Future European Consumers

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Megatrends

- **Megatrends** are synthetic, complex aggregations of trends.
- They have three characteristics:
  - *Time horizon of at least 10-15 years*
  - *Broad in scope*
  - *Effect is large*

- **Subtrends** are the aggregation of trends that make up a megatrend.
- **Trend** is an observed pathway of development.

- **Microtrends** are the observed developments in an aggregation of a value community in a particular segment.

- **Fads/Crazes** are products, ideas, cultural movements, or models that gain popularity among a small section of the populace then quickly migrates to the mainstream.
Example of Trend Hierarchy

- Focus on health
- Perception of health and wellness
- Organic and non-industrial foods
- Back to basics
- Stone age diet
Megatrends have implications on the way we live, work and consume.
European consumer trends

• **Seamless Spending**
  Thanks to the simplicity and convenience they offer, people are embracing new payment methods such as contactless cards, smartphones and wearables in record numbers.

• **Talking Shop**
  Brands are utilising platforms like Snapchat, Whatsapp and Facebook Messenger to instantly connect with consumers and offer superior levels of customer service.

• **Right Here, Right Now**
  Brands are using new technology to help consumers decide what to buy, watch, do or eat, based upon pending timeframes from the next 30 minutes to the next 48 hours (geolocation).

• **Cultural Social Responsibility**
  Funding in Europe is in crisis, and yet the region contains the highest number of UNESCO World Heritage sites. Brands are stepping in to fund restoration and repair work.

• **The Sweet hereafter**
  The UK is the latest country to declare a sugar tax, signifying a growing challenge for European brands: namely how to deliver the future of sweetness going forward.

• **Ascending Africa**
  Africa’s rising GDP and improving infrastructure are making it an increasingly credible and powerful trading partner and Europe will start to buy in to and reach out to the benefits of Africa’s growing middle class and rapidly improving connectivity.

• **Airpocalypse Now**
  Air pollution is harming us right now and consumers will start investing more in pollution protection products, whilst brands endeavour to be part of the solution, not the problem.
“...New lifestyles create new segments and a demand for new products and services that both public authorities and companies should be aware of...”
New fragmented family constellations, hybrid lifestyles and temporary identities change the world around us.
Individualization and temporality in lifestyles
New single types

- Single male
- Single female
- The hedonistic single (urban)
- Mamoni
- No-one wants me (particularly rural males)
- Prada Desperada
- Single father
- Single mother
- Widower
- Widow
- CIFS rough division
**Single living – lead by Scandinavia and the she-conomy**

**Percentage of households with one occupant:**
- Sweden 47%
- Norway 40%
- Germany 39%
- Netherlands 34%
- UK 34%
- Japan 30%
- USA 27%
- Argentina 16%
- Brazil 10%
- China 7%

The nations with the fastest growth in one-person households? China, Korea, India and Brazil.

Source: Euromonitor International, 2012
Almost half of all adult eating occasions are now solitary

All by myself – creating new consumer demands and retail needs
Singles

- More and more live by themselves
- The “rise of women”
- Ageing populations
**Living apart together (LAT)**

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**Figure 13: Reasons for Living Apart**

- Too early: 31% (LAT), 30% (All)
- Preference: 19% (LAT), 12% (Sitational)
- Constraint: 30% (LAT), 19% (Sitational)
- Sitational: 12% (LAT), 30% (Sitational)

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**Figure 14: Age Distribution of LATS and All Adults**

- 16-24: 45% (LAT), 45% (All)
- 25-34: 44% (LAT), 45% (All)
- 35-44: 45% (LAT), 45% (All)
- 45-54: 45% (LAT), 45% (All)
- 55-64: 45% (LAT), 45% (All)
- 65+: 45% (LAT), 45% (All)

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Space becomes a value prop
Bestseller: "Purchases in our stores in London and in Newcastle to the north are as different as shopping for two different countries"
Polarization: The Fit and the Fat
The rise of stupidity
Anti-Vaxxer Movement

Source: Sciencebasedmedicine
Modern farming – we hate it because...
Everyone buys into this
30 elements of consumer value: A Hierarchy
PRODUCT AND CONSUMER SAFETY
Product safety and consumer-safe products are of highest importance to the.

SEPHORA

NATURAL BEAUTY
Natural Skin Care

Copenhagen Institute for Futures Studies
Instituttet for Fremtidsforskning
Future consumer patterns

• will be defined by megatrends – sustainability, immaterialization and focus on health
• will due to polarization lead to more AND less consumption since a focus on more information will not lead to information understood by all
• will have to a focus on circular economy - less use of chemicals overall

• Most important needs of the future consumer: functional, emotional, life changing, social impact