Research Insights

Consumers want it all:

Hybrid shopping, sustainability, and purpose-driven brands

In association with

NRF National Retail Federation

IBM Institute for Business Value

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Key takeaways

There's more than one way to shop
Consumers are using a mix of digital and in-person channels to build their own shopping experiences—with more than one-third of Gen Z primarily opting for hybrid shopping.

Stores are still essential
Stores are no longer the default shopping channel, but 72% of consumers still rely on stores as part of their primary buying method.

Consumers are leading with purpose
Purpose-driven consumers, who choose products and brands based on how well they align to their values, represent the largest segment (44%) of consumers.

Sustainability is top of mind
Half of consumers say they're willing to pay a premium for sustainability. Yet, there continues to be an intention-action gap, as fewer than 1 in 3 consumers say sustainable products made up more than half of their last purchase.

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A new shopping journey

Consumers have been through the wringer—but they've been resilient. They've found creative ways to adapt to extreme circumstances, using technology to navigate uncertainty in new ways. And they expect brands to do the same.

In 2022, consumers no longer see online and offline shopping as distinct experiences—they expect everything to be connected all the time. Shopping must be fast and efficient some of the time, rich and experiential other times, and always easy and intuitive. What's more, consumers expect companies to cater to their needs and live up to their social and environmental responsibility claims.

Retailers and brands must align their offerings and capabilities with these new consumer expectations that have emerged from the crucible of COVID. But what changes are mission critical? To get a clearer picture of the demands redefining consumer behavior, the IBM Institute for Business Value (IBV), in association with the National Retail Federation (NRF), conducted a global survey of more than 19,000 respondents across 28 countries in September 2021 (see "Study methodology" on page 17).

We found that, after spending much of the past two years in a virtual-first world, consumers now see digital tools as a necessary part of the shopping experience. They expect stores to be digitally enabled and for brands and retailers to support hybrid shopping journeys, which blend physical and digital channels (see "What is hybrid shopping?" page 2). This is especially true for Gen Z, which uses hybrid shopping more than any other generation.

Perspective:
What is hybrid shopping?

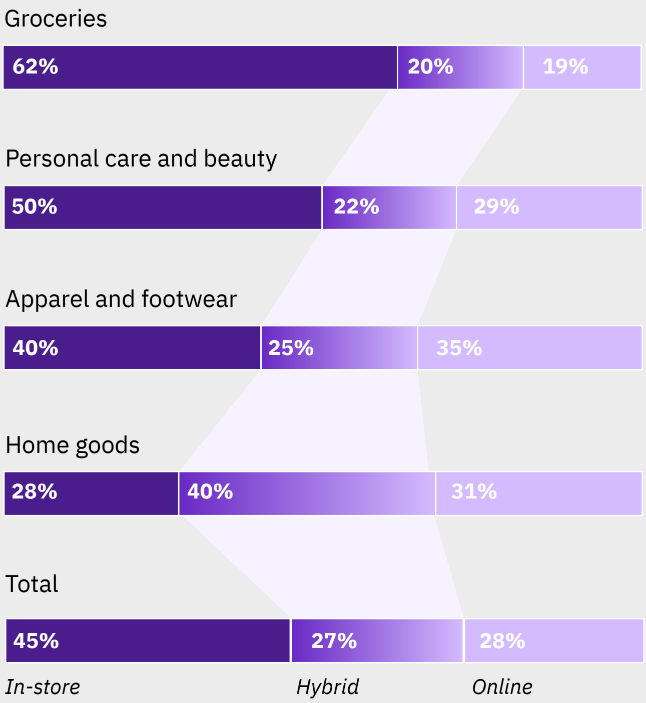
Shopping can no longer be divided into online or offline experiences. Many consumers now prefer an "all-of-the above" approach, visiting stores, shopping online, and using mobile apps interchangeably. They want the freedom to use whatever shopping method is most convenient for them at the time.

In this report, we use the term "hybrid shopping" to indicate how consumers are mixing physical and digital channels to create their own shopping journeys. Some examples include buying in-store and shipping/delivering to home, and buying online and picking items up curbside. Hybrid shopping is the primary buying method for 27% of consumers and 36% of Gen Z—more than any other generation.

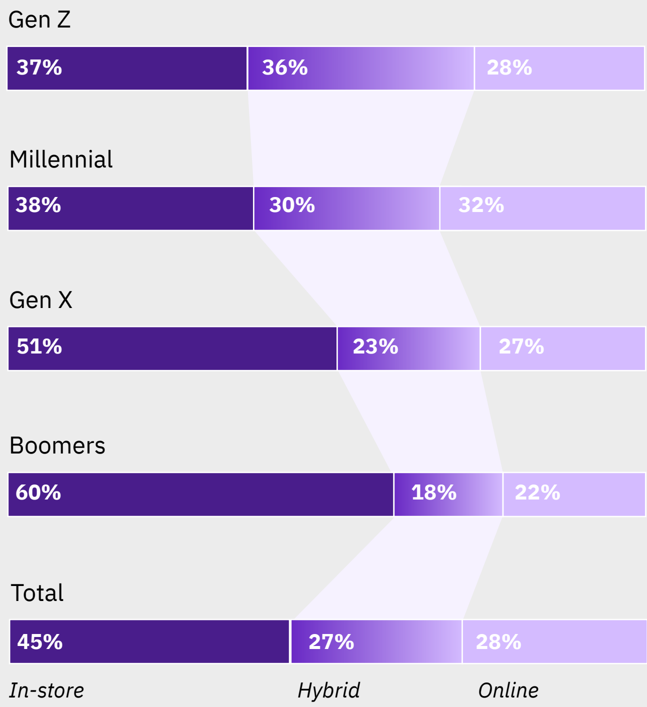
The rise of hybrid shopping

Consumers are using a mix of physical and digital channels to create custom experiences.

Primary method of buying by category



Primary method of buying by age



Note: Totals may not add up to 100% due to rounding.
See Study Methodology on page 17 for generation definitions.

Retailers and brands must align their capabilities with the consumer expectations that have emerged from the crucible of COVID.

The pandemic also shifted consumer views on sustainability. Today, consumers across age groups are looking for brands and retailers to help them shop more sustainably. In fact, purpose-driven consumers—those who prioritize brands that align with their values and lifestyles—now make up the largest consumer segment across all product categories (see "Purpose-driven consumers take the wheel," page 13).

In 2022, brands and retailers have the opportunity to build more profitable relationships with customers—but first they must prove their worth. Today's consumers are digitally confident and purpose-driven. They're informed and focused on finding brands that align with their values. They're demanding more across the board, and companies will have to raise the bar to pass muster.

But that's a tall order. As supply chain disruption and talent shortages put pressure on the retail and consumer sectors, companies must become even more creative and efficient. In response, more than half of retail (58%) and consumer products (55%) executives are focused on building agility to adapt faster to changes in demand.[1]

In this environment, retailers and brands need to lead with purpose—and use technology as a differentiator—to enable customers to build their own shopping journeys. They must also help consumers live their values through the products they buy, including how they're sourced, manufactured, and delivered. That starts with understanding what customers really want.

Consumers control the shopping experience

Today's consumers are diverse in how they shop—but they're united in their expectation that retailers and brands be present and ready to serve them wherever they are—physically, contextually, and at every point in their journey.

Many shopping habits consumers adopted out of necessity are now permanent, as they've become accustomed to the speed, convenience, and personalization different tools provide. From product research to purchase and fulfilment, customers are channel hopping throughout the shopping journey, with stores being part of that journey nearly three-quarters (72%) of the time.

Consumers learn about products across multiple digital, mobile, and in-person touchpoints—most of which are not owned by brands (see Figure 1). But where they learn about products is not the same as where they shop. If retailers can reach more customers with product information and reviews in channels they control, they can increase the likelihood consumers will continue the journey and buy products there.

Where consumers learn about products is not the same as where they shop.

However, *where* people shop varies across demographics and product categories. For example, digital natives shop outside of the store more often than their older counterparts, with 58% of Millennials and 56% of Gen Z consumers using mobile apps and web browsers to shop. Conversely, Gen X (71%) and Baby Boomer (78%) consumers shop more often in-store (see Study Methodology on page 17 for generation definitions).

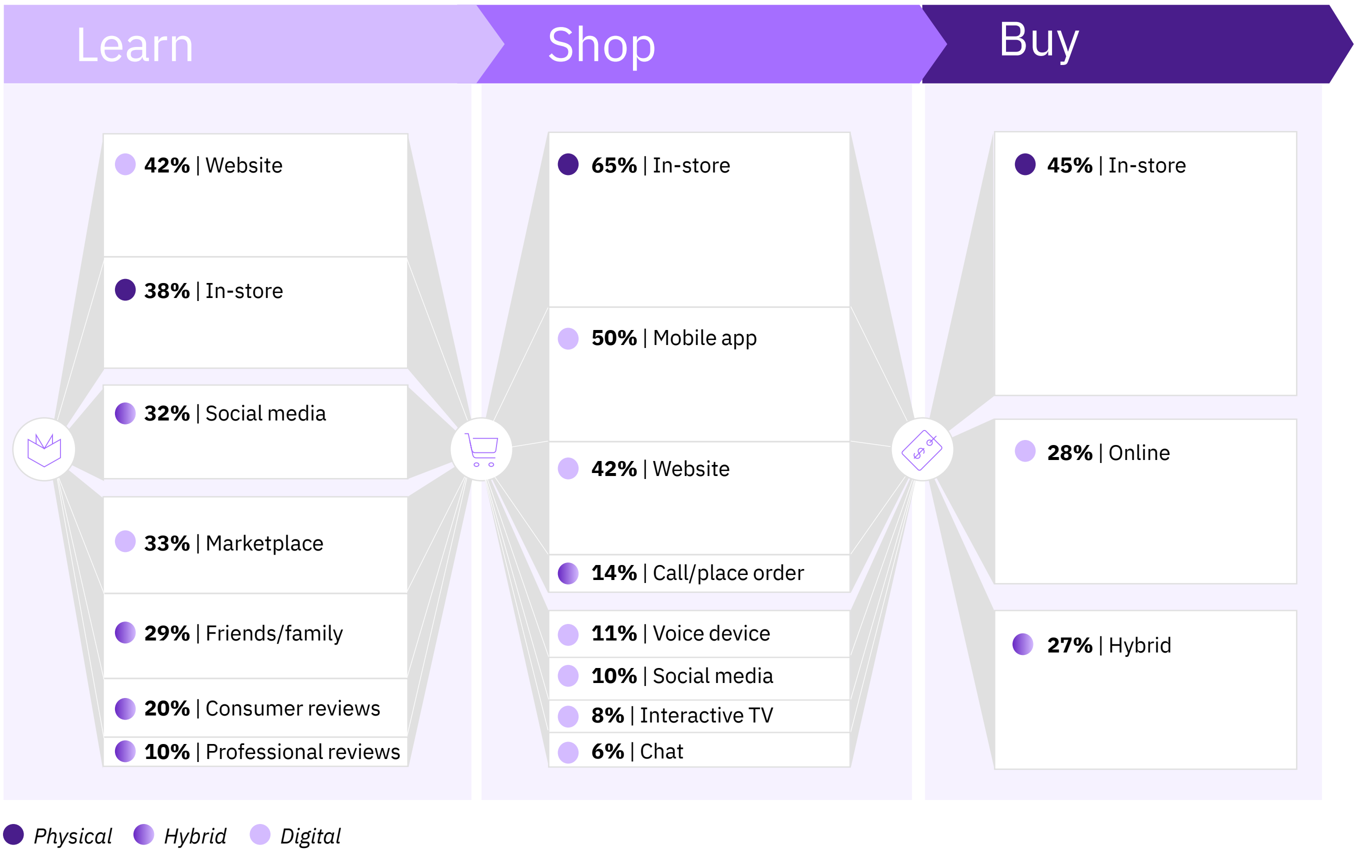
When it comes time to purchase, consumers across age groups want it all—the experience of physical stores *and* the convenience of digital channels. In fact, more than 1 in 3 (36%) Gen Zers say hybrid shopping is their primary buying method—the most of any age group.

Still, consumers across age groups increased their usage of digital shopping tools and services in 2021. They now believe buying online for in-store or curbside pick-up should be just as easy as selecting products from the shelves. And more than 1 in 4 (27%) now say that hybrid shopping is their primary buying method.

Figure 1

A splintered shopping journey

Consumers use a combination of digital, physical, and hybrid channels to learn about, shop for, and buy products.



Note: Survey respondents selected up to three different methods they typically use to learn about and shop for products, which is why the numbers in these categories don't add up to 100%.

Nearly 3 in 4 (72%) consumers rely on stores as part of their primary buying method.

We believe hybrid shopping is here to stay and has become "table stakes" for consumers. Therefore, retailers need to create buying journeys that easily work no matter what path a customer takes.

For many companies, this will require streamlining and digitizing the store experience, while also integrating digital and in-store experiences. Stores are no longer the default mode for shopping, but they're still central to the customer journey. Just under half (45%) of consumers say in-store shopping is still their primary buying method.

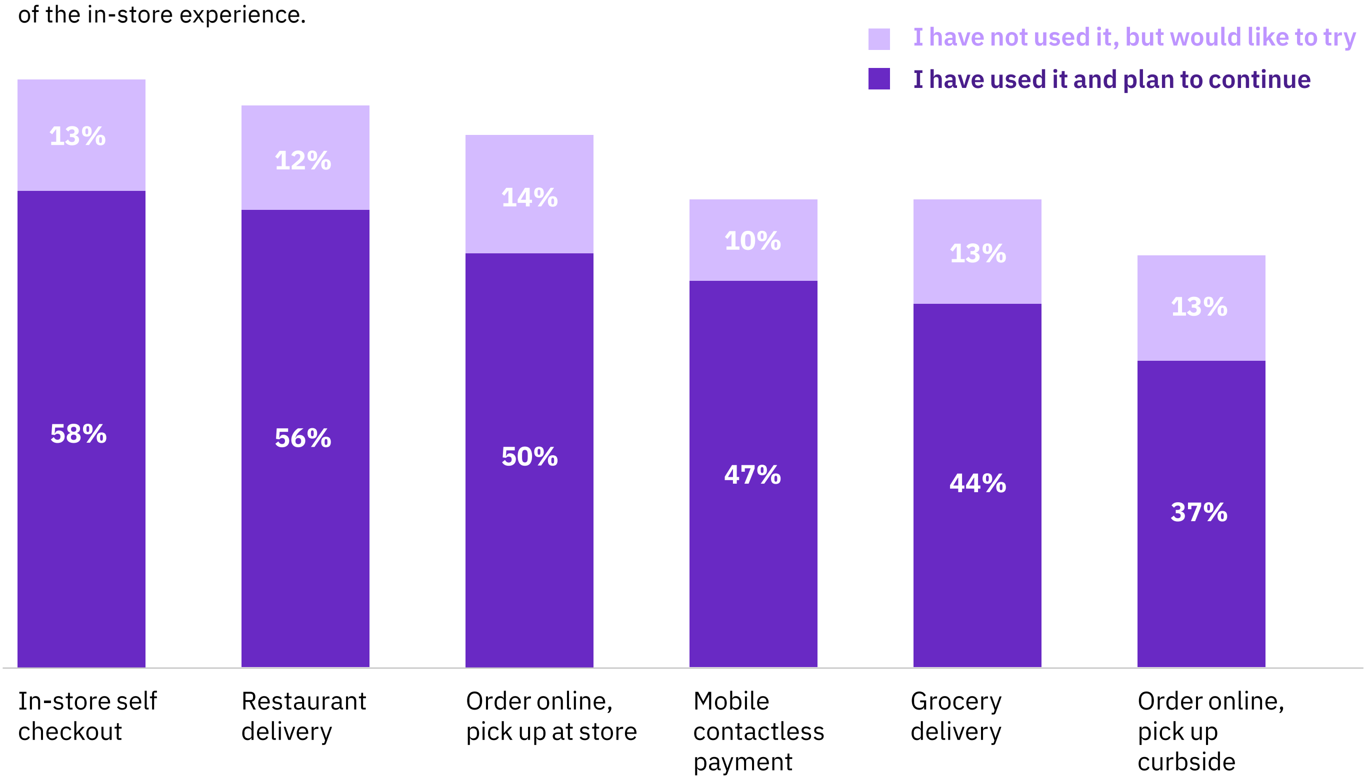
When combined with the 27% that primarily buy hybrid, nearly 3 in 4 (72%) consumers rely on stores as part of their primary buying method. And the majority of Gen Z (57%) and Millennials (59%) still shop in stores at least weekly.

Digital tools play a big role in delivering the in-store experience that customers demand. For example, 71% of consumers say they use or would like to use self-checkout; 64% say the same for ordering online and picking up in-store (see Figure 2). This may have started as a side effect of social distancing, but now consumers see this as a practical choice.

Figure 2

Tech-enabled touchpoints

Digital tools have become an integral part of the in-store experience.



36% of Gen Zers say hybrid shopping is their primary buying method—the most of any age group.

Adapting to these demands has already transformed how many retailers operate, especially in the food and restaurant sectors (see “Rapid delivery services reset customer expectations,” page 8). Sam’s Club, for example, evolved its app during the pandemic to enable quick and contactless shopping for its members. The app automatically generates personalized shopping lists based on members’ previous purchases, removing friction from the experience. It also offers direct-to-home shipping, which lets members buy items in the store and have them shipped home.[2]

Other retailers need to apply this type of agility, with an eye on how shopping patterns differ across product categories. For example, 4 in 5 consumers shop in-store at least weekly for groceries, compared to 52% for personal care and beauty products. In apparel and footwear, in-store shopping (40%) is only slightly more popular than shopping online (33%) or via mobile app (31%). And while half of consumers still shop in-store for home goods, this category is farthest along in the hybrid shopping journey, with 40% of consumers saying hybrid is their primary buying method.

What shoppers are looking for from stores also varies by product category. For example, 57% of consumers say they shop in stores for apparel and footwear because they want to see, touch, or try products before they buy them. Conversely, 54% of consumers want to pick and choose their own products when shopping for groceries at the store. Other top reasons people choose to visit stores across product categories include getting products right away (43%), convenience (37%), and to enjoy the shopping experience (33%) (see Figure 3).

Figure 3

Why do consumers shop in stores?

Brick-and-mortar stores are still central to the shopping experience.

Question: What are the top 5 reasons you go shopping in a store?

Bricks-and-mortar retailers have an opportunity with store associates—an asset that can differentiate them from online-only competitors.

Although consumers continue to use stores across a variety of shopping journeys, they still think the in-store experience could be improved. 37% want a greater variety of products and almost 1 in 3 (31%) want faster checkout. More than 1 in 4 consumers (26%) want a range of self-service options in stores, such as touchscreens and self-checkout.

Consumers also want to speak to more informed and knowledgeable store associates (27%). Retail giant Target is working to meet that demand by providing specialized employee education for certain products. For example, the company is staffing its new Apple-dedicated kiosks with "Target Tech Consultants" that have received training directly from Apple.[3]

Retailers that boast educated and enthusiastic employees have the opportunity to build a loyal fan base. However, only 13% of consumers selected store associates as a reason they shop in-store, suggesting that bricks-and-mortar retailers have an opportunity to differentiate themselves from online-only competitors by using store employees in new and innovative ways.

Action items:

1. **Streamline hybrid shopping.**
   Consumers demand digitally enabled stores—and retailers are evolving in response. Companies need to seamlessly integrate their digital and physical operating platforms to deliver an experience that leverages each channel's strengths.

2. **Shift with your shoppers.**
   Learn which digital and in-store touchpoints are most important for different customers and be prepared to make real-time changes as their needs shift. This requires robust customer data platforms that collect and analyze information from internal and external sources to help retailers take action regardless of channel.

3. **Upgrade the experience.**
   Invest in the areas that make stores special to consumers and make them more likely to return. Fine-tuning each store to the needs of the local community also helps personalize the shopping experience.

4. **Elevate store associates.**
   As the role of the store changes, store associates continue to play a valuable part. In addition to stocking shelves and ringing up sales, they can be a supplemental source of knowledge, support, and engagement for customers. Providing additional professional development opportunities for these frontline ambassadors will be a crucial part of this transformation.

Perspective:

Rapid delivery services reset customer expectations

The pandemic presented unprecedented challenges for the retail industry. As lockdowns and social distancing guidelines spread around the world, retailers and restaurants had to quickly pivot. Many added delivery services or signed up with delivery platforms such as Instacart, Uber Eats, Doordash, or Deliveroo. And the demand for third-party logistics (3PL) support from companies around the world, including UPS, FedEx, DPD, and Hermes also saw a massive surge.[4]

Despite widespread reopenings, the demand for delivery has continued to grow. In fact, our survey found that consumers are using restaurant and grocery delivery more often than they did in February 2021. At the same time, ultrafast delivery companies are raising the bar. Pioneering brands, including Gopuff, Buyk, Getir, and Gorillas, have made names for themselves in cities around the world by delivering orders in 15 to 30 minutes.

As these disruptors train consumers to expect deliveries even faster, traditional retailers (online and store-based) must adapt their operations to compete. The same holds true for 3PL providers, who need to prove they have the agility and adaptability needed to deliver products on time—regardless of the challenges they face along the way.

Tapping the unmet demand for sustainable products

Numerous studies have shown that consumers are aware of the severity of the ongoing environmental crisis. In fact, most feel it's putting their lives at risk. A September 2021 report from Pew Research found that almost 3 in 4 (72%) people across 17 advanced economies are concerned that climate change will harm them personally at some point in their lives.[5]

For many consumers, the disruption caused by the pandemic gave them a taste of what could be on the horizon—and it's changed their priorities. A May 2021 IBV report found that more than 9 in 10 global consumers say COVID-19 affected their views on sustainability.[6] In 2022, roughly 4 in 5 consumers say sustainability and health and wellness benefits are important to them when choosing a brand. While Millennials are leading the charge, every age group indicates that sustainability, environmental, and/or personal wellness attributes are significant considerations in selecting brands.

In the era of COVID, consumers see that sustainability and wellness go hand in hand. And they say they're willing to pay a significant premium for products that align with their priorities. Overall, 50% of consumers say they're willing to pay a premium for sustainable brands—an average of 70%. Similarly, 60% of consumers say they're willing to pay a premium for brands that provide greater health and wellness benefits—an average of 74%.

And it's not just the wealthy who say they're willing to pay extra. Consumers across income levels and age groups want to support sustainability and health and wellness. Some of the top attributes consumers say they're willing to pay a premium for are "clean" products with non-toxic ingredients (62%), greater health and wellness benefits (60%), organic ingredients (50%), and environmental responsibility (50%). These figures are all up modestly over 2020.

62% of consumers say they're willing to change their purchasing habits to reduce environmental impact.

This is part of a larger consumer mindset shift. As extreme weather events threaten communities around the world—and temperatures reach new record highs—people are quantifying "cost" in a new way. They're also thinking about their own environmental impact more holistically, considering sustainability when shopping, investing, choosing employment, and selecting modes of transportation.

Our May 2021 survey found that 82% of consumers would choose a more environmentally friendly transportation option, even if it costs more. It also found that sustainability-focused companies have a talent advantage. Nearly 7 in 10 (68%) employees are more likely to apply for jobs with environmentally responsible organizations, with 48% willing to accept a lower salary.[7]

When it comes to their daily habits, our survey found that most consumers are doing something to support sustainability, with reuse and recycling among the most common behaviors. Nearly 3 in 4 (72%) carry reusable shopping bags and 62% sort items to recycle at home. Gen Z and Millennials are even more active in supporting sustainability, with roughly half using greener transportation options and changing their daily habits to reduce their environmental impact.

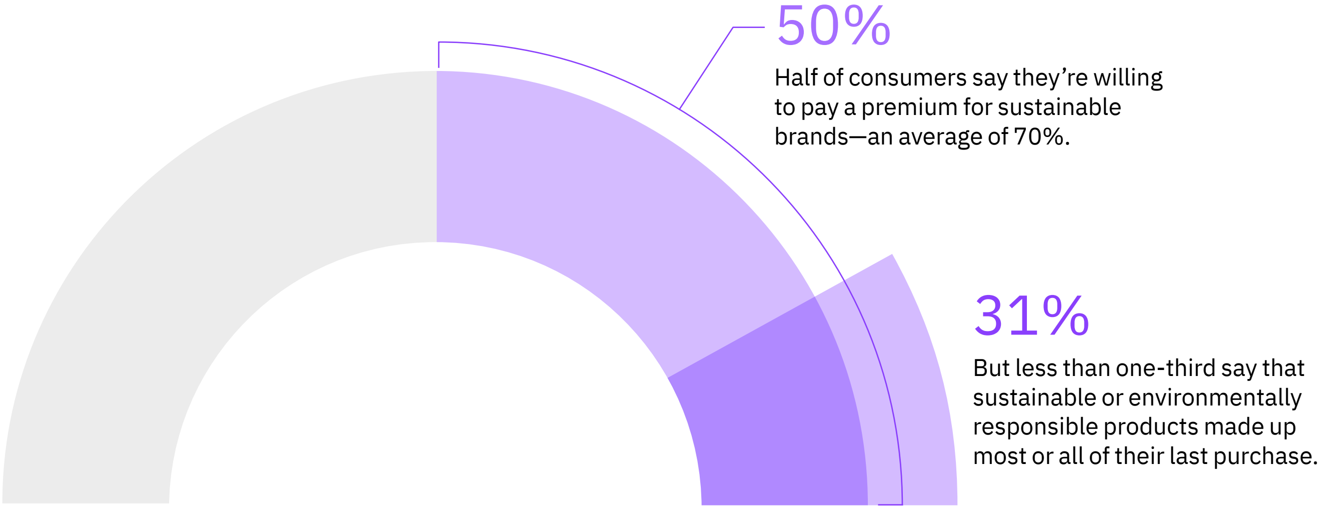
Overall, we found that 62% of consumers say they're willing to change their purchasing habits to reduce environmental impact, up from 57% two years ago. Offering consumers tradeoffs between cost, service, and environmental impact can empower them to make these changes. For example, brands can incentivize consumers to forego express delivery for non-urgent items to reduce their carbon footprint.

However, many consumers' claims are somewhat aspirational. There's a significant gap between what consumers say they're willing to do and how they actually spend their money. Less than one-third (31%) say that sustainable or environmentally responsible products made up most or all of their last purchase (see Figure 4).

Figure 4

The intention-action gap

Consumers say they're willing to pay a premium for products that protect the environment, but their purchases don't always line up.



Price and quality are the two biggest barriers stopping consumers from buying more sustainable products.

This “intention-action gap” has been observed in many recent studies, highlighting a consumer need that hasn’t yet been effectively met.[8] This creates a valuable opportunity for retail and consumer product companies. If they can make it easier and more affordable to shop sustainably—without sacrificing quality—they can capitalize on consumer demands while also protecting the planet.

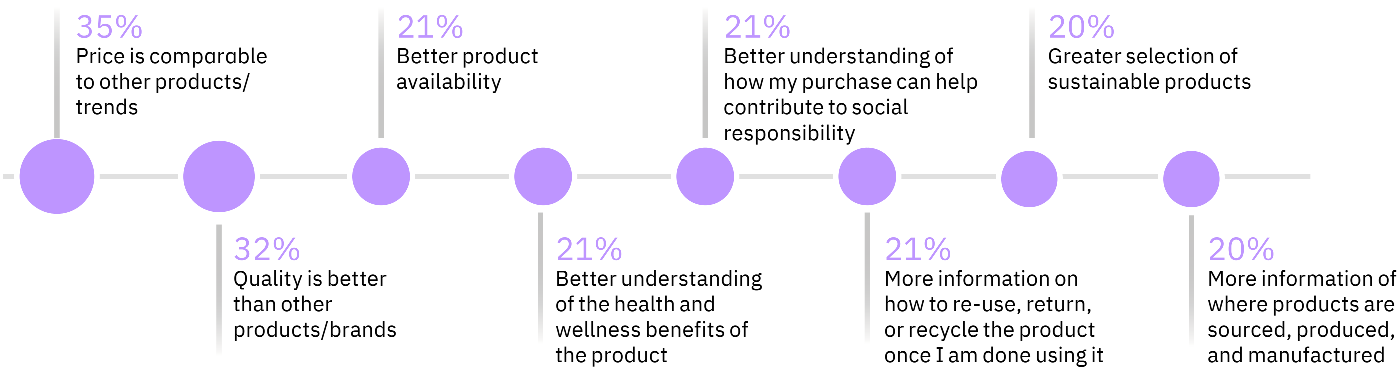
Enabling sustainable shopping

What will it take for consumers to shop more sustainably? For many, it comes down to the basics: price, quality, and selection. While at least half of consumers say that they are willing to pay a premium for a variety of sustainable attributes, more than 1 in 3 (35%) consumers say they would buy more sustainable goods if prices were comparable to other products. Just under one-third (32%) say they’re looking for higher quality products and 20% say they need a broader selection and better product availability (see Figure 5).

Figure 5

Connecting the dots

Comparable prices, higher quality, and better understanding are the top factors that will encourage consumers to buy more sustainable products.



Perspective:
Stepping up on sustainability

For many leading brands, sustainability has become a business imperative and core growth driver. For example, Unilever's growing stable of more than 28 "Sustainable Living" brands has consistently outperformed the average growth rate of the rest of its portfolio since the Sustainable Living Brands metric was introduced in 2014.[9] Other brands have seen similar upticks in demand for environmentally responsible products.

Investors are demanding more sustainable options, as well. In response to growing investor activism, global asset manager BlackRock has started pressuring the biggest polluters in its portfolio to disclose their emissions and decarbonization targets.[10] Similarly, two US oil giants have recently faced shareholder rebellions because their clean energy strategies haven't been ambitious enough.[11]

To connect with consumers and investors looking for environmentally responsible products, many retail and consumer brands are taking a more holistic approach to sustainability. Most companies have launched initiatives to achieve sustainability goals in every link of the value chain.

According to August 2021 IBV research, almost 3 in 4 (72%) food companies have started working toward eliminating hunger, 68% of personal care companies are focused on enhancing health and wellbeing, and 63% of apparel and footwear brands are trying to combat climate change.[12]

In this vein, food company Nestlé and grocery retailer Carrefour are partnering with IBM to bring much-needed transparency and traceability to the global food supply chain. By using blockchain as part of a collective, these companies are working to tell consumers a more comprehensive and accurate story about the products on offer.[13]

This type of evolution is necessary to link companies' back-end sustainability efforts to the customer experience. Clearly communicating what makes a product sustainable, and how their purchases help people and the planet, is key to influencing consumer perspectives—and their purchasing decisions.

Clearly communicating what makes a product sustainable is key to influencing consumer perspectives and purchasing decisions.

Roughly 1 in 5 consumers also want more information about what makes products sustainable; where products are sourced, produced, and manufactured; how to re-use, return, or recycle them; their health and wellness benefits; and how their purchase will contribute to social responsibility or environmental sustainability.

In short, consumers want to know their choices are making a difference. And they're willing to reward the companies that help them connect the dots. A recent report from Kantar found that, over a 12-year period, brands with a perceived positive sustainability impact have grown in brand value faster than those with a low perceived impact.[14]

Companies are also focused on translating this work into language consumers can understand. In Europe, a consortium of leading CPG companies is developing environmental labeling for food products. A program set to run through mid-2022 will explore using a color-coded system combining four key indicators—carbon footprint, water use, water pollution, and biodiversity—into a simple letter grade that can help consumers make informed choices.[15] A similar effort was recently announced among leading apparel brands.[16]

With clear, trustworthy information at their fingertips, consumers are better positioned to make more sustainable purchases. And companies that help shoppers understand their environmental impact will have the chance to build loyalty with a new generation of conscientious consumers.

Action items:

1. **Establish clear standards.**
   Tracing source materials and highlighting a product's environmental impact increases transparency, but this information is only valuable if consumers can understand it—and compare it across brands. Standardized, easy-to-use product information—verified by reputable third parties—helps consumers make more confident choices. Companies need to collaborate across industry ecosystems to adopt unified metrics and terminologies that clearly communicate what product sustainability ratings really mean.
2. **Make sustainable shopping easier.**
   Translate jargon into language that consumers can understand, and offer tradeoffs between cost, service, and environmental impact to empower them to make their own choices.
3. **Appeal to personal preferences.**
   Consumers are looking for ways to improve their own lives as well as protect the environment. Brands can make sustainable choices more appealing by playing up the health and wellness benefits of their products. "Good for the planet, good for me" is an easier sell than sustainability on its own.
4. **Go beyond the product.**
   Consumers are looking for multiple ways to align their purchases with their values. Help close the intention-action gap by making it easier for them to understand how a given product supports sustainability, including the environmental impact of fulfilment, transportation, and packaging.

66% of purpose-driven consumers prefer to buy sustainable products, compared to 30% of value-driven consumers.

Purpose-driven consumers take the wheel

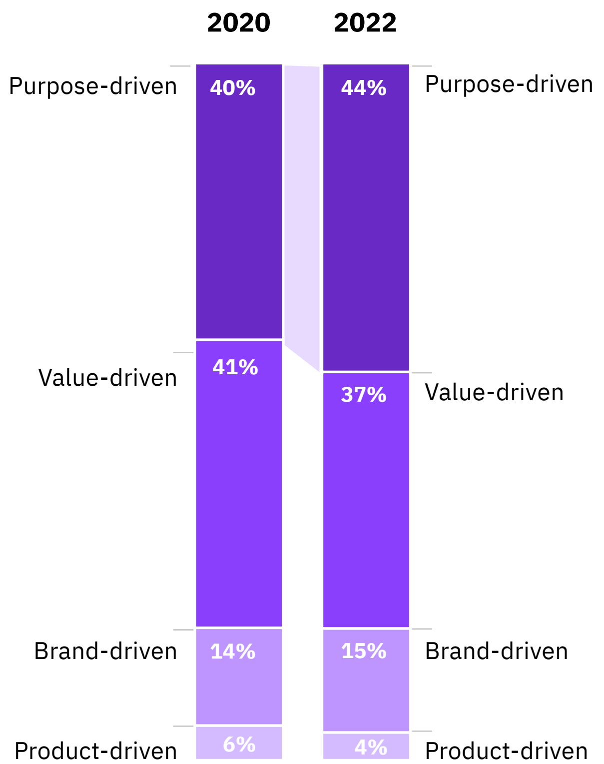
The trifecta of cost, convenience, and value has historically driven shopping behavior. But this foundation shifted during the pandemic. Purpose-driven consumers—people who choose brands based on how well those brands align with their values—now represent the largest segment (44%) of global consumers across all major product categories (see Figure 6).

Purpose-driven consumers say they're willing to pay premiums for products and services that align with their values and change their shopping habits to reduce environmental impact. Value-driven consumers also say they're willing to pay premiums for things they care about, but they're more focused on price and convenience, always looking to get more for their money. Our study found that purpose-driven consumers say they're willing to pay an average premium of 67% for sustainable brands and 73% for health and wellness benefits, while value-driven consumers say they're willing to pay premiums of 57% and 60%, respectively.

Figure 6

The rise of the purpose-driven consumer

Purpose-driven consumers have overtaken value-driven consumers as the largest segment of the population.



Purpose-driven consumers (44%) seek products and brands that align with their values and provide health and wellness benefits. They're willing to change their shopping habits to reduce environmental impact and they care about sustainability and recycling.

Value-driven consumers (37%) want value, convenience, and products and services that will simplify their lives. They're less inclined to switch habits to reduce negative environmental impact.

Brand-driven consumers (15%) trust brands and prioritize the brand when making purchasing decisions. Compared to other groups, they have the highest average income, and they love staying on top of new trends.

Product-driven consumers (4%) are focused primarily on product functionality and value for price. They aren't tied to any brand or product attribute and are the least engaged shoppers.

Note: Totals may not add up to 100% due to rounding.

58% of purpose-driven consumers have recently introduced friends and family to a new brand or retailer.

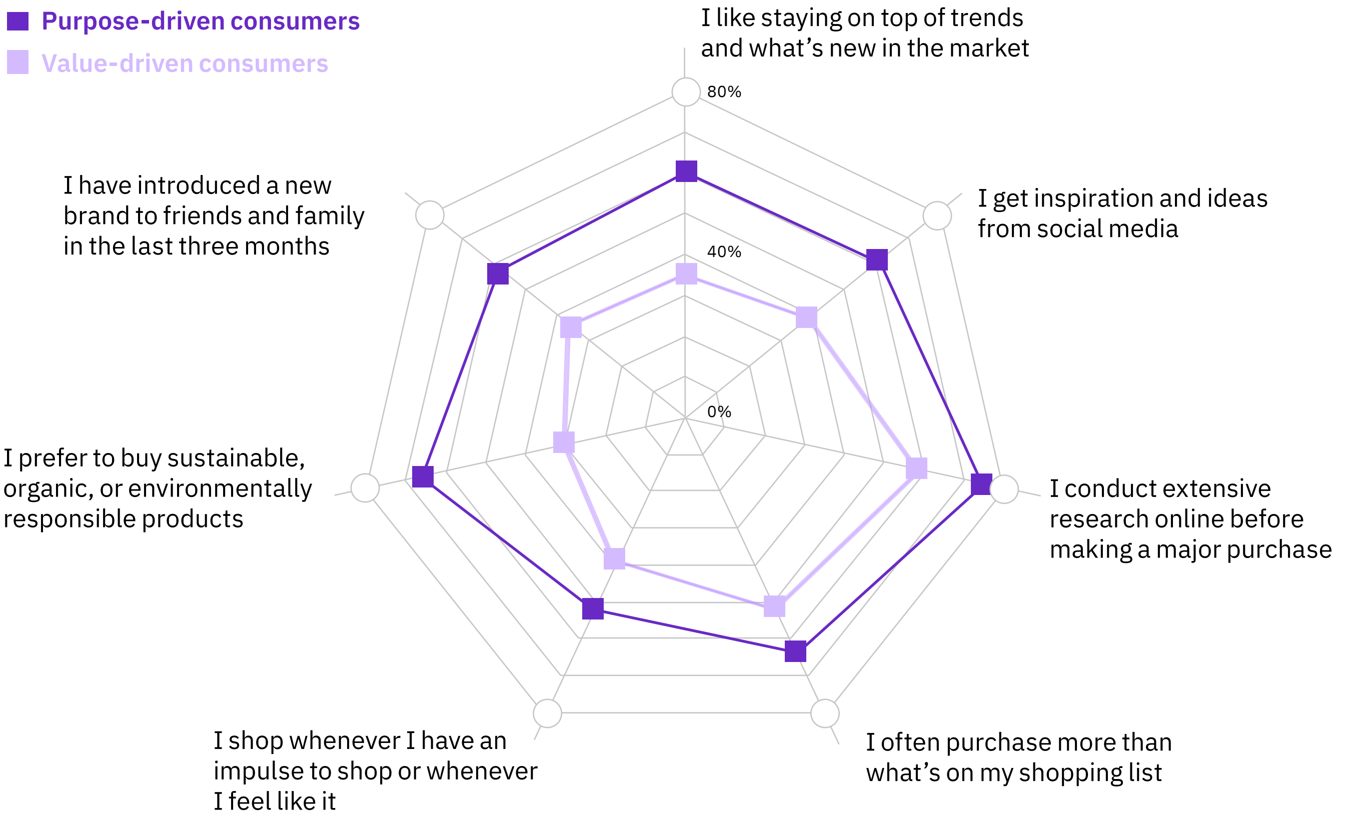
Purpose-driven consumers are also more engaged, shopping more than value-driven consumers, which makes them an appealing segment for retailers and brands. They stay on top of trends, follow social influencers, and shop whenever the mood strikes (see Figure 7). More than half (52%) of purpose-driven consumers say they shop whenever they feel like it, compared to 39% of value-driven consumers. And almost 2 in 3 (64%) say they often buy more than what's on their shopping list, compared to roughly half (52%) of value-driven consumers. They're also more thoughtful about what they buy. 3 in 4 say they conduct extensive research before making a major purchase.

Purpose-driven consumers are great brand ambassadors, introducing products or brands to their friends and family more frequently than value-based consumers. This means demonstrating how a product aligns with purpose-driven consumers' values can lead to lucrative, long-term relationships for brands.

Figure 7

Purchasing power

Purpose-driven consumers have the potential to be valuable long-term customers and brand ambassadors.



But to gain their trust, brands must understand what purpose-driven consumers care about and align their business practices, from product development and design through after-sales support, with those values. For example, because recycling is a large part of their daily routine, brands need to embrace the circular economy and retailers need to empower purpose-driven consumers to re-sell, re-use, and/or recycle the products they sell.

When it comes to closing the intention-action gap, there are notable differences in the strategies retailers and brands need to employ to attract purpose-driven shoppers. These consumers want to understand what they're buying, why their purchase will make a difference, and how the product fits into a company's larger sustainability strategy. Authenticity is key for purpose-driven consumers, who are skeptical of generic claims and wary of greenwashing.

Putting in the extra effort to connect with purpose-driven consumers could be well worth it for brands and retailers. These conscientious shoppers are ready to reward the companies that make their choices easier. Putting the environmental impact of their purchase into context can help put their minds at ease—and endear them to companies that share their values.

Action items:

1. Take a stand.

Retailers and brands must lean into the purpose-driven consumer, aligning every aspect of their brand with consumers' values. This means creating propositions that go beyond price, selection, and convenience.

2. Become an open book.

Purpose-driven consumers expect brands to be clear, honest, credible, and open with their information. They will spend time investigating brands, businesses, and products. Purpose-driven consumers also expect to engage with brands, so prepare to have conversations with them. In return, your brand gains powerful ambassadors with wide networks.

3. Know your customers.

Brands and retailers must identify what their customers want most and find authentic ways to deliver. They may need to transform their entire operating models to stay relevant—and those that don't adapt risk getting dropped.

Higher expectations and upgraded experiences

After the disruption of the past two years, consumers have learned what's important to them—and they've discovered all the different ways they can get what they want. Now consumers want companies to come to them.

Shoppers still appreciate what stores can offer, and will shop there if it's easier, faster, or provides a better experience than shopping online. But consumers are now steering their own hybrid shopping experiences—and purpose-driven consumers have taken the wheel.

These adaptable, informed, digitally enabled consumers like to shop, but they expect more from brands and retailers. They're questioning what companies really bring to the table—and are looking for clear and simple metrics that shed light on how brands and retailers really operate. Brands and retailers need to take a large leap forward to satisfy these shoppers and close the intention-action gap.

Tracing products across the supply chain and offering meaningful information about their environmental impact is now a business necessity. The traditional focus on cost, convenience, and value must be augmented with a sustainability lens to connect with purpose-driven consumers, who are looking for clear, standardized metrics and easier ways to shop sustainably.

Overall, consumers are looking for retailers and brands that reflect their own values—such as sustainability, health and wellness, and social responsibility—and they're listening to a variety of voices when choosing where to shop and what to buy. They want to compare their options quickly—using trusted insights—and make a confident choice. Brands need to understand the mix of purpose-driven and value-driven consumers in their customer base, and offer products that clearly align with their customers' preferences and values.

Retailers must also upgrade and streamline the store experience and leverage this channel's advantages—most notably elevating the role of store associates. At the same time, they need to cater to a new generation of hybrid shoppers, elegantly integrating stores into the hybrid shopping journey. The brands that provide product clarity and streamline the shopping experience, using AI and intelligent workflows to get their message to the right customers at the right time, will have a valuable opportunity to win consumers' favor.

In 2022, brands and retailers have to be present on all fronts, willing and able to serve customers wherever they are. Meeting evolving consumer expectations will require companies to pivot—but those that get it right will be positioned to reap the rewards for years to come.

Study methodology

We conducted a global survey of 19,100 respondents across 28 countries to better understand:

1. the impact of digitization on consumers' lifestyles, spending, shopping, and purchasing habits;
2. how environmental sustainability, social responsibility, and health/wellness trends have impacted consumers' choices in brands and products;
3. and how purpose-driven consumers versus value-driven consumers have evolved.

We analyzed the responses by age group, income, and purchasing habits across product categories, including groceries, personal care and beauty, footwear and apparel, and home goods. For this study, we defined the generations as follows: Baby Boomers were born from 1946 to 1964, Gen Xers were born from 1965 to 1979, Millennials were born from 1980 to 1994 and Gen Zers were born from 1995 to 2003.

Country	**Total**
(1) US	13%
(2) Australia	3%
(3) Belgium	1%
(4) Brazil	3%
(5) Canada	5%
(6) China	11%
(7) Denmark	1%
(8) Finland	1%
(9) France	5%
(10) Germany	5%
(11) India	5%
(12) Indonesia	1%
(13) Ireland	3%
(14) Italy	3%
(15) Japan	8%
(16) Malaysia	1%
(17) Mexico	3%
(18) Netherlands	1%
(19) Nigeria	3%
(20) Norway	1%
(21) Saudi Arabia	1%
(22) South Africa	3%
(23) South Korea	3%
(24) Spain	3%
(25) Sweden	1%
(26) Thailand	1%
(27) UAE	1%
(28) UK	8%

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