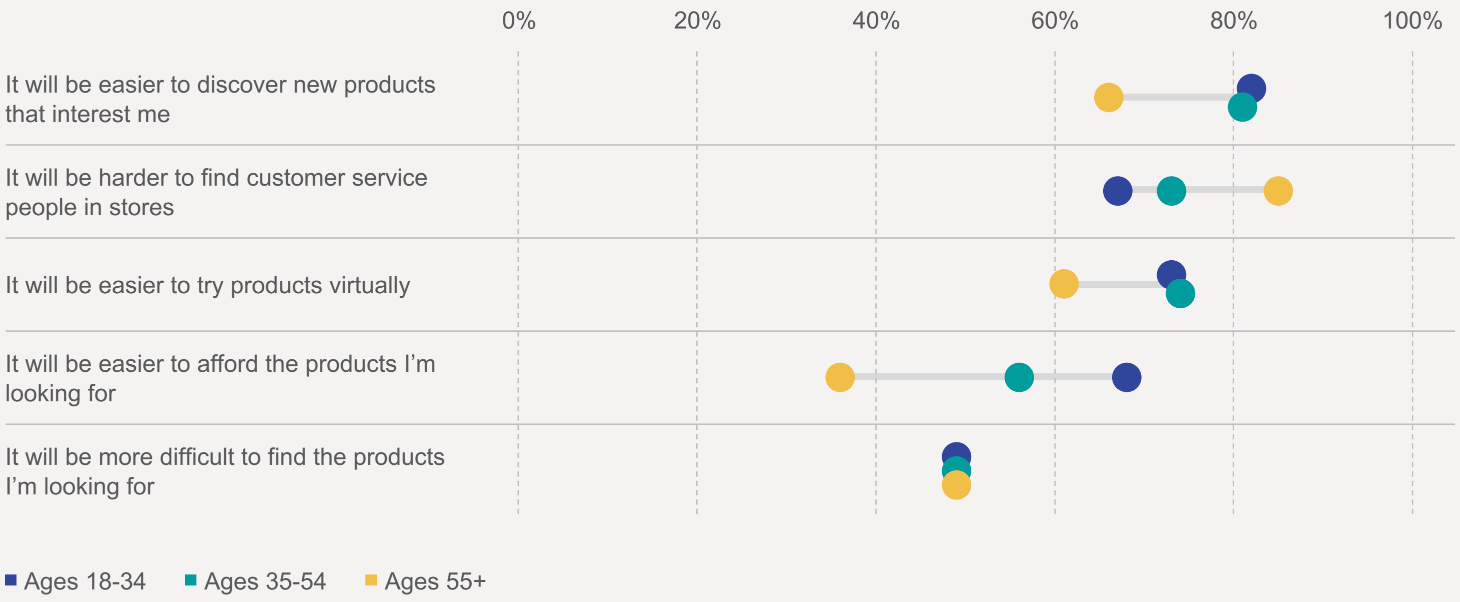
Part of the answer might be more experiential shopping, as we talk about with MBH Architects' Helen Herrick. Stores become more places to discover or try on and touch goods you could otherwise only find online, or to be entertained and delighted as you shop.

Part of the answer might be digital spaces, where the sales funnel collapses from a long period of awareness and research to a narrow bit of action over time to a nanosecond between discovery in a social media ad and <click> purchase. Could that mean we're in the market for more categories more often? Marketers and makers can tap into niches and through social media and online spaces collect and connect enough passionate followers to grow a business or a marketplace. A mashup of mass-niche, if you will.

But it's worth noting that those who are most used to social shopping and who are leaning into sustainability (i.e., younger shoppers) are most optimistic about the future of shopping.

Younger adults are more optimistic about shopping in the future

Q. How likely, if at all, do you think the following are to happen in the next five years?
(% Very/somewhat likely)



(Source: Ipsos survey conducted Mar. 19-20, 2024, among 1,120 U.S. adults.)

If all of this sounds like consumerism run amok, there are countertrends toward sustainability and a more circular economy that also should be considered. Part of that is better quality goods as we earlier discussed in Manufacturing. Part of that is also leading to an efflorescence of thrifting culture as we talk about with author and pro thrifter Virginia Chamlee.

Evolving transactions

Once you've found the item you're looking for, whether through obsessive fandom and research or through impulse, you'll have to pay for it. Part of this is macroeconomics coming into play as we think about interest rate projections, the economic outlook and the regulatory landscape. Part of it is technology, as payment mechanisms change and emerge and evolve. There's also a plausible future where today's proposed legislation about interchange fees and competition leads to a very different merchant payment setup and upends the reward and loyalty points economy enjoyed by points travelers and cash-back aficionados alike.

The move to digital is the biggest thing to hit payments since the move from a barter economy to a currency-based one. Oh, or bigger since there never was a barter economy in the first place, as readers of the late David Graeber's book "Debt," would know. We'll talk about all this with Payments Dive Editor Lynne Marek.

To recap, in shopping and any business, really, understanding and taking advantage of trends can lead to growth and innovation for a brand. Shopping, which was upended by e-commerce at the start of the century seems ripe for a new era of disruption.

Key questions for the future of shopping

- What will your retail "portfolio" look like?
- How will you recruit and retain a diverse consumer base?
- How do you tap into your most passionate customers, and can they create a community?
- Can your products take on a second life or be made more sustainably?
- Will your customers be able to afford to buy All the Things?

In the future … people are still going to shop. It doesn't have to be a hellscape. There are plenty of positive trends to tap into. We just have to make a future that people want to buy into.

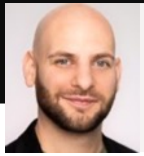
***Matt Carmichael** is editor of What the Future.*

83%

of U.S. adults say they do not want salespeople to bother them when shopping unless they approach the salesperson first.

(Source: Ipsos survey conducted Mar. 19-20, 2024, among 1,120 U.S. adults.)

Shifts: Automation, financial inequality and social commerce



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AI and automation: Artificial intelligence and automation are being deployed to gain efficiencies throughout the shopping ecosystem and to enhance the shopper experience, both within e-commerce settings and within traditional brick and mortar locations.

AI curation is poised to increase as more sophisticated predictive algorithms analyze consumer data and past behavior to offer tailored suggestions that can aid in choice. Also, AI-backed chatbots can give life to a brand 24/7/365, aiding in service and engagement. Automation can also streamline supply chains, reducing costs and improving efficiency, which can lead to lower prices for consumers.

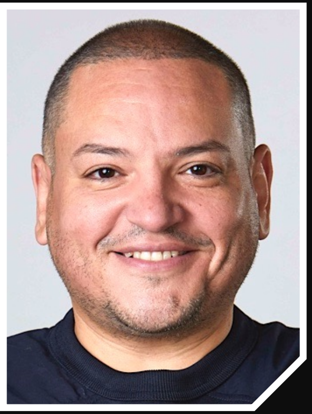
Inequality: Wealth inequality, which has grown significantly around the globe, is having profound impacts on shopping trends and behaviors.

People with more disposable income tend to invest in more premium products and experiences, driving the number of luxury brands. Conversely, those with limited resources often prioritize cheaper options, boosting demand for discount retailers and used goods. But they may also choose more expensive brands they're confident will perform to minimize risk. The rise of "buy now, pay later" platforms has helped younger shoppers and those with less income finance purchases without the need for traditional credit cards. However, the industry is coming under scrutiny.

Social influencers: Social commerce, the intersection of social media and e-commerce, is reshaping shopping experiences as more people use platforms like TikTok to discover, share and purchase products directly.

In the U.S., this blurred line between socializing and shopping is just starting, but is prominent in markets like China, making shopping more seamless and engaging for customers. Brands can use content created by users and influencer endorsements to enhance their marketing, but not without reputational risk as they use more brand ambassadors. Shoppers often trust influencers more than a traditional brand ambassador as understanding their audience can be very influential.

Why all the world's (going to be) a store



Angel Bellon

VP, head of cultural intelligence at Publicis Groupe's The Community

Angel Bellon has worked for one of the world's largest entertainment companies. Now he works primarily with one of the world's largest retailers. When he thinks of the future of shopping, he sees many similarities to the studio world. The future lies in three areas: a portfolio of physical and digital storefront concepts; branded content as entertainment; and a diversifying consumer base. All of this will lead to every space and even *everyone* becoming shoppable.

76% of Americans think in the next five years it will be very or somewhat likely that it will be easier to discover new products that interest them.

(Source: Ipsos survey conducted Mar. 19-20, 2024, among 1,120 U.S. adults.)

What The Future interview with Angel Bellon

Matt Carmichael: What trends are you watching that you think will shape things in the next five years?

Angel Bellon: Every single aspect of our real world is going to be a retail channel. Our physical world is going to be one big Pinterest board that's going to be shoppable. I'm seeing a lot of out-of-home innovation happening, where it's becoming more creative, more virtual, more sensorial, a way to engage people in the outdoor space. In South Korea, when you're at the Metro station, you can buy groceries and ready-to-eat meals that can be delivered to your home after the train ride.

Carmichael: The whole world becomes a billboard?

Bellon: I even think people are going to be walking billboards. You see someone on the street and take a picture of something they're wearing and find it online and be able to buy it instantly. We see models doing the runways, and I can imagine brands hiring models to walk around busy metro areas and they themselves are shoppable. IRL will come to mean In Retail Life!

Carmichael: What happens to actual stores?

Bellon: Brands are going to think of their retail footprint as a portfolio. You'll have the flagship, which is where you'll find experiential retail. Pop-ups are more temporary and might have limited editions collections. A smaller format might be a higher-end experience or products.

Carmichael: And in the digital world?

Bellon: They'll be replicating that in the digital space with spaces that are for specific needs, specific consumers and specific assortments of products, all leveling up to deliver one brand message. Because ultimately there's only so much that you can do in a store.

Carmichael: We will see more branded experiences in the big boxes?

Bellon: The retail store has been about conversion. It's for the bottom funnel. But what we're going to see is thinking about retail as the full funnel. Sometimes it's not about conversion. It could be about brand-building. It could be about education. It could be solely about service.

Carmichael: How does this not turn into a capitalist hellscape?

Bellon: Branded content experiences are what people are going to look for. If you are a retail company, and I would say any brand is at this point, you have to think about yourself as an entertainment company. It's still advertising, but it's giving you something. It's additive to their experience, and it's bringing value and innovation to something that they're going to enjoy.

Carmichael: How is a more diverse population changing retail?

Bellon: A brand needs to think about whether it is retaining a diverse consumer or recruiting a diverse consumer and making sure that the product assortment reflects their culture. And there are so many other people that are not from those communities that are looking for those products, whether it's different ingredients, different products, different foods or looking for different recipes for education because they're interested.

We understand when it comes to entertainment that non-diverse audiences are looking for diversity. If you look at what's happening in music — Latin music and Afrobeats, K-pop, J-pop — we understand that it's not only Black, Hispanic and Asian people that are listening to those genres. They transcend. But when it comes to products in different categories, we automatically think that it's only those communities that are buying those products. We really need to rethink that.

Carmichael: And yet we keep running into cases where brands face backlashes and backlashes to the backlashes?

Bellon: In my work, I really try to debunk that. Yes, there are people that are feeling excluded, but that's a very vocal minority. They do not represent the majority of the country. We have to stop appeasing a small minority.

And not all backlashes are created equal. We need to be mindful of that as well. This is not just about race/ethnicity, it's also about looking at who are the underserved in retail, like men and older people.

Carmichael: So what should a brand do?

Bellon: The biggest thing is being ready for your brand to go viral in a good way and having a plan to galvanize that momentum. But also, be ready for your brand to go viral in a bad way and know exactly how to respond, taking into account your brand as well as the potential people that you were trying to recruit in that initiative.

Carmichael: What are some of the challenges brands face when trying to recruit new demographics?

Bellon: Whether it's on the agency side or the brand side, the people working on these projects do not represent those communities. One or two people is not enough. We need to make sure that we're doing the proper research and having people on those teams that belong to those communities, as well as people that have been trained as researchers to remove as much subjectivity from the process. That way we can abandon some of the corporate myths that we all have perpetuated at some point. We need to reflect our consumers' reality, not what we believe it to be.

Matt Carmichael is editor of What the Future.

"If you are a retail company, and I would say any brand is at this point, you have to think about yourself as an entertainment company."

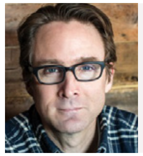
How an immersive shopping simulator leads to richer insights

The advent of the superstore solved old store planning problems and created new ones. For retailers, it can be challenging to effectively market and position products in-store while managing higher transaction volumes. A cutting-edge platform from Ipsos could change that.

Traditionally, visual merchandisers have used eye tracking, shop-alongs and other methodologies to observe shopper behavior. But a new tool from Ipsos can simulate purchase decision journeys in photorealistic 3D environments, enabling researchers to rapidly model and iterate on the customer experience without compromising on cost, time or efficiency.

By rendering the smallest details — from the placement of a SKU code to the gleam of a ketchup bottle — Ipsos' platform provides a wealth of true-to-life insights on how customers consider different products. With this in mind, clients can go beyond learning what sells and begin to understand how to influence the outcomes they want.

3D modeling and photorealistic images create a virtual store indistinguishable from a photo.



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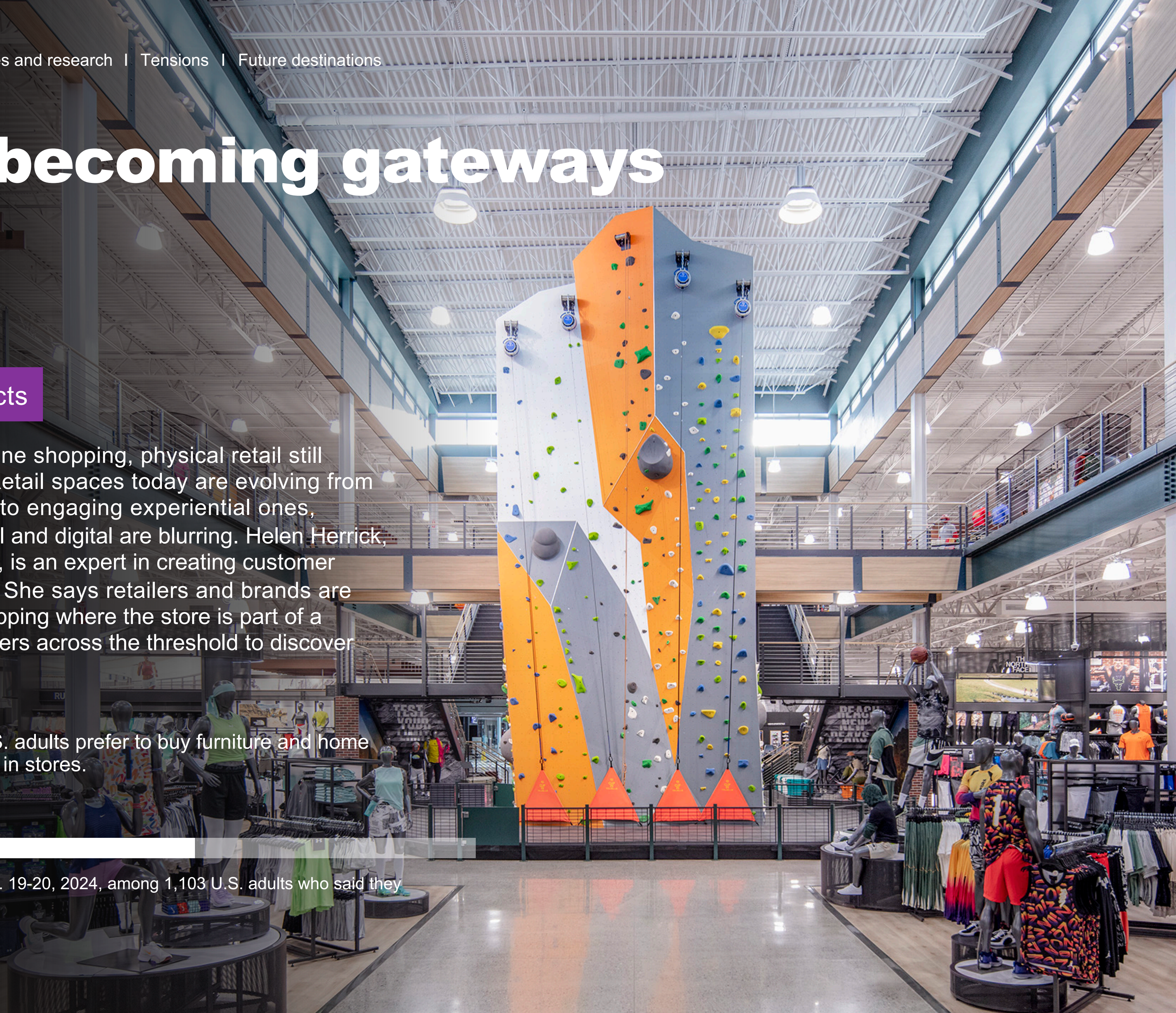
How stores are becoming gateways to experiences



Helen Herrick

Principal, MBH Architects

Despite the advances in online shopping, physical retail still rules for most consumers. Retail spaces today are evolving from transactional environments to engaging experiential ones, as the lines between physical and digital are blurring. Helen Herrick, a principal at MBH Architects, is an expert in creating customer-centric retail environments. She says retailers and brands are reimagining the future of shopping where the store is part of a whole system to lead customers across the threshold to discover brands and merchandise.

63% of U.S. adults prefer to buy furniture and home décor in stores.

(Source: Ipsos survey conducted Mar. 19-20, 2024, among 1,103 U.S. adults who said they shopped for those items.)

What The Future interview with Helen Herrick

Kate MacArthur: What makes a retail environment truly experiential?

Helen Herrick: It's more of an engagement and an excitement around the brand rather than a place where you're truly going to test the product. I can go to REI and put on a pair of boots and go up and down the aisle to see how they feel. But really the lure is the fun of being there and using that as a billboard for the brand.

A long time ago, I worked on REI, and we put in the climbing wall and a place where you could take the mountain bike outside. Honestly, these features were very rarely used as a true product testing ground. It was more a way to get customers to cross the threshold, more of an attraction than a solution for making a buying decision.

MacArthur: So is that the future of retail?

Herrick: Driving traffic and eliciting customer excitement will always be an objective of retail design. That's the front end. But to continue to have that engagement with the customer, you need to then provide the good merchandise, the good customer service, the seamless omnichannel experience. It's all one picture that leads the customer to make a purchase with your brand. The store is part of the whole system that leads customers to want your brand and your merchandise.

People still prefer to shop in stores across categories

Q. Where do you prefer to buy from for the following product categories? (% Total)

(Source: Ipsos survey conducted Mar. 19-20, 2024, among 1,120 U.S. adults.)

MacArthur: If experiential is just a part of the process, what is the retail experience of the future?

Herrick: Physical retail is the old print edition of the Sunday paper where you find things you didn't even know you were looking for, whereas online you find the things you're looking for or that an algorithm thinks you want.

MacArthur: So that sense of discovery?

Herrick: Yes. Serendipity. That's the joy of physical retail.

MacArthur: Our survey showed that people prefer to shop in stores, but they don't want to be approached by salespeople. What's behind that dynamic?

Herrick: Obviously, the pandemic exacerbated this issue, but when you're used to shopping online, and you're used to maneuvering, making all the decisions, when people go into a store, they want the same freedom. However, when they want assistance, they want to engage with someone who's well-informed, who helps them get to what they want, but they want it to be on their terms in the same way that they deal with it online.

MacArthur: What should brands understand about consumers' shopping preferences?

Herrick: I have a teenage daughter, and she has been watching videos on how to put makeup on. When she goes into a store, she just picks up the product, because she already knows what she wants. That has evolved with YouTube videos, TikToks, all that technology, where retailers and influencers educate their consumers well before they enter the physical retail space. What a retailer needs to do is engage in those social platforms that matter most to their customers as a prep for them to visit the store.

MacArthur: What's on the horizon that will really enhance people's shopping experiences?

Herrick: It's real experiences. So much data is pointing toward spending money on experiences and being with other people. That translates into retail as well. I was walking up Madison Avenue, looking in all the stores thinking, "Which ones pull you in?" And they really are the ones that have a point of view, that have created this vignette in their store that makes you say, "I want that to be part of my life," rather than just a big store with lots of racks. Because everything is so two-dimensional now on the screen, if you're physically going out and experiencing retail, you want to know that the experience is real. That's where the robot, the VR, all those things only help if they help you have the real experience.

Kate MacArthur is managing editor of What the Future.

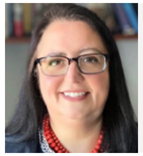
"The store is part of the whole system that leads customers to want your brand and your merchandise."

How retailers can create seamless shopper experiences

With new features like social shopping, voice commerce and augmented reality, retailers seek to create personalized, accessible and memorable shopping experiences. But a unified customer experience strategy is essential to making these channels differentiated and preferred.

For leading-edge companies, a streamlined and fun shopping experience is critical to staying competitive. One key component is omnichannel integration: the effort to create a cohesive experience, even as customers toggle between brick-and-mortar stores, call centers, websites, apps and social channels.

Retailers have every reason to meet consumers where they are. But if they spread the experience too thin, they can create new vulnerabilities and confuse shoppers. Companies need a holistic approach to delivering exciting and convenient shopping experiences that align with their brand promise, which can drive customer satisfaction, loyalty, advocacy and ultimately, sales.



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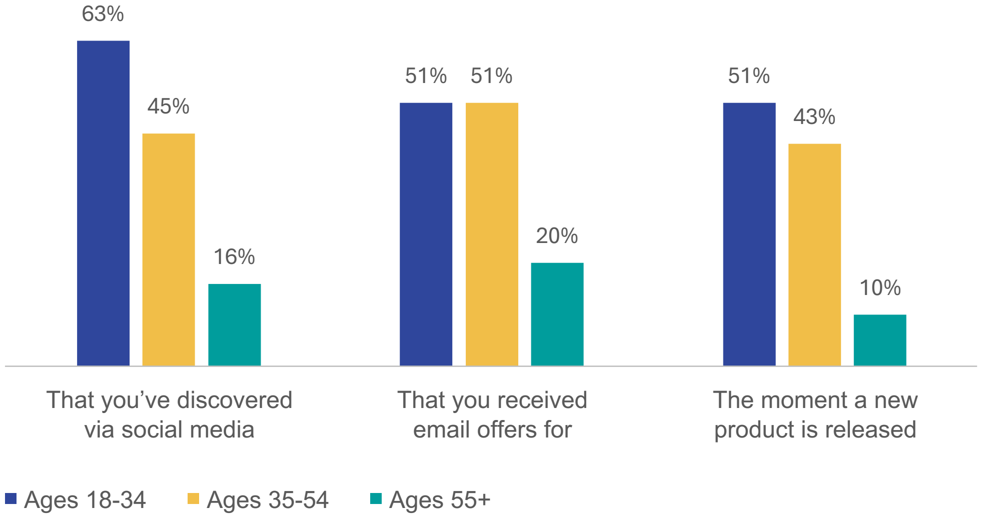
Social media influences younger shoppers most

Q. How often do you purchase items ... (% Often/sometimes)



(Source: Ipsos survey conducted Mar. 19-20, 2024, among 1,120 U.S. adults.)

How a blog can build a niche into a marketplace

Taylor Welden

Creative director, Carryology

For an independent direct-to-consumer accessory manufacturer, breaking sales records is a mixed bag. Fulfilling a huge rush of orders can be challenging, but the revenue is always a boon. That's the dilemma makers face when they collaborate on a product drop with the blog Carryology. While millions schlep a backpack or sling or pen or pocketknife or water bottle, the Carryology community *obsesses* over these items. Taylor Welden fosters this community with nonstop information and unique products. When he thinks about the future, he sees the challenges and opportunities for makers and consumers alike.

51% of Americans ages 18 to 34 say they purchase items the moment a new product is released.

(Source: Ipsos survey conducted Mar. 19-20, 2024, among 1,120 U.S. adults.)

What The Future interview with Taylor Weldon

Matt Carmichael: Not everyone knows Carryology, so it's important to talk a little about how you got here.

Taylor Welden: The founders were in product design in the surf industry in Australia. But they wanted out of the corporate world. This is back in like 2008. The world was a little bit different. The internet was a little bit different. They started a blog thinking, "Let's explore better ways to carry things." The insights they gained from that led them to start Bellroy and make a slim wallet.

Carmichael: What was the landscape like?

Welden: I was going on Google and typing in the word "backpack" and there were only like eight pages of results. There wasn't Peak Design. There wasn't GoRuck. There weren't all these upstart brands that there are now. I mean, there wasn't Bellroy.

Carmichael: How did it evolve into a thriving Facebook community and marketplace?

Welden: We launched the community around the COVID-19 times. People had nothing to do and really wanted to connect with people. What better way to connect over common ground and interests? It happened very organically.

Carmichael: It's a community based on a shared set of product obsessions. How do you keep it civilized?

Welden: Our moderators are heroes. Without a pretty iron fist, frankly, it would just fall apart.

Carmichael: It's amazing how a couple of people can quickly ruin an online community.

Welden: Yeah, any sort of sexism, racism, garbage violence, you're done. You don't get a second chance.

Carmichael: Did you think it would reach 30,000+ members?

Welden: In comparison to our website traffic, it's still very small. It feels intimate. For me, it's still like the cool kids' table although the cool kids are nerds. I'm a nerd.

Carmichael: The community hosts physical meet-ups, but there aren't really stores that stock most of these brands other than Suburban in Hong Kong. Can these DTC brands and products work in retail?

Welden: Is retail dead? I don't know. It's super tough. We had a Carryology store in Melbourne. We carried all the best brands in the world. Maybe it just wasn't the perfect time. Maybe it wasn't the perfect street. Maybe it wasn't … whatever it was. But it's tough.

Carmichael: Carryology collaborates with a lot of American companies. How do you think "buy American" fits into shoppers' thinking?

Welden: Take Filson, which people think of as hard-wearing, rugged American wear. Most of their stuff is made overseas. I personally think that overseas manufacturing is technically, quantifiably better as far as quality is concerned. But when people look at a brand like Filson, they think rugged, tough American wear. "American wear" doesn't have to be made in the USA. It can be made in Indonesia or the Philippines or Vietnam and still be American. It's about the perceived message of the brand and what that means to the customer.

Carmichael: Carryology has helped propel success for a lot of small brands. At the same time, you can get a no-name bag for $20 on Amazon. What does this tell you about the future of brands in general?

Welden: We're all judged and measured against Amazon. There's four people working on Carryology. We're not a billion-dollar corporation. But brands are very important. Some brands really try to focus on one thing and that's their world. But when a brand can really speak to you and back it up, that's important.

Carmichael: Do you see any reason that this wouldn't work for other niches?

Welden: Carryology is a niche, but it's not a niche. Carrying is something everyone does, even if we don't realize it. There are all sorts of different niches that are right in front of your face and almost hard to see. There are so many more things that people are passionate about, but they don't even know they're passionate about yet.

Carmichael: And other folks will buy the stuff even if they're not super passionate about it. We care an awful lot about a thing that nobody else cares about.

Welden: Exactly! Our community will research every material and zipper component. But someone else will just buy the bag because it's cool looking. I was at Suburban [in Hong Kong], and there was a well-dressed woman in her 50s or 60s. She's grabbing backpacks. She just picks them up, spins around. If I'm interested in a backpack, I'll research every single thing about it for weeks. She was just choosing a backpack based on feel and look and weight. She grabbed an Evergoods bag, and I went over to her and said, "Oh, this is a good one. My friend owns this company." She just, like, looked at me. She wasn't rude, but she's like, "Why are you talking to me about buying a backpack?"

Matt Carmichael is editor of What the Future, and he carries a Tom Bihn Synapse 25 backpack, and a Dan Matusda Article 044 as a tech pouch. IYKYK.

"Our community will research every material and zipper component. But someone else will just buy the bag because it's cool looking."

Why brand growth begins with knowing shoppers' deep motivations

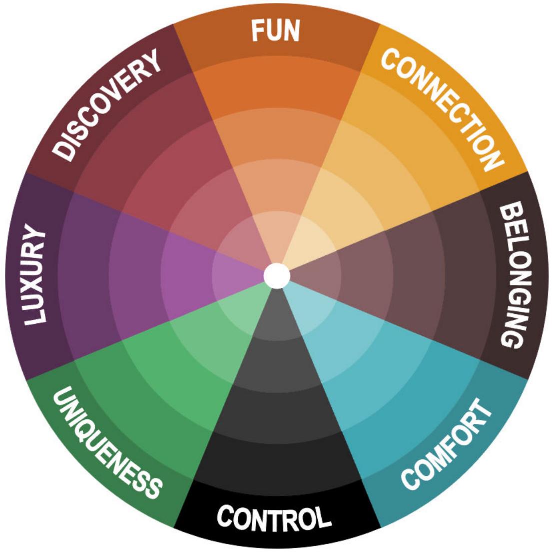
People tend not to spend for spending's sake. Learning the foundational reasons that people shop can help marketers and managers understand whether they're meeting their customers' needs — and channel that knowledge into products and retail experiences that keep them coming back.

It's one thing to appreciate that emotions shape consumer behavior and quite another to understand how. Using Ipsos' proprietary Censydiam framework, marketers can deconstruct consumer motivations into four key quadrants — functional characteristics, social identity, emotional benefits and personality — and uncover the complex ways they interact and intersect.

To develop a people-centric approach, brands must take the time to understand shoppers beyond demographics and surface-level attributes. But the rewards are great: A holistic understanding can help brands craft products that meet overlapping needs and create meaningful retail experiences that drive growth and build loyalty.

Virginia Armas is a senior qualitative strategist in Ipsos' Understanding Unlimited practice. virginia.armas@ipsos.com

The Censydiam compass guides brands around eight human motivations



(Source: Ipsos Censydiam Institute, 2024)

How thrifting's influencer boom is reshaping the way we shop

Virginia Chamlee

Vintage expert, author of "Big Thrift Energy"

One of the thrills of shopping is scoring a great deal. That prospect has always gotten bargain hunters in the store and online. But in recent years, that's increasingly included discounters, thrift stores, resellers and online marketplaces. It's also made experts and influencers like Virginia Chamlee and her advice on how to hunt for valuable vintage finds go viral. The People magazine writer, artist and author of "Big Thrift Energy" explains how affordability, sustainability and social media are changing the art of the deal.

53% of Americans say they are interested in buying more items secondhand or thrifted.

(Source: Ipsos survey conducted Mar. 19-20, 2024, among 1,120 U.S. adults.)

What The Future interview with Virginia Chamlee

Kate MacArthur: It feels like there's new interest in thrifting. What's driving that?

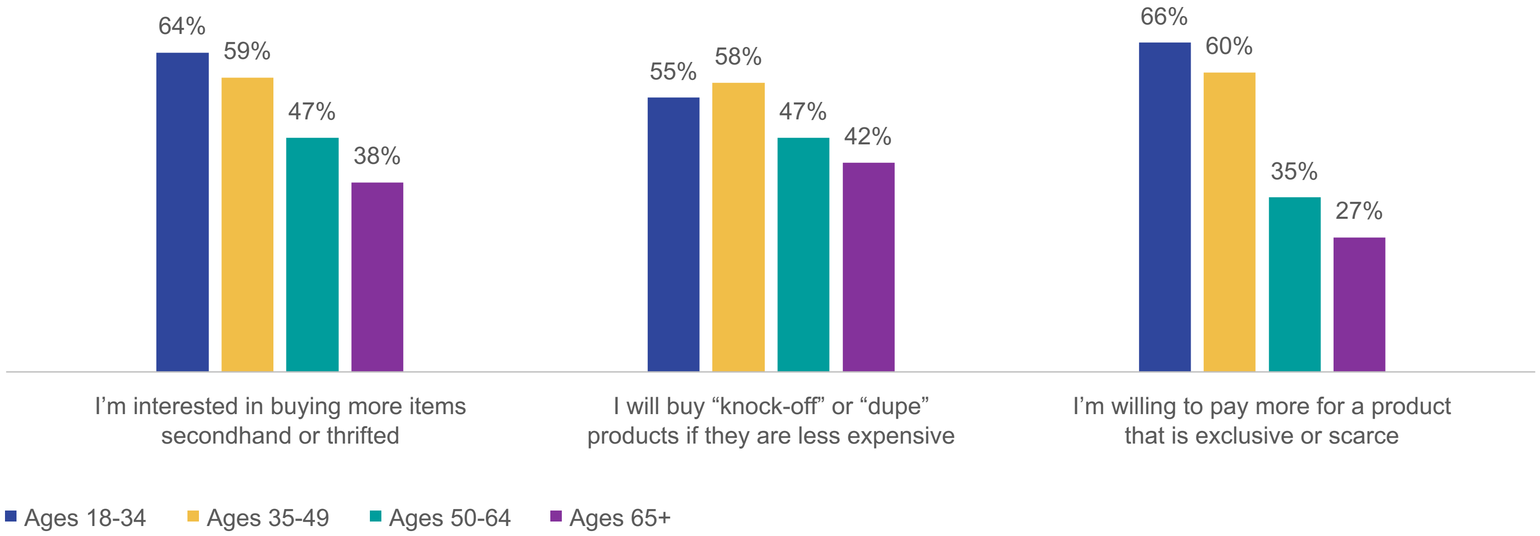
Virginia Chamlee: Since the pandemic, thanks to TikTok, a lot of people are talking about thrifting. And people from all generations are seeing that you can find these really incredible things, new things, brand name things, vintage things. You can turn them for a profit if you want. You can buy things that you probably couldn't normally afford, and that has spurred it. And it's trendy. When you say something is vintage, that sounds cooler than just saying it's secondhand or retro. It's almost like thrifted merchandise has been rebranded, thanks to the TikTok generation.

MacArthur: You talked about the rebranding of thrifting. Are the motivations for thrifting changing?

Chamlee: Sustainability is huge among Gen Z and Millennials. Older Millennial consumers want a sustainable option, both for environmental reasons but also because they want something that's going to last. And for me, my niche is finding incredible high-end pieces. It's not just the cheapest thing, but it's finding an Adrian Pearsall chair that most people who are in their 20s or early 30s probably couldn't afford anyway. Most of us probably can't afford an interior decorator. But you can sort of be your own by shopping the thrift store.

How thrifting culture shapes how Americans shop

Q. Thinking about your shopping experiences (for both food and non-grocery products) today, to what extent do you agree or disagree with the following statements? (% Agree)



(Source: Ipsos survey conducted Mar. 19-20, 2024, among 1,120 U.S. adults.)

MacArthur: Will this continue in the future?

Chamlee: The number of consumers turning to thrift stores, antique stores, estate sales and Facebook Marketplace as a first choice rather than a last resort, will only continue to grow because of social media, because of the increase in sustainability, and because people are just becoming savvier. That goes back to social media because there are people like me teaching people how to shop at the thrift store. Also, because design is so cyclical, so many of the trends that we see today are rooted in things that have been done before.

MacArthur: We're seeing more influencers flipping items. How could that shape conventional retail?

Chamlee: Anthropologie, for instance, has sold vintage at their stores probably since I started. The vintage prices are outrageously priced though. Athena Calderone has a line with Crate and Barrel, and it's one of their best-selling lines ever. It's all modeled after vintage pieces. Pretty much any high-end design store you go in now in New York or Los Angeles will have a line of vintage. I have seen firsthand that the prices at thrift stores are going up. Thrift stores themselves are becoming savvier. Urban Outfitters is another great example. They call it Urban Renewal. It is upcycled.

MacArthur: What will drive staying power for these patterns?

Chamlee: Knowledge. Consumers are getting savvier. I don't know that they're there yet, but they want to know where this item came from. Was it made in a sweatshop? Consumers see headlines like that, and they start to think of alternatives. And the more educated consumers get, they'll realize that just because your favorite influencer is partnered with a brand doesn't mean that that's a well-made item. With social media and videos on TikTok and Instagram and the more headlines we see about fast furniture, consumers will get more savvy and will start to educate themselves more.

MacArthur: Lower-priced versions, or dupes, are popular now, alongside vintage. How do those two trends mesh with each other?

Chamlee: What's interesting to me is so much of dupe culture is like, here's the real item and here's the dupe. But the real item is often a dupe of a vintage piece. Certainly, that's the case with a lot of these big box stores. One thing I try to advocate for is people learning more about design, and then try to teach yourself how to find that out in the wild. Obviously not all items at the thrift store are nicer or not all vintage pieces are nicer. I hope that people will learn more about materiality and what separates a well-made item, an item of quality from a factory-made piece.

Kate MacArthur is managing editor of What the Future.

"When you say something is vintage, that sounds cooler than just saying it's secondhand or retro. It's almost like thrifted merchandise has been rebranded, thanks to the TikTok generation."

How to tap into influencers' creativity while keeping your brand center stage

A brand partnership with a well-known influencer can cut through the noise — but it can also steal the spotlight from a brand. By applying methodological rigor and creative disciplines, brands can leverage the power of social marketing without pushing their message to the sidelines.

In a retail landscape where shoppers prize authenticity, purchase decisions are often shaped by tastemakers — and the marketers who join forces with them. But launching a successful campaign isn't as simple as collaborating with the biggest name available. A half-baked partnership or phoned-in endorsement can fail to deliver the benefit to a brand, according to Ipsos research.

Effective campaigns begin with a consideration of how brand and influencer can connect. Even a niche account can be the right spokesperson — if they're passionate and trusted by their audience. This capacity for empathy and relatability is where influencer marketing shines.

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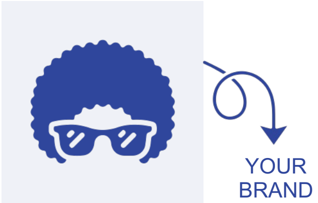
While ads featuring well-known influencers are more memorable ...

+25
points higher **memory encoding**

… their star power can overshadow your brand



-14
points lower **brand linkage**

(Source: Ipsos' Creative Spark Digital solution.)

Ways digital payment options will keep Americans spending

Lynne Marek

Editor, Payments Dive

The act of paying for items and services might not be the most exciting part of the retail experience, but it's obviously an important one. Inventing currency arguably propelled us forward as a civilization. Then for millennia not much changed. Now digital payments, real-time payments and a shifting world of fees and rewards are creating rapid and potentially seismic change. Lynne Marek covers this industry for Payments Dive. When she thinks about the future, she's watching the challenging financial world for consumers and shoppers alike.

48% of Americans say they paid for an item they purchased in installments rather than the full payment.

(Source: The Ipsos Consumer Tracker, conducted Nov. 7–8, 2023, among 1,120 U.S. adults.)

What The Future interview with Lynne Marek

Matt Carmichael: What COVID-era trends have stuck with us in the payments space?

Lynne Marek: I see four categories to watch. Frictionless is the simple idea that folks who sell things want to find ways to make it easier for you to purchase them. It's simple, and we will continue to see more of that.

But as digital payments have proliferated, the fraudsters are looking for new ways to take advantage of consumers. Payments players will increasingly double down on making sure that they safeguard their customers — and frankly, partners — because the banks are very much involved.

Carmichael: Interchange fees charged by credit card companies are a big topic at the moment, too.

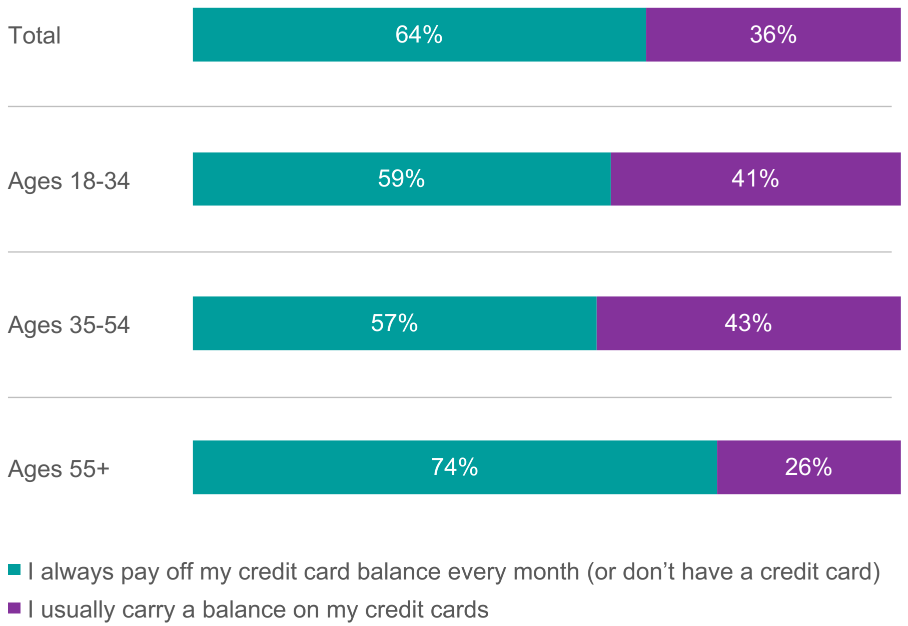
Marek: As more companies want to capture the revenue streams that are associated with taking payments, you're seeing something called embedded payments [that click to an embedded link to finish the transaction] show up in unlikely places, like healthcare.

Carmichael: What about newer tech like biometrics and cashierless shopping?

Marek: Those are creeping into retail. Biometrics are going to stick. On the cashierless side of things, you may start to see some pullback because of theft.

Middle-aged shoppers are most likely to carry debt

Q. For each of the following pairs of statements, please select the one that comes closest to your view, even if neither statement is exactly right. (% Selected)



(Source: Ipsos survey conducted Mar. 19-20, 2024, among 1,120 U.S. adults.)

Carmichael: Do people worry about fraud, or do they just buy stuff and sometimes they get dinged?

Marek: American consumers are pretty aggressive. If they want to purchase something, they're usually going to find a way to do it. There is some research that says that if younger consumers find their preferred payment choice isn't available, like an Apple Pay option, they will just choose not to purchase.

Carmichael: Between fraud concerns and merchant fees, I've seen businesses flipping back to encouraging or even discounting cash purchases.

Marek: Americans will hang on to cash much longer than some other places. I think cash is here to stay for a while.

Carmichael: There's legislation being proposed that would limit interchange fees and potentially upend credit card loyalty and points programs for shoppers. What will change if this passes?

Marek: I would point to Europe. They long ago tapped or found other ways to keep these interchange fees lower, and they still very much have rewards programs. I don't think it's going to change as radically right away as people might fear.

Carmichael: What macroeconomic factors do you follow?

Marek: To the extent consumers are having a harder time paying off their debts, that matters to our industry. While some slice of revenue comes from interest payments or other types of fees, none of these businesses want their customers to be under too much financial duress that limits their spending power.

Carmichael: Where does "buy now, pay later" (BNPL) fit?

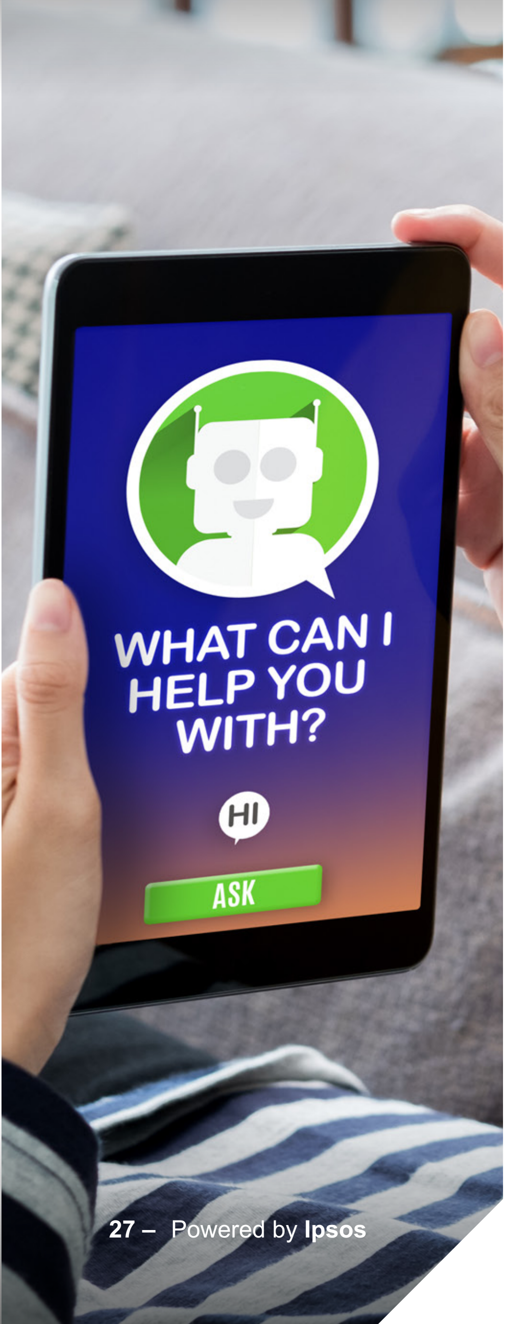
Marek: "Buy now, pay later" is on the rise and the macroeconomic factors that you just pointed to may be giving a lift to it because when people are feeling like they're stretched thin, they might turn to it a little more frequently. But the debt spiral is a really bad thing. As these BNPL players have introduced essentially a new service, there's a concern that the proper guardrails aren't in place to protect them, I guess, from themselves.

Carmichael: What else is on the horizon?

Marek: Real-time payments. Despite the fact that we still have few real-time services at our disposal, either for consumers or businesses, I fully expect banks to adopt these in the future, which will speed up payments for everyone. Brazil and India have already shown us what a real-time payments nation can look like.

Matt Carmichael is editor of What the Future.

"American consumers are pretty aggressive. If they want to purchase something, they're usually going to find a way to do it."



Shoppers want AI as a shopping tool, not a salesperson

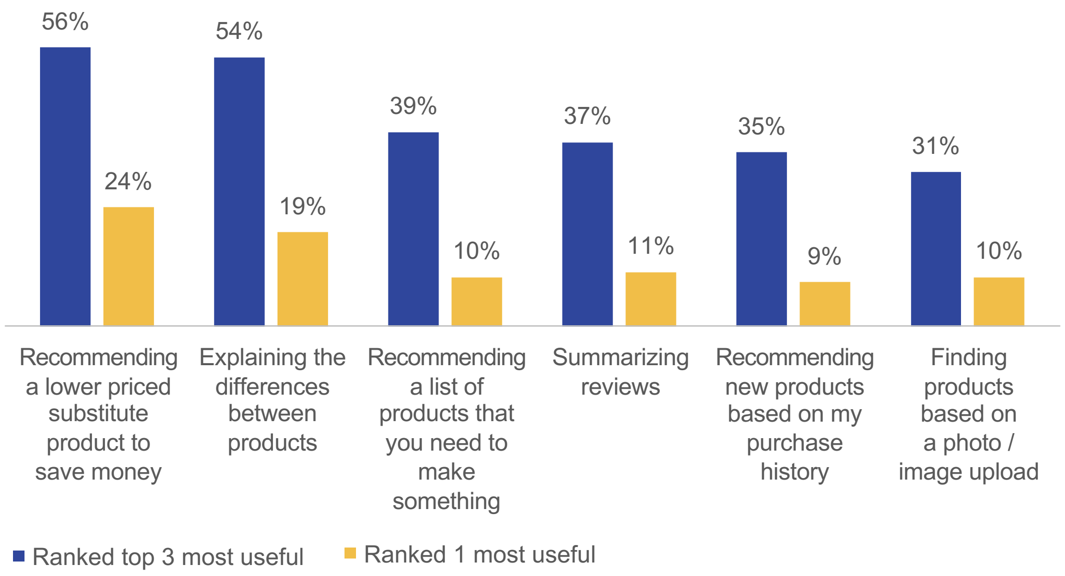
Chatbots and AI tools are seeing more use in e-commerce and physical stores. But which features are shoppers sold on?

Recent Ipsos polling shows just 9% of Americans feel that product recommendations based on their purchase history are the most useful application of AI when shopping. Respondents are also wary of AI-generated review summaries and image-based product identification — but they're enthusiastic about opportunities to save, with one in four preferring AI-based recommendations for lower-priced items.

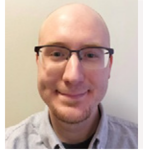
As these preferences influence shoppers' paths from discovery to checkout, brands will have fewer opportunities to intervene in the process. This means it will be crucial for brands to build initial desire and ensure customers seek out their brands.

What AI help is most useful when shopping

Q. From the following list, please rank the top three actions that would be most useful for AI to do for you while shopping. (% Ranked)



(Source: Ipsos Consumer Tracker conducted Mar. 19-20, 2024, among 1,120 U.S. adults.)



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Tensions that will drive change:

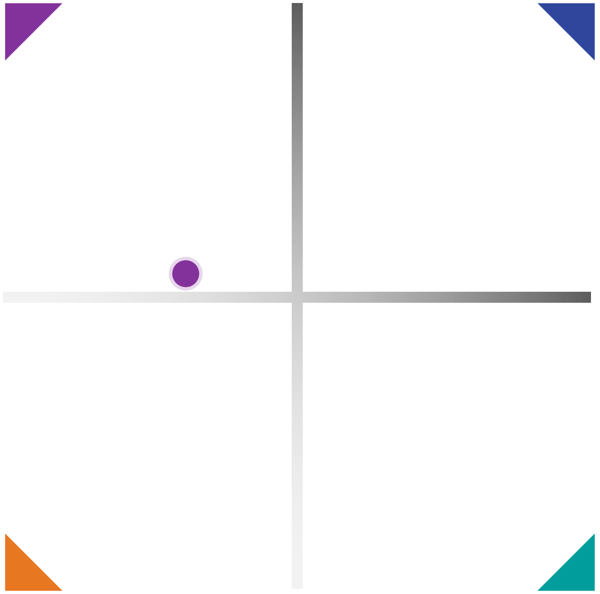
Shop online vs. trust AI influencers

Since e-commerce was invented, it created a tension between shopping online vs. in store. That tension is steadily shifting toward online as it gets easier, faster and more immediate. But online shopping relies on trust, and the rise of generative artificial intelligence threatens that trust: that reviews are honest and come from people who have experience with the product — and aren't being paid to promote or trash; trust that the goods you are shopping for are authentic and truly what they seem. Here's how those tensions could play against each other.

I PREFER TO SHOP IN STORES

If the baseline continues, we continue to split where we shop, but lean slightly toward in-store shopping. That's partially due to trust issues. Disinformation created with generative AI means we don't trust online reviews and have a hard time believing that products themselves are what we think they are. We trust what we can see with our own eyes and hold in our hands or try on. We want to talk to humans in customer service.

In this world, we shop rather evenly between stores and online, but we do so with a lot of trust. We are confident that the information we are getting is at least *truthy.* More AI is trained on non-internet data (from sensors and wearables). The development of tools to fight disinformation outpaces the rate of innovation in disinformation itself.



AI WILL LEAD TO MORE DISINFORMATION

AI WILL NOT LEAD TO MORE DISINFORMATION

Say it becomes harder to shop in person. It's plausible that a decline in globalism, plus the decades-long struggles of physical retailers, means it's harder to find stores you need with the right stock. With so much disinformation, the importance of brand identity grows. Direct-to-consumer merchants that thrived early in the century struggle from high levels of returns. Credit card companies face increased fraud complaints.

In this world, synthetic influencers thrive. The pervasiveness of AI is coupled with a high sense of trust, due to a combination of responsible development and heavy regulation. Shoppers get that AI influencers aren't real, but they seem authentic-ish because people know influencers are telling some form of sponsored truth. Shoppers who prefer buying online, use AI and augmented reality tools like virtual try-on with ease and confidence.

I PREFER TO SHOP ONLINE

(Source: Ipsos survey conducted Nov. 15-16, 2023, among 1,120 U.S. adults.)

Tensions that will drive change:

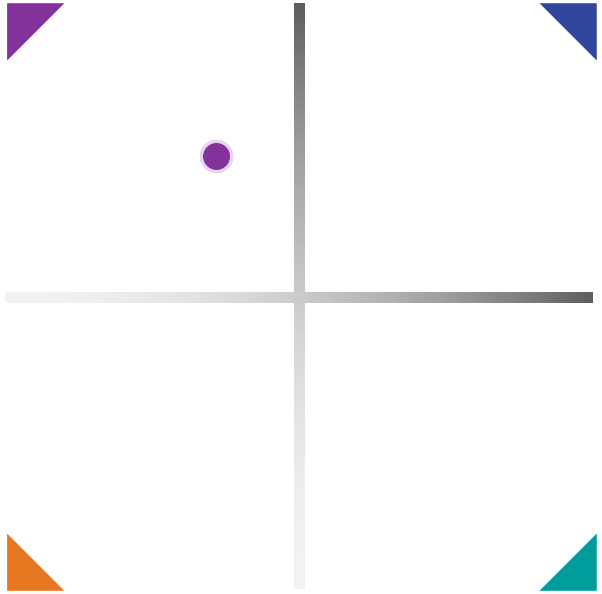
Better China relations or higher prices?

Tensions with China are not the only factor in the high prices of U.S. goods, but they certainly don't help. What might better relations look like? And what happens if prices don't come down for any reason? People have changed their shopping behaviors during the inflationary times of the early 2020s. But have we baked in new habits and routines, or will we continue to shift?

I EXPECT PRICES FOR THE GOODS I BUY WILL GO UP A LOT IN THE NEXT FIVE YEARS

If things continue as-is, relations with China remain strained. Tariffs drive up the cost of goods for many U.S. shoppers. The U.S. fired up a lot of plants in the early 2020s to reshore critical capabilities like microchips and medical supplies, but that also meant producing those products at U.S. wages, which both lifted the status of the workers and the price of the goods produced.

Say relations with China improve, that doesn't mean prices will magically fall. There are many factors keeping prices up, but improved relations with China means that supply chains normalize. U.S. companies don't fear the kind of political and economic sanctions that were having a chilling effect on doing business in one of the world's largest markets. But high prices keep outputs in check rather than leading to huge expansion.



U.S. RELATIONS WITH CHINA REMAIN STRAINED

U.S. RELATIONS WITH CHINA WILL IMPROVE

In this world, reshoring of manufacturing, coupled with a slow rollout of interest rate cuts and a strong economy meant that the rising prices of the early 2020s peaked, but didn't fall much. Wages started to keep up, buoyed by higher paid U.S. workers in blue- and white-collar jobs. That standard of living proved an even bigger draw for immigration, which led to more tensions domestically as well as with our economic adversaries.

In this world, we learn from China more about scale, and the use of technology and data in retail. Following their examples leads to more innovation in the U.S. retail sector, and prices stabilize. U.S.-made goods compete in the marketplace with products made overseas. Retail locations and online retailers thrive in a more certain world, relieved of some geopolitical as well as economic tensions.

I EXPECT PRICES FOR THE GOODS I BUY WILL GO UP A LITTLE OR NOT AT ALL IN THE NEXT FIVE YEARS

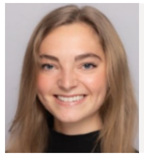
(Source: Ipsos survey conducted Nov. 15-16, 2023, among 1,120 U.S. adults.)

Future Jobs to Be Done

Ipsos spins the traditional "Jobs to Be Done" framework forward with *future* Jobs to Be Done (fJTBD). This builds on the theory that people buy products and services to fulfill certain needs or accomplish specific tasks. For example, we don't buy a pair of shoes online, we hire the brand's website to provide us comfortable and trendy apparel to wear every day.

To bring it into the future, we envision powerful and plausible scenarios through strategic foresight. While many needs are enduring and do not change over time, the context of that job will change along with the potential solutions and alternatives. These scenarios help us define the circumstances in which people may find themselves, like considering whether to pay for a an expensive good in full or use a short-term installment loan to pay over time.

We use fJTBD to tie these scenarios to actions that organizations can take to help people meet future needs. While it's typical in foresight to create fJTBD clusters, we're sharing one scenario here as an example.



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Help me shop with less stress and more fun

In a world where people are anxious about the cost of buying and are unsure of what or whom to trust to make decisions, they will seek curated and relatable guidance for convenient and gratifying shopping.

Potential fJTBD:

- Help me feel like I'm an informed shopper by giving me trustworthy information, reviews and trends
- Help me select the best option *for me*
- Provide me with affordable options and variety to stay in control of my budget
- Help me express myself and my identity through my choice of brands, products, and services

Imagine a world where … you could filter the overabundance of information online and in-store to find products that work for you without repeated trial and error.

For full results and methodology, visit **future.ipsos.com**
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