

Shopper Forecast 2020

How will people shop this year and what will they expect from retailers? The Shopper Forecast 2020 reveals new customer priorities and profiles, and explores the strategies set to impact business across all industries.



Roven

Analysis

Shopper groups for 2020 reflect the overall mood of uncertainty tinged with cautious optimism that is pervading retail and the consumer landscape as a whole. As fears around eco-anxiety and global socioeconomic issues continue to be felt, consumer attitudes towards sustainability, trust and values have never been more pertinent.

Shoppers are becoming more environmentally and socially conscious and will increasingly turn to retailers that not only talk about it responsibly, but demonstrate it through their entire business in an authentic way.

Now more than ever, setting a course through the next decade will require companies to be attuned to their environment and agile in their responses. Shoppers' priorities, values and habits are all changing at breakneck speed and, in a tough business climate, retailers must innovate, differentiate and build stronger bonds with them.

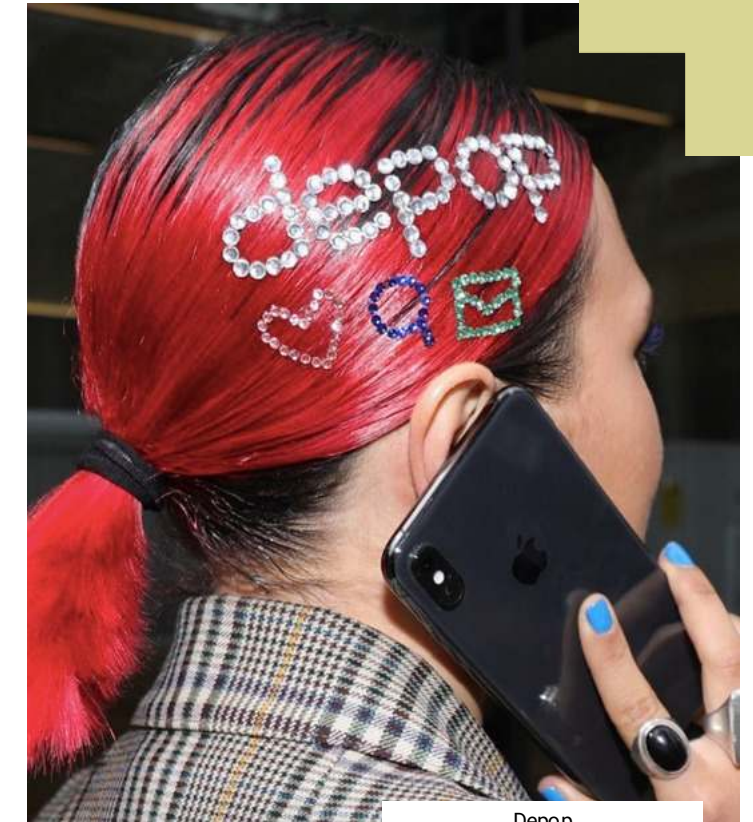
As the retail landscape is increasingly fragile, businesses need to go the extra mile for shoppers – who, for 2020 are a contradictory, challenging mix of Localvists, Texters, Mood Boosters, Spacemakers, Activists and more.



Box



@somehoodlum



Depop



Banksy

Slow Shoppers

Definition: A backlash to 2019's Speedy Shoppers is emerging, as consumers react to the impersonal nature of fast, frictionless retail in the digital age. With the rise of conscious consumerism and a growing revolt against our on-demand, tech-enabled world, consumers are realising the power in slowing down, and are embracing a longer shopping journey to savour the moment and disconnect.

Behaviours: Echoing modern mental-health mantras around decompressing, as well as new life concepts such as Niksen, shoppers are rediscovering the joy in a slower pace amid peak burnout. Recognising that our fixation on speed and convenience has come at a human cost, from increased social isolation to environmental destruction, consumers are embracing purposeful businesses that encourage slowing down, as well as stores that promote mind wandering and self-discovery over a hard, fast sell.

Shopper priorities: Slow Shoppers are all about considered consumption, fostering a

healthier relationship with products and the planet. Prioritising quality experience and human connection over speed, they are looking for longer-lasting relationships with brands that stand the test of time.

From intentionally opting for slower delivery at the checkout to rediscovering shopping as a meaningful social ritual, “off-demand” is key for these consumers, who appreciate calming environments and community-led stores that aren't simply a vehicle for commerce.

Slow Shoppers at retail: To cope with growing demands at work and an uncertain future, these consumers are increasingly seeking micro breaks in the form of a mindful retail experience, or spaces which allow them a pause to stop and reflect.

In the heart of New York's busy Hudson Yards, 3den is a new mixed-use venue, billed as an “urban lounge” where shoppers can recharge. While visitors can shop a selection of products through the app, the space also acts as a relaxing environment with a spa, quiet zones and nap pods.

"It's about integrating slow living into our lives and making things inconvenient or a bit difficult, rather than everything being so efficient. In those breaks, we actually connect with ourselves."

- Niels Strøyer Christophersen, founder, Fram Design Studio



3den

Slow Shoppers

Pattern is a new consumer start-up that addresses Millennial burnout, building a network of purposeful brands which encourage slowing down during free time. Designed to "help you enjoy daily life", it also doles out "slow content" based around digital mindfulness. Ecommerce platforms such as The Slow Mode and Slow and Steady Wins The Race are emerging for those looking for items made slowly with meaning and purpose, designed to last.

Key strategies: Sanctuary-like stores that offer a slowed-down experience are on the rise, giving calmness and serenity back to anxious, fearful Millennials. The Slow is a new concept store in Beirut with a relaxed, neighbourhood feel. It features a shop, eatery and co-working area where shoppers can slowly explore a curated edit of sustainable global brands.

Opened January 2020, Ogata is a multi-use space in Paris that aims to introduce Parisians to the Japanese art of living slowly. The carefully-curated tranquil space is at once a store, tea salon, pastry shop, bar, café and art gallery, designed for visitors to peruse at their own pace.

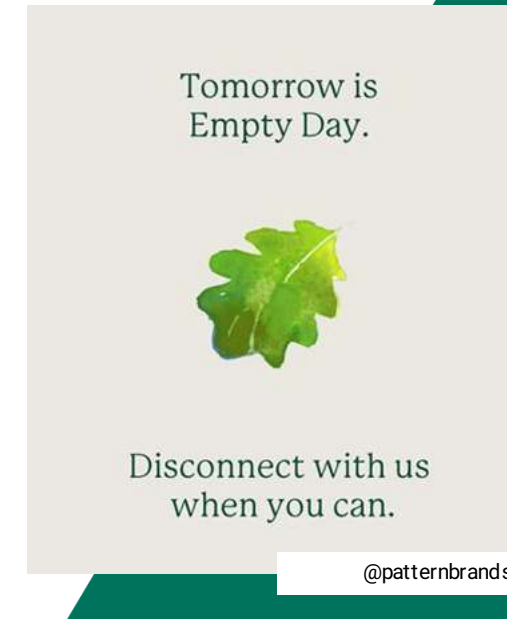
TerraMater is a new, gallery-like boutique in Amritsar, India. It encourages slow browsing by using curved brick-partition walls to intentionally fragment space and create intriguing product displays.

Actions: Shopping is ripe for the same slow revolution that has led to more mindful consumption of fashion and food. As many retailers double down on BOPIS, self-checkouts and faster delivery, aim to differentiate by enabling a slower pace that celebrates calm as an antidote to speed.

Think about ways to bring in positive friction that will cause shoppers to stop a while, immersing themselves in your brand. Integrate micro breaks to drive engagement and deepen emotional connections.

Reframe loyalty schemes around slowness, rather than discounts, rewarding shoppers for new behaviours such as opting for slow delivery or returning items to store.

Remember that selling slower doesn't have to mean selling less. By prioritising quality experience over speed and creating space for connection, not just commerce, you'll build deeper relationships with customers.



@patternbrands



The Slow



TerraMater

The Spacemakers

Definition: Evolving 2019's Introverted Individuals, who choose to shy away from interaction with retailers entirely, this cohort prefer to shape their own shopping journey based on their mood or mindset.

Whether socially anxious, shy, or wanting to shop at their own pace, the Spacemakers are rewriting the rules of engagement for retailers, choosing to opt in or out of human interaction as they forge their own in-store experience.

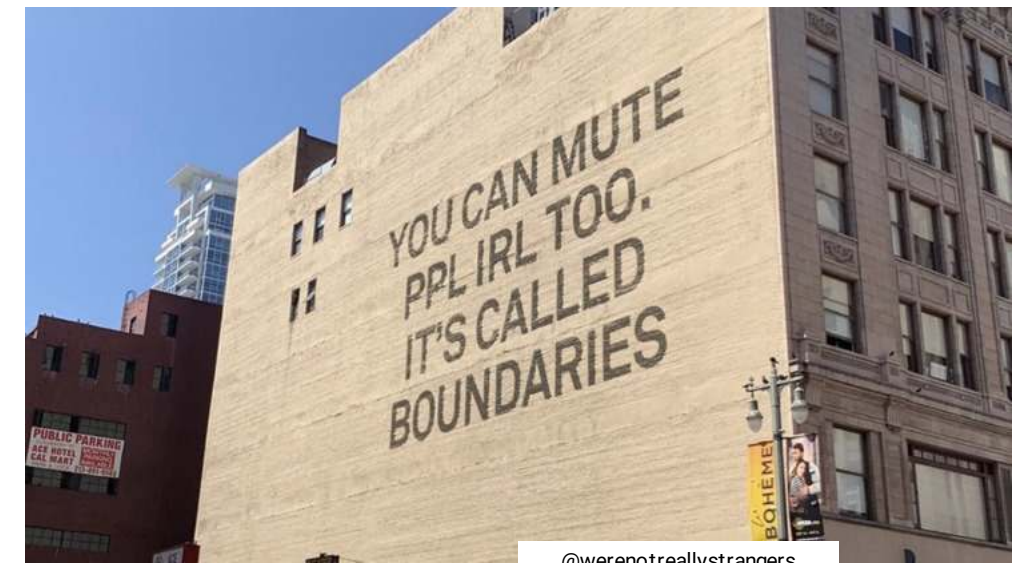
Behaviours: This group have a fluid mindset, oscillating between self-service and digital interaction with brands, and interacting with sales associates in person. In fact, 9 out of 10 consumers demand seamless service between communication methods while shopping. An evolution of the anxious and comfort-seeking Homebodies, these shoppers want to make the store their own, with the control in their hands.

Shopper priorities: Self-discovery is high on the agenda, with consumers liking intuitive design features, interesting layouts and new systems that foster discovery over obvious organisation or offering items on demand.

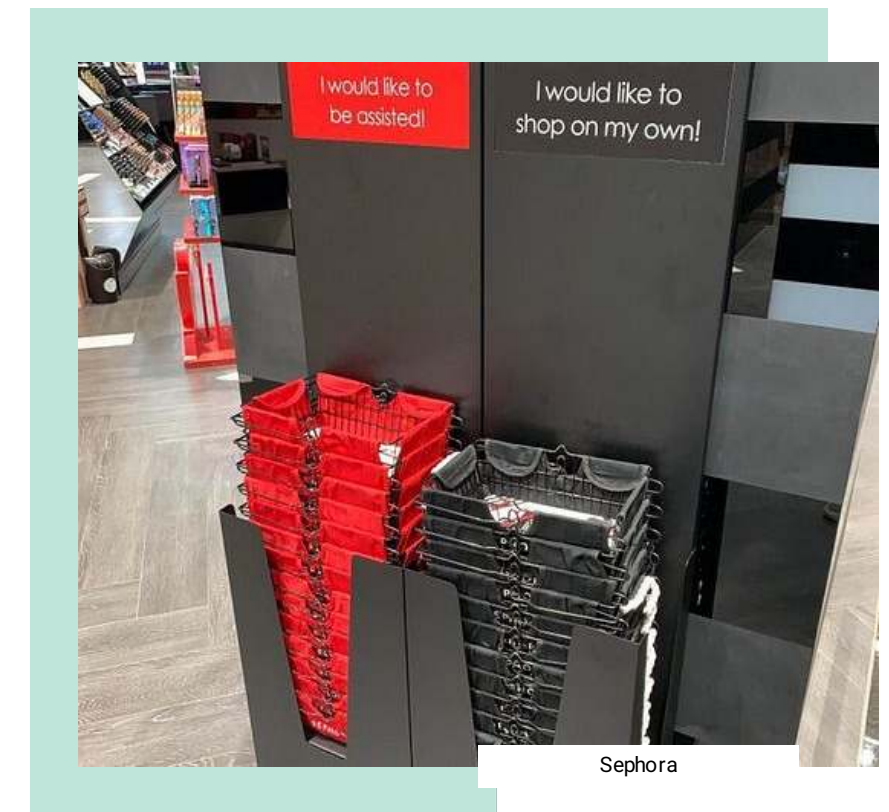
Although shoppers are becoming more inclined to forgo interaction and browse at their own pace, excellent service is still key. They expect retailers to embrace tech like the Hero app, which connects them online with real humans in-store.

Spacemakers at retail: Picking their own level of service to shape the journey is key. In 2019, Sephora stores in Europe began offering different coloured baskets to shoppers depending on their appetite for intrusion. The French beauty chain advises customers to use a red basket if they're open to assistance while shopping, or a black basket if they would like to shop without interruption. The idea is that customers with social anxiety can browse without being approached.

UK department store John Lewis has introduced a new initiative which also accommodates Spacemakers. Shoppers can effectively matchmake a sales assistant, selecting an individual via their online bio that specifies their personal aesthetic, tastes and expertise, for make-overs and personal styling appointments.



@werenotreallystrangers



Sephora

The Spacemakers

Key strategies: Cosmetics retailer Harmay's newest store in Beijing has been designed with Spacemakers in mind. Created by Aim Architects, the store is all about discovery and exploration, allowing customers to make their own adventure.

Tapping into human curiosity and expressing that through spatial design, the store is like stepping behind the scenes. The products, distribution and delivery process area are on show for customers to either engage with or ignore. Each of the first four rooms invite a different hands-on experience to enhance offline sales engagement. The last – an empty space – is an "invitation to write the next act on their own," Harmay says.

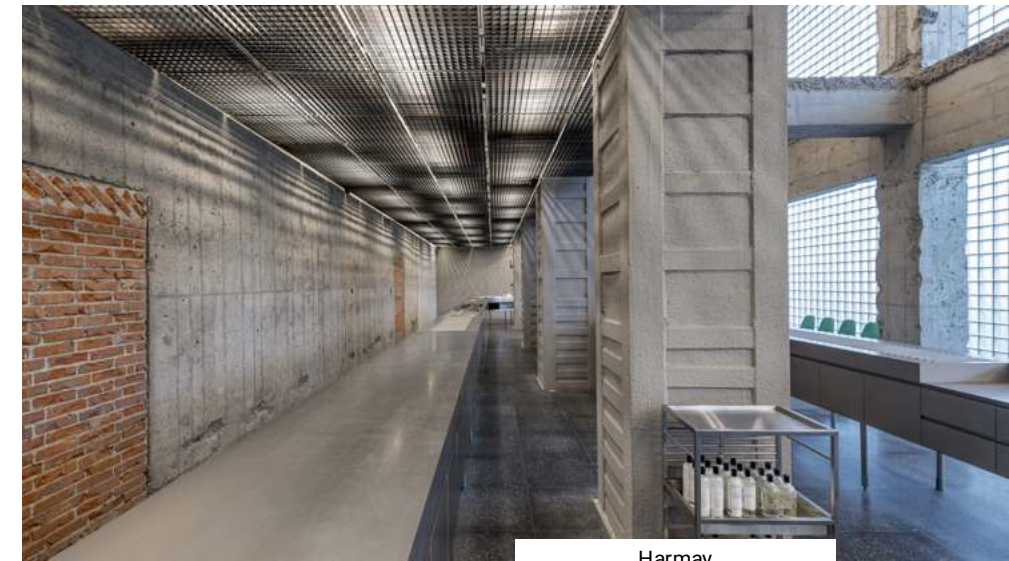
Opened in October 2019, Dover Street Parfums Market in Paris has been designed to enable self-exploration, with a forest of floor-to-ceiling white pillars used as display units rather than traditional beauty counters. "It's more interesting for the customer to make architecture that requires them to think and allows them to discover things for themselves," says founder Rei Kawakubo.

Actions: Consider deploying assistant matchmaking software. UK company Go Instore connects shoppers with in-store sales assistants in real-time. A deep artificial intelligence capability alerts the system if a different associate is deemed better suited to that customer as the conversation progresses.

Think about replacing old merchandising techniques or layouts with more mindful, emotional methods of categorisation. This will encourage shoppers to linger for longer and discover new brands while creating a sense of retail theatre.

Give back control to customers with visual cues around service such as colour-coded baskets or zones, allowing them to escape external noise and focus on the shopping experience without distraction. This creates a more relaxed journey, making shoppers instantly more open to browsing and higher basket spends.

Integrate labyrinthine displays and curved forms to guide shoppers around the store, adding a sense of intimacy and intrigue.



Harmay



Dover Street Parfums Market

Climate Activists

Definition: Climate activism is escalating, with teenage environmentalist Greta Thunberg's strikes and the Extinction Rebellion shedding light on climate change and its catastrophic impact on our health and planet. According to Euromonitor's 2019 survey, 60% of global consumers are worried about climate change, driving a new group of shoppers for 2020 and beyond. As climate urgency reaches fever pitch, brands must assume greater responsibility for their environmental impact.

Behaviours: Eco-anxiety is affecting shopping decisions, with a shift towards more sustainable products. The percentage of consumers feeling good about buying ecologically or ethically sourced items grew from 24% in 2015 to 28% in 2019 globally.

As the conversation around the human impact on the climate intensifies, more shoppers are boycotting or "buycotting" than ever before. A 2018 UK and US consumer study from global PR firm Weber Shandwick found that 83% of respondents agreed that "it's more important than ever to support companies that do the right thing by buycotting", and had made on average 5.7

supportive purchases over the past two years.

Shopper priorities: Eco-anxiety is driving greener expectations and shifting priorities. More than ever, consumers care not just about products, but also about a company's global impact, and they are looking to retailers to educate them and take action.

As people ask tougher questions about the impact of their purchases on the planet, they want to be listened to and guided with honest, practical advice. In September 2019, Proctor & Gamble announced a new partnership with National Geographic; a six-part documentary series focused on inspiring global activism – not tied to commerce, but simply to educate consumers and to amplify the message.

Climate Activists are also not afraid to speak out and eco-shame brands who are not looking to help the planet. Remaining on the sidelines will become less of an option, as staying silent can be viewed as complicity, which is a social/political statement in itself.



Celine



Oxfam



Kidult

Climate Activists

Climate Activists at retail: Shopping products and companies that align with their worldview, this group is driving major retailers to make sustainability a priority. In 2019, both ASOS and The Iconic introduced search filters for recycled fabrics. Farfetch and Net A Porter's conscious edits target sustainable luxury products, while Zalando has grown its sustainable offering. They are also looking to brands who are committed to a climate positive future. Patagonia, Lush and Burton all joined the global climate strikes in 2019, closing their stores in solidarity with the activists.

In November 2019, Dame became the first climate-positive period brand. The new initiative will remove twice as much carbon from the atmosphere as it has generated since Dame launched in 2018.

Key strategies: Cosmetics retailer Lush frequently works with activist groups on issues such as climate change, using stores as centres for lobbying, and inviting grass-roots activist groups to run in-store workshops. The Body Shop's new London store has an "activism corner" for customers to make their own change-making pledges.

In September 2019, Patagonia opened a pop-up café in London that hosted climate activism training courses, workshops on carbon literacy, seminars on conservation, and lent out free books on climate change.

Actions: Carbon-positive practices need to become more than just a trust-building exercise to gain loyalty. Brands must re-adjust products and services to be environmentally-friendly and ethically aware, or risk being boycotted.

Reflect the message consistently across the business: use store space to champion causes IRL, and integrate environmental themes into marketing, social and services.

While smaller gestures of strategic "non-action" – such as closing stores for climate demonstrations – are valuable, broader actions by mass retailers will have the biggest impact. In November 2019, Tesco vowed to remove a billion pieces of plastic from its products by the end of 2020.

Adopt a longterm view: sustainability planning needs a timeline of 20 to 30 years to fully implement and scale. Remember, it's about building a business that will last.



Patagonia



The Body Shop

Texters

Definition: The next generation of shoppers are texters, using instant messaging to communicate with brands and shop on a one-one basis. Mostly Gen Z and Millennials, these consumers are craving authenticity and a more immediate, personal level of service from the brands they interact with, wanting to meet them in an intimate space.

Behaviours: As with the Introverts, they prefer messaging platforms and apps to communicate with retailers, instead of email or a phone call. According to Salesforce, 64% of customers prefer texting and SMS for customer service over online forums and voice assistants, while 83% of Millennials say they'd like to communicate with brands via text messaging.

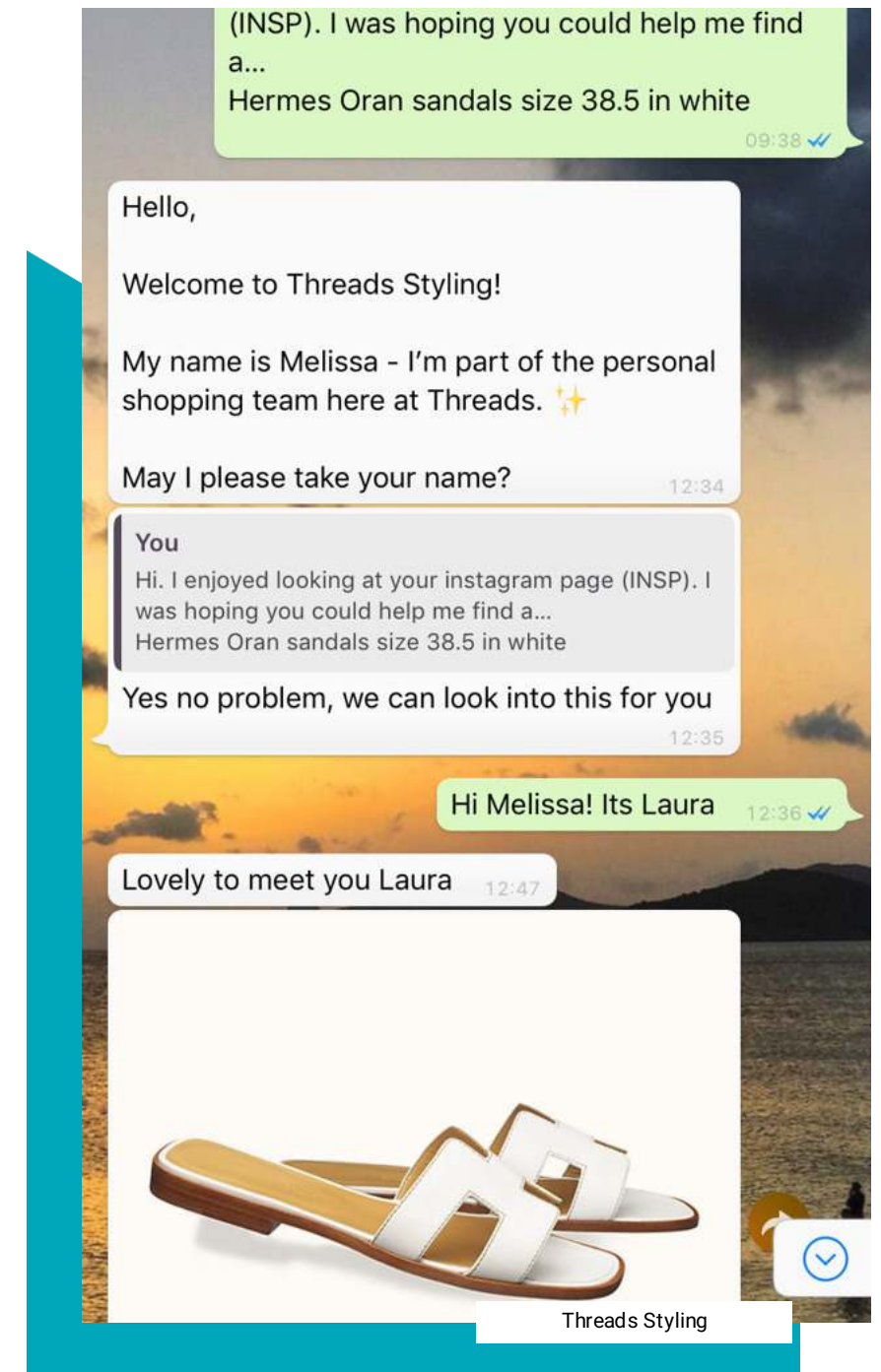
They would also prefer to be contacted by a brand by text, rather than email. According to a 2020 study by Sinch, 40% of consumers admit to having at least 50 unread emails in their inbox, while just 4% have 50 or more unread texts on their phone.

Shopper priorities: This shopper is all about speed and convenience but still demands a high level of service. Knowing that there is

a human at the other end of the phone – not a clunky, impersonal chatbot – is a big draw for these consumers, who like the personal and immediate nature of texting.

Texters at retail: This phone-addicted cohort are happy to exchange texts with brands for everything from paying (think Dirty Lemon) to asking questions. In fact, secure services such as Telegram and WhatsApp are outpacing the growth of non-encrypted messaging services like Twitter and China's WeChat. Around six billion text messages are sent in the US each day, says CTIA, while WhatsApp has more monthly active users than Facebook Messenger.

They are comfortable with texting in-store to communicate with staff, either to swerve spoken language barriers, to bypass unnecessary upsells, or simply because they don't want to talk to someone IRL. In the first week of Nike's Melrose, LA store opening, the unique store number received over 1,000 texts via the retailer's Swoosh in-store messaging functionality, while Brown's London has a new in-app feature that lets shoppers message staff in-store.



Texters

Key strategies: Skincare brand Versed has launched an SMS text messaging service for its customers – not as a selling tool, but to educate them. Employees handle the service manually, answering skincare-related questions.

Threads Styling is a UK-based personal shopping service that operates entirely over messaging. New customers can click through from Threads' Instagram page and then be put through to a direct WhatsApp or WeChat conversation with a personal shopper. All communications are done via messaging, and shoppers can contact their stylist directly to ask for anything from finding hard-to-find items to styling help.

Similarly, in November 2019, two ex-Snapchat execs launched Whym, a “first-of-its-kind text boutique” where shoppers place orders via text message.

At the end of 2019, WhatsApp Business rolled out Catalogs, a new feature that creates a mobile storefront for businesses to showcase and sell their products through a chat functionality.

Burberry has partnered with Apple to create

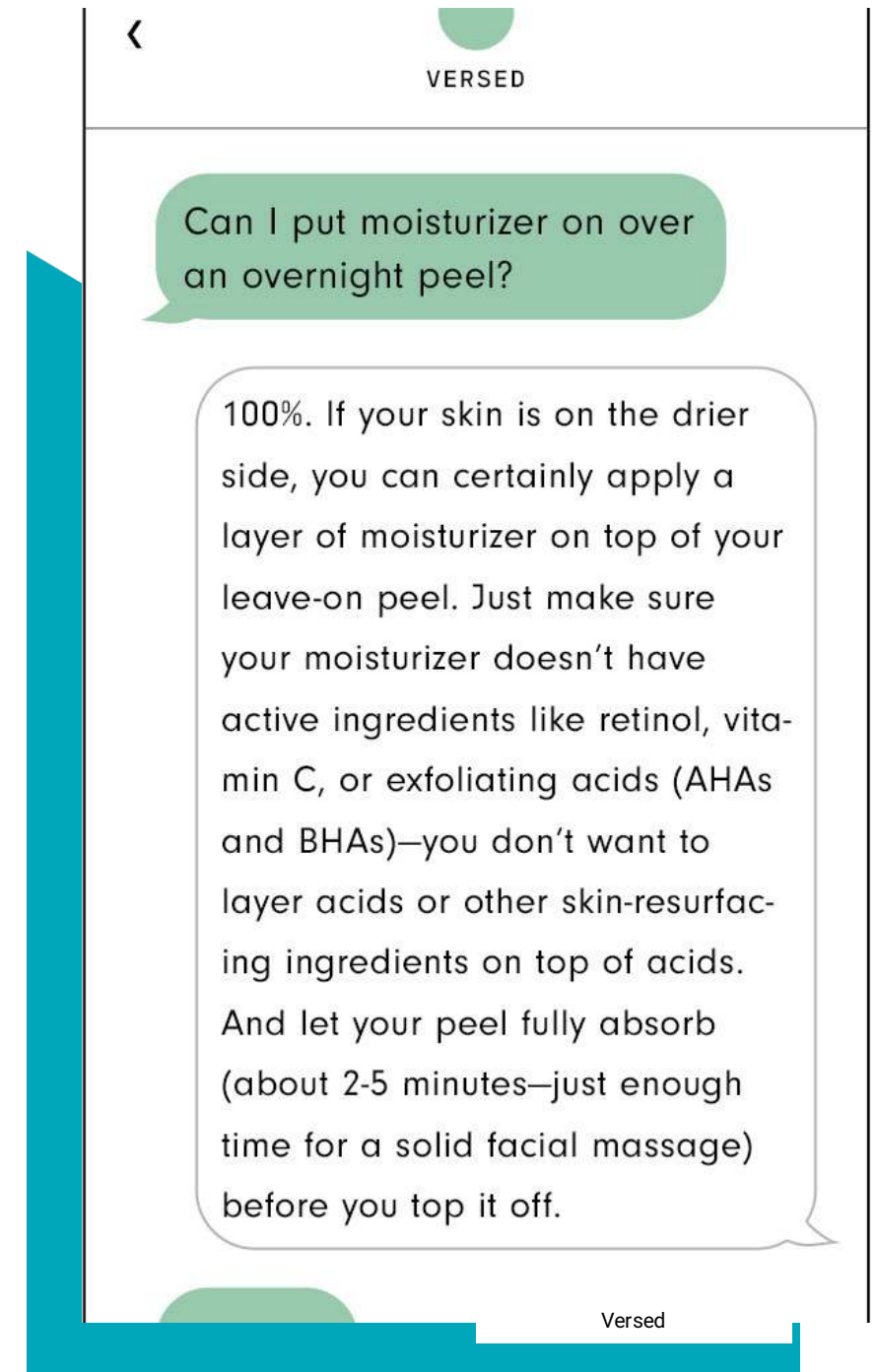
a new chat function called R Message. The invite-only service integrates with R World, the internal iOS app that Burberry store staff use to manage inventory. R Message now allows them to directly communicate with high-value customers to book in-store appointments, recommend and sell items.

Actions: In an increasingly saturated market, brands vying for consumer attention should tap into the ease and familiarity of SMS to deliver simple, personalised purchasing experiences that cut through the noise, reaching on-the-go shoppers swiftly and seamlessly.

For retailers or brands that may not have full budget for redeploying store design/floor strategy, this is a cost efficient move to implement this year.

Texting is a great way to enhance the role of the customer service agent or sales associate. It opens up a one-to-one conversation that feels friendly and human, building trust and driving loyalty.

Be mindful not to bombard customers with anything promotional, using the tool only to build an authentic and relevant dialogue.



The Anti-Excess

Definition: Consumers are increasingly turning away from excessive consumption, in line with greater concern for the environment and growing product fatigue as we reach “peak stuff”. In 2019, we predicted a move towards low-impact consumerism and the end of more – a future where brands will start to discourage people from buying their products. For 2020, this will take hold as Anti-Excess shoppers come to the fore. They are moving beyond simply extending the lifecycle of purchases and actively buying less, supporting brands who encourage them to do so.

Behaviours: These shoppers are already heavily invested in the circular economy, and are familiar with rental schemes, the resale market, and post-purchase opportunities around repair and aftercare. This group is driven by Millennials and Gen Z, who are craving an antidote to hyper-consumerism and are highly aware of the damaging effects of the fashion industry. Data from Global Web Index shows that half of digital consumers say environmental concerns impact their purchasing decisions.

Shopper priorities: A more mindful attitude to consumption and a backlash against consumerist culture are the key drivers here. Decluttering and buying less but better are the key priorities. They look to influencers such as Samantha Ravndahl, a leading make-up artist and YouTuber, who in 2019 asked companies to stop sending her PR packages. Expect authentic “anti-haul” videos to take hold in 2020, as influencers like Ravndahl and RawBeautyKristi take a step back from showcasing new products.

Video content like “No-buys”, which sees consumers swearing off new purchases for months on end, and “Declutters” are on the rise amid environmental concerns, as well as a growing awareness that constantly displaying new purchases can be an anxiety-inducing trigger for many.

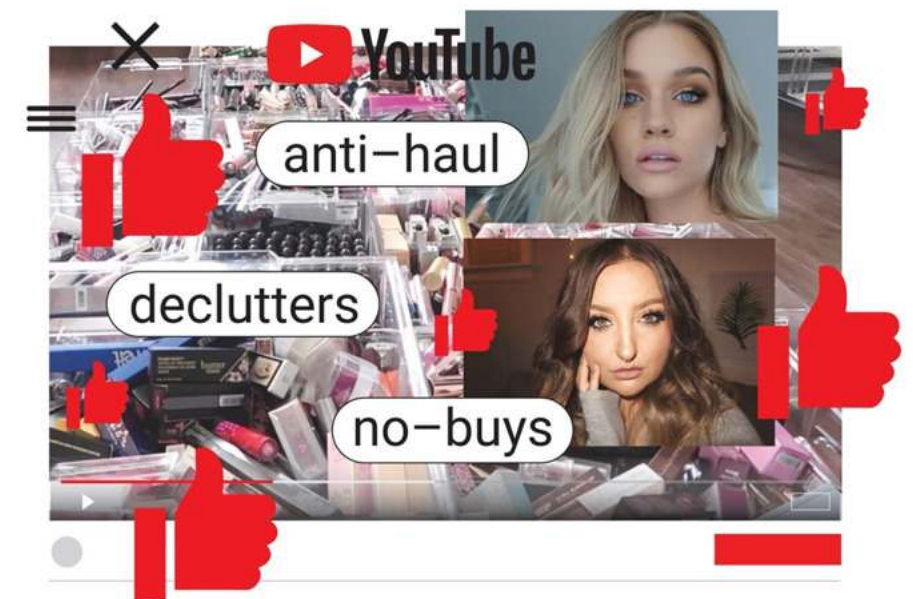
The Anti-Excess at retail: They are loyal to brands that encourage responsible consumption of their products, such as London denim brand Blackhorse Lane Atelier, which has a ban on shoppers buying more than two items at once.



Tumblr



Make Do and Mend



YouTube

The Anti-Excess

These consumers are aware of their impact on the planet and will shop accordingly. Apps like Good on You, which lists ethical brand ratings, are becoming part of the purchasing journey, while new tools that track behaviour to avoid eco shame are becoming more mainstream.

In February 2019, Swedish fintech company Doconomy partnered with Mastercard on a credit card that lets users track and limit their CO2 footprint. The DO MasterCard tracks the CO2 impact of purchases and blocks payments when the user exceeds their personal carbon emission budget.

Key strategies: Canadian beauty retailer Deciem rebelled against hyper-consumerism for Black Friday 2019, closing its stores and website for "a moment of nothingness". "Hyper-consumerism poses one of the biggest threats to the planet, and flash sales can often lead to rushed purchasing decisions," the brand posted on Instagram.

US footwear brand Allbirds emptied its London store of stock for Black Friday 2019, turning it into an events space for

community workshops. UK fashion brand Christopher Raeburn also closed its London store for "Buy Nothing Day", hosting a free repairs event under the slogan: "Buy Nothing, Raepair Something".

Actions: As this trend gathers momentum, retailers will need to rethink their business models to remain relevant as we move into an era where longevity trumps newness, and people look for reasons not to buy.

Help people to consume fewer resources and encourage responsible consumption of your products. However, as we buy less, make sure you aren't left out of the conversation entirely. Look to resale, rental and aftercare to extend the relationship while continuing to drive revenue.

Look to digital wardrobe-monitoring concepts that help customers rewear and style their existing clothing. New app Save Your Wardrobe uses your own photos and receipts to compile a virtual closet, while Facebook has developed an AI-powered styling tool that helps people make better fashion pairing choices with their clothes.



Mood Boosters

Definition: It's not all doom and gloom for 2020. The turn of the new decade will be a key marker for positive change as shoppers want to look beyond the turbulent, unstable second half of the 2010s.

Greater awareness of mental health issues, coupled with consumers' growing desire for self-improvement and wellness, is also helping to drive this new shopper group who, cautiously optimistic for the years ahead, is looking to spread happiness and positivity.

Although eco-anxiety and socio-political turmoil are still hugely prevalent, there is change occurring. Kindness is beginning to prevail, while radical optimism will emerge as a key consumer sentiment for 2022.

For 2020, however, it's about spreading an upbeat message and seeking happiness in a still-turbulent world as consumers start to seek joy and prioritise self-betterment.

Behaviours: Actively facing their fears, these shoppers are following a new mindset based around positivity. They are looking to user-generated content and businesses that spread kindness, such as Instagram account

@goodnewsmovement, which focuses only on positive global news stories. People are encouraged to DM in kind acts and celebrate local community heroes.

#TextforHumanity is the world's first-ever texting switchboard, launched in January 2020. The service, provided by Sinch and Mental Health America, enables strangers from around the globe to send and receive up to five daily messages of positivity.

They also look to brands who make themselves and others feel better, such as Gen Z Australian make-up brand Fluff, which encourages its audiences to have Self-esteem by uploading a selfie, overlaying a compliment and passing it on.

Shopper priorities: Mood Boosters appreciate retail spaces which embrace positivity-inducing colours, graphics, artworks and layouts, as well as brands that tap into awareness around mental health issues. New research by Havas Media shows that over three quarters of people think brands should positively contribute to quality of life and well-being.



@werenotreallystrangers



Whistles



Glossier

Mood Boosters

Mood Boosters at retail: Companies which position themselves around happiness will resonate with these shoppers. US retailer Best Buy has framed itself around brand love, focusing on training employees to be positive and engaged. "We're not in the business of selling TVs and computers. We're a company that's in the happiness business," says CEO Hubert Joly.

They also appreciate random acts of kindness as an engagement tool. Look to UK natural cosmetics retailer Lush, which has introduced a store-wide initiative in which employees can give away one free gift a week. Staff can use their discretion to offer the products to customers who need cheering up or are celebrating an occasion.

Key strategies: US streetwear label Madhappy's store in LA reflects the brand's mission of optimism and positivity. Along with a colourful, open-plan layout, the space houses a hidden "Self-Reflection Chamber" within a zen-like rock garden in the back.

The newly-refitted Louis Vuitton London flagship features fun elements and colourful installations, created by Peter Marino, to "evoke happiness with no intimidation".

Activewear brand Terez's New York store is infused with optimism, playfulness and joy, reflecting the brand's ethos of inclusivity and body positivity. An art installation called the Positivity Tree allows visitors to write an uplifting message and in return receive one from a previous customer.

Footwear brand Kurt Geiger collaborated with London artist Andy Leek for Pride 2019 for a mood-boosting installation. The artist, who is known for leaving positive notes around London for strangers having a hard time, displayed his inspiring messages in-store to give customers a lift.

Actions: Mood and mindset play a key role in shaping the shopper journey, and brands must focus on boosting happiness. Use colour and design in store spaces to reinforce positive well-being and create more personal connections with shoppers.

This cohort is beginning to expect joy and celebration after years of anxiety, turmoil and self-doubt. Offer thoughtful services, operate with kindness and integrate playful design features to meet this burgeoning mood. This will help to build loyalty and create a happier retail landscape.



Kurt Geiger x Andy Leek



Louis Vuitton



Madhappy

Localvists

Definition: In January 2018, we predicted that localism would be a key consumer sentiment for 2020 and beyond. These locally-minded consumers are an important shopper group for this year, demanding convenience and immediacy closer to home. Localvists are keen to shop smaller and build deeper ties with their environment, keeping their dollars within the community.

Behaviours: Increasingly retreating from globalisation and wanting to support their communities, they are rediscovering localism by shopping smaller and looking to curated selections tailored to their own environment. Often shopping in tandem with online, they expect mainstream retailers to start to ramp up their presence in local neighbourhoods and outside of traditional urban areas, with smaller-footprint stores that reflect the local community and focus on service and experience.

Shopper priorities: The proliferation of online means that consumers no longer want to travel into metropolitan areas to shop, while the number of young adults

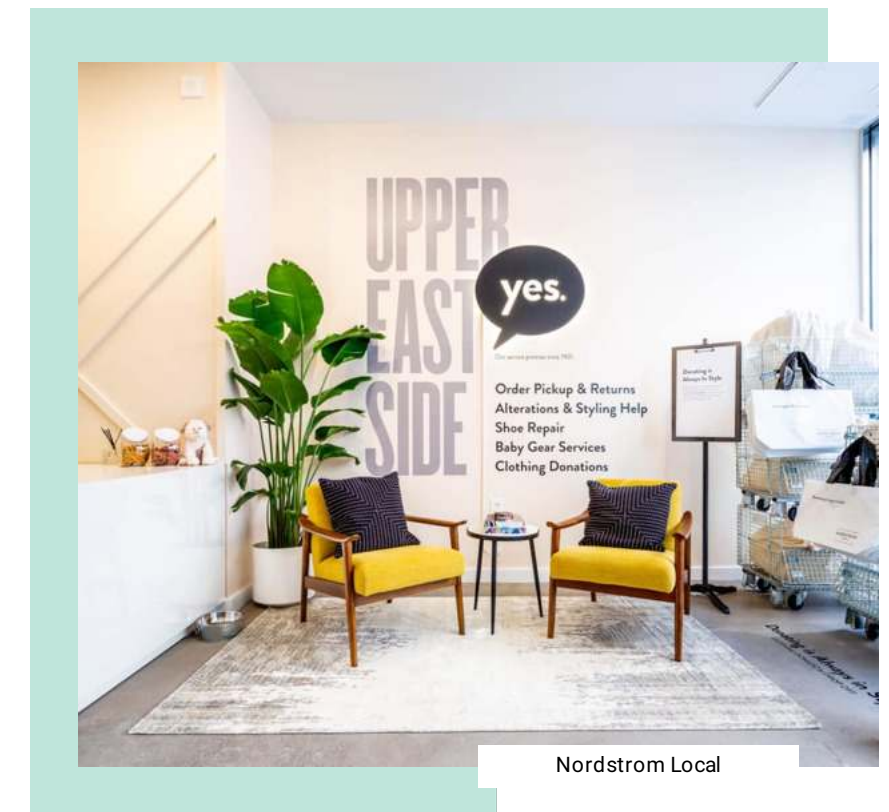
learning to drive is in decline. This means that these consumers want and need more options on their doorstep, and, when buying groceries, prefer to do several quick trips to nearby stores than one big weekly supermarket shop. In the UK, these smaller trips now make up half of all baskets. Shoppers are looking for services and solutions which are close to home more than ever, with "near me" searches on the rise. In 2018, Google Trends reported 200% growth in "near me now" mobile searches in the US from May 2013 to April 2018.

Key strategies: Harrods is opening its first stand-alone beauty stores in spring 2020 in regional UK areas. The two locations, in Essex and Milton Keynes, will have areas for make-up, skincare and fragrance, blow-dry and facial services, and a cocktail bar.

H Beauty wants to attract customers before a night out, extending the Harrods brand outside of London while tapping into the huge growth of the beauty industry. In Essex, consumers spend £41 on average per beauty purchase, according to SumUp data, making it an ideal testing ground.



Harrods



Nordstrom Local

Localvists

In October 2019, H&M began trialling a new hyper-local concept in Berlin. Called H&M Mitte Garten, the 3,300 sq ft space is a far cry from H&M's usual mall-style stores, with a fresh design concept, a much smaller footprint and a specially-curated local edit. Made-in-Berlin lifestyle products and 120 vintage items selected by Berlin-based stylists are on offer alongside a tight edit of H&M's mainline range. Only a selection of items are on display, curated to appeal to the neighbourhood's creative, fashion-forward women. The rest of the range can be browsed and ordered online digitally.

Adding to the community feel, there's also a juice and coffee bar run by Berlin eatery Daluma at the back of the store and a small garden area. The space also hosts weekly yoga lessons and other cultural events.

Service is a key focus: store staff have their own Instagram-style portfolio of themselves styled and photographed in H&M pieces, accessible via in-store screens, while all sales assistants wear a smart watch that alerts them when a customer needs help or wants to pay, collecting data all the while.

Anthropologie is dialling up the local connectivity with its first "neighbourhood" store in Paris, which opened in 2019. Localising the offer towards a European customer – more than half of whom are under 34 – the store offers a different assortment to the US, making furniture smaller and offering more outerwear.

Actions: To appeal to demanding modern shoppers increasingly looking to buy local, retailers need to reposition their stores as community-led spaces that strengthen ties. Consider local store formats with a smaller footprint that complement both flagships and digital channels, that serve customers where they are for both sales and returns.

Focus on personalised service and use design, highly-focused assortments and experiential elements to be locally relevant. Super efficient inventory management is key – look to AI and machine learning to create tailored edits for local consumers. Look to Nike's new Live stores in the US, where stock is custom curated according to what locals want, with information collected from NikePlus members nearby.



H&M Mitte Garten



H&M Mitte Garten



Anthropologie

Streamlined Shoppers

Definition: Increasingly time-poor, overwhelmed and suffering from decision exhaustion, consumers will keep looking to streamlined solutions, smaller formats and curated edits where decision-making is easier and the journey is hassle-free.

Behaviours: Faced with an uncertain future and feeling burnt out, these busy Millennials and Gen Xers want to shop in a way that suits their hectic lifestyles. They are shopping in smaller stores, where less product on the shop floor means fewer choices to make, as well as looking to seamless transactions and convenient solutions around collections and returns.

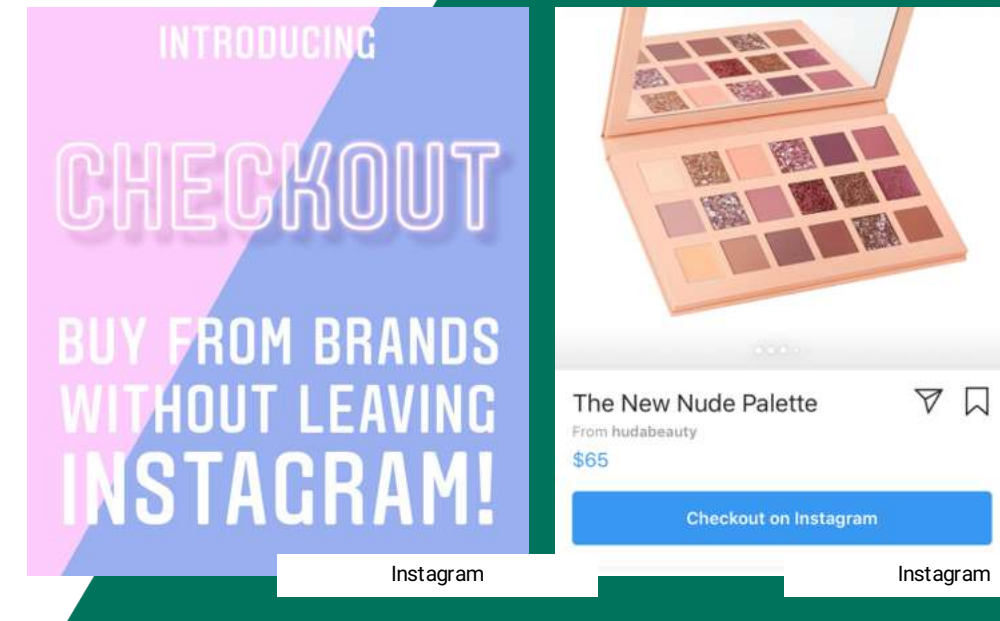
Shopper priorities: Unlike the Slow Shoppers, who enjoy browsing at their leisure, these consumers are all about purposeful discovery and tighter edits, served up to them thoughtfully. Nordstrom's new 57th St store in New York has been designed with no feeling of barriers or restricted movement, creating a sense of fluidity and ease. "It's about being hyper-flexible, changeable, creating a seamless environment so that we can constantly evolve and respond," says Dawn Clark, SVP

of store design and architecture.

Shopping smaller is another key priority, specifically locations that focus on a more localised and curated selection. Target has opened more than 100 small-format stores since 2017. Often less than a third of the size of normal big-box units and with a scaled-back assortment, they have boosted business: in August 2019, the retailer reported traffic at new stores up 2.4%.

Streamlined Shoppers at retail: They are experimenting with new platforms that make it easier to shop faster, such as Instagram's Checkout feature. Launched in March 2019, it allows users to seamlessly buy items they see while scrolling without leaving the app. Retailers currently on board include Nike, Revolve and Zara.

Services which solve pain points around returns are key, such as Amazon Returns at Kohl's, which allows shoppers to return Amazon items for free at Kohl's stores without needing a box or label. Nordstrom also now accepts returns from rivals like Macy's and Kohl's in its new Local stores, even if they don't carry the same item.



Nordstrom

Streamlined Shoppers

Key strategies: US beauty retailer Roven has adopted a direct-to-consumer mindset with less product on the shop floor of its LA flagship than it sells online. Clearing up SKUs and offering a curated selection based around hero products and bestsellers, Roven's physical location carries 25% of the 500 products sold on its website.

Box is a new hassle-free collection point in Helsinki that aims to reduce friction around pick-ups, online orders and returns. The location is entirely self-service, with different zones depending on requirements. Visitors can open or pack up their parcels in the unboxing area, with helpful stationery like scissors, tape and pens on the shelves, while parcels and envelopes are stored below. Packaging materials can alternatively be reused from Box's own recycling zone.

A block of changing rooms means that customers can try on orders there and then and, if unsatisfied, they can take their packages to digital kiosks where return shipping can be organised and paid for. The space also has over 600 storage lockers where orders are kept.

Actions: Adopt a less-is-more approach: take cues from single-product e-commerce sites, and focus on key product attributes and information. Remember, overwhelmed customers are less likely to convert.

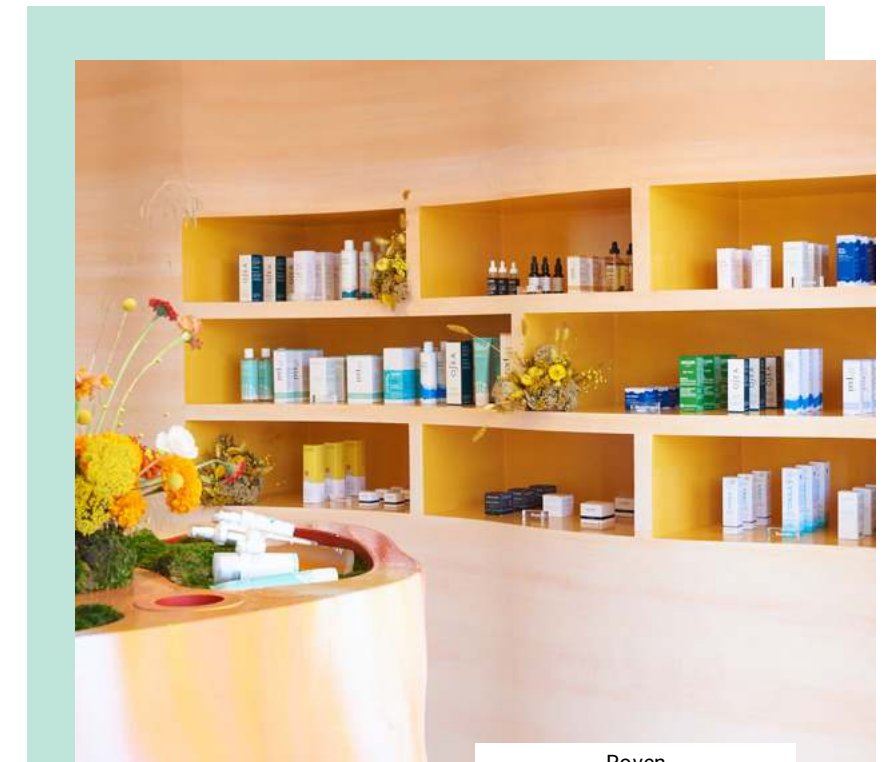
Mirroring the easy access and clear wayfinding of online shopping, these shoppers appreciate well thought-out store design that enables fluid, easy navigation. Clearly organised merchandise and curated edits will appeal to this busy group, so look to clever zoning, smaller selections (with a larger offer online) and strategic layouts that don't waste time.

Consider smaller formats and minimally-designed spaces where decision-making is made easier. This will also help shoppers to buy better. As choice paralysis grows, consumers don't necessarily make the best decisions, so helping them to shop more mindfully is a winning strategy.

With on-the-go shoppers valuing their free time more than ever, aim to solve issues around returns and collection by rethinking store layouts or integrating new services that allow for more streamlined processes.



Box



Roven

Values-driven Shoppers

Definition: Consumers are increasingly looking to brand values as a deciding factor in the path to purchase, seeking out retailers whose worldview aligns with theirs. More than ever, empowered shoppers are actively researching and buying products with corporate values in mind, choosing those which are environmentally friendly, and from ethical and responsible brands. More than 55% of consumers will consider company values when making a buying decision in 2020, according to Forrester.

For 2020 and beyond, consumers will expect even more brands take active roles in social, environmental and political discussions, instigating and affecting positive social change on the same level as governments.

Behaviours: This cohort is driven largely by Gen Z, who are now entering the workforce and beginning to spend their own disposable incomes. Understanding a company's core values and seeing how they are demonstrated is key: nine in 10 Gen Z believe brands have a responsibility to detail their beliefs on social and environmental issues, reports McKinsey.

Shopping purposefully is a crucial consideration, with more shoppers seeking out more environmentally-conscious purchases, used items, and reconsidering their consumption habits.

Shopper priorities: Purchasing based on values is obviously the key here: 83% of consumers say that, when deciding between brands, they'll always pick the one with a better sustainability record, and 70% are willing to pay more for products and services that help protect the environment or don't infringe on human rights. Research also shows that 87% of Americans will purchase a product because a company advocated for an issue they cared about.

These shoppers learn towards brands with strong values baked into their entire business model. US young fashion brand Wildfang, for example, is both apparel retailer and political community. Its stores host regular talks on feminist issues and it encourages its communities to act, using its platform to focus on gender stereotypes, sizing and pay equality.

"It's very hard now for a company not to stand for something. People buy things not just because they are pretty, but because they represent something more."

- Vanessa Friedman, fashion director,
The New York Times



Wild Fang

Values-driven Shoppers

Values-driven Shoppers at retail: Brands that put power into the hands of the consumer are top of mind for this shopper, who is looking to appease their sense of social responsibility. They want to feel like they're doing good with their purchase, rather than being passive. Brands that make a real social impact are also far more likely to attract and retain younger consumers.

The Other Bar is a new chocolate company that gives customers the chance to fight global poverty. Inside each package, you can choose to either scan a code to donate a blockchain token to the farmers in Ecuador who produced the cocoa, or use it to get a discount on the next chocolate bar you buy.

In December 2019, teen retailer American Eagle created a collection of apparel and accessories in which each item is embedded with a QR code. When you buy a piece, the code is scanned and 100% of the sale is donated to the homeless charity Delivering Good. People who own the items can also encourage friends to scan their QR code to be taken to Delivering Good's donation page.

Key strategies: Brandless is making it easy to shop purposefully by categorising its products by value. Across verticals, the retailer offers a 'shop by values' feature so buyers can search by products that are biodegradable, compostable, cruelty-free, made in the US or recycled.

Buho is an ethical e-commerce hub that launched in July 2019 with a selection of brands that promote sustainability, gender equality and fair trade.

Actions: Doing good is good for business, connecting with customers on a deeper level of shared values and beliefs, and turning them into loyal brand advocates.

Retail success in the future will increasingly lie in tying business models to social responsibility and value-driven practices to resonate with Gen Z shoppers..

Adopting socially responsible, charitable and environmental programmes and practices will have an advantage in 2020 and beyond. Be sure to create an authentic voice and persona that transcends both on- and offline.



American Eagle



The Other Bar

Research Matrix

Mintel: Global Consumer Trends 2030

Euromonitor: Top 10 Global Consumer Trends 2020

Mary Meeker's Internet Trends 2019

The Business of Fashion/McKinsey: The State of Fashion 2020

Forrester: Predictions 2020

Fjord/Accenture: 7 Trends Shaping Our Future

Cisco/PSFK: Consumer 2020

KPMG: Trends in Retail 2020

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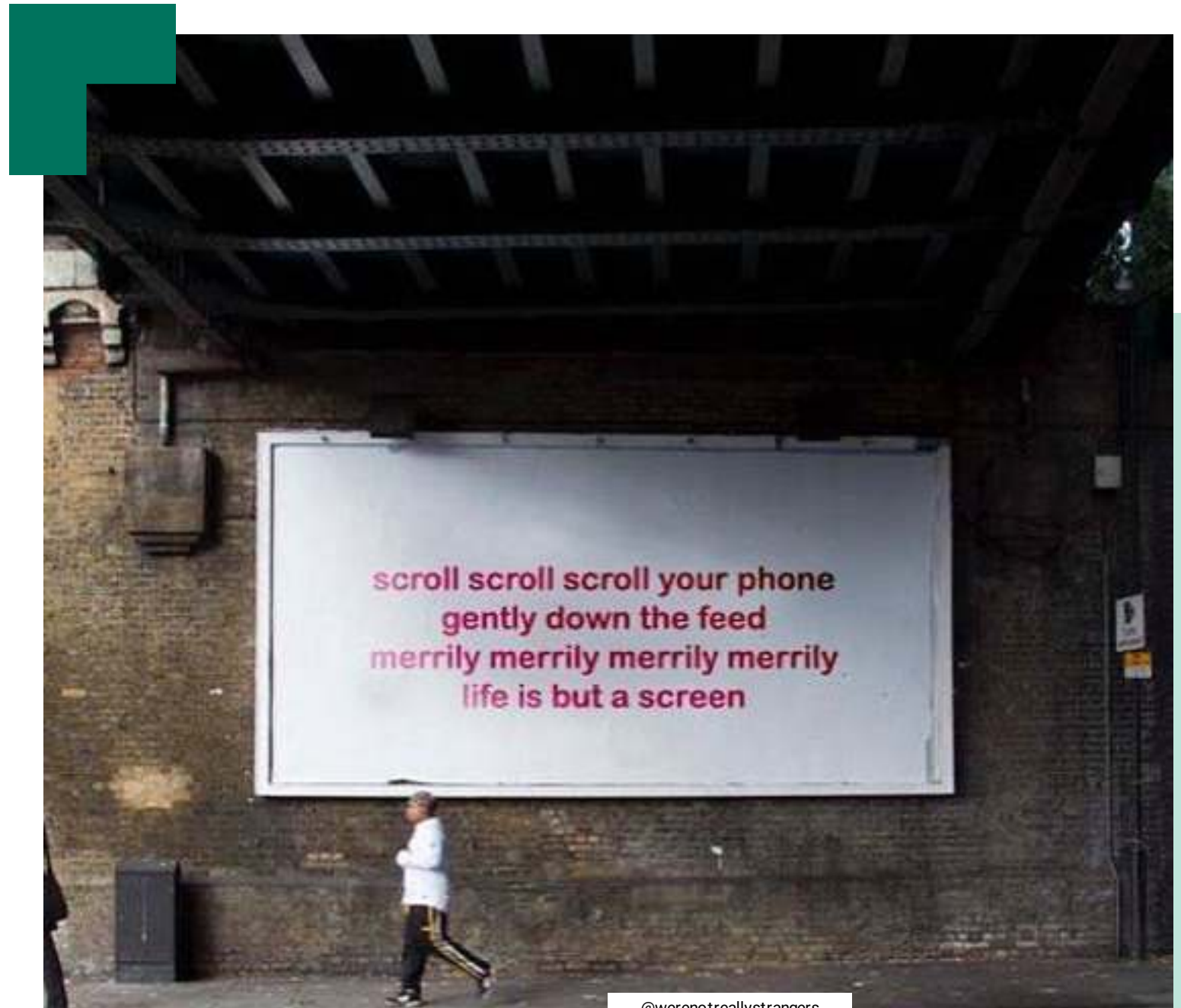
Havas: 20 Predictions for 2020

Frog Design: 2020 - The Age of the Senses

Adobe: Creative Trends for 2020

Kantar/Millward Brown: Media Trends & Predictions for 2020

Brandwatch: Consumer Trends for 2020



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Related Reports

Shopper Forecast 2019



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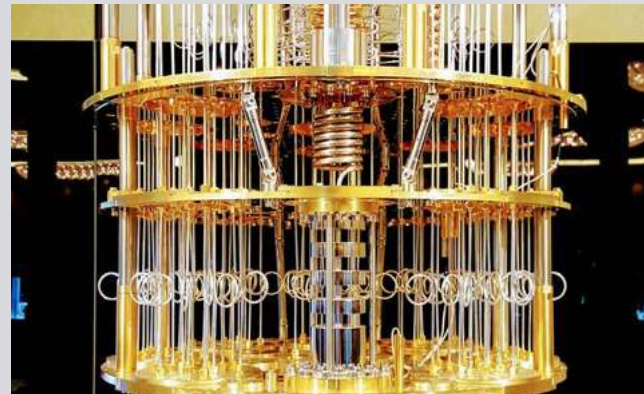
Future Drivers 2022



Marketing Forecast 2020



Future Innovations 2022



The Future of Retail Space 2020

